Republicans Face 1940

By the Editors

The Socialist Crisis in France
By Rosa Luxemburg

F. D. R. and the War Mobilization Plan
By Hal Draper

The Octopus of Oil
By George E. Novack

Bolshevism and Democracy
A Debate

Twenty Cents
July, 1939
The future of the New International is still in question, for the causes indicated in the June issue: delinquency in payment of bundle accounts by several members of the stronger Party units and laxity of effort in securing subscriptions. At this time we lay stress on subscriptions. For the immediate future it is the ability of the comrades to have renewed several hundred expired subscriptions which will determine suspension or continuation of the New International. It would be a needless calamity to our movement in the United States and internationally if the magazine were to suspend: Needless, because the circulation of the New International is large enough even now to insure maintenance if bundle orders are paid for everywhere; and if at least the present subscription base, including the renewals, is maintained. Actually, the magazine's circulation can and must grow substantially, at least to 5,000.

So far the New International, although a costly publication requiring a minimum of $50 a month to publish, has been self-sustaining, without benefit of any subsidy, having paid all bills in full and having incurred no debts. But we want, among other things, to assist our foreign comrades still more, and sol the slump in bundle payments and subscriptions is making this impossible too. Actually, insufficient copies to cover our needs in the United States and abroad are now being published. But to return to the matter of subscriptions.

There exists a wide discrepancy between the various cities in subscriptions. We cite the figures in the more important localities.

The reason for the discrepancy:

- The size of the bundle orders in various cities will be indicated in, let us hope, the August issue. But the subscription figures alone tell volumes, and each city should take the necessary remedial measures. Some comments on the New International:

**From Norway:** "When I received the copies of the New International I was just reading The Third International After Lenin. I am very eager to read the rest of the number and the new one as soon as they come. You see, it is very difficult to obtain real socialist literature in Norway. Marx, Engels, Lenin and the other pioneers of the international labor movement seem to be dead figures to the official labor parties, in Norway as well as in all Europe. The collaboration with the bourgeoisie is the first point on the order of the day to the leaders, not to speak about the communists, who are running in the arms of the bourgeoisie without any reservations at all. These are only some words in a hurry. I send you my best wishes.—K."

**From London, England:** "We find the New International extremely valuable, especially now that we are growing rapidly. Enclosed find a bank draft.—N. K."

**From Havana, Cuba:** "Enclosed is a money order for $2.40 in payment for bundles of the New International.—J.

**From London, England:** "It is alarming to hear of the precarious position of the New International. I wish we could do more to help.—L. Grey, Revolutionary Socialist League."

**Cape Town, South Africa:** "Please put through the following three subscriptions to the New International.—K."

American readers! Why not catch up with the foreign readers of the New International and help boost the circulation. the task of obtaining subscriptions and others are just lackadaisical. Perhaps the publication of some of these figures will shake all Party units into an active campaign for subscriptions. The expirations cited above do not represent the entire list of expired subscriptions; only the month to publish, has been held. This is a wrong attitude, requiring a minimum of 5,000.

New agents: G. G. Voevode, St. Paul; M. W., Houston; J. B., R. S. L., London; F. Daniels, Lynn; B. P., Fresno; B. George, Columbus; Sol Thomas, Philadelphia; J. Darnell, Detroit; Leo Hassel, Los Angeles; D., Toronto; Sol Margolis, Y. P.S.L. (Peters and B. and Pete H., San Francisco.

During the summer and fall period, the magazine should be sold systematically at street meetings. It has been shown in several cities that well-directed talk from the stand on the N.I. produces sales.

Local Newark in the recent period has been declining in both sales and subscriptions. Yet Newark is otherwise one of the stronger Party units. So far as is observable, the Newark organization and membership gives little or incidental direction to the Right wing faction in the circulation of the magazine, but leaves the job almost entirely to the literature agent. This is a wrong attitude, requiring direct correction. Unquestionably, substantial improvement can be achieved in general sales and subscriptions if the branch, as a whole, will give attention to the New International. This of course holds good for all units everywhere. —The Manager.
The New International
A MONTHLY ORGAN OF REVOLUTIONARY MARXISM
VOLUME 5    JULY 1939    NO. 7

The Editor's Comment

The Republican Party Faces the 1940 Presidential Elections with a Search of a Program
—Wherein It Seems to Differ from the Democratic Program and Wherein It is the Same Thing — The Negative Source of Strength of the Republicans Lies in the Failure of Rooseveltism and the Democrats

CONTROL OF THE ADMINISTRATIVE machinery of the United States government is a juicy enough morsel to water the mouth of almost any political party, quite apart from the political ideals or social interests that clash in the battle for office. Think of the seven or so hundred thousand jobs of the civil bureaucracy, the nine billion dollars of the budget, the billions more for loaning to the proper suppliants, the ladies of rich gravy for cousins and uncles and aunts, all the contracts to be allotted, and the pensions and dams and bridges. When these are added to the claims of patriotism and the need for the salvation of the system of free enterprise, little wonder that dry Republican tongues hang low from panting mouths as the months speed toward 1940. But for an election you need also, burdensome as it may seem to a busy and practical-minded politician, a program. The Republican Party, now that the Civil War and Reconstruction are pretty definitely over, and even the tariff not so burning an issue, is compelled to send its young hopefuls out searching for its lost program.

Let us see what they have managed so far to turn up. By sifting out from recent speeches and articles, and lopping off the decorative hokum, we can sum up the result to date in a brief list:

(1) Economy. Stop the huge governmental expenditures, and balance the budget.

(2) Remove the deterrents to business initiative. Specifically: cut out the “punitive” taxes which make business unwilling to risk capital and to go ahead; and eliminate the excessive government regulation of business.

(3) Less intrusion of government on the field of private enterprise—keep the government from going into the utilities and banking and other businesses.

(4) Revision of the labor laws in order to make them “fair” to employers as well as to employees. In particular: the right of employers to demand union elections; the right of employers to “discuss” collective bargaining affairs with their employees; judicial review of all labor board decisions as to fact as well as to procedure and law; greater legal responsibility for unions; and possibly prohibition of closed and union shops.

(5) In some sections of the Republican Party, but by no means accepted by the party as a whole: opposition to the “provocative” foreign policy of Roosevelt, and return to modified isolationism.

This is fairly complete: government debt; taxes; government-in-business; labor; foreign policy.

It is in order to enquire: (a) Is the Republican program as today formulated serious and realizable? (b) Is it, apart from the answer to the first question, psychologically appealing to the electorate?

The Program Weighed in the Balance

THE SERIOUSNESS OF THE Republican program can be judged partly by relating it to the real needs of United States capitalist economy.

There can be no doubt that Roosevelt’s three billion dollar a year deficit is exceedingly dangerous for the entire structure of U. S. economy. Moreover, it is probable that many Republicans would very much like to have an honestly balanced budget. Nevertheless, it is certain that the Republicans cannot mean the economy plank in their program seriously. This is notoriously proved by the actions of the Republicans during the present session of Congress. Far from having cut down on “executive extravagance”, Congress, with the aid and consent of the bulk of the Republicans, has exceeded the requests for funds made by the Administration by more than three hundred million dollars. On only one single item was a genuine cut made by Congress, and even this was a comparatively insignificant sum: on relief, where Congress—under the leadership not of Republicans but of Democrats—made a small cut in the deficiency appropriation. On everything else the Republicans have been willing to spend as freely as the wildest New Dealer. In the vote on the Townsend Plan, twice as large a percentage of Republicans as of Democrats lined up in the affirmative.

The impossibility of serious economy comes from two sources. In the narrow factional sense, economy would be electorally suicidal. The desperate farmers are not going to vote in 1940 for the Party which refuses them subsidies; Congressmen will not keep their local machines going if they decline to hand out post-offices and patronage. More fundamentally, economy is not possible on the present basis because, with the drying up of new investments and private capital expenditures, huge federal outlays are absolutely necessary to keep the beloved system of private enterprise from falling to pieces. The Rooseveltian economy period of late 1936, early 1937, had as its immediate result the
crisis of August, 1937. The howls for economy, with things as they stand, are baying at the moon.

Only in connection with unemployment relief, which big business regards as not sufficiently productive expenditure and therefore insists on reducing, is the economy demand seriously meant. In all other fields, the demand for economy is neither serious nor realizable.

When we examine the second plan, for the removal of business-deterrent taxes and regulations, we see at once that even if serious it is trivial. The fact of the matter is that the allegedly business-deterring taxes, such as the undistributed profits tax and the excess profits tax, were last year modified into little more than formalities. The greater part of the "regulations" introduced by the Roosevelt administration have proven in practice to be needed self-protective devices for big business. No serious financier would any longer wish to abolish the S.E.C., for example, though he might perhaps wish to change a few of its rules, particularly rules requiring important data to be made public. The Utilities Act is occasionally bothersome, but smart lawyers make out well enough with it. The big fellows are not hurt by the various trade and consumer agencies; on the contrary, the big fellows are aided at the expense of smaller fry. The virtual monopoly in radio manufacture and communication does not suffer from the F.C.C.; rather does the F.C.C. help in preventing small units from getting a foothold. And so in general. The Republicans could not seriously undertake to eliminate the great part of the regulatory functions which the government has assumed; at most they would alter a few rules and procedures.

When this second plank is dissected, only one important serious fraction remains: the reduction, not of so-called business-deterrent taxes, but of high taxes on superincomes. And even this, because of the mass unpopularity which it would excite, and because the taxes are after all not so high as they are made to seem, is probably excluded.

The third plank—less government-in-business—similarly falls to shreds. To begin with, the government is not now in business to any important extent in fields where it competes with private enterprise. The utilities program is spectacular, but a small percentage when compared with the private utilities and in most cases (Bonnieville, Boulder, Grand Coulee, etc.) not at all competitive. In other cases (Tennessee, for example), the government's going into the utilities business means fat profits for the utilities big shots. The government operates much the largest bank in the country. But most of its loans go into fields where private banking would not wish to take the risks. The Republicans would certainly not wish to eliminate those banking operations of the government which consist, as so many of them do (F.D.I.C., Housing, etc.) in guaranteeing deposits, and loans made by banks—that is, guaranteeing the private banks' profits. When you get down to cases, the government has "gone into business", with rare exceptions, only where it has to in order bolster up capitalist enterprise, not to weaken or compete with capitalist enterprise.

In the fourth, labor, plank we find more substance. The Republicans do seriously wish to undermine the strength of the unions, and some but by no means all of the devices they propose toward this end are included in their current program. Here the actions of Republicans give evidence.

For example, last autumn the Republicans took over Pennsylvania and Michigan from the Democrats, Wisconsin from the Progressives and Minnesota from the Farmer-Labor Party. In these four States they have already passed reactionary labor statutes. They would undoubtedly amend the Wagner Act in the interests of the bosses in their first Congressional session after election.

In the final, foreign policy plank, it is to be observed that there is no even approximately united Republican opinion. Many of the most solid Republicans, such as Henry L. Stimson and Alfred M. Landon himself, go out of their way to make clear their solidarity with Roosevelt on foreign policy. The more talkative isolationists and critics are eccentrics like Ham Fish and Hiram Johnson, who carry little weight in responsible Party circles. Whatever the brand of talk, the underlying attitude of all the Republicans is conclusively proved by the fact that they vote all the war funds which the Democratic Administration asks, and more. It is Roosevelt, of course, who is spending and administering these funds. Even the dean of isolationists, Borah, has made clear in this session the meaninglessness of his critique. The anti-Roosevelt foreign policy of a certain part of the Republicans is not serious, but pure demagogy, employed for the sake of its vote-getting response among an electorate uneasy at the approach of the war. It is certain that no important change in foreign policy would or could result from a Republican victory in 1940.

With minor exceptions, then, and a more considerable exception in the case of labor policy, the current Republican program turns out to be not meant seriously, a vacuum. But a further observation can be made. Insofar as the program is meant seriously, it is also the current program of the Democratic Party. The Democrats stand exactly as do the Republicans on the question of economy. On relief and it alone is economy meant seriously; Democrats joined Republicans—including the Democratic leader, Barkley, in the Senate—to reduce the deficiency appropriation; it is Roosevelt who has proposed the drastic relief cut for the next fiscal year. In the matter of taxes, the Treasury Department has already proposed to this session of Congress to remove all the remaining sting from the business-deterrents. Roosevelt's budget proposals for next year include no funds for P.W.A., the agency through which some of the government-in-business projects went through. Without waiting for any amendments to the Wagner Act, the Democrats are even now amending it in fact by altering its rules; they are subjecting the labor board altogether to the courts, permitting employer petitions, etc. In at least ten Democratic States, labor statutes similar to those passed in Minnesota and Pennsylvania, are now before the legislatures.

If the Republicans were today in office instead of the Democrats, there is no reason to believe that there would be any important differences in the current handling of governmental affairs, beyond minor alterations in method, procedure and verbal expression.

**Will the Consumer Buy?**

NO PROGRAM OF ANY bourgeois party is ever honest. It cannot be, for if it were it would have to state openly its
defense of the hideous system of misery and exploitation. We have, therefore, to perform a work of interpretation and translation when we essay to estimate the genuine and serious program of a bourgeois party—the program, that is, upon which it is prepared to act. We must make a separate estimate of the psychological attraction of the ostensibly liberal program which a bourgeois party utilizes. In any given election, demagogy can win a good many votes.

Let us examine, then, the Republican program as it has been so far formulated, from the point of view of its appeal to the various sections of the electorate.

To the unemployed, the first four planks have obviously no appeal at all, but just the reverse. To the extent that the Republicans take over isolationism (and it is doubtful that they would dare write a clear isolationist paragraph into their election platform, though if desperate enough for votes it is perhaps conceivable) there is an element of appeal to the unemployed, most of whom do not wish to be killed in the war.

The same goes for the bulk of the proletariat. Why should the workers be interested in economy (on relief), in lower taxes for corporations and the rich, in anti-labor statutes?

There are factors of more substantial appeal to the farmers and the rest of the middle classes. Many of them look upon organized labor as an enemy, raising the price of manufactured goods, giving union ideas to agricultural labor, and in general a menace. They strongly support the labor-curbing proposals. Economy applied to relief is also all right with them, so long as the Republicans show by their actions—as they are showing—that they will vote large agricultural subsidies. And the covert isolationism is attractive especially to the middle-Western farmers.

The bourgeoisie on the whole favors the program, so far as it goes, and in fact has dictated it: before it appeared on the lips of Senators Vandenberg and Taft it was stated at meetings of the Chamber of Commerce and the National Association of Manufacturers. But the bourgeoisie understands pretty well that the whole program doesn't amount to much and doesn't solve anything. The private news letters from Washington during the recent months are not able for a growing indifference to Republican-vs.-Democratic politics. They seem to take for granted that nothing world-shaking is involved, and that the general trend, which they find most discouraging, is independent of contests between the two parties. Most of the bourgeoisie would prefer a Republican administration—as witness the recently announced gifts to the Republican National Committee from the Rockefellers, DuPants and their friends—but they are getting over their tantrums.

This summary would make it appear that, unless the Republicans sharply revise their program between now and a year from now, they haven't a ghost's chance in 1940. And if the question were one only of positive appeal, this would certainly be the case. The Republican program is a joke: with the exception of the anti-labor plank, either meaningless or a hopeless anachronism harking back to days long past. The Republican Party is an outworn bureaucratic machine, kept moving by inertia. This, on the positive side. But the Republicans have one mighty source of strength, a wholly negative source: the growingly apparent collapse of the New Deal. It is safe to say that 95% of what appeal the Republican Party has and will have to the electorate is negative. The Democrats have failed; if there is nothing else in the field, then the Republicans, however empty their program, are the only alternative. This appeal is not, it should be remarked, enough to swing the unemployed; they will not go along with the Republicans, but if they break with Roosevelt will turn to fascism or the revolution. Nor will it swing the bulk of the workers; if nothing new occurs, they will for the most part either stick heavily with the Democrats or become passive. But it may turn the tide of the bulk of the middle classes and the sizeable majority of the bourgeoisie proper.

**The Problem of the Big Bourgeoisie**

THE PROBLEM FACED by the big bourgeoisie is to maintain their rule and profits in a universally declining social order. The experiences of the past decade have been teaching the U.S. bourgeoisie that this can be done in the following ways only: (1) by expanding their markets, which can only mean by extending them on the international arena—since the possibility of major expansion internally has ended; (2) by increasing the rate of exploitation internally, which means a general speedup and general lowering of the level of real wages internally; (3) by regulating business internally in the interests of big capital. The first of these steps means aggressive imperialist war. The second and third mean the war dictatorship preceded or followed by fascism. Here and here only is to be found the real and serious program of U.S. big business, known to some of its representatives today and to many more tomorrow.

It is true that this serious program is so harsh as to be unwillingly recognized even by big business itself, and to be incapable of use in the public program of a public party; yet only it corresponds to the real needs of big business. The current program of the Republican Party (like that of the Democratic Party, for that matter) is thus only a minor temporary stop-gap, while the scene is made ready for the decisive moves that are, before so long, to come. But this stop-gap is even now inadequate. The dam has already sprung its leaks. The fascist movement, with the Coughlinites today in the van, is surging through. *Their eyes are no longer on the inane jockeying between Republican and Democrat. Will labor also turn its eyes, in time, from the past, and make ready to grapple with the inexorable future?*

**Unser Wort**

Read *Unser Wort*, German organ of the Fourth International, if you want to keep apace of the European and international labor and political movement.

The latest issue contains documents on the Spanish Revolution; articles on the international situation and on the Soviet Union; the second section of the article on "Thomas Man or the Apotheosis of the Non-Entity" and several other articles of interest and importance.

Price, 5c per copy. Order *Unser Wort*, 125 W. 33 St., Room 201, New York, N. Y.
PEOPLE'S FRONT OR CLASS STRUGGLE?

The Socialist Crisis in France

Introductory Note

This work of Rosa Luxemburg was originally published under the title, "The Socialist Crisis in France" in 1900-1901 in Neue Zeit, the chief theoretical organ of the German social democracy. It was written during the "Millerand Crisis" in the Second International, caused by the entry of Alexandre Millerand, the French socialist, into the "cabinet of republican defense" formed by Waldeck-Rousseau in 1899. This was the first time a socialist leader had accepted a portfolio in a bourgeois ministry. Supported by Jaurès, Millerand justified his action on the grounds that the Third Republic was threatened by a coup d'état from the monarchist and nationalistic camps. Luxembourg's brilliant demonstration that the working class cannot defend its democratic gains by joining forces with their class enemies has, unfortunately, been of timely interest ever since she originally wrote it forty years ago.

The present work was re-issued as a pamphlet by the Communist party in Germany in 1922 when the rank and file of the Independent Socialist party were hesitating between following their leaders into the reformist social democracy (then practising the same sort of class collaboration as Millerand and Jaurès had practised two decades earlier) or breaking away and joining the Third International. "The pamphlet," writes Paul Frölich, editor of Luxembourg's Collected Works, "proved of immense value in winning over decisive sections of the Independent Socialist party membership."

The basic question dealt with here by Rosa Luxemburg once more presents itself in the America of 1939, different in form but identical in content. Today the rationalization advanced by the Stalinists, the social democrats, and the other left-wing fellow-travellers of the New Deal is neither royalist coups nor Junker plots but the equally remote threat to our democratic institutions from the armed attack of fascist powers on the other side of the Atlantic. The names and details change, but the essence remains the same. Waldeck-Rousseau must be supported because the Republic is in danger! Ebert and Scheidemann must be supported because the Republic is in danger! Franklin D. Roosevelt must be supported because the Republic is in danger! Rosa Luxembourg's work makes its first appearance in English at an especially appropriate moment in our history.

Luxembourg's analysis must be understood in relation to the historical background of the Third Republic at the turn of the century. The republic of 1791 and the republic of 1830 were the children of successful revolutions, but the Third Republic was born of the disastrous defeat of the Empire of Napoleon III in the Franco-Prussian War. Its first move was the suppression of the Paris Commune of 1871 and the mass execution of some 36,000 Communards. A wave of military defeat, consolidated on the corpses of the most politically advanced workers of France, the Third Republic was for long a sickly growth. For the first twenty years, its existence seemed to hang by a thread. For a time, the monarchists actually had a majority in the National Assembly, and only the fact that they were split between Legitimists and Orleanists prevented immediate overthrow of the Republic. Their influence declined steadily, however, partly because of the ineptness of their leadership but chiefly because, as Luxembourg points out, the Republic soon proved itself to be an even better tool of the bourgeoisie than the monarchy had been.

Although there were constant alarms of monarchist plots and coups, the chief danger to the Republic came not from outside but from its own instability, and especially from its corruption. A series of terrible governmental scandals, like the Ustrie and Stavisky affairs in our own time, encouraged the reactionaries to hatch conspiracies against the weakened Republic. Typical was the vague but threatening movement led by the military adventurer, General Boulanger, whose popularity increased as the Republican politicians sank deeper into scandal, and who was looked to by the monarchist-nationalist coalition as their "Man on a White Horse". The "Wilson Affair," which involved the son-in-law of the President in selling, among other things, the Legion of Honor, gave Boulanger a great opportunity, which he let slip. He was finally forced into exile in 1889, and committed suicide two years later.

Even more serious than the Boulanger affair, and in fact the situation which Millerand used to justify his entry into a bourgeois ministry, was the long drawn-out struggle of the Dreyfus Case. "The republic now has a corpse in its house—the Dreyfus Affair," Luxembourg wrote, "and since it cannot get rid of it by its own strength, it is in danger of suffocating in the polluted air." There is space here for only the salient points in this long and tortuous business. In 1894 Captain Alfred Dreyfus, a Jewish officer of the General Staff, was convicted by secret court-martial of selling military secrets to a foreign power and was sent to Devil's Island for life. It soon became clear to impartial observers that Dreyfus had been framed in order to hide the guilt of an aristocratic (and non-Jewish) fellow officer, and that the highest circles of the Army command had taken part in the conspiracy. The agitation for his release, led by Zola and Clemenceau, grew more violent as the Army high command refused to take action, and then, when its hand was forced, resorted to new frame-ups. The chief of the military intelligence staff was degraded when he insisted on presenting proofs of Dreyfus' guilt, and cut his throat when the forgery was detected. The affair drew ever wider sections of French society into its orbit, as rabid partisans of one side or the other. Against Dreyfus were ranged the Army, the Catholic clergy, the monarchists, and the old aristocracy. The liberal bourgeoisie and the section of the socialist movement led by Jaurès came to the defense of Dreyfus. It was not until Waldeck-Rousseau, one of the ablest leaders the French bourgeoisie has ever had, became premier in 1899 that the dangerous tensions of the Affair were somewhat relaxed by the pardon of Dreyfus.

Another intelligent move of Waldeck-Rousseau was to offer the ministry of commerce in his "cabinet of republican defense" to Millerand. This excuse Millerand made for accepting was the monarchist threats over the Dreyfus Case, but, as Luxembourg shows, this was—an excuse. The monarchists were never a serious threat: in the national elections of the year before, they had polled only 12% of the vote, to 20% polled by socialist candidates. This latter fact undoubtedly worried Waldeck-Rousseau as much as the Dreyfus Case. There was also a considerable increase in strikes at this period—another indication of a growing workers' movement. The inclusion of Millerand in the cabinet—he took his seat alongside General Gallifet, the executioner of the Communards in 1871, who became minister of war—obviously had its utility, to the Third Republic if not to the Second International. As to what happened once Millerand was seated alongside General Gallifet at the council table, let the dry phrases of the Encyclopaedia Britannica tell the story: "His program included the collective ownership of the means of production and the international association of labor, but when in June 1890 he entered Waldeck-Rousseau's cabinet of 'republican defense' as minister of commerce, he limited himself to practical reforms . . . the improvement of the mercantile marine . . . the development of trade . . . technical education . . . the postal system . . . " In a few years even Jaurès was disillusioned and broke sharply with Millerand, who was expelled from the Socialist party, as were Briand and Viviani, who had followed his path from the socialist movement into the cabinet. Wise too late, Jaurès denounced all three as "traitors who let themselves be used to serve the interests of capitalism."

But at the time Millerand made his move,
he did it with the full support of Jaurès. The result was a crystallization of the right and the left wings of the French socialist movement. The majority were persuaded by Jaurès, ably backed by the oratory of Briand and Viviani, to approve Millerand's suit. The new French Socialist party (Parti Socialiste Français) formed around the nucleus of the Independent Socialists, a group of left-wing bourgeois radicals who in 1893 had come out for socialism. In 1901 the Socialist Party of France (Parti Socialiste de France) was formed by a merger of the Socialist Revolutionary party, a Blanquist group led by the Communist Vaillant, and the French Workers Party, which Jules Guesde, Paul Lafargue, Marx's son-in-law, and others had founded in 1880. If the Jaurès group could be described by wits as "socialists on leave of absence", the Guesde group was revolutionary and "Marxist" to the point of sectarianism.

Jaurès' reformist and pacifist illusions were all the more tragic because of his great qualities as a leader of the masses. "Jaurès was the real leader of the French working class," writes Paul Frölich. "He far outstripped the inflexible Marxist, Guesde, in political activity, and quickly took a place in the leadership of the Second International second only to Bebel. A political leader of great ability, he was the best type of working class parliamentarian. Although he was not so deeply rooted in the proletariat as Bebel, he won its confidence with his tireless activity, his sacrifices, and his undying enthusiasm. But his practice showed a strange contradiction between a crystal-clear understanding of political tactics and a deep insight into the real purposes of bourgeois politics, on the one hand, and, on the other, a childish faith in bourgeois democracy. He had a visionary optimism as to the triumph of pacifism.

"A disciple of Kant and Hegel, Jaurès also considered himself a Marxist—though he had only glanced into the front yard of Marxism. He accepted historical materialism, but declared that this did not contradict an idealistic interpretation of history. . . . Lack ing all understanding of the nature of the state, he glorified bourgeois democracy. . . . At the same time, he considered himself an opponent of the revisionism of Bernstein, which he rejected in theory only to accept in practice. Jaurès stood for class collaboration, and sought a common ground on which to reconcile proletariat and bourgeoisie. From this viewpoint, his experiments in ministerialism seemed highly successful. For Jaurès, the conquest of one cabinet post after another—that was the conquest of power!"

The line which each wing of the French socialist movement took towards the Dreyfus Case was characteristic. Guesde and his followers steadfastly refused to take either side—"ni l'un ni l'autre", neither the well-to-do Jewish officer nor the Generals and the Jesuits. Why all this fuss about a single officer unjustly condemned when 30,000 workers had been massacred in 1871 without any bourgeois voice being raised in their defense? What concern of the workers was this squabble between various sections of the exploiting class? Jaurès, on the other hand, leaped into the fray and worked energetically alongside Zola and Clemenceau. He was a man of principle, impetuous, and fought for Justice with such simple-hearted idealism as to make his agitation indistinguishable from that of Clemenceau and the bourgeois liberals.

"Rosa Luxemburg accused both tendencies," writes Frölich, "of failing to grasp the problem of all proletarian tactics: the relationship between the daily struggle and the final goal. The followers of Guesde remained passive and therefore neglected the task of the hour—the fight against militarism. The followers of Jaurès sailed in the center of the flotilla of one group of the bourgeoisie, fighting under the battleflag, 'Eternal Truth and Justice', without regard for either distance or direction. "

"The result was isolation and exclusion of one Socialist party from the political life of the country, and the binding of the destinies of the other to those of the bourgeois Republicans. Thus the split in the socialist movement grew still wider. Further effects were: ministerialism, Millerand's coalition politics, the bankruptcy of the Socialist party and its policy, and the withdrawal of disillusioned proletarian masses from the political arena."—Dwight MACDONALD

JAURES AND HIS ADHERENTS justified Millerand's entry into the Cabinet on three grounds: The Republic must be defended. It would be possible to put through social reforms of benefit to the working class. And, finally, the development of capitalist society into socialism must give birth to a transition period in which the political power is wielded in common by the bourgeoisie and the proletariat and finds its outward expression in the participation of socialists in the government.

After a time, the reference to the defense of the Republic became the chief argument. Th Republic is in danger! That is why it was necessary for a socialist to become the bourgeois Minister of Commerce. The Republic is in danger! That is why the socialist had to remain in the cabinet even after the massacre of the striking workers on the Island of Martinique and in Chalon. The Republic is in danger! As a result, inquiries into the massacres had to be blocked, the parliamentary investigations of the horrors perpetrated in the colonies had to be discarded, and the amnesty law accepted. All acts of the government, all positions and votes of the socialists are based upon a concern for the threatened Republic and its defense. It is time to analyze the situation calmly, undisturbed by the uproar of the daily struggle and its slogans. It is time to answer the question: just what do this danger and this defense consist of?

Despite violent class and party struggles, we do not hear of dangers threatening the republican form of government in the United States of America. This is entirely understandable, since the republic in America was won simultaneously with national independence. The Americans have never experienced monarchical rule as an independent nation. In France, on the contrary, the fears for the welfare of the Republic appear just as understandable, since it was twice established through violent struggle, only to be twice, after a short existence, overthrown by the monarchy. We, therefore, have these past experiences casting their ominous shadows on the present situation—shadows which conceal the vistas of historical development that lie between past and present.

Coup d'Etat: 1799 and 1851

Although the two Napoleonic coups d'etat—the Eighteenth Brumaire of 17991 and December 2nd of 18512—were produced by specific and immediate political situations, their roots went far below this surface. The First and the Second Empires alike were the direct products of preceding revolutions. They marked the extreme point of rest of the receding revolutionary wave and were supported rest

1 With the coup d'état of the Eighteenth Brumaire (November 9, 1799), Napoleon Bonaparte assumed supreme power. Returning from Egypt a national hero, he had no trouble in putting an end to the巴士底狱起义, dismissing the Directory, dissolving the National Convention, and forcing the Council of Elders to appoint him First Consul, the other two consuls being mere figureheads. The stream of the Great French Revolution, lost for years in the stagnant marshes of the Directorate, was commended up for good by the Eighteenth Brumaire—D.M.

2 Louis Napoleon—"Napoleon the Little", the nephew of Napoleon I—was elected president of the newborn Second Republic in 1848; a few months after the insurgent workers of Paris had been crushed in the "June Days". After three years of parliamentary rule, on December 2, 1851, the anniversary of Austerlitz, he dissolved the Chamber illegally, made the party leaders arrestable, and four weeks later, had himself re-elected president in a national plebiscite. "On December 2," writes Frolich in his Eighteenth Brumaire of Louis N apoleon, "the February Revolution is conjured away by a card-sharper's trick."—D.M.
in both cases by two powerful classes of bourgeois society, the big bourgeoisie and the peasantry.

In the Eighteenth Brumaire, we have a bourgeoisie in the period of the revolution's ascent, seeking to check it and lead it back to its starting point in order to strangle it, because it had been carried beyond the point they fixed for it—the creation of a constitutional bourgeois state—and was threatening the very foundations of this state. Hand in hand with this bourgeoisie went a peasantry, liberated and in possession of the land, fearing every new change as much as the return of the old régime, and anxious to consolidate its conquests through a government that was hostile to both the revolution and the legitimate monarchy. Facing these two classes across the barricades was a working class which during its short rule had frightened the petty bourgeoisie and driven it into the arms of reaction, but at the same time had shown that it did not yet possess an independent, practical program of action and had, therefore, been grinding itself to pieces in the revolutionary struggles. Finally, the threat offered by the anti-Jacobin coalition of feudal-reactionary Europe caused the internal contradictions and struggles to be pushed into the background and concentrated everything upon the necessity for a strong, external front.

In the coup d'état of December 2, 1851, we have a bourgeoisie in power, which, like the big landowners, is frightened by the revolutionary uprising of the proletariat and the petty bourgeoisie. It secures the help of the petty bourgeoisie to trample the proletariat underfoot in the June massacre, and then, in order to finish with the petty bourgeoisie, strengthens the state power more and more at the expense of popular representation. In doing this, it finally places its own neck in the noose, with the greater resignation since it, from the beginning, is monarchical-minded, and only finds fault with the monarchy of Bonaparte because it would have preferred that of the house of Orleans or the Bourbons. Next to this bourgeoisie, we have a peasantry, which has been devoted to the Napoleon tradition since the First Empire. In the Second it sees a means of establishing order with the bayonets of the army, and of controlling the turbulent city population it hates and fears.

The pattern of the coup d'état is, therefore, the same in both cases: on the one hand, the positive economic and political interests of the dominant classes in society tied to the monarchy; on the other, the working class, by now rendered incapable of action, as the only real republican force. Finally, in both cases, the monarchy finds its foundation prepared in advance by the march of the counter-revolution, which has already created posts combining the supreme civil and military powers: the life-long consuls and the plebiscite-elected President. Whatever the coup d'état conquered, therefore, had already dropped into the lap of the Republic as a ripe fruit of the counter-revolution. The coup d'état did not establish a new state of affairs. It merely recognized the new situation and gave it its name.

**The Bourgeois Republic**

The events in France during the Dreyfus affair were fundamentally different. Those who interpreted the treason of certain generals and the rise of the Nationalists as omens of a third coup d'état modelled after the two previous ones, disregarded the entire social development of France in the last thirty years. The profound alternations in the social structure of France during this period may be summed up as follows. In 1799 and in 1851, the Republic was arrested and executed by the coup d'état before it had a chance to rid itself of its revolutionary baggage. The Third Republic, however, has been able to last long enough to enter a normal period of existence and prove to the bourgeoisie that it knows how to adapt itself to their interests, and much better than any monarchy in the world could possibly do.

The main body of the bourgeoisie achieved undivided political rule for the first time in the Third Republic and has wielded it since the end of the 1870's almost continuously through the cabinets and parliamentary majorities of the opportunist petty-bourgeois parties. The French colonial policy and militarism, as well as the resulting gigantic state debt, have shown to the bourgeoisie that the Republic can compete with any monarchy in these most lucrative projects of the bourgeoisie. The Panama Canal and the South Railroad affairs have finally proved that Parliament and the Republican administration are tools no less adaptable to the lords of high finance than the political apparatus of the Orleanist monarchy.

The Third Republic, furthermore, has proved to be fertile soil for the petty bourgeoisie. A huge crop of small state creditors and state officials sprang up from the growing national debt and the continuously expanding bureaucracy. The entire existence of this army was dependent upon the peaceful stability of the Republic.

And finally, the Republic's oldest and most bitter enemies, the landowners—the small and even more the big—have been showered with golden fruits from the Republic's horn of plenty. If, at the time of the coup d'état of the second Napoleon, one section of the peasantry was already progressive enough to break with monarchal rule in a series of brutally suppressed revolts, it now had abundant opportunity to still further revise its views of the Republic. A whole series of important measures have been carried through in the last two decades that benefited most directly the wealthier peasants, the old support of Bonapartism. The reduction of land taxes alone since 1897 amounts to nearly 25 million francs. Despite the great increase of the government's net income, the tax burden of the landowners has decreased by one-sixth! The system of protective tariffs, particularly on cattle and grain, has above all added to the wealth of the landowners. Then there are the addi-

---

3 Luxembourg seems to be thinking here of the final transition to a monarchical regime rather than the first seizure of power. The Eighteenth Brumaire led to the lifelong consulate, which was conferred on Napoleon in 1802, after a plebiscite in which 4,648,885 voters answered Yes and 6,874 answered No to the question: "Is Napoleon Bonaparte to be made consul for life?" The life consulate, in turn, prepared the way for the final crowning of Napoleon as Emperor of the French in 1804. So, too, the coup d'état of December 2, 1851, three weeks after his initial coup. This set the stage for another plebiscite, on December 2, 1852, which gave him supreme power and the title, Emperor Napoleon III.—D.M.

4 Two of the many governmental scandals of this period of the Third Republic. The Panama Canal affair was especially serious. Ferdinand de Lesseps, the engineer of the Suez Canal, in 1869 organized a company to cut a canal through the Isthmus of Panama. The French public invested $250,000,000 in the scheme, but no work was done of any importance, and the company went bankrupt. In 1892 the suicide of Baron Reinach, a banker closely connected with De Lesseps, precipitated a financial crisis in the government. Over one hundred members of the two national chambers were involved, including the president of the Chamber of Deputies, who admitted he had received $60,000 for his services. The affair caused the fall of two cabinets.—D.M.
tional expenditures of hundreds of millions of francs for technical improvement, for the construction of roads, further reduction of freight rates on the products of the soil, etc.

In general, we note the nearly complete cessation of effective social reforms and the trend towards drawing the state income almost entirely from indirect taxes which bear most heavily on the masses. Between 1863 and 1897, while the population has remained constant, the income from the tariff has increased 183%, the proceeds of the tobacco monopoly by 49%, liquor taxes by 84%. All of this indicates a very obvious material gain for all the possessing classes, the costs of which are largely borne by the only non-possessing class—the proletariat.

It must be added that the Republic in its foreign affairs, as in its internal policies, gives ample proof of its useful-ness by its alliance with Czarist Russia, the chieftain of European reaction. Once its greatest enemy, Russia today is the Republic’s benevolent patron and ally.

The last thirty years have not passed over the stage of history without leaving their mark. They have transformed the Third Republic from the much-feared spectre of revolutionary upheaval into the normal form of existence of bourgeois society.

Today the Republic has the support of the main body of the bourgeoisie and of the peasantry—the suspicions of this one-time chief opponent having been disarmed by the Republic’s proving itself a kindly protector. And the working class too, still loyal despite its being treated like a step-child, is no longer the same as in the days of the first and second coups d’état. Politically trained, clarified, organized, even if split into factions, the socialist proletariat of France, whose parties polled nearly a million votes in the last elections to the Chamber, commands respect today as a firm bulwark of the Republic.

Grand Alliance in Bedlam

It is clear that in this milieu monarchism is reduced to a wholly different rôle than it formerly played. During the Dreyfus affair, everybody regarded the nationalist camp as the headquarters of the coup d’état purely because of the slogans of the daily struggle, even as every reactionary like Meline, Barthous, or Ribot was considered a monarchist without further thought. Closer and calmer examination, however, revealed that the Nationalists presented anything but an internally united and homogeneous political front. On the contrary, this camp was rather a rendezvous of heterogeneous elements with the most varied goals and interests.8

In the center, we see the compromised top ranks of the army, the general staff, and its adherents. It is true that these, in their fear of being called to trial before the Republican civil authorities, were driven to rebel against this authority. But fundamentally, they have no serious interest in the reconstitution of the monarchy. On the contrary, it was just in the Third Republic that the army was glorified as never in the past, because of the spread of an idiotic chauvinist cult and through various reforms and special privileges. And the Dreyfus affair itself has best shown that the military heads have, from their own viewpoint, found the Republic to be a paradise. It can easily be demonstrated that a despotism and autocracy of the military chiefs such as existed under the wing of the opportunist Republic cannot be so easily conceived of under a monarchist régime. The military chiefs could not seriously feel a longing for the tight reins of the monarchy. Their anti-republicanism, in this case, was only the natural form of self-defense of swindlers who were unmasked and caught by the Republic.

Next we have the clergy, which has always been on guard under the Republic, watching for an opportunity to strangle it. No doubt the clerics exercised an enormous influence on public opinion, but they were incapable of any action, appearing only as the stage managers and prompters, and not as the actors.

Thirdly, we find a strong anti-Semitic tendency in the petty bourgeoisie, a natural development in France, the land of small enterprises and a Jewry active in the financial world. The agitation against the “Dreyfusards”, as with every reactionary current, provided them with favorable grounds for a nationalist demagogy. But they had no need to declare their allegiance to a Caesarian coup d’état, nor, in fact, did they declare such an allegiance.

Finally, there are the real monarchists. Some represent the peasantry in the most backward regions of France. Others are aristocrats who were forced, during normal times, to conclude an open peace with the Third Republic as “monarchal republicans”—or at least to accommodate themselves quietly to the situation—but who now, taking heart from the crisis, appear on the political scene with their entourage of journalists and littérateurs.

It is to be expected that these elements, impotent by themselves, should, shoulder to shoulder with the papist hierarchy, at once group themselves around the hard-pressed generals, pushing them forward as the storming party and generally using the crisis for their own purposes. Nor is it to be wondered at that this circumstance, together with the rebellious attitude of the compromised general staff, should give the entire camp a tinge of Cesarism. The monarchist tendencies, injecting themselves into the Nationalist camp from without, really found no point of contact whatsoever. Not only was there no important movement in their direction from any class in society, but there was not even a focal point in the form of a seriously regarded pretender to the throne. The one, a First Lieutenant in the Russian Army, leads his obscure existence in a garrison of a provincial city of the Czar’s Empire, and can no longer refer to Austerlitz and Jena as proof of his legitimacy, but must rely on Sedan and Metz. The other, a nonentity who idles about in foreign countries, has a following of a couple of hundred gray-haired men and women whose entire “agitation” consisted of gathering at an annual banquet as they lately did once more to give expression in hackneyed speeches to their hopes in the “course of events”.

Under such circumstances, the united action of this camp had to content itself with whipping up a chauvinist delirium, with Jew-baiting, and with a glorification of the army.

---

8 Of, Encyclopædia Britannica, 11th Edition, on this situation: “The opposition to the government was heterogeneous. It included the few monarchists left in the Chamber, the nationalists ... and a number of republicans. ... The ablest leaders of the opposition were all middle-class republicans. ... The most conspicuous opponents of the cabinet were the ex-prime ministers: M.M. Meline, Charles Dupuy, and Ribot.” —D.M.
that surpassed all previous performances. But nearly every thing was missing for a serious political act, like the overthrow of the Republic. They lacked internal cohesiveness. an organization, a program of action, and above all, an internal development of social conditions which, as in the previous cases, carried the monarchy in its womb and awaited but a coup d'état to give it birth. The Dreyfus affair provided an issue to rally around. It could supply the basis for a monarchist agitation, it could even furnish the political motive for the execution of a coup d'état, but it could not supply the positive forces which were lacking for an overthrow. Monarchism provided the outward coloration, not the content of the crisis.

The Independent Role of the Army

The latter lay in a completely different direction. Even as the Third Republic was evolving into the final form of the political rule of the bourgeoisie, it was also simultaneously developing all its internal contradictions. One of these fundamental contradictions is that between a Republic based upon the rule of a bourgeois parliament and a big standing army adapted to the needs of colonial and world politics. In a strong monarchy, the army is reduced, as a matter of course, to an obedient tool in the hands of the executive power. However, in a parliamentary republic, with its momentarily changing government composed of civilians, with an elected chief-of-state whose post may go to any one of the "rabble," whether formerly a tailor's apprentice or a slick-tongued lawyer, the army, with its outspoken caste-spirit, naturally shows the tendency to become an independent power, only loosely tied to the state apparatus as a whole.

The cultivation of "pressure group" politics on the part of the bourgeoisie of France has gone so far as to result in their falling into separate groups, which, without any feeling of responsibility for the whole, have made the government and parliament a plaything of their special interests. This development has, on the other side, given rise to the army developing from an instrument of the state into an independent "pressure group" of its own, prepared to defend its interests without regard for the Republic, despite the Republic, and against the Republic.

The contradictions between the parliamentary Republic and the standing army can be solved only through the dissolution of the army into the civil population and the organization of the civil population into the army. This would mean changing the army from an instrument of conquest and colonial rule into an instrument of national defense. In short, the solution must be found in replacing the standing army by a militia. As long as this is not done, the internal contradictions will continue to result in periodic crises, in clashes between the Republic and its own army, in which the obvious results of the army's growing independence, its corruption and insubordination, become ever more prominent.6

The mutiny of the military heads was one aspect of their attempt to assert their independence of the republican civil authorities. It by no means indicated a desire to lose this independence entirely through the establishment of a monarchy. Hence the farcical character of the actions of the monarchists. A stormy pillow-fight in the press, an ear-splitting tumult by the anti-Semitic rowdies, the appearance of cheering crowds before the offices of the Nationalist press, and the noisy sheathing of windows in the offices of the pro-Dreyfus papers, the insulting of innocent passers-by, the attempt to beat up the president at the race track . . . but in the midst of this electrically-charged, nerve-wracking atmosphere—not a single serious political movement to carry through a coup d'état. The ferment came to a head in that great historical moment when the extravagant buffoon, Deroulede, grabbed General Roget's bridle as he was leading his troops into the barracks and, with an emphatic pose, sought to lead him against the President's palace in the Elysée, without having the slightest notion what General Roget was expected to do once he got there, nor what was to result from the whole adventure. The rogue in military uniform proved wiser than the fool in civilian clothes and a sword stroke across Deroulede's fingers was the answer to the beau geste of the anti-Semitic leaders. Thus ended the sole attempt at a monarchist coup d'état.7

Comedians—Monarchical and Socialist

Events in a word were considerably different than they appeared on the surface. Here, as ever, the security of the Republic did not depend on individual "saviors", above all not on a minister's seat, but upon the whole internal relationship of the economic and political conditions of the country. It is easy to understand how the danger of a coup d'état in France could appear to be serious and great in the midst of the tumult of the daily struggle, where an investigation of the social background of the phenomena is very difficult, virtually impossible for the participants, and where, as a matter of course, the events and facts assume exaggerated dimensions. An energetic action was natural on the part of the republicans to hold the nationalist mob and the General Staff in check—and an action outside of parliament was an even more crying need.

But to adhere to such views born in the daily struggle, today, after the crisis is over and when it can be seen from a distance, and to celebrate in all seriousness the cabinet of Millerand as the true "saviors" of the French Republic, is

---

6 It should be remembered that this paragraph was written forty years ago. It has long been clear—and, no doubt, became clear enough to Luxemburg herself during the war—that "democratization" of the army means little so long as it is used to defend the bourgeois state, and that the content of "national defense" has evaporated in the period of imperialism. As an example of how revolutionary thinking has changed on this point, it is interesting to compare with Luxemburg's reasoning, section 42 of the war resolution adopted by the Sixth Congress of the Communist International in 1928: "Imperialism states the attitude of the proletariat towards armies is determined by the following: No matter what their form of organization may be, armies are a constituent part of the bourgeois State apparatus, which the proletariat, in the course of its revolution, must not democratize, but break up... The attitude must be maintained equally towards standing armies and democratic militias, for both these forms of military organization represent the armed forces of the bourgeoisie directed against the proletariat.

1 This farcical attempt at a coup was connected with the Dreyfus Case. President Faure, who was violently anti-Dreyfus, died early in 1899. His successor was M. Loubet, who was known to be sympathetic to the Dreyfusards and who, in fact, a few months later granted a pardon to Dreyfus, at the suggestion of the new premier, Waldeck-Rousseau. The "attempt to beat up the president at the race track" was directed against Loubet at Anteuil in June, 1899. The "great historical moment" to which Luxemburg refers was the murder of President Faure, Deroulede was a poet who dabbled in politics and who some years earlier, as president of the Delegation of the French Left, in General Boulanger's conspiracy against the Republic. Deroulede, naturally, was an anti-Dreyfusard, as was General Roget—but the latter, as Luxemburg remarks, was less of a fool and so refused to march.—D.M.
nothing else but an example of that vulgar historical method, which, as a counterpart of vulgar economics, presents the events merely as they present themselves on the surface of political life and understands history to be the work of ministers and other "important" people, instead of understanding its true internal relationships. Millerand's salvation of the Republic is to be taken just as seriously as the monarchist threat presented by Deroulede. (To be continued)

Rosa LUXEMBURG

(TRANSLATED BY ERNEST ERBER)

F.D.R. and the Industrial Mobilization Plan

0 F ALL THE PHASES of war preparation undertaken by the government, it is the Industrial Mobilization Plan which has met with the most widespread opposition and condemnation. The cold-blooded manner in which it blueprints an American dictatorship on M-day has brought a flood of protest—from trade unions, including A.F.L. and C.I.O. conventions; from liberals and church groups; and even from the N. Y. Times. It is the only phase of the government's war preparations which the ex-Communist party has thus far refrained from overtly supporting. Since 1937, when the C. P. peripheral press was still printing articles explaining the sinister character of the I.M.P., it has followed the general policy of the bourgeois press—silence.

But as might be expected, this protest has been directed at individual Congressmen, subordinate officials, anonymous "Tories", etc. The man who has supplied the real drive behind the I.M.P. has escaped unscathed amidst this avalanche—and this has been almost as true of the radical press as the others. That man is Franklin D. Roosevelt.

Roosevelt has rather successfully managed to conceal his hand and throw all public responsibility on his "fall guys". But the extent to which the fall guys are taken as the real culprits becomes desperately absurd in a recent article in the New Republic by one of its editors, Jonathan Mitchell. Mitchell is a liberal New Dealer and a Washington "observer"—a term, by the way, which ignores Sherlock Holmes' celebrated distinction between seeing and observing—and his subject is "Louis A. Johnson: M-Day Man" (Feb. 22, 1939). His thesis is simple: The idea that Roosevelt is militaristic is "plain nonsense" and "fantastic". But there is a man in Washington with dangerous militarist proclivities—the Assistant Secretary of War, Louis Johnson. Johnson, it has been "discovered", has a plan for wartime regimentation—the I.M.P.; he also wants to replace Woodring, the Secretary of War. As a counterweight to Johnson's sinister intentions, Mitchell looks to Woodring! "The New Deal group that looks upon Mr. Johnson as a symbol of a war economy is praying that Mr. Woodring never resigns," concludes Mitchell.

One could understand a demand for documentary evidence to verify this quotation. Not only is St. Franklin guiltless of harboring ideas resembling the I.M.P., but our bulwark against the M-day dictatorship is the same Woodring who, when he was Assistant Secretary under Dern, was himself the government's "M-day man" (since that is the Assistant Secretary's job); who, in that capacity, publicly boasted that "the industrial mobilization plan formulated in my office" had been tested in the C.C.C. mobilization, which was "a great military achievement" and "a dress rehearsal of the Army's ability to intervene... in combating the depression", that the I.M.P. had prepared the Army to suppress disorders attendant on social breakdown and to "organize the veterans of the World War, the C.C.C. men, and through them the system of emergency relief, into a system of economic storm troops", "to co-ordinate our economic life", etc. To look on Woodring as the "lesser evil" as against Johnson is to carry even that celebrated theory to extremes.

The fact is that Roosevelt is not only responsible for the I.M.P. but for Woodring and Johnson as well. Mr. Mitchell himself will shortly help to demonstrate that for us.

The I.M.P., to be sure, goes back long before the Roosevelt administrations. Mobilization planning began in this country in 1916, when the Council of National Defense was set up as direct preparation for entrance into the war. The Advisory Committee of the Council, including Bernard M. Baruch and Hugh Johnson, was making detailed secret plans for mobilization (and the draft) while Wilson was still "keeping us out of war". During the War, the War Industries Board, headed by Baruch, elaborated these still further. In 1920 Congress entrusted the Assistant Secretary of War with the job of developing a blueprinted mobilization plan for the next time, and the Industrial Mobilization Plan is the result of the War Department's activity since that time.

Roosevelt played a modest role in these activities even then. From 1912 to 1920 he was the Assistant Secretary of the Navy, with duties analogous to those of Louis Johnson today—procurement of supplies, planning for mobilization of the resources required by the Navy, purchase and sale, the business end of the Department's work. His biographers proudly state that while the war was going on in Europe he was acutely aware of the necessity of preparing the Navy for M-day and that he performed this task by his own efforts before 1917. Publicly he was one of the leading advocates of preparedness, including industrial preparedness. One of his proposals was the storage of 20,000,000 barrels of fuel oil. During and after the war he was an ardent advocate of peacetime conscription—a measure which even the authors of the I.M.P. did not dare put forward, limiting themselves to planning the wartime draft.

In 1920 the Wilson administration and its war-birds were swept out; new men who had not been faced with the problems of the war came in under the slogan of "Back to normalcy!" and without the same eagerness proceeded with mobilization planning. Writes Rose M. Stein: "All the plans and schemes went into hibernation. Only in the..."
office of the Assistant Secretary of War did the tradition live on, only there was it carefully guarded and nurtured as was guarded and nurtured the store of ancient lore in the mediaeval monasteries.” This is not precisely accurate: the tradition lived on also in frequent speeches by Baruch, and in the pressure campaigns of the American Legion, under cover of the fair-seeming slogan, “Take the profit out of war.”

From 1920-1921, the War Department carried on its paper planning work, unaided by appreciable stimulation from above but undisturbed, the paper plans mounting in the archives. The obscurity into which this work had fallen ended, however, with the decade of peaceful prosperity. In 1931 the Hoover administration bestirred itself to the extent of secretly preparing for the War Department drafts of bills based on the I.M.P., ready to be introduced on M-day. But all this was still on paper, an administrative affair.

The date of Roosevelt’s accession to office marks a complete change in the picture. As Miss Stein puts it: “For the general public the intervening decade of prosperity and inflated values had shoved the War far into the background, but to the people who came back into office for the first time since 1920, the war experience was of yesterday. The plans they had worked on were untouched and intact. They left at the close of one emergency and came back at the height of another.” Roosevelt picked up the threads where the Baruch-Johnson coterie had laid them down in 1920.

The change has consisted in this: Roosevelt has taken the I.M.P. out of the field of routine paper work in a subordinate government bureau and has made it a leading administration activity, giving it the full backing and attention of the administration.

Soon after Roosevelt took office, in 1933, the Plan was published for the first time. Not for the general public, however. Forty-eight hours after publication, it found that the supply was exhausted, and it was thenceforward unavailable. While formally the same as the publication of any other governmental document, it was in actuality a limited edition available only to the proper people. The result was that the details of the Plan, while no longer formally secret, remained comparatively unknown, even to the radical press. The decision of the new administration to print the Plan was taken in order to provide a basis for approaching industry on the next steps.

It is impossible within the scope of this article to describe in detail the flowering of the I.M.P. and the expansion of the pre-war I.M.P. machinery in the Assistant Secretary’s office that took place from this point on. The intensive survey of industry; the signing up of 10,000 plants for the production of specific quantities of specific materials on the basis of signed agreements; the administration-supported drive for legislative authority for the granting of “educational orders” to selected plants, which was finally put through against some Congressional opposition; the involvement of committees of “outstanding citizens” in the planning of certain phases of the I.M.P. (e.g., the mobilization of woman-power); the organized effort to bring key business executives into the military machine as reserve officers; the numerous other activities of the M-day men today, which will have to be gone into at full length elsewhere—all this dates on a big scale from Roosevelt’s entrance into the White House. While it is an inference, it is hardly a debatable inference to state that this development was not due to the sunspot cycle but to stimulation from the top, from Roosevelt.

The 1933 Plan itself was officially approved by the new Secretaries of War and the Navy before it was published, and there is no question that this could not have been done by Roosevelt’s men in these posts without the prior O.K. by the President himself. This is even more obvious in the case of the 1936 draft of the Plan, which was approved and published after the Nye Committee had begun to make a political issue of the I.M.P.

From 1933 on, the connection between Roosevelt and the I.M.P. can be traced under five heads.

1. Personnel.—When Secretary of War Dern died in August, 1936, the man whom Roosevelt chose to succeed him as head of the War Department was his M-day man, Woodring, then Assistant Secretary. This was after Woodring had made himself notorious by such statements as that quoted above. Incidentally, Woodring is an American Legion man and a former Kansan banker.

Roosevelt appointed Louis A. Johnson as Assistant Secretary in charge of the M-day office. Johnson is a former National Commander of the American Legion (the second such to hold the Assistant Secretary’s post) and was the Legion’s candidate for the appointment. The N. Y. Times reported that “the President had been advised against further appointment of former Legion national officers to governmental posts of importance”, but disregarded this. As a matter of fact, both the Times and Jonathan Mitchell stated that Johnson was slated to succeed Woodring after a short interval, and had accepted as Assistant Secretary only on assurance that he would not remain long in the secondary post. The American Legion pressed for this, but Woodring was militaristic enough for Roosevelt.

Johnson’s influence in the administration is not that of a subordinate official. The best testimony on this comes from Jonathan Mitchell himself, whose heart bleeds as he states the facts.

It is Johnson who is behind Roosevelt’s drive for a tremendous expansion of the air force. Says Mitchell:

If Mr. Roosevelt wishes to continue a “show-Hitler” policy, Mr. Johnson’s influence can scarcely help expanding. If Mr. Roosevelt, for example, wishes three thousand new airplanes and a revamped aviation industry, the job is that of the Assistant Secretary of War. In point of fact, Mr. Roosevelt’s enthusiasm for a great air force apparently explains such intimacy as exists between him and Mr. Johnson . . . . During the Munich crisis, Mr. Johnson apparently was an administration oracle . . . . The industrial-mobilization section [Johnson’s office] seems also to have inspired Mr. Roosevelt’s announced plan to have the N.Y.A. train twenty thousand young men as airplane mechanics and pilots.

Mitchell continues:

In Mr. Roosevelt’s armament message to Congress, nearly $150,000,000 is set aside for the program recommended by the industrial-mobilization section. If this sum is voted, it will be a monetary monument to Mr. Johnson’s enterprise.” [P.S. The money was voted.]

Mitchell wails that Johnson has made the M-day activities of the government “fly up above the New Deal hori-
zion." The Times for December 2, 1938, describes Johnson as "one of the President's principal advisers on the present rearmament program".

2. Most of the protest against the I.M.P. has been directed at the notorious Sheppard-Hill and Sheppard-May bills, designed to give blanket authority to the President and the War Department for the operation of the I.M.P. in event of a "national emergency". Senator Sheppard and Representatives Hill and May were respectively chairmen of the Senate and House Military Affairs Committees when they introduced the bills—members of Roosevelt's party of course—and committee chairmen are normally regarded as acting for the Administration in such matters. The War Department openly espoused the bills, its representatives acting as their chief advocates at the hearings. These bills were generally accepted as Administration measures by the press and political commentators. They were formulated chiefly by Louis Johnson, Baruch and Taylor (the American Legion's Washington agent) and presented to Congress with the cachet of the War Department.

3. In 1934 and again in 1938 Roosevelt came out more openly in support of the I.M.P. We have mentioned that the propaganda of the American Legion and Baruch, as well as much of the propaganda of the War Department, on behalf of the I.M.P. has been carried on under the demagogic slogan of "taking the profit out of war". Their concrete answer to how to "take the profit out" is—the I.M.P. This was Roosevelt's approach also.

On December 12, 1934, Roosevelt startled his regular press conference with the remark: "The time has come to take the profit out of war." He further revealed that the same day he had held a conference with members of the Cabinet plus two other gentlemen: Bernard M. Baruch and Hugh S. Johnson. The Times reported:

As the upshot of today's steps, Mr. Baruch, who in 1922 prepared a non-profit industrial mobilization plan for the War College ... was designated to draft a legislative program with the assistance of General Johnson. He will be chairman of a committee composed of those who took part in the White House conference. ... [Roosevelt] acknowledged efforts had been made heretofore along the same lines by such individuals as Mr. Baruch and by committees of Congress, but he expressed a determination to see these efforts take form in the next Congress in concrete legislation providing a definite method of operation in the event of another war.

Now note this. The conference stressed, the Times continues,

the personnel problem which, due to mistakes made during the World War, is credited with having brought on the demands for payment of a veterans' bonus. This demand is credited by the White House with having arisen from the fact that soldiers who enlisted or were drafted into service served the U.S. in a hazardous manner for $1 a day while munitions workers received possibly $10 a day.

This remark about the 10-to-1 gap between soldiers and the munitions workers was the signal for a little propaganda campaign. A few days later, Arthur Krock, the Times Washington columnist, paraphrased Roosevelt's words in his own name, and added: "If and when the New Deal is obliged to wage war, that disparity will not be allowed to exist." Shortly after, the War Department representative at the Nye Committee hearings used the same gag (and the press reported the Committee members as agreeing with him). So—the worker at home is not to be allowed to make more than the doughboy's dollar-a-day, in the name of "equalizing the burdens of war"—this is Roosevelt's idea of "taking the profit out of war"!

Roosevelt's committee of Baruch and Johnson never drew up their own legislative program. They endorsed the one then before Congress, the notorious Sheppard-Hill bill itself. It was emphasized in the press that they spoke as experts appointed by Roosevelt to study the problem.

Roosevelt himself returned to the subject in his special message to Congress in January 1938, putting forward his armament program. "I believe also that the time has come for the Congress to enact legislation aimed at the prevention of profiteering in time of war and the equalization of the burdens of possible war." (Incidentally, these stock phrases which cover the I.M.P. were invented by the American Legion.)

The Times again added the exegesis. This statement, it said, "will stimulate action on measures long pending to this end". That is, the Sheppard-May bill. "During the day President Roosevelt, at his press conference, was asked what he meant by equalizing the burdens of war, and replied that it meant having the whole nation engage in war if the country were so unfortunate as to become involved in one. It was a case, he later explained, of mobilizing men, capital and manufacturing."

4. In the months following this message, and parallel with the intensification of the arms building program, came also a corresponding uplift in mobilization-plan work. I cite the testimony of several diverse observers at the end of 1938.

Business Week for October 22, 1938, carried a special article on the progress of the I.M.P. in a congratulatory tone.

For the past 15 years the military has been skirmishing around the procurement problem [another of the I.M.P.'s pseudonyms—H.D.] but support from higher up was needed to put life into a lot of paper work. ... Without playing on war hysteria the former National Commander of the American Legion [Johnson] is frankly taking advantage of the recent crisis in international affairs to put across his plans.

At a reunion luncheon of former members of the War Industries Board, "President Roosevelt was praised in a resolution unanimously adopted for his announced purpose of pushing forward a complete program of military, naval and civilian preparedness, including particularly industrial mobilization". It was indicated that plans are already under way in Washington to create a committee of civilians to develop a thoroughgoing plan for coordination of industries in time of war." (N. Y. Times, Nov. 12.)

On November 25, Arthur Krock's column reported:

For several weeks there have been daily meetings in Washington of top-rank government officials, before whom occasionally have been summoned the manufacturing interests chiefly concerned in rearmament. These proceedings have been held in strict privacy, but it is obvious their intention is two-fold: one, to work out the budgetary and revenue aspects of the "hemisphere security", or "Fourth New Deal", program; the other, to lay the basis for the industrial mobilization that will be required to carry it out. The participation on these meetings of two Presidential counselors, among others, indicates how seriously the
project is regarded as a matter of Administration policy, aside from its importance as a matter of state. [These two counselors were Harry Hopkins and Thomas G. Corcoran.] There are two excellent reasons from the President's standpoint why Mr. Hopkins should be one of the chief architects of the program. If the plan goes through to make him Secretary of Commerce, he will be a key figure in the accompanying industrial mobilization.

Hopkins became Secretary. (Incidentally, Krock's own attitude toward the I.M.P. is wholly laudatory.)

Hanson W. Baldwin is the Times' military expert, known to be close to the War Department. On November 27 he wrote:

M-day—that dreaded "zero-hour" when secret mobilization orders herald the beginning of war—is the chief concern of Washington nowadays. . . . For Mobilization Day . . . is now, and long promises to be, one of the most important problems of government. . . . The industrial mobilization plans of the U. S. are probably more advanced, comprehensive and efficient than those of any other nation (possibly excepting Germany) . . .

And on December 11, discussing the character of the then-impending new arms program, he remarked:

... chief emphasis was to be placed on our aerial defense. Increased attention also was to be paid to industrial mobilization on the "home front".

Roosevelt's rôle may be summarized in the words of Krock, commenting on his 1934 statement:

In making his announcement the President might have said that he proposed to energize a proposal that had never passed beyond the blueprint stage . . .

We pointed out above that the men who came back to Washington in 1933 were picking up the threads where they had been laid down after the war. "They left at the close of one emergency and came back at the height of another." And they decided to fight the depression emergency by the same methods that had been used in the war emergency.

For the famous N.R.A. was inspired by and modeled after the Industrial Mobilization Plan! This fact, fairly little known but admitted, gives perhaps the best slant on the psychology of the Roosevelt administration.

Hugh Johnson and Baruch, the executor and father of the N.R.A. respectively, have admitted this military origin of the N.R.A. in so many words. The Nye Committee's Special Shipbuilding Report reveals this fact in the course of making an entirely different point: "General Hugh Johnson . . . explained that the N.R.A. had grown out of the plan developed directly from the war plans and was not shown to the industrialists for their approval until practically completed." This was in his testimony before the Committee.

Baruch, lecturing at the Army Industrial College in June 1934 on the Industrial Mobilization Plan, explained:

It is from the crucible of our World War mobilization that we have drawn the present War Department plans and the assembling of our economic forces to fight the depression. Indeed, we have all the beginnings of a war effort from an economic standpoint.

Mark Sullivan, in the fifth volume of Our Times, corroborates one angle of this:

The technique of N.R.A. in 1933 was a duplicate of that of conscription in 1917. The Gen. Johnson who administered N.R.A. in 1933 was the same man who as Major Johnson had managed preparation for the draft in 1917.

In what sense was the N.R.A. an adaptation of the I.M.P.? This was explained in advance by Hugh Johnson, in a report which he made to Wilson in 1919 on the functioning of the government war boards. In this report Johnson insists that the lessons of the war mobilization could well be applied in peacetime.

Governments have participated in industry, and industry and government have become parts of the same system in a manner unheard of before the War. The advantage of thus joining power, for war purposes at least, is beyond question. . . . If there is unquestioned advantage in this government participation in national business . . . as a planning and adjusting agency and a point of common contact, a force for coordination and cooperation and unification of American business in an efficient national system—then it would be a blunder to let this war experience pass into history with nothing more than a final word of commendation and farewell. In this belief, it is the purpose to discuss shortly our experiences in war administration of industry, with an eye to the application of some of them to the uses of peace.

Johnson then gives five "outstanding lessons applicable to peace". Two deal with the gathering and use of statistics. The other three are: (1) Increase of industrial efficiency through systematic cooperation within each trade, directed from a central agency. Abandonment of the anti-trust restrictions. (2) Welcoming attitude of American industry to governmental guidance in a "friendly, advisory and cooperative guise". (3) Control of labor.

Johnson was given his chance to put his project into action 14 years after he made the proposal.

At the hearings of the Nye Committee, the representative of the War Department, Col. Harris, was questioned especially on how the N.R.A. apparatus, then in operation, fitted into the mobilization plans of the government. He made clear that the War Department was using the N.R.A. as a laboratory for the testing of the mobilization plans and for the training of army officials in this work.

SEN. VANDENBERG: If you had the N.R.A. in existence during a war, you would have a tremendous clash of authority, wouldn't you?

HARRIS: Well, sir, we have given, of course, very serious study during the last eighteen months to the effect on our plans of the N.R.A. and its organization, its code authorities. We call for war service committees, and they are now code authorities. Having these code authorities is a great benefit in our industrial plan.

Harris explained further that 21 regular Army officers were serving as members of code authorities, involving 19 basic codes. They were paid by the Army, not as were the others by the N.R.A. One reason, he said, for placing them there (on Army time, remember) was to permit them to make studies and observations of value in perfecting the industrial mobilization plans.

He explained that the N.R.A. framework could fit neatly into the I.M.P. set-up, because N.R.A. administrators and code authorities would "unquestionably" aid the War Department's plans; N.R.A. labor administrators would in wartime fix a minimum wage for workers just as price-fixing committees or code authorities would fix industrial prices. Of course, he admitted, section 7a would be abrogated.

* * *

From the beginning of the Roosevelt administrations to
the present; from the revivification of the I.M.P. in 1933 to the 1938 drive which raised these activities to a higher level—the basic line of Roosevelt has been: mobilization for war. In this Roosevelt does not distinguish himself from the political heads of the rest of the world, from Hitler to Chamberlain. But Roosevelt, who during the Munich crisis warned the governments that the next war might well mean the collapse of the economic and social

order in all countries, has gone far beyond all but (possibly) Hitler in his preparations for war on the HOME FRONT.

This is Roosevelt's lesson to the American working class. For to the American war-mongers, as to us, the main enemy is at home.

Hal DRAPER

A Step towards Social-Patriotism

On the Position of the Fourth International toward the Struggle against War and Fascism

WE SUMMARIZE HERE A letter of the Palestinian comrades which begins by citing with approval from the war theses of the Fourth International: “The success of a revolutionary party in the next period will depend above all on its policy on the war issue.” They go on to say that the revolutionary position on war must be distinguished “by a clarity and definitiveness so complete as to preclude beforehand any possibility of confusion and bewilderment whenever the time comes for applying this policy in action and translating it into the language of concrete slogans. In consequence, ideological confusion in such a question is especially dangerous for the Fourth International. . .”

After pointing out that the days of the Munich crisis served as the latest confirmation of the correctness of the evaluation given by the Fourth International to Fascism, outlived bourgeois democracy, and the rôle of the Second and Third Internationals and their “People’s Front” policy, the authors pose the following questions: “What should have been the slogans of the Fourth International in this concrete situation? Were they distinguished in those days by the clarity of their formulation, and were they, as was always the case hitherto, correct and pointed slogans? Didn’t the position of the war question reveal itself as too schematic in the light of these events?”

The letter then continues: “The general schema is defeatism in all imperialist countries. . . Defeatism, according to Lenin’s definition, and as it has been generally understood, signifies a desire for defeat and giving aid to the latter. Is that slogan applicable to any imperialist country in any war?” In the opinion of the authors, it is no longer applicable.

Two hypothetical warring camps are envisaged: on the one side—Germany, Italy and Japan and, on the other—Czecho-Slovakia, the Soviet Union, Spain, China, France, England and the United States. “True, such a combination is least likely, but it is not excluded, and therefore the working class must be prepared for it. What are the differences between the last world war and the one we presuppose?”

The differences are listed under four heads: “(1) The last war was wholly imperialist. . . The specific weight of the Serbian question was far too insignificant . . . The war we presuppose is not imperialist on all sides. The difference between Serbia and the Soviet Union is far too obvious. (2) Even if we were to assume that the interna-

national reactionary significance of the then monarchy and of modern fascism are equivalent for the world proletariat, with the composition of the warring camps during the last war, there were no particular reasons, for example, among the French workers, for striving precisely for the overthrow of the Hohenzollern monarchy. . . (3) However, there is an enormous difference between the historical rôle of the monarchy in the epoch of ascendant capitalism and the rôle of fascism. . . (4) In the period of the first world war there existed in all countries a revolutionary movement and the objective possibility of conducting a defeatist policy. Fascism has introduced a radical change. It so strains the working class as hardly to make it possible to comply with Lenin’s third condition for defeatist policy, and it is not excluded that the question of revolutionary intervention may arise.”

There is a footnote to Point 4 which reads: “In his article: ‘On the Defeat of One’s Own Government in the Imperialist War’ Lenin wrote: Whoever sincerely wishes to refute the ‘slogan’ of defeating one’s own government in the imperialist war must prove one of three things: (1) that the war of 1914-1915 is not reactionary; or (2) that a revolution is impossible in connection with it; or (3) that it is impossible for the revolutionary movements in all warring countries to comply with and mutually assist one another” (Against the Stream, p. 111). Emphasis in the original.

From this the following conclusion is drawn: “We thus see that the establishment of the bare fact that a given country is imperialist is not sufficient for conducting the necessary revolutionary policy in any war precisely by the methods and slogans of defeatism.”

The authors then seek to establish the fact that a military victory over Germany and Italy “at the present time (tomorrow the case may be different) “is equivalent to the collapse of Fascism. . . Any serious shaking of world fascism undermines nowadays the foundations of the rule of capitalism.”

In support of their line of reasoning, the authors cite Trotsky’s position in March 1933, after the assumption of power by Hitler. (The reader will find this point dealt with in the body of the reply to the letter.)

They next criticize an article in La Lutte Ouvrière for September 23, 1938 (during the Munich crisis) as denoting a concession to pacifism.

The letter concludes as follows: “Not a single section
of the Fourth International is threatened with the danger of a patriotic deviation. But in our opinion, the recent events have shown that a possibility of deviating toward pacifism is not excluded. . . The internal danger now approaches from the opposite side. But it is necessary to see

OUR PALESTINIAN FRIENDS have made an obvious and extremely dangerous concession to the social-patriots, even though their point of departure is opposed to that of social-patriotism. We shall indicate only those points which are in our opinion the most erroneous in the document "Isn't It a Mistake?"

We maintain that in the quarter of a century that has elapsed since the outbreak of the last war, imperialism has come to rule even more despotically over the world; its hand weighs more heavily on events during peacetime as well as wartime; and finally, that under all of its political masks, it has assumed an even more reactionary character. In consequence, all the fundamental rules of proletarian "defeatist" policy in relation to imperialist war retain their full force today. This is our point of departure, and all the conclusions that follow are determined by it.

As regards this point of departure, the authors of the document hold a different position. They differentiate qualitatively between the coming war and the last war and, what is more, in two respects. In the last war only imperialist countries presumably participated: the rôle of Serbia, they say, was far too insignificant to place its stamp on the war (they forget about the colonies and China). In the coming war, they write, one of the participants will certainly be the U.S.S.R., a magnitude far greater than Serbia. On reading these lines, the reader tends to conclude that the subsequent reasoning of the authors of the letter will revolve precisely around the participation of the U.S.S.R. in the war. But the authors drop this idea very quickly, or to put it more correctly, it is relegated to the background by another, namely, the world menace of fascism. Monarchist reaction in the last war, they state, was not of an aggressive historical character, it was rather a survival, whereas fascism nowadays represents a direct and immediate threat to the whole civilized world. The struggle is therefore the task of the international proletariat as a whole in peacetime as well as wartime. It is only natural if we become suspiciously wary: such a narrowing down of revolutionary tasks—replacing imperialism by one of its political masks, that of Fascism—is a patent concession to the Comintern, a patent indulgence of social-patriots of the "democratic" countries.

The Two New Historical Factors

Let us first of all establish that the two new historical factors which presumably dictate a change in policy during wartime—namely, the U.S.S.R. and fascism—need not necessarily operate in one and the same direction. The possibility is not at all excluded that Stalin and Hitler, or Stalin and Mussolini may be found in one and the same camp during a war, or, at all events, that Stalin may buy a brief, unstable neutrality at the price of an agreement with the fascist governments, or one of them. For some unknown reason, this variant drops out completely from the field of vision of our authors. Yet they state justly that our principled position must arm us for any possible variant.

However, as we have already stated, the question of the U.S.S.R. does not play any real rôle in the entire trend of reasoning of our Palestine comrades. They focus their attention on fascism, as the immediate threat to the world working class and the oppressed nationalities. They hold that a "defeatist" policy is not applicable in those countries which may be at war with fascist countries. Again, such reasoning over-simplifies the problem, for it depicts the case as if the fascist countries will necessarily be found on one side of the trenches while the democratic or semi-democratic are on the other. In point of fact, there is absolutely no guarantee for this "convenient" grouping. Italy and Germany may, in the coming war as in the last, be found in opposing camps. This is by no means excluded. What are we to do in that case? Indeed, it is becoming increasingly difficult to classify countries in accordance with purely political features: Where would we assign Poland, Rumania, present-day Czechoslovakia, and a number of other second-rate and third-rate powers?

The main tendency of the authors of this document is apparently the following: to hold that "defeatism" is obligatory for the leading fascist countries (Germany, Italy), whereas it is necessary to renounce defeatism in countries even of doubtful democratic virtue, but which are at war with the leading fascist countries. That is approximately how the main idea of the document may be worded. In this form, too, it remains false, and an obvious lapse into social-patriotism.

Let us recall that all the leaders of the German social democracy in emigration are "defeatists" in their own fashion. Hitler has deprived them of their sources of influence and income. The progressive nature of this "democratic", "anti-fascist" defeatism is exactly zero. It is bound up not with revolutionary struggle but with pinning hopes on the "liberating" rôle of French or some other imperialism. The authors of the document, obviously against their own will, have taken, alas, a step in this very direction.

In the first place, they have in our opinion given far too nebulous, and especially far too equivocal a definition of "defeatism" as of some special and independent system of actions aimed to bring about defeat. That is not so. Defeatism is the class policy of the proletariat, which even during a war sees the main enemy at home, within its particular imperialist country. Patriotism, on the other hand, is a policy which locates the main enemy outside one's own country. The idea of defeatism signifies in reality the following: conducting an irreconcilable revolutionary struggle against one's own bourgeoisie as the main enemy, without being deterred by the fact that this struggle may result in the defeat of one's own government; given
a revolutionary movement the defeat of one's own government is a lesser evil. Lenin did not say nor did he wish to say anything else. There cannot even be talk of any other kind of “aid” to defeat. Should revolutionary defeatism be renounced in relation to non-fascist countries? Herein is the crux of the question; upon this issue, revolutionary internationalism stands or falls.

For instance, should the 360,000,000 Hindus renounce any attempt to utilize the war for their own liberation? The uprising of Hindus in the midst of a war would undoubtedly aid strongly in the defeat of Great Britain. Furthermore, in the event of a Hindu uprising (despite all “theses”) should the British workers support them? Or, on the contrary, are they duty-bound to pacify the Hindus, and lull them to sleep—for the sake of a victorious struggle of British imperialism “against fascism”? Which way for us?

“Victory over Germany or Italy is at present (on the morrow the case may be different) tantamount to the downfall of fascism.” Our attention is first of all struck by the qualification “at present” (on the morrow the case may be different”). The authors do not elucidate just what they mean to say by this. But they do in any case indicate that—even from their own viewpoint—their position is episodic, unstable and uncertain in character; it may already prove useless on the “morrow”. They do not take sufficiently into account the fact that in the epoch of decaying capitalism shifts and semi-shifts of political régimes occur quite suddenly and frequently without altering the social foundation, without checking capitalist decline. On which of these two processes must our policy be based in such a fundamental question as war: on the shifts of political régimes, or on the social foundation of imperialism, common to all political régimes and unfailingly uniting them against the revolutionary proletariat? The fundamental strategic question is our attitude toward war, which it is impermissible to subordiniate to episodic tactical considerations and speculations.

Military Defeat and Collapse of Fascism

But even from the purely episodic standpoint, the above-cited idea of the document is incorrect. A victory over the armies of Hitler and Mussolini implies in itself only the military defeat of Germany and Italy, and not at all the collapse of fascism. Our authors admit that fascism is the inevitable product of decaying capitalism, in so far as the proletariat does not replace bourgeois democracy in time. Just how is a military victory of decaying democracies over Germany and Italy capable of liquidating fascism, even if only for a limited period? If there were any grounds for believing that a new victory of the familiar and slightly senile Entente (minus Italy) can work such miraculous results, i.e., those counter to socio-historical laws, then it is necessary not only to “desire” this victory but to do everything in our power to bring it about. Then the Anglo-French social-patriots would be correct. As a matter of fact they are far less correct today than they were 25 years ago, or to put it more correctly, they are playing today an infinitely more reactionary and infamous rôle.

If there are chances (and there indubitably are) that the defeat of Germany and Italy—provided there is a revolutionary movement—may lead to the collapse of fascism, then, on the other hand, there are more proximate and immediate chances that the victory of France may deal the final blow to corroded democracy, especially if this victory is gained with the political support of the French proletariat. The entrenchment of French and British imperialism, the victory of French military-fascist reaction, the strengthening of the rule of Great Britain over India and other colonies, will in turn provide support for blackest reaction in Germany and Italy. In the event of victory, France and England will do everything to save Hitler and Mussolini, and stave off “chaos”. The proletarian revolution can of course rectify all this. But the revolution must be helped and not hindered. It is impossible to help revolution in Germany otherwise than by applying in action the principles of revolutionary internationalism in the countries warring against her.

The authors of the document come out flatly against abstract pacifism, and in this they are of course correct. But they are absolutely wrong in thinking that the proletariat can solve great historical tasks by means of wars which are led not by themselves but by their mortal enemies, the imperialist government. One may construe the document as follows: during the crisis over Czechoslovakia our French or English comrades should have demanded the military intervention of their own bourgeoisie, and thereby assumed responsibility for the war—not for war in general, and of course not for a revolutionary war, but for the given imperialist war. The document cites Trotsky’s words to the effect that Moscow should have taken the initiative in crushing Hitler as far back as 1933, before he became a terrible danger (Bulletin of the Russian Opposition, March 21, 1933). But these words merely mean that such should have been the behavior of a real revolutionary government of a workers’ state. But is it permissible to issue the same demand to a government of an imperialist state?

Assuredly, we do not assume any responsibility for the régime they call the régime of peace. The slogan “Everything For Peace!” is not our slogan, and none of our sections raises it. But we can no more assume responsibility for their war than we assume for their peace. The more resolute, firm and irreconcilable our position is on this question all the better will the masses understand us, if not at the beginning then during the war.

“Could the proletariat of Czechoslovakia have struggled against its government and the latter’s capitulatory policy by slogans of peace and defeatism?” A very concrete question is posed here in a very abstract form. There was no room for “defeatism” because there was no war (and it is not accidental that no war ensued). In the critical twenty-four hours of universal confusion and indignation, the Czechoslovak proletariat had the full opportunity of overthrowing the “capitulatory” government and seizing power. For this only a revolutionary leadership was required. Naturally, after seizing power, the proletariat would have offered desperate resistance to Hitler and would have indubitably evoked a mighty reaction in the working masses of France and other countries. Let us not speculate on what the further course of events might have been. In any case the situation today would have been
The communal elections of May 1938, whereas the Czech social smash your Hitler, sponsored most boisterously by the Stalinists and by democracies. This nationalism, which was encouraged by the Czech imperialist state and the imperialist bourgeoisie and made use of for its own purposes, fell prey to a nationalism of semi-despair. At the same time it saw the Czech imperialist state and the imperialist bourgeoisie and made use of for its own purposes.

We consider as erroneous to the core the idea of the document that of the three conditions for "defeatist" policy enumerated by Lenin, the third is presumably lacking nowadays, namely, "the possibility of giving mutual support to revolutionary movements in all warring countries". Here the authors are obviously hypnotized by the reported omnipotence of the totalitarian régime. As a matter of fact, the immobility of the German and Italian workers is determined not at all by the omnipotence of the fascist police but by the absence of a program, the loss of faith in old programs and old slogans, and by the destruction of the Second and Third Internationals. Only in this political atmosphere of disillusionment and decline can the police apparatus work those "miracles" which, sad to say, have produced an excessive impression also on the minds of some of our comrades.

The Main Enemy Is Still at Home

It is naturally easier to begin the struggle in those countries where the workers' organizations have not yet been destroyed. But the struggle must be begun against the main enemy who remains as hitherto, at home. If it is conceivable that the advanced workers of France will say to the workers of Germany:

"Inasmuch as you are in the toils of fascism and cannot emancipate yourselves we will help our government to smash your Hitler, i.e., strangle Germany with the noose of a new Versailles treaty and then . . . then we shall build socialism together with you." To this the Germans can well reply: "Pardon us, but we have already heard this song from the social-patriots during the last war and know very well how it all ended . . ." No, in this way we shall not help the German workers to rouse themselves from their stupor. We must show them in action that revolutionary politics consists in a simultaneous struggle against the respective imperialist governments in all the warring countries. This "simultaneeity" must not of course be taken mechanically. Revolutionary successes, wherever they may originally erupt, would raise the spirit of protest and uprisings in all countries. Hohenzollern militarism was overthrown completely by the October Revolution. For Hitler and Mussolini the success of a socialist revolution in any one of the advanced countries of the world is infinitely more terrible than the combined armaments of all the imperialist "democracies".

That policy which attempts to place upon the proletariat the unsolvable task of warding off all dangers engendered by the bourgeoisie and its policy of war is vain, false, mortally dangerous. "But fascism might be victorious!" "But the U.S.S.R. is menaced!" "But Hitler's invasion would signify the slaughter of workers!" And so on, without end. Of course, the dangers are many, very many. It is impossible not only to ward them all off, but even to foresee all of them. Should the proletariat attempt at the expense of the clarity and irreconcilability of its fundamental policy to chase after each episodic danger separately, it will unfailingly prove itself a bankrupt. In time of war, the frontiers will be altered, military victories and defeats will alternate with each other, political régimes will shift. The workers will be able to profit to the full from this monstrous chaos only if they occupy themselves not with acting as supervisors of the historical process but by engaging in the class struggle. Only the growth of their international offensive will put an end not alone to episodic "dangers" but also to their main source: the class society.

EDITORIAL BOARD
Bulletin of the Russian Opposition

The National Question in Central Europe

THE CZECH PEOPLE CLEARLY saw that the whole Versailles structure was shaky and threatened to collapse. At the same time it saw the Czech imperialist state and the national independence of the Czechs menaced by German imperialism. Since for years no one outside of a weak group of revolutionists, the adherents of the Fourth International, had pointed out the correct international, revolutionary road, it fell prey to a nationalism of semi-despair. This nationalism, which was encouraged by the Czech imperialist bourgeoisie and made use of for its own purposes and which was shrouded in a "democratic" ideology, was sponsored most boisterously by the Stalinists and by Benes's Czech National Socialist Party. It was for this reason that both these parties were most successful in the communal elections of May 1938, whereas the Czech social democracy, which pursued fundamentally the same course but was not quite able to keep up with the quack chauvinism of the Stalinists, lost somewhat. The electoral success of the C.P.Cz. was limited, however, to Czech districts. In the territories of the national minorities it lost on all sides and in the German regions it was absolutely decimated. In its composition and in its influence it almost liquidated itself as an international party, becoming almost a purely Czech organ. Thereby the last internationalist gains of the Czechoslovak proletariat were lost.

The Standpoint of the Adherents of the Fourth International

Against the general wave of nationalism stood only the small groups of adherents of the Fourth International. They proceeded from the conviction that the impending
war of France, England and Czechoslovakia against Germany would be an imperialist war on both sides and therefore a reactionary war. The French, English, and Czech bourgeoisie will fight neither for "democracy" nor for "national emancipation", but to keep the imperialist loot of 1918 and to extend their robber rule. Their victory, if the revolution did not intervene, could only mean the partition or colonization of Germany and intensified exploitation of all central Europe by western finance capital.

Nothing is changed by the fact that the independence of the Czech people is really menaced together with the imperialist rule of the Czech bourgeoisie. The defense of Serbia or Belgium in connection with the imperialist world war was only an episode which could not change its general imperialist character. Therefore both Belgian and Serbian socialists were in duty bound to struggle for the defeat of their own bourgeoisie. The same holds true in Czechoslovakia in case of an imperialist war. Thus in Czechoslovakia, too, the Leninist policy of revolutionary defeatism is called for.

This would also be correct if the Soviet Union were to participate in the war. On its part the war would be progressive and just, even if it had imperialist allies. On the part of the imperialist allies, however, the war would be a reactionary one, even though they had concluded an alliance with the Soviet Union. Inasmuch as such an alliance would, in the case of such a partnership, rest on a different class basis, it would be necessarily very fragile. The adherents of the Fourth International are of the opinion that it would be broken possibly before the outbreak of hostilities, possibly during the war itself, at the very latest at the war’s conclusion as the alternative will then be either proletarian revolution or the redivision and colonization of Europe by Anglo-French and probably also by American imperialism. Already in 1935, at the first signs of the right turn in the Comintern, the Czech comrades adopted this point of view. From then on it remained the basis of their propaganda and agitation.

The comrades considered it to be virtually excluded that the Czech bourgeoisie alone would fight an isolated war against Germany. The possibility was greater that Czechoslovakia would become involved in a Russo-German war while the western powers remained temporarily neutral. That, to be sure, would have been a progressive war which the proletariat would have to support. Even then, of course, there would be no class peace with the native bourgeoisie, which would be bound to betray such a war at the first opportunity. In this case, too, the slogan would be: Overthrow of our own bourgeoisie, institution of Soviet power and socialization in order to conduct the war successfully, that is, in a revolutionary manner. That, moreover, was the only way to win back the Sudeten German proletariat for the struggle against Hitler. Had the Sudeten German workers socialized the North Bohemian factories and mines and proclaimed a Soviet government they would have had something to defend against Hitler.

What alternative could one give to both imperialist programs on the national question? Hitler’s victory would not mean self-determination of the people but greater slavery of the Sudeten German workers under the fascist régime and the suppression of the Czechs and the other nations of central Europe in semi-fascist vassal states of imperialist Germany. A victory of the Entente and the Czech bourgeoisie meant, on the other hand, the continued and increased suppression of minorities and the national and social enslavement of Germany.

Against both of these programs it was only possible to pose the national program of the proletarian revolution, the program of self-determination of peoples and their voluntary union in the United Socialist States. The more the crisis came to a head, the more immediately urgent became the final slogans. All “solutions” of the national question within the framework of capitalism proved to be a calamity for the working masses of all the peoples and the socialist solution the only progressive one. Proletarske Noviny, the Czech organ of the Fourth International, correctly said in its last legal issue that “abstract” and “unpractical” as the slogan of the United Socialist States of Europe appeared to be to some opportunists, at the end of the great crisis of the war it would be the most practical of all. On July 15, under severe press censorship, the paper stated:

The freedom and self-determination of peoples is a democratic demand which can only be fully realized by the victory of socialism. In the last stage of development of capitalist society the world is ruled by a small group of monopoly capitalists who have imperialistically divided the earth among themselves. The overwhelming majority of humanity is exploited and enslaved by imperialism. It can become a powerful ally of the revolutionary proletariat in its struggle against the imperialist enemy. For this, however, the proletariat must win the confidence of the oppressed nations. That can only be done if every worker learns to put the international liberation of the working class and all the oppressed above the “interest of his own nation”, behind which lies the interest of the bourgeoisie. For this it is particularly necessary to defend with determination the rights and the freedom of any oppressed people, even if the oppressors are “one’s own brothers”.

If the national independence of the Czechs is now threatened, said the adherents of the Fourth International to the Czech workers, it is a direct consequence of the fact that the Czech people allowed itself to be misused by its own bourgeoisie to oppress other peoples. In an imperialist system the freedom of the small Czech people is always threatened. The national independence of the Czech people, which is as important to us international communists as that of every other people, can only be assured if the Czech workers overthrow their own bourgeoisie and free the nations oppressed by it, thereby making possible the voluntary union of the liberated peoples in the United Socialist States.

The Crisis Comes to a Head

After the annexation of Austria the Czech crisis entered an acute stage; after Hitler’s Nürnberg speech it rapidly reached its peak. As always in critical times, two souls wrestled in the breast of the Czech bourgeoisie.

One tendency, led by Benes, banked with certainty on the imperialist war and the inevitable victory of the Entente. This tendency wanted at all costs to fight on the side of the stronger. It was prepared to defend the country as long as possible and, if it were to become necessary, to evacuate its military forces, but at all costs to fight on, so that at the end of the war it would be able to return home
with the victorious armies of the Versailles coalition. Then it would be able to re-erect the imperialist state and get a share of the loot.

The other tendency, led by the president of the largest bank, Dr. Preiss, and the chairman of the Agrarian Party, Beran, was in favor of capitulating to Germany, of a renunciation of independent foreign policy and for a vassal relationship to German imperialism of the Polish kind. It hoped to assure its own class rule by German bayonets, even at the expense of dividing the loot with its hungry neighbor.

Until the Berchtesgaden meeting of Hitler and Schuschnigg, the capillaritary tendency did not dare to come out into the open, particularly as Schuschnigg's fate strongly compromised the idea of a peaceful compromise with Hitler. The point that Austria was deserted was answered by the Benes people with the objection that Austria had no direct treaties of alliance, no armies and no forts and was not prepared to defend itself, whereas Czechoslovakia resembled Austria in none of these respects. The mass of the Czech people, psychologized by magnificent propaganda, which was prominently supported by the Stalinists, really believed that the Allies and particularly the Soviet Union would help them.

At Berchtesgaden, Benes' whole policy, in fact, his whole conception of the Czechoslovak state collapsed like a house of cards. The western powers categorically demanded the cession of Sudeten Germany to Hitler. They clearly stated that they would not march to defend the status quo in spite of all treaties. The Soviet bureaucracy merely said that it would proceed according to the letter of its treaty, whereby it is obligated to intervene only if France goes to war. Isolated, deserted by all "allies", the Hodza government capitulated and consented to a revision of the borders.

That was on September 21. On the following day there was a spontaneous outburst of popular wrath. Without any call, without any leadership the workers, in spite of martial law and the prohibition of meetings, went on a complete general strike and marched in tremendous masses into the heart of Prague. The police disappeared, the soldiers were kept in their barracks to prevent their fratriciding with the demonstrators. The state was powerless and the government had to resign.

Truly, power lay in the streets, but no one picked it up. On this day the C.P.Cz. could have taken over the government with ease. No one would have been in a position to offer any serious opposition. But the C.P.Cz. was unwilling to—and was not permitted to. For its taking over power would have meant the immediate outbreak of hostilities and the war would have to be conducted without England and France, together only with the Soviet Union as a purely revolutionary war. The Moscow bureaucrats, however, did not want a revolutionary war, they were ready only to participate in an imperialist one. They were determined to march if imperialist France marched and to remain quiet if France remained quiet. The C.P.Cz., therefore, was not only not permitted to attempt to take power, but it was compelled to quiet the masses and send them home. The scattered calls of the Fourth International for a workers' and peasants' government were drowned in the cry for a military dictatorship and General Syrovy, as the rumor went about that Syrovy had just returned from Russia and that a Syrovy government meant war on the side of the Red Army. Then the "Leader" Gottwald appeared at a window of the parliament building to proclaim to the masses that they could go home with peace of mind, as the Hodza government had just resigned and the new government "participated in by the army" would execute the will of the people. After him spoke the fascist, Rasin. His significant utterance, that "today there is no difference between fascists and communists", was greeted with satisfaction by the nearby communist senators and deputies. Before the masses, streaming out of the center of the city, had reached their quarters in the suburbs, the Syrovy government had announced in all European capitals that it would continue the policy of capitulation unchanged.

Ten days later the Syrovy government, which had been set up by the Stalinists and Benes, accepted the Munich dictate. Five days later it compelled Benes to resign and then it dissolved the C.P. The government of "national defense" became the government of national capitulation. The "defenders of democracy" introduced a semi-fascist dictatorship of finance capital.

**After the Defeat**

What did the Stalinist leaders say after Munich?

When it became evident that the organization of immediate resistance was only possible in a struggle for power which would surely have split the nation ... the C.P. had to make a turn to guarantee an orderly retreat and to prevent the retreat from becoming a panic and a defeat .... (Karl Janda, *Badner Rundschau*, No. 50, p. 1665.)

What was to be done? Preserve national unity and rebuild the capitalist Czechoslovak state! The C.P. is prepared to do its utmost to this end and even to unite organizationally with the social democracy and Benes' National Socialist Party; that is, to liquidate itself organizationally and politically. This offer was made not in a moment of struggle against Hitler, but at the time of capitulation, at a time when not a "democratic" but a semi-fascist state was being constructed!

The betrayal of the Stalinists came to its logical conclusion. They remain true servants of their bourgeoisie in war as in peace. Whether the bourgeoisie conducts an imperialist war or capitulates to foreign fascism—it can always count on its faithful Stalinist lackeys who can be relied upon to preach class peace and "national unity"! Every class struggle splits the nation, yet the Stalinists would rather kiss the feet of the bosses, even at the moment of receiving a well-earned kick!

The article quoted, which was probably written by the editor in chief of the *Rude Pravo*, Sverma, a member of the Politbureau, bears the date of the evening on which the Syrovy government forced Benes to resign and installed the new foreign minister Chvalkovsky. The latter immediately went to Hitler to ask for instructions for the future foreign and domestic policy of Czechoslovakia.

The working class of Czechoslovakia and with it the workers of the world, has suffered a defeat. Many thousands of workers are directly under the fascist yoke of the
Hitlers, Horthys and the Rydz-Smiglys. What remains of Czechoslovakia has become a semi-fascist vassal state of imperialist Germany. Today all central Europe is under German regency. German imperialism has gained access to important raw materials and is now in a position to risk a big war. The Soviet Union is isolated, the working class defeated.

The sections of the Second and Third Internationals have ceased to exist in Czechoslovakia. Even before the official dissolution of their party the Stalinist leaders announced that they wanted to unite with the social democracy and the followers of Benes in one political party. This was ignored by the reformist leaders, as no one takes the Stalinists seriously. The German social democracy in Czechoslovakia voluntarily dissolved itself on the first day after Munich. The Czech Social Democracy withdrew from the International and renamed itself “National Party of Labor”. It would like to unite with the Benes Party but without the communists. The Benes party, however, is emphasizing its nationalism and its Slovak wing has already joined the Slovak fascist party of Hlinka. In the eastern parts of the republic, moreover, the reformist parties are already outlawed.

It is a sign of the times that after the crisis the only International in Czechoslovakia with a membership is the Fourth. On the one hand its work is made more difficult by the ever more stringent repressions and by the defeatist mood of broad layers of workers; on the other hand its work is favored by many political circumstances.

The conception of Versailles, upon which the Czech bourgeoisie erected its state, has broken down miserably. The imperialist policy of the Czech bourgeoisie led the Czech people under the yoke of German imperialism after 20 years. The “defense of democracy” led to the victory of fascism, the alliance with the bourgeoisie to the destruction of the old labor parties. A government is in power which can only be maintained by German bayonets at the border and by Czech repressive machinery within the country. It has no mass basis. It is hated by the entire population as a government of traitors and exploiters. Like the Müller government in Germany, it is a government of national defeat.

The supporters of the Fourth International, who are seriously going to fight against the double yoke of the native and German bourgeoisie, are the only ones who gain the confidence of the broad masses of the toilers. Their erstwhile struggle against Czech imperialism and the People’s Front fraud will now bear fruit. What they said about the building of an imperialist state, about the oppression of other peoples, about the threat to the freedom of the Czech people and about the falsehood of the “defense of democracy” has been shown to be correct. Only they are now in a position to fight consistently against the old and the new oppressors. Only they are in a position to show the Czech, Slovak and all central European workers the way out. Only they have a program for a progressive solution of the national question, the false posing of which has for the second time in twenty years contributed to a great defeat of the proletariat.

The illegal leaflet, which the Czech comrades issued right after Munich, concludes after an analysis as follows:

When once again the time comes for us to do battle we will know better what we are to fight for so that we can live in peace and happiness: for the United Socialist States of Europe!

These days mark the 20th anniversary of October 14, 1918. Then, too, we wanted a socialist republic. Now, after bitter experiences, we must hark back to this correct starting point. Let us organize the anti-fascist united front of all the toilers! Let us prepare for the moment when we shall do battle for the overthrow of the world imperialism of Chamberlain, Daladier, Musсолini and Hitler!

Long live Socialist Czechoslovakia!
Long live the United Socialist States of Europe!
Long live the Fourth International!

PRAGUE, Nov. 15, 1938
Jan BUCHAR

The Struggle Against the Oil Octopus

The petroleum industry provides the classic example of monopoly in American economy. In the 1870’s John D. Rockefeller, Sr., destroyed his competitors and conquered the oil business by methods as cunning, cruel, and bloody as any warlord’s. For the next forty years his Standard Oil Trust was the greatest single economic power in the United States. By bribing politicians, poisoning public opinion, and exacting heavy tribute from the rest of American industry, it maintained an absolute supremacy in its own domain and exercised a mighty influence over the whole of American life.

The anti-monopolist forces directed their main attacks against the Standard Oil Octopus. In 1911 it appeared that their struggle had been crowned with victory. The United States Supreme Court decreed that this colossal combination of corporations should be dissolved. The trust-busters rejoiced. The death-warrant of the monster had been signed.

Contrary to their optimistic expectations, the execution of the Supreme Court’s order did not do away with Rockefeller’s monopoly. Out of the dismembrment of the former Standard Oil Trust has grown a new monopoly far greater than the old. Rebirth of Monopoly* tells how and why this remarkable regeneration took place.

Let the arms of an octopus be cut off and it will quickly develop new ones in their place. So long as the central organism remains intact, the octopus can not only survive but grow stronger and bigger than before. Precisely this happened with Standard Oil.

In accordance with the Supreme Court decree, the various segments of the Trust were severed from the parent body and set up as independent corporations. This division of the subordinate corporations however was far more formal than real, involving merely a rearrangement of stock ownership among allied financial interests. The individual companies maintained the same operating relation-

---

ships as before, the directors appointed by the big stockholders and bankers holding competition down to a minimum. While outwardly conforming to the letter of the laws against price-fixing and trade agreements, the associated companies quietly flouted them.

The boom in the oil business preceding and during the world war led to the rise of several strong independent companies which began to challenge Standard’s sovereignty. But thanks to its control of the majority of pipelines, refineries, and markets, the Standard Oil group continued to do the bulk of the business. Soon, in order to extend their activities and compete effectively with their rivals, these large independents were one by one compelled to seek capital in the Eastern money markets where they fell into the same hands that held Standard Oil. Under the supervision of friendly affiliated financial interests, these larger corporations worked in comparative harmony, more or less content with their respective shares of an expanding market.

Meanwhile the dissolution decree and anti-trust laws, which allowed government officials to meddle in its private affairs, were a nuisance, if no real hindrance to the monopoly. The entrance of the United States into the World War gave Standard Oil its opportunity to get rid of these restraints. The vital oil industry was placed under the jurisdiction of the Fuel Administration; Mark Requa, a friend of the monopoly, was appointed Director of the Oil Division. Requa organized the National Petroleum War Service Committee of which A. R. Bedford, Chairman of the Standard Oil Company of New Jersey, was also Chairman. This Committee was a forerunner of the N.R.A. idea by which industry was to “govern itself” under Federal supervision. In agreement with the Federal Trade Commission the anti-trust laws were suspended for the duration of the conflict; production quotas were assigned; prices fixed; selling pools promoted. Under cover of this perfect patriotic setup Standard Oil not only earned enormous profits but securely reestablished its monopoly grip upon the industry.

During the war Requa proposed that the government and oil companies should form a joint corporation to acquire oil properties in foreign lands, to build refineries and provide distribution facilities, and to keep reserves for the army and navy throughout the world. Although approved by the Democratic and Republican leaders, this grandiose scheme was shelved by the armistice. But it stands ready to be put into effect during the next conflict.

In 1919 the National Petroleum War Service Committee was transformed into the American Petroleum Institute. This was actually part of the public relations division of Rockefeller’s companies, which paid the high-salaried officials and subsidized its propaganda activities. The Institute aimed to eliminate all forms of governmental regulation from the oil industry and to rub the anti-trust laws off the statute books.

In the post-war period the center of competition within the industry shifted from the struggle waged between the Standard Oil group and the big independents to the struggle between a united front of these twenty major companies and the scattered twenty-thousand small operators. The struggle between the “majors” and “independents” has since passed through several phases. Until about 1926 the small share of the total business taken by the lesser operators did not trouble the titans much. The market was expanding; supplies of crude oil were relatively scarce and prices controllable. During this period the Standard Oil spokesmen categorically condemned all governmental interference with the operations of their industry. “Conservation” was the main theme of their propaganda. The underlying motive in popularizing this deceptive slogan was not an unselfish concern for the preservation of a great national resource, as they claimed, but the safeguarding of their monopolist position by holding down the available supply of oil. Prompted by the Petroleum Institute, in 1924 President Coolidge established the Federal Oil Conservation Board to act in accord with the companies along these lines.

Shortly thereafter a division of opinion appeared among the major companies in regard to government regulation. While Standard experts continued to maintain that an oil shortage was the great danger facing the oil industry and the country, H. L. Doherty of Cities Services declared that the opposite was the case. Too much oil was being produced and only government authorities could control the output and fix crude-oil prices. With the discovery of rich new fields in Oklahoma and elsewhere after 1926 from which oil could be transported by truck and tank-car to independent refineries and large consuming areas, the carefully adjusted price structure of the monopolists began to crumble. The large quantities of oil produced by independent operators and refiners with small overhead expenses enabled them to undercut Standard’s monopolist-maintained prices.

The octopus has an ink-sac with which it darkens the surrounding water at the approach of danger. The ink-sac of the Standard Oil octopus, the Petroleum Institute, promptly set to work obscuring the atmosphere and preparing for a reversal of policy on the question of government regulation. Whereas formerly the Institute had demanded “hands off” the industry, it now clamored, still under the slogan of “conservation”, for the curtailment of oil production. This proposal, according to Kemnitzer, was “nothing but a scheme to cut off the supply of the independent refiners, eliminate their competition, and pave the way for increased prices”. Nevertheless, government officials, the general public, and the liberal press fell for the plausible propaganda; only a few saw the ulterior monopolist motives behind such innocently presented arguments.

“Pro-ration” plans, which allocated production quotas to the producers in proportion to their size, were advocated by the agents of the big companies as a remedy for overproduction. But they were so obviously contrary to the anti-trust laws and met with such opposition from the smaller operators that they were not immediately adopted either by the states or Congress.

The dwindling markets caused by the depression dealt severe blows to the big companies with their tremendous organizations, huge inventories, and heavy capitalizations.
Their difficulties were augmented by the opening of new fields in East Texas in 1931. Prices dropped to 20 cents per barrel. To save the situation for the big companies the legislatures of Texas and Oklahoma passed emergency laws curbing oil production. The governors of these states instituted martial law and sent state troops into the oil fields to enforce official pro-ration plans.

These schemes rebounded to the benefit of the larger producers at the expense of the small producers. The restriction of output of the wells increased the cost per barrel to the producer and decreased the amount of oil available to the independent refiners, who possessed small capital, reserves, or storage capacities. Many independent producers and refiners, unable to get enough oil to meet overhead costs or amortize their investments, were either forced into bankruptcy or else handled illegally-produced "hot" oil, incurring the risks of criminal prosecution and heavy fines.

State regulation was only the beginning of the monopolist drive to regain control of production; their goal was federal regulation. What the monopolists had been unable to obtain under the Hoover administration, they quickly secured from Roosevelt. The N.R.A. code of "fair competition", drafted under the eye of administrator Mofett, recent Vice-President of the Standard Oil Company of New Jersey, gave legal sanction to the program of production control and price stabilization advocated by the majors. Thus through the N.R.A., the Federal government became the direct tool of the oil monopolists. The independents organized and held wrathful meetings of protest at Washington to no avail; the National Recovery Review Board headed by Clarence Darrow sharply criticized the monopolistic aspects of the Petroleum Code yet nothing was done to correct them. Since the Supreme Court killed the N.R.A., the monopolists have sought—so far without success—to secure the passage of a Federal Petroleum Act to strengthen their positions. As before, they may have to await a war to regain them.

Even without legal sanction and governmental regulation, the twenty major companies headed by Standard Oil of New Jersey and including the Cities Service Company, Socony-Vacuum, Texas Corporation, Gulf, etc., manage to maintain monopoly over the industry now as in the past. They account for approximately 87% of the oil-business. They own or control more than 99% of the interstate trunk pipe-lines through which nearly 80% of the crude oil produced is transported. They own and produce approximately 52% of the current output of crude petroleum and control about 82% of the total supply of crude petroleum and about 90% of the reserves. They own most of the existing stocks and storage capacity and do nearly all the exporting and importing. They own or control all the most important patents and refining processes. Recalcitrant competitors are tied up in expensive and prolonged litigation over patents or beaten down by price wars.

These associated companies with nine hundred thousand stockholders are controlled by less than forty capitalist groups with interlocking interests. Their policies are determined by a small number of New York banks. Centralized management and enormous assets enable the giants to rule over the industry, to hold down available supplies, and to keep up monopolist prices.

Thus, despite seventy-five years of struggle, concludes Kemnitzer, the oil monopoly is today stronger than ever. An economic geologist, he speaks for the small producers whose interests he identifies with those of the people. His positive recommendations for bridling the monopolists are all made in their behalf.

Kemnitzer equates competition with political democracy; monopoly with oligarchy and dictatorship. There was a profound kinship between the era of free competition in industry and the flourishing of political democracy in the earlier stages of American capitalist society. But with the ascendency of the great capitalist combinations in the decisive fields of economic life the one inexorably tends to disappear together with the other.

More than any other industry, the history of oil demonstrates that the forces of capitalist concentration may be hindered or delayed but they cannot be reversed.

In the oil industry the independent producers are fighting the same losing battle as the small producers in the automobile industry. The pawns cannot stand up against the giants. Sooner or later they are compelled either to submit to their sway or to be pushed into bankruptcy. Even when one of the petty producers grows into a large one, it becomes, like Cities Service or Chrysler, part of the monopolist circle.

Kemnitzer realizes that "monopoly is a natural consequence of competition". But he does not recognize the full consequences of this fact. He places his hopes of salvation for the independent producer in Federal supervision. "Government must regulate monopoly," he declares, "or monopoly will regulate the government." Experience has already shown which will prevail. The government has twice intervened in the operations of the oil industry, first during the war and then during the N.R.A. Both times its policies operated to the exclusive advantage of the monopolists.

The influence of the oil magnates upon governmental policy is even more clearly revealed in the field of foreign affairs. The Republican Stimson's sharp note of protest to Japan in 1931 over the oil situation in Manchuria, the Democratic Hull's diplomatic representations to the Mexican government regarding its expropriations of the oil companies, the official furor over the sinking of the gunboat Panay which was escorting Standard Oil tankers up the Yangtse—these actions were taken in the direct interest of the Oil Octopus.

In response to the pressure from industrialists exploited by the oil monopolists, from the small operators, and the general public, governmental executives make occasional efforts to curb monopolist practises in the oil industry. But these are spasmodic and ineffectual. In the latest of these attempts, the suit won by the government in 1935 at Madison, Wisconsin, the majors were found guilty of conspiracy in restraint of trade. But this decision has been appealed and a new trial is still pending. During the long-drawn-out litigation the monopolies work as merrily as before. And even if the decision is confirmed in the highest courts, will it be any more binding than the drastic decision of 1911?

The decisive struggle against the oil monopoly is not
that conducted by the little capitalist operators upon which Kemnitzer concentrates his attention. Of far greater importance is the struggle between the capitalist owners as a whole and the workers in the oil industry, on the one hand, and the American people on the other.

The Oil Octopus constitutes a major menace to the American people. It provides much of the wealth and power of the top ranks of America’s sixty ruling families, the Rockefellers, Morgans, Mellons, Flaglers, Harknesses, etc. It takes its tolls from every consumer of oil and gasoline products; it dictates governmental policies on the most vital questions; it causes incalculable mischief by its intrigues and operations abroad. There is hardly a corner of national life or a foreign country into which its tentacles do not reach.

Although Kemnitzer does not deal with the international activities of the oil companies, they are in many respects even more dangerous than their domestic operations. The Panay incident, among others, indicates how the Standard Oil interests abroad help provoke the impending imperialist war, which will turn out to be no less beneficial to the Oil Octopus than the last.

Anti-trust laws and Supreme Court edicts have proved powerless to restrain this mighty monster; governmental regulations, far from strangling it, have helped promote its growth. Obviously, more radical methods are required to rid the country of this pernicious parasite. The Octopus will not submit to control; it must be killed.

George E. NOVACK

Bolshevism and Democracy

ALBERT GOLDMAN,

Dear Comrade,

I apologize for encroaching upon your valuable time.

Permit me to express my appreciation of your most beneficial pamphlet What Is Socialism, its clarity and precision. There are however one or two points upon which I would esteem some further enlightenment. For instance: on p. 30 on the question of middle-class collaboration with the workers for the achievement of socialism you conclude by saying, “Force against the farmers and other middle-class elements to make them adopt socialist methods is absolutely excluded.” “This sounds very well,” some will tell you, particularly those who happen to know the fate that befell those classes in Soviet Russia after the workers took power under the direction of Lenin and comrade Trotsky themselves and not under Stalin. “You are cooing like a dove now, but can we trust you after you will have assumed power, judging by past experience?” By your deeds and not by your words ye shall be known. During the N.E.P. period when those classes obtained a bit of a respite it was just the left opposition under the leadership of Trotsky himself which raised the hue and cry “What did we fight for?” and that the Revolution was not a surrender. What is one to answer to this? False denials would not be in accordance with your ideas surely? Shall we then adopt the attitude that it was all a mistake or that Bolshevism in a civilized country will not be as crude as it was in Russia?

On p. 41, dealing with the question of democracy “When the workers take over political power”, you assert that “It would include the right to organize groups and parties with a program opposed to the ruling party and which the members of the group believe to be in the interest of the working class.” This again did not prove in practice. The communist party monopoly, the prohibition of other working-class parties or even actions within the communist party itself again took place under Lenin and Trotsky.

On the question of democracy and Russia again. It is clear that there are two essentials in a state entitled to be designated as socialistic and these are: State or public ownership of the means of production and exchange and workers’ democracy; in other words, ownership and control cannot be separated for any length of time with immunity. Either one or the other must in time be eliminated. What however is the position when the two, workers’ democracy and public ownership, are likely to clash?

Assuming as a case in point, Stalin or the Politbureau or whoever lays down the policy in the U.S.S.R., honestly believe that permitting real workers’ democracy the latter is likely to sacrifice or encroach upon the principle of public ownership; what then? which of the two ends of the axis is it their duty to uphold?

I will be greatly obliged to receive your reply to these points. If you consider it a waste of your good time to write to me individually you might deal with these points in the New International. Commenting further upon the last question. Comrade Trotsky in his polemics in one of the recent New Internationals asserts that it would be too much to expect the majority of the workers to wish socialism without being first educated to it by the vanguard, which is the same thing as saying that the vanguard, otherwise the party, even though in a minority, once it gets hold of power is entitled to force socialism upon the people. Is this your view? And is this the view of the Fourth International? It is not so much the moral aspect of it that I am questioning as the expediency of judging by U.S.S.R. results. It is obvious that a minority can enforce its will only through a bureaucracy and such, once created, refuses to be dissolved and creates the antithesis to the very idea of socialism. “No devil eats his own claws,” to quote comrade Trotsky. After having written the above the New International of December reached me. I find in this issue your article entitled “Martov’s Mysticism”. I also received by the same mail that booklet you endeavor to analyze so diligently. As it touches on those very questions dealt with in my letter, I made a thorough study both of the publication and your criticism. Without any desire to give the impression of impoliteness I regret to have to state that your criticism convinced me more of the correctness and soundness of Martov’s reasoning than the publication itself. With your permission and
offering a further apology for encroaching upon your time I propose therefore to go through the former in some considerable detail.

The main question at issue seems to be whether Stalinism was or was not a natural and logical outcome of "October". You claim that it was an "unexpected and disappointing result", and that "not having had any experience with Stalinism the proponents of Soviets in the early days of the revolution did not discuss the problem of their possible or probable degeneration and the course for such degeneration." Now, unexpectedness and lack of experience are merely signs of laxity and lack of expertise in the actors but surely this is not an answer to and a criticism of those who have shown a better comprehension of the situation, and a foresight of what was coming.

In the immediate paragraph though you proceed to upset your own argument by telling your readers of "the constant attempts by Lenin and other prominent Bolsheviks to rid the Soviets of bureaucratic distortion", so that it was not so unexpected after all.

What is more important however is that you do not refute the allegations in the postscripts to the pamphlet on page 31 where Lenin and the Central Executive Committee of the party approved of "one person dictatorship" or on page 10 where Lenin in his note to Kursky called for the execution by shooting of Mensheviks and Social Revolutionists.

"If any one is guilty of mysticism it is Martov who evidently is of the opinion that, once having taken over state power, the Soviets are destined to function as the instrument for the dictatorship of a minority." I regret to say that I could not find such evidence in Martov's publication. "Martov's criticism of the functioning of the Soviets in the days of Lenin may or may not be justified"—I am glad to notice the partial admission, "but it remains an intricate puzzle why any one should consider that the manner in which the Russian Soviets functioned is something inherent in Soviets as such, regardless of time, place and conditions. It is difficult to see how Martov in criticizing the practises of the Russian Soviets should have failed to discuss the problem whether the Soviets functioned as they did because of specific Russian conditions or because Soviets by their very nature are incapable of functioning in a democratic manner." I find it in comprehensible how one who read the pamphlet in question can make such assertions. The weight and center of the whole publication is a criticism of the assumption that Soviets were a kind of talisman and a panacea for all ills, irrespective of whether the people to whom it is applied are in a fit state educationally, economically and technically to benefit by and utilize them. I am glad to see in the paragraph following the one quoted yourself admitting that "the mere existence of Soviets" does not absolutely guarantee the victory of the proletariat; you however are in the position of the one who is wise after the occurrence. Why then assail the one who could foresee and foretell? To continue quoting: "Assume for a moment that the Soviets, immediately after the October Revolution could and would have functioned in the most democratic manner imaginable, it still remains true that the continued existence of Soviet democracy and of the Soviets themselves would be determined, in the last instance, by social and economic factors, and not by the mere existence of democracy." Are we then to understand that democracy by itself has no influence at all on the social and economic factors? Such being the case, of course, democracy resolves itself into a hollow and useless shell. But such is not apparently the view held by comrade Trotsky, as one gathers again from the following paragraph. "As pointed out by Trotsky in his Revolution Betrayed, the political safeguards described by Marx, Engels and Lenin as essential to a workers' state are not sufficient to prevent its degeneration. . . . Under unfavorable conditions democracy within the Soviets is absolutely essential to assure the building of a socialist society. But it cannot prevail over unfavorable conditions." Exactly. The question only which calls for an answer is: Why introduce Soviets under unfavorable conditions? and this is exactly what Martov criticized.

Your answer to it seems to be that "unfortunately the proletarian revolution first occurred in economically and culturally backward Russia."

To repeat, there are no occurrences in nature. An "occurrence" is merely a symptom of a subjective absence of understanding of the laws of nature, physical or social. To interpret the October Revolution as an occurrence is to throw a slur on the creators of that revolution; is a contradiction of the foundation of the teaching of the Bolsheviks who claim that it is up to them to direct history consciously and not to remain merely, as hitherto, blind objects of historical forces; and is above all not true to historical facts.

Surely a revolution planned and timed premeditatively, such as the October Revolution was, cannot be styled an "occurrence".

"It cannot be too frequently repeated, and the fate of the Soviets under Stalin makes it obligatory upon us to do so, that socialism cannot be achieved without the complete Soviet democracy." Too true. No one would appreciate your admission more than Martov himself were he with us. But again one must point to the difference between the expert and the layman. It was not necessary for Martov to live through the epoch of Stalin and his purges before he could realize this obvious truth.

"But he leaves the firm ground of Marxism who would make a fetish of democracy, something more than to achieve socialism." I expect that you can take a horse to the water but you cannot make it drink. To the extent that democracy does not appreciate and desire the bringing about of socialism, it cannot be achieved successfully. The people do not see the difference between Stalin's and Hitler's socialisms. "We can and must enunciate general rules of democratic procedure but not to recognize that there may possibly arise situations (necessarily, they must be extraordinary) when it would be justifiable to deprive a minority group of its rights is to forget that there is such a thing as a class struggle."

Now if this is meant to refer to Martov's publication by one who read it I cannot even style it a misquotation; falsification would be the more appropriate term. Not only does Martov nowhere in this pamphlet cavil at the deprivation of a minority of its suffrage, he rather makes it clear more than once that such an action would not, in
his opinion, clash with the principles of democracy. What Martov takes objection to is the system of depriving the majority of the elementary rights of democracy such as described very clearly by yourself. “Together with universal suffrage there must exist under a Soviet régime that right of groups to organize and adhere to their own parties in opposition to the dominant party; freedom of press and of assembly; the protection of the individual against arbitrary acts of government officials; a fair and impartial trial for everyone accused of a violation of any law. In other words, all democratic rights which a bourgeois-democratic republic boasts about but limits in actual practise should prevail in a Soviet republic. And not only for workers but also for members of the former ruling class. A proletarian government under normal conditions has nothing to fear from any bourgeois group.”

Agreed. You do not suggest that so it worked out in practise under the Soviets headed by Lenin and Trotsky at the time Martov wrote this article in exile. One wonders then where is the cause for your attack at present on the latter? More so when you seem to be driven by your own logic to admit that Martov was right practically on every point. Martov never suggested that Soviets of a kind might have suited or will suit one day to the U.S.A. You claim: “It is senseless to think that the workers can achieve victory without a leadership formulating correct tactics and strategy.” Perfectly correct. But immediately the leader wields the knout he ceases to be a leader and becomes a satrap and that is what Martov and I with him object to again, it is not a case of an emotional reaction; it is not the moral aspect that agitates me—but as it is—but rather the one of expediency. Satrapy never did and never will bring socialism.

Now I will endeavor to offer a résumé analysis of the situation to the best of my ability. . . . I posit that the Russian 1917 Revolution was historically merely a continuation and a completion in Europe of the French bourgeois revolution, which conversion took place as a result of his (Lenin’s) being carried away with enthusiasm following February and which resulted in his April theses, was a miscalculation on his part and to the extent that great men influence the course of history was a historical misfortune. True, it was calculated to set the ball rolling; to start and wait for the workers of the world to complete the socialist revolution. This as we know now, to our regret and sorrow, did not materialize. The premature Russian start unfortunately acted not, as expected, as an infection to the world body politic but rather as an inoculation. It acted thus in several ways. It put the world bourgeoisie on its guard. Prior to the Russian revolution its more practically-minded section did not take the Marxist propaganda seriously; it was thought to be an illusion without possibility of execution.

The desolation and havoc again created by this untimely attempt repelled the more sedate section of the workers, hence the refusal of the German and Italian workers at the time to tread the Russian thorny path and hence Bolshevism was transformed into a scarecrow. The forcing of the Third International’s inauguration—by Tammany methods (see Balabanov, My Life as a Rebel)—divided the workers of the world into two hostile camps and thus played into the hands of the ruling classes.

The suppression of every vestige of freedom of expression for the masses necessitated by their immaturity and technical unpreparedness for socialism called for its justification and thus brought forward a spate of propaganda deprecating what was termed “bourgeois democracy”. The result was that the importance of democratic rights and forms was minimized and annulled in the eyes of the more revolutionary-minded workers who were naturally followers of the Third International. Obedience and discipline became the motto; reason and logic were scorned.

The creation of such a state of mind among the workers suited the aspiring ambitious demagogues in the opposite camp very much indeed. They learned a lesson. They realised the frailty and futility of the masses. They learned, or they thought they did, that once you allow the people to hear one side only you can easily convince them that black is white; words lost meaning in consequence. The drawing by the subsequent dictators upon the experience of the Bolsheviks in method and technique can hardly be denied or disputed, in fact it is questionable whether they managed to improve; rather did they take it over holus-bolus. It is a clear case of unity of opposites.

If and to the extent that there is any method and sincerity in the Stalinist line, conscious or subconscious, it is a realization of the error and an attempt to retreat and to rectify it, except that Stalin is apparently too vain and cowardly to admit it. The prosecution then of the old Bolsheviks, accusing them of Trotskyism, is quite justifiable, except that Stalin ought to be man enough to put himself in the dock alongside the others.

Sir, I hope you will not interpret the above as an attack or criticism on comrade Trotsky. There is not a person alive or dead for whose intellectual capacities or for whose upright I have greater admiration. Still this is how the situation appears to me and nothing would give me greater happiness than to have my errors—if any—rectified. Hopeing you will find it worth your while to analyze and criticize it either privately or in the press, I remain, thanking you, with comradely greetings.

A. ALPER

DURBAN, SOUTH AFRICA, Jan. 19, 1939

A. ALPER,

Dear Comrade:

My negligence in failing to reply to your interesting letter is inexcusable. I can only plead that soon after I received it I was compelled to leave Chicago and not until comrade Burnham called my attention to the copy you sent to THE NEW INTERNATIONAL did I remind myself that I had left your letter unanswered.

I shall deal first with the comment you make on the
proposition stated in my pamphlet *What is Socialism?* to the effect that the use of force against farmers and other middle-class elements to compel them to adopt socialist methods is excluded. You think that, because the Russian Left Opposition criticized Stalin and Bukharin for turning their faces to the wealthier peasants, the conclusion can be drawn that we are not sincere in our protestations of peaceful intentions towards middle-class elements.

The questions of the attitude of the Russian Left Opposition to the peasants in the years 1923-1927 and of the use of force by the workers' state to compel middle-class elements to adopt socialist methods are entirely distinct. Necessarily the workers in power will have to face the tremendously serious and difficult problem of obtaining food from the farmers. If the workers will be fortunate enough to have at their disposal industrial products with which to pay the farmers the problem will be easily solved. But if, because of lack of industrial development or because of the ruin caused by a prolonged civil war, the workers, temporarily at least, will be unable to give the farmers an adequate return for food products, then serious difficulties must ensue.

The workers' state will then be faced with the practical question of how much pressure it is expedient to use against the farmers in order to obtain food for the urban population. Naturally in a backward country the problem will be a thousand times more difficult to solve than in an advanced country, so difficult indeed as to be insoluble without the extension of the revolution to industrially developed countries.

What the Left Opposition insisted on was the impossibility of permitting the peasants to grow rich and the workers at the same time to go without food. To permit such a state of affairs to continue for a long time is to grant the peasantry ever greater control of the destinies of the workers' state and ultimately to assure the victory of the counter-revolution. It is not a question of using force to compel the peasants to adopt socialist methods but the use of the state power to prevent the peasants from choking the workers' state.

When the Left Opposition opposed the forced collectivization methods of Stalin it did so on the ground that force should not be used to compel the peasants to adopt collectivization. They and other middle class sections should be convinced by example that they will be a thousand times better off if they use socialist methods than if they continue to own and operate their little plot of ground or their small business.

* * *

I shall not take up all the questions that you raise with reference to my article on Martov. One or two are really so insignificant that to deal with them would be a waste of time. Such is the point, for instance, that you make about my use of the word "occur" in the sentence where I expressed regret that the proletarian revolution first occurred in an economically backward country. Had I used the term "was made" I am afraid that you or some one else would have accused me of ignoring objective factors. I used the term "occur" in its broadest sense and did not intend to intimate that a revolution just happens without the intervention of the consciousness and will of human beings.

With reference to your accusation that I have misinterpreted Martov I can only say that after reading your letter I re-read Martov's pamphlet and my article and I still cling to the inferences that I drew from the pamphlet. Please remember that I drew inferences and did not say that he said certain things. I still think that from his failure to discuss the policies of the Bolshevik party in relation to the specific conditions prevailing in Russia in the years 1919-1923 and for certain expressions in his pamphlet I am justified in concluding that Martov is "evidently of the opinion that, once having taken over state power, the Soviets are destined to function as instruments for the dictatorship of a minority".

Let me repeat my central thought on the whole question of democracy and socialism. Socialism without democracy is inconceivable. Democracy is to be taken absolutely for granted when socialism has been achieved. The truest and widest democracy is also necessary during the transition period. But just as the Sabbath is not made for man but man for the Sabbath, so are democracy and democratic forms to be looked upon during the transition period as a means for achieving socialism. Just as good Christians and orthodox Jews violate the Sabbath under the pressure of circumstances so will democratic forms have to be violated by those who are sincerely devoted to the ideals of socialism and consequently understand the necessity for democracy. In other words, a Marxist cannot make a fetish of democracy. The degree of democracy, its limitations and extensions will be determined by conditions existing during and subsequent to the revolution. That is why I reject any arguments against the Bolshevists when such arguments leave out of consideration the specific conditions of the Russian Revolution.

As I indicated in my article I am not at all ready to justify every single act of the Bolshevists. It may be that they acted too arbitrarily in specific instances but he leaves the ground of Marxism who would demand that during a civil war in a predominantly peasant country all the forms of democracy should be strictly adhered to even for those who claim to be working-class opponents.

Suppose, you ask, workers' democracy and public ownership clash? By that you mean to imply that a condition can arise where a majority of the workers, after having made the revolution, turn against it and hence against those who led the revolution. I can't conceive of such a situation except when, due to tremendous suffering, the majority becomes weary and loses heart. Under such conditions it would become the duty of the vanguard to exert greater efforts to turn the tide in favor of the revolution and to lift the spirits of the apathetic majority. Those who have had any experience in strikes understand that at certain moments the majority becomes disheartened and the militant minority is able to change that mood by exerting super-human efforts. Do you think that, rather than follow this method, we should immediately take a vote and give up the revolution? There is no question here of using force against the majority. That is excluded even from the point of view of effectiveness. What we are discussing now is a method of turning the tide going against the revolutionary forces.
I must admit that I do not see how every problem can be settled beforehand by a resolution to cling to all the formalities of democracy regardless of conditions. One would be compelled to go around with a ballot box and be prepared to take a vote on all questions that may conceivably arise. If the vanguard has confidence in its program and in its integrity, if it has the closest connections with the masses, if it follows correct policies and is ready at all times to change its incorrect policies, if the masses are permitted freedom to express their views, if, in other words, there exists a Marxian leadership, there can be no conflict between the masses and the vanguard. And if unfavorable conditions create such a conflict then the revolution is doomed.

He is hopeless who, after the Spanish events, does not realize the correct relationship between majority, democracy and leadership. The vast majority of the workers of Catalonia were under the influence of the anarchists who could have led the workers to a glorious struggle for power. Perhaps they would not have succeeded, but a thousand times rather die fighting for the power of the working class than for the miserable democracy of the bourgeoisie. The miserable rôle played by the anarchist leaders should once and for all quiet those who babble about being opposed to all forms of dictatorship.

If a revolutionary Marxian party had existed in Spain and led the workers to power it would have hesitated to suppress the Stalinists, the right-wing socialists, the petty-bourgeois liberals had they continued to insist on fighting for the support of English and French imperialism? And would it not have welcomed the cooperation of all groups who were willing to fight for a socialist republic?

We will aim for the purest kind of democracy but the class struggle will at times prevent the attainment of such a heavenly state. Given favorable economic conditions plus a favorable world situation plus correct leadership of a revolutionary Marxian party, then a successful revolution, the highest type of democracy and ultimately socialism are assured. Take away any one of these factors for a long period of time and we cannot hope to attain any one of the three objectives. And unfortunately there is no way of guaranteeing the simultaneous existence of all factors necessary to give us a perfect revolution.

You certainly emphasize Martov's alleged prophetic superiority. He did not have to pass through the Stalinist experience to know that the proletarian revolution would not bring the results fought for by the Bolsheviks! Martov based his woeful predictions of degeneration on the theory that you evidently accept, namely, that Russia was not ready for a socialist revolution and the attempt of the Bolsheviks to accelerate the tempo permitted by the degree of economic development could not but lead to a dictatorship of a minority. The corollary of that theory is that the proletariat should have permitted the liberal bourgeoisie to guide the destinies of the Russian people.

A great deal has been written on this point and I do not propose to repeat any of the Marxian arguments against this Menshevik position. However, I want to ask you one question. If the Bolsheviks could give no guarantee against the degeneration of the revolution, could Martov and all the Mensheviks furnish us with a guarantee for the continued existence of bourgeois democracy until conditions ripened so that a socialist revolution could be made without any danger of such a degeneration? Don't you realize that the Russian masses were in actuality compelled to choose between going on to the proletarian revolution or submitting to the worst kind of reaction, that bourgeois democracy as a possible choice was practically excluded? It was not a choice between Kerensky or Lenin but between Lenin or Kornilov. Subsequent events in Western Europe are a crushing refutation of the theory that the proletariat could afford to wait before making its own revolution. The Mensheviks and Stalinists of today are trying to fight fascism by urging the masses to struggle for bourgeois democracy instead of for socialism. And if they succeed in deceiving the masses in the future as they have succeeded up to now, the masses will get . . . fascism.

Ah, you say, did not Lenin and Trotsky make the mistake of thinking that the revolution in the more developed countries of Western Europe would come to the aid of the Russian Revolution? Yes, they did make that mistake.

Let us therefore put it very plainly. The Bolsheviks made the historic gamble on a successful world revolution. They lost because the social democrats were too strong and had the masses too much under their control. The result: Stalinism. The Mensheviks of Germany and Italy gambled on the continued existence of bourgeois democracy. The result: fascism. Taking every factor into consideration we are more than justified in concluding that had the Bolsheviks not done what they did, the Russian masses would now be under the heel of fascism instead of Stalinism. You see no difference? Very well! But had the social democrats led the workers of Germany and Italy to the seizure of power it is as certain as anything can be that we would have had neither fascism nor Stalinism. With the actual choices confronting them the Bolsheviks would have been justified in taking even greater chances than they did.

It is very easy to play the rôle of a prophet of doom. Such prophets make the doom more certain and are thereby in a position to claim justification by history.

Under the best of circumstances the revolutionary party will be taking historic chances whenever it will decide to call upon the proletariat to make an attempt to achieve its freedom. And we must take those chances for, if we don't, the workers will get the whips and scorpions of the fascists.

Stalinism has been a tremendous set-back to the revolution but fascism is still worse. Looked at from any angle, considered from the worst possible aspect there is no choice for a revolutionary Marxist but to place the seal of approval upon the audacious attempt of the Bolsheviks to start the world revolution. Perhaps we shall be more careful about the formal aspects of democracy but essentially we must follow in their footsteps.

Fraternally yours,

Albert Goldman
Epilogue

The epilogue to the rôle played by the “democratic” powers in the Spanish tragedy has been pronounced by Alexander Wilbourne Weddell, a sixty-three-year old Virginia gentleman who recently arrived to take up his residence in Burgos. To the press of Generalissimo Franco he said: “There existed, it is true, two waves of propaganda in my country until recently, but I hope the American people will understand the reality of this historic moment. The Spanish people must not doubt that in the United States there exists a deep admiration for the character of this great country. Americans understand the enormous difficulties that must be experienced by a nation that has brought to a victorious conclusion a war of the magnitude of the Spanish crusade.”

The Generalissimo’s journalists commented on these fine words with more than ordinary jubilation, for the speaker is the new ambassador to Burgos from the United States of America.

Frozen Surplus Value

If architecture in general is frozen music, the Soviet building at the New York World’s Fair might be called frozen surplus value. It is not pleasant, indeed, to think how much surplus value sweated out of the Russian masses this huge pile of multi-colored marble represents. The Soviet workers may grumble about scanty food and shoes that fall apart in the rain, they may complain—to themselves, that is—about the Stakhanovite speed-up system and the reintroduction of the “work-passport” of Czarist times, but they must admit the Kremlin spares no expense to glorify “their” state at capitalist expositions. In Paris two years ago, the Soviet pavilion was outshone in costly elegance only by that of Nazi Germany. A big feature of the exhibit there, and one which has been transported to Russia, for what purpose God only knows. The huge stainless steel statue of a young man bearing aloft a red star can be seen from almost any part of the fair grounds, and for a time threatened to undermine our system of government. Patriotic citizens, chiefly of the Roman Catholic persuasion, discovered that the red star was higher than any American flag in the whole place. Careful measurements, however, showed that the top of the parachute jump in the amusement area was just one foot higher than the star, and the stability of American institutions was restored when a retired Army officer, amid solemn ceremonies, climbed to the topmost pinnacle of the parachute jump and affixed thereto the stars and stripes. So now Old Glory waves a good twelve inches above the symbol of red revolution, and all is well.

The thing that impressed me most about the Soviet building—aside from the ugliness of its liver-red and multi-colored marble trim and the brutal heaviness of its lines—was the collection of highly dubious statements which appeared, in all the permanence of bronze and graven stone, on every wall, inside and out. “FOR THE U.S.S.R. SOCIALISM IS SOMETHING ALREADY ACHIEVED AND WON.—STALIN.” “THE U.S.S.R. IS A SOCIALIST STATE OF WORKERS AND PEASANTS.” “SOCIALISM AND DEMOCRACY ARE INVINCIBLE.—STALIN.” “LABOR IN THE U.S.S.R. IS A MATTER OF HONOR, A MATTER OF GLORY, A MATTER OF Valor and HEROISM.” (I can agree partially with the last statement: labor in the U.S.S.R. is certainly not a matter of such vulgar materialistic things as beefsteaks and warm clothes.) These inscriptions seemed to me to have a rather frantic air. They were so flat and final, so positive in their assertions. Might there possibly be a little self-reassurance here, a little whistling in the dark?

This game of inscriptions, furthermore, can be played at by others as well. In the building consecrated to the United States Steel Corporation, I read another series of doubtful assertions rendered in the boldest and most unequivocal of letters: “The U. S. Steel Corporation contributes to national welfare.” “The U. S. Steel Corporation pioneers technical progress.” “The U. S. Steel Corporation promotes industrial stability.” And in the Italian building I found Il Duce equally insistent. “The intelligent capitalists are not only interested in salaries but also in houses, schools, hospitals and sporting camps for their workers.—Mussolini.” “Per una piu alta giustizia sociale.—M.”

Miscellany

I have been looking through Earl Browder’s latest literary effort, The 1940 Elections: How the People Can Win, in the hope that he would explain how “the people” can lose an election which is decided by the majority of their votes. So far I have found no explanation, but I have run across what is undoubtedly the Amalgam of the Month, namely: “Trotskyites, Leninstonites, spies, detectives, and agents-provocateur. . . .” Where would you put store detectives, comrade Browder?

* * *

The level of the attacks that are being made on the Federal Arts Projects is well expressed by the statement a certain Mr. Walton, formerly an official in the Federal Theatre in New York, made to a congressional committee the other day. “The present set-up,” said Mr. Walton, “is in my opinion nothing more or less than a fence to sow
the seeds of communism. Of course, every play does not carry that message. They are too clever for that. But you must bear in mind that the theatre for centuries has been used to sway public opinion. Voltaire once wrote a play that started the French revolution." Mr. Walton's history is as mixed as his metaphors. It was Beaumarchais, not Voltaire, whose *Marriage of Figaro* "started" the revolution.

* * *

Having worked out the horoscopes of William Green, John L. Lewis, Heywood Broun, Harry Bridges, William Z. Foster and Earl Browder, *Horoscope* states: "None of these leaders have horoscopes that would appear to warrant the Red Scare that is generally broadcast with the mention of their names. From the capitalistic point of view, the labor movement is 'safe' so long as it is in their hands." Maybe there's something to this astrology after all.

* * *

Mr. and Mrs. Albert H. Wiggins have given to the Greenwich (Conn.) Boys Club Association the funds to build a modern club house, with the general idea, according to Mr. Wiggins, "for the purpose of building character for citizenship". The last time Mr. Wiggins's name got in the headlines was in connection with the several million dollars he had agreed to pay the stockholders of the Chase National Bank who were suing him because of a number of rather peculiar transactions he put through during his term of office as president of that institution.

* * *

The Nazi drive for more children, whether begotten in or out of holy wedlock, seems to have born unexpected and unwelcome fruit. According to *Time*, for June 5: "In the midst of spring fervor, Nazi health authorities publicized an unbelievable figure: 76% of all young men between 20 and 29, they said, proved, when examined for military purposes, jobs, or party membership, to be suffering from syphilis."

**Big Steel Swings Right**

When the U. S. Steel Corporation in March, 1937, suddenly and unexpectedly signed a contract with the Steel Workers Organizing Committee, the indignation of the rest of the industry was extreme. The barons of Little Steel sounded like so many *Nation* editors on the subject of the Munich Pact, another great "betrayal". Myron Taylor, the then chairman of the Steel Corporation, was cast in the role of the traitorous Chamberlain. A few months later, Little Steel showed that some steel men have principles when it bloodily smashed the Little Steel Strike, throwing the advancing C. I. O. movement back on its haunches—where it has remained ever since. Myron Taylor was succeeded by the energetic and dashingly young E. R. Stettinius, Jr., who at once established close contacts with various young New Dealers, especially those on the Monopoly Committee. Last summer the Steel Corporation went to Munich once more, again enraging its competitors by a major appeasement gesture towards the New Deal. It announced the abandonment of the basing price system, which for some three decades had been under constant attack by consumer and governmental organizations.

In the introduction last fall to Guérin's *Fascism and Big Business*, I pointed out that the Steel Corporation was temporarily cooperating with the New Deal for the same reason German heavy industry in the Twenties cooperated with the Weimar Republic: because it was in the midst of a vast rationalization process, for which it needed a period of peace. But I predicted that "the Steel Corporation will find itself before long with a magnificent, enormous and highly efficient productive mechanism—and no market for its goods. Nor it there any reason to expect its directors to act differently when this happens, than their German colleagues did." The Corporation's reorganization program seems now about complete, steel production for months has been fluctuating between 45% and 55% of capacity, the C. I. O. is in retreat, and so the directors of the Corporation are cutting their bonds with the New Deal.

The first open indication was the appearance of Walter Tower, executive secretary of the American Iron & Steel Institute, before the Senate subcommittee which has been hearing proposals for amending the Wagner Act. There is nothing startling about Mr. Towers' seven proposals. They were set to the same music as most business suggestions for "reforming" the Wagner Act. The news was that Mr. Towers' proposals had been previously unanimously approved by the directors of the Iron & Steel Institute, and that among these directors were four officials of the Steel Corporation. So deeply had the Corporation's signing up with the S. W. O. C. left the industry that this was actually the first time since March, 1937, that the Institute had been able to make any general statement on labor policy.

The ranks of the steel industry are evidently closing. The corporation's break on price policy has had such a disturbing effect on the complex and normally rigid steel price structure, and profits in the past year have dropped so alarmingly, that this concession to the New Deal seems also likely to be withdrawn. From the White House, too, have recently come some plain indications that the period of big business "appeasement" has ended. The Steel Corporation's new policy is one of many signs of a new and major shift in the ever-changing relationships of the New Deal with the various sections of the bourgeoisie. Next month I intend to attempt an analysis of the current trend of these relationships.

**Our Master Minds in Action**

The new president of the American Iron & Steel Institute is Ernest T. Weir, guiding genius of National Steel Co. To commemorate his accession to the supreme leadership of the mighty steel industry, I reproduce below a portion of the testimony he gave on March 3, 1938, before the LaFollette Civil Liberties Committee. Before our excerpt begins, Mr. Weir has been complaining bitterly about what he terms an "anti-industry" movement that is gnawing at the wellsprings of our democracy. Senator Thomas of the LaFollette Committee is trying to find out what he meant, exactly:

**Senator Thomas:** Where do you find this anti-industry movement in America?

**Mr. Weir:** Well, it is general, Senator.

**Senator Thomas:** General?

**Mr. Weir:** Yes, you read about it in the newspapers, you hear it discussed over the radio.
SENATOR THOMAS: Name a newspaper that is against American industry.

MR. WEIR: I do not say they are against American industry. They may give some misrepresentation of facts without being against American industry basically.

SENATOR THOMAS: Illustrate...

MR. WEIR: You are asking me in detail about a very broad subject. If you want me to submit—

SENATOR THOMAS (interrupting): Is there any one in the State of Utah that wants to destroy Utah industry?

MR. WEIR: I don't know; I cannot answer that. That is a broad question.

SENATOR THOMAS: Do you think the Governor would want to destroy Utah industry?

MR. WEIR: I certainly would not think so.

SENATOR THOMAS: Do you think the Utah Legislature would want to destroy Utah industry?

MR. WEIR: I certainly would not think so.

SENATOR THOMAS: Do you think there is a paper in the State of Utah that wants to destroy Utah?

MR. WEIR: I don't know.

SENATOR THOMAS: You don't know?

Mr. WEIR: Of course not. I am not familiar with the State of Utah; I am not familiar with the publications. If there is a publication in the State of Utah such as the Daily Worker, just submitted, I would think very definitely that it was their intention to destroy the standard of government in the State of Utah. That is my own opinion.

SENATOR THOMAS: The standard of government is quite different from industry, is it not?

MR. WEIR: I do not understand your question. You asked me, as I understood it, if there was anybody in the State of Utah that wanted to destroy the government of Utah.

SENATOR THOMAS: No; to destroy industry in Utah. Do you think there is anybody in Utah that wants to destroy the government in Utah?

MR. WEIR: I would not think so; I don't know. You know Utah is rather a good-sized state. I don't know. There may be.

SENATOR THOMAS: You are not serious about that? You do not think that we actually, out there in Utah, have to carry on a campaign so that people won't destroy our State?

MR. WEIR: Senator, I know nothing whatever about the State of Utah. What I do know something about is the state of industry, and the necessities of industry, the operations of industry. I think I know something about them. As to the State of Utah, I know nothing.
INDISPENSABLE

The New International is indispensable not only for the student of the international revolutionary movement but also for the militant participating actively in its ranks.

Every month it prints important articles on the most burning questions before the working class, and news of the development of the Fourth International, its program and its criticism.

Here are some of the many letters, from all sources, received at our office:

"Our international movement, Hashomer HaTzair, the Young Watchman, is a Marxist-Zionist youth movement with branches in over twenty countries. . . .

"In searching about a magazine of Marxist interpretation, we chose yours even though we have deep-seated differences, arising chiefly from

an analysis and treatment of the Jewish problem, especially today in its aggravated form. . . .

"We look forward to the coming issues of the INTERNATIONAL and hope to see an understanding and realistic approach taken in regard to the Jewish question. . . ." Milwaukee, Wisc. YEHOSHUA SCHWARTZ

"I was sorry to read on the inside front cover of the June issue that the magazine is in dire straits financially. I am enclosing a contribution and I wish I could make it more. I think that THE

New International is getting better and better all the time—this June issue is certainly splendid all the way through." New York City M. B.

"I am writing unofficially on behalf of the comrades of the local Revolutionary Socialist League. . . . We have been selling in Liverpool at least one dozen copies of the New International ever since it commenced publication. Of our own comrades, however, I am the only one who can afford to buy a copy and this copy is handed around amongst eight or nine comrades. Consequently, when it returns and sometimes it does not, it is in a pretty bad way and often unreadable. For the educational work with new comrades THE NEW INTERNATIONAL is invaluable

and we are short of many important issues for our library.

"I notice in this month's issue an announcement that bound volumes will be presented to comrades who can obtain ten new subs for the magazine. It is impossible for us to do that in Liverpool, however, at present, although I can assure you that we spare no effort to extend our sales. In view of this I would like to suggest that perhaps the N.I. could donate a bound volume to our library and thus improve our educational equipment."

Liverpool, England E. B.

Assure yourself of regular receipt of The New International by subscribing for a year

Annual subscription: $2.00

The NEW INTERNATIONAL

116 University Place, New York City

Printed in the United States of America