February, 1941

THE NEW INTERNATIONAL
A Monthly Organ of Revolutionary Marxism

War Aims

The Editors on:
HITLER'S ERSATZ FOR A NEW ORDER
THE BANKRUPTCY OF THE DEMOCRATS
THE WAR AIMS OF THE SOCIALISTS

Dwight Macdonald Discusses
FASCISM AS A NEW SOCIAL ORDER

Milton Alvin Discusses
SOVIET BUREAUCRACY AS A CLASS

J. R. Johnson on:
BOLSHEVISM IN THE FIRST WORLD WAR

Fifteen Cents Single Copy - - - Subscription Per Year $1.50
Manager's Column

It is becoming increasingly difficult for all shades of radical and progressive thought to penetrate the haze of reactionary and super-nationalist propaganda that is being dished out by both the warmongers and the isolationists. One by one, publications that have taken an anti-war position have succumbed to the pressure and jumped on the bandwagon. Of the few that still oppose the war, it remains for The New International to point the way and clarify the issues. Only Marxists are equipped, ideologically and theoretically, to do this. And today The New International is the only theoretical organ of Marxism in America.

We realize that a monthly magazine of only sixteen pages is hardly adequate to fill the historical role that it must fill. Even thirty-two pages each month is far less space than is needed to print the material that is available and should see the light of day. But with the limited resources that we have available it has been impossible to do any more.

Therefore, we appeal to our readers once more to contribute what they can so that "for the duration" at least, we can publish a thirty-two page magazine. And if contributions are not sufficient to make a thirty-two page possible every month, we'll publish one as often as possible.

We still think that subscriptions are obtainable. Whether you contribute or not, make up your mind to get at least one more subscription before the March issue is out. If every subscriber would do this, we would have thirty-two pages in March without a doubt.

Some of our readers have written in and suggested suspension of publication if we must continue with sixteen pages. Some of their arguments, perhaps, are valid. But our answer to them must be, "It's up to you to make it thirty-two pages. We have the material; we have the facilities. Get the subscriptions and contributions and we'll give you what you want."

Dorothy Williams has just been appointed literature agent in Los Angeles and it's a pleasure to hear of real plans that are being made to increase the circulation of the N. I. She writes:

"...The N. I. has intermittently been put on two or three stands, and I hope we will now be able to make regular and permanent arrangements for putting it on these stands, and perhaps some others each month. In addition, we are going to have each comrade take an assignment to visit several sympathizers regularly to sell the magazine.

...I am determined that our bills are going to be paid to date from now on.... I can picture just what it would mean to you to have everyone paying bills promptly. In fact I think it is a miracle you manage to get along as it is. Anyway, keep on performing miracles, and I'll do what I can here."

Space does not permit quoting her whole letter but she outlines her plan for getting subscriptions, contributions, etc. Letters like this from every branch in the country would change the picture in the business office considerably.

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Editorial Board: AlberGates, J. R. Johnson, Max Shachtman
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Oakland, long inactive, has gotten a shot in the arm from San Francisco and we've been paid in full for a bill that was long overdue. S. F. tells us that we will see an improvement there from now on.

Kansas City and a few other branches took advantage of our offer to supply extra copies of the December issue of N. I. for the cost of postage—1½ cents per copy. We still have some left if any branches or individuals want them.

Chicago Central still owes too much. How about a payment?

Boston still remains one of the outstanding branches as far as bundle order payments are concerned. We feel, however, that in a city of that size, the branch might find a few more readers and increase the size of its bundle.

The same goes for Lynn as for Chicago Central.

Newark has a new literature agent who keeps his own account paid up—but when can we expect the back bill?

Cleveland and South Philadelphia have run up bills that are inexcusable. Unless something is done about it soon, we will be forced to hold up their bundle orders.

We are pleased to report that New York has practically liquidated its debt—but falls far short of what it can do in the matter of increased sales and circulation. New York, above all, can do much more toward our thirty-two page magazine.

And thirty-two pages we must have!

THE MANAGER.
The Editor's Comments

What Are the War Aims of the Two Imperialist Camps in the Second World War?—Have the Ruling Classes Themselves a Very Clear Notion of What They Expect to Achieve in the War?—The Hitler "New Order" Ersatz and the Bankruptcy of the Great Statesmen of Democracy

What are the war aims of the British government or of the American government, or, for that matter, of all or any of the belligerent governments? First of all to win the war. That is what Churchill says today. That is what Clemenceau said yesterday. But that, too, is Hitler's aim. And if it is a virtue to plan and scheme and devote oneself entirely to victory, then it will be hard to deprive Hitler of first prize for war aims. The next answer is that Hitler is fighting for world domination and the British in defense of freedom and democracy. They have recently been joined by the Greeks. China, which struggled on against Japan, neglected for four years, now suddenly becomes another stronghold of democracy and America becomes the arsenal of democracy (immediate profits limited to eight per cent). It is or ought to be clear. Hitler, the evil spirit or dragon; Britain, St. George, and America supplying St. George and allies with the tools and doing everything to help win the war. But still the cry rises from the people, "What are your war aims, Churchill? What are your war aims, Roosevelt?" True, it is voiced chiefly by some isolationists who use it to embarrass the war-making executives in Washington. But it springs from the people. You can see that in Britain where the workers, though threatened with invasion and battered from the skies, still clamor through their Labor Party for a statement of war aims. It would seem that to them it would be enough to reply, "We are fighting to prevent Hitler doing here what he has done in Poland." The fact remains that it isn't enough. If the American workers had means of political expression we would have had a far more vocal, insistent, and organized inquiry, "What, exactly, is the British government fighting for? And why, specifically, are we so mixed up in it?"

The British workers and the American workers, if drawn into war, would have no hesitation at all in stating what they were fighting for, especially if they were in charge of the war. The British working class knows quite clearly what is its immediate aim in this war. It is to prevent Hitler coming to Britain. After that it hopes for a better Britain. In that desire the Fourth International is heart and soul with them. (Where we differ with the great majority of the British workers is on the way to do this.) But the demand to Churchill and to Roosevelt shows that the workers on both sides of the Atlantic distrust their governments. They heard a lot about a war for freedom and democracy once before. They seek assurance that it will not be the same old swindle over again. "I know what I am fighting for," says the British worker, "but you, who control everything, what are you fighting for?" It is that doubt in the minds of millions of French workers which paralyzed France for years and finally destroyed it.

Now, no man in America has talked more about the war than Franklin Roosevelt, and no man has said less. Particularly about war aims he has been modest, not to say reticent, not to say secretive. Why? It would have been simplicity itself for himself and Churchill to make a joint statement denouncing Hitler, promising to restore democracy and the independence of small nations, swearing to God (as Lloyd George swore) that they wanted not one single inch of territory, etc., etc. Yet they don't do it. If they do say anything at all, it will be dragged out of them, and we can tell in advance that it will be model of nebulous phrases, large promises with larger reservations, wrapped up in such equivocations and avoidance of issues that it will chill supporters and offer the most devastating targets for enemies. Freedom for small nations? But what about freedom for large ones? What about India? Roosevelt does not have only Puerto Rico to explain. He knows that American imperialism may at any time have to lay violent hands on Latin America. Hemisphere defense? But to defend a small nation does not mean that you have to swallow it. And how does hemisphere defense require that the American workers should sacrifice themselves to prevent Japan taking Indo-China from the French imperialists? Or the East Indies from the Dutch? When the people insist, "What are your war aims?" it means that vague phrases about aggression will not be sufficient. They have had those and are not satisfied with them. If they were, they wouldn't ask for further clarification.

Hitler's War Aims

But there is a much deeper reason than these obvious ones for the hesitation of Churchill and Roosevelt, and it is rooted in the bankruptcy of bourgeois society. They do not even know their war aims themselves. They want to win the war. That is certain. They wish to divide between them as much as possible of the profits and the power of the post-war world. But what sort of world they want they do not exactly know. Note how vastly different they are in this respect from their rival, Adolf Hitler. Hitler knows what he
wants. Driven by the poverty in natural resources of Germany, the absence of colonies, the apparently interminable class conflicts always verging on civil war, Hitler is determined to have a "new order." In many respects it is "new." The old customs barriers and divisions of Europe into little scraps of bantam-weight states must go. A United States of Europe is needed. Hitler knows that much. But for this to be feasible Hitler knows that one imperialist power must dominate. If not, its rivals will constantly be interfering among the smaller nations and forming rival blocs. That Hitler will put an end to. Germany will rule. He will organize a United States of Europe, governed economically and politically from one center—Berlin. Planned economy? He will plan the economy, down to the last vitamin with which the Polish worker must be supplied, so as to get twelve instead of ten hours of labor from him.

For this "new order" Europe will have to pay. It will have to acknowledge the Germans as masters and bow down to and worship them. The nations will be moulded to the German pattern, but on an inferior scale. The wealth produced will flow to Germany and just enough will be allowed to remain to maintain the millions of slaves and their local sub-masters. For nobody except a crazy fool will believe that the German bourgeoisie or the Nazis are organizing Europe for the benefit of the workers of Europe, or for anybody's benefit except the benefit of the ruling class of Germany. If it is only by that means Germany can live, then it will be that way, for Germany must live. Parliamentary democracy, liberty of the subject, individual freedom, even a pretense at truth, honor, and all that western civilization has held as an ideal for a thousand years, however imperfectly realized, these must go, in private as well as in public life. Instead we have already Göring's "cult of brutality." The boys must be tough. And tough they will have to be, with the blow first and the word after, if they are going to hold a continent down. The Nazis have no illusions about this "new order" of theirs. It is founded at home and abroad on ersatz, real wool instead of ersatz, 50 hours a week instead of 60 will seem like heaven. This paradise will not come too soon. Because there is the Latin-American market and some of Africa, to make the living space really fit for living in. This will involve war with America. But Hitler is prepared for that. He has carefully trained his followers and the nation in the idea of world domination. They will get and hold by war. These are Hitler's war aims. Everybody knows them. If there were free speech in Germany tomorrow some would say that they were in favor of these aims and others would say that they were against. But not a single soul would ask, "What are the Führer's war aims?" With some incidental and tactical changes, they are in Mein Kampf and in a hundred thousand speeches by Nazi officials, high and low.

The Bankruptcy of Roosevelt and Churchill

But Roosevelt and Churchill? Nobody knows and, we repeat, they do not know themselves. A fascist Europe and America, under their control? If it comes to that or socialism, as it must inevitably do, then they are for fascism. Churchill has said as much. But they do not want fascism. The bourgeois freedom that they have they cherish. When the workers are to be disciplined they, the bourgeois democrats, do not in the least hesitate to pass bills abrogating democracy and, if necessary, shoot the workers down. But fascism disciplines not only the workers but the bourgeoisie as well. It costs the bourgeoisie an enormous amount. Furthermore, whatever Wall Street and the City of London may be thinking, Roosevelt and his outfit and Churchill and his outfit are satisfactory to their masters only because they can still catch the ears of the masses. But should these great leaders dare even to dream of a Britain-dominated Europe they could not say so. First, it is manifestly impossible. Secondly, not a British worker, not an American worker, but would begin to protest that what he was fighting or sacrificing for was not that. A French-dominated Europe? France tried after 1918 and failed, first through economic weakness, and secondly because France would not allow it. Britain needs two groups of powers in Europe, one to play off against the other—the celebrated balance of power. Britain played France against Germany up to 1918, then played Germany against France up to 1999; then turned back to play France against Germany, but got a shock with the collapse of France, and is now trying to play Russia against Germany. A French-dominated Europe is impossible and dangerous to Britain in any case. What then? Back to 1918? But it is that which led straight to the 1929 crisis and the catastrophe. That cannot work. Then break up Germany? But to say that is to double the force behind Hitler and, in the event of victory, to intensify the chaotic conditions which the Treaty of Versailles created in Europe. Churchill has some general war aims. His war aims are his peace aims in general. He told the Conservative Party when it made him its leader instead of Neville Chamberlain: My intention is to preserve the British Empire and the historic continuity of life in our island. For this the Conservative Party gave him a great ovation. Poor Neville Chamberlain was trying to do just that. But the British workers and the vast majority of the American people will not be stimulated to sacrifice themselves for that. Roosevelt is in a similar position here. Hence ringing rhetoric from Churchill and plenty of chat from Roosevelt's fireside. But war aims? None.

If you wish to see how bankrupt these people are, you have only to read their liberal and labor supporters in England and America. Lacking the responsibilities of government, they are usually very specific about the particular brand of sticking-plaster with which they propose to cure a continent in sores. The 1914 "war for democracy," the League of Nations, the Kellogg Pact, the New Deal, the Popular Front, with Stalin for socialism (tomorrow) and democracy (today), against fascism, there is not a political patent medicine on the market which these have not drunk themselves in large doses and offered to the public as a sovereign cure for all ills. Today, however, they are as empty as their Churchill and their Roosevelts. The British pinks, with Laski at the head, cannot talk any longer to the British workers about the happy days to come after the war. The British workers have had two Labor governments and they know that you cannot do anything with the economic system by playing with it. They know, too, that Europe needs a reorganization, though what exactly that must be they can—
not say. Hence the great vogue of Laski today, who outlines a new Europe, a new order that demands a revolution. Only he calls upon Churchill and the British Conservatives to make the revolution. In America, Dorothy Thompson bluff the American public by calling Britain socialist. The other liberals are cheap editions of Roosevelt. They wish to defeat "the aggressors," they wish to "destroy" fascism, but their war aims? What, exactly, do they want? They, least of all, have any plans, because they had denounced the inadequacies of Versailles only too well. Some of them play around with Streit's Union Now, a stupid scheme for joining up Britain sitting on India and half of Africa, Jew-baiting Poland, France, divided into two since 1915, and who else cares to join, all under the banner of democracy. What German imperialism wants is markets and the destruction of its rivals. That is what British imperialism needs, and French imperialism. Before the war Poland demanded African colonies. The home market, even when protected with tariffs, quotas and electrified barbed wire, is too small for all of these countries. How do you solve that by joining them all up just as they are?

Not a single coherent idea comes from the united pens of all these warmongers. United on the necessity of stopping "aggression," they have nothing concrete to say of what causes "aggression" and how to put an end to that. And the more futile their ideas, the louder they seek to drown reason with the slogans of the day. Fascism or futility. That is the alternative before bourgeois society today. As long as the futile vaporings of liberals and labor leaders can keep support from the dangerous and distrustful masses the heavy industrialists and the bankers tolerate liberalism, though they are quietly making their plans. The workers will find out some day what exactly are the war aims and the peace aims of Churchill and Roosevelt. And then there will be no more futility but the brazen throat and steel gauntlets of fascism to reckon with. In the middle of February, Mr. Mander of the British Labor Party asked Churchill once more what were Britain's war aims. Mr. Mander said that America wanted to know. We can presume that Mander wanted to know himself. Said Churchill, "There is such thorough comprehension in the United States of what we are fighting for, and what we stand for, that I cannot recall any occasion when the question of peace aims or reconstruction has been mentioned by any representative of the American government whom I have seen or corresponded with." Isn't that beautiful? Churchill and Roosevelt understand one another so well that there is no need even to talk about it. And yet the great body of people in each country cannot get a single precise word out of these great paladins of government of the people, by the people, for the people.

The War Aims of the Fourth International

The Workers Party, we of the Fourth International, have our war aims. Like Hitler, we demand an end to the monstrous Versailles system, but we are also against a Hitlerite Versailles. We too demand a United States of Europe, with this difference, that it must be a Socialist United States of Europe. A Socialist United States of Europe deprives not even the smallest European nationality of its national and cultural rights. A nation has every right to its national existence, unsubdued and undominated by any other nation. This is one of the cornerstones of Bolshevism. In 1918, Lenin speaking on the rights of small nations to secede from Russia, uttered the following memorable words, "Once upon a time Alexander I and Napoleon traded peoples, once upon a time tsars traded portions of Poland. Are we to continue these tactics of the tsars? This is the reprobation of the tactics of internationalism, this is chauvinism of the worst brand. Suppose Finland does secede, what is there bad about that?" If these small nations intrigued against Russia with foreign imperialist powers, then the socialist revolution would intervene without mercy. But their freedom was theirs, for Lenin knew that only on such freedom could any lasting unity be built. Stalin's lies, deceptions and imperialist intrigues for the division of Poland, slices of Romania, and provinces of North China have no foundation whatsoever in the principles of socialism. They are exclusively the result of the bureaucratic usurpation of workers' power in Russia and the accompanying destruction of the Bolshevik Party.

We proclaim against Hitler the national, cultural and economic rights of the peoples. But these can flourish without the bitterness and jealousy and warfare which have characterized them hitherto, only on an economic basis which develops and does not constrict the economic life of Europe. What is all the Balkan mess due to, but the memories of past imperialism, the constant intrigues of Slav Italian and German imperialism, all flourishing in a bed of poverty, backwardness and ignorance? We propose to tear up every tariff barrier and break down every customs house in Europe and to substitute, not an armed Germany sucking the life-blood from a conquered and enslaved Europe, but a free association of all the peoples, planning their economic lives in accordance with their needs, and making use of the tremendous opportunities which the development of technique has offered to men. That is our program. Utopia? Yes, certainly Utopia, if we are waiting for Churchill and de Gaulle and Queen Wilhelmina to do it. But we are not looking to them. The masses of the people, led by the organized proletariat of Europe, must destroy the capitalist states and the capitalist economic system, the monopolization of wealth by a few. They, the armed people, will set up their own soviets and their own worker-controlled organizations in London, Paris, Vienna and Moscow, and create the new Europe. The people enslaved and suffered and died in 1914-1918. They have been promised and deceived and promised and deceived, until today, 1941, they are once more destroying each other. And for what? To be offered the fascism of Hitler or to ask in vain from Churchill and Roosevelt some simple, direct statement of what they propose in return for the enormous sacrifices they demand.

The people will find their way to socialism or perish. Either the possibilities which society offers today must be fully realized or the vast majority of human beings will be reduced to the level of Chinese coolies. We do not believe this will happen. Humanity has always found the way out in the past. It will find its way out again, for the simple reason that the way exists. Our program does not stop at Europe. The European proletariat will call upon the colonial peoples to revolt against imperialism, to join the new order of socialism. The Indians and Africans who cannot hear, and when they hear are deaf to the words of Churchill and Roosevelt, will hear a socialist call and leap like one man to the support of the cause. We have seen these things
Our Analysis of the War

Even after the war came and the Soviet Union made its pact with the Nazis and entered on a course of military conquest, even then Trotsky refused to revise his theory, and allowed the American movement to split in half over the question of Russia’s rôle in the war. The Workers Party, I think, was correct in its interpretation of this issue. But after the split, there came the other big surprise of the war: Germany’s conquest of the Continent in 38 days of Blitzkrieg. Our analysis of the war had been that it would be in all essentials a repetition of the 1914-1918 war—a long-drawn out stalemate (with the Maginot and Siegfried Lines in place of the trench fortifications of the last war) between capitalist imperialisms of the same order, and with the “democracies” having a distinct edge because of their superior wealth and resources, their control of the seas and their support from the United States. In a long war of the 1914-1918 type these advantages would have probably proved decisive—as they did last time. But while the Allies were fighting the last war over again, the Germans were fighting a different kind of war, expressing a different, non-capitalist economic and social order. Germany’s crushing superiority in war machines (planes, tanks, guns) over the richer “democracies,” the new military tactics her armies displayed, and the new and non-capitalist ways in which she is now exploiting her victory—all of these phenomena can be explained only on the basis of a radical difference in economic and social systems between Germany and France-England.

But, just as Trotsky refused to reshape his theories on the Soviet Union when events proved them incorrect, so the Workers Party refused to reshape its mistaken conception of the war and of the nature of German fascism when the Blitzkrieg exposed its falsity. (It should be understood that the Blitzkrieg did not cause the differentiation between the German and the Anglo-French-American economic systems which it is the main purpose of this article to analyze and evaluate. This differentiation began to take decisive shape in 1936. The Blitzkrieg was simply an unmistakable indication of the change that had taken place several years previously.) The most serious attempt of the Workers Party leadership to answer the problems raised by the Blitzkrieg was J. R. Johnson’s article, which took up the entire July issue of The New International, entitled: “Capitalist Society and the War.” With his customary broad sweep, Johnson marshals sixteen printed pages of arguments drawn from every epoch and every clime to prove his main point: although we didn’t expect the Blitzkrieg, there is nothing really unexpected about it. (Cannon sang the same tune during the factional struggle: “Nothing has changed. We
reaffirm our old position. Don’t get excited.”) Johnson goes back to Hannibal to demonstrate that the side taking the offensive has a big military advantage. (But why was it the Nazis and not the Allies who took the offensive?) He shows conclusively that Germany is the most highly industrialized and rationalized nation in Europe and so naturally could create a greater war machine than the Allies. (But an even more convincing argument, on economic grounds, could be made and was made that the Allies had the advantage.) He shows that the German Army has for generations been the most formidable military force in Europe. So the whole business can be explained simply in terms of higher industrial development and a more effective Army, factors which considerably antedate the coming to power of Hitler.

Excellent! But the question naturally arises: if the nature of the war and of the Nazi economy was so clear that the veriest tyro, armed with Johnson’s kind of “Marxism,” could correctly judge events, then how does it happen that we did not judge the events correctly? If Johnson’s premise is accepted, then he and all of us must be accounted either fools or ignoramuses to have failed to take into account such long-familiar factors as the high level of German industry and the military prowess of the Prussianized German Army. But I don’t think Johnson is a fool, nor the rest of us. We failed to understand both the nature of this war and the character of the Nazi economy because of the forms of our thought, because we used in our analysis an instrument which is badly in need of reshaping if it is to be useful in understanding the world of 1940—the instrument of “traditional” or “orthodox” Marxism.

**What Is “Marxism”?**

Here it is important to state clearly that by “traditional Marxism” I mean not the basic theories of Marx and Engels but the school of thought which has developed historically since 1917 on this basis, and especially its present-day manifestations in this country in the Trotskyist movement. Personally, I consider myself a “Marxist” in that (1) I accept what seems to me the basic structure of Marxism, namely, historical materialism, the Marxist theories of the state and of classes, the economic contradictions (and increasing unworkability) of capitalism, the necessity for revolution, the desirability of socialism, and even—as an illuminating and useful way of interpreting history, not as a universal scientific law—the dialectic; and (2) I know no more realistic and fruitful approach to history than the Marxian. It is true that the bureaucratic collective régimes in Russia and Germany cannot be explained in the terms of Marx’s specific analysis of capitalism, since, in my view, they represent a post-capitalist kind of economic organization. But a distinction must be made between Marx’s analysis of capitalism and his more general theories, applicable to all historical periods. These latter, I think, are the best tools we have to analyze the new phenomenon of bureaucratic collectivism. I am also a great admirer of Marx’s concrete and empirical approach to historical questions, his painstaking examination of data, and the scientific character of his thought. In this article I have, therefore, argued the case pretty much in Marxist terms. The problem before us is not to “defend” Marxism by trying to show that basic changes are not occurring in the world today, but rather to recognize these changes and to use Marxism as an instrument to cope with them.

Marxism I conceive to be a scientific discipline, a method of interpreting data and an instrument for bringing about political change. As such an instrument, its value is not in itself (as is the case with a religious doctrine, for example) but rather in its efficiency in achieving certain ends. Change and modification from time to time are therefore normal procedures. The dominant tendency in post-war Marxist thought, however, seems to be rather to regard Marxism as something having value in itself, hence something to be “defended” against the onslaught of the impious and unorthodox, just as a religious person defends the doctrines of his church. (I cannot conceive of “defending” a tool.)

**“Traditional Marxism” No Longer Adequate**

It is this kind of “Marxism,” which has unfortunately long dominated the Trotskyist movement, that I criticize throughout this article. It is this kind of thinking we must get rid of, especially in a period like this one, when the death-crisis of capitalism is proceeding at such a headlong pace and with such convulsive and unexpected turns. In *The Third International After Lenin*, Trotsky memorably contrasts the relatively gradual, “organic” evolution of capitalism in the pre-1914 period with the “irregular, spasmodic curtailments and expansions of production” and the “frenzied oscillations of the political situation towards the left and towards the right” in the post-war period. (The terms in which, in 1928, Trotsky criticised Bukharin’s *Draft Program* can unfortunately be largely applied to Trotsky’s own analysis of the evolution of the Russian and the German economies a decade later—“abstract... supra-historical... didactic... scholastic.”) The conclusions which Trotsky in 1928 drew from his analysis are doubly to the point today: “The rôle of the subjective factor in a period of slow, organic development can remain quite a subordinate one.... But as soon as the objective prerequisites to the revolutionary overthrow of capitalism have matured, the key to the whole historical process passes into the hands of the subjective factor, that is, the party.... Without an extensive and generalized dialectical comprehension of the present epoch as an epoch of abrupt turns, a real reeducation of the young parties, a correct strategical leadership of the class struggle, a correct combination of tactics, and, above all, a sharp and bold and decisive rearming at each successive breaking point of the situation—all this is impossible.”

The pre-war social democracy, as Trotsky points out, could get along on a policy of following in the wake of the development of capitalist society; a miscalculation here or there was not fatal, since the general line of evolution was clear and the whole process proceeded so slowly as to allow time to reorient the party to meet the new conditions. To-day, however, just as it is necessary for the state to intervene consciously into the economy, so too it is necessary for the revolutionary party to intervene positively into the class struggle, to estimate with scientific accuracy its precise tempo and character at the given historical moment. But this cannot be done successfully unless the theoretical weapons of the party are constantly overhauled and reshaped to meet changing conditions, or, in Trotsky’s words, unless there is
"above all, a sharp and bold and decisive rearming at each successive breaking-point of the situation."

What Is "Capitalism"? 

Before we can very well decide whether Germany today is a "capitalist" nation, we must first agree on a definition of "capitalism." As it has historically developed, the capitalist system has various features, such as—political: democracy; ethical: liberalism; humanitarianism; philosophical: materialism; juridical: substitution of contract for status in social relations; economic: private property, production for profit, not for use. The feature which distinguishes it from all other historical systems of property relations, and the one which is basic in the sense that the other features can be shown to derive from it, is the last—production for profit, which means the regulation of production by the market. All of these features disappear under fascism, but it is the destruction of the capitalist market that decisively marks fascism as a new and different system.

In his introduction to the Living Thoughts of Karl Marx volume, Trotsky writes (emphasis mine throughout):

In contemporary society, man's cardinal tie is exchange. Any product of labor that enters into the process of exchange becomes a commodity. Marx began his investigation with the commodity and deduced from that fundamental cell of capitalist society those social relations that have objectively shaped themselves on the basis of exchange, independence of man's will. Only by pursuing this course is it possible to solve the fundamental problem in capitalist society, in which, each man thinks for himself and no one thinks for all, are created the relative proportions of the various branches of economy indispensable to life.

The worker sells his labor power, the farmer takes his produce to market, the money lender or banker grants loans, the storekeeper offers an assortment of merchandise, the industrialist builds a plant, the speculator buys and sells stocks and bonds—each having his own considerations, his own private plans, his own concern about wages or profit. Nevertheless, out of this chaos of individual strivings and actions emerges a certain economic whole, which, true, is not harmonious but contradictory, yet does give society the possibility not merely to exist but even to develop. This means that, after all, chaos is not chaos at all, that in some way it is regulated automatically, it is a whole, a certain economic whole. This whole is shaped on the basis of exchange. The state does not create economic relations; economic: private property, production for profit, not for use. The feature which distinguishes it from all other historical systems of property relations, and the one which is basic in the sense that the other features can be shown to derive from it, is the last—production for profit, which means the regulation of production by the market. All of these features disappear under fascism, but it is the destruction of the capitalist market that decisively marks fascism as a new and different system.

In his introduction to the Living Thoughts of Karl Marx volume, Trotsky writes (emphasis mine throughout):

In contemporary society, man's cardinal tie is exchange. Any product of labor that enters into the process of exchange becomes a commodity. Marx began his investigation with the commodity and deduced from that fundamental cell of capitalist society those social relations that have objectively shaped themselves on the basis of exchange, independence of man's will. Only by pursuing this course is it possible to solve the fundamental problem in capitalist society, in which, each man thinks for himself and no one thinks for all, are created the relative proportions of the various branches of economy indispensable to life.

The worker sells his labor power, the farmer takes his produce to market, the money lender or banker grants loans, the storekeeper offers an assortment of merchandise, the industrialist builds a plant, the speculator buys and sells stocks and bonds—each having his own considerations, his own private plans, his own concern about wages or profit. Nevertheless, out of this chaos of individual strivings and actions emerges a certain economic whole, which, true, is not harmonious but contradictory, yet does give society the possibility not merely to exist but even to develop. This means that, after all, chaos is not chaos at all, that in some way it is regulated automatically, it is a whole, a certain economic whole. This whole is shaped on the basis of exchange. The state does not create economic relations; economic: private property, production for profit, not for use. The feature which distinguishes it from all other historical systems of property relations, and the one which is basic in the sense that the other features can be shown to derive from it, is the last—production for profit, which means the regulation of production by the market. All of these features disappear under fascism, but it is the destruction of the capitalist market that decisively marks fascism as a new and different system.

This seems to me a reasonably accurate description of how capitalism works. There are two main elements: (1) production is regulated by exchange, that is, by the prospects of the individual and corporate property owners making a profit by selling their goods on the market; (2) this market regulates "not consciously" but as an impersonal, autonomous mechanism working "independent of man's will."

In Germany today the market still exists, but it has lost its autonomy: it does not determine production, but is used merely as a means of measuring and expressing in economic terms the production which is planned and controlled by the Nazi bureaucracy. The old capitalist forms exist, but they express an entirely new content. Since 1936, production in Germany has not been determined by the market but by the needs of Wehrwirtschaft: guns, tanks, shoes, steel, cement are produced in greater or lesser quantities not because there is more or less prospect of making profits on this or that commodity, but because this or that is considered more or less useful for making war. Economically, this is production for use, the use being, of course, a highly undesirable one from the social point of view. Nor is this production controlled by a market mechanism working "independent of man's will" but by a bureaucratic apparatus which plans production (as against the well-known "anarchy" of capitalist production) and which consciously and willfully works out the best solution to the particular problem. No individual producer thinks "for himself"; on the contrary, if not one man, at least a small group of top bureaucrats, "think for all." Trotsky speaks of each individual producer having "his own private plan," but Dr. Ley of the Labor Front says: "There are no longer any private people.

*Compare with Trotsky's description of capitalism, the definition of fascist economy recently given by Otto Dietrich, Nazi press chief: "Economic society is not a mechanism regulating itself automatically... It is an organism that is regulated and directed toward the total goal."

**Those Marxists who insist that the persistence of these forms—profits, wages, prices, etc.—proves that the German economy is still capitalist should remember that in the Soviet Union these forms also largely exist. The Soviet state trusts keep books in capitalist style and if they don't show profits, the managers are liquidated; the workers are paid wages in rubles and spend them in shops on food, clothing, etc.; there is even a budding retailer class, living on the proceeds of investments in 6% government bonds. But most of us would agree that this is not a capitalist economy, that its contradictions are not those of capitalism but of quite another kind. (Speaking of forms, note that formally Germany is still a republic: the Weimar Constitution is still formally intact, and Hitler rules merely by virtue of certain extraordinary emergency powers granted him quite legally under the Constitution.)

This seems a good point at which to clear up certain misconceptions as to terminology. In my Partisan Review articles, and throughout this article, I use such terms as "social war," "production for use," and "black capitalism." These terms are generally used in a favorable, approving sense; I use them, as in these cases only, in the popular, everyday sense. The popular description is understood, it should be possible to avoid much misdirected indignation.

The term "social" I use as referring not to the general interest of society, but as an adjective describing what the noun "society" means. It can be applied in two senses: (1) war in the sense that society; that, in my view, Germany represents one social system (bureaucratic collectivism) and England another (democratic capitalism), which is not to say that either is thereby endorsed; (2) war today is a "social" enterprise in the sense that to prosecute it successfully the whole society must be organized for a general group aim, the winning of the war.

By "production for use," I mean this: although war materials are sold to the state by private producers, who make a profit, this is an incidental aspect of the transaction. The state does not buy more or less guns depending on the market price of guns at the moment; the production of munitions is not regulated by their profitability. The state—and the ruling class whose interests it defends—must have munitions to survive, and they must be produced according to a plan and regardless of market considerations. (Nationalization of munitions industries, actually carried out in France under Blum and in England, under Churchill, is another matter. In France, munitions production is also raised that munitions are produced for profit in the sense that the aim of the war (in capitalist nations) is to win greater profits. But the purpose for which munitions are to be used has nothing to do with the economic forms within which they are produced. A gunsmith who makes a gun to sell is producing for the market. A gun for war is produced for use—even though he later takes his gun, goes out hunting, and makes a profit from the sale of his game.

As to "socialism," which seems to be especially enticing, it means simply that in Germany you have certain of the economic characteristics of socialism together with a most reactionary political and social structure. Much of the following exists in the Soviet Union, and Shachtman's formulation of "state socialism" is the same sort of attempt to find a term combining these discordant elements.
All and every one are Adolf Hitler's soldiers, and a soldier is never a private person."

This Is Not Capitalism

If we take Trotsky's description of the rôle of the banker, the farmer, the worker, etc., under capitalism and apply it to Nazi Germany, we must conclude that, whatever Nazism is, it is not capitalism. Let us see.

"The worker sells his labor power."

The labor market no longer exists. The price at which the worker sells his labor to the employer is set by the Labor Trustee for his industry, and wages cannot be changed without the Trustee's OK. In most basic industries the worker cannot change his job without such permission, nor can the employer either hire or fire any large number of workers without permission. By decree of June 28, 1938, the state can conscript labor "for tasks of special political importance," and hundreds of thousands of workers were thus drafted from German industry to build the Polish and Westwall fortifications in 1939. The present widespread use of war prisoners as conscript labor is an extension of this principle. The state has become a real "employer" of German labor, and as with the emergence of the state as the real "owner" and "entrepreneur" in the sphere of production—this means that the political aspect of the relationship has become more important than its economic aspect.

"The farmer takes his produce to market."

But the price he gets there, like all prices, is determined by the Reich Price Commissar. The state rationing of foodstuffs instituted in the summer of 1939 and the state control of foreign trade further make it possible for the state to control agricultural production. The Hereditary Homestead Law of 1933 removed some 700,000 peasant families from the class of capitalist producers and fixed them to the land as firmly and permanently as medieval serfs. The state is constantly requiring the farmers to produce more of this or less of that, and the grumblings of the bureaucracy about recalcitrant "kulaks" often has a real Soviet flavor to it.

"The banker grants loans."

But the criterion is no longer profitability but usefulness to the "interests of the community," as defined by the bureaucracy. No loan of any size may be granted, regardless of how "sound" economically it may be, unless it furthers the general war effort. The German banking system, furthermore, has been directly subordinated to the state. In 1937, the Reichsbank, fortress of German finance capital under the Weimar Republic and in the early years of Nazism, was "placed under Chancellor Hitler's direct authority as an organ of the German government."

To quote Reimann's The Vampire Economy: "The totalitarian state reverses the former relationship between the state and the banks. Previously, their political influence increased when the state needed financial help. Now the opposite holds true. The more urgent the financial demands of the state become, the stricter measures are taken by the state in order to compel these institutions to invest their funds as the state may wish."

"The storekeeper offers an assortment of merchandise."

At prices set by the Reich Price Commissar, without regard to their profitability. When the demand for industrial labor of the Second Four Year Plan outran the supply, the bureaucracy even deliberately used its control of retail trade to drive out of business and into industrial jobs many shopkeepers. Furthermore, since a main aim of Nazi economics is to curtail spending on consumers' goods in favor of spending on munitions, the "assortment of merchandise" the storekeeper offers has been steadily reduced by state action at the source of supply and by state rationing. The shopkeeper is reduced to a cog in the machinery of state distribution.

"The industrialist builds a plant."

That is, he builds it if he is able to get a permit from the state to do so. If he cannot, he is unable either to build a new plant or to repair his old one. The permit is granted or not granted, depending on the view the state official concerned takes as to (1) how much the proposed plant is necessary for war purposes; (2) whether the materials and labor needed could be better used elsewhere. Profits are not relevant. Thus although many industries have made large profits and have accumulated liquid cash reserves, they are unable to spend their money on much-needed new plants, with the result that many sectors of German industry (those considered least essential to the war effort by the bureaucracy) are nearing a state of physical collapse. Contrariwise, if the state decides that certain new plants should be built—for exploiting iron ore of such low grade as not to be profitable, or for making expensive artificial rubber or oil—then, whether he sees profit or ruin as the result, "the industrialist builds a plan." Much of the recent ersatz industrial plant was built up by such forced investment of private profits.

"The speculator buys and sells stocks and bonds."

The continued existence of the Berlin Boerse seems to give a peculiarly intense personal pleasure to orthodox Marxists. For how can a stock exchange exist in a non-capitalist society? Like all other markets in Germany, the Boerse has lost its autonomy. Its fluctuations can be and are controlled by the state, which controls all the economic factors which influence the Boerse. It is also controlled more directly: the new capital market is reserved almost wholly for the sale of government securities, with a few war goods producers being allowed from time to time to issue new securities. In so far as it has any important function today, the Boerse is a medium for extracting funds from the bourgeoisie for the state's purposes. For the rest, it is a vestigial organ of no utility or significance, like the vermiform appendix. How could it be otherwise when, according to official estimates, two-thirds of the national income passes through the hands of the State and can be directed into whatever channels those in control of the state think best?

To sum up the matter: the decisions that in a capitalist economy are made by the entrepreneur on the basis of his expectation of profit, in Nazi Germany since 1936 have been made by the state bureaucracy. To carry out the Second Four Year Plan in certain key industries, for example, Goering appointed a number of Reich Commissars. The function of this official is described, in a Nazi journal, in these terms: "He deals with factory regulations and technical problems, the process of work and its regulation, employment, distribution of raw materials, the flow of investment, the control of the capital market...co-ordination of capital goods production with consumer's goods production and...exports."

Commodities Lose Their Mystery

It is illuminating to reread Marx's Capital with the present German economy in mind. The two great riddles which Marx so brilliantly solved—the nature of commodity production and the process of extracting surplus value—seem to lose, in a fascist economy, most of the subtle mystery which cloaks them under capitalism.

"The wealth of those societies in which the capitalist mode of production prevails," begins Capital, "presents itself as 'an immense accumulation of commodities,' its unit being a single commodity. Our investigation must therefore begin with the analysis of a commodity. What is a commodity? It is, says Marx, "a very queer thing, abounding in metaphysical subleties and theological niceties."

The reason for this mystery is the dual nature of commodities: they are "both objects of utility and, at the same time, deposits of value," that is, they exist as both "use values" and "exchange values." It is the latter which gives them their capitalist character, and Marx describes how these "exchange values" are realized through the market (emphasis mine):

As a general rule, articles of utility become commodities only because they are products of the labor of private individuals or groups of individuals who carry on their work independently of each other. The sum total of the labor of all these private individuals forms the aggregate labor of society. Since the producers do not come into social contact...
with each other until they exchange their products, the specific social character of each producer's labor does not show itself except in the act of exchange.

When a state bureaucracy displaces the market as the regulator of production, the individual producers do not have to wait until the verdict of the market has been rendered to find out whether they have been producing socially useful goods or not, increasing or decreasing their production according to this verdict. They come into social contact with each other in the sphere of production, that is, they produce according to a conscious, prearranged plan, so that it would be technically possible—however politically invisible—for each individual producer to know before he begins to produce just where his own contribution fits into the general scheme.

A page of two later, Marx writes:

The categories of bourgeois economy consist of such like forms. [He has been describing the forms in which capitalist value is expressed.] They are forms of thought expressing with social validity the conditions and relations of a definite, historically determined mode of production, viz., the production of commodities. The whole mystery of commodities, all the magic and necromancy that surrounds the products of labor as long as they take the form of commodities, vanishes therefore, so soon as we come to other forms of production.

Today we may see in Germany what Marx meant: "the whole mystery of commodities" has indeed vanished there. Steel is produced there for use, in guns, in tanks, in ships. Shoes are produced for use, on feet. The fact that the shortage of shoes (in itself produced by state planning) would have made the building of new shoe plants extremely profitable in the last few years meant nothing to the bureaucracy. That was a "theological nicety" they disregarded in the interests of Wehrwirtschaft. One secret of the superior effectiveness of the Nazi war economy as compared to the British or French is this directness of its approach, this freedom to plan for use without bothering about the mysteries of the market.

Labor's Fetters Become Visible

So, too, with the other great mystery of the capitalist mode of production: the extraction of surplus value. There has unquestionably been an intensive exploitation of labor under the Nazi régime, expressing itself in the lengthened working hours and lowered living standards. From this certain Marxists seem to infer, in a vague way, that Germany is still a capitalist state. But obviously all class societies have been characterized by such exploitation. The differentiating criterion must be sought elsewhere. Marx gives it: "The essential difference between the various economic forms of society, between, for instance, a society based on slave labor and one based on wage labor, lies only in the mode in which this surplus-labor is in each case extracted from the actual producer, the laborer." Under slavery this surplus-labor (the labor over and above that needed for the maintenance and reproduction of the laborer himself) is appropriated by the ruling class in one way, under feudalism in another, and under capitalism in still another, through the appropriation of "surplus value."

Surplus value is realized through the mechanism of the market system. The worker sells his labor power to the capitalist. Here, as in the case of the commodity, what seems at first glance a perfectly simple transaction, Marx was able to demonstrate is actually very subtle and complex. In previous forms of economy, the subject class could not possibly overlook the fact of its subjection, since its surplus-labor was directly, openly appropriated by the ruling class. But under capitalism, this relationship is concealed by the market mechanism. "He [the worker] and the owner of money meet in the market, and deal with each other as on the basis of equal rights, with this difference alone, that one is buyer, the other seller; both, therefore, equal in the eyes of the law... He must constantly look upon his labor-power as his own property, his own commodity, and this he can only do by placing it at the disposal of the buyer temporarily, for a definite period of time. By this means alone can he avoid renouncing his rights of ownership over it." The result is that the worker conceives of himself as the owner of a commodity (his labor-power) which he sells to the employer just as any owner sells any other commodity—free to dispose of his private property as he thinks best, to sell or not sell according to the price offered. Thus he doesn't realize he is contributing surplus-labor to the employer, and it was of course Marx's great task to make this clear to him. "The Roman slave was held by fettlers; the wage laborer is bound to his owner by invisible threads... His economical bondage is both brought about and concealed by the periodic sale of himself, by his change of masters, and by the oscillation in the market price of labor-power."

In Nazi Germany, the threads have again become visible. Since wages have been frozen along with prices by state action, there are no more "oscillations in the market price of labor power." Nor is there any "change of masters," since the state is now his master, exercising all the functions of the employer: setting of wage rates, conditions of labor, hiring and firing. It is true that the forms of the old labor market are still for the most part kept up—though even here, as I have noted above, there is a trend towards direct state construction of labor power—but these, as in the case of the capitalist market in general, are purely forms. A strike for higher wages or shorter hours would have to be directed against the state power which decides wages and hours; it would become at once a political act, to be dealt with directly by the Gestapo. The private "employer" is little more than a straw boss, enforcing orders handed down to him by the state bureaucracy. This change in some ways greatly intensifies the sharpness of the struggle between exploited and exploiter. But this struggle takes place in terms quite different from those which Marx described as characteristic of the capitalist system of society.

The objection that has probably occurred to many readers long before this point is that I am describing a kind of "pure" capitalism, in which competition and the laws of the market both have absolute validity, that this sort of system has never existed, and that the whole trend of evolution of modern capitalism has been away from it. Long before fascism, you had the rise of monopolistic finance-capital, in which these laws of the market were also violated on a large
scale. Yet no one denies that monopoly capitalism is also capitalism.

In the following sections, I propose to deal with twentieth-century monopoly capitalism and to try to show that, although fascism clearly is the logical extension of this system, it differs from it basically. It has been necessary to spend a few pages on analyzing “pure” capitalism because only by first looking at “pure” capitalism is it possible to separate out its basic theory, to determine what are the essential characteristics which must be found if an economic system is to be termed “capitalistic.” This, of course, is why Marx spends most of his first volume on a dissection of an admittedly “ideal” capitalist system which never existed and never could exist. In the kind of monopoly capitalism that has grown up in the twentieth century, it is generally agreed that these essential characteristics of capitalism do exist and do determine production—though in a perverted and weakened form. What I have tried to show above is that in Germany they do not determine production; they have not been perverted or weakened, but rather displaced.

Dwight MacDonald.

Discussion:

Is the Soviet Bureaucracy a New Class?

Russia - - A Workers’ State

The epoch of the decline of capitalism is characterized by world wars and unprecedented destruction of cities and countries together with their states and cultures and the production of misery on a hitherto unknown scale. This has caused some individuals, not content with the Marxian analysis of history and perspectives, which failed to produce a revolution in time to avoid the Second World War, to cast about for other explanations. It is in place, therefore, to review, briefly, our method and its application to the Soviet Union which is usually the starting point for attempts to revise our theory.

I. Classes in Society

In defining the Marxian method of historical materialism, Engels wrote, “The materialist conception of history starts from the proposition that the production of the means to support human life and, next to production, the exchange of things produced, is the basis of all social structure; that in every society that has appeared in history, the manner in which wealth is distributed and society divided into classes or orders is dependent upon what is produced, how it is produced, and how the products are exchanged. From this point of view the final causes of all social changes and political revolutions are to be sought, not in men's brains, not in man's better insight into eternal truth and justice, but in changes in the modes of production and exchange.” (Socialism: Utopian and Scientific, Chap. III.) Thus we see that classes in society arise out of the needs of production and for no other reasons.

The progress of historical development has produced classes and societies based upon class exploitation to a point in modern times where, under capitalism, two classes, the bourgeoisie and the proletariat, remain two opposing and irreconcilable forces, one of which must, ultimately, move humanity forward on the road to complete social and economic freedom. The bourgeoisie, today in its death-agony because of its inability to solve the multifarious contradictions existing in capitalist society, is excluded from playing this progressive historical rôle. Its continued rule can only lead to continuous wars, crises, depressions, etc., the accumulated results of which may very well lead humanity back to barbarism. On the other hand, the proletariat, the only class in modern society able to transform production from capitalist anarchy to production for use on a higher level commensurate with the potentialities inherent in modern technology, can play a progressive rôle.

The proletariat, itself a product of the needs of capitalist production, can fulfil its historic mission only by so organizing production as to release from it the fetters of private property and all its concomitant restrictions. To do this it is necessary to expropriate the bourgeoisie, to statify, i.e., own in common, the means of production, and to develop these means of production to the highest possible level in accordance with a plan. This mode of production, state ownership plus production according to plan, constitutes a different mode of production from the capitalist, based upon production for profit, and consequently, determines the nature of the social structure resting upon it. Common ownership of the means of production makes it unnecessary for exploiting and exploited classes to exist and, therefore, the ultimate result is the classless, socialist society.

Relations of classes to property forms (private property, state property) do not exist in the abstract but in the concrete needs of production itself and are determined by those needs. Every ruling class in history has defended the particular mode of production which existed as a result of its particular form of property ownership, the latter being interrelated to and interdependent upon what was produced, how it was produced and how the products were exchanged. The bourgeoisie, for example, as a property-owning class, has an indivisible relationship to the property forms peculiar to the social production of commodities for private profits, i.e., capitalist production. Under the feudal system, the landed aristocracies also had an indivisible relationship to the then existing property forms and defended them tooth and hide against the challenge of the rising bourgeoisie who wanted to introduce into society a new mode of production and a new form of property. The modern proletariat, seeking to release from the productive forces the restrictions placed upon them by private property relations, is just as indivisibly bound up with another property form: common ownership of the means of production. The proletariat does not seek to abolish property in general, but to abolish bourgeois
property. Relations of classes to property forms are material questions, based upon the historical development of the needs of production and dependent upon the given level of this development in any particular epoch. In our epoch, "the death-agony of capitalism," the form of property existing under bourgeois rule, capitalist property, is in conflict with the productive forces and generates a class struggle between the bourgeoisie and the proletariat which can be resolved only by the victory of the proletariat and the consequent change in the mode of production. The emergence of a new class in society must be based upon a new mode of production. History has never known of a class which appeared for any other reason, and, in fact, there is no other reason. Trotsky wrote, "The historical justification for every ruling class consisted in this—that the system of exploitation it headed raised the development of the productive forces to a new level." And, "A social organ (and such is every class, including an exploiting class) can take shape only as a result of the deeply rooted inner needs of production itself." (U.S. S.R. in War, N. 1., Nov., 1939.)

II. The Soviet Union

The proletariat struck out on the road of world revolution in Russia in 1917. The result of the October Revolution was the establishment of a Workers' State which expropriated the bourgeoisie and nationalized all important factories, banks, mines, railroads, means of communication and established a state monopoly of industrial enterprise and foreign trade. The workers' state established new property forms in the Soviet Union. This was the outstanding and the fundamental result of the proletarian revolution. The large-scale development of the productive forces, even though carried out by the reactionary Stalin régime, testifies to the superiority of these new forms over the old and supplies us with the historical justification of the proletariat as a "ruling class." The relations to these new property forms on an international scale were divided according to classes. The bourgeoisie sought to destroy and the proletariat to defend the new property forms.

During the upsurge of the proletarian revolutionary movement internationally, the workers exercised direct control of the state, which directed the economy of the country, through the soviets, trade unions, factory committees, army committees and the revolutionary party. However, when this upsurge failed to bring the workers to power in the more advanced western European countries, an ebb set in in the Soviet Union, then isolated from world economy.

III. The Bureaucracy

This ebb, the fundamental cause of which was the defeat of the workers of western Europe, plus the exhaustion of the Soviet masses, living in a backward country with many remains of Czarist economy, culture and social traditions, brought about the political victory of Stalinism, the embodiment of the defeat of the international revolution. Stalinism proceeded, in stages, to destroy one by one the gains of the revolution. It usurped political control, eliminated workers' control completely by destroying or rendering useless the organs of that control. This destruction of the gains of the revolution has assumed a frightful degree of quantity as it has invaded almost every aspect of Soviet life. Without listing each one, it has brought the Soviet masses to the point at which it is impossible to visualize a peaceful reform of the Stalin bureaucracy, thereby necessitating a violent removal of this malignant growth upon the workers' revolution. This violent removal we characterize as a "political" revolution as differentiated from a "social" revolution for the reason that with all the changes introduced into Soviet life by the bureaucracy, it has not yet decisively changed the economic foundations, that is, the new mode of production established by the proletarian revolution. This remains, together with the monopoly of foreign trade, substantially unaltered, and is the indispensable characteristic of the proletarian revolution.

The resolution adopted by the Founding Convention of the Socialist Workers Party, January, 1938, stated, "... The wiping out of the entire revolutionary generation, occurring simultaneously with the complete deprivation of all democratic rights of the masses and the sanctification of the Bonapartist régime of absolutism, has been carried through by the Stalinist bureaucracy with the deliberate purpose of creating all the political preconditions for a fundamental assault upon the economic basis of the workers' state, namely, the nationalization of the means of production and exchange. Just as the revolutionary proletariat, in seizing power in 1917, created the political conditions for the expropriation of private property, so the counter-revolutionary bureaucracy, by consummating its dispossession of the proletariat from political power, has created the political conditions for the destruction of nationalized economy and the restoration of private property." (Sec. 21.) The bureaucracy, therefore, can establish itself definitively as a class in the Soviet Union only by destroying the proletarian property forms and re-establishing capitalist property forms. It is inconceivable that it is or can become a new and hitherto unknown class, a reactionary one at that, based upon property forms peculiar to the proletariat. If it is a new class, it must, first, arise out of the needs of production and, second, construct new property forms.

But the bureaucracy, instead of finding in the new, i.e., proletarian mode of production established by the October Revolution an economic basis conducive to its stable existence, found itself in conflict with that mode of production. "This was veiled for a certain time by the fact that Soviet economy was occupied for two decades with transplanting and assimilating the technology and organization in advanced capitalist countries. The period of borrowing and imitation still could, for better or for worse, be accommodated to bureaucratic automatism, i.e., the suffocation of all initiative and all creative urge. But the higher the economy rose, the more complex its requirements became, and the more unbearable became the obstacle of the bureaucratic régime. The constantly sharpening contradiction between them leads to uninterrupted political convulsions, to systematic annihilation of the most outstanding creative elements in all spheres of activity. Thus, before the bureaucracy could succeed in exuding from itself a 'ruling class,' it came into irreconcilable contradiction with the demands of development. The explanation for this is to be found precisely in the fact that the bureaucracy is not the bearer of a new system of economy peculiar to itself and impossible without itself, but is a parasitic growth on a workers' state." (Leon Trotsky, U.S.S.R. in War, N. 1., Nov., 1939. My emphasis.—M. A.)
The Soviet oligarchy possesses all the vices of the old ruling classes," Trotsky wrote, "but lacks their historical mission." (Ibid.) One may even say that it has these vices in much greater degree, but this will not solve the question: is it a class or a caste? Comrade Shachtman has now come forward as the discoverer of a new ruling class in the Soviet Union. He finds that the complete control of the state which is the repository of the means of production, by the Soviet bureaucracy results in its becoming a class. He says, "...what is crucial are not the property forms, i.e., nationalized property, whose existence cannot be denied, but precisely the relations of the various social groups in the Soviet Union to this property, i.e., property relations!" (Is Russia a Workers' State?, N. I., Dec., 1930. Emphasis in original.) But property relations do not exist in the abstract nor are they the result of political causes, but of economic causes. The complete control of the state based upon nationalized property by the bureaucracy does not guarantee the ownership of this property by the bureaucracy. "The bureaucracy has neither stocks nor bonds. It is recruited, supplemented and renewed in the manner of an administrative hierarchy, independently of any special property relations of its own. The individual bureaucrat cannot transmit to his heirs his rights in the exploitation of the state apparatus. The bureaucracy enjoys its privileges under the form of an abuse of power. It conceals its income; it pretends that as a social group it does not even exist." (Leon Trotsky, Revolution Betrayed, p. 249. My emphasis—M. A.) The bureaucracy, in order for it to become a class, must have special property relations of its own. In other words, it must destroy the existing forms of property, nationalized property, and construct a new form of property which will give it some measure of stability. Then we can speak of it as a new class. Comrade Shachtman says, "For the given system—the property relations established by the counter-revolution—the Stalinist bureaucracy is the indispensable ruling class." (Ibid., his emphasis.) What different property relationship did the counter-revolution establish? He does not say. And he cannot, because the counter-revolution has not yet fundamentally changed Soviet economy. The form of property established by the October Revolution remains substantially unaltered and though the bureaucracy acts as a fetter upon it and is in conflict with it, Shachtman admits that it still remains. This testifies not to the adaptability of the bureaucracy, if it is a class, to proletarian forms of economy, but rather to the historical "staying power" of the new forms despite their isolation from a world economy in its last stages of decay and the relatively low technological development of industry in the Soviet Union.

Comrade Shachtman says, "The conquest of state power by the bureaucracy spelled the destruction of the property relations established by the Bolshevik revolution." And further: "...it is the product of a conjunction of circumstances..." (Ibid.) Trotsky gave adequate answer to this method in a polemic against Craipeau. "The bourgeoisie came into the world as an element born of the form of production; it remained an historic necessity as long as the new form of production had not exhausted the possibilities. The same assertion can be made with regard to all previous social classes; slave-owners, the feudal lords, the medieval master-artisans. In their time they were all the representatives and leaders of a system of production which had its place in the advance of humanity. How then does Craipeau appraise the historic place of the 'bureaucracy-class'? He doesn't say anything on this decisive question. Nevertheless, we have repeated many times, with the aid of Craipeau himself, that the degeneration of the Soviet state is the product of the retardation in the world revolution, that is to say, the result of political and 'conjunctural' causes, so to speak. Can one speak of a new 'conjunctural' class? I really doubt that. If Craipeau will consent to verify his rather precipitate conception from the point of view of the historic succession of social regimes, he will surely recognize himself, that to give the bureaucracy the name possessing class is not only an abuse of terminology, but moreover a great political danger which can lead to the complete derailment of our historic perspective. Does Craipeau see sufficient reasons to revise the Marxist conception on this capital point? As for myself, I do not see any. That is why I refuse to follow Craipeau." (Once Again; the U.S.S.R. and Its Defense, Internal Bulletin No. 1, Organizing Committee for S. P. Convention, Nov., 1937. My emphasis—M. A.) One has but to substitute the name Shachtman for Craipeau. Both use the same method, this is the important feature.

Shachtman states, "Thereby it compelled us to add to our theory this conception, among others: Just as it is possible to have different classes ruling in societies resting upon the private ownership of property, so it is possible to have more than one class ruling in a society resting upon... the collective ownership of property—concretely, the working class and the bureaucracy." (Ibid.) This is a masterpiece of over-simplification and destroys the Marxist method of historical materialism. Shachtman does not approach this problem from the point of view of the historical development of classes which arose out of the needs of production and played a socially necessary rôle, each in turn. He divides all former ruling classes into "classes ruling in societies resting upon the private ownership of property" and "more than one class ruling in a society resting upon the collective ownership of property." But the property owning classes that have existed in the past, the bourgeoisie, feudal, slave-owners, each owned different forms of property to which each had established its own relationship. How does it happen now, then, that proletarian forms of property established by the October Revolution can serve as a base for another class? Shachtman does not go into this question.

Comrade Shachtman finds theoretical justification for his new discovery in Trotsky's article, "U.S.S.R. in War (N. I., Nov., 1939, p. 327). In order to obtain a clear picture it is necessary to quote at some length:

"If this war provokes, as we firmly believe, a proletarian revolution, it must inevitably lead to the overthrow of the bureaucracy in the U.S.S.R. and regeneration of Soviet democracy on a far higher economic and cultural basis than in 1918. In that case the question as to whether the Stalinist bureaucracy was a 'class' or a growth on the workers' state will be automatically solved. To every single person it will become clear that in the process of the development of the world revolution the Soviet bureaucracy was only an episodic relapse. (Emphasis in original.—M. A.)

"If, however, it is conceded that the present war will provoke not revolution but a decline of the proletariat, then there remains another alternative: the further decay of monopoly capitalism, its further fusion with the state and the replacement of democracy wherever it still remained by a totalitarian régime. The inability of the proletariat to take
into its hands the leadership of society could actually lead under these conditions to the growth of a new exploiting class from the Bonapartist fascist bureaucracy. This would be, according to all indications, a régime of decline, signaling the eclipse of civilization.

"An analogous result might occur in the event that the proletariat of advanced capitalist countries, having conquered power, should prove incapable of holding it and surrender it, as in the U.S.S.R., to a privileged bureaucracy. Then we would be compelled to acknowledge that the reason for the bureaucratic relapse is rooted not in the backwardness of the country and not in the imperialist environment but in the congenital incapacity of the proletariat to become a ruling class. Then it would be necessary in retrospect to establish that in its fundamental traits the present U.S.S.R. was the precursor of a new exploiting régime on an international scale.

"We have diverged very far from the terminological controversy over the nomenclature of the Soviet state. But let our critics protest: only by taking the necessary historical perspective can one provide himself with a correct judgment upon such a question as the replacement of one social régime by another. The historic alternative, carried to the end, is as follows: either the Stalin régime is an abhorrent relapse in the process of transforming bourgeois society, or the Stalin régime is the first stage of a new exploiting society. If the second prognosis proves to be correct, then, of course, the bureaucracy will become a new exploiting class. However onerous the second perspective may be, if the world proletariat should actually prove incapable of fulfilling the mission placed upon it by the course of development, nothing else would remain except openly to recognize that the socialist program based on the internal contradictions of capitalist society, ended as a Utopia."

Trotsky’s article poses the possibility of the bureaucracy becoming a new ruling class, but he also says something about our program, if this should be the case.

Shall we discard the Marxist method and thereby risk a “complete derailment of our historical perspective” in favor of Shachtman’s schematism? This would be a major tragedy. Trotsky wrote, “Twenty-five years in the scale of history, when it is a question of profoundest changes in economic and cultural systems, weigh less than an hour in the life of man.” Can we adorn the bureaucracy with a class mantle on the basis of its rôle—less than two decades in development—just before its disappearance from the world? We would cut a pretty picture were we to do this. The present world crisis and the war have forced upon the bureaucracy the necessity to arrogate to itself a greater share of the dwindling produce of the country, thereby further aggravating both the economic and political situations. Witness the recent ukases regarding education, working conditions, etc. The bureaucracy is balanced on the razor edge between outright capitalist restoration or its own destruction by the proletariat.

No state in the world today is so unstable as the bureaucratically deformed workers’ state in the U.S.S.R. The large-scale purges, etc., indicate not a stable, powerful class taking bold measures, but a panicky, outlived and unneeded historical excrescence of usurpers trying to maintain itself in power. It has made itself master in every field, raised itself above the masses and crushed all opposition precisely because it wants to change the form of economy and thereby constitute itself as a class. This has not yet happened and we have no right to characterize a probability, even a strong one, as an accomplished fact.

The proletariat which made the October Revolution has proved itself the most powerful class in all history. Starting in a backward country, laid waste by several years of wars and revolutions, it has maintained in one-sixth of the earth’s surface a form of economy historically justified as far superior to any known to man, and has defended this form against a hostile amalgam of every reactionary element that can be found in every part of the world. Its monumental achievement still stands, although threatened from without and seriously undermined internally, after more than two decades of unprecedented world reaction now culminated in the most destructive of all wars. Let us not lose faith in the ability of the proletariat to regenerate the Soviet Revolution and let us not surrender to a new class the new form of economy which remains to this day a weapon of the proletariat.

MILTON ALVIN.

Jan. 6, 1941.

The Bolsheviks in the War


In this comprehensive record one can see from 1903 onward, as in a great work of art, the developing clashes between Bolshevism and Menshevism of all types, from Martov on the extreme left to Kautsky during the war. And in this bourgeois compilation, on every crucial occasion, the Bolsheviks are right. Lenin’s determination to cut the Bolsheviks away organizationally from these plagues is seen as the inescapable result of the political irreconcilability of the two tendencies. Take the conference of the Second International at Stuttgart in 1907. A majority of the Colonial Commission supported a resolution which concluded:

For this purpose the delegates of socialist parties should propose to their governments that they conclude an international treaty in order to adopt a colonial statute by which they would protect the rights of the native and which would be entirely guaranteed by the states which conclude this treaty.

All the betrayals, from 1914 to the present day, are inherent in the above. It was fought down and defeated after a
sharp dispute. On militarism there was a still stern struggle. Bebel, the aged leader of the German Social-Democracy, proposed that in case of a war threat, the workers must exert every effort to stop it. If they failed they must intervene in favor of the war's early termination. Bebel said frankly that the adoption of fighting methods might prove fatal to the party life—the age-old illusion of moderates. Rosa Luxemburg, Lenin, and Martov (for once) led a drastic opposition. Bebel was beaten but asked that the resolution should express the same thought in less provocative language—Menshevism all over.

Lenin, with his usual incision and daring, at that time already formulated the guiding line of his war policy. It was not a question of "preventing the outbreak of war, but a matter of utilizing the crisis resulting from the war to hasten the overthrow of the bourgeoisie." Peace as a slogan he consistently denounced. Peace, but peace by revolution. He and Rosa Luxemburg tried to organize an illegal fraction in the Second International, directed against the leaders. They failed through lack of support. Here is a typical example of the "conspiratorial" and "wrecking" methods typical of Bolshevism. For our part we can only wish Lenin and Rosa had started earlier and had had more success. Conspiracy itself is no crime. What matters is against whom you conspire and for what.

In December, 1913, the Bolsheviks published their conditions for unification with other groups of the Russian Social-Democracy, then split into a dozen warring groups and factions. The most important was the insistence on full and unreserved recognition of the underground organization. The refusal to compromise on the question of underground work is seen in this volume in a new light. In June, 1914, Vandervelde visited Russia and interviewed Martov on the possibilities of unity. Martov "endeavored to concentrate Vandervelde's attention," to use his own words, on the "crux" of the matter. The Russian movement was not working in caves with masks on. They were working under "practically European conditions." Even the Pravda officials (Bolsheviks) had received Vandervelde "pompously," arranged interviews by telephone and posed with him for pictures in the office. Vandervelde therefore "should no longer take seriously the talks about our 'liquidationism' and will understand the charlatan character of the talks about the underground organization!" Seven weeks after, the first World War fell like a hammer on the Russian proletariat. The Bolsheviks suffered terribly. But they retained at least the nucleus of an illegal organization, the party was trained and disciplined for the hard days that were ahead. Martov's "European conditions" had vanished, like other Menshevik illusions.

The attempt to prove that Lenin was caught unawares by the war with its inevitable struggle for the socialist revolution is hardly worth serious refutation. One of his colleagues here relates that on the very first day of the war, Lenin was ready with a policy and plans for action against the bourgeoisie. On the very day, or the day after he reached Switzerland from Poland, he wrote his first thesis on the war. The opening lines can never be too often repeated.

...The struggle for markets and the looting of countries the intention to deceive, disunite and kill off the proletarians of all countries, by instigating the hired slaves of one nation against the hired slaves of the other for the benefit of the bourgeoisie—such is the only real meaning and purpose of the war.

The only way out was socialism. Turn the imperialist war in civil war. For what if not for socialism?

Lenin was "unfair" to Trotsky in his attacks on him during the war. Yet Lenin's ferocity was due to Trotsky's estimate of the different groups in Russia. Trotsky wrote that "the last speeches... of Chkheidze... and [his] voting undoubtedly represent steps forward toward political precision and revolutionary irreconciliability." That Lenin could not under any circumstances tolerate. Chkheidze was a leading light of the Organization Committee, a grouping which showed its political precision and revolutionary irreconciliability against the Bolsheviks and the October Revolution from the day after Tsarism fell. How blame Lenin for the apparent vindictiveness of his attacks against Trotsky, who opposed the war as resolutely as Lenin did? Lenin understood the Chkheidzes of all shades. Trotsky he personally respected always, but precisely because of Trotsky's great qualities, his constant efforts at unity with people whom Lenin knew to be rotten made him the special target of Lenin's attacks. That is Bolshevism. As the revolution approached, Lenin became more and more sharp, more and more doctrinaire. The volume before us quotes Krupskaya: "Never, I think, was Vladimir Ilyitch in more irreconcilable mood than during the last months of 1916 and in the early months of 1917. He was profoundly convinced that the revolution was approaching." For a short time during this period he wavered in the imminence of his expectation. The revolution itself cut short this fleeting mood of despondency.

But the irreconciliability of Bolshevism, its almost neurotic suspicion of theoretical weakness and deviation as an infallible sign of feebleness or betrayal in practice, went hand in hand with a vigor and a dialectical brilliancy in polemic unsurpassed in political history. Lenin's irreconciliability never consisted of shouting abstract principles and slogans from a comfortable chair. He abounded in exposition, illustration and illumination of principles in the concrete. He took an opponent's argument and turned it inside out, showing all its roots and ramifications. After a reasonable time he called for decision and action. The time for debate was over. But he had debated. He debated not as an unwilling concession to "democracy" but to elucidate a question.

...The purpose of the civil war is the seizure of banks, factories, shops, etc., the abolition of all opposition on the part of the bourgeoisie, the extermination of its army. But this aim can be attained neither from a purely military nor economic nor political standpoint without a simultaneous introduction and propagation of democracy among our troops and at our rear—an introduction and propagation which will develop in the course of that war. We tell the masses now (and the masses instinctively feel that we are right in this): 'They deceive you with the great slogans of democracy while leading you into war for the sake of imperialist capitalism. You must lead and you will lead a really democratic war against the bourgeoisie and for the purpose of actually carrying out democracy and socialism.' The present war unites and 'fuses' the people into a coalition by means of force and financial dependence. We, in our civil war against the bourgeoisie, will not unite and consolidate the people by means of the power of the ruble, by the power of a club, by violence, but by a voluntary consent, by the consolidation of the toilers against the exploiters. For the bourgeoisie the proclamation of the equality of all nations has become a deception; for us it will be the truth which will facilitate and hasten the attraction to our side of all nations. Without actually organizing the relations between the nations on a democratic basis—and hence without granting freedom of secession—there can be no civil war of the workers and the toiling masses of all nations against the bourgeoisie.
We must proceed toward a socialist and consistently democratic organization of the proletariat against the bourgeoisie and against opportunism through the utilization of bourgeois democracy. There is no other path. A different 'way out' is not a way out. Marxism knows no other way out, just as real life knows none. We must include in this policy free secession and free union among nations, rather than brush them aside or fear that their inclusion might 'soil' the 'purely' economic tasks.

There are a dozen such passages in any hundred pages of this volume.

Much of the book is taken up with detailed reports of the three conferences at Zimmerwald, Kienthal and Stockholm. Lenin and his small band of Bolsheviks were from the start on the extreme left. They did not evolve to that position. At Zimmerwald, he made an attempt to win support for a full revolutionary program from these pioneers in the struggle against the war. He had a moderate success. Then as the suffering began to stir the masses, some of the West European Mensheviks began to step gingerly towards some kind of protest against the carnage. As usual these leaders, organic opportunists, came towards the revolution only to corrupt it. One of them made a violent speech against Lenin at Kienthal. Said Grumbach, "This question reveals the whole of Lenin, together with the spectacles through which he looks at everything. The hunger demonstrations in Germany are supposed to be the beginning of revolutionary mass struggles! He actually dared to write this!... Does Lenin expect to aid the cause of international socialism, the cause of an early peace—which, as a matter of fact, does not interest him at all—by spreading these illusions?" Such are our realists. He bitterly admitted that Lenin and his friends had played an "important" rôle at Zimmerwald and a "decisive" rôle at Kienthal. But Lenin could do that only because of his Bolshevik habit of seeing everything through the spectacles of revolution. In 1917, the new alarmed Social-Democrats sought in force to come to the third Zimmerwald conference, to use the prestige of Zimmerwald as a medium for peace feelers. Lenin denounced the conference, a solitary vote against the vote of the whole Russian party. Soon, however, the party, as usual, agreed with him. One of the prominent figures at this conference in 1917, was Angelica Balabanoff. The conference was a failure, and Balabanoff explained why. It was the fault of the workers. "The masses themselves should begin to stir. This would require psychological and objective promises, which today—let us be honest about it—are absent. In Germany there is no visible mass action...." No, the good Angelica was no Bolshevik.

Such was Bolshevism in theory. But what kind of organization could flow from such a theory? There are some people who seriously believe that you can combine the theory of Lenin with the organization of Norman Thomas, that you can hold a party together against the whole weight of bourgeois society and the plausible sophistries of Menshevism, its agent, by allowing everyone to say and do, come and go, as he pleases. It is like putting an air-ace in a donkey-cart and asking him to show some speed.

The editing of the volume is a remarkably capable, and even from the Bolshevik point of view, a strictly honest piece of work. In their comments the authors show a curious tendency. They have entered so thoroughly into the spirit of their task that they write at times like Bolshevik supporters. They speak of one Menshevik group as adopting Marxist principles but carrying out opportunist policies—a judgment made without qualifying statements or quotation marks. They make other comments of permanent wisdom, e.g., that the interminable splits of which this book is one long record were due to the decline of the revolutionary mass movement. How many would-be Bolsheviks have lived for years in the movement and not understood that simple but profound truth? One thing is certain. This book will be studied by the bourgeoisie and by revolutionaries. The persons who will not study it are the liberal critics of Bolshevism. You will find as a rule that the less these "educated" critics know about Marx and Lenin, the bolder and more comprehensive is their criticism.

J. R. JOHNSON.

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