EDITORIALS . . .

AMERICA MOVES INTO WAR
THE NEW ECONOMIC "BOOM"
ANOTHER GLANCE AT "SOCIALIST" ENGLAND

Stalin As A Theoretician

By Leon Trotsky

THE FRAUDS OF LOUIS FISCHER . By Irving Howe
UNCLE SAM AND JOHN BULL . . . By Henry Judd

THE RUSSIAN QUESTION
A Resolution of the Workers Party

Features Discussion Articles Book Review

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(Seal)

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Editorial Board

Albert Gates
Max Shachtman
J. R. Johnson
Joseph Carter

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The Editor's Comment

America Moves Into War

"We have found that the price of peace at any price is incalculable," wrote Secretary of the Navy Knox in a recent issue of Foreign Commerce Weekly. This statement is one of many which make up the strategy of the Roosevelt Administration to prepare the nation for American entry into the war. It is of no great importance whether the United States actually declares war at this time; what is of importance is the fact that measures of war are being enacted daily and their execution is entirely dependent upon concrete opportunity.

From the outbreak of the war in September of 1939, Roosevelt's course has been unstable and contradictory. There was never any doubt about where the Administration stood in the matter of sympathy and support to the contending war camps. The degree of support to the Allies rested upon the outcome of military clashes and the measure of American intervention can be correlated to the victories of the German war machine. It isn't necessary to recount again the character of the increasing intervention on the part of the United States in support of Great Britain. With the fall of France, Britain's position became extremely perilous. The international situation became one where, in fact, British imperialism, in its struggle against Germany, is fighting for the most vital interests of American imperialism.

We believe that our previous analysis of the war as a struggle between Washington and Wilhelmstrasse is unassailably correct. The Administration is not less acutely aware of this truth. The British Empire has become a subordinate power to both the United States and Germany, and this fact is widely recognized all over the world, the British Isles included. Yet, in the war, Britain's is the novel rôle of fighting for the ultimate interests of America as she defends her own very existence as an imperialist power. To say that there is no other choice for Great Britain is to say the same thing for the conduct of the other powers.

The course of the war has already markedly altered the strategy of the Roosevelt government. While retaining the emphasis on the need of guaranteeing Britain's ability to carry on the war, a new course is followed: the need for American military intervention in the war is obligatory—American integrity, American rights and America's future have been struck tangible blows by German submarines. The only way to meet this attack is to fight back. But the agitation for military action goes back quite some time. The leading interventionists have been hammering home their position based upon logic: If Germany is America's greatest danger, then it becomes our interest, not only to insure Britain's ability to wage war, but to seize the most favorable opportunity for her own entrance. Logic itself, however, cannot bring about wide support for war in a nation where the masses remain against such participation. Something more concrete is required to smooth the path of intervention.

The "Incidents" Are Many

But this "something more concrete" was guaranteed in advance by the measures adopted to insure the carrying out of the Lease-Lend Bill. America's unneutral neutrality prepared the ground for Germany's blows against any measures adopted by the Administration. The transfer of the 50 aged destroyers for naval bases, the Lease-Lend Bill, the occupation of Iceland, Greenland and the declaration by the President of his intention to insure the arrival of war goods to England and her war fronts, all these were not only an announcement of American policy in general, but an invitation to Hitler to knock the chip off American shoulders. But Hitler did not require even such provocation. He had long ago announced his firm intention to prevent the arrival of war supplies to England, i.e., to sink any ship, under any flag, which tries to reach any part of the British Empire. And when Roosevelt declared the freedom of the seas an inviolate American doctrine, in peace or in war, the shooting stage had arrived.

The contradiction in the Roosevelt position lay in President's inability to command congressional support in an all-out execution of the above-mentioned policy. The Neutrality Act still remained an effective law. The ban on convoys militated against an effective shipping program. Inability to arm merchant marine ships because of the existing laws resulted in sending ships into dangerous waters without visible means of defense, or offense. But these will be recorded as short-lived obstacles.

Within the last two weeks the Germans have torpedoed the destroyer Kearney, and sunk the merchant ships Lehigh and Bold Venture. In two of the three attacks, casualties resulted. Altogether, about a dozen American or American owned ships have been sunk by German submarines. Thus, the ground is laid: American ships are sunk; American lives are lost. The incidents are present. There only remains the manner in which the government will answer these attacks.

The Legislative Struggle

The President has already ordered the Navy to search out the attackers and to sink them on sight. A passive sea defense has now gone over to an active offense against Hitler's U-boats. Before this policy can become a strong one and achieves results, legislative formalities have to be overcome, and the fight of the Administration is to obtain congressional authority. This means first of all, the abolition of the Neutrality Act, the enactment of legislation for convoys, and a bill to arm merchant marine. The manner in which these three measures will be realized is not too important; their enactment is already guaranteed by recent political events.

Secretary of the Navy Knox, by his activity on the podium, has been the most militant spokesman in the Administration for intervention. By virtue of his peculiar position, a Repub-
lican in a Democratic cabinet, having no election obligations to anyone, he has been able to serve as the advance guard of the Administration, making interventionist demands which the Administration leaders themselves were, because of political exigencies, unable to make. As a bell-wether, Knox has given the President inestimable service.

In contrast to Knox, Roosevelt has proceeded with great caution. As a President who was elected, among other reasons, for his determination to keep America out of a shooting war, his conduct had to be more circumspect. In addition, as Administration leader, he was faced with an uncontrollable Congress which, for example, carried the draftee service extension bill by only one vote, and on other occasions, from the interventionist point of view, showed lack of foresight, absence of policy, and played the game of "regional politics."

Stimson, Ickes and Wickard did their part, too. They supplemented Knox's activities while the President "played possum." But it appears that Roosevelt delayed just a moment too long.

**Willkie to the Rescue**

Wendell Willkie, still hell-bent for the President's chair, executed a Republican *coup* on the Administration. He assembled the leading Republican interventionists, aligned them in militant support of the Administration's foreign policy and then, through representatives in the House and Senate, made a frontal attack on the Neutrality Act, demanding its immediate and total repeal. During this period the Administration had been trying to figure out how best to accomplish the common general aim with the least amount of congressional horseplay and delay. With this new development, the repeal is guaranteed. So is convoys and so is the arming of the merchant marine. In this way, the President is achieving his purpose, but at the expense of the strengthening of a political rival who has his eyes on the 1944 elections.

This political side-show is at present unimportant in view of its significance. Repeal of the Neutrality Act, arming of merchant marine and convoys, cannot mean anything less than American participation in the war as an active belligerent. Once ships and planes and submarines are employed, it is only a matter of time before land forces go into operation. A declaration of war is unnecessary. It may or may not be announced. But, when the army is ready, i.e., at least a million men thoroughly trained and equipped, and if the political character of the war requires a formal declaration of war, it will be made. In lieu of such a declaration, America is at war none the less.

It measures its war areas in a new way. All the areas of the world are war zones. There are no restricted zones. Europe, Africa, Asia, all the oceans, the Western Hemisphere and the South Pacific are involved in the war, in one way or another. So far as Europe, the Atlantic, Africa, Asia and the Western Hemisphere are concerned, they have long ago been declared war districts by one or another of the powers. But Secretary Knox has now added a new area. On September 27 he wrote:

"We are still deficient, however, in naval stations to protect our commerce along the sea lanes to the East Indies and Australasia... We have recently established seaplane bases on Johnston Island, Palmrya Island and Samoa which will partly remedy this lack by enabling us to use our giant patrol planes in this area. But we still lack sufficient bases from which we can operate surface craft in the South Pacific."

The value of this region is obviously clear when one learns that from this area the United States obtains "strategic materials" such as tungsten, chrome, manganese, tung oil, rubber, hemp, tin, quinine, etc. This area lies under the constant threat of Japan and it is being heavily armed already.

Thus has the European war descended upon all the countries and peoples of the world. No place and no person will be left unmarked by its ravages. There is no longer possible the realization of the escapist's dream of a hideout to Tahiti or some other South Pacific island. The world is at an abyss. The war will either drive it onward to barbaric degeneration or it will give rise to a new wave of international struggles for the socialist commonwealth. In the latter event lies the only hope for humanity.

**The New Economic 'Boom'**

American capitalism is experiencing a new "boom." The rise in the economic curve is, however, based entirely upon a war economy, i.e., the mounting governmental orders for the most varied type of commodities essential to a successful realization of the provisions of the Lease-Lend Bill and the erection of a mass American armed force for naval and land operations. Roosevelt's aim to make of the United States an "arsenal of democracy" has produced the present new wave of industrial and financial prosperity for the American ruling class. Consider for a moment the mountainous needs in planes, ships, heavy armaments and the equipment of an army of millions and one can begin to visualize the enormous quantities of steel, aluminum, copper, brass, textiles, paper, petroleum, electricity, coal, and other similar products, which are required. At present the authorized national program (1940-1941), in its preliminary stage, calls for the expenditure of an unprecedented $56,536,000,000. This vast amount of money is divided between the Army and Navy, Lend-Lease, Maritime Commission, RFC and similar agencies. It is intended to cover the cost of basic materials and weapons for a host of requirements.

The total disbursement from April, 1940, to August, 1941, has been $9,282,000,000, leaving more than 45 billion dollars of the original budget yet to be expended. But the effects of this spending have already left their mark.

**How Their Profits Grow**

Despite the heavy taxation passed last year, profits growing out of the enormous increase of business activity have been greatly augmented. The National City Bank Bulletin for August, 1941, illustrates this rise. On page 92, it reports:

A tabulation of the published statements of 360 leading companies engaged in manufacturing, mining, trade, service and construction shows combined net profits, less deficits, of approximately $785,000,000 after taxes in the first half year, which compares with $652,000,000 for the same companies in the first half of 1940 and represents an increase of 20 per cent. (Our emphasis—Ed.)

The net worth of the afore-cited companies at the beginning of 1941 was more than 12 billion dollars, upon which "the half-year's profits were at an annual rate of 12.8 per cent, compared with a slightly smaller net worth and a rate of 10.8 per cent a year ago." (Our emphasis—Ed.)

Let us cite some other examples of this rapid rise in the economic conjuncture. The increase of industrial activity raised the consumption of electricity to a new high level of more than 50 per cent above the 1929 average! Operating income of all class 1 railroads for the first half of 1941 showed an increase of 21 per cent over 1940 and represented the great-
est increase since 1930. But the total railway operating income, expenses and taxes already deducted, increased by 77 per cent over 1940, surpassed the 1930 figure and was the highest since 1929. The combined sales of 40 large manufacturing groups totalled $3,060,000,000 for this same period. This increase is larger by $387,000,000, or 40 per cent, over the corresponding period of 1940. There was a 16 per cent increase in sales of mail order houses, department stores and chains. General sales increases ranged from 25 per cent to 100 per cent. Tremendous profit gains were experienced in textiles, stone, clay and glass, iron and steel, building equipment, hardware and tools, railroad equipment, auto equipment, metal products and miscellaneous manufactures. Production increases were maintained in contrast to usual seasonal declines. This was not unexpected in view of the requirements for total war.

These great increases in all fields and the rise of profits are accompanied by some very grave problems. Such problems arise primarily from the fact that the economic upswing is essentially an artificial one occasioned solely by governmental expenditures. But whether artificial or not, the upswing is a fact and the problems growing out of the current economic situation are real.

Defense Goods Versus Consumer Goods

The continued production of war goods and their increase in accordance with the main aim of the Roosevelt Administration cannot be maintained, on a capitalist basis, without an immediate curtailment in the production of consumer goods. "Guns or butter" will become a reality for Americans just as it did for all Europeans. The capitalist profit economy is not organized for the purpose of providing for the common good and it is sheer utopianism to believe that the native war economy can accomplish what no other imperialist power has been able to do. If there are some who believe that the United States can see its war program through without affecting the standard of living of the masses, they will be quickly disillusioned.

The Administration production chiefs are gravely occupied with this very problem—not whether such curtailments shall take place, but how much and in what fields. This is the heart of the question when the matter of priorities is considered. And although there is a considerable resistance on the part of those manufacturers of capital goods for consumer industries and those directly producing consumer goods, the pressure of the government is making itself already felt as, for instance, in the automobile industry.

Priorities unemployment, therefore, looms up as one serious threat to the American workers. The production of automobiles, radios, refrigerators, household goods, furniture, etc., are some of the commodities slated for reduction or total elimination. It is already estimated that there are about 100,000 unemployed automobile workers in Detroit. While the government aims at their absorption in a transformed industrial producing tanks, armaments and munitions, a considerable dislocation, in the meantime, follows in the automobile centers.

This growing disproportion in the production of war materials and consumer goods has created the initial basis for the current rise in prices and prepares the ground for an enormous inflation. The rise in prices has been especially acute in the field of consumer goods, striking directly at the working class. There has been a 29 per cent increase in all prices in the period just past, while farm prices have risen 51 per cent since the war began. Interestingly enough, the rise in prices has been smallest in the "field of basic defense metals." There has been almost no increase in finished steel prices; copper and lead have risen only 10 per cent. But the price rise in foods, household goods, wearing apparel, furniture and rents has been enormous, especially since the new tax legislation and the bar on installment buying went into effect.

In the discussions before the House Banking and Currency Committee on price control, it became apparent that the goal of the legislative hirelings of big business was not control of prices or profits, but the establishment of a ceiling on wages. The abnormally ignorant congressmen publicly attribute the current price rise to the rise in wages and propose to control prices by the avenue of setting maximum wage scales. That is the gist of the bill introduced by Representative Gore of Tennessee. In support of this program, the reactionaries cited a 55 per cent rise in manufacturers' aggregate payrolls, and a 32 per cent increase in weekly earnings. Purposely overlooked in the presentation of these figures are the following facts: these wage increases result from the lengthening of the working day and, therefore, the work week, and the creation of over 3,500,000 new jobs in industry since the defense program began. Another important measure is the productivity of labor resulting from technological developments and intensified production.

In arguing against a ceiling being placed on wages, Isador Lubin, Commissioner of Labor Statistics, pointed out that precisely because of the above reasons the net labor cost per unit has risen only 1.2 per cent since 1936, while net prices increased on an average of 20 per cent for all commodities, 30 per cent for raw materials and 1.2 per cent for durable goods. In contrast, there has been a 16 per cent increase in profits since the outbreak of the war.

Whatever may be the outcome of the congressional hearings, one thing is certain: the American masses are due to suffer a sharp decline in their living standards.

How They Seek to Prevent Inflation

The Administration leaders are full of anxiety over the threat of inflation, which has, though not yet seriously, already descended upon the country. To overcome a tremendous rise is buying power in the face of a diminishing supply and production of consumer goods, the government seeks measures for reclaiming large portions of the national income. As a measure of providing greater revenues to finance the war program, the new taxation program on a "broader base" was enacted. But this tax program, which now makes taxpayers of the lowest income group ($14.43 a week) is also a device to prevent uncontrollable inflation. A second effort is the establishment of priorities and price control, mentioned above. A third effort is in the direction of sales of defense savings bonds to individuals and group investors, etc., to augment the Treasury purchasing power. Finally, there is the aim of Eccles to "dampen demand"; it follows upon the heels of legislation which already curbs installment buying.

While the National City Bank fears that the measures so far adopted by the Administration will accomplish little in price control and the prevention of inflation, its own proposals are certainly no improvement, but they have the merit of greater frankness. The bank proposes a reduction in non-defense governmental spending (national and local); the increased sale of defense bonds to individual investors, and a still greater increase in taxation. Where shall taxation take place? It "must cut across the stream of spending; in other words, they must be levied over a broad base and reach the
great bulk of consumer incomes." This means: strip the working class and take from it what the bosses have been unable to achieve in the way of a static wage scale or wage reductions. Finally, set a ceiling on wage increases.

Who will bear the burden of a reduction in consumers' goods? Again, the working masses. Thus, the prospects: inability to purchase consumers' goods, possible wage ceilings enacted by Congress, tremendous increase of taxation hitting hardest at those least able to pay, and general deterioration under a "guns or butter" economy.

On the other side of the fence, the American proletariat will observe how the capitalist class becomes daily more bloated by mounting profits, untroubled by the curtailment of consumers' goods, unworried by increased taxation which hurts them least and, above all, soundly content in the knowledge that in Washington it has friends.

Another Glance at 'Socialist' England

It has become a platitude to say that modern warfare in capitalist society requires the development of totalitarianism in statecraft and economy. If it is obviously true in such countries as Germany, Italy and Japan, it is also true of the "democratic" nations, even though the process toward totalitarianism in those countries is dependent upon many factors no longer present in the Axis states. In England, however, as the war gives evidence of increasing length and intensity, the development toward totalitarianism has become exceedingly more rapid. This totalitarian development occurs under the formal maintenance of the political superstructure of bourgeois democracy, and for this reason gives rise to notions about the maintenance of complete democracy in the midst of the war that do not, in fact, conform to reality.

Liberal scribblers like Dorothy Thompson, Ralph Ingersoll, Harold Laski and Williams, trade unionists in England and America, reformers of every stripe, have spread the falsehood that the totalitarian changes taking place in England are, in reality, the forerunners of a post-war socialist England. The evidence cited for this is the fact that the trade union leaders are part of the national war government, serving Churchill; the recognition by many conservatives that the English poor. These generalities are cited, for example, by Dorothy Thompson as evidence that England is rapidly moving toward socialism and that the leader of this movement is Winston Churchill, who is fighting Hitler as an anti-socialist adversary. There is even a faint hope among many radicals, the wish being father to the thought, that this may be the truth.

Class Collaboration Is Not Socialism

Yet the concrete situation in England precludes the right to such thinking. Imperialist England is fighting an essentially imperialist war and conducts herself in a manner befitting such a struggle. In the absence of a militant or revolutionary labor movement, of a strong revolutionary political party of the working class, and the presence of a yet powerful bourgeoisie, any thought of an occurring peaceful development into socialism, if such a thought is permissible, is highly ludicrous.

The British trade union movement is tied to the national government and its officials have given unqualified support to Churchill and his aristocratic and reactionary associates. Labor is tolerated by this government because it is necessary in order that bourgeoisie England may prosecute the war. It is impossible for the British ruling class to setle accounts with the proletariat swiftly under present conditions. But for this class collaboration, for permission to allow Bevin, Morrison, and others to sit in the government, the Labor Party and the trade union movement are paying a heavy price. While retaining formal democratic rights, the labor movement in general is completely hamstrung by a hundred and one legal restrictions and war measures. Laws against strikes, control of wages in one form or another, proscription of free speech and free press, exist as a constant threat against any possible movements of the British working class. In the leaders of the trade unions and the Labor Party Churchill has found his "trouble shooters."

How the Ruling Class Controls

The British ruling class retains a tenacious hold over the economic structure. The important and decisive controls remain in their hands. Thus, Fenner Brockway, writing in the British New Leader ("How Far Is Britain Going Fascist?" September 20), points out that the state controllers of various trades are entirely in the hands of big industrialists and financiers. He states:

It is enough to say that eighteen raw material controllers hold between them forty company directorships. Eighteen food controllers hold between them eighty-four directorships. Examples of those who "lead" British industry on behalf of the state are Sir Alan Anderson, of the Bank of England, chairman of the cereal control committee, director of Tate & Lyle, who serve as sugar controllers, and a director of Harriss's, who is bacon controller.

The British Capital Issues Committee, which directs the investment of capital, is likewise completely controlled by the big bourgeoisie. Brockway points out:


The above-cited facts only fortify the picture we have previously drawn of wartime England. Control of prices, control of wages, control of foreign trade, control of investments and profits, proscriptions of the rights of free speech and free press—all evidence of the increasing totalitarian development of life in England. But all of it is under the full control of the British capitalist class. And it is this kind of England that is being pictured by confused and ignorant liberals and renegade socialists as the center of a new collectivist social order, a new measure of "socialism in our time."
THE SPECIFIC imperialist gains of America since 1939 form an impressive list. Most important of all, it goes without saying, is the indisputable fact that the American bourgeoisie is master of the “democratic” war house without, so to speak, having fired a shot. In addition, there have been the following gains:

(1) Canada, by virtue of military alliance and subjugation of its economic system, has been broken away from the British Empire and is utterly dependent upon American capitalism. Canada is dependent upon America for supplies needed by its war production machine; its eastern outposts serve as naval and air concentration points for American militarism. Canada is already a part of the super-world American Empire (“The American Century”) envisaged by Henry R. Luce of publishing fame.

(2) Acquisition of British island and naval bases has placed America in a position from which the Asiatic and European continents can be straddled in the future years when American imperialism openly strives for world mastery. Today, these bases in the Atlantic and those in the Pacific (Hong Kong and Singapore are included) are powerful defensive fortifications while America prepares. Tomorrow they will be concentration and transitional points; jumping-off locations for naval and military actions against Japan, Africa and the European continent. Their price was dirt cheap—so over-age destroyers. To the American Empire was added strategic centers, always necessary for continued expansion.

(3) The flood of military and political commissions, Dominion and colonial envoys, trade and economic observers, etc., that still continues from all corners and sections of the British Empire has greatly enriched the knowledge needed by youthful American imperialism for the working out of its future plans. Britain has turned over its experiences of two years of warfare—with all its lessons, its latest naval and military secrets, the most genuine information regarding the Empire’s strength and resources, its methods and techniques of colonial administration. In addition, the Dominion envoys from Canada, New Zealand and Australia have clarified world opinion as to whom, in reality, they turn when they seek out the “motherland.”

(4) The Churchill-Roosevelt sea conference summed up the new set of relations. It was Winston Churchill who undertook the hazardous sea journey across the Atlantic while Roosevelt cruised by the coast to the meeting spot. The pathetic and reactionary document that emerged from this gathering was clearly the work of the American President. It signified that not only would America attend the new Versailles Conference, but that she would dictate the terms. The war aims implicit in the eight-point program contain—among other things—the strong hint that Britain’s specific rôle will be to patrol and police the post-war Europe. That is, Britain will be the policeman for American capitalism!

Political Federation—America’s Union Now!

Anglo-American fanatics of both sexes have been notoriously vague and abstract on the subject of political forms suitable to their Anglo-American world goal. They speak of “Federation,” “Union Now,” “Commonwealth of the White World,” etc., but these phrases lack political roots and concrete formulations. Only Robert Sherwood, the playwright, has presented a specific Anglo-America federation scheme—a scheme which frankly gave political control to the United States and its colonies. But this plan fell upon deaf ears—particularly those of the British, who were hardly pleased at the place granted them in Sherwood’s “Federation.”

The bourgeoisie of America and England recognize the futility of discussing political forms, especially those of an international character, at the moment. International political institutions are rigidly shaped to suit the convenience of the victorious imperialist power or group of powers and it is not yet by any means clear which imperialism, if any, will win the war. This is precisely why Roosevelt and Churchill refuse to specify their peace aims and their plans for the post-war world. They want to wait and see (a) who will be the victor and (b) what will be his strength in relation to his “allies” seated about the victor’s table.

But certain definite trends and tendencies are already visible. American imperialism exerts its heaviest political pressure at the moment on the “White Dominions” of the British Empire. Talk of Anglo-American federation—when it assumes any concrete meaning—generally means a federation with America at the center and the Dominions of Canada, Australia, South Africa and New Zealand grouped about her. The United Kingdom is in the federation, but located in an orbit at a greater distance from the center! The weight of the Dominions clearly will be called into play during the post-war period when British imperialism begins its inevitable struggle to squirm out of the clutches of its American master. Here tariff walls and commercial duties will be the weapons of battle, with Britain already in an unequal and handicapped position. Thus, if a federation comes to pass it can only be a modernized version of the former League of Nations—symbolizing the new imperialist mastery of the world: a union of the British Dominions with America against England proper, and a formal, juridical representation of American imperialist supremacy and British inferiority.

It is important to note that long in advance of any federation scheme the British have been defeated in every clash they have had with the American bourgeoisie. (1) In a clash over utilization of American-owned oil tankers loaned to the British government the latter was forced to sign the Lease-Lend Agreement described above. (N.B. These oil tankers—like every atom of material aid that has gone to England—were loaned, not given. They are under Panamanian registry. Nothing has been given to England by American capitalism, aside from objects made by dowagers who engage their time “knittin’ for Britain!”) (2) Similarly have the British retreated in clashes concerning various items of trade (steel goods, airplanes, etc.) with the South American countries. Each time they have withdrawn as gracefully as a British exporter is able to—but always withdrawn! These and other episodes indicate a priori the rôle Britain will occupy when and if federation comes.

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The Perspective of Anglo-American Relations

Bearing in mind the essential conflict of World War II (Wall Street vs. Wilhelmstrasse), it is safe to assume that Anglo-American relationship will not only continue to exist, but that current trends will mature and harden. Sectors, who base themselves on historically discarded precepts, consider that the present war revolves around the issue of who shall possess the Soviet Union. To them, Anglo-American activities proceed on an even keel and are of secondary import, at best. However, it is easy to foresee that all the elements of a future imperialist struggle—a Third World War in the contemporary cycle of world-wide wars—is present in and grows with each forward step of American imperialism.

On the military plane, the objective of the American general staff is to transform England into a huge air base outpost, a concentration point for air-fortress bombers conducting raids on Nazi industrial centers. Development of the American-Canadian-British bomber ferry service, added to American emphasis on construction of heavy bombers are a part of this scheme. England, with its war industry and army of 5,000,000 men, becomes a major base of operations—absorbing the heaviest punishment of the enemy but constantly able to return a growing load of steel and destruction because of American armament production. The attention of the British bourgeoisie is to be riveted upon the needs and protection of this “island fortress” while American imperialism supplies, manages and organizes the imperial forces overseas in Africa and Asia. In the interim, the American Army prepares for the eventual attempted invasion of Europe and African points. Invasion—if it is to come—must be on a gigantic scale or not at all. England, by itself, cannot do this. Therefore, any future invasion will find the American troops as the vanguard military force—with the British occupying a place corresponding to that of the Italians in the camp of the Axis imperialisms.

On the economic and political front we have already indicated the apparent goal of present trends, so far as American imperialism is concerned. To summarize: (1) American capitalism will have a clear-cut, effective upper hand over its ally and partner; (2) It will be able to launch a vicious post-war economic drive against existing and potential competition through its control of finance, raw materials and shipping; (3) America—assuming an ultimate “democratic” victory—will write the new-world Versailles Treaty; (4) America will endeavor to place Europe on food rations as a means of dictating to Europe; (5) America will assume leadership over the “White Dominions” and will become master of the British Colonial Empire.

Points (4) and (5) of the above summation are worthy of some elaboration. On the subject of food, Secretary of Agriculture Wickard has coined a slogan that cleverly embodies the sinister aims of American imperialism. “Food will win the war and write the peace.” That is, in the long run, America will dictate “peace” to Europe by placing against the latter’s head a 16-inch cannon loaded with the threat of starvation! England proper is already the first victim of American food rationing. Within the next period one billion dollars of American food is being shipped to Britain under Lend-Lease provisions. Generosity unexcelled! But what shall be the final price paid? Secretary Wickard, in an address to an American farming community, hinted at the answer. “We shall provide for a stockpile reserve that can be used by the United States to dictate the kind of peace it wants when the fighting ceases.”

With regard to point (5) it is important to note that American control of the “White Dominions” and the colonies proper does not necessarily mean the forceful and military occupation of these territories by troops. Nor does it mean that America must establish an administrative and formal control over these territories. Imperialism in the epoch of monopoly capitalism proceeds far differently, at times, from the familiar British method of plunder and conquest by the sword. For example, the actual British forces of occupation in India number .0009 per cent of the total population! Yet Britain—through a thousand financial, commercial, economic and administrative methods—exploits the 400,000,000 people of this sub-continent. In the province of Bengal, 50,000,000 peasants live and depend for their existence upon the jute crop. The price they shall obtain for their raw jute before it is milled in the Calcutta jute mills is determined by a British-dominated price fixing board. That is, the income and life conditions of 50,000,000 people is settled each year by a handful of British exporters and financiers. This is the imperialist exploitation of a colonial people.

But America—leaving intact the British administrative machine with its 200 years of vast experience—will become, on a world scale, the real exploiter of the colonial peoples. Wall Street—not London—will fix the price of jute on the Calcutta market. (When Calcutta recently raised the export price of finished jute and burlap products, the American government, through the British Embassy at Washington, protested and put pressure on London to retain the former price. The matter still pend, but is a fine illustration of the form American colonial rule will take.) Tariffs (preferential and otherwise), shipping and insurance rates, credit facilities and capital export to the colonies, allotments of raw materials to the “Dominions”—all these are items yet to be posed for discussion at future Anglo-American discussions. Aiming at control of the world market, American imperialism thereby seeks to dominate the various national domestic markets and their foreign exports.

British Imperialism—Back Seat Driver

The clique of monopolist Tories who regulate the Churchill government understand the bitter choice before them: to accept a subordinate place as high-paid administrators for the American World Empire or face extinction at Germany’s hands. Reluctantly and grudgingly they accept the “lesser evil.” But they do not intend to pass from the imperialist scene without opposition, without planning a future comeback. Understanding does not mean acceptance, and British imperialism is laying its plans for a post-war struggle to recoup its losses to American imperialism.

But this post-war trade and commercial struggle must be based on more concrete foundations than simply the desire to seek revenge against America. Britain, in turn, must effect an internal economic recovery and resume a prominent position as a world industrial and commercial center. Then the driving dynamics of monopoly capitalism will have their say and the bloody game can begin all over again.

It is precisely this point that must be understood by the British proletariat if it is to be prepared for the fierce class struggle that will shake Britain during the post-war crisis. For British imperialism can challenge America and regain at least an important part of what it has lost in the world by carrying out the following tasks with a minimum of success: (1) Batter down and destroy the British trade union and labor movement, particularly its potentially revolutionary development
— the independent shop stewards’ system. Workers in post-war England must—if the bourgeoisie of that country is to stand any change of recovering—work longer and for less. They must be forced to accept their present living standards as a natural state of affairs. In essence, the British labor movement must be wiped out, the nation’s economy centralized under fascist state control. This is the Number One task of the British Tory class. (a) Reconquered and occupied Europe must be subjected to a ruthless exploitation—primarily through a gigantic reparations scheme. Not only Germany, but France and the central European countries must pay the costs of the war time. British imperialism offers nothing to Europe but military occupation, reparations, hunger rationing, division and slicing of territory in a super-Versailles manner, endless disruption and political bickering. This is why Churchill remains totally silent on the subject of his plans for the new European order. (3) In those colonies that Britain manages to retain control of (or to remain as administrative head), an intensified squeeze and exploitation must be planned. The colonial Empire has always been the source of Britain’s wealth and capital. In the chaotic post-war world, Britain, battling uphill against the American odds, will turn as a matter of course toward a greater looting and plundering of the colonial peoples of Asia and Africa.

To summarize: the subordination of British imperialism to that of the United States will have its harshest effects upon the British working class, the peoples of Europe and the colonial peoples as English capitalism begins its inevitable struggle for survival.

Anglo-American War?

Clearly, all the elements for another World War exist in this relationship. The American National Planning Association, in a pamphlet entitled “United States Cooperation with British Nations,” has envisaged such a possibility. England, says the Association, will be forced to trade with Europe and the Americas as well as the rest of the world in the post-war economic set-up. But it might be compelled, suggest the authors, to follow a “militant bilateralism to obtain markets and raw materials.” In that case England might be compelled to follow the example of Germany! An excellent statement of the case! In a word, these bourgeois economists (the chairman of the Association is William M. Batt, deputy director of the Office of Production Management) are warning that England will be forced to take the path of fascism and militarism by the policies of American imperialism. Germany today follows a “militant bilateralism”—that is, economic autarchy at home; imperialism abroad. A “victorious” England, victimized by American capitalism, will underscore the victory of “democracy” by becoming a militant fascist state.

The National Planning Association, in its report, speaks of the necessity for international cooperation and proposes an international coordinating committee for economic planning on a world scale. But, by their very vagueness, they recognize the impossibility for such measures under modern capitalism which has divided the world into national spheres of rivalry and imperial competition.

Conclusions

We have traced the current trends of Anglo-American relations. Each tendency is far more complex and intricate than we have indicated in this outline. But all the possible results and goals we have suggested have one thing in common: all are equally reactionary blows to the aspirations of the American workers, the British working class, the oppressed peoples of Europe and the colonial world.

The effects of an Axis victory on an international scale are too notorious and well known to bear repetition. The effects of an Anglo-American world victory are not so well known, or the forces of the “Third Camp” of independent revolutionary action would be much greater than they are. Nevertheless, in our opinion, the results would be substantially—if not exactly—the same. Certainly the difference, or the intensity of difference, would not bear the remotest justification for the agonizing years of sacrifice and suffering through which the workers of America and Britain are asked to pass. Attempts to install fascism in Britain and America; military occupation of Europe; intensified exploitation of the colonial world by the Anglo-American victors; preparations for a future World War between the ex-Allies: This is our summation of what Anglo-American victory would mean.

Anglo-American imperialism and Axis imperialism are the common enemy of all mankind. Counterposed to both is the socialist revolution through independent action to the workers of Britain and America; the free United Socialist States of Europe to the peoples of Europe threatened with indefinite occupation by the military forces of the Axis and Anglo-American camps; and national independence to the colonial peoples of the Latin-American, African and Asiatic continents.

HENRY JUDD.

RESOLUTION:

The Russian Question

(Editor’s Note: The following resolution was adopted by the recently held national convention of the Workers Party and is now the Party’s policy on the Russian question.)

1. The March, 1917, revolution in Russia overturned the Czarist autocracy and established a provisional bourgeois-democratic régime threatened from its very inception by the dual power of the workers and peasants (the Soviets). Having come to power late in history, in the period of world imperialist decay, the bourgeoisie proved incapable of establishing a peaceful democratic régime and of solving the urgent problems of the democratic revolution, above all the agrarian revolution. The Russian bourgeoisie, as the “revolutionary democracy” of Kerensky, disclosed its impotence and its thoroughly reactionary character from the moment it took over state power. It was inseparably bound up with the reactionary imperialisms of Europe and America, it continued the basic imperialist policy of the Romanov dynasty in the war,
it was incapable of breaking with the monarchical, semi-feudal and landholding classes and groups, and could remain in power only by summoning up an arch-reactionary military dictatorship (Kornilov). The character of the historically belated “revolutionary democracy” of the bourgeoisie in Russia was even more clearly emphasized when it was overturned in November, 1917, and thereafter sought to restore itself to power: in the course of the civil war it not only united with, but was dominated by the most reactionary classes and elements inside and outside of Russia. The test of events thus showed that there is no durable basis for a bourgeois-democratic Kerenskiad in Russia, that its dissolution by the proletarian revolution can be prevented only by its transformation into a Bonapartist dictatorship or fascism.

2. The Bolshevik revolution of November, 1917, carried out the tasks of the democratic revolution in the most drastic and thorough-going manner known in history, the great French revolution not excepted, sweeping away the last remnants of the monarchical and feudal order and of national oppression. But because at the head of the revolution stood the only class capable, in the Russia of 1917, of carrying out these tasks, namely, the revolutionary working class, it found itself compelled to defend its power by the most radical encroachments upon capitalist private property. The proletarian character of the Bolshevik revolution was determined primarily by the fact that the working class in power proceeded directly from the democratic to the socialist revolution by virtue of the complete expropriation of the industrial and financial bourgeoisie and the nationalization of the means of production and exchange.

In substance, the working class, through its representative democratic organs, the trade unions, the factory committees, and above all the Soviets, established a new type of state, the workers’ Soviet state, the dictatorship of the proletariat, guarded by its proletarian Red Army; and with the political, economic and military expropriation of the bourgeoisie and the landlords, proceeded to lay the foundations of a socialist society.

3. The Bolshevik revolution, in its conception, aims and methods, was a national revolution only in form, but the first victory of the international socialist revolution in essence. The revolution broke world capitalism at its weakest link. The Bolsheviks therefore proclaimed their internationalism from the very beginning and declared that without the aid of proletarian revolutions in the more advanced countries of Europe and America, the revolution in Russia would fail. This was true, and by it the Bolsheviks meant two things: First, that the Russian proletariat in the power could not establish a socialist society within the confines of one country alone, the basis of one workers’ state surrounded by a world of capitalist states; and, secondly, that without the state aid of the western proletariat, the Russian proletariat could not even remain in power in the transitional régime which its revolution had inaugurated. Given the betrayal of socialism by the Second International, the Communist International was then established as the organizing center, the general staff of the world revolution.

The Problems of the Revolution

4. Along with the task of advancing a revolutionary class line on the international field, the Soviet state was confronted at home with the task of establishing peace and consolidating the foundations of a socialist society. The miserable heritage of Czarism and the ravages of six years of imperialist world war and the civil wars left the workers’ state with an almost universally ruined economy and an exhausted people in an overwhelmingly agricultural and backward country. The first big post-war revolutionary movement was suppressed by the bourgeoisie of the West, actively assisted by the social democracy, and was followed by a relative stabilization of capitalism throughout the world. The Russian revolution remained isolated in a hostile encirclement. The Bolsheviks were compelled to retreat to the NEP, that is, to allowing the development of a capitalist sector of the economy under the control of the workers’ state in order to acquire a breathing spell and a stronger economic basis upon which to proceed at a later stage to the socialist offensive.

Meanwhile, the counter-revolutionary activities of the bourgeoisie and the social democracy had led to the suppression of all parties except the Bolshevik, and in 1921 even to the temporary prohibition of factions within the Bolshevik Party. The period of “war communism” had, furthermore, fostered the development of a semi-military régime in the country and to a considerable extent inside the ruling party. In addition, the Bolsheviks found themselves compelled, in the work of reconstruction, to draw into the economic and political machinery of the country non-revolutionary and even anti-revolutionary elements. All these circumstances contributed to the growth of a powerful bureaucratic stratum in Soviet society and to the bureaucratic distortion of the régime. Control by the representative democratic organs of the working class was gradually weakened. The Soviet state was a bureaucratically-deformed workers’ state, whose proletarian character was affirmed essentially through the existence of the revolutionary Bolshevik Party of Lenin and Trotsky and its control of the state machine.

5. The sharpest struggles of the best representatives of the revolutionary workers’ state, headed by Lenin and Trotsky, were directed against the weakening of the revolutionary internationalist policy of the party (building and cleansing of the Communist International); against the economic and political forces at work to restore capitalism; against the bureaucracy and bureaucratism which threatened to undermine the revolutionary state and its conquests. A whole series of factors contributed to the failure of these struggles. The death of Lenin deprived the party of the most authoritative voice in Europe, especially after the defeat in Germany in 1923, ushered in a period of economic, political and ideological reaction in the Soviet Union. In the preceding period, the revolution and the civil wars had physically destroyed many of the most solid representatives of the revolutionary generation and had worn down or used up many of those who remained alive. A certain economical revival following “war communism,” accompanied by a rise in the living standards of the masses, had the effect of dulling the vigilance of the masses to the social reaction in progress in the country. Under these circumstances, the consistent proletarian revolutionary elements, represented by Lenin and Trotsky, and after the death of the former, by Trotsky and the Opposition, proved too weak to withstand the blows, or prevent the triumph, of the reaction and the counter-revolution in Russia.

6. The reaction and the counter-revolution in Russia took fundamentally different forms, however, from those which had been foreseen by the Marxists. They all agreed that the workers’ state could not exist for long in one country alone and that without revolutions in the advanced capitalist countries of the West, the workers’ state in Russia would go under. In this, their predictions have been confirmed to
the hilt. However, they envisaged the collapse of the workers' state as the culmination of a process in which the capitalist elements would grow and finally triumph by a counter-revolution which would restore the rule of capitalism in Russia. In this, their predictions have not been confirmed. The workers' state was crushed by the Stalinist counter-revolution, but it was not replaced by a capitalist state.

The Character of the Inner Struggles

7. The degeneration and destruction of the workers' state in the Soviet Union has its roots in the degeneration and destruction of the revolutionary Bolshevik Party—caused, in turn, by the isolation of the Russian revolution and the backwardness of Russia. The monopoly of political power by the Bolshevik Party made it impossible for class forces, tendencies and aspirations to articulate themselves otherwise than through the party itself, now weakly, now strongly, now disguisedly, now openly and bluntly, now distortedly, now clearly. In the post-Lenin period, three groups took clear shape in the Bolshevik Party—groups which, with the final destruction of that party, became three separate parties—each of them representing to one degree or another different class interests. The Bolshevik monopoly of political power transferred the class struggle, so to speak, or rather translated the struggle in the country into an inner-party struggle, at least while the party existed.

The Left Opposition, inspired and led by Trotsky, represented the class interests of the proletariat, and therefore also the interests of the lowest strata of the agricultural population. Hence, the struggle of the Opposition was directed from the beginning toward preserving the revolutionary internationalist line of the party and the Communist International, defending the political and economic positions of the working class in the Soviet Union from the assaults of the ruling cliques, resisting the forces and tendencies of capitalist restoration.

The ruling régime was based upon a combination of the Right Wing and the so-called Center, that is, the Stalinist bureaucracy proper. The Right Wing represented, objectively, the social aspirations and interests of the capitalist elements in the country, the kulaks and the Nepmen, and to a certain extent the labor aristocracy and bureaucrats. Hence its policy of reconciliation with the capitalist world in general, and in particular with the "oldest" representatives of bourgeois democracy, social reformism; its policy of favoring the kulaks' economic development ("Enrich yourselves!") and concealing his menacing growth by labelling him the "diligent peasant." Hence its contemptuous and antagonistic attitude toward the "selfish demands" of the workers and the poor peasantry. Hence its opposition to "super-industrialization" and collectivization of agriculture, its theory of the kulak growing into socialism, etc. The Stalinist wing represented, as it still does, essentially the party bureaucracy and all the other bureaucratic strata of Soviet society associated with or dependent upon it, and revealed distinct Bonapartist characteristics, that is, it based itself at all times on more or less open force, seeking to use classes against each other in its own interests, seeking to rise above the classes for the sake of preserving its own rule.

The Evolution of the Bureaucracy

The bloc between the Right Wing and the Stalinist bureaucracy, whose policies seemed for a time to be indistinguishable or interchangeable, obscured for a long period those characteristics of the Stalinist bureaucracy which distinguish it from similar (but not the same) bureaucracies in other, i.e., in capitalist countries and under other conditions; and obscured the social process by which it gradually developed into an independent ruling class. The Right-Stalinist bloc had in common not only a reactionary foreign policy, accompanied by the systematic liquidation of the Communist International and the Red International of Labor Unions, but above all the aim of destroying the proletarian wing of the party (the struggle against "Trotskyism") and with it the proletarian organizations and institutions in the country. The wiping out of the Left Opposition, the strangling of the Bolshevik Party itself, the disemboweling of the Soviets, the reduction of the trade unions and factory committees to a fiction, in a word, the destruction of all semblance of working-class representation or control in the Soviet Union was the common work of the Right Wing and the Stalinist bureaucracy. Therein the Stalinist bureaucracy in Russia revealed one of its outstanding, distinguishing characteristics: while it is unable and unwilling to unite with the revolutionary proletariat against capitalism and its representatives, it is able and willing to unite with capitalism or its representatives against the proletariat and its revolutionary wing. This characteristic made possible its bloc with the Right Wing against the Left in the Soviet Union, and on an international scale, its bloc with capitalist imperialism against the revolutionary working class and the colonial peoples (Spain, Ethiopia, etc.). In their social and historical position, the Stalinist bureaucracy and its state are closer to capitalism than to socialism.

But in its break with the Right Wing, beginning with the "Third Period" (ultra-Left line in world politics, super-industrialization and liquidation of the kulaks as a class in domestic politics), the Stalinist bureaucracy revealed its fundamental social divergence from its former collaborator. The destruction of the Left Opposition and the gradual liquidation of working-class power was, objectively, only the pre-condition to the gradual restoration of capitalism, so far as the Right Wing was concerned. The destruction of the Opposition and of proletarian control was, so far as the bureaucracy was concerned, not the prelude to abdicating to capitalist restoration, but rather to the complete assumption of all power by the bureaucracy itself. The Right Wing and the bureaucracy could travel together only up to a fork in the road of the evolution of Soviet society. At that point they split asunder, with a violent clash. After having readily leaned on the capitalist and semi-capitalist elements in the country for support in smashing the proletariat, the bureaucracy, with the increased power and authority it had accumulated, proceeded to smash, just as ruthlessly, all the capitalist elements in the country. But, significantly enough, in the period of its so-called "Left zig-zag" (which was neither Left, nor, except in appearance, zig-zag, but substantially a continuation of its own drive for totalitarian power), it continued and even intensified the work of destroying the remnants of proletarian power in the state, lowered the economic and political position of the working class and emerged as the victorious representative of the bureaucratic counter-revolution.

The bureaucracy, contrary to prediction, did not proceed to denationalize the land or the industries and banks and transportation system; it did not wipe out the monopoly of foreign trade; it did not facilitate the "gradual" development of small capitalist production and exchange into a fully-fledged capitalist system. On the contrary, it directed an assault against the capitalist elements in the country that was no less ruthless than any before known in the Soviet Republic; it
enormously increased the importance and specific gravity of the state-property and state-production sector of Soviet economy and multiplied the number of proletarians manifold; and, with all the contradictions that still remain and are even accentuated, in one form or another, it brutally drove together the myriad of small landholdings into a system of collective farms. In almost direct proportion to these advances, however, the power of the working class in the state diminished. More accurately, it disappeared, and the workers' state gave way to the bureaucratic-collectivist state.

**What Is the Class Character of the USSR?**

8. The class character of a state is determined fundamentally by the property relations prevailing in it, that is, those relations which are at the bottom of the existing production and social relations. In any social order based upon private property, the prevailing form of property, be it in slaves, in feudal landholdings, or in capital, determines the property relations, is inseparably interlinked with them, may be used interchangeably with them. The social domination of the ruling class in states based upon one or another form of private property—although not necessarily or at every stage the political domination of such a class—is represented primarily by its ownership of property. The state, i.e., the machinery of coercion, is then the instrument for preserving the existing property relations, for preserving the domination of the economically most powerful class from assaults by classes it oppresses and exploits.

When, however, the epoch of private ownership of social property comes to an end and the epoch of collectivist property is inaugurated, as was done by the Bolshevik revolution of 1917; when private property is abolished and the means of production and exchange become the property of the state—it is impossible to apply the same criterion as is legitimately applied to states based on any form of private property. It is then no longer possible to determine the class character of the state by establishing which class owns the property, for the simple reason that no class owns property under such a social system. The state is the repository, the owner of all social property. The state, however, is not a class but a political instrument of classes. Property relations in a collectivist system are therefore expressed, so to speak, in state relations. The social rule of the proletariat—which, unlike all preceding classes, is and must remain a propertyless class—lies in its political rule and can lie only in its political rule which it employs to destroy all private-propertyless classes in order to preserve its own class domination—to preserve it also from the proletariat it exploits and oppresses.

**Inequality and the Bureaucracy**

9. Irrespective of his refusal to accord the rulers of the Soviet Union the status of a class, it is Leon Trotsky in whose conflicts with the "internationalist needs" of the economy; that made of the origins and the rise of the Stalinist bureaucracy to its position of domination. The bureaucracy rose to power as the universal Soviet gendarme in the midst of "generalized want"—traceable in turn to the isolation of the original workers’ state. "The basis of bureaucratic rule is the poverty of society in objects of consumption, with the resulting struggle of each against all." Yet, the growth of the productive forces under Stalinism did not result in a relaxation of the totalitarianism of the "gendarme" (the bureaucracy) but rather in its accentuation. "The present state of production is still far from guaranteeing all necessities to everybody. But it is already adequate to give significant privileges to a minority, and convert inequality into a whip for the spurring on of the majority. That is the first reason why the growth of production has so far strengthened not the socialist, but the bourgeois features of the state." But not the only reason. The bureaucracy is "the planter and protector of inequality." In distributing the wealth of Soviet society, its guide is its own interest and no other. "Thus out of a social necessity there has developed an organ which has far outgrown its socially necessary function, and become an independent factor and therewith the source of great danger for the whole social organism" (Trotsky).

However, it is precisely in this process of becoming "an independent factor" that its development into a class may be established. "With the differences in distribution," says Engels, "class differences emerge." Society divides into classes: the privileged and the dispossessed, the exploiters and the exploited, the rulers and the ruled.... Distribution, however, is not a merely passive result of production and exchange; it has an equally important reaction on both of these. The development of each new mode of production or form of exchange is at first retarded not only by the old forms and the political institutions which correspond to these, but also by the old mode of distribution; it can only secure the distribution which is essential to it in the course of a long struggle. But the more mobile a given mode of production and exchange, the more capable it is of expansion and development, the more rapidly does distribution also reach the stage in which it gets beyond its mother's control and comes into conflict with the prevailing mode of production and exchange." The "old mode of distribution" prevalent in the workers' state was based, essentially, on the equality of poverty. A truly socialist mode of production could be based only on equality in the midst of abundance. Abundance was possible only with a tremendous socialist development of the productive forces and of labor productivity.

But it is precisely such a development that was impossible on the basis of one country alone, and a backward country like Russia at that. "... A real upward swing of socialist economy in Russia will only be possible after the victory of the proletariat in the most important countries of Europe" (Trotsky, 1923). It is therefore inadmissible, from the Marxian standpoint, to apply decisively the principal criterion of social progress, i.e., the development of the productive forces, to a
workers' state (concretely, to the workers' state of Lenin-Trotsky) in one country alone. The national limitedness of the workers' state prevented the "real upward swing of socialist economy"; so also did the "old mode of distribution," i.e., the equality of poverty. The demands of Soviet economy for development could not be satisfied by a capitalist restoration—quite the contrary. They were satisfied by an unforeseen social development.

The System of Bureaucratic Collectivism

The bureaucracy arose and it organized and developed the productive forces, including the principal productive force of society, the proletariat, to an enormous degree. It accomplished "a real upward swing" of Russian economy, but not of socialist economy. With barbarous, anti-socialist, bureaucratic methods, by introducing and constantly accentuating inequality, it lifted backward Russia to the position of one of the economically most advanced countries of the world, expanding the productive forces at a rate unknown in any contemporary capitalist or semi-capitalist country, right in the midst of a raging world capitalist crisis, in a period of a violently contracting world market and without the benefits of the world market enjoyed in the past by every capitalist country. But it is precisely at that point that one of the fundamental differences between bourgeois Bonapartism and Stalinist "Bonapartism" must be established. Whereas the Bonapartist or Bismarckian régimes of the Stalinist bureaucracy undermined and finally destroyed the social rule of the proletariat in Russia and established in its place a reactionary system of social relations, the class rule of bureaucratic collectivism. Traditional Bonapartism was a political régime established to preserve the rule of the bourgeoisie. The Stalinist régime rose as a new social system which destroyed the rule of the proletariat. For a socialist development based upon the planned collaboration of a number of workers' states in which are included technologically advanced countries, a democratic political régime and a steady growth of equalitarianism are sufficient. For the bureaucratic-collectivist development of the productive forces in the Soviet Union, a new ruling class was necessary, that is, a particularly brutal gendarme converting "inequality into a whip for the spurring on of the majority," and steadily accentuating the inequality in favor of the ruling class.

Under the social system of bureaucratic collectivism, this inequality can manifest itself economically only, or at least primarily, in distribution, since in the field of property-ownership, all classes are equal—none of them owns social property. With the new mode of distribution, the bureaucracy developed a new mode of production, production for the swelling needs of the bureaucracy, based upon state property and the enslavement of the working class. It was this new mode of production which was, in Engels, words, "at first retarded not only by the old forms and the political institutions which corresponded to these, but also by the old mode of distribution." Classes are the product of struggle. It was in the course of the struggle against "the old forms and the political institutions which corresponded to these (and also) the old mode of distribution"—that is, against production for the needs of the masses, against the democratic working class political institutions (the Soviets, the revolutionary party), and the more or less equalitarian system of distribution—it was in the course of the struggle against these that the bureaucracy developed as a class and consolidated itself as the ruling class.

Limitations of the New Order

10. The perspectives of the new social order in Russia and the new ruling class are narrowly limited by the specific and unique historical circumstances which gave birth to it. It is not, of course, possible to set down dogmatic and categorical laws of historical development for this new phenomenon; unlike capitalism, for example, it has no long history behind it which permits of a conclusive historical analysis. Political economy, observed Engels, "as the science of the conditions and forms under which the various human societies have produced and exchanged and on this basis have distributed their products—political economy in this wider sense has still to be brought into being. Such economic science as we have up to the present is almost exclusively limited to the genesis and development of the capitalist mode of production." So far as it has been possible to observe and analyze the phenomenon of Stalinist bureaucratic collectivism, however, its essential characteristics may be established even now.

Bureaucratic collectivism is a nationally-limited phenomenon, appearing in history in the course of a singular conjunction of circumstances, namely, the isolation and decay of a proletarian revolution in a backward country and a world-capitalist encirclement. Its ideology is not merely nationalist in general, but Russian-nationalist; its theory and banner is not so much "socialism in one country alone" as "socialism" in this particular country, Russia. Its expansion beyond the frontiers established by the revolution has been, thus far, episodic, conjunctural. But a far more fundamental consideration is this: Russian capitalism was ripe in 1917 for a socialist revolution but not for socialism; world capitalism was ripe in 1917, and is over-rise today, not only for the socialist revolution but for the complete socialist reorganization of society. On a world scale, there is already a class, fully matured socially, capable of putting an end to the anarchy of capitalist production and capable of developing the productive forces socialistilly, that is, capable, once it is in power, to do on a world scale what the proletariat in Russia proved incapable of doing by itself, in one country alone.

The bureaucracy in Russia became the ruling class because capitalism in the rest of the world remained in power; in turn, the Stalinist bureaucracy has prolonged the term of power of capitalism. The bureaucracy in Russia is a byproduct of the delay of the world proletarian revolution; it will not continue in power with the advent of that revolution. As a new ruling class, in a new, exploitive society, it has come on the historical scene belatedly, as an anti-capitalist anom-ronism; its belatedness and transitoriness are underscored by the existence on a world scale of a matured, socially-qualified proletariat. From the day of its birth, it is torn by mounting centrifugal tendencies at the periphery of the bureaucratic empire. The anti-revolutionary nationalism of the bureaucracy
conflicts with the "internationalist needs" of the economy, that is, its need of fructification by a rational world economy; this in turn facilitates the destruction of the whole economy by world capitalism, its reduction by the latter to the status of a colony or colonies.

The Second World War will therefore be the supreme test of Stalinist collectivism. Should world capitalism gain a new lease on life and be spared defeat at the hand of world revolution, Russia cannot, in all likelihood, escape integration into the capitalism system as a colony or a series of colonies of imperialism. Should world capitalism collapse under the blows of proletarian revolution, the weight of the latter would crush Stalinism to the ground and precipitate the third, final, proletarian revolution in Russia.

The Future of This Order

11. However, just what stages of development will be passed before bureaucratic collectivism in Russia is destroyed either by the proletarian revolution or capitalist counter-revolution, cannot be established categorically in advance. Bureaucratic collectivism is still in power and it is necessary to have as clearly as possible in mind the revolutionary proletarian attitude toward it and the political problems it raises.

Classes and social orders are historically conditioned; so also are the bureaucracy and bureaucratic collectivism in Russia. Product of reaction, both the ruling class and the social order it dominates are reactionary. The proletariat and its revolutionary vanguard therefore are uncompromisingly opposed to the politics of the régime and strive to overthrow it with all means consistent with the struggle for socialism. But the Marxist proletariat recognizes that while this new social order represents a reaction from the workers' state established by the Bolshevik Revolution, the forces producing this reaction were not strong enough or not of such a nature as to hurl Russia still further back to capitalism.

Russia remains a collectivist society, differing fundamentally from the workers' state of Lenin-Trotsky in that it is a reactionary collectivist society. But it has not been integrated into the system of world capitalism. Bureaucratic collectivism is closer to capitalism, so far as its social relations are concerned, than it is to a state of the socialist type. Yet, just as capitalism is part of the long historical epoch of private property, bureaucratic collectivism is part—an unforeseen, mongrelized, reactionary part, but a part nevertheless—of the collectivist epoch of human history. The social order of bureaucratic collectivism is distinguished from the social order of capitalism primarily in that the former is based upon a new and more advanced form of property, namely, state property. That this new form of property—a conquest of the Bolshevik revolution—is progressive, i.e., historically superior, to private property is demonstrated theoretically by Marxism and by the test of practice.

The proletarian revolution in a capitalist country would abolish the reactionary social relations by abolishing private property; the proletarian revolution in Russia would abolish the reactionary social relations of bureaucratic collectivism primarily by destroying the political (and therefore the social) power of the bureaucracy but not the property form on which the bureaucracy and the social relations it established are based, namely, state property. This fundamental difference is not calculated to distinguish the two social orders from the standpoint of where it is "easier" to carry through the proletarian revolution. It is calculated, however, to indicate the essential difference between the two social orders—bureaucratic collectivism and capitalism—and the historical superiority of the one over the other. In both cases, the prevailing social relations are based on the prevailing property forms. In the one case, the property form would have to be abolished by the proletariat in order to advance toward socialism; in the other, the property form would have to be preserved. In the case of capitalism, the establishment of state property would be an historical step forward, it would be reactionary, in comparison with private property. In the case of bureaucratic collectivism, the restoration of private property would be an historical step backward, it would be reactionary, in comparison with state property. "An enormous mistake is made in counterposing state capitalism only to socialism, when, contrariwise, it is absolutely necessary in the given economic-political situation to make a comparison between state capitalism and petty-bourgeois production." (Lenin, 1921.) In the same Marxian sense, it may be said that it is a mistake to compare bureaucratic collectivism only with a workers' state or socialism; it must be compared also with what is the main enemy of the world (not merely the Russian) proletariat, namely, world capitalism. From the standpoint of socialism, the bureaucratic collectivist state is a reactionary social order; in relation to the capitalist world, it is on a historically more progressive plane.

The progressivism of bureaucratic collectivism is, however, relative and not absolute, even in relation to the capitalist world. Thus, for example, in conflicts between the Stalinist régime, on the one side, and a colonial or semi-colonial country, which is part of the capitalist world, on the other, the revolutionary proletariat takes its position by the side of the colonial or semi-colonial country; the revolutionary struggle for colonial independence is a decisive part of the struggle against the main enemy of the proletariat, world imperialism. Thus, for example, in a struggle between Stalinist Russia and capitalist imperialism, on the one side, and another section of capitalist imperialism on the other, the revolutionary proletariat takes its position against both camps, refusing to subordinate or mitigate in any way its struggle against the main enemy, imperialism, and imperialist war, to the defense of the Stalinist sector of capitalist imperialist camp, any more than it would in a similar case with regard to a small nation or a colonial country, big or small, that became an integral part of an imperialist camp. The relative progressivism of bureaucratic collectivism is not of greater significance to the world proletariat than, with all its social differences, is the struggle for colonial independence. Under all circumstances, it is subordinate to the interests and strategy of the world proletarian revolution.

Under What Conditions Is Defense Possible?

12. The revolutionary proletariat can consider a revolutionary (that is, a critical, entirely independent, class) defensive position with regard to the Stalinist régime only under conditions where the decisive issue in the war is the attempt by a hostile force to restore capitalism in Russia, where this issue is not subordinated to other, more dominant, issues. Thus, in case of a civil war in which one section of the bureaucracy seeks to restore capitalist private property, it is possible for the revolutionary vanguard to fight with the army of the Stalinist régime against the army of capitalist restoration. Thus, in case of a war by which world imperialism seeks to subdue the Soviet Union and acquire a new lease on life by reducing Russia to an imperialist colony, it is possible for the proletariat to take a revolutionary defensive position in Russia. Thus, in case of a civil war organized against the existing ré-
gime by an army basing itself on "popular discontent" but actually on the capitalist and semi-capitalist elements still existing in the country, and aspiring to the restoration of capitalism, it is again possible that the proletariat would fight in the army of Stalin against the army of capitalist reaction. In all these or similar cases, the critical support of the proletariat is possible only if the proletariat is not yet prepared itself to overthrow the Stalinist régime.

On the other hand, it must be borne in mind that at their inception the inevitable, progressive mass movements of the workers and peasants against the reactionary régime, particularly those movements which arise in the oppressed national republics, will be politically immature and confused, and influenced by nationalistic, federalist, democratic and even reactionary prejudices. The Fourth Internationalists count heavily, however, on the decisive revolutionary influence that can and will be exerted upon such movements by the hundreds of thousands of revolutionary militants who are imbued with the still living traditions of October and who would be the guarantee that the popular mass movements would take a proletarian direction. This is particularly true of such movements in republics like the Ukraine, White Russia, Georgia, Armenia, Azerbaidjan, etc., where the people's hatred of Stalinism has been cunningly and systematically exploited by reactionary imperialist forces from abroad. However, in the event of a civil war, especially in a totalitarian country like Russia, when the contending movements take the clearly-defined form of armies, with clearly discernible social and political aspirations, the Fourth International must be free to choose, depending on the concrete conditions, between support of one armed camp or the other, or, if neither is possible for the revolutionary proletariat, to work for the completely independent victory of the Third Camp.

What We Reject

13. The Workers Party rejects the theory that the Soviet Union is a degenerated workers' state which must be unconditionally defended against any capitalist country regardless of conditions and circumstances. This theory covers up the class nature of the Stalinist bureaucracy and the reactionary character of the régime. By the same token, it tends to underestimate the full reactionary significance of the bureaucracy. It disseminates the notion, discreditable to socialism, that a régime which is a prison for the working class and in which fighting under the banner of international socialism. Any intermediate choice is an illusion, a trap, a dream, a petty-bourgeois Utopia. The theory of the "equally reactionary" character of the two mutually hostile and irreconcilable classes and régime can only have the objective effect of disarming the Russian proletariat in face of capitalist restorationism, by preaching the lie that it is a matter of indifference to the workers if the present régime is liquidated by capitalist reaction and the bourgeoisie restored to power.

14. The Workers Party rejects the theory that the Soviet Union is a fascist capitalist state and the political line flowing from it. The bourgeoisie in Russia are an unsubstantial social groupings. The principal basic characteristics of capitalism are absent in the Soviet Union—private property, wage labor and commodity production. The ruling class in Russia is not composed of capitalists, that is, of owners of capital; the income of the members of the ruling class in Russia is not derived from profit accruing from the ownership of capital. Free labor in the Marxian sense of the term long ago ceased to exist in the Soviet Union. Neither is there the prevalence of commodity production, that is, production for the market. The Party also rejects the policy, flowing from this theory, of support of democratic capitalism against the "fascist capitalism" of Russia as a disguised form of support for capitalist restoration; and on the same grounds, rejects the petty-bourgeois utopia of a struggle for a "Constituent Assembly." The Party finally also rejects the policy, flowing from this theory, of no united fronts under any conditions in this country with the "fascist" Communist Party, as only a new version of the old Stalinist theory of "social fascism"; the Party reaffirms the admissibility of united fronts, under certain conditions, with the Communist Party as a party.

15. The Workers Party rejects the theory that capitalism and bureaucratic collectivism are "equally reactionary" and the political line flowing from it. This theory implies the superiority of "democratic capitalism" to totalitarian collectivism, which can only open the road in practice to supporting reactionary movements of capitalist restoration. The Russian proletariat could take power in 1917 only when backed by the revolutionary-democratic peasant masses. Capitalist democracy can struggle for power again in Russia only if backed by reactionary world imperialism; that is, Russia can be reintegrated into the capitalist world only in one of two forms—either under a savage, fascist or semi-fascist dictatorship, or as a group of colonies of imperialism, with the latter as the more likely form. The theory of a "bourgeois-democratic" or a "democratic" revolution against the Stalinist dictatorship which "will not restore capitalism" but "only" establish "democracy" under the rule of a "Constituent Assembly" is a reactionary dream propagated for years by Kautsky. The re-actionary liquidation of Stalinism can be accomplished only by means of the most brutal military dictatorship of the bourgeoisie; the revolutionary liquidation of Stalinism can be accomplished only under the leadership of the proletariat fighting under the banner of international socialism. Any intermediate choice is an illusion, a trap, a dream, a petty-bourgeois Utopia. The theory of the "equally reactionary" character of the two mutually hostile and irreconcilable classes and régime can only have the objective effect of disarming the Russian proletariat in face of capitalist restorationism, by preaching the lie that it is a matter of indifference to the workers if the present régime is liquidated by capitalist reaction and the bourgeoisie restored to power.

Our Banner: Internationalism

16. In the Soviet Union, the revolutionary proletariat stands on the fundamental program of the Fourth International. It declares an uncompromising struggle against Stalinism, and against all its reactionary theories and policies. Under no circumstances does it give an iota of political support to the régime. It calls for the revolutionary overthrow of the ruling class. The program of the Fourth International calls for the restoration, not of democracy in general, that is, of bourgeois democracy, but of proletarian, Soviet democracy. It works for the re-assembling of the forces necessary to establish a genuine Bolshevik Party. It works for the transforma-
tion of the trade unions into fighting organs of the working class, defending their interests against the class interests, the exploitation and oppression of the ruling bureaucracy. It calls for the re-establishment of the democratic Soviets and the Soviet régime, and works to drive the bureaucracy and all other alien class elements out of the reconstituted Soviets. It proclaims its sympathy with the national aspirations of the oppressed peoples and minorities, fights for their independence, and pledges itself to recognize the right of self-determination of these peoples, warning them at the same time of the dangers of falling into the trap of bourgeois nationalism or becoming tools of enemy exploiting classes of foreign imperialism. It pledges itself to work for the support of the workers and toiling people throughout the world, to every progressive struggle of the Soviet peoples against the tyrannical régime that oppresses them. It calls upon them to rekindle the fires of the October Revolution, to destroy root and branch the incubus of bureaucratism that has fastened itself upon them, to unite with the proletariat of the whole world in renewed struggle for the socialist emancipation of the toilers.

The Frauds of Louis Fischer

The IMPORTANCE OF A MAN like Louis Fischer is sometimes underestimated. There is an inclination to pass him by as merely another journalist who has written the inevitable memoirs in the I Was There style. Such an estimate in this case, however, would be completely erroneous.

For fifteen years Fischer has been writing as the journalistic high priest of the left intelligentsia, as a Stalinist and as the serious and authoritative spokesman of liberalism. He has garnered an international reputation, and the articles which we have read in The Nation have appeared in similar journals throughout the world: the Parisian L'Europe Nouvelle, the London New Statesman and Nation, the refugee Weltbühne, the English Reynolds News, as well as other liberal journals. He has been in the unique position where, because of his ostentatious support of the popular program of the liberal intelligentsia and his until recently intimate connections with the Stalinist movement, he has been able to influence an extremely large section of intellectual opinion throughout the democratic world.

His book continues along the same lines. In no sense can it be considered in the same class as most foreign correspondent books. The anecdotes, the intimate interviews with leading statesmen, the personal details, the "impressions" are all present; but they are completely subordinate. Men and Politics is more in the nature of political history and a political document—not a personal autobiography. But it is an important book. It is the most complete and authoritative presentation of the point of view of the intrinsic non-Stalinist variety of Peoples Frontism, of social reformism, on the history of the last decade that has yet come to our attention. Fischer was, until the pact with Hitler, a servile hack of the Stalinists and did more than one literary "job" for them. Yet his writing in this book is so couched as to make you believe that his alliance with the Stalinists was, for him, a marriage of convenience; that the alliance could exist only so long as the Stalinists subordinated themselves to his essential program: bourgeois liberalism. In turn, he was ready to distort the Stalin-Trotsky fight, to maintain discreet silence about the Moscow trials, and about the deeds of the GPU in Spain (with which he was more than a little familiar). Only when Stalin abandoned his affair with bourgeois liberalism to engage in a brief flirtation with Hitler did Fischer discover the inherently repugnant moral nature of Stalinism and make his way back to pure and simple liberalism. Thus the knave writes.

Fischer is, thus, the representative and spokesman of an entire group. Bates, Sheean, Hicks and scores of others are part of it, but Fischer alone has succeeded in recording their history and development in a rounded, comprehensive and political Odyssey of the "Liberal Democrat."

The Post-War Period and Fascism

Fischer traces the entire history of post-war Europe in terms of a moral struggle. The world made a mess of things during and after the First World War. The primary characteristic of post-war Europe was a mixture of greed and stupidity. Faced with the monster of Hitlerism, the democratic countries are paralyzed by their short-sighted failure to adopt a system of collective security which will end Hitlerism. Today, however, there are better and wiser men at the helm and provided Fischer can persuade Churchill and Roosevelt to adopt his program for reorganizing capitalism after the victory, the world may yet be saved. And Fischer, a sadder and wiser man, has learned that dictatorships in any form are bad: Bolshevism and Stalinism (for him they are the same!) are in essential respects different from fascism.

This simple approach to history does not ignore the class struggle; it merely chooses sides in that struggle. All of Fischer's political calculations are based upon the assumption of the continued existence of capitalism. All of his writing on post-war Europe assumes the impossibility of a successful proletarian revolution. To function on the assumption that socialism is not a realistic perspective is not to ignore the class struggle; it is merely, in fact, a desire to choose politically within the framework of capitalism. Fischer might protest by citing his espousal of various progressive causes (Spain), his sympathy for the workers, etc., but his denial of the socialist revolution as a European or international perspective provides the decisive political coloration of the book.

With these few words on the general methodology and approach of the author, we can proceed directly to consider the four major topical divisions of the book.

Fischer and the Soviet Union

The question has often been raised about Fischer and his ilk, to what degree do they believe what they write? It is essentially an irrelevant question, but in Fischer's case it has some interest. There is no particular reason to doubt that Fischer sincerely believes in collective security as the only way to stop Hitlerism, and there is as little doubt that Fischer did not, could not possibly have believed much of what he wrote about Russia. For Fischer was not a decrepit old nanny-goat, as were the Webbs, who "proved" the existence of freedom in Russia...
by citing its guarantee in the constitution. The articles which Fischer wrote on Russia (some of the less blatant ones are interwoven into the book) were just as much "jobs" for Stalinism as was the murder of Ignace Reiss by the GPU.

Fischer's best chapter on Russia is his first, Lenin's Russia. It is limited to the field in which he writes best: quick, pointed observations which are more than mere surface impressions but which are incapable of being integrated into a genuine theoretical understanding.

This is nowhere better seen than in his lengthy section on the Stalin-Trotsky fight. Fischer has made a hobby of attempting to construct a defense of the Stalinist theoretical and economic position during the Opposition fight, and he continues essentially along the same lines. Fischer is disposed, first of all, to minimize the objective social roots of the struggle and place great emphasis on what profound journalists call "the personal feud." But let us wait with that and examine his theoretical explanation.

Fischer's explanation follows the basic Stalinist lines. The Trotskyists, lacking faith in the peasantry and considering it an enemy of socialism, wanted a program of "super-industrialization." The only way in which this could be achieved would be to squeeze the peasantry. But that would antagonize the peasantry, drive them into basic opposition to the régime and endanger its existence. Yes, says Fischer, Trotsky was brilliant enough in seeing the danger of capitalist regrowth toward the end of the NEP; he was, however, incapable of proposing a real solution.

It is this fantastic nonsense, sold by Fischer at least a dozen times to every liberal journal throughout the world, which is again peddled as a serious analysis. What is the truth?

The Problems of Russian Economy

The Russian economy, prostrated by the ordeal of the imperialist war, the revolution and the subsequent civil war with its military organization of economic life, was only gradually nursed back into a position whereby it could even equal the economic norms of pre-Czarist Russia. Lenin achieved this on the basis of abandoning the "systematic regimentation of consumption in a besieged fortress" which was "War Communism," in favor of the New Economic Policy. War Communism was predicated on the belief that aid would come from the victorious German proletariat and thus permit a direct transition to socialist economy. The factories of Russia, however, could not do what it was hoped the factories of Germany would, and as a result it was necessary to find a new policy. This was the NEP, which permitted free trading, abolished forced requisitions and replaced them with a fixed grain tax.

This policy has the temporary effect of increasing the amount of land under cultivation, increasing the amount of agricultural production and giving a certain impetus to industry, to the point where it almost reached the pre-Czarist level. But by 1928 the NEP begins to fall down. The growth of new capitalist elements—the petty trader, the kulak—and the growth of the omnipresent bureaucracy threaten the very existence of the economy. The kulak, not being satisfied by the weak industry, hoards his grain, since he can get nothing for it except paper rubles, which were becoming inflated.

The only way to genuinely stimulate the growth of agricultural commodity production is to embark on an ambitious but rationally planned system of industrialization. Only if Russian industry were capable of providing the machinery necessary for large scale agriculture could genuine collectives be established and the basis for undermining the kulaks created.

These are the general, internal economic features of the situation. The problem of industrialization is not one that can be posed only, as Fischer demagogically does, between city and countryside, between worker and peasant. The only way to close the gap, to narrow the scissors, is by an ambitious policy of industrialization which makes possible the gradual, voluntary but relatively rapid collectivization of agriculture and the squeezing out of the kulak at a similar pace. For then the technique necessary for collective farming, as well as the products desired by the kulak in exchange for his, would be available.

Ha-ha, chortles the wise Fischer, will this not also result in strengthening the kulak? But here is where the proletarian state comes in. It must place a heavy tax on the excess profits of the kulaks, as well as a forced loan of 150 million pounds of grain. And with this we answer the other bright question pronounced by Fischer. He asks: Who will pay for this industrialization program, and will a policy of "squeezing the peasants" not result in antagonizing them? (Twenty pages later we find him apologizing for some rather more significant squeezing: Stalin's forced collectivizations, famines and peasant pogroms... but no matter.) The answer to this question has already been indicated in relation to Trotsky's proposed policy toward the kulaks. It needs but to be added that the Left Opposition proposed that the vast and swelling bureaucracy be sharply cut to provide additional funds for industrialization. But how can Fischer take this factor into account, since he does not even see the existence of a bureaucracy? He is too preoccupied in peddling the old tales that Trotsky wanted to "milk the peasantry" and liquidate the Kulak to understand that Trotsky's program would have limited the kulaks (since it was economically impossible to abolish them), aided the poorer peasants and assisted the bureaucracy.

He Falsifies the Rôle of Trotsky

But let us leave these matters alone for a moment. Fischer is guilty, in his account of the struggle, of even greater crimes of omission than commission. Not a word is to be found on the question of party democracy and soviet democracy, not one word. That is one reason why he cannot understand, even if he wished to, why Trotsky continued to oppose Stalin once the latter made his about-face to forced collectivization and super-industrialization. There is not a word about the validity or non-validity of the Stalinist theory of Socialism in One Country. That is why Fischer will later keep his discreet silence about the period in which the dependence of Soviet economy on world economy was proved by the effects of the world crisis on the Five Year Plan. Trotsky's insistence that only with the proletarian revolution in western Europe could socialism be established in Russia, Fischer distorts in the most callous fashion. Trotsky, we are suddenly informed, "had no faith in united fronts... because he opposed the Anglo-Russian trade union bloc! The incorrectness of Trotsky's position is shown by the fact that the revolutions in the West did not come, demonstrating "that the prospect of revolution in an advanced European country was not bright." But that the rôle of the Social-Democracy and the Stalinists might have had something to do with this—not a word. The world is not ready for proletarian revolutions: in the advanced countries capitalism is too strong, in the backward countries the proletariat is too weak. Inescapable logic! And in the meantime it is better to support Stalin... he is practical.
Fischer Learns from... Durany!

If Fischer owes a debt of gratitude to the Stalinist theoreticians for his explanation of the struggle, he owes an even greater debt to that well known expert on the Russian soul and its psychology, Walter Duranty. It is from Duranty that he has borrowed his "personality analysis"—those puerile and stupid bits of gossip. Trotsky "was an erratic and capricious individual"; he "either ignored individual psychology or else did not understand it"; he "preferred a field of activity for himself where he would be first." Fischer also repeats the by now threadbare phrases (which are, incidentally, also repeated by people who never were Stalinist hacks and who should know better) about Trotsky's organizational naiveté, his inability to build a faction... Stalin is not as smart; he cannot write (or read) as well as Trotsky; but he has "strength, will and faith."

These are the writings not of an impressionable schoolboy but of a man who is regarded as an "authority" in the capitalist world and who has hobnobbed with the "great statesmen" of the age. It is slight wonder that Fischer chose Stalin as against Trotsky; it was a perfectly correct choice for him.

Having made this choice, there was nothing for Fischer to do except defend Stalin all along the line. That, of course, was what he actually did. Having since broken with Stalinism, he is at great pains to begin his criticism of Stalin early in the book in order to make it appear as if he were always critical. Fischer has not forgotten what he learned from the Stalin school of journalism: he is still quite adept at rewriting history, even if it be his own personal history.

Fischer conveniently neglects to discuss the famous forced collectivization, with its mass murders, mass famines, its resultant industrial breakdown because of the inability of industry to keep pace with the newly-collectivized agriculture, its destruction of workers' standards, its final débâcle in inflation, and then Stalin's new right turn—Dizzy With Success—permitting gradual differentiation within the collective, as well as the substitution of the artel for the kolhoz. Fischer keeps quiet about the period of the Great Wretchedness. But he did not keep quiet then.

Fischer Is a Liar

At that time he was busy hailing the forced collectivization as the guarantee of socialism in Russia. He was writing such absurdities as: "It was largely because Trotsky did not foresee the possibility of collectivizing Soviet agriculture that he rejected Stalin's thesis of socialism in one country." He was hailing the birth of a classless society. And it all reached a grand climax in 1936 when the new Stalinist constitution was introduced. Let me quote a few of the things he wrote in The Nation at that time:

"It is difficult for him (Trotsky—I. H.) to believe that the bureaucracy will undermine itself, yet that is the very reason for the newly introduced secret ballot."

"When a truth about the Soviet Union is told too early to unprepared minds, it is 'propaganda.'... Now for a few years it will be 'propaganda' is say that Russia is scraping the dictatorship and establishing a real democracy."

"Collectivization, industrialization and now the launching of democracy—with these remarkable achievements, Stalin's place in history is secure."

"The constitution guarantees paid employment, leisure and free education to all the inhabitants of the country. This describes an existing condition."

"The date (of the adoption of the constitution—I. H.) will be a new era in civil liberties for Soviet citizens... the Stalin dictatorship is the first to resign in favor of democracy."

In his present book, Fischer proceeds blandly to inform us that the constitution did not guarantee any sort of liberty but was merely a façade for the increasing GPU terror. The serious reader has the right to inquire: Why and when did you change, Mr. Fischer? And why did you lie when the constitution was first published?

But Fischer feels no particular responsibility for what he wrote then. He merely proceeds to lie a bit more. Here are two sentences from the same page (§49):

"I think, therefore, that originally Stalin really intended the Soviet constitution as a charter of greater freedom."

"Yet just at the moment when the constitution...came into being, the personal dictatorship showed its uglier face."

A Few More Questions to the Penman

This man is obviously caught in a trap between his previous lies and his retrospective attempts either to ignore or whitewash them. But we must not allow him. We must again ask:

Why, Louis Fischer, did you not say anything about the "ugliest face" of the dictatorship in 1936?

Why did you keep quiet about the first Moscow trial which you now call the "bloodiest purge in history."

Why do you now have the temerity to write fifty pages minutely analyzing the Moscow frame-ups while you had not a word to say at the time?

Why do you now speak so glibly about your first-hand knowledge of the murder of Ignace Reiss, when you had not a word to say at the time?

Why do you now write such harrowing pages about the numerous Soviet citizens who you knew were abducted and murdered by the GPU without trial while you had not a word to say then, when it might have mattered?

You had faith, you say, in the great economic achievements of Russia. So faith was enough to keep you silent about juridical mass murders, about the greatest terror régime in history?

Only a person like you, Louis Fischer, king of the philistines and prince of liars, could establish such a record of filth and hypocrisy. But you established a unique record; nobody but you could have written: "The Stalin dictatorship is the first to resign in favor of democracy."

A Discourse on Spain

Fischer's theoretical contributions on the Spanish Civil War are much less ambitious than his chapters on Russia. They are written in that sickly, hypocritical lyricism which characterizes most liberal apologists of Azana and Stalin.

The basic social problem in Spain, as seen by Fischer, was the existence of feudalism in large sectors of its economy. The civil war was provoked by the resistance of feudalism to the reforms which the republican government was instituting and the resultant line-up of opposing forces was: the feudal land-owning class against all "progressive sections" of the population. By "progressive sections" we are to understand the capitalist class (since capitalism is progressive in relation to feudalism) as well as the workers and peasants. It is by this silly little myth that Fischer would justify the political alliance of the Spanish reformist working class parties with the bourgeois parties of Azana and Martinez Barrio.

But Fischer, who is forced to recognize more than the official Stalinist hacks, must necessarily admit that considerable sections of his progressive Spanish capitalist class were in alliance with Franco's "feudal" forces. This he explains on the basis of the short-sightedness of the Spanish bourgeoisie who...
should have sided with the forces of progressivism but who feared that a relaxation of the police power and a revolt aimed at the landlords might catapult against them. Revealing admission! It is already enough to condemn Peoples Frontism. But what Fischer fails—or does not wish—to see is that in a backward country, such as Spain, which functions in the contracting world market of declining capitalism, the reactionary character of agricultural relations are buttressed and maintained by capitalism, that it is often the banks or the industrialists allied with or dependent on the banks, which fear the destruction of the power of the landowner. The destruction of the semi-feudal relations of agriculture in a backward country entails the destruction of the finance capitalist who has part of his investment in the land. That is why it is necessary to destroy capitalism in order to even complete the bourgeois revolution in agriculture; that is why the proletariat alone today can satisfy the needs of the peasantry, which in the period of expanding, progressive capitalism could to some degree be satisfied by the bourgeoisie.

It is because of this basic theoretical ignorance that Fischer is unable to understand anything that took place in Spain. We do not wish to exaggerate—but Fischer understands nothing of fundamental theoretical questions. In other cases he deliberately lies.

The Class Issues

Let us take a few problems of the civil war at random. First, what might be called the internal political curve of the Loyalist camp. Up to a certain point in the war, roughly about the time of the Barcelona May Day, the power of the proletariat, while in capable of finding organized revolutionary expression, remains great and to some degree even increases. After May Day, we see the consolidation of the bourgeoisie democratic régime of Negrin and the destruction of the dual power of the proletariat. Fischer is completely blind to this development. For him, the problem is military, not social. The consolidation of the bourgeois government, the destruction of the peasant collectives, workers' control of the factories, and the workers' militia in Catalonia, the restoration of the land to the pro-Loyalist landowners, the persecution of the revolutionary proletarian organizations—all these are not indices of a rightward political swing but rather of an increase in the efficiency of the Loyalist camp. Proletarian initiative is equated with lack of a centralized military command; dual power is equated with sabotage of the military struggle against Franco.

Fischer is thus forced to whitewash the military betrayals of the bourgeoisie at Santander and Bilbao. He has not a word to say about the fact that it was the unarmed proletariat (even after Franco struck, Azana, Fischer's darling, refused arms to the proletariat of Madrid) which saved Madrid and Barcelona from the fascist officers. He does not understand that the issue was not: Shall there be a centralized command? But rather: What shall be the political character of the régime which sponsors the centralized command: proletarian or bourgeois? And it was only because Fischer's friends—Caballero, Negrin, Azana, Prieto, Hernandez and Stalin—decreed that Spain would not go beyond the bounds of liberal capitalism, that Franco won the war.

To buttress his untenable argument, Fischer is forced to repeat the Stalinist canards about Spain. The anarchists, we are told, were cowards at the front and did not take the fighting seriously. Then how does Fischer explain that the Saragossa and Catalonian fronts, on which the anarchists fought, were the only ones where the Loyalists held firm throughout the war? How does he explain the fact that in the crucial early days it was only the anarchist column, commanded by Durruti, that saved Madrid?

Another point needs briefly to be mentioned. Fischer waxes enthusiastic about the aid which Russia gave to Spain. There is considerable evidence in his book to indicate that at that time he was working in very close contact with the Soviet embassy under the control of Marcel Rosenberg, a GPU agent whom Fischer was extremely intimate. Fischer, however, does not bother to inform us the price which Stalin expected for his paltry material aid: the destruction of the Spanish revolution. He has not a word to say about the fact that it had not been for the intervention of the GPU, the possibility of a proletarian assumption of power would have still been great; and that could have transformed a defeat into a victory.

And Still He Lies

Instead, Fischer resorts to the crudest sort of falsifications. Negrin and the Stalinists, we are informed, desired nationalization of industry and collectivization of the land; they merely opposed hasty and anarchic expropriations! (How this man can lie!) The entire course of the Negrin régime was the destruction of collectives and workers' control of industry. The very program of the Peoples Front opposed collectivization: "We do not accept the principle of the nationalization of the land and its free distribution to the peasants." Could anything be plainer?

Fischer repeats the old slander that it was the desertion of a POUM regiment from the front and its march on Barcelona which provoked the Barcelona May Day. Nothing of the kind occurred, of course; the Barcelona May Days were merely the most dramatic instance of the destruction of proletarian dual power.

It is only after repeating this Stalinist version of the Spanish events that Fischer remembers . . . he is no longer a Stalinist. He therefore decorates his chapters on Spain (which are merely a reprint of his pamphlet written in 1937—a completely Stalinist document) with some anti-Stalinist trimmings and some interesting admissions. The latter are more important. Fischer tells us that he knew of the murder of a Trotskyite named Wolfe by the Stalinists. He was informed by a high Stalinist official (Who? Why does Fischer still shield him?) that the documents purporting to prove the POUM fascist were forgeries manufactured by the GPU.

Why did Fischer keep quiet about these things? Why did he not tell the truth then?

The Nature of the War

If only Chamberlain had not been a fool, if only Delbos had had courage, if only the British and French bourgeoisie had realized that it was in their interests to defend Spain and Czechoslovakia, if only Bonnet had been honest, if only there had been no appeasers, if only there had been some politicians who would have fought against the appeasers . . .

If only . . .

Fischer's writings on Russia and Spain are venomous and dishonest, his chapters on the war and its background are simply pathetic. It was all due to the blindness and stupidity and lack of courage of a few men. Fascism, the decay of capitalism, the social conditions of the proletariat, the destruction of the revolution by Stalin—these are not even considered.
An Instructor in Morality!

Fischer is today in the unenviable situation of being unable to live down his foul past or to substitute a more attractive present. He is an hysterical supporter of the imperialist war and he peddles the left social-patriotic platform of Laski and Williams to justify his position. But throughout his final programmatic chapter there is a constant strain of defeatism and despair. He is forced, at the end, to admit the decline of the entire social system and he has slight faith in the patchwork program he proposes. Like the others of his creed and generation, he is lost, finished. And not many tears need be shed on his behalf.

Louis Fischer was aware of the murder of Ignace Reiss by the GPU. He kept quiet.

Louis Fischer was aware of the frame-up of the Old Bolsheviks by Stalin. He kept quiet.

Louis Fischer was aware of the frame-up of the POUM by the GPU. He kept quiet.

All this while he was the defender and glorifier of Stalin.

It is clear, therefore, is it not, that with such a record and background, Louis Fischer may shortly be expected to write an annihilating critique of the amorality of . . . Bolshevism.

IRVING HOWE.

Merry Profits in Not So Merry England

While the British working class continues to make heroic sacrifices in the national war effort, the British ruling class coins great profits. Interestingly enough, these profits accrue despite an enormous tax structure. Thus, the British New Leader reports the following interesting figures.

“The figures just issued by Shaw (George) & Co., the brewers, show a net profit last year (1940, after all taxes had been paid) of 40,352 pounds (approximately $161,408 . . . It was all used in payment of dividends . . . Lendu Rubber Estates last year made a net profit, after tax, of 10,910 pounds (approximately $43,640, an increase of three times the previous year’s profit) . . . Dividends of 5 per cent are being paid. Last year they could not pay at all . . . William (Clifford) & Son, manufacturers of ready made clothing, made a net profit last year of 136,232 pounds (approximately $544,928), well over twice as much as the previous year (approximately $254,640). Shareholders will get 25 per cent dividends.”

But that isn’t all. The British government has just “hired” the railways from the railway companies at a price of 43 million pounds a year (approximately $172,000,000). Payment for this hire begins retrospectively from January 1, 1941. The proposal for nationalization of the railways was turned down by the government “largely on the advice of Lord Leither, the new Transport Minister.”

In contrast, the New Leader points out that in 1948, a year before the war began, the companies had earned 34 million pounds (approximately $136,000,000). Under the “no war profits” program, the national government paid the railway companies 11 million pounds more (approximately $44,000,000) than they earned before war broke out! What price class solidarity!
DISCUSSION ARTICLE:

What Is Capitalism?

Concerning Some Fundamentals of Marxism

In an article in the August issue of The New International, I charged J. R. Johnson, in an attempt to characterize Stalinist Russia as a capitalist state, with broadening the definition of capitalism to such an extent as to make it possible to include every exploiting society and cause all specific distinctions to disappear. Johnson answered in the September issue with fuller explanations, which prove very interesting but fail to contradict the accuracy of my charge. Since we are dealing with a clarification of some concepts of Marxist analysis of great importance today, I would like to return in greater detail to the question which was previously only touched upon.

I am in agreement with Johnson that we are dealing with a class society in Stalinist Russia; that the means of production there adhere to the bureaucracy; that the latter is the ruling class; and that they exploit the workers and appropriate their surplus product. There is only one debatable question that divides us, but a very important one: is it capitalist exploitation or a new, previously non-existent form of class rule?

Johnson must admit that the social order in Russia is obviously different than the classical capitalism described by Marx: capitalist competition no longer exists upon the internal market; this market does not regulate the prices; the law of the equalization of the rate of profit does not govern the distribution of the means of production among the various branches of production. "The state decides what is to be done." That is the point—admits Johnson.

Like all supporters of the theory that every form of exploitation today must be capitalism, Johnson eases his task with the reference that capitalism—as do all other things in the world—develops and that there never was a "pure" capitalism. That is true, but it does not decide our question. It is known that things develop according to dialectical laws and sometimes the changed quantity transforms itself into a new quality.

Man developed out of the ape and the pithecanthropus erectus or some other animal ancestor of ours was no longer a "pure" ape but rather an ape with several so-called human characteristics. On the other hand, the first human beings (and only the first) kept many of the characteristics of the ape. Yet no intelligent person would maintain that no qualitative difference exists between the breed of humans and the breed of apes.

The Nature of a "Pure" Society

Not only "pure" capitalism, but also "pure" feudalism never existed. The roots of capitalism developed in feudal society for hundreds of years. On the other hand, capitalism in its first decades, yes, in some countries even at the beginning of the twentieth century, was still full of feudal hangovers. Despite this, capitalism is not a "very, very impure" feudalism, but rather a new type of society.

Or, to take an example closer to home: We presume that Johnson agrees that a workers' state existed in Russia in the years just following 1917. Still it was not a "pure" workers' state but, as Lenin already in 1920 so strikingly stated, a workers' state with bureaucratic degeneration. Now a Stalinist or Cannonite could argue: since a "pure" workers' state, according to Lenin, never really existed, it follows that the present Russian state is a workers' state, even if a very, very impure one. Johnson would presumably reject this "it follows" just as I would. Such a "proof" proves nothing but the ignorance of its authors.

To be completely familiar with the social facts and tendencies and be able to solve the question of whether we are dealing with a capitalist or non-capitalist society, we must first answer the following: What is the decisive characteristic that distinguishes the various types of class societies?

The exploitation of class by class existed in all class societies. In what manner does capitalist exploitation distinguish itself from all other forms of exploitation? The oppression of the propertyless by the owners of the means of production is a characteristic common to all exploitative societies. The specific method of exploitation, however, differs. The secret of every method of class rule is concealed in the specific relations in which the rulers of the means of production stand toward the propertyless.

Exploitation and the Social Order

The decisive answer is not to be found, as Johnson thinks, in whether the means of production exist in their preponderance in land, "which was always there," or in factories and machines which had to be created through human effort. Even Johnson must admit that slavery and feudalism constituted two different types of exploitation, even if in his concept "the dominating factor of production was the land" in each case. What distinguished one from another was a qualitatively different relationship of the exploiters to the exploited. It is likewise possible in a society in which the "dominant factor of production" consists of factories, machines and raw materials to have various methods of exploitation, various exploitative systems and, as we have learned from bitter experience, they do exist.

It is a well established truth in Marxism that the essence of the definition of capital does not concern itself with material things—factories, machines, etc.—but rather in the relations between persons, in relations between classes. The same factory may or may not be capital, depending on whether the work performed in it is subject to the law of surplus value or some other social law or perhaps is not at all subject to exploitation.

Johnson views the question simply: "Capital is accumulated labor."

No, sir. One could easily answer him with the well-known quotation from Marx's Wage Labor and Capital: a Negro is a Negro but only under specific social conditions is he a slave; a machine to spin cotton is a machine to spin cotton but only under specific social conditions does it become capital. Thus also is accumulated labor merely accumulated labor, and only under specific social conditions does it become capital.
cannot replace the Marxist definition of capital with a *bon mot* without at the same time falling back into the most vulgar nonsense of the vulgar bourgeois political economists. Accumulated labor is the means of production that have been produced. However, it becomes capital only under specific social conditions.

Which, then, are these “specific social conditions” which make the means of production into capital and a social order into capitalism? I presented them in my first article with the words of Marx—without additional comment—from the place in Vol. 1 of *Capital* where the fundamental prerequisites for the existence of capitalism are stated. Unfortunately, Johnson, who otherwise tosses about quotations from Marx with abandon, however little they pertain to the subject, chose to remain silent about this quotation. But, unfortunately, I cannot avoid taking issue with him exactly on this issue.

The Law of Value, Surplus Value and the Free Laborer

The central axis of Marx’s analysis of capitalism is the law of value and surplus value. These are the foundations upon which the entire system of Marxist political economy rests. Take them away and nothing remains of either *Capital* as a book or capital as a Marxist concept.

[(Like all natural and social laws, it is modified in practice by secondary influences. As the fall of bodies in nature does not exactly follow the laws of Newton, but rather, for example, are held up through air resistance, thus the law of value does not govern capitalist society unconditionally but rather through many modifications and intermediaries; due to the equalization of the rate of profit, the price of production varies from the value, market prices are modified by the law of supply and demand, etc. Despite these modifications, the law of value operates decisively and determines the fundamental tendencies of economic development as long as capitalism exists exactly as the law of gravity determines the mechanical movement of bodies despite all disturbing influences. Between these modifications and the annulment of the law there is a decided difference. Where the fundamental preconditions for the law of value cease to operate, capitalist society also ceases to operate and we must then, as Johnson correctly says, write a new political economy.]

The law of value can only hold for a social order in which producers, independent of one another, produce their products without a plan based on the whole of society as commodities for the market. That is why *Capital* begins with the statement: “The wealth of those societies in which the capitalist mode of production prevails presents itself as ‘an immense accumulation of commodities,’ its unit being a single commodity.”

The law of value can only govern relations between exploiters and exploited where human labor power, as a commodity belonging to its possessor, can appear on the market and (considering society as a whole) sell for its value.

To be able to sell it, however, the worker must possess it and be free to dispose of it. To be obliged to sell it, he must be propertyless, i.e., without any commodities to sell other than his labor power. In a society in which the law of value and no other law governs the fundamental relations between the main classes, the worker must be free in the double sense used by Marx: first, personally free and master over his sole commodity, labor power; second, “free” from all means of production, therefore propertyless. If both of these conditions are not met there can be capitalism in the Marxist sense. *It is not capitalism if the direct producers, the workers, control and use the means of production, either individually as independent handicraftsmen or peasants in separate commodity production, or cooperatively as members of a socialist society. But it is also not capitalism when the workers do not own their labor power, cannot govern its disposition and cannot sell it on the market, because this labor power belongs from the outset to a slaveowner, a feudal lord or—a totalitarian state.*

Marx was very serious in establishing this condition for capitalism. He insisted that the worker is a modern proletarian only when he sells his labor power piecemeal, from week to week and month to month. Were he to sell it once and for all, for his life span, he would not longer be a proletarian but a slave. The view that capitalism existed in antiquity “only” that it lacked free workers was called nonsense by Marx. The Mexican peons, who, even if formally free, are dependent upon their lord as a result of accumulated advance payments and are forced again and again to sell their labor to him are considered by Marx not as proletarians but as slaves or serfs. Johnson could have read that in the quotation I used or directly in *Capital*.

He can also find it in the quotation which he himself used from Engels:

“"The only difference, as compared with the old outspoken slavery, is this, that the worker of today seems to be free because he is not sold once and for all, but piecemeal, by the day, the week, the year, and because no one owner sells him to another, but he is forced to sell himself. . . ."

The Proletarian Is a Product of Capitalism

Yes, that is the difference. It is important enough. It distinguishes the capitalist method of exploitation from all other methods of exploitation and in this case from slavery. It makes possible the functioning of the law of surplus value. It is the *differentia specifica* which distinguishes capitalism from all other systems of exploitation.

If Engels said on this occasion that the modern proletarian is “the slave of no particular person but of the whole property-owning class” and when I similarly characterize the condition of the worker in the bureaucratic collectivist economy, we both use the same words in different senses. Engels uses them in reference to capitalism metaphorically and I use them in reference to bureaucratic collectivism literally.

The proletarian in capitalist society is a slave ("wage-slave") in the sense that while he can govern the disposition of his labor power, he must in the end sell it to *some* member of the capitalist class, in which case the wage and working conditions are in the end determined by the law of value. But the worker in the totalitarian bureaucratic state cannot ever choose an exploiter from the member of the capitalist class and bargain over the price, conditions or uses of his labor power. He is forced to accept without protest any work for any price in accordance with the orders of an exploiting class tightly organized in a totalitarian state.

In comparison with the real freedom and equality of a socialist society, this difference between two methods of exploitation may seem secondary and insignificant. However, when one makes the comparison *between the two methods of class rule the difference is an essential one. Every worker knows that he is exploited and enslaved under capitalism, that the “freedom” of the worker in the double sense used by Marx signifies no real freedom. If Johnson wanted to teach us *this* he wasted his ink for nothing. But every worker also knows the difference between capitalist exploitation and the forced
labor of a concentration camp, even if the concentration camp encompasses the whole of society.

The General and the Specific Characteristics

Now Johnson can maintain (and he does) that in the end the slaves of the totalitarian state must also be fed, so that they do not die out, and that in this manner the cost of the reproduction of the labor power is paid to them, in which case, according to Johnson, the law of value and surplus begins to function again through the back door. However, the slaves of antiquity also had to maintain themselves and reproduce. They received, taking society as a whole, a minimum for a bare existence in order to reproduce their labor power. This circumstance, in which the exploited somehow receive a minimum for existence and the exploiters appropriate the surplus product, is a general characteristic of every class society, and not a specific characteristic of capitalism. The specific distinction of capitalism is that the exploitation takes the form of the sale of labor power and the surplus product the form of surplus value.

[It is almost unnecessary to remark that here and elsewhere in this article I use the term “class society” to mean a society in which an exploiting class rules and therefore does not refer to the transitory rule of the working class for the purpose of introducing the socialist society.]

Finally, let us not forget that the value of labor power, as Marx said, in contradistinction to other commodities, contains an historical and moral element, namely, dependent upon the niveau and customs and living standards which the working class has created in this or that country. In order to realize this “historical” value, it is necessary for the workers to have their (qualified) freedom and, even, the right of organization. Totalitarian enslavement is, therefore, the chosen method of lowering the standard of living of the workers considered in the context of this historical value.

Marx defined, as does Johnson, the modern proletariat as a class that “possesses nothing but it labor power.” My point is that the working class in the totalitarian bureaucratic system does not even possess its labor power. This labor power belongs from the outset to the exploiting state. The worker does not dispose of it at all in the decisive measure as under capitalism. The ruling class disposes of it unconditionally as over the “dead” means of production. Johnson’s view that “the workers remain proletarians” does not hold. The worker in the totalitarian bureaucratic régime is not metaphorically but literally a slave of the ruling class. It is “outspoken slavery” to use the words of old Engels.

I will now submit to the reader whether it is an essential difference.

W. Kent.

Archives of the Revolution
Documents Relating to the History and Doctrine of Revolutionary Marxism

Stalin As A Theoretician

Dynamic and Socialist Revolutions

The Peasant’s Balance Sheet of the

D I R O T ’ S N O T E : This issue of The New International begins the first of two installments of the above-titled article by Leon Trotsky, written more than eleven years ago. The background to the article was a new zig-zag carried out by Stalin in the field of domestic policy. The Stalinist bureaucracy, having annihilated the Left Opposition, with the aid of the Right Wing Buchananist faction and the employment of the severest of police measures, then proceeded to borrow “chips” from the Left Opposition Program and to apply them in a distorted, unacceptable (to Marxists) way. Having denied the possibilities of a planned program of industrialization and collectivization of agriculture, the Stalinist régime proceeded to carry out “super-industrialization” at breakneck speed, without regard to economic norms, and 100 per cent collectivization. The following article is a discussion of some of the theoretical problems relating to the dispute and the problem.
he adds: "But this theory was seized by the Trotsky-Zinoviev Opposition and utilized against the party." Groman's theory regarding the February and October revolutions is quite unknown to us. But Groman is of no account here altogether. He is dragged in merely to cover up the traces.

In what way could the February revolution give the peasantry more than the October? What did the February revolution give the peasant in general, with the exception of the suprificial and therefore absolutely uncertain liquidation of the monarchy? The bureaucratic apparatus remained what it was. The land was not given to the peasant by the February revolution. But it did give him a continuation of the war and the certainty of a continued growth of inflation. Perhaps Stalin knows of some other gifts of the February revolution to the peasant? To us, they are unknown. The reason why the February revolution had to give way to the October is because it completely deceived the peasant.

The alleged theory of the Opposition on the advantages of the February revolution over the October is connected by Stalin with the theory "regarding the so-called scissors." By this he completely betrays the sources and aims of his chicanery. Stalin polemicizes, as I will soon show, against me. Only for the convenience of his operations, for camouflaging his cruder distortions, he hides behind Groman and the anonymous "Trotsky-Zinoviev Opposition" in general.

The real essence of the question lies in the following. At the 12th congress of the (Communist) Party (in the spring of 1925) I demonstrated for the first time the threatening gap between industrial and agricultural prices. In my report, this phenomenon was for the first time called the "price scissors." I warned that the continual lagging of industry would spread apart this scissors and that they might sever the threads connecting the proletariat and the peasantry.

Problem of the "Smytchka" and "Scissors"

In February, 1927, at the Plenum of the Central Committee, while considering the question of the policy on prices, I attempted for the one thousand and first time to prove that general phrases like "the face to the village" merely avoided the essence of the matter, and that from the standpoint of the "Smytchka" (alliance) with the peasant, the problem can be solved fundamentally by correlating the prices of agricultural and industrial products. The trouble with the peasant is that it is difficult for him to see far ahead. But he sees very well what is under his feet, he distinctly remembers the yesterdays, and he can draw the balance under his exchange of products with the city, which, at any given moment, is the balance-sheet of the revolution to him.

The expropriation of the landowners liberated the peasant from the payment of a sum amounting to from five to six hundred million rubles (about $275,000,000—Ed.). This is a clear and irrefutable gain for the peasantry through the October—and not the February—revolution.

But alongside of this tremendous plus, the peasant distinctly discerns the minus which this same October revolution has brought him. This minus consists of the excessive rise in prices of industrial products as compared with those prevailing before the war. It is understood that if in Russia capitalism had maintained itself the price scissors would undoubtedly have existed—this is an international phenomenon. But in the first place the peasant does not know this. And in the second, nowhere did this scissors spread to the extent that it did in the Soviet Union. The great losses of the peasantry due to prices are of a temporary nature, reflecting the period of "primitive accumulation" of state industry. It is as though the proletarian state borrows from the peasantry in order to repay him a hundred-fold later on.

But all this relates to the sphere of theoretical considerations and historical predictions. The thoughts of the peasant, however, are empirical and based on facts as they appear at the moment. "The October revolution liberated me from the payment of a half a billion rubles in land rents," reflects the peasant. "I am thankful to the Bolsheviks. But, state industry takes away from me much more than the capitalists took. Here is where there is something wrong with the Communists." In other words, the peasant draws the balance sheet of the October revolution through combining its two fundamental stages: the agrarian-democratic ("Bolshevik") and the industrial-socialist ("Communist"). According to the first, a distinct and incontestable plus; according to the second, so far still a distinct minus, and to date a minus considerably greater than the plus. The passive balance of the October revolution, which is the basis of all the misunderstanding between the peasant and the Soviet power, is in turn most intimately bound up with the isolated position of the Soviet Union in world economy.

The Democratic and Socialist Revolution

Almost three years after the old disputes, Stalin, to his misfortune, returns to the question. Because he is fated to repeat what others have left behind them and at the same time to be anxious about his own "independence," he is compelled to look back apprehensively at the yesterday of the "Trotskyist Opposition" and... cover up the traces. At the time the "scissors" between the city and the village was first spoken of, Stalin completely failed to understand it for five years (1925-1928), he saw the danger in industry going too far ahead instead of lagging behind; in order to cover it up somehow, he mumbles something incoherent in his report about "bourgeois prejudices (?!?) regarding the so-called scissors." Why is this a prejudice? Wherein is it bourgeois? But Stalin is under no obligation to answer these questions, for there is nobody who would dare ask them.

If the February revolution had given land to the peasantry, the October revolution with its price scissors could not have maintained itself for two years. To put it more correctly: the October revolution could not have taken place if the February revolution had been capable of solving the basic, agrarian-democratic problems by liquidating private ownership of land.

We indirectly recalled above that in the first years after the October revolution the peasant obstinately endeavored to contrast the Communists to the Bolsheviks. The latter he approved of—precisely because they made the land revolution with a determination never before known. But the same peasant was dissatisfied with the Communists, who, having taken into their own hands the factories and mills, supplied commodities at high prices. In other words, the peasant very resolutely approved of the agrarian revolution of the Bolsheviks but manifested alarm, doubt and sometimes even open hostility toward the first steps of the socialist revolution. Very soon, however, the peasant had to understand that Bolshevik and Communist are one and the same party.

Land Taxes and Industrial Prices

In February, 1927, this question was raised by me at the Plenum of the Central Committee in the following manner: The liquidation of the landowners opened up large credits for us with the peasants, political as well as economic. But
these credits are not permanent and are not inexhaustible. The question is decided by the correlation of prices. Only the acceleration of industrialization on the one hand, and the collectivization of peasant economy on the other can produce a more favorable correlation of prices for the village. Should the contrary be the case, the advantages of the agrarian revolution will be entirely concentrated in the hands of the kulak, and the scissors will hurt the peasant poor most painfully. The differentiation in the middle peasantry will be accelerated. There can be but one result. The crumbling of the dictatorship of the proletariat. “This year,” I said, “only eight billion rubles worth of commodities (in retail prices) will be released for the domestic market . . . . the village will pay for its smaller half of the commodities about four billion rubles. Let us accept the retail industrial index as twice the pre-war prices figure, as Mikoyan has reported . . . . The balance (of the peasant): The agrarian-democratic revolution brought me aside from everything else, five hundred million rubles a year (the liquidation of rents and lowering of taxes). The socialist revolution has more than covered this profit by a two billion ruble deficit. It is that the balance is reduced to a deficit of one and a half billion.”

Nobody objected as much as a word at this session, but Yakovlev, the present People’s Commissar of Agriculture, though at that time only a clerk for special statistical assignments, was given the job of upsetting my calculations at all costs. Yakovlev did all he could. With all the legitimate and illegitimate corrections and qualifications, Yakovlev was compelled the following day to admit that the balance-sheet of the October revolution for the village is, on the whole, still reduced to a minus. Let us once more produce an actual quotation. “. . . The gain from a reduction of direct taxes compared with the pre-war days is equal to approximately 600,000,000 rubles . . . . In the last year the peasantry lost around a billion rubles as a consequence of its purchase of manufactured commodities, not according to the index of the peasant income, but according to the retail index of these commodities. The unfavorable balance is equal to about 400,000,000 rubles.”

It is clear that Yakovlev’s calculations essentially confirmed my opinion: The peasant realized a big profit through the democratic revolution made by the Bolsheviks but so far he suffers a loss which far exceeds the profit. I estimated the passive balance at a billion and a half. Yakovlev—at less than half a billion. I still consider that my figure, which made no pretension to precision, was closer to reality than Yakovlev’s. The difference between the two figures is in itself very considerable. But it does not change my basic conclusion. The acuteness of the grain collecting difficulties was a confirmation of my calculations as the more disquieting. It is really absurd to think that the grain strike of the upper layers of the villages was caused by purely political motives, that is, by the hostility of the Kulak toward the Soviet power. The Kulak is incapable of such “idealism.” If he did not furnish the grain for sale, it was because the exchange became disadvantageous as a result of the price scissors. That is why the kulak succeeded in bringing into the orbit of his influence the middle peasant as well.

These calculations have a rough, so to speak, inclusive character. The component parts of the balance sheet can and should be separated in relation to the three basic sections of the peasantry: the kulaks, the middle peasants and the poor peasants. However, in that period—the beginning of 1927—the official statistics, inspired by Yakovlev, ignored or deliberately minimized the differentiation in the village, and the policy of Stalin-Rykov-Bucharin was directed toward protecting the “powerful” peasant and fighting against the “shiftless” poor peasants. In this way, the passive balance was especially onerous upon the lower sections of the peasantry in the village.

**Stalin and the Bourgeois Revolution**

The reader will ask, nevertheless, where did Stalin get his contrasting of the February and October revolutions? It is a legitimate question. The contrast I made between the agrarian-democratic and the industrial-socialist revolutions, Stalin, who is absolutely incapable of theoretical, that is, of abstract thought, vaguely understood in his own fashion: He simply decided that the democratic-revolution means the February revolution. Here we must pause, because Stalin and his colleagues’ old, traditional failure to understand the mutual relations between the democratic and socialist revolutions, which lies at the basis of their whole struggle against the theory of the permanent revolution, has already succeeded in doing great damage, particularly in China and India, and remains a source of fatal errors to this day. The February, 1917, revolution was greeted by Stalin essentially as a Left democratic, and not as a revolutionary proletarian, internationalist. He showed this vividly by his whole conduct up to the time Lenin arrived. “The February revolution to Stalin was and, as we see, still remains, a “democratic” revolution par excellence. He stood for the support of the first provisional government which was headed by the national liberal landowner, Prince Lvov, had as its war minister the national conservative manufacturer, Gutchkov, and the liberal, Mililukov, as minister of foreign affairs. Formulating the necessity of supporting the bourgeois landowning provisional government, at a party conference, March 29, 1917, Stalin declared: “The power has been divided between two organs, not one of which has complete mastery. The rôles have been divided. The Soviet has actually taken the initiative in revolutionary transformations; the Soviet is the revolutionary leader of the rebellious people, the organ which builds up the provisional government. The provisional government has actually taken the rôle of the consolidator of the conquests of the revolutionary people. . . . Insofar as the provisional government consolidates the advances of the revolution—to that extent we should support it.”

The “February” bourgeois, landowning and thoroughly counter-revolutionary government was for Stalin not a class enemy but a collaborator with whom a division of labor had to be established. The workers and peasants would make the “conquests,” the bourgeoisie would “consolidate” them. All of them together would make up the “democratic revolution.” The formula of the Mensheviks was at the same time also the formula of Stalin. All this was spoken of by Stalin a month after the February revolution when the character of the provisional government should have been clear even to a blind man, no longer on the basis of Marxist foresight but on the basis of political experience.

**Stalin Prepares the Future**

As the whole further course of events demonstrated, Lenin in 1917 did not really convince Stalin but elbowed him aside. The whole future struggle of Stalin against the permanent revolution was constructed upon the mechanical separation of the democratic revolution and socialist construction. Stalin has not yet understood that the October revolution was first
a democratic revolution, and that only because of this was it able to realize the dictatorship of the proletariat. The balance between the democratic and socialist conquests of the October revolution which I drew was simply adapted by Stalin to his own conception. After this, he puts the question: "Is it true that the peasants did not get anything out of the October revolution?" And after saying that "thanks to the October revolution the peasants were liberated from the oppression of the landowners" (this was never heard of before, you see!) Stalin concludes that: "How can it be said after this that the October revolution did not give anything to the peasants?"

How can it be said that this—we ask—that this "theoretician" has even a grain of theoretical conscience?

The above-mentioned unfavorable balance of the October revolution for the village is, of course, temporary and transitory. The principal significance of the October revolution for the peasant lies in the fact that it created the preconditions for the socialist reconstruction of agriculture. But this is a matter of the future. In 1927, collectivization was still completely tabooed. So far as "complete" collectivization is concerned, nobody even thought of it. Stalin, however, includes it in his considerations after the fact. "Now, after the intensified development of the collectivization movement"—our theoretician transplants into the past what lies ahead in the future—"the peasants are able . . . to produce a lot more than before with the same expenditure of labor." And after this, once more: "How can one say, after all this (!) that the October revolution did not bring any gain to the peasant? Is it not clear that people saying such nonsense are obviously telling lies about the party and the Soviet power?" The reference to "nonsense" and "lies" is quite in place here, as may be seen. Yes, some people "are obviously telling lies" about chronology and common sense.

Stalin, as we see, makes his "nonsense" more profound by depicting matters as if the Opposition not only exaggerated the February revolution at the expense of the October, but even for the future refused the latter the capacity for improving the conditions of the peasant. For what fools, may we ask, is this intended? We beg the pardon of the honorable Professor Pokrovsky! . . .

Incessantly advancing, since 1923, the problem of the economic scissors of the city and village, the Opposition pursued a quite definite aim, now incontestable by anyone: to compel the bureaucracy to understand that the struggle against the danger of disunity can be conducted not with sugary slogans like "Face to the Village," etc., but through (a) faster tempo of industrial development and (b) energetic collectivization of peasant economy. In other words, the problem of the scissors, as well as the problem of the peasants' balance of the October Revolution, was advanced by us not in order to "discredit" the October Revolution—what is the very "terminology" worth!—but in order to compel the self-contented and conservative bureaucracy by the whip of the Opposition to utilize those immeasurable economic possibilities which the October Revolution opened up to the country.

To the official kulak-bureaucratic course of 1923-1928, which had its expression in the every-day legislative and administrative work, in the new theory, and, above all, in the persecution of the Opposition, the latter opposed, from 1923 on, a course toward an accelerated industrialization, and from 1927 on, after the first successes of industry, the mechanization and collectivization of agriculture.

Let us once more recall that the Opposition platform, which Stalin conceals but from which he fetches in bits all of his wisdom, declares: "The growth of private proprietorship in the village must be offset by a more rapid development of collective farming. It is necessary systematically and from year to year to subsidize the efforts of the poor peasants to organize in collectives" (page 68, English edition). "A much larger sum ought to be appropriated for the creation of Soviet and collective farms. Maximum indulgence must be accorded to the newly organized collective farms and other forms of collectivization. People deprived of elective rights cannot be members of the collective estates. The whole work of the cooperatives ought to be penetrated with a sense of the problem of transforming small-scale production into large-scale collective production. "The work of the land distribution must be carried on wholly at the expense of the state, and the first thing to be taken care of must be the collective farms and the farms of the poor, with a maximum protection of their interests" (page 71).

If the bureaucracy had not vacillated under the pressure of the petty bourgeoisie, but had executed the program of the Opposition since 1923, not only the proletarian but also the peasant balance of the revolution would be of an infinitely more favorable nature.

The Problem of the "Scissors"?

The problem of the "smytchka" (alliance) is the problem of the mutual relations between city and village. It is composed of two parts, or more correctly, can be regarded from two angles: (a) the mutual relationship between industry and agriculture; (b) the mutual relationship between the proletariat and peasantry. On the basis of the market, these relations, assuming the form of commodity exchange, find their expression in the price movement. The harmony between the prices of bread, cotton, beets and so forth on the one hand, and calico, kerosene, plows and so forth on the other, is the decisive index for evaluating the mutual relations between the city and village, of industry and agriculture, between workers and peasants. The problem of the "scissors" of industrial and agricultural prices therefore remains, for the present period as well, the most important economic and social problem of the whole Soviet system. Now, how did the price scissors change between the last two congresses, that is, in the last two and a half years? Did they close, or, on the contrary, did they widen?

We look in vain for a reply to this central question in the ten hour report of Stalin to the Congress. Presenting piles of departmental figures, making a bureaucratic reference book out of the principal report, Stalin did not even attempt a Marxist generalization of the isolated and, by him, thoroughly undigested data given to him by the commissariats, secretariats and other offices.

Are the scissors of industrial and agricultural prices closing? In other words, is the balance of the socialist revolution, as yet passive for the present, being reduced? In the market conditions—and we have not yet liberated ourselves from them and will not for a long time to come—the closing or widening of the scissors is of decisive significance for an evaluation of the successes accomplished and for checking up on the correctness or incorrectness of economic plans and methods. That there is not a word about it in Stalin's report is of itself an extremely alarming fact. Were the scissors closing there would be plenty of specialists in Mikoyan's department who would, without difficulty, give this process statistical and graphic expression. Stalin would only have to demonstrate the diagram, that is, show the Congress a scissors which would
prove that the blades are closing. The whole economic section of the report would find its axis, but unfortunately this axis is not there. Stalin avoided the problem of the scissors.

The domestic scissors is not the final index. There is another, a "higher" one: the scissors of domestic and international prices. They measure the productivity of labor in Soviet economy with the productivity of labor in the world capitalist market. We received from the past, in this sphere as well as in others, an enormous heritage of backwardness. In practice, the task for the next few years is not immediately to "catch up with and outstrip"—we are unfortunately still very far from this!—but planfully to close the scissors between domestic and world prices, which can be accomplished only through systematically approximating the labor productivity in the USSR to the labor productivity in the advanced capitalist countries. This in turn requires not statistically-minimum but economically favorable plans. The oftener the bureaucrats repeat the bold formula "to catch up with and outstrip," the more stubbornly they ignore exact comparative coefficients of socialist and capitalist industry or, in other words, the problem of the scissors of domestic and world prices. And on this question also not a word is to be found in Stalin's report. The problem of the domestic scissors could have been considered liquidated only under the conditions of the actual liquidation of the market. The problem of the foreign scissors—with the liquidation of world capitalism. Stalin, as we know, was preparing, at the time of his agricultural report, to send the NEP "to the devil." But he changed his mind within the six months that elapsed. As is always the case with him, his unaccomplished intention to liquidate the NEP is attributed by him in his report to the Congress to the "Trotskists." The white and yellow threads of this operation are external pressure, he took for a radical change in the whole case of converting the turns into smaller turns and distribut­ing them equally among the helots called executors. If, at the end, the general turn is attributed to "Trotskism," then the problem is settled. But this is not the point. The essence of the NEP, regardless of the sharp change in the "essence" of Stalin's thoughts about it, lies as before in the determination by the market of the economic inter-relations between the city and village. If the NEP remains then the scissors of agricultural and industrial prices remain the most important criterion of the whole economic policy.

A "Bourgeois Prejudice"

However, half a year before the Congress, we heard Stalin call the theory of the scissors a "bourgeois prejudice." This is the simplest way out of the situation. If you tell a village quack that the temperature curve is one of the most important indices to the health or illness of an organism, he will hardly believe you. But if he grasps some sage words and, to make matters worse, learns to present his quackery as "pro­letarian medicine," he will most certainly say that a thermometer is a bourgeois prejudice. If this quack has power in his hands he will, to avoid a scandal, smash the thermometer over a stone or, what is still worse, over somebody's head. In 1925, the differentiation within the Soviet peasantry was declared to be a prejudice of panic-mongers. Yakovlev was sent to the central statistical department, from which he took away all the Marxist thermometers to be destroyed. But unfortunately, the changes in temperature do not cease when there are no thermometers. But for that, the appearance of hidden organic processes takes the healers and those being healed quite un­awares. This is what happened in the grain strike of the kulaks, who unexpectedly appeared as the leading figure in the village and compelled Stalin, on February 15, 1928 (see Pravda of that date) to make a turn of 180 degrees. The price ther­mometer is of no less significance than the thermometer of dif­ferentiation within the peasantry. After the Twelfth Party Congress, where the term "scissors" was first used and explained, everybody began to understand its significance. In the three years that followed, the scissors were invariably demonstrat­ed at the Plenums of the Central Committee, at conferences and congresses, as precisely the basic curve of the eco­nomic temperature of the country. But afterward they gradu­ally began to disappear from usage and finally, at the end of 1929, Stalin declared them to be... "a bourgeois prejudice." Because the thermometer was smashed in time, Stalin had no reason to present the Sixteenth Congress of the Party with the curve of economic temperature. Marxist theory is the weapon of thought serving to clarify what has been, what is becoming and what lies ahead, and for the determination of what is to be done. Stalin's theory is the servant of the bureaucracy. It serves to justify zig-zags after the event, to conceal yesterday's mistakes and consequently to prepare tomorrow's. The silence over the scissors occupies the central place in Stalin's report. This may appear paradoxical, because silence is an empty space. But it is nevertheless a fact: in the center of Stalin's report is a hole, consciously and premeditatedly bored.

Awaken, so that no harm shall come to the dictatorship out of this hole!

Ground Rent, or, Stalin Deepens Marx and Engels

In the beginning of struggle against the "general secretary," Bukharin declared in some connection that Stalin's chief ambition is to compel his recognition as a "theoretician." Bukharin knows Stalin well enough, on the one hand, and the ABC of communism, on the other, to understand the whole tragedy of this pretension. It was in the rôle of a theo­rettician that Stalin appeared at the conference of the Marxist agronomists. Among other things, ground rent did not come out unsathed.

Only very recently (1925) Stalin judged that it was neces­sary to strengthen the peasant holdings for scores of years, that is, the actual and juridical liquidation of the nationalization of the land. The People's Commissar of Agriculture of Geor­gia, not without the knowledge of Stalin, is understood, at that time introduced a legislative project for the direct abo­lition of the nationalization. The Russian Commissar of Agri­culture worked in the same spirit. The Opposition sounded the alarm. In its platform it wrote: "The Party must give
a crushing rebuff to all the tendencies directed towards the abolition or undermining of the proletariat." Just as in 1922 Stalin had to give up his attempts on the monopoly of foreign trade, in 1926 he had to give up the attempt on the nationalization of land, declaring that "he was not correctly understood."

After the proclamation of the Left course, Stalin not only became the defender of the nationalization of land, but he immediately accused the Opposition of not understanding the significance of this whole institution. Yesterday's nihilism toward nationalization was immediately converted into a fetishism. Marx's theory of ground rent was given a new administrative task: To justify Stalin's complete collectivization.

**Absolute Rent and Differential Rent**

Here we must make a brief reference to theory. In his unfinished analysis on ground rent, Marx divides into absolute and differential. Since the same human labor applied to different sections of the land yields different results, the surplus yield of the more fertile section will naturally be retained by the owner of the land. This is differential rent. But not one of the owners will give to a tenant free of charge even the worst section as long as there is a demand for it. In other words, from private ownership of land necessarily flows a certain minimum of ground rent, independent of the quality of the soil. This is what is called absolute rent. In conformity with this theory, the liquidation of private ownership of land leads to the liquidation of absolute ground rent. Only that rent remains which is determined by the quality of the land itself or, to state it more correctly, by the application of human labor to land of different quality. There is no need to elucidate that differential rent is not a relationship fixed by the section itself, but changes with the method of exploiting the land. These brief reminders are needed by us in order to reveal the whole paltriness of Stalin's excursion into the realm of the theory of the nationalization of land.

Stalin begins by correcting and deepening Engels. This is not the first time with him. In 1926, Stalin explained to us that to Engels as well as to Marx, the ABC law of the unequal development of capitalism was unknown, and precisely because of this they both rejected the theory of socialism in one country which, in opposition to them, was defended by Voller, the theoretical forerunner of Stalin.

The question of the nationalization of the land, more correctly, the insufficient understanding of this problem by the old man Engels, is apparently approached by Stalin with greater caution. But in reality—just as lightly. He quotes from Engels' work on the peasant question the famous phrase that we will in no way violate the will of the small peasant; on the contrary, we will in every way help him "in order to facilitate his transition into associations," that is, to collectivized agriculture. "We will try to give him as much time as possible to consider it on his own piece of land." These excellent words, known to every literate Marxist, give a clear and simple formula for the relation of the proletariat to the peasantry.

**Stalin Makes a Muddle of Engels**

Confronted with the necessity of justifying complete collectivization on a frenzied scale, Stalin underlines the exceptional, the even, "at first glance, exaggerated" caution of Engels with regard to conducting the small peasant on the road of socialist agricultural economy. What was Engels guided by in his "exaggerated" caution? Stalin replies thus: "It is evident that his point of departure was the existence of private ownership of land, the fact that the peasant has 'his piece of land' from which he, the peasant, will be parted with difficulty. Such is the peasantry in capitalist countries, where private ownership in land exists. It is understood that here great caution is needed. Can it be said that here in the USSR there is such a situation? No, it cannot be said. It cannot, because we have no private ownership of land which binds the peasant to his individual economy." Such are Stalin's observations. Can it be said that in these observations there is even a grain of sense? No, it cannot be said. Engels, it appears, had to be "cautious" because in the bourgeois countries private ownership of land exists. But Stalin needs no caution because we have established the nationalization of land. But did there not exist in bourgeois Russia private ownership of land alongside of the more archaic communal ownership? We did not acquire the nationalization of land ready made, we established it after the seizure of power. But Engels speaks about the policy the proletarian party will put into effect precisely after the seizure of power. What sense is there to Stalin's condescending explanation of Engels' indecision: The old man had to act in bourgeois countries where private ownership of land exists, while we were wise enough to abolish private ownership. But Engels recommends caution precisely after the seizure of power by the proletariat, consequently, after the abolition of private ownership of the means of production.

By contrasting the Soviet peasant policy with Engels' advice, Stalin confines the question in the most ridiculous manner. Engels promised to give the small peasant time to think on his own piece of land before he decides to enter the collective. In this transitional period of the peasant's "deliberations," the workers' state, according to Engels, must separate the small peasant from the usurers, the tradesmen, etc., that is, to limit the exploiting tendencies of the kulak. The Soviet policy in relation to the main, that is, the non-exploiting, mass of all the peasantry, had precisely this dual character in spite of all its vacillations. In spite of all the statistical clutters the collectivization movement is now, in the thirteenth year of the seizure of power, really going through the first stages. To the overwhelming mass of the peasants, the dictatorship of the proletariat has thus given twelve years for deliberation. It is doubtful if Engels had in mind such a long period, and it is doubtful if such a long period will be needed in the advanced countries of the West where, with the high development of industry, it will be incomparably easier for the proletariat to prove to the peasant by deed all the advantages of collective agriculture. If we, only twelve years after the seizure of power by the proletariat, begin a wide movement, so far very primitive in content, and very unstable, toward collectivization, it is to be explained only by our poverty and backwardness, in spite of the fact that we have the land nationalized, which Engels presumably did not think of, or which the Western proletariat will presumably be unable to establish after the seizure of power. In this contrasting of Russia with the West, and at the same time, Stalin with Engels, the idolization of the national backwardness is glaringly apparent.

But Stalin does not stop at this: He immediately supplements economic incoherence with theoretical. "Why," he asks his unfortunate auditors, "do we succeed so easily (!!) in demonstrating, under the condition of nationalized land the superiority (of collectives) over the small peasant economies? This is where the tremendous revolutionary significance of the Soviet agrarian laws lies, which abolished abso-
lute rent . . . and which established the nationalization of land." And Stalin self-contentedly, and at the same time reproachfully, asks: "Why is it not this new (?) argument utilized sufficiently by our agrarian theoreticians in their struggle against every bourgeois theory?" And here Stalin makes reference—the Marxian agronomists are recommended not to exchange glances, not to blow their noses in confusion, and what is more, not to hide their heads under the table—to the third volume of Capital and to Marx's theory of ground rent. What heights did this theoretician have to ascend before plunging into the mire with his "new argument." According to Stalin, it would appear that the Western peasant is tied down to the land by nothing else than "absolute rent." And since we "destroyed" this monster, that in itself caused to disappear the mighty "power of the land" over the peasant, so grippingly depicted by Gleb Ouspensky, and by Balzac and Zola in France.

What the Revolution Accomplished in Land

In the very first place, let us establish that absolute rent was not abolished by us, but was nationalized, which is not one and the same thing. Newmark valued the national wealth of Russia in 1914 at 140,000,000,000 gold rubles, including in the first place the price of all the land, that is, the capitalized rent of the whole country. If we should want to establish now the specific gravity of the national wealth of the Soviet Union within the wealth of humanity, we would of course have to include the capitalized rent, differential as well as absolute.

All economic criteria, absolute rent included, are reduced to human labor. Under the conditions of market economy, rent is determined by that quantity of products which can be extracted by the owner of the land from the products of the labor applied to it. The owner of the land in the USSR is the state. By that itself it is the bearer of the ground rent. As to the actual liquidation of absolute rent, we will be able to speak of that only after the socialization of the land all over the planet, that is, after the victory of the world revolution. But within national limits, if one may say so without insulting Stalin, not only socialism cannot be constructed, but even absolute rent cannot be abolished.

This interesting theoretical question has a practical significance. Ground rent finds its expression on the world market in the price of agricultural products. Insofar as the Soviet government is an exporter of the latter—and with the intensification of agriculture grain exports will increase greatly—to that extent, armed with the monopoly of foreign trade, the Soviet government appears on the world market as the owner of the land whose output it exports, and consequently, in the price of these products the Soviet government realizes the ground rent concentrated in its hands. If the technique of our agriculture were not inferior to that of the capitalists and at the same time the technique of our foreign trade, then precisely with us in the USSR absolute rent would appear in its clearest and most concentrated form. This moment will have to acquire the greatest significance in the future under the planned direction of agriculture and export. If Stalin now brags of our "abolition" of absolute rent, instead of realizing it on the world market, then a temporary right to such bragging is given him by the present weakness of our agricultural export and the irrational character of our foreign trade, in which not only is absolute ground rent sunk without a trace, but many other things as well. This side of the matter, which has no direct relation to the collectivization of peasant economy, nevertheless shows us by one more example that the idolization of economic isolation and economic backwardness is one of the basic features of our national-socialist philosophy.

Let us return to the question of collectivization. According to Stalin it would appear that the Western peasant is attached to his piece of land by the tie of absolute rent. Every peasant's hen will laugh at his "new argument." Absolute rent is a purely capitalist category. Dispersed peasant economy can have a taste of absolute rent only under episodic circumstances of an exceptionally favorable market conjuncture, as existed, for instance, at the beginnings of the war. The economic dictatorship of finance capital over the diffused village is expressed on the market in unequal exchange. The peasantry generally does not issue out of the universal "scissors" régime. In the prices of grain and agricultural products in general, the overwhelming mass of the small peasantry does not realize the labor power, let alone the rent.

The Problems of Russian Agriculture

But if absolute rent, which Stalin so triumphantly "abolished," says decidedly nothing to the brain or heart of the small peasant, differential rent, which Stalin so generously spared, has a great significance, precisely for the Western peasant. The tenant farmer holds on to his piece of land all the stronger the more he and his father spent strength and means to raise its fertility. This applies, by the way, and not only to the West, but to the East, for instance, to China, with its districts of intensified cultivation. Certain elements of the petty conservation of private ownership are inherent here, consequently not in an abstract category of absolute rent, but in the material conditions of a higher parcelized culture. If it is comparatively easy to break the Russian peasants away from a piece of land, it is not at all because Stalin's "new argument" liberated them from absolute rent but for the very reason for which, prior to the October revolution, periodic repartition of land took place in Russia. Our Narodniki idealized these repartitions as such. Nevertheless, they were only possible because of our non-intensive economy, the three-field system, the miserable tilling of the soil, that is, once again, because of the backwardness idealized by Stalin.

Will it be more difficult for the victorious proletariat of the West to eliminate peasant conservation which flows from the greater cultivation of small holdings? By no means. For there, because of the incomparably higher state of industry and culture in general, the proletarian state will more easily be enabled to give the peasant entering collective farms an evident and genuine compensation for his loss of the "differential rent" on his piece of land. There can be no doubt that twelve years after the seizure of power the collectivization of agriculture in Germany, England or America will be immeasurably higher and firmer than ours.

Is it not strange that his "new argument" in favor of complete collectivization was discovered by Stalin twelve years after nationalization had taken place? Then, why did he, in spite of the existence of nationalization in 1923-1928, so stubbornly rely upon the powerful individual producer and not upon the collectives? It is clear: Nationalization of the land is a necessary condition for socialist agriculture but it is altogether insufficient. From the narrow economic point of view, that is, the one from which Stalin tackles the question, the nationalization of land is precisely of third-rate significance, because the cost of inventory required for rational, large-scale economy exceeds manifold the absolute rent.

Needless to say that nationalization of land is a necessary
and most important political and juridical pre-condition for socialist reconstruction of agriculture. But the direct economic significance of nationalization at any given moment is determined by the action of factors of a material-productive character.

The Situation in the USSR

This is revealed with adequate clarity in the question of the peasant's balance of the October Revolution. The state, as the owner of the land, concentrated in its hands the right to ground rent. Does it realize it from the present market in the prices of grain, lumber, etc.? Unfortunately, not yet. Does it realize it from the peasant? With the multiplicity of economic accounts between the state and the peasant, it is very difficult to reply to this question. It can be said—and this will by no means be a paradox—that the "scissors" of agricultural and industrial prices contains the ground rent in a concealed form. With the concentration of land, industry and transport in the hands of the state, the question of ground rent has for the peasant, so to speak, a bookkeeping and not an economic significance. But the peasant is little occupied with precisely this bookkeeping technique. He draws a wholesale balance to his relations with the city and state. It would be more correct to approach this question from

MISCELLANY:

The Free World of Bankrupts

Among the innumerable bourgeois democratic magazines that are making their appearance these days, Free World (issued for the first time at the end of September) occupies a leading position. It has what even the most casual observer can notice in a moment—Class (in a sedate sort of way.) Its international honorary board and international editorial board read like a Who's Who of Unemployed Bourgeois Ministers. The veritable cream of the intellectual stars of the democratic world—the former foreign ministers of former democratic republics, the former editors of former social-democratic newspapers, plus a liberal sprinkling of American foreign correspondents—grace the pages of Free World. Alvarez del Vayo, who betrayed the Spanish workers, rubs shoulders with Pierre Cot, who betrayed the French workers and helped no little in strangling the Spanish. The new school of hysterical war-thirsty females is represented by Dorothy Thompson and Freda Kirchway. And there are the usual array of South American, Chinese and other second-rate politicians of second-rate powers. Nor is the American intelligence unrepresented: the arch-reactionary, Nicholas Murray Butler, is one of the beacon lights of Free World.

While most of the articles in the first number of Free World consist of panegyrics for moral values, democracy, human dignity, essential nobility, independent thinking and other fine things, there is one article of unusual interest, which if its type is to continue can become a great institution of world letters. This is the article called Round Table No. 1, consisting of a purported transcript of a conversation presumed to have been held between the following dignitaries: Quo 'Tai-chi, Foreign Minister of the Chinese Republic and an agent of that well known democrat, Chiang Kai-shek; Dr. Hugo Fernandez Artucio, professor of the University of Montevideo; Mrs. J. Borden Harriman, American Minister to Norway; Count Sforza, pre-Mussolini Foreign Minister of Italy; Pierre Cot, Minister of Air in the Leon Blum cabinet; and J. Alvarez del Vayo, Foreign Minister of the Negrin cabinet of Loyalist Spain. An imposing array, eh what?

My! What Scoundrels We Have Been!

These people have come together to reminisce about the immediate causes of the Second World War and the parts they played. They begin with a discussion of the appeasement policy which to them is the Original Sin from which all the other transgressions follow. Sforza, who is the cleverest of the lot, understands part of the cause of the appeasement policy—the desire of the Allied imperialists to draw Hitler into war against the Soviet Union—but he succumbs to the fantasy which they all hold: the theory that it was due to blindness on the part of the leaders of England and France. In reality, of course, appeasement was merely an integral part of imperialist policy, as war is today. It was part of the desperate game that the Allies were playing of (1) trying to buy Hitler off in order to avoid what they saw as the dreadful consequence of the war for world capitalism as a whole; and (2) continued stalling for time so that they could rebuild their military machines. The proof of this is that when Chamberlain came back to England after the Munich pact which he said was going to preserve the peace . . . he also hastened to mention that in his opinion the first job of England was to arm to the teeth. These bourgeois democrats, try to lul themselves (and others) with the illusion that the roots of this war are an ideological repugnance for fascism, rather than imperialist rivalry.

But the most damning testimony comes from the lips of Pierre Cot. He tells us in detail how the Peoples Front government betrayed the French workers, how the government had specific knowledge of the tie-up between the Cagoulards and the army general staff and refused to act upon it, how the government deliberately kowtowed to Britain on the issue of aid to Loyalist Spain. What a damning record of the impo-
They Would Do It Over Again

The one other interesting aspect of the magazine is the streak of haunting inferiority complex and perplexity and doubt which runs through every article as to war aims. Being theoreticians of the capitalist class instead of mere propagandists for it, these people find it necessary to attempt to formulate some program. Thus, Eduard Benes begins with some awesome phrases about human dignity, etc. (see list of adjectives at the beginning of the article) and ends, somewhat bashfully, with his real program: the dismemberment of Germany. Another writer suggests that there be no statement of war aims since the war aims of the Allies are too noble, too idealistic (see list of adjectives at the beginning of the article) to bear concrete statement. Still another writer suggests that the ideology of... Sun Yat-Senism become the basis of the new world if the Allies win.

And then there is Nicholas Murray Butler, who says that he wants a new world wherein the rich will be taught not to exploit the poor—too much—and the poor will be taught not to hate the rich!

We carefully refrain from further comment—there are times when it is better to stand in awesome silence than to attempt to say anything.

IRVING HOWE.

P.S.—We have forgotten to mention that Free World is graced by an extraordinarily bad poem by Archibald MacLeish. But, come to think of it, what is there so surprising about that? Could anyone imagine this sort of a magazine without an extraordinarily bad poem by Archibald MacLeish?

—H.

BOOKS

A Chorus of Mixed Voices


What a torrent of scribbling the war has let loose upon the land! Typical of this new and booming “defense” industry is The Pocket Book of the War. The book is an anthology composed chiefly of selections from the writings of leading bourgeois journalists. Included are several articles by some of the higher paid but less endowed amateurs such as Roosevelt, Churchill, and Hitler. The book’s avowed aim is to give a panoramic view and interpretation of the current war from the Munich agreement of September 30, 1938, through the Roosevelt-Churchill eight-point program of August 14, 1941.

The following titles and authors taken from the table of contents give a sampling of the field covered: The Tragedy of Munich, by Dorothy Thompson; Stalin, by John Gunther; Poland—The First Victim, by Otto D. Tolischus; How England and France Were Separated, by André Maurois; Behind China’s Lines, by Edgar Snow; Britain’s Revolution by Consent, by Edgar R. Murrow; Propaganda and Organization, by Adolf Hitler; The Eight-Point Program, by Roosevelt and Churchill.

The most that can be said about the book is that occasionally it rises to the level of good bourgeois reportage. Whether it be the refined hysteria of Dorothy Thompson, the embarrassing bohemianism of Vincent Sheean, the carefully controlled casualness of Alsop and Kintner revealing to a presumably bug-eyed public what the pajama-clad Roosevelt said to that lucky devil Berle late one evening after having drafted a message to Congress, or the penetrating psychological insights of John Gunther exposing that poor dupe Trotsky, “an incorrigible romantic,” wanting “permanent revolution as a perpetual honeymoon”—it all comes down to the same thing: the best of the bourgeois journalists writing today are neither willing nor able to see beyond the most superficial aspects of the tremendous events which are recasting the entire world.

The Method and Its Conduct

Lacking an understanding of historical materialism, they can neither understand the origins of the war nor can they envisage any alternative to the barbarism of Hitler other than a tremendous war—with whose consequences they dare not confront either their readers or themselves. Consciously or unconsciously they are literally only the hired hands of monopoly capital. War exposes many shams, among them the myth of bourgeois individuality.

The best sections of the book are Edgar Snow’s “Behind China’s Lines,” Otto D. Tolischus’ “Poland—The First Victim,” and a valuable chronology of the Second World War. Snow’s article reveals very clearly the opportunistic Stalinist policy applied in the “Red areas” in China. There are good passages on the economic structure of these areas and on the guerrilla warfare. Snow’s article is the only one which deals at all directly with the proletarian masses. Tolischus’ article is interesting in being an early and detailed account of the blitzkrieg tactic—confirming again the now apparent fact that only the ignorant should have been surprised by it. Buried throughout the other articles lies confirmation after confirmation of the Marxist analysis of the pre-war and the war period—the complete absence of chauvinism among the masses, the fear of revolution endemic among the bourgeoisie, etc.—but so buried beneath journalistic rubble as not to be worth the labor of extracting it.

After nearly 400 pages of this fluff, how refreshing it is to re-read the documents of the recent convention of the Workers Party! In a few brief pages the whole anatomy of a dying social order is laid bare. Logic emerges from what seems to be but the play of blind forces.

Daily the unique superiority of the Marxist method once again demonstrates itself. One is proud to belong to a party whose animating force is revolutionary Marxism.

And these bourgeois journalists with their slick style and vapid content?

Buffon once said, “The style is the man.” And one might add, “And the man is the product of his class.” The bourgeois class is a body fallen into decay. Bourgeois journalists can only articulate its corruption. JAMES M. FENWICK.
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