History is made daily now, if not hourly. Yesterday great battles were fought for a few miles of territory; today a battle is for the conquest of entire countries. Great military powers are reduced in a few days to the role of a pawn. Political regimes beat their breasts in defiance one day only to collapse the next. The rotten structure of capitalistic society stands completely exposed before the eyes of the world working class. And with it the political quackery of the misleaders in the ranks of labour. The "middle way" has gone with the German conquests of Denmark and Norway. The fatal policy of working class support to "democratic" capitalism has brought the French workers new legions of dead and a totalitarian regime.

In the midst of these events the workers of the United States prepare to vote for a president to hold office during the next four years - four years which are pregnant with such events as would surpass the happenings of 400 earlier years. But the political policies of the officialdom of the trade union movement remain unchanged. They have learned nothing.

The AFL (Craft Unions) has proclaimed neutrality in the election campaign; it takes no official position. The individual officers are free to back whomsoever they choose. Hillman, Murray, Kennedy, Thomas, and others of the CIO (Industrial Unions) have declared for "friend" Roosevelt, as have the bulk of AFL leaders. Dubinsky is in the
Roosevelt camp but no longer in the CIO. A few "rebels" are for "friend" Willkie. John L. Lewis has attacked Roosevelt, defended Hoover, told the Republicans how they could be a "party of the people" and ballyhooed for Wheeler, representative of the copper trust, proposing him as a Democratic candidate and material for a third party leader. Both the AFL and the CIO have solemnly presented proposals for the Republican and Democratic platforms.

The very mention of the idea of an independent labour party frightens the wits out of these pro-Roosevelt Paul Reveres who are dashing madly up and down the country-side, shouting "The Republicans are coming." John L. Lewis has not as yet indicated whom he will support, nor has he evidenced any thought of independent working class political action (his white hope, Wheeler went back to Roosevelt in Chicago). Where there is not outright hostility to the proposal to form a labour party, there is widespread inertia on the question. It is sometimes argued that the trade unions have gotten along without a labour party in the past so there can be no practical reasons for getting heated up about it now. But the problem is not as simple as that. It is necessary to examine the conditions of the past and the problems of the present before making a decision.

WHY NO LABOUR PARTY BEFORE

Samuel Gompers carved the first unit of the AFL out of the most highly skilled trades. Its growth thereafter was confined, in the main, to these narrow and select fields. The later inclusion of the minors and the needle trades workers as unions embracing almost all workers in a mass production industry were exceptions to the rule. The AFL has never at any time represented more than a small fraction of the industrial workers. There has always existed as the backbone of the AFL a skilled group of workers capable of commanding above-average wages and most generally able to control the labour market in their trade.

The AFL, jealous of its privileged position, has always been quick to resist fiercely any attempt at additional organisation by a non-AFL union. This gave the employers an excellent stop-gap against broad mass organisation. They could make concessions to this small minority and compensate for the outlay at the expense of the great majority which thus remained unorganised. The final struggle of the Knights of Labour, the activities of the Anarchists, the rise of the IWW, all helped to give the bosses an extra push towards cooperation with the AFL.

American capitalism was able until recently to afford certain concessions to the trade unions without seriously impairing its profits. It was then motivated both by the necessity of self protection and the ability to make small concessions. Then, as now, the politicians of the Democratic and Republican parties voted and acted according to the dictates of the corporations and the banks. It is not difficult to understand how, under these conditions, Gompers was able to outlaw independent working class political action and establish the theory that the trade unions have "friends" among the politicians of the employer-controlled political parties.

Capitalism still is and will continue to be motivated by the necessity of protection against the organised workers. But the AFL can no longer play its former role. It has been partially transformed in itself. And alongside
preparations for war. No matter whether a Roosevelt, a Willkie or any other capitalist politician is in the White House, this will be the programme. They all have one plan for the workers - regimentation in industry and combat service in the military machine. The plan is of course sugar-coated so that the gullible among the trade union leaders will swallow it quicker. Many of these leaders even seize upon the "defence programme" as an alibi for a welcome escape from direct struggle against the bosses.

The industrial unions, just as the craft unions, have been unable to solve all the workers' problems. The need for political action grows sharper. It is true that the business index has been hesitatingly working its way upward, especially since the war started. This has momentarily made the problem of workers' political action less acute. But this is only momentary. American capitalism is strong, but its contradictions are stronger.

The trade unions are receding more and more into purely defensive activity. Under these circumstances they will lose members and become weaker. The treasuries will grow slimmer. The tasks will be bigger, but the means smaller. The leadership will become even more disoriented; the rank and file more dissatisfied. The situation will be worse for the CIO than for the AFL. The AFL will be more capable of resistance because of its aristocratic base. It will have less opposition than the CIO which, with its broad base among the mass production workers will meet head-on resistance from the corporations. A much more energetic policy is possible in the direct struggle against the employers, but even with the most militant leadership, trade union action alone is not adequate.

As the trade unions become more and more aware of their inability to cope with all the problems of the workers, they are pushed toward the road of political action which is a generalisation of economic action. Political action generalises the needs of the workers and directs the struggle not against individual bosses or groups of bosses, but against the employers as a whole through their apparatus of state. Despite all the official opposition and inertia on the question, the objective necessity for a working class political party is present. The political channel must be developed if the class struggle is not to be crushed.

WHY WE WANT A LABOUR PARTY

The Socialist Workers Party of America presents the programme for their fundamental solution of the problems of the working class. It welcomes all workers into its ranks. But it must be stated frankly that the numerical growth of the Socialist Workers Party has not kept abreast of the radicalisation of the broad mass of the workers. It does not as yet have sufficient authority in the general labour movement to attract a mass following. This is not unnatural. The programme of the SWP is based on a careful analysis of the capitalist system, the international experience of the working class in bringing about a socialist society. It is a party of advanced political thought. Many of the trade union militants have found their way into our ranks. The great mass of the workers, however, are learning mainly by actual experience. They have passed through the first stage of their training in the trade unions. It is now necessary for them to enter actively into the political arena.

At present the best medium for this political education is an independent
it stands the CIO, just as powerful, if not more powerful, than the AFL. Further, capitalism finds itself less and less capable of making concessions even to skilled minorities. Those trade union leaders who continue to adhere to the Compromise political policy do so because "that's the way Grandpaw did it." They do not have a policy based on present-day conditions. The majority of the officials, both AFL and CIO, falls in this category. They repeat the original sin of subordinating the workers to the political leadership of the bosses without having even the slender pretext of the origins of this policy.

WHAT HAS HAPPENED SINCE 1929

A periodic capitalist crisis struck like a thunderbolt in 1929. The business index started on a dizzy descent which took three and a half years to hit bottom. Roosevelt came into office and undertook the job of patching up the cripple. He was forced by the severity of the crisis to make certain concessions to labour. The trade union officials hailed him as a Moses come to lead them out of the wilderness. But the workers reacted by flocking into the unions and pressing for direct action against the employers. This pressure from the mass production workers soon broke through the shell of the aristocratic AFL and the industrial unions of the CIO were formed.

Militantly pushing the fight against the corporations, the CIO workers rolled up impressive victories. The CIO enjoyed a phenomenal growth. Capitalism was forced to make concessions one after another. But the CIO campaign was less than a year old when the business index again hit the skids, dropping back as far in nine months as it had in two and a half years during the previous decline. The four and a half years of "Roosevelt prosperity", based mainly on a movement of light industry, could no longer sustain itself.

The CIO leadership was frightened by the militancy of the rank and file. The workers had already been led—in "Little Steel"—into a severe defeat in an attempt by the leaders to substitute dependence on "friendly" politicians for trade union action in a strike. The leadership welcomed the new crisis as an opportunity for them to move openly to curb strikes.

The mass production workers brought problems into the CIO which demanded action on the political front. The direct fight against the bosses, necessary as it was, could not alone provide an adequate solution. Sentiment grew for independent working class political action. Labour's Non-Partisan League was formed by the CIO. It was not permitted, however, to be anything more than a streamlined method of applying the old AFL political policies.

The latest convulsions of capitalism have created the industrial unions. The AFL has also grown. The combined membership of the trade unions is today more than twice any previous figures. Capitalism finds its contradictions permanently sharpened. Yet the leaders of this new union movement are capable of nothing better than to continue to look to the capitalists for political leadership. They cannot visualise the working class doing its own political thinking.

HOW LABOUR FACED THE WAR

The present perspective of capitalist strategy is not based on a movement of the light industries; it is based on
labour party based on the trade unions - a working class political party which will present its own candidates from its own ranks for election. This political channel will enable the workers to generalise their needs and mobilise powerful forces for the struggle to obtain concessions from the bosses. These demands will also treat with the needs of the unemployed and the deep layers of highly oppressed workers who remain unorganised. They will lend their weight to the fight. Small farmers, merchants, professional people and other middle class elements will follow the leadership of the workers in such a political fight against the banks and the corporations.

It must be remembered that a trade union which places reliance upon the political agents of the employer is building a structure on quicksand. A policy of independent working class political action is necessary at all times. We repeat: an independent labour party is not the fundamental solution of the problems of the working class. If its creation is delayed too long it might be an unnecessary, even a backward, step. However, at the present time, the formation of a labour party based on the trade unions is a progressive step. The Socialist Workers Party of America will help to create it.

BRITAIN HOLDS OUT

Following the capitulation of the French and Belgian armies and the rout of the British army on the continent, the fate of the entire British empire, and of the imperial country itself, was in the melting pot. A mere threat on the part of Japan was sufficient to compel Britain to stop the passage of arms to China along the Burma Road and a few days later, to withdraw the British garrisons in Shanghai and Tientsin in which latter district are £180 millions of Britain's Chinese investments. This was eloquent expression of British imperialism's admission that it could no longer defend its interests in the Far East and conduct the war against her German opponent at the same time. These unprecedented events gave Japan a free hand in China and the Pacific so far as Britain was concerned.

Alarmed at these developments, Roosevelt hastily summoned a Pan American Conference at Havana in order that the Southern and Central States could be informed of this predatory intentions to grab the European possessions in the Western Hemisphere likely to fall under the domination of Germany. Mutual agreement was reached on this and other issues by the delegates but not without resistance from Argentine and Brazil for in the latter state alone British investments in January 1938 totalled £264,851,539 of which sum £160,428,664 was in Government bonds. Hence their solicitude for Britain's interests.

During these fateful days prominent Americans were of the opinion that Britain could be overcome by Germany in 30 days and the head of the Hearst newspaper calmly opined that Britain's war aims, whatever their original content, could not be other than altruistic since she no longer possessed an empire to defend. Nor were these the only gestures of
despair for Britain from across the Atlantic. The Ford and Packard motor companies, who had previously been smacking their lips in anticipation of vast orders from Britain, refused most bluntly to supply 6,000 Rolls Royce aero engines. President Roosevelt, fearing that supplies of lubricating oil, aviation spirit, and scrap metal sent to Britain would be either destroyed or captured by Germany, proclaimed an export embargo on these vital commodities, which although mainly directed against Japan, was nevertheless affected against Britain.

As a further expression of the belief that the defeat of Britain was certain was Australia's ambassadorial appointments to the USA and Japan, and the opening up of "joint" defence talks between the United States and Canada independent of the mother country. And coincident with these happenings was the occupation of Tangiers and the pronouncement of "pro-belligerence" by General Franco. Portugal, for long an outpost of British imperialism, hastened to conclude a trade agreement with her "pro-belligerent" neighbour.

Rumania, in whose oil industry half the capital was owned by Anglo-Dutch investors, suddenly, in her hour of gravest danger, and despite the vigorous protests of London, decided to renounce the British "guarantee" of her territorial integrity.

On August 1st M. Molotov delivered a speech on Russian foreign policy. Many British ears listened hopefully for an indication that Stalin, alarmed by Hitler's successes in Europe, would move towards an alliance with the democracies. But, while attempting to hide the Kremlin's pro-Hitler policy, Molotov directed his entire anti-imperialist phraseology against England, Japan and the United States. Not a word against the banditry of the Axis powers. In fact this speech underlined for the first time, that the Stalin-Hitler pact gave a free hand to Germany. Thus were the dice loaded against the British bourgeoisie when the Blitzkrieg commenced on August 8.

The infallibility of the German military machine has, however, received a rude set-back as a result of the operations against Britain. For the first time Hitler's time table was upset by the failure of German troops to occupy London by August 15 as predicted by the German propaganda machine. The impression created overseas by the maintenance of the morale of the British populace is confirmed not only by the praise and good wishes of the United States and Dominions, which cost nothing and commit the donors to nothing, but by the more material demonstrations of the renewed confidence felt in the ability of the British High Command to hold the Axis at bay and stem the invasion until United States preparations reach a stage compatible with entry into the war.

The first indication of this new orientation was the exchange of fifty American destroyers for air and naval bases on British Islands. This is a costly deal for Britain, for it means a veritable renunciation of their interests in the Western Atlantic, but it was a case of "Hobson's choice." The shrewd "democrat" in White House lost no time in converting Whitehall's difficulty into Washington's opportunity. Mr. Cordell Hull apparently feels that Mr. Churchill has sufficient support to enable him to implement his pledge of June 4th not to scuttle or surrender the British Navy in the event of a military defeat at the hands of Germany and Italy.
Almost overnight the fortunes of de Gaulle changed to Britain's advantage. Chad, Congo, the Camaroons, the French Indies, New Caledonia and the New Hebrides transferred their allegiance from Vichy to London. The secret negotiations between British and the United States regarding Shanghai were brought into the open. The almost bankrupt government of tiny Switzerland, which, in face of an extreme social crisis, had opened up trade discussions with Berlin, decided before reaching any conclusion, to hear what London had to offer. Greece, backed by Britain, made a firm stand in the face of Mussolini's intimidation. Egypt, which despite strong pressure from London had refused to declare war upon the entry of Mussolini into the conflict, decided to resist Italian encroachments on her terrain. That she has singularly failed to do so suggests that even yet she prefers to follow Turkey's course and remain as long as possible with a foot in each imperialist camp. Negotiations have again been reopened for the purchase of American aeroplanes and Packards are again showing interest in the aero engine contract. Feelers are being extended from London regarding the possibility of a £500 million loan from the United States via Canada.

Germany has attempted to keep the struggle concentrated on a short, single front so that the full force of her powerful striking arm could be effected, but the natural defences of Britain in the seas and the tremendous tasks involved in the construction of special technical equipment, force German to turn to the possessions of her barricaded enemy.

The conclusion of the German-Italian-Japanese Pact is an expression of the desire of Germany to divert the flow of American raw materials from Britain to the Far East. But it is also the manifestation that the European continent can no longer contain the dynamic contradictions within her boundaries, that a new phase of the war is opening up: the redivision and organisation of the whole world by the contending imperialist powers.

It is impossible for Germany to conduct any major operations against Russia while her hands are tied with the battle for Britain. Consequently, while the "ten year" pact can be enforced as a long term weapon against the Soviet Union, Germany continues her policy of "appeasement" to the Kremlin desires and at the same time prepares the necessary jumping off ground for an attack against her.

While the early phases of the war were decided mainly on the basis of the extraordinary superior military technique the new phase is giving time for the full productive forces of the British Empire to come into play and the even greater productive equipment and technique of the USA.

The economic blockade not only of Europe but of Britain too will become increasingly effective and this will mark the beginning of wholesale social convulsions. Long before the nations can complete their mutual destruction, the political and social structure of every country will be subjected to the severest test. Revolutions will put an end to the war, but whether these revolutions will lead to success will depend upon the energy and devotion of the international socialist fighters who have grouped themselves around the Fourth International.
CABINET RESHUFFLE

Chamberlain has gone! The diplomatic illness which is the official excuse will deceive nobody. His resignation, both as a member of the Government and as Chairman of the Conservative Party, has more deep-rooted significance than mere bodily ailments.

The very fact that it was accompanied by the promotion of the anti-appeasement Viscount Cranbourne to the position of Dominions Secretary and the appointment of Labour leaders Bevin and Morrison, one to the War Cabinet, the other to the Home Office, reveals that it is no ordinary resignation.

Several considerations have driven Churchill and the ruling class along the road of purging the Government of its leading Munichers. On the one hand there has been the need of reassuring the workers that the French capitulation would not be repeated in this country. There has also been the necessity of giving the same guarantee to the American capitalists. And finally the Kremlin has had to be persuaded of the serious intentions of the British Government in seeking an Anglo-Soviet agreement.

Which consideration weighed most heavily it is difficult to say. With regard to the first two, the Government has been making concessions to both groups and it has become obvious that Churchill has been almost equally anxious to satisfy both the workers on this side of the Atlantic and the capitalists on the other.

The matter has been brought to a head by the Three Power Pact coupled by the nightly bombing raids on London and the complete failure of the Government to make adequate provision for shelter. The smell of Chamberlain's burning flesh is designed to assure America that the destroyers and other material which it has handed over to this country and the preparations it is making to enter the war on Britain's side will not be set at nought by a British agreement with Hitler and a handing over of the navy to Germany. The sight of Herbert Morrison at the Home Office is meant to be a guarantee to the British, and especially the London workers, that everything possible is being prepared for their security and comfort. And furthermore, the throwing overboard of the Munichers is designed to demonstrate to Stalin that if Russia enters the war on Britain's side there will be no sudden appeasement of Germany by the Chamberlain clique and a turning eastward of the German military machine.

The entire situation in Britain recently has been governed by these three factors. The German successes on the continent and the loss of most of the equipment of the B.E.F. put British capitalism in a position in which only American imperialism could come to its rescue. Left alone it could only look forward to defeat, either at the hands of the German military machine or at the hands of a working class which had learned that the British imperialists were not fighting fascism, and that only the working class could do this.
But while the American industrial machine is being geared up to give the necessary help, the British workers must be pacified, kept contented, kept believing that the war is being fought for freedom and democracy. And who could do this better than the Labour leaders, the actual representatives of the workers?

No better
coupled with the gradual decline of the appeasers and the rise of the Labour leaders have come other concessions to the workers. The "Cooper's Snoppers" plan and the "Silent Column" were very readily dropped. A blind eye was turned to the "holiday" strike at de Havilland's in spite of the anti-strike legislation that has been passed. The soldiers have been granted an extra 6d a day. A hasty retreat was made with regard to the use of the London Underground stations as air raid shelters. And another retreat was made in the matter of compensation to workers injured during air raids.

Truly the ruling class pays a heavy premium for the insurance which "democracy" affords it. The air and naval bases already granted in the West Indies, and those still to be granted at Singapore and elsewhere will never be surrendered again by the American imperialists. They will be as many American Gibraltar scattered throughout the world.

The cry: "Chamberlain must go!" has gone up from several quarters in this country in the past. Notably it has come from the Communist Party, and no doubt King Street will be pondering with grave anxiety about their next "interim policy."

While the Kremlin is negotiating with

While the Kremlin is negotiating with the Churchill government and there is no specific "line", the British Communist Party must find something in which to sink its teeth and pretend that it is conducting a fight against capitalism. At the moment it is saved by the agitation for deep shelters. And it has in reserve the fact that Halifax is still in the cabinet. But if these two are taken away, then Pollitt & Co will be hard pressed to keep up the pretence that they have a policy.

Now that Chamberlain has been kicked out of the Government, the bourgeois press, and particularly its "left" wing will re-emphasise the "democratic" nature of the war. Churchill will be more widely boosted than ever before as the crusader in the cause of democracy. Bevin and Morrison, performing an identical function to that of Blum and the Social Democratic ministers in the Government of the Popular Front of France, will be showered with bouquets and lauded as the guardians of the rights of the working class in the government.

The oppressed classes, not conscious of their own interests and used to sacrifices, accept the policies put forward by the Labour leaders at face value. The basic historic crime of these leaders consists in their fostering and strengthening their subservience to their rulers. In order to expose these fakirs in their true role, that is agents of the master class in the ranks of the toilers, we demand that they assume full power, and that they take the full responsibility for the inevitable disastrous outcome of the policies of betrayal which they are advocating.
CHANGES IN THE PACIFIC

by George Stern

The balance of power tautly maintained in Asia and the Pacific for half a century has been shattered by the German conquest of Europe.

Britain, long master in Asia, is master no longer. Declining British naval power has reached its final quarter hour. The vast domains ruled or dominated by the British raj are once more in the imperialist market. The British lion's share of the plunder of the East is about to fall to other beasts of prey.

In the decades of British decline, especially since the close of the first world war, Japan and the United States have been rivals for succession to the British command in Asia. Between them Britain tried to maintain the same kind of balance it so disastrously tried to preserve between France and Germany on the Continent of Europe. Today, however, a weakened Britain faces the direct assault of the Reich it helped to rearm. American expansionist aims in the Pacific have consequently been superseded by the sudden and pressing need to defend the American hemispheric empire against the attacks, economic, political, and military, of the new masters of Europe. The balance of power in the East has thus already swung automatically and deeply in favour of Japan.

The impending redivision of spoils in the East will be far greater in scope and weightier in import than that which followed the first world war. At the end of that war Japan was able to retain only a portion of the relative meagre holdings it had seized from the defeated Reich. The rest it had to disgorge, partly at the demand of the United States. A decade later, in 1931, Japan moved into Manchuria. Britain, obsessed by the dream of forging an iron ring around the Soviet Union and hopeful of preserving its own sphere in southern Asia by giving Japan Lebensraum in the north, gave aid and comfort to the Japanese drive. France, moved by identical motives, did likewise. Together they checked the somewhat more vigorous resistance which the United States wanted to offer. The British thus tried to "appease" Japan as they later tried to "appease" Nazi Germany. The results were parallel. In 1937 Japan moved from Manchuria into China proper, just as Hitler moved from the Rhineland to Austria, and thence to Czechoslovakia. This summer of 1940 British supremacy in Europe has already been brought to an end by Germany, and British supremacy in Asia is directly challenged by a graveless Japan.

Out of the last war Japan secured a few German islands in Oceania and a few German railways in China located mainly in the German "sphere" in Shantung. Today, as the direct result of Germany's victories in Europe, the dazzled Japanese imperialists see within their grasp the incomparably richer Asiatic holdings of Britain and of the fallen empires of France and the Netherlands. France and Holland are already helpless and Britain, they believe, is about to become so. The United States they see immobilised by the new menace in the Atlantic. Not
since the end of the 19th century when
the great powers in harmony or in dis-
cord, separately or together, tore
huge pieces out of the prostrate body
of China, has such an opportunity for
plunder presented itself. The balance
of power established in its essential
elements at that time is at an end.
Japan now means really to be master in
the house of Asia.

JAPAN FACES DIFFICULTIES

This intention, however, does not in
itself quite settle the matter. Asia
is too big and Japan too small for
blitzkrieg conquests. Japan has had
recent and eloquent experience of this
fact. Manchuria was invaded and taken
nine years ago and is not yet a wholly
"pacified" province. The war in China
proper was begun three years ago and
China is yet far from conquered.

Germany and Italy, moreover, cannot be
expected to leave all the pearls of
all the Indies to Japan, assuming that
they complete their conquest of the
British and French empires. All Asia
and Japan itself are still far too de-
pendent upon the industry and markets
of Europe for Japan to be free of con-
cern over what might befall them be-
fore the war has run its course.

For it is clear that the inter-imper-
ialist conflict has by no means exhaus-
ted its shock of sudden shifts and
changes. The surprises are not over.
The battles of Poland, Norway, Fland-
ders and France were but the begin-
ning. Tomorrow's battle of Britain
will not be the end. The United States
understands it must meet and try to
conquer the new masters of Europe and
is preparing to do so. It may have to
postpone but decidedly will not en-
tirely abandon its intention of reduc-
ing Japan to its proper proportions
in an American-dominated Pacific basin

The two ocean fleet and monster air
force already projected for this pur-
pose may take four or five years to
build. Japan cannot be wholly confi-
dent that even in that time her present
apparent freedom of action will con-
tinue. For there remains still un-
answered the huge "question" of the
USSR, sprawled across the continents
of Europe and Asia.

Stalin, fearful of the weakness of the
regime he has done so much to under-
mine, took refuge behind a pact with
Berlin and ended years of intermittent
border warfare with Japan by signing a
truce with Tokyo. He hoped the result-
ing war among the powers would lead to
mutual exhaustion. He too had been
cribly disappointed in the event. He
knows that between a German Europe and
a Japanese Asia, the Soviet Union will
have to fight or else be broken be-
tween them. That is why he has moved
his western defences to the Baltic.
That is why the Far Eastern Red Army
is again being prepared for the con-
flict with Japan which Stalin had
hoped was postponed, at least for a
number of years. The possibility of a
"parallel" policy in Moscow and
Washington is another "surprise" the
Japanese must count upon in the re-
casting of Pacific accounts that is
now only beginning.

CHINA STILL FIGHTS ON

But before they can be ready for any
of these eventualities, the Japanese
must somehow complete their long-
deferred conquest of China. The en-
tire might of their military machine
has been expended on the good Chinese
earth for three years. Vast territ-
ories have been taken - encircled
rather than conquered. The continued
presence in the conquered areas of
British, French and American forces
and interests and the continued neces-
sity to concentrate Japanese economy upon the difficult task of nourishing the war machine have prevented the Japanese realising on their conquests. The resistance of Chiang Kai-shek regime to the Japanese has in the main reflected Anglo-American and Soviet counter-pressure against the Japanese continental drive. Through French Indochina and from Burma and down the long road from the Turkestan frontier arms and planes and supplies have continued to trickle in quantities small enough, but sufficient to brace the Chinese positions behind the impregnable Yangtze gorges.

Consequently the first efforts of the Japanese to exploit the new situation have been directed toward choking off those crucial sources of supply. Even before the final debacle in France, the French government yielded to Japanese pressure, promising to stop all arms traffic over the railway into Yunnan. When Paris fell and the armistice followed, Japanese warships were sent to the Indochina coast and troops were concentrated in nearby Hainan. The French hastily agreed to admit Japanese "inspectors" to Indochinese border points to supervise the execution of the agreement. Actual occupation of this rich French colony, like the occupation of the even richer Dutch East Indies, awaits the settlement of Japanese accounts with the British.

These accounts are large. The entrenched positions in China represented by £375,000,000 in British investments are the principal heights the Japanese expect to scale. But here too the Japanese have begun the exploitation of their new advantage by forcing the British to join in isolating the Chungking Chinese government. As in the case of Indochina, the Japanese made a show of force. Their troops ringed Hongkong, British South China citadel which has for a century tapped all the wealth of the Pearl River valley. The island port was thrown into panic. European women and children were hastily evacuated. Under this pressure the British on July 13 yielded be agreeing to close the Burma route to China for a period of three months. A few days later the announcement was permitted to appear that the British were seeking to arrange a Sino Japanese peace. This effort is designed to save both time and face. It the German assault on Britain achieved its purposes, matters in China will be arranged without British intervention. Meantime, the British are manoeuvring desperately to prevent immediate Japanese action at a time when Britain is hopelessly without defences in its Eastern possessions. The success of these manoeuvres may depend not only upon the speed and success of the German attack but equally upon the course pursued by the United States.

When Holland fell early in May and the Dutch East Indies were cast adrift, Washington took a strong stand, the Indies being one of the principal sources of rubber consumed by U.S. industry. Washington announced it would tolerate no change in the status of this South Sea archipelago. Subsequently, however, the defeat of France and the perilous plight of Britain deprived this warning of its sting. The U.S. fleet is still at this writing in the Pacific. But it is no longer free to steam westward to enforce the "status quo" of the East Indies or any other object of American imperialist interest. It waits instead upon the outcome of the battle of Britain. It waits mostly upon the fate of the British navy in that battle. Should the British navy or the better part of it go under or otherwise pass into German hands, the U.S. fleet will head
prolonged for Panama and the Atlantic, and by that moment precisely the last serious obstacle for the Japanese in the form of a rival imperialist force will be removed from the scene and the admirals and generals of the Mikado will feel freer to proceed with their plans.

PROSPECTS FOR COLONIAL REVOLTS

It is not, however, solely upon the plans of imperialist chancellories and the movements of imperialist fleets that the fate of the backward peoples of the East depends. The possibility of sudden shifts and changes in the war has not been exhausted. Neither has the possibility of national and colonial revolt in the domains under dispute. The imperialists are at war for the second time in a generation for the redissociation of the world's colonies. But the subjected peoples of these colonial and backward countries may still demand a voice and force a hearing in the determination of their fate. This may not be the least of the "surprises" still to come.

The very fact that a new imperialist redissociation has appeared on the order of the day in Asia is, like the war in Europe, a consequence of the revolutionary defeats of the past two decades. The Second International, and later the Third International of Stalin, each in its own way, rescued imperialism in Europe after the first world war, and in the East during the decade of colonial wars and revolutions that followed the armistice of 1918. In the principal colonial and semi-colonial countries, particularly in India and China, the defeat of these struggles was characterized primarily by successful arrangements between the imperialists and the native bourgeoisies at the expense of the revolting masses of workers and peasants. Because the Communist International under Stalin failed to lead the workers of India and China along the road of the proletarian revolution, the Gandhis and Congress Party and the Kuomintang were able to keep both these great countries safe for imperialist exploitation.

Gandhi repeatedly dispersed the concentrating forces of the Indian revolution, diverting them into channels of compromise that left British rule intact. China was swept in 1925-27 by the greatest mass uprising of workers and peasants in the history of that country. But the Communist International subordinated the Chinese communists to the bourgeois Kuomintang, yoked the workers to the national bourgeoisie, with the result that the latter crushed the mass movement in return for a few crumbs from the imperialist table. China was thus laid open to the depredations of the Japanese imperialists and India was held fast in the fetters to which new masters now seek the keys.

In China today that important section of the bourgeoisie represented by such figures as Chiang Kai-shek and T.V. Soong has resisted the Japanese invasion — after years of efforts to come to terms with the invaders — only because they could hope for a larger share of the loot under British and/or American domination. They are not wedded to the national struggle, as such. Tomorrow, should the prospect of effective British and/or American resistance to Japan disappear entirely they will readily adapt themselves to the new scheme of things. Between the Soviet Union on the one hand, and Germany and Japan on the other they will find new room to maneuver. In India, while Gandhi and his Congress hold in check any movement of the workers to "embarrass" Britain's war effort, the
British will not hesitate to barter away the lifeblood of Indians in the interest of preserving whatever they can of their huge share in Indian wealth and the product of Indian labour.

Nevertheless, whatever the handicaps inherited from the defeats of the past, the subject peoples are still in a position to fight for and win their freedom. They rose almost everywhere to achieve it after the first war among the powers. The imperialists had succeeded in crushing the workers' revolutions everywhere in Europe except in Russia. In the colonies they fought down the national movements with a combination of brute force and concessions to the native exploiters. While this method provided a temporary "solution" for the imperialist rulers, it brought no solution to the pressing problems of the colonial peoples, produced no advances out of their backwardness, provided no significant outlet for even a relative growth of their productive forces. Instead it accelerated the expropriation of the colonial petty bourgeoisie, perpetuated the servitude of the colonial peasantry, and increased the burdens of the colonial proletariat. The concessions made by the imperialists to the native exploiters were niggardly enough, but with the onset of the world economic crisis beginning in 1929, not even these could be maintained. The crisis instead enormously sharpened the antagonisms in the imperialist camp and led to new blows at the colonial peoples - Japan's invasion of China, Italy's invasion of Ethiopia - and finally to the outbreak of the new world war. For the colonies this war offers only the prospect of deepening exploitation, no matter whether the old masters remain or new masters take their place.

Like the workers of the entire world, therefore, the toilers of the East face the choice of descent into a helter-skelter even deeper than has been their lot until now or the renewal of their common struggle for the socialist revolution, the socialist reorganisation of society which can alone end imperialist exploitation forever. The hopes of liberation of the colonial peoples are bound up even more decisively than before with the emancipation of the workers of the whole world. The colonies will be freed, politically, economically and culturally only when the workers of the advanced countries put an end to capitalist rule and set out together with the backward peoples to re-shape world economy on social needs instead of monopolist profits. Only in this way will the colonial and semi-colonial countries be enabled to emerge from their varying stages of backwardness and take their places as integral sections of a new and advancing world order.

The chances of such a struggle are no idle dream. Should the workers of India rise and join with the Chinese and together unite with Russian workers and peasants overthrewing Stalin, even in the midst of imperialist invasion, the picture of Asia, and indeed of the whole world war, would rapidly change. It may yet be, as Marx once conjectured, that the liberating struggle for the entire world will be ignited in the East. The imperialists are fighting for a new balance of power. Such a balance can mean only the balance of the labour of hundreds of millions of swindled slaves against the profits of a handful of super-imperialist masters. There is still time to strike for a new kind of balance and establish a new kind of power, a socialist balance created by workers' power.