

FIFTH CONGRESS HEARS VARGA ON ECONOMIC CRISIS

Capitalism Is Facing New Difficulties

Editor's Note: The DAILY-WORKER is running a brief summary of the proceedings of the Fifth Congress of the Communist International from day to day. This discussion is educational and interesting and our readers should not miss it. In view of the desperate condition in which European capitalism finds itself, and the growing militancy of the workers led by the Communist Parties and the Communist International, the speeches of the delegates from the various countries are of special interest to American workers in general and to Communists in particular. These articles from our Moscow correspondent will be a regular feature of the DAILY WORKER until the last report of the sessions is published.

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(Special to the DAILY WORKER)

MOSCOW, June 20 (By Mail.)

—On the fourth day Varga reported to the World Congress on the world economic situation. The speaker stresses the fact that the period of crisis of capitalist society continues unchanged. The building situation is still lagging behind the output before the war; the world production of coal hardly reaches the quantity mined before the war; in the production of iron and steel we are still far behind. The unemployment situation has remained practically unchanged during the entire post-war period. Accumulation of wealth has taken place only in America. Capitalism is not in a position to bring about real accumulation of capital. The world economic situation will be well illustrated by the following facts:

1. The unity of the capitalist economic world is no more and there is no uniformity in capitalist countries. Particular crisis of the old center of capitalist world. 3. Agrarian crisis. The American orientation of foreign policies was an absolutely isolated phenomenon, built up purely on home production. The possibility of a unification in France in connection with reconstruction has vanished. The money exchange is getting worse and worse. There is a complete stagnation of capitalist credit.

Agrarian Crisis.

The industrialization of the countries across the sea was going on rapidly during the war and during the period after the war. The agrarian crisis is diminishing quickly the possibility of improvement in industry in agrarian countries, and for this reason there is stagnation of the export trade

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Communists Discuss World Economic Situation

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of the world. On the basis of the agrarian crisis there is developing the "scissors," the discrepancy between the prices of industrial goods and food products. The "scissors" is universal. The outstanding thing about the "scissors" is the untensified process of mistification and the monopoly price which industry can command. A very important thing about the agrarian crisis is that it brings back the industrial crisis.

All these circumstances sharpen the contrast between the classes. The expropriation of the middle class took place wherever there was inflation. On the other hand, there is a confusion of the interest rates on gross capital in various countries. The event which can be foretold as coming about next is an extraordinarily severe crisis in the United States. The foundations of American economic unity have been shattered.

Universal Crisis.

American industry will attempt to export unsaleable goods to Europe. Germany is facing a new crisis, although a little less severe than the last one. The outlook as a whole shows that this year we shall undergo a universal period of crisis. The meaning of the expert's report is that France is making bad investments and is promoting as a means control over German economic life.

Germany is not in a position to import the accumulated money and goods from the country. This means an unavoidable holding up of the reparations payments. The optimistic ideas of Hilferding and the united Social-democracy, that with the solution of the reparations question the crisis of capitalism will be avoided, are unfounded.

Pacifist Illusions.

The picturing of a better future, such as the Social-Democrats predict, raises illusions in the workers' minds that the solution of the crisis is possible without revolution. Preparations for war prove the contrary. At the present time there are a million more bayonets than there were before the war. The crisis of capitalist economic life cannot be hidden.

In the year 1925 a sharp crisis in America and a consequent degeneration of economic life in Europe can be expected. The great battle between the proletariat against capitalism is drawing infallibly nearer. The outlook is that of revolution; everything else depends on the revolutionary understanding and the capacity for war, of the Communist parties.

Discuss Zinoviev's Report.

At the afternoon session of June 20, a committee was elected to examine into the affairs of Boris Souvarine. Another investigation was undertaken, which is to be directed against the subjection of the Chinese peoples, and against the persecution of the labor movement in China. After this begins the discussion of Zinoviev's report.

Treint of France declares the complete accord of the French delegates

with Zinoviev's statements. Currency inflation and the high cost of living are forcing the French middle class into the ranks of the proletariat. Great class battles are being faced, in which the workers and farmers' bloc, on one side, will stand in opposition to the forces of Fascism on the other. Concerning the trade union question, the speaker explains that the unification of the working class into an international mass grouping is to be hoped for.

Zinoviev's Formulation.

When our enemies say that this is only a maneuver, we answer that it is a maneuver in the interests of the working class. The French delegation accepts Zinoviev's formulation of the United Front policy as follows: United Front policy imposed from above—this is never to be tolerated. It was an error to enter into the government of Saxony, but crooked parliamentarian deals are wrong.

The international right wing elements supported the mistakes of the German right wing; the Russian opposition forces and the Polish party acted in the same manner. The French party takes an unconditional stand, too, against the leftist errors of Bordiga. Above all, the development of the right wing elements into an international bloc was remarkable. The French party will fight the experts' report along with the Communist Party of Germany, of England, of Belgium. The Congress must formulate the methods to be used in this fight. As the Third Congress fought against the dangers of leftism, the Fifth Congress must fight chiefly against the dangers of right wing elements.

Forgot Lenin's Teaching.

Raul, representing the workers of Germany, goes on to say that the German workers believe that they should have fought in October. The chief mistake during the October uprising was that the party leadership forgot Lenin's lesson concerning the arbitrary role of the party. The United Front policy is a correct one, but opportunistic leadership can ruin a good policy. It is to be hoped that the Comintern will succeed in turning the parties of the west to Bolshevism. The October events in Poland prove that an iron-handed Bolshevik leadership is lacking there. The Polish Central Committee terrorized the Polish opposition and supported the opposition of the Communist Party of Russia, and that was a big mistake.

For British Mass Party.

Brown (of England) declares that the Congress must take a decided stand on the question of the United Front, for many are blaming this policy, only because of past mistakes in its use. The Executive Committee is quite correct, if it feels that the building of a mass party in England is the most pressing problem of the Comintern. The speaker points out that in estimating the situation the Communist Party of England is often wrong. The English party up to now has not been in a position to criticize the Labor Party of England, for that party has as yet done nothing.

Jaquemotte (of Belgium) laments the fact that the Executive Committee does not give more consideration to the Belgian party. The party may be small, but its activity and its influence are greater than the number of its members. The party wishes to throw itself into the international struggle against the experts' report.

Dispelling Illusions.

Petrowski (Russian Communist Party) states that MacDonald is popular with the petty bourgeoisie. The discontent of the workers is growing, the left wing of the trade union movement is growing stronger, the wave of strikes is dispelling muddle-headed illusions. The Communist Party of England has great possibilities. A break with the Labor Party would be a mistake, for this would constitute a break with the trade unions, and therefore a break with the working masses. The Labor Party and the trade unions present the fields of activity for the English party. The Congress must analyze the situation in a concrete manner and must help the English comrades. The establishment of a daily newspaper is to be desired.

Roy (of India) expresses the opinion that the chief task of the Comintern is the building up of a strong Communist Party in England. The labor movement in England is developing imperialist groups, for the English bourgeoisie can corrupt the working class by talking of the economic benefits derived from the colonial peoples. The speaker points out that the faith of the English workers in MacDonald is still great. The activity of the English Communist Party must encircle the world. The chief task is the application of the United Front policy to the oppressed colonial peoples, and the waging of a bitter fight against imperialist ideology and against the betrayal of the English workers into the hands of bourgeois democracy.

Fighting Rightism.

Severing (of Germany) states that the German proletariat passed a historic landmark in October. The chief fact about this serious breakdown is the formation of right wing groups, so that the main task consists of fighting right wing dangers. As early as the Fourth Congress an attempt was made to come to some agreement with the right wing German workers, since this group has a great influence with the Czech, German and Italian opposition. Radek has falsified history if he conceals this fact.

The Leipzig convention struck a blow at the spirit of the Fourth Congress, for Brandler wished to exclude the organizations from Berlin, Hamburg and the Ruhr district. Only Zinoviev and the Executive Committee prevented a split. The German left wing is not fighting against the use of maneuvers, but rather against the system of opportunism which the Communist parties inherited from the Social-Democracy. Radek is to be held responsible for the formation of right wing groups in the Communist Party of Germany even more than Brandler is.

The basis of Radekism is lack of

faith in the European revolution. Radek and Brandler strove to trim Bolshevism according to the West European pattern; they look on Social-Democracy as the deciding factor of the European labor movement; they consider a workers' government possible within the framework of bourgeois democracy, which is a complete negation of Lenin's theory of the state.

The German left wing is not against our partial demands, but it is against the opportunistic interpretation of these partial demands, as, for example, in the case of the taxation of real property. Brandler's and Smeral's formulation of workers' government is no accident, but rather a systematic opportunistic theory. The Communists must come out into the open, if they are to win over the Social-Democratic workers. Zinoviev's formula of a workers' government as a propaganda is a happy one, but union or coalition with Social-Democracy must be declined.

Blames Radekism.

Radek's thesis, that Fascism overthrew the November republic, is opportunistic. Radek wanted to base our policy on the differences of opinion in the bourgeoisie—again opportunistic. The conduct of the French and the English parties toward the MacDonald government, various acts on the part of the Dutch comrades, Wynkop and Thalheimer, show that Radekism is a menace on an international scale. Radek was aware that it was a mistake to enter into the regime in Saxony without the decision of the shop stewards' congress. Radek five times prevented the calling together of this congress. Radek forbade the holding of anti-Fascist day; he sounded the retreat for the May strike in the Ruhr district; he kept the masses from the fight during the Cuno strike.

A fight was possible and necessary in October, but the opportunistic Radekist party leadership called off the battle in Chemnitz, while at the same time Hamburg decided on a fight. After the October retreat, Radek forbade party discussion in the Communist Party of Germany, and drove the party toward a split that was prevented only by the Executive Committee. The party is now in sound condition; it was saved by the Executive Committee.

October Almost Forgotten.

Radek's stand in the discussion on the Communist Party of Russia is consistent with his opportunistic German policy. Thanks to the new leadership, the Communist Party of Germany has almost forgotten the October debacle and is now welded together into a unified whole. The leftist tendency does not exist as an organized group; the Central Committee is fighting the Menshevik groups. The new leaders are making mistakes, too, but they see their mistakes, they try to rectify them. Their chief error is that the comrades allow themselves to be torn away from the voice of the masses, that they do not yet know how to be leaders. The new leaders must wipe out Brandlerism, for right

wing dangers are still imminent. The policy of the Communist Party of Germany in Halle, in the Furstenwals, in the metal trades congress, was correct. In the elections of the shop stewards the results were particularly brilliant.

Stay in the Unions.

Retreats occurred only where Brandlerism rules. The Central Committee hesitated on the question of the trade unions, but now it is putting up a hard fight against the movement to get out of the unions. The experts' report is inaugurating a new period of struggle in which the party is putting up a fight without quarter, with power as its object. In the question of the United Front the Congress must work out a concrete policy for every country. The present explanation of Smeral is a scholarly trick of diplomacy. There is danger in the fact that in Czecho-Slovakia the events in Saxony are recurring. The English party must be Communist not only on Sundays, but also on week days, and it must put up a sharper fight against MacDonald. The Communist Party of Germany declares for the fusion of the Communist Party of Italy with the Italian Socialists. The chief task at present is the fight against Radekism and Brandlerism on an international scale, and the creation of a unified Bolshevik party all over the world.

This speech was often interrupted by cheering. It was loudly applauded.

Czecho-Slovaks With Comintern.

In the name of the minority of the Czecho-Slovak delegation (Venzell, Friedfeld, Meierowa, Tschulen, Vertschik), Venzell declares the complete accord of the Communist Party of Czecho-Slovakia with Zinoviev's criticism of the Central Committee of Czecho-Slovakia. Smeral's present explanation has not cleared up the situation at all, for he has not sufficiently done away with opportunistic tendencies, or, rather, he has not done away with them at all. The Central Committee of Czecho-Slovakia is in opposition on the Russian and German questions indifferently. Thru this the common task of the Communist Party of Czecho-Slovakia and of the Comintern was made more difficult.

The speech enumerates further opportunistic erroneous groups, which must be fought in the spirit of Bolshevism. (Applause.)

In the name of the Balkan Federation, Boschkowitsch declares its complete accord with the Executive Committee. Danger of war, national problems, agrarian problems, and imperialist rivalries are threatening the equilibrium of the Balkans. The Balkan Federation accepts Zinoviev's formulation of the United Front policy and the workers' government.

Hirsch (of the Communist Party of Czecho-Slovakia) makes an explanation in which he shows that the Czecho-Slovak Communist youth is in full agreement with the Executive Committee. Aside from the mistakes already mentioned, there are serious opportunistic groupings in the Communist Party of Czecho-Slovakia on national and agrarian questions. The inversion of the party position on the question of nuclei will be pushed by every means. The party must first become Bolshevik.

End of the session.

TRUST CONROLS WORKERS' LIVES

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to the men, the Harvester company

WHITE TERROR
RUE GARIAN RUE

Baron Munchausen
Talks to Two Fakers
On Davis Nomination