Important Notice.
The English edition of the "International Press Correspondence" is sent free of charge to all labour and communist organs in England, America, India, South Africa, Australia and Canada. The editors urgently request that the articles be reprinted in the labour and communist press with the least possible delay. The object of the "Correspondence" is to supply the organs of the working class movements in these countries with reliable information and with points of view which are not found in the capitalist press and news agencies.

It is particularly requested that all editors: 1. print as much of the contents of the "International Press Correspondence" as possible; 2. send exchange copies of their respective news-papers and journals to the editors of the "International Press Correspondence"; 3. offer advice and criticism about the "Correspondence," and suggest articles on subjects which may be of special interest to their respective countries. The editors set themselves the task of acting as a means of information and a connecting link between the various branches of the international labour movement. All letters, requests and enquiries received will obtain immediate attention. Members of labour and communist parties are also requested to send the editors of the "International Press Correspondence" the names and addresses of all their organs, so that copies can be sent to them.

POLITICS

The Situation in Hungary.
by Bela Kun.

The following article is part of a more comprehensive essay written by comrade Kun immediately after the latest Habsburg rebellion had been reported and at the moment that the royal troops were advancing on Budapest. The following excerpt gives a good analysis of the situation in Hungary.

Editor’s note.

After the fall of the Soviet Republic the monarchist form of government was de jure set up in Hungary. The democracy, in whose name the counter-revolution had overthrown the Soviet Republic from within, could not last. After the social-democratic government had held out four days, the National Hungarian Kingdom was proclaimed by the White-Guard troops and the bureaucracy supported by the urban petty-bourgeoisie and the wealthier peasants. The commander-in-chief of the White Army was to be Regent until the election of the king.

The policy of the urban petty-bourgeoisie and the wealthier peasantry was sharply opposed to that of the big land-owners and the upper bourgeoisie. The White Terror troops who relied for their support on the two former classes not only massacred the lives of the capitalists of whom the majority were Jews, but even tried to consolidate the social basis of their rule by a distribution of land in the region between the Danube and the Theiss. Soon the feeble coalition of the petty-bourgeoisie and the peasantry was undermined because of the conflicting interests existing between the latter, producing the food, and the former, consuming it. They demanded the suspension of food-requisitions; the urban petty-bourgeoisie, which consisted for the most part of government officials, etc., suffered hunger as the prices of food rose to a staggering height. As a consequence of the White Terror the workers could not exercise any political power. The big landowners and upper bourgeoisie of Hungary took advantage of the conflict of interests, in order to try to wrest the power from the troops and the bureaucracy. The White Terror had indeed reestablished private property but it disturbed the capitalists by its legal and illegal measures.

Horthy depended on his support on the troops consisting of former officers and of poor and wealthy peasants. The former officers of higher rank had been eliminated from these troops. New adventurist elements were in command. Horthy paid that by the right with the left to plunder and by means of various measures at the expense of the capitalists. The big landowners were terrorized by the peasants who demanded agrarian reforms.

The big landowners and the capitalists united for the purpose of making secure their reestablished order and inviolability by means of a Habsburg Restoration. The majority of the troops and the small landowners was for the free election of a king. The majority of the urban petty-bourgeoisie, deluded by nationalist ideas, and loath to yield peacefully to the paring off of Hungary’s territory, became supporters of the Restoration, from which it expected the reestablishment of Magyar domination over the nationalities which had in the meantime freed themselves. With the aid of the small peasant party and the White Guard troops Horthy frustrated the first attempt of the Habsburg rebellion. But for all that Count Bethlen, the Legitimist, and the Finance Minister Hegedus, representative of big capital, were able to seize power. (The retreat of these latter has not changed the relation of power among the classes.)

These two were backed by the leading politicians of the former Austro-Hungarian monarchy, Count Andrássy and Count Apponyi, Gustav Gratz, the representative of big industry (one of the representatives of the Austro-Hungarian monarchy at the Brest-Litovsk conference), and the former Habsburg generals. The most extreme Legitimist was under the leadership of Stefan Friedrich, the demagogic leader of a part of the rural petty-bourgeoisie, former Under-Secretary of State in the Karolyi cabinet, chief exponent of nationalist ideology and the real organizer of Count Tisza’s assassination.

The liberal urban petty-bourgeoisie which had united with the Social-Democrats in the “Liberal Coalitions”, never definitely demonstrated its sympathies for the republic.

The opponents of the Habsburg Restoration, the party in favor of the free election of a king, the party of small peasants, had supported the Legitimist government up to last month, even though with continuous friction. But this party also was strongly influenced by the large estate-holding elements belonging to it which inclined towards the Legitimist and Restoration idea.

In addition to all this almost the entire Magyar bourgeoisie of former Hungary, all the Hungarian and in part German officers of the old army, gathered on Hungarian territory. This bourgeoisie riffraff which expected from the Habsburg Restoration the reestablishment of the oppressive Magyar regime, was also one of the supporters of Kaiser Karl.
Moscow's Offer and the Howls of the Mensheviks.

by Wilhelm Koenen (Berlin).

"The offer is not a new one. The recognition of debs was one of the peace conditions which William Bullitt and Bukharin secured in 1919, and which were first published in the "Daily Herald." The Allies at that time declined this condition. Are they going to reject the offer now?"

(Red from the "Daily Herald" of the 31st Oct. 1920.

The old Kautsky stated in the first year of the Russian Revolution that "the proletariat government in the East in a successful revolution would be the greatest political achievement of International Socialism. Now we are living through the 4th Anniversary of the successful Russian Revolution, the first stage of the World-Revolution. For 3 years the imperialist powers have systematically tried to stop the spread of Bolshevism."

"The old Kautsky, who controlled Great Russia, against death and ruin, and against White Guards and the Entente, against the bourgeoisie and starvation. Not only is the proletarian state unbeknown and unsuspected in spite of its own miseries, and in spite of the failure of the proletariat Central and Western Europe, and enjoyed by the social democrats, for months the proletarian government has been making an attempt to conquer and establish a position even within the capitalist robber-states, which have persecuted it until now with blood and tears.

"When early this spring the Soviet Government finally succeeded in overcoming the foreign boycott and in breaking its way through to the world-market, he course of negotiations between the proletariat state and the capitalist Powers as official recognition has not been broken. It is true, last September, the Bolsheviks were threatened by the danger of an imperialist attack by Japan, France, and the Greek藩, Poland, and Roumania. But the danger was avoided, and the Allied powers attempted to blackmail Russia for the repayment of the Czarist debts, by taking advantage of Russia's starvation. The Allied diplomatists made themselves caught in the dangerous noose with which they hoped to strangle Soviet Russia in its dire need. The Soviet Government agrees to the Entente demand for a payment of debts - not to observe their blackmail. They will not commit an official recognition with the American recognition, of the "Daily Herald" and Krasinski former negotiation on special conditions. The Soviet Government makes demands on the Entente, on recognition of the Entente and on military assistance. The Allied political blackmail became an instrument in the hands of the German Socialists towards the recognition of World-position, and for extending and facilitating the absolutely necessary economic intercourse with the world. Russia wants these economic connections at any price, and so if we do not observe, the international capitalists will come a step nearer to the proletarian state to reach it, and if we do not reach it, it will reach us."

"The Soviet government has at any rate achieved a big diplomatic victory, by means of a promise, which under present circumstances has no positive value."

Let us however, get the Vorwärts and Freiheit. These defenders of Kautsky have, in their fanatical hatred against the Communists, even forgotten their master's song of peace. On the 40th Anniversary of the great Russian Revolution, instead of recognizing the triple steadfastness of our Russian brothers, they howl: "Hurrah, Moscow capitulates, Bolshevism declares itself bankrupt." Not so, please, on the 40th Anniversary of the great Russian Revolution, instead of recognizing the triple steadfastness of our Russian brothers, they howl: "Hurrah, Moscow capitulates, Bolshevism declares itself bankrupt." Not so, please, but how false are those "socialist" papers, which have made fun of the "socialist" press."

"How false these stupid Bolshevik were in seizing power in Russia, when they proved themselves able to hold and fortify it not only for one year, which Kautsky wished to celebrate, but for four years. And how wise it - Stamper uses the very word - the Social-traitors of the 2 and 1/2 International were when, after the November days of 1918, they tried to split the proletariat in all countries of Central Europe out of the power which had just been established and which they were playing into the hands of the bourgeoisie with their game of "democracy"!

As early as the spring, we wrote from Moscow in a press article that Russia's attitude towards such renegades: "These poor heroes should be well-advised not to see that concessions to capitalism could only have become necessary, because the cowardly Socialists of other countries were incapable and unwilling to overthrow capitalism in their own countries, as the Russian proletariat has done by dint of the greatest sacrifices. If only the Socialists of other countries had made and suffered sacrifices in the same heroic manner in which the millions of Russian patriots of the World-revolution are still daily and hourly doing, then the traitors of the Revolution could no longer to-day be so shamelessly whining over concessions.

"If the traitors signify any weakness of the World-revolution at all, they alone are to blame for it. We, however, see on the other side, entirely a triumph for Soviet Russia. After collapse of the White Guards, victorious after the civil war, the three years of bloody war, after having beaten back attacks on all fronts, after the many grievous defeats of the Entente, the first proletarian World-power, though still in need and bleeding, is yet so strong that it can."

ECONOMICS

The Dictatorship of the Proletariat and the Socialdemocratic Socialization-Fraud.

by E. Varga.

The new economic system of Soviet Russia confines the State economic control to the most important branches of industry, in order to meet the larger needs of the country. The rest of industry manufacture on a large scale, the monopoly of foreign trade and of the money and banking institutions. In other words, it limits it essentially to those 'rude' branches of industry which are named by the Socialdemocrats as all shades in their programs of state control or socialization. And we bear the objective task of proving it necessary to establish the dictatorship of the proletariat, why it was necessary to carry on a civil war for years, when the state economic control in Russia amounts to no more than we social-democrats confine the dictatorship of the proletariat to. Wouldn't it have been much wiser to have limited yourselves to the possible from the very beginning, than to have taken the
roundabout way through excessive extensions of the State control.

This train of thought suffers from the error which is typical of the social-democratic way of thinking: it interchanges the economic "moderate" with the political and social "possible". We showed in our first article that the Russian Communists had no intention of socializing all industries. They were driven to it by the general sabotage of the bourgeoisie. On the other hand any attempt at partial-socialization would be wrecked. The experience which the social-democrats of Germany, Austria, Bohemia and Hungary had with their participation in the government shows how far economic socialization with the consent of the capitalists was... As long as the bourgeoisie has part of the governing-power, the state-apparatus and an organized force in its hands, also has the power of economic socialization, no matter how ripe for socialization a particular branch of production may be. The political condition for socialization is the dictatorship of the proletariat which means: the transfer of the complete state power into the hands of the proletariat and the political disfranchisement of the capitalists. Only by transferring power into the hands of the proletariat, every attempt at partial-socialization is frustrated just as effectively by the opposition of the capitalists as by the opposition of the working-class itself.

This fact is shown us by the Russian and Hungarian examples. Those capitalists who are not deprived of their industrial monarchies by the Russian government do so by sabotage. They act as a force in the government, and the bourgeoisie does not have to be deprived of their power by the state. Only an armed struggle for the revolution will force the capitalists to leave the state. Only an armed struggle can make the capitalists as a class, will not slave away industriously and in a disciplined manner in the factories of the capitalists. No matter if the proletarian Government is determined to confine its policy of economic control to branches of industry which are not ripe, nevertheless the refusal of the capitalists of other branches of industry to produce necessitates a constantly extending and far-reaching expropriation.

The limitation only to "ripe" branches of industry also fails because of the opposition of the workers. In Hungary for instance, we drew the expropriation line at those factories which employed up to 20 workers. But the workers in those factories which employed from 10 to 19 men could not see at all why they should be further exploited by capitalists. They got rid of the capitalists on the pretext that the government, the government of the Hungarian Soviet government, and it was of course out of the question that the government would re-establish capitalism in the industries by force after it had been done away with by the workers. A revolution is the word in all countries where everywhere can be calculated and defined beforehand. Every war is based on a class-struggle in order to extend the boundaries of the State economic control further and further.

The question will be put, "what change was it that took place in Russia during the last four years, which makes the present revolution possible?" Two essential changes took place: The bourgeoisie which sabotaged production at the beginning of the dictatorship, in the hope of being able to overthrow the Soviet government, is now - with few exceptions - convinced that the overthrow of the dictatorship is not to be thought of. Their resources which enabled them to play the leading role in the outburst of the class-struggle in the field, in the past four years has taught the workers that they are not in a position just at present to conquer and organize the whole economic field. They must see that they must limit themselves to the organization of the industries, that they must buy out the organizing ability of the bourgeoisie, and dearly, paying as price the new toleration of capitalist exploitation. The recognition of the above is very painful to many good Communists.

The domination of the proletariat has become the result of certain subtle and systematic manoeuvres. Some of them rebel against it. But no, the thorough political school of the Russian worker has gone through in the four years of the revolution is sufficient to show the overwhelming majority how indispensable this step was. In the absence of political power, the Russian proletariat must go to school to learn how to use the economic power which the bourgeoisie is a science and application of economic organization.

From this it follows: that in every dictatorship the necessity will come up for a complete socialization, that a peaceful agreement with the bourgeoisie, for the time being, is the natural way to proceed. The example of Germany, for instance, where the relative number of industrial workers is incomparably greater than that of Russia, where every industrial worker is able to read, write and count, where the ability to organize is altogether not to be compared with that in Russia, and where in the Russian state-capitalist utopia, the cleverest of the Russian proletariat was, to fight the capitalists on all frontiers. In such a country, for instance, there would be no necessity for a step backward, as is the case in Russia. It must be remembered that the fact of direct state-capitalist control, as in Russia, the first proletarian state, existed four years in complete isolation within a capitalist world, made it necessary to use all the organizing talent, in which Russia was not at all rich, in the army and the state-economy. The economic organization there remains only slight organizing ability. The struggle, the demand for the dictatorship of the proletariat, even though forced to make a step backward, is the deciding factor. As soon as the isolation of Russia will end, through the creation of new proletarian states, the one-time powers which to-day are bound up unproductively in the army and the states will be freed, and the state economic control can proceed forward. The proletarians of Europe must see that the slow development of the Revolution in Europe is one of the reasons why the Communist Party of Russia was compelled to make a step backward. It is part of the dictatorship and, as soon as the dictatorship is transferred to it, then it would be the slow European proletariat and not the Russian Communists who deserve to be blamed. Under no circumstances however, are the unhistorical and false arguments of the social-democrats to be set forward. It is beyond all doubt that the dictatorship of the proletariat, and that an economic organization can be begun with the acquiescence of the bourgeoisie which is in possession of the political power, after we see where Russia is after four years' struggle. Only an arm struggle can remove the meaning of the class-struggle, or a betrayal of the cause can lead to such a statement.

Petrograd, Oct. 18th, 1921.

Germany's Bankruptcy.

by E. Ludwing (Berlin).

On November 4, Herr Hermes, the finance-minister of the Ebert Republic, officially started the taxation fight in Germany by presenting the tax-bill in the Reichstag. The taxation fight will occupy the centre of attention in political life, even more so than until now, and it will have determined the future of the classes. For the long-hidden designs of the bourgeoisie to throw the war and reconstruction-burdens upon the shoulders of the laboring masses, become a living actuality through the Wirth government's tax-law.

The question is: can the bourgeoisie of the strong-boxes be formed on November 5th in Prussia under the leadership of the Majority Socialist Otto Braun as President of the Ministry.

In this critical time for the German proletariat there appears a very timely pamphlet by Dr. Eugen Pawlowski entitled "Germany's Bankruptcy", (published by the Communist International, Carl Hoym, 80 pages).

In an intelligible and clear style it speaks to the comrades of the International the indispensable foundation for a critical judgement of Germany's financial situation and of the significance of the tax-fight, whose final outcome is of less importance than the proletarian parties of other countries, than for the German proletariat.

Above all it is an effective weapon in the hands of the German workers, no matter to what party they belong, for defense against the campaign of tax-robbing which the bourgeoisie is preparing against them. With irreproachable figures, Pawlowski proves how utterly absurd and deceitful the criticism devised by the manufacturers, by the Junkers and their pet-bourgeois geopoliticians, or by the agents of the Social-Democracy to paralyze and defraud the workers by means of taxes, as he connects the new tax-law with the old Capitalist Germany. But at the same time he shows the working-class the economic and governmental-financial collapse - the way which will aid in the framing of a positive proletarian taxation-policy, as well as weapon in the proletarian struggle for freedom.

This book should be in the hands of every workingman.
II.

The taxation-question in Germany is not simply a technical problem of taxation or financial policy. In clear contrast with the "vulgar economics" which, taking up Hilferding's catchword, sets the recovery of Germany's economy against the confusion in its government-finances, Pavlovsky assigns to the tax-laws and the tax-sources an essential role in the ruin of Germany's capitalist economy in order to derive from the logical impossibility of the bourgeois government's solving the financial question in the capitalist economic crisis.

Financial, and with official statistics gathered for the government but not serving a specific purpose, Pavlovsky demonstrates the inevitable collapse of German capital, and shows the decrease in the productivity of labor as a result of the decomposition in the two elements which compose the value of the labor-element, the intensity of labor. German capital came out of the war well-nigh ruined in its two real components—its agriculture and industry—and since the war they have not appreciably improved. The cornfield-cultivation and cattle-breeding have dropped by 25% to 50% in comparison with the pre-war period. In the mining-industry the drop is almost 50%. The merchant-marine is destroyed. The section dealing with the hardships of the German working-class, which is most felt in the scarcity of work, is poignant indeed, and it deserves the special attention of every workingman. The consumption in bread has fallen by about 30% on the average for every person of the population, and meat by 73%. The mortality from tuberculosis has risen to an overwhelming degree. The German population is now lower than necessary to purchase the minimum necessities of life, which are rising continually in price. This is the result of the glorious war and of the bourgeoisie's two-year effort at reconstruction.

It is difficult to formulate the idea of Germany's "improvisation" and the "crisis of production/production" is theoretically sound enough to explain Germany's capitalist ruin in all its phases must recede before the inevitable conclusion that there can be no possibility of the tiding over of the crisis in Germany. Pavlovsky will not say that there is no possibility of the tiding over of the crisis in Germany. Only one supplement is perhaps to be desired for the second edition, namely, going over to the new immense concentration of the productive forces which manifests itself in the increase in manufacturing orders in the decrease of unemployment, in the falsification and the advance of capital. At the appearance of these phenomena of immense concentration the Social-Democrats and the leaders about Levi retrograde so far as to derive from them the tiding over of the German crisis. A few pages would be enough to prove that this concentration can only accelerate Germany's ruin and so confirm the result of Pavlovsky's researches. A revival which is based on the growing misery of the proletariat, which means the up-in-the-economic-field, the attempted intrigue of German capital with Western imperialism, after the Wiesbaden model, bears the same hypocritical lineaments as all of German capitalism.

III.

The final, clearly apparent effect of economic ruin is the collapse of government-finances. The sums needed to cover the government's international needs and for paying the reparations, the growing deficit of the government's budget show the importance of the tax-question as well as its powerlessness to solve the problem for the bourgeoisie. But even the fabulous figures given by Pavlovsky have already been in the few weeks since the appearance of his book been surpassed by the lightning-speed of developments.

Pavlovsky reckons 75 billion paper marks as the deficit for the year 1921-22. And Minister Hermes, has announced it in the Reichstag. The first tax-statements are counting 35 billion for raising officials' salaries for which there is no money available. For 1922-23 Hermes sets the deficit at 60,900,000,000 marks, counting the new taxes. What is more he has based the value of the mark on 1,125, a thing which belongs to the past. According to the present exchange-value of this mark the deficit has tripled, to say the least.

Pavlovsky sets the Reich's debt at 101 billion paper marks including 50 billion interest-bearing reparations-debt. If the entire reparations-handing over remains intact, he estimates it at 215 billion paper marks. Even this fabulous amount has since been increased through the mark catastrophe.

As a way out of its financial chaos, outside of the ephemeral hope for the advent of the Entente, the German bourgeoisie has only its new tax-laws, setting the limit of 42 billion paper marks (Pavlovsky erroneously gives the income from the new taxes as 80 billion; he counts old and new taxes together).

It is a drop of water on a hot stone.

For the masses, however, the new taxes are the beginning of further sauces of taxes to the Wirth Program—the turnover-tax of 30% for every sale, the government's taxes with its 10% deduction from all wages or incomes all fall upon the workers' wages, as well as the so-called property-tax. As regards the property-taxes, capital is spared in this way—as a consequence of this a tax which will pass between the laying down of the plans for the taxes and the time when the payment will be due, which will be in 1923 or 1926, the depreciation of money will reduce the tax-amount in favor of capital. It will be further run through the property-taxes because they cannot be collected in one large sum as the income-taxes but by quarterly payments which is an approach to an income-tax and can be counted in with the costs of production.

For this reason, the "Berlin Tageblatt" had to admit a few weeks ago, that it was possible for German capital to shift the burden of all previous property-taxes in their full amount. The same thing will happen with the new taxes, which are similar to the old.

The result is the further deterioration of living-conditions in all branches of labor without attaining the financial aim which is the setting up of an equilibrium in government economy and the establishment of a firm foreign exchange.

The question stands thus—whether and when the actual threatened government bankruptcy can be openly consummated. According to Pavlovsky's opinion, the internal bankruptcy will bring to an end the reparations-payments depending on the attitude of the world powers. The internal bankruptcy, the stopping of debts payments will hit the petty-bourgeois first if it is actually consummated. The question is not whether the bourgeoisie has not declared bankruptcy long ago in order to free itself from the burden of government debts. The fact is however, that the internal government-bankruptcy denotes an overcoming breaking-up of the whole government-structure. The bourgeoisie can put its finger across the way to government bankruptcy, but it will be consummated as a revolutionary political measure of the proletariat which will eliminate the weakened bourgeoisie from the exercise of economic and political power.

IV.

The tax-fight will bring Germany's economic and financial collapse to a head. How should the working-class behave during the tax-fight? Shall it immediately appeal to the KAPD, advise, in spite of the fact that in the bourgeois class government all taxes fall upon them? Or shall it fight its way to freedom while the bourgeoisie no longer knows a solution? Shall the working-class put in motion a positive taxation-policy? To this question which has been asked a few times in Pavlovsky's answer "yes" with the strongest conviction.

A point of departure for a positive proletarian taxation-policy is the demonstration which leads towards the divergent conception held by all elements, that not a single tax can be evaded, that there are degrees in the evasion of taxes, based on the class of tax and the status of political power, and that some taxes cannot be evaded at all. This opinion is so true, especially for the levying of such taxes as are impossible or very hard of evasion, instead of taxes whose burden will fall on wage-incomes. In this respect the author agrees essentially with the Jena program of the German Socialist Party (SPD).

Yet this does not suffice in the hurricane of money-depreciation which causes the paper-mark tax to dwindle away the moment it is collected. The proletariat must strike harder in order to protect itself from further misery. It must bring into realization the seizure of part of the German Socialist Party (USPD) but a means for avoiding a real class-explanation in the taxation policy this must be not in the form of yields from mortgages on city and county properties, but for the benefit of the Reich and the government's participation as a shareholder in industrial enterprises. This kind of actual seizure does
neither hinder the evasion of taxes through the raising of prices, nor does it give the government control over production and prices. It therefore does not close the door of the growing misery.

The real "gold-wealth" seizure which Powolowski calls for, is the seizure of goods-wealth in kind; and indeed, more than half if, is a reality. The only possible and possible is the government "of tax the whole of the economy, but its control, which is to say a uniform taking over of the whole of production and distribution of goods".

"State-capitalism then? No and yes", is Pawolowski's answer to this question, so warmly debated in the German Party. No - because it is a reality to restore the power of the existing class and labor conditions.

Yes - as soon as the proletariat has changed its conditions in the struggle to seize the gold-wealth through the government. And it must be clear to all conditions in its favor. If it wishes to make the government a co-owner of the goods-wealth it must break the bitter opposition of the bourgeoisie, which, on the basis of Hillerding's proposals, is already resisting to-day with all its might against the seizure of gold-wealth. The forced syndication - the outward form of the seizure of gold-wealth - has as its political counter-foil the necessary strengthening of labor's government -power and with that, its control over government-production. All those who are not frightened word, will be able to develop their economy with this state-capitalism. The seizure of gold-wealth which is the heart of a positive proletarian taxation-policy begins when the bourgeoisie's taxation-policy ends. It destroys the narrow frame of the purely capitalist attempt to solve the financial problem, and leads directly to the realization of the idea of classes and the rebuilding of the economic structure.

Once more - this book should be in the hands of every worker.

Germany under Stinnes' Dictatorship.

by August Thalheimer (Berlin).

The social-democratic Premier of the new Prussian coalition government, in which the German People's Party, the party of "big business" and finance, has entered, has delivered his inaugural speech. At the same time, industry and high finance are in close contact with the German government of the last remnants of its power. The reparations demands, the new installment of which, 500,000,000 gold marks, falls due on January 15th, have plunged the state finances into an unprecedented deficit of the German state is variously estimated at from 120,000,000 to 150,000,000 gold marks.

The value of the mark, measured by its exchange value as against the dollar, has sunk so low that the quotation of the dollar fluctuates around 300. The representatives of the municipalities have made it clear to the government that it is not enough to satisfy their most elementary demands in hand with this state of affairs industry is experiencing a period of feverish prosperity. German goods are able, on account of the low exchange quotation of the mark, to defy all competition. And, since wages and salaries have in no way risen in a degree corresponding to the depreciation of the mark, the fall of the mark has proved to be a source of enormous extra profits for industry and finance, obtained by means of an automatic reduction, of the real wages.

The collapsing of finished and semi-finished products are flowing out of the country; a veritable-selling out of Germany is in progress; the state finances are becoming more and more disorganized; and a general clique of financiers and manufacturers, under the leadership of the well-known captain of industry, Stinnes, are getting hold of the diminishing riches of the country's "big business" and high finance have systematically worked at depriving the state of its chief power—the right of taxation.

They have brought the petty-bourgeoisie-social-democratic government to its knees by the employment of the most severe measures, and now, under the pressure of the financial need of the government, they have ventured a step which means nothing less than the unreserved subjection of the state and the masses of the people to the "government of the real capitalists".

The National Association of Industry demands as conditions for the extension of credits for the government railway companies, a free hold on the railways, the post-office and the other government-owned enterprises to private capital, the abolition of all government control and restrictions of industry and commerce, a reform of the numbers of public employees, etc., etc.

At the same time, the freeing of finance and industry from any real taxation is demanded in disguised statements. The government bureaucracy has already yielded in some respects to the manufacturers by the drafting of laws, demanded for the eight-hour day and to paralyze the workers' right to strike. The Wirth government had originally planned the taxation, even if in limited measure, of the real capital value of industry. The various stages of the capitulation of the petty-bourgeois democracy to big business in financial and economic questions is very clearly pictured by the commercial correspondent of the "Berliner Tageblatt", Dr. Pinner, as follows:

"Originally the German government planned to obtain the gold-money for the reparations payments by a special, so-called real "Confiscation" of the hitherto capital in the productive strata. Then the general confiscation of real capital turned into a voluntary credit action mainly because the government did not proceed in the matter of the taxation of real capital with sufficient urgency. The crisis, the claims of the voluntary credit assistance is only to be granted if, instead of an interference of the government in private ownership, an encroachment of private ownership in the economic domain of the government takes place. In a really, genial manner and according to the precedent establishment of the "golden age of business", every single coal socialization was offered as a substitute for the propositions of the Socialization Commission a short time ago, Messrs. Stinnes and Silberberg have turned the tables. There is no doubt that this would not have been possible had they not been of the opinion that in the giant undertakings which have served to lift from the state's shoulders, and which they considered as a burden and not in the least as an asset for the state, they would be able to make sufficient profit." The situation is clearly described. The diffident start of the petty-bourgeois democracy's attempt to compel the participation of big industry in taxation and reparations has resulted in Capital's ruthless dictation of its conditions to "Democracy", which leads directly to an oligarchic dictatorship of the clique of big manufacturers and financiers.

This situation three years after the November Revolution marks the complete bankruptcy of the social-democracy, of the revolution within the limits of bourgeois democracy. But it means more than this. The bankruptcy of the Social-Democratic Party means the unconcealed, clear and naked putting of the question of the proletarian-socialist revolution in Germany. The great mass of the population stands face to face with the small capitalist party of Stinnes. It is now a question of whether this clique expropriates the state and takes over its control, or whether it will compel the state to expropriate these robbing and to place industry and finance under a thorough control.

In this struggle, which of necessity must flame up and which the Communist Party is preparing to energetically lead, the Social-Democratic Party has to cease to be the "deputy of Capital". In Prussia, it has entered into a direct conflict with the "deputy of big business" and it is manifest that it leaves the masses in the lurch in all the economic conflicts rendered necessary by the struggle in progress. The Independent Party has rendered lip-service to this struggle, but it is clear that it is only a trade-union bureaucracy, one of the decisive factors in this struggle, and that paralyzes a priori its will to combat, let alone that its leaders are thoroughly imprecated with a faith in the superior strength of capitalism and the helplessness of the working-class.

The workers and officials of the railways were the first to raise a sharp protest against the surrender of the state railways to private capital. The government seems to be ready to put through some sort of compromise. However the first stages of this controversy may turn out, they will inevitably lead to an intensification and extension of the class-struggle.

It is extremely probable that the Stinnes group has undertaken its large scale offensive in conjunction with various groups of English capitalists. It is an open secret that the various capitalist blocs in Germany are to-day nothing but the puppets of one or another Entente government. Germany to-day is merely a colony of the Entente.

The first to take the offensive against Stinnes' attempted dictatorship are the German workers. But in order effectively to carry this offensive into effect, it will require the assistance of the proletariat of the Entente countries through the fight against the continued predatory plundering of Entente capital, called "Reparations". The fight against the oppression of the German working masses by a robber band of capitalists must be carried on not only from Germany but from other countries simultaneously. The economic and financial collapse and the political subversion of the working-class means a substantial and immediate peril for the proletariat of the Entente countries. It is the fantastic "Yellow Peril" of Europe, the danger of the reduction of the working-classes of the Entente countries to the level of the German coolies.
THE LABOUR MOVEMENT

The 7th of November in Italy.

by Humberto Terracin.

In past years, the Italian proletariat used to celebrate the 7th of November, 1919 and 1920, as a holiday for the Italian workers; and since those days it was the bitter struggle, which meant a wonderful rise of revolutionary activity, that holiday was the same as a memory of the fight. On the 7th of November, the Russian worker was hurled as a challenge to capitalism and the State.

A day of rest was established and carried out by all industrial and agricultural organizations. Elaborate demonstrations were held all over the country. streets were clear of all loades for fear of a break of the factories order for a holiday, whereas on the holiday all factories were completely stopped, although the bosses had threatened discharges and penalties.

Until the Italian proletariat did not permit its victorious march towards seizure of power to be halted by any obstacle; it struck from its calendar all triumphal signs of the capitalist class, and celebrated with greatest enthusiasm the celebration of the greatest victory of International Communism.

The first week in November of this year finds the Italian proletariat in a totally different situation: their battle-front broken by the capitalist offensive, and their battalions routed in general. The causes of the consequences of this proletarian tactics by the Communist Party and of the brutality of the hostile reaction made themselves especially felt. The Italian proletariat retreated to a defensive position, in order still to be able to hold a few strongholds of their class-organization, that is why it cannot in the least repeat its deeds of past years. Today the motives of and the reasons for the Fascisti action are well understood. From the very first the Communists recognized it as a symptom of the capitalist counter-revolutionary offensive against the defeated working-class, whereas the capitalist and social-democratic parties called it a consequence of the war-psychology which was not yet subdued, or perhaps an exaggerated but just reaction against the proletarian encroachment of the Fascisti on the working class, as a result of local conditions and of the personal initiative of irresponsible elements, or even as the degeneration of the capitalist system and a traditional symptom of the struggle between political parties.

The social situation in the Fascist movement was an occurrence called forth, organized and supported by the capitalist industrial and agrarian classes, who well understand that if the gains won by the workers in these 3 years of glorious struggle were to be taken away from them, it was necessary to break up their organization. The proletariat, if it was strongly organized in the big unions and in the numerous cooperatives, was unconquerable. It was therefore necessary to destroy these defensive and offensive positions. Hence, the burning down of the workers' houses, the destruction of the factories, the seizure of the rooms, in order to break up the masses which were strongly united in these class-organizations. The results were easily attained, mainly because of the sluggishness and incapacity of the labor and social-democratic leaders, who lowered the criminal deeds of the Fascisti with a wavering, passive propaganda or sank into complete pacifist lethargy.

The direct results of the destruction of the proletarian organizations showed themselves first in the country where, after the municipal elections, as soon as their communist candidate was killed, the peasants were exposed to the brutality of the landowners. These made short work of all agreements and assurances which they annulled, and after the election of the agricultural leaders, their demands were drafted by force. With this organization which was established for their purpose, the landowners drew up agreements, which in the name of the peasants wages and the annulment of all his rights.

The great mass of peasants defeated still more easily. As a result of their working relations, the agricultural workers who were divided into many small sections over the whole country, could not at all undertake a defensive action, especially with the leaders of the National Agricultural Union repeatedly crying: "Let everything go!"

With having capitulated in the country, the capitalist forces turned against the industrial workers, and displacements, lock-outs, wage-reductions, and the cancelling of agreements were the results of the defeat of the workers. Once more we see the results of the social-democratic tactics which suppressed every organized opposition of the workers, and fed these last little episodes in the face of the general capitalist offensive. One category of workers after another, textile workers, weavers, chemical and metal workers, saw themselves left in the lurch, and had no means of action or defense. Taking conditions.

Instead of consolidating the thousand and one individual struggles into one great action, the C. G. L. left the various unions to themselves, to carry out their acts according to the conditions and their particular habitual methods of fighting. Of course this way was to have given the power which would have been made possible through the concerted action of the unions.

The weavers have been on strike for the last two months, whereas the other textile workers were compelled to accept a considerable wage-reduction. And the striking weavers are in the meanwhile still waiting for the fulfillment of the promise for solidarity which was so readily given by the C. G. L., for the weavers. The capitalists, instead of renewing the contracts and the wages, on a national basis, as was warranted by the strength of their organization. So it is that while the workers in Venezia Giulia and in Liguaria have been out on strike for the last two weeks, a strike was unannounced and unorganized.

And likewise in other districts it seems impossible to find a basis for negotiations. Nevertheless, the organizations persist in their splitting of policy which breaks up their forces into a hundred small acts, whereas the capitalist offensive progresses with solidarity and method.

The labor-union commission has made a proposal which seeks to settle the question of wage-reduction, but it is so absolutely absurd and deplorably passive that it will only serve to furnish new power to the capitalists and to weaken the workers still more.

The C. G. L. demanded that a commission should be created to deal with a general inquiry into industrial relations; said commission was to consist of representatives of trade-unions, employers' associations and government representatives, to be presided over by a representative of the State and to constitute a higher neutral organ. The labor-union commission declared, that in case the employers could show a reduction in their profits, the workers would have to prove a reduction in their costs. The reduction formula became the formula for the union's actions: "both the profits of the capitalists and the wages of the workers must be reduced at the same time".

It would be superfluous to show how absurd is this economic formula, which, being based on the absolute ignorance of all laws which govern the whole process of production. The trade-unions of which the socialist group of the Socialists Party, is really due not so much to their ignorance of the fundamentals of economics, as to the simple fact that the Italian Social-Democrats have transferred their political tactics into the industrial field.

The inquiry on the industrial situation is nothing more than a method of preventing a direct conflict between the proletariat and the capitalists—a conflict which the Socialists avoid with difficulty.

This inquiry is the last attempt of the Socialists to remain in the coalition practice of the Socialist Party, and a manifestation of the official entrance of the party into the circle of constitutional parties, which expect a solution of the social crisis only through the state. It is interesting to note that the report of the union was taken upon its merits by the Fascisti, and energetically defended it in their press, while their central committee officially directed its members to support it.

At the beginning of the above mentioned crisis, the Communist Party issued the following motto: "Concerted action by the workers, the peasants, and the Socialists, as the general strike for the defense of its position", and its first demonstration was proposed and drafted. At the Congress of the Trade-Union-Confederation, from a point of view which interested all workers. After 2 months of propaganda and agitation, the majority of organized workers has accepted the program of the Communist organization, and has thus forced the reformist leaders of the C. G. L. to call a national congress, which took place in Verona on the 6th of November. The discussions and decisions which took place there...
will determine the development of the future actions of the Italian proletariat; and the results of the voting show the strength of the Communist Party among the masses.

The anniversary of the Russian Revolution thus coincides this year with fasting and serious days for the Italian proletariat and for its future, which is to be determined in the first weeks of November.

But all this will not make it forget the great event of the Communist Revolution. They also will apply the memory of the sacrifices of their Russian comrades, to their own sufferings as the present time.

While the Socialists are keeping quiet and are asleep, the Communist Party has organized a series of propaganda demonstrations for Russia, reaching into hundreds, in all industrial and agricultural centers. These are intended to link the Italian proletariat with the great event, the memory of which they are celebrating. More than 500 meetings have taken place during the first week of November, and the C. P. I. has appointed 15 speakers who already have started their propaganda-tour.

In the meanwhile the Communist Central Committee is distributing thousands of manifestos for the aid of Russia, and illustrated cards and pamphlets; and the collections which were monopolized by the social-democrats received new momentum through the enthusiastic action of the Communists. At the national Trade-Union Congress, a Communist was present who in the course of his speech turned the program for the 7th of November, in order to link the soul of the delegates with the distant fighters of Communist Russia, and in inspired words he described the spirit in which the Italian workers are to-day commemorating the first Worker’s Republic. No longer rejoining over France, over Italy, over all the world, no pride; the goal is already near, no longer the positive challenge on the anniversary-day, but on this 7th of November 1921, there stands before the eyes of the Italian proletariat, as a light in the great darkness, the motto: “The Revolution is already in the world — to believe in it and to lay our hopes in it is our task.”

Such acts will have an undeniably beneficial influence upon international solidarity. But in order that they assume the right proportions, the movement of the international proletariat into Russia and the International Secretariat must establish a permanent connection between those supported and foreign countries. The second measure under consideration in the struggle against the famine is the international relief of children. The children of Russian children ought to be able to show itself in such acts of solidarity which will strengthen the bonds of international brotherhood in the coming generation. In this respect the simplest gestures of assistance, such as gifts of school notebooks, pencils and plates for the suffering children, are of material as well as moral aid.

The International Secretariat is also occupied with the organization of Communist Saturdays for the benefit of the famine sufferers. They can be devoted to the salvaging of clothing in the making of children’s clothing, etc. The International Secretariat is also devoting its attention to the question of unemployment of women. Its organ is the “Working Women’s International”, published in German at Berlin, started last April. The International Secretariat has sent an organizer into the Far East, and is making preparations for the first conference of the women of the Near East.

In general, we may derive the greatest satisfaction from the progress made by the International Communist Secretariat. It may be said that it has, in one year of activity, succeeded to establish a command on the world foundation in the famine proletariat and that it is to-day able to effectively collaborate in the work of the Communist International.

THE WOMEN’S MOVEMENT

The Activity of the International Secretariat of Communist women.

by A. Kollontay.

The task of the International Secretariat of Communist Women consists of awakening the working-woman from her age-long passivity, of giving her the independence of herself, of directing her into the women’s movement and of obtaining her entrance into the Communist International.

The International Secretariat is present composed of the following comrades: Klara Zetkin, Hertha Sturm (Germany), Lucie Collard (France), Popovets (three Russian secretaries attached to the office of the Communist International, comrades Lilina, Kasparowa and Kollontay. The latter is a member of the Executive as well. One of the secretaries has charge of liaison with the Red Trade-Union International.

At the present time the International Secretariat is devoting itself to two campaigns: Firstly, relief for Russia, and as most important, aid for mothers and children; and secondly a protest against the aggressive policy of the bourgeois states against Soviet Russia. In August the International Secretariat through its Berlin representatives addressed an appeal to the working-women of the world, a famineRussia, an appeal which found an immediate response in several countries. The Women’s Section of the Swedish Communist Party has taken over the maintenance of a children’s home in the famine provinces. Commissions and conferences have taken place in Germany.

Besides the measures demanded by the Executive for relief to the famine-stricken, the International Secretariat has drawn the attention of women in all countries to the necessity of rescuing the children victims of the famine.

The International Secretariat has decided against the sending of state aid to children from the stricken regions to foreign countries for political and economic as well as purely practical reasons. It invites on the other hand, the Women Communist Sections of various countries to assume the care and maintenance of all the children of a pre-eminence region or of a drabbing against according to their resources. When the French or English working — women know that the lives and well-being of all the children in a given locality depend upon their activity, it is not to be doubted that the intensity of their work will be increased ten-fold.

In the CAMP OF THE ENEMY

The Paris Socialist Congress.

by Vaillant-Couturier (Paris).

The French Socialist Party held its annual congress at Paris from the 30th October to the 2nd November. It was attended by the “Popular Front” candidates, as the French term for the coalition of Socialists, Communists, Republicans and Radicals. The results of the congress and congratulates himself upon the enthusiasm and tone by which it was marked. In the opening speech the keynote of the congress, which included tendencies as violently opposed as Boncour and Longuet, in the statement that nobody took away with him the bitterness of a defeat, or the conscience-troubling pride, of an advantage gained over comrades. Nothing precise, nothing constructive was done in the congress, and its outcome was that the party is in a state of confusion and uncertainty. Tours has been reestablished in the new party. The debates brought forth resolutions of conciliation — such as we have for a long time called “white negroes” — which are only affirmations of impotence.

Two important questions were on the order of the day. One, destined for foreign consumption on which they depended for lively discussion and for the maintenance of the party’s esprit de corps was the eternal myth of the reconstruction of the International. The other, the question of electoral tactics, was much closer to the heart of the majority of the delegates, although it was not of such an elevated nature. That was the burning question in the French Socialist Party.

At the close of the Radicals’ congress, held in Lyon under the presidency of M. Herriot, certain advances had been made to the socialists in connection with the founding of the “League of the Republic” by the bourgeois patriotic reform parties. These advances suggested the collaboration of the Socialists in the policy of a coalition of the Bloc of the Left and many of them let themselves be won over to the idea. The bourgeois press did not fail to point out the small difference between the majority of 1400 votes which had rejected the coalition in the Federation of the Seine and the minority of 700 votes in its favor and 500 not voting who accepted it more or less.

It will be recalled that in the recent vote of confidence in the Chamber of Deputies, the abstention of the Socialists enabled the Briand-Barthou-Bonnefoy cabinet to almost double its majority in a critical situation. And did not the socialist deputy of the North, Ingels, congratulate M. Daniel Vincenti, Minister of Labor, on the very eve of the congress, for having "done his duty" during the textile workers’ strike?
The spirit of the abandonment of the principles of the class struggle, aways gaining ground in the Party, was also manifest at the congress, even if it did not yet dare to express itself in resolutions. Maufranges, speaking for the Boncourt-Barrhe group, proclaimed his faith in the Radical party and concluded with the words: "I take into account present conditions, not to work for the Revolution in which I do not believe, but for social progress in the republic and in democracy".

Furthermore, the left wing was twice violently attacked, in part in-the-person of Longuet whom certain delegates wanted to hold responsible for the decay of "Populaire" and for certain omissions in the report. But the slogan was: Peace, and order was quickly restored. Although the majority of the congress knew perfectly well in what direction it was going, it rejected the alliance with the Radicals for the present.

"Let us remain alone", said Paul Faure, adding, "Besides events are stronger than we are. We do not know what may be imposed on a great party."

"The Bloc of the Left", stated Leon Blum, "would be more disadvantageous for the bourgeois parties united therein than for the Socialist Party..." and he refused to support it, waiting for the votes of the electoral right.

To tell the truth, and it was easily seen in the atmosphere of the congress, the fruit was not yet ripe. They had to let the Radicals make new proposals, the last carrying with them the danger of being considered as too bitter by certain socialists who still believed in the revolutionary phrases of the congress. That was the idea which Renaudel expressed when he said, "It is not for us to make the first step". The elections will take place three years from now and there is no reason why they should bind themselves, but the door remains open, wide-open.

The congress took a vote and proudly announced that it had a definite electoral tactic. This consists of not having any at all. It announced that it had a program and it repeated—twelve years later!—the reformist program of 1908.

In the international field, great speeches were made in which most of the enemies and mistakes of the revolution were lauded. It was a little family affair, very well managed.

Van Koll, Lebourde, Desrouleux, Tseretelli, Hugger, Tom Shaw, Santiago, Vinter, Engberg and Serrati had been invited as guests. Once more there was a lot of talk concerning the reconstructions of the international. Renaudel was willing to forgo the exclusion of the Communists. Lebourde eulogized the Wilh government, attempted a partial apology for the Goerlitz Congress of the Social-Democrats and proposed the sending of letters to the Second and the Third Internationals.

Bracque concluded, by saying, without irony, that nothing was decided. "The congress is solemn, the international unity would arise from the cleverness of the leaders rather than from the desire of the proletarians themselves." Nevertheless, the proposal for an international conference was adopted and the Vienna bureau was once more instructed to issue invitations to both sides. It is needless to describe how the reconstructors reviled and threw mud at the "communist adventurers" and at the Third International before inviting them.

These were the essential characteristics of the Congress of the Socialist Party. It was a congress of bluff, of parade, a congress to create an impression, where nothing was decided on. All the questions which came before it remain hanging in the air. It continued to cherish the dream of uniting in one International the assassins of Karl Liebknecht and his disciples, the Ministers of kings and the Commissars of the proletariat.

The real reconstruction of the International is in the growing consciousness of the proletariat which is more and more freeing itself from the bonds of the clan of petitbourgeois socialists and is attaching itself to the Third International. The orientation of the French Socialists is plainly right (in spite of the presence of some "poor relations" in their ranks). They are laboriously recruiting their members from the right and it is under the influence of this recruiting that they are establishing their regional programs in accord with the C.G.T. (Confederation Generale du Travail). The "Popularite" and the "Populaire" has a monthly deficit of 35,000 francs and lives on the funds of the Belgian party. Its daily circulation in Paris is 2,100 as compared with 80,000 of "Humanite".

In short, the influence of the Socialist Party in France is almost nil. It is in many cases limited to the personal influence of its most noted deputies. Its orientation to the right, its hatred of the Russian Revolution and its insane vote-catching is destroying its prestige with the proletarian masses.

Its daily declarations, its entire attitude, and last but not least its Congress, make it merely a pawn ready at the command of its leaders to be thrown in the election balance in favor of the bourgeois parties.

APPEALS

Save Spain's Revolutionaries.

Everywhere "Dato-murderers" are being arrested. Already 70 comrades are sitting behind prison walls of Spain under the charge of having murdered Dato. There are no proofs or evidence but the bloodthirsty murder-camarrilla of Spain is trying by their means to bring all Communists and Syndicalists that they can lay their hands on to the gallow.

Enlisted by the millions, which the Spanish government has offered as reward, the Berlin police have started a regular hunt after Spanish revolutionaries. Anyone, who has the reputation of being a communist or syndicalist, is branded as a "Dato-murderer" and delivered over to Spanish justice.

Comrade Fort and his wife Joaquina still await, as alleged "Dato-murderers", the decision over their threatened extradition and again they have suspected the syndicalist Nin and the communist Arlandis and have arrested them in Berlin, as a "Dato-murderer", although they have not been in Spain at all during recent months.

And so the persecution goes on and is extending to other towns. Ever more urgent therefore is it to raise the cry; Workers of all lands; prevent the extradition of Spanish revolutionaries!

What can be done? What are the facts?

All the Spaniards, arrested abroad, are not to be regarded as having had any connection with the murder of the murderer Dato. It is an established fact that one of those, who carried out the sentence of death on the murderer Dato, has already unfortunately fallen a victim to the Spanish justice; a second one, however, the Anarchist Coranellas, is in safety in Moscow and enjoys Russian right of asylum.

All the other persecuted ones are wanted by the Spanish authorities, as conspirators or accomplices, simply because they are leaders or supporters of the workers movement in Spain, whom they are trying to execution and murder to exterminate at all cost. And so they are hunted from land to land as hated political enemies.

The act of political necessity, which was carried out on the murderer Dato, is no murder but an act of despair of the oppressed workers. There was no other way out, since their power was not sufficient for a revolution. But some means of lightening the oppression of the cruel Dato administration on the workers of Catalonia had to be found, in order to arouse in Spain and in the rest of the world opposition to this regime. Even bourgeois circles, who stood far from the act, felt that it lightened the political situation.

No treaties between states can justify the ex-tradition of persons falsely accused. Mass demonstrations and the pressure of labour organisations must prevent the capitalist government from delivering up the Spanish comrades to their political opponents. The proletariat must win for its champions an international right of asylum.