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Genoa and Soviet Russia.

by *Karl Radek*.

** Soviet Russia is fully aware of all dangers threatening it. Soviet Russia is going to Genoa free from all illusions. It knows very well that not a single capitalistic power is able to approach the work of reconstructing the world fearlessly and honestly. It knows too, that all of them are obsessed by a sole aim when they speak of reconstruction, and that aim is—to benefit at the expense of the weaker ones. In spite of this, however, Soviet Russia is going to Genoa with the conviction that no matter how diplomatic the negotiations at Genoa may be, Soviet Russia will none the less come back stronger than she went. What the capitalistic governments feared most until now was that the diplomatic forum might be used for Communist agitation. They were mostly afraid of the Communist propaganda of Soviet diplomacy. But Soviet diplomacy shall spare them from such propaganda. Not for the sake of compromise, nor to spare the delicate ears of Lloyd George and Poincaré, but because *that which might and could have been said from the Communist point of view, is expressed more vigorously and impressively by the facts, the accomplished facts of Allied policy in Europe and throughout the world, during the three years that have elapsed since the conclusion of peace.*

The capitalist press jubilantly announces to the world the *bankruptcy of Communism*, because the proletarians of Russia, isolated as they were in an agricultural peasant country, left to their own resources, attacked by the whole of the capitalistic

world, subjected to wars and the blockade, and defending their bare existence with arms, were not able to realize a form of society, whose foundation is high technical development.

Well, capitalism rules the entire world with the exception of Russia. The guns have been silent for three years, and the capitalistic governments and the bourgeoisie of the world have had ample opportunity to show us how excellently they could reconstruct the world on the basis of the capitalistic system, the same world which they laid in ruins through the war. But the results are "peace" ruins on top of war ruins.

The capitalist system is doomed by the events of the past and by the events of the present. But perhaps the capitalistic rulers will collect themselves at this, the eleventh hour; perhaps they will now *reveal a plan for the world's reconstruction*, a plan that might restore "order" at least from the capitalistic point of view, and which would pay the worker for his hard labor at least as much as a horse gets for his—sufficient food. We say beforehand: capitalist economists and capitalist thinkers have formulated these plans, but the bourgeoisie as a class will pull the wool over its ears and turn a deaf ear to their counsels in the same manner in which the English Government disregarded the counsel of its financial advisor in Versailles, J. Maynard Keynes, and just as the American government disregarded the council of its advisor on Russia, Mr. Bullitt. And should the Soviet diplomats hold up the advice of these far-sighted bourgeois economists before the capitalistic world, it would receive one and the same answer: "*We cannot carry out these boundless plans*".

The bourgeois world in Genoa will be like a rudderless ship drifting into the boundless sea only to be shattered by the storm. The fact that at Genoa, capitalism will appear rudderless, *bereft of its sense of direction* and lacking any plan, will drown its own shouts about the bankruptcy of Communism and will announce to the proletarians of all countries: "Give up all hope in the capitalistic world; give up all hope that it can bring new life and order into the world."

All the time at each other's throats and eaten up by mutual distrust, the capitalistic governments will reach out their rapacious hands for the property of the Russian working people. All of them will do it in the hope that the famine in the Volga regions will compel the Soviet government to capitulate. The English Government displayed a murderers' calm when millions of people died of starvation in India. "*If they cannot live, they die*", coolly writes the historian of British imperialism, Professor Seely, in his book on the expansion of England. But they know that the Soviet Government, the government of the workers and peasants, connected as it is with the suffering masses, has not toward their famished condition the coolness and calm of these white-blooded gentlemen. That is why they are carrying out the plan which Lloyd George in August 1921 called the *devil's plan*, the plan to take advantage of the famine in order to rob the Russian masses. And now they are all preparing for the marauding expedition. What is more characteristic than the fact that the same democratic *German Government* which bewails its lot before the whole world, complaining about the plundering expedition of the Entente against Germany, joins the Allied plans to demand of Russia that it

pay all debts, and that it return the factories and the mines to the foreigners; all this, without even as much as a word being uttered as to who should pay the Russian people for the death and destruction caused them by the three years' intervention campaign and by the three years' blockade. These were acts of war committed without any war declaration against the peaceful Russian people yearning and begging for peace.

Soviet Russia, its government and its masses are pursuing a *cool policy of reality*. They know that although the capitalistic governments are unable to put the unhinged world into gear, they none the less exist, and that they still decide the fates of nations. The Soviet Government knows that the first onslaught of the world revolution is over and that the second onslaught is gathering moment, but slowly. The Soviet Government knows that Russian economy cannot be restored without the aid of Europe. It hoped that it would be the European workers who would furnish the Russian workers with machines and the Russian peasants with plows, and in time get bread and raw materials in return. But the European workers are not their own masters as yet. The factories, machines and all means of production created by them, are still in the hands of the capitalists. And the Soviet Government knows that the capitalist world is based upon the "give and take" principle. Hence the Soviet Government says: *We need world capital and in return we must give it that which constitutes the aim of its economic activity—profits*. But before we get new credits which we need, we must recognize old debts, and in order to restore our most important branches of industry which must remain in the hands of the Russian state, we must lease a part of our factories to the capitalists of the world, and in order to get at our mineral wealth we must lease a part of our mineral wealth to foreign capital. Fools who call themselves Communists, even "radical Communists", have accused us of having betrayed the proletariat. Kind, well-meaning people have asked us whether we were aware of the dangers that such a step may breed. For the radical noise-makers we have this answer, "Show us another way! Can you help us with machines and plows, or is your aid only a phrase?" An to the well-meaning warners we say, "We are a hardy nation of fighters, and we have learned to appreciate dangers, in the struggle. The fate of our republic depended upon the outcome of such a struggle. Do you believe that we are treading the new path which we call the new economic policy, because of our confidence or trust in world capital? Do you know of any revolutionary paths that are not beset with dangers?" Fully conscious of the sacrifices that the Russian people must make, and fully aware of the dangers that are lurking on the new road, the Soviet Government has started on it, and it will continue in its course with calm and determination as long and only so long as the workers of Europe are not in a position to furnish us with technical supplies, without which no nation can now exist.

What we say to our comrades, we have openly said to the capitalist governments with which we are negotiating. We told them, "Until now only the capitalistic world was in existence; you could therefore rule and fool it as much as you pleased. You have made the world war which gave birth to the world revolution. And here we are, *the first government of the working-class*, by the grace of the new forces set into motion by yourselves. We have driven a wedge into the capitalistic system, just as at one time the English and then the French Revolutions drove the first bourgeois wedge into the feudal system. You were bent upon destroying us. But you have not succeeded and now we ask you, *'Are you willing to accept our existence as we do yours?'*" We are seeking a *mous vivendi* with you, as long as you exist."

At Genoa, the capitalistic world will answer us, "We have nothing against the Soviet Government if it gives to Caesar that which is Caesar's and if it restores to world capital what is its own". What answer will they receive from Soviet diplomacy?

The Genoa conference is no learned dispute between Communists and capitalists, but a fight; and we old fighters know that before the battle the opponent is not to be lectured upon the tactics we will employ in the fight. The representatives of the Russian proletariat are informed of all details of our policy. The trade-union representatives of our party and our government have formulated our tactics, as much as it was possible to do so before the conference. But these diplomatic moves and counter-moves are of no importance. For great working masses, it is important to know *what concessions we shall make to the capitalists and what we shall demand in return*.

We shall undertake the obligation to pay the old debts if they recognize our government and if they help us to com-

mence work, which alone can furnish the means of paying the old debts. But while undertaking this obligation we openly say to the capitalists, "The imperialistic war and your brigand-campaign against Soviet Russia have driven our country to *financial ruin*. What benefit do you reap when you burden us with a debt which we cannot pay? What advantage do you gain when we sign an obligation to you which we cannot make good? Deal with us as business men would with a bankrupt debtor whom they do not wish to see ruined, because they hope to get back from him at least a part of their money. The creditors postpone payment until he has recovered and become able to pay. They reach an agreement with him, which reduces his debt to the line of possibility, and then they aid him in starting up new work, whose profits he is to share with them. You should do so the more readily, because we can put counter-claims, and still more readily because it is the only sensible way out if you are to see any part of the debts at all."

The capitalist world will answer us, "It is true, you are financially bankrupt, but you have factories and mines which at one time belonged to us. Return them." To that we answer—"The Russian Revolution has driven out the lord, has turned land and lots into state-property, and turned them over to the peasants for cultivation, thus ridding the Russian people of its feudal parasites. And no one who has gone through the experiences of the three years of civil war, during which the peasants defended their land with armed force, will dare to attempt to deprive them of their land. It seems that you believe the workers will defend his factory less bravely. Well, we advise you not to test the matter. But aside from all this, the revolution has not only deeply furrowed Russia's arable soil. In its defence against war and blockade, and in order to set the war factories into shape, which for three years supplied us with arms against you, we have consolidated the factories, making one factory out of ten. And when you stretch your hand out for your factories, you will encounter in many places four bare walls. *A return to the old property relations is impossible*. It is impossible because our new law providing for the nationalization of industries corresponds to the new demands of life created by the Russian Revolution. The return to the old property-relations is an impossibility because Russia can be restored only through a new and vast technical apparatus, which reaches beyond the old boundaries of property. *You can reap profits in Russia; we are ready to guarantee them, but we shall not give up the conquests of the revolution. Not denationalization, but leases and concessions; these are the essentials and the limits of our concessions*."

We do not know what answer we shall get from the capitalistic world at Genoa. We are prepared for the worst, because we know how difficult it is for this capitalistic world, which is doomed to death, to regain its reason. But no matter what their answer to us may be, the deciding factors will be our relative strength, and the fact that international capital needs Russia's market and raw materials, as well as the fact that a country with one hundred fifty million people cannot be treated like a desert.

For, should the capitalistic world leave Russia to herself, there can be no question of peace or reconstruction. If one thousand unemployed demonstrate in a capitalistic city, the police use their clubs and scatter the crowd. If ten thousand unemployed become militant, a cavalry division is sent out against them. But if the capitalistic world should want to drive a great nation out of employment, it would have to mobilize whole armies against it. It has already attempted to do so, but failed. Split and divided as the capitalist world is against itself, it fears that we might ally ourselves with the enemy of any country that might attempt to starve us out. We shall ally ourselves not only with Beelzebub, but even with his grandmother, if it comes to defending the rights for which the Russian working-class and the Red Army have bled and starved. Soviet Russia is going to Genoa poor and hungry. But it goes there fully conscious of the fact that *a people of 150 millions cannot be subjected to a yoke if it is ready to defend itself*. Clear of vision and ready to make concessions, Soviet Russia is bound for Genoa to offer an armistice and peace to the capitalistic world. It now depends upon this world whether it accepts our offer or not. Should it reject it, well, then we shall continue to starve and to fight, and *victory will be ours*, for we represent the new life, we have sent that cry into the world, which is the cry of the new epoch dating from the day when the cannot of the world war disturbed the sleep of the capitalistic world.

The struggle which the Soviet Government will carry on in Genoa, and which it will perhaps have to carry on with

different weapons after Genoa, will be watched by millions upon millions of workers (and not only workers) who deeply sympathize with us, and who will support us in our struggle.

In those three years, during which we fought for the life of the dictatorship, we were supported not only by the Communist workers who agreed with us on the great questions of history and the way to solve them; we were supported by the sober English workers who were no Communists, and by all those whose hearts were moved by the reports of the super-human sacrifices made by the Russian workers for the cause of their liberation. We are convinced that the masses who will support us in our struggle today will be vaster, although we have not as yet succeeded in realizing our great ideal. Three years have passed since the capitalist world has proclaimed peace on earth, and these three years have convinced millions upon millions of people that capitalism can offer no peace and no bread.

The Economic and Financial Situation at Genoa.

by Eugen Varga.

** The Genoa Conference is one in the long series of conferences in which the European bourgeoisie has made vain attempts to cure the economic and financial situation of Europe, put out of gear by the world war. But since the reconstruction of Europe is impossible without the aid of the United States, and since the latter will not take an active part in Genoa, this conference does not promise to be much of a success.

The essential facts that necessitate the reorganization of European economic and financial conditions are generally known. The economic crisis has been going on for two years, showing no signs of abatement. This economic crisis assumes two forms. Those sections of the world which preserved their material and human forces of production intact during the war, or have even improved them (the United States, Japan, the neutral European countries and England), are suffering from a crisis of overproduction. This crisis assumes the usual forms with which we are acquainted from the former "normal" crises of capitalism; there are: Unsalable goods, stopped production, a steep fall of prices, bankruptcies and tremendous unemployment. The firmer organization of capitalism enables it to shift the burden of the crisis upon the working-class. Whereas, in former crisis, it was the capitalists themselves who through reduction of prices, loss of property and bankruptcies bore the cost of adaptation to the economic conditions of life, the present crisis of overproduction is being combatted and the surplus stores of goods are eliminated mainly through a systematic and protracted limitation of production and through the unemployment of millions of workers. The figures are only too well known. In the United States there are about 5,000,000, in England about 2,000,000 unemployed. In England and in the neutral countries of Europe, about 20% of the workers are unemployed. Never before in the history of capitalism was there such extensive and protracted unemployment.

Such vast and protracted unemployment is a severe trial for the social equilibrium of capitalism. The capitalists of England were compelled to reduce the great social pressure caused by unemployment by means of an unemployment benefit on a large scale, which requires millions of pounds yearly. Economic as well as social reasons therefore moved England to attempt the reorganization of European economic relations.

Aside from bad business and the unemployment caused by it, the financial and exchange crises led to Genoa. England indeed succeeded by straining all its forces in balancing its budget. Italy and France, on the other hand, are still suffering from great deficits in their government finances. Besides, the Entente governments owe more than 10 billion dollars to America, while Italy and France are also in debt to Britain. The tax burden is in all countries, including the United States, very great and forces the establishment of an order in Europe that will make the maintenance of large armies and navies superfluous.

These financial difficulties are the direct effects of the world war. The current cost of the war by far exceeded the amounts that the yearly income of the various nations could afford. The national wealth itself was then consumed. But since under the capitalistic system, this could be done only in accordance with the right of private property, the actual capital used up was displaced by fictitious capital; *government debts amounting to hundreds of billions* in face value. The nations of Europe

will have to drag these immense burdens for decades (if capitalism lasts that long).

However, the causes of the world-wide economic crisis are more complex. The main factor is the economic breakdown of Central and Eastern Europe during the war; up till now they have not recovered from it. These countries: Germany, Poland, Russia, the Balkan countries and the Succession States of the former Austro-Hungarian monarchy, have a population of about 300,000,000 people, in other words, about three-eighths of the world's population involved in the capitalist economic system. Of these, Germany with a population of 60,000,000, was one of the leading capitalistic countries. Due to the shortage of goods, occasioned by the war, but chiefly the shortage of the means of production and transportation, these regions are suffering from a constant underproduction; in other words, production does not cover consumption, and the stores of goods that are still available are being used up. In full accord with the laws of capitalistic economy, this can be seen in the continuing depreciation of the exchange in these countries, in contrast to those countries having a relative surplus production. Aside from temporary fluctuations, we see that the currencies of Germany, Austria, the Balkans, and of Russia are undergoing a progressive depreciation from year to year. It is the reserve side of the fact that these countries consume more than they produce. This circumstance makes it impossible for these countries to be a market for English and American goods on the pre-war scale. And the overproduction in the "healthy" countries is caused directly by the absolute underproduction of these countries.

This situation is greatly complicated by the reparations problem. According to the latest ruling, Germany, which is economically the strongest of the defeated countries, is to make yearly payments in goods amounting to two billion gold marks; these are to be delivered to the Allies with nothing in return. But since Germany hardly produces as much as the most necessary consumption of its own population requires, it becomes clear that the continued payment of these reparation burdens will inevitably bring Germany to complete ruin. But this in turn means that:

1—Germany is eliminated as a buyer in the English and American markets.

2—In order to be able to bear the reparations burden, Germany will be compelled to export goods, at all costs. (Whether the reparations burden is to be paid in gold or in goods, does not alter the fact that with its present human and material production apparatus, Germany cannot possibly stand such a gigantic burden, without sinking deeper and deeper into the economic abyss.)

As is well known, the discussion of the reparations question was stricken from the agenda of the Genoa conference, although it seems wholly impossible to reorganize the economic household of Europe without making essential changes in the reparations questions. The difficulty lies in the conflict of interests that manifests itself in this question between the two leading European countries, England and France. England, which is chiefly interested in exporting goods, in order that it may overcome its unemployment, is in favor of reducing the reparations burden, so that Germany's buying capacity may be increased. France, however, which is not suffering so much from the economic crisis because of its fundamentally agrarian character, and which has *no unemployment* to cope with because of its general depopulation and loss of life in the war, has on the other hand the greatest financial difficulties to cope with; it is therefore greatly interested in receiving goods and gold payments from Germany. This conflict between the two great powers is a constant obstacle in the way of settling the reparations question.

The second important field is *Russia* with her 135,000,000 inhabitants and her immense potential wealth, that stands out in such sad contrast with her present frightful poverty. The almost complete elimination of this economic force from the world market and the drop of production caused by it and by the protracted war, (rendered more acute by this year's famine) is one of the main causes of the disturbed equilibrium in the world's economic household.

The reconstruction of the underproducing regions of Central and Eastern Europe would first of all require the transportation of the means of production into these regions, in order that these may start their own production going. Under the capitalistic system this means loans to these countries. Of the world powers, America is best able to furnish a big loan, for it has a surplus of goods and of the means of production which it can furnish to the impoverished regions. But the American capitalists think that they will be able to restore their economic

equilibrium by developing their domestic market and by opening the South American markets. Up till now they have flatly refused even the requests for negative relief or for the withdrawal of their demands upon the Entente countries that have their origin in the war; they even made the demand that out of the payments made by Germany, they be paid the cost of the American army of occupation on the Rhine. This behavior on the part of the United States is directed chiefly against French militarism and against the elimination of the United States from the non-American petroleum fields, by England, etc. The proletarian regime in Russia is another great obstacle in the way of international regulation.

On the whole we may say that the economic and financial situation of the capitalistic world demands the reorganization of economic forces in Europe, Germany and Russia included. The essence of such a reorganization should consist in the reduction of the reparations burden, in the mutual cancellation of war-debts by the Allied countries, and in big loans to be granted by those countries having a surplus production to the impoverished countries of Central and Eastern Europe. The country striving most for these possibilities of relief is England, which of all the great powers, is most closely connected with world economics, and which therefore suffers the most from the economic crisis of the world. But it is not able to reconstruct the impoverished regions all by itself; and the orderly cooperation of the great powers is thwarted by the special interests of each of these powers. Hence it seems to us that the Genoa Conference is tackling a problem that is of the greatest importance to the very existence of the capitalistic world, but that this conference will hardly be able to obtain a solution to these problems.

Genoa and Germany.

by A. Thalheimer (Berlin).

** The Wirth-Rathenau Government has landed in a ditch because of its policy of compliance and now grasps at Genoa as a drowning man grasps at a straw. As is well known the present German government did not entirely accept the latest decree of the Reparations Commission; indeed it declared itself opposed to a number of essential demands contained in the last note; it objected to Allied control over taxes and finances, to the cash payments decreed for the remainder of the year, and to the demand that new taxes to the value of 60 milliard paper marks be imposed. As for the other Allied demands, the Wirth Government declared its willingness to enter into discussion. Although this last note of the Reparations Commission was not in the nature of an ultimatum since it set no time limit in which an answer must be made, nevertheless May 1st may be taken as the final date because by then the new taxes amounting to at least 60 milliard paper marks must be provided. There is thus a vacuum created and the Wirth-Rathenau-Bauer Government hopes to fill this vacuum with Genoa.

The economic and financial condition of Germany on the eve of the Genoa Conference may be briefly thus summarized: The German paper mark which suffered a heavy decline after the Cannes decision for regular ten-day payments, has again registered a heavy loss because of the last Reparation note. The dollar rate, the best measure of Germany's financial and economic condition, is now above 300. The wholesale and retail prices follow the dollar rate more quickly than at any time in the past. An immense wave of rising prices is sweeping through the land. The cost of the most important articles of food is increasing almost daily; the scattered attempts of the workers to make wages meet the higher cost of living, is meeting with stubborn resistance on the part of the employers. Hand in hand with this resistance is the offensive launched by the employers against the eight-hour day, which is one of the last conquests of the November Revolution of 1918. The prices of various goods tends to approach the prices of the world market. But until the world market level is reached, the cut-throat competition of Germany will go on unhampered.

Another characteristic feature of Germany's economic situation on the eve of Genoa, is the fact that the heavy industries and high finance are taking advantage of the tight position in which the government at present finds itself, concentrating all their energies on an attempt to acquire the most important government industries, like the railway, the post-office, etc. The railway and post-office rates are constantly being raised, but the prices which the united heavy industries demand for the supplies they furnish these government industries are rising still faster. Thus the democratic petty-bourgeois government is backed more and more against the ropes and is skinned alive by the heavy industries.

One might actually think that under these circumstances, any German government would take a clear and determined stand at the Genoa Conference. The only card that it could play is Soviet Russia, to which the German nation is bound by a common fate. Only as an ally of Soviet Russia could Germany play an active and independent role towards the Entente. Only then would there be a possibility that its independent participation in the reconstruction of Soviet Russia would go to the credit of German economy instead of going into the war-tribute coffers of the Entente.

This vacillating policy, which is both brainless and characterless, that creeps along from day to day and seizes at a new straw after every defeat, that has made an Entente colony out of Germany, has turned the German Government into an English or French vice-regency, and has burdened the masses with unendurable war-debts, is directly supported by the Scheidemann Party (which together with the Center and the Democrats constitutes the governing Bloc) and indirectly supported by the Independents whose "expert" in foreign affairs, Herr Breitscheid, acts just as any other special adviser of the Entente would. Aside from the fact that after the railroad strike, the Wirth government owed its existence directly to the Parliamentary fraction of the Independent Socialists, every soul in Germany knows that without the support of the Social Democratic Party and the trade-union bureaucracy, this government could not live another day.

The mystery of this inconceivably idiotic and cowardly policy, whose effect be that at Genoa Germany will be treated as an altogether negligible and absolutely dependent power, is nothing more than the blind class-egoism of the German bourgeoisie; this class-egoism is encouraged by the Social Reformist lackeys of the German bourgeoisie in the camp of the working-class. An independent and self-conscious policy towards the Entente, a policy in conjunction with Soviet Russia is only possible when the inner political power is seized by a government which is supported by the overwhelming majority of the masses, the working-class. But the support of the great masses is to be won only through the most ruthless shifting of the war-burdens upon the bourgeoisie and the subjection of the bourgeoisie to the most rigorous control of the working-class. The Social Democracy does not venture into this struggle; instead it prostitutes itself continually in the office of tax-collector and henchman of the small clique of capitalists who are still the true masters of Germany, and who went to Genoa not as representatives of the German people, but as the representatives of the same small capitalist clique, which is so brutal and cruel within Germany and so crawlingly slavish outside of Germany. In view of all this it becomes clear that all that the marionettes of the German capitalist clique, will get from the Genoa table (miserably covered as it will be) will be the crumbs. The key of the German situation is not to be sought in Genoa; nor is it in the hands of these marionettes. It is to be found in Germany, and in the hands of her working-class. To what extent the German Social Democratic leaders have become the hopeless Mamelukes of the Entente, was shown us by the Berlin conference of the Executives of the three Internationals, and this in a very unmistakable and shameful manner. At this conference, another petty Entente Mameluke, M. Vandervelde, had the audacity to declare in the name of the Second International, that is, also in the name of the German Social Democrats, that the Treaty of Versailles was sacrosanct. But the Social Democratic leaders consider it their duty to lick the boots of the smallest vassal of their masters.

But the official Germany that went to Genoa is far from being the true Germany. Under the increasing pressure of need, the proletarian class-struggle is flaming up out of the depths of the masses with ever greater intensity against the "authorities" of the official Social Democracy; it is gradually undermining the hold of Social Reformism upon the masses and augments the ranks of Communism with masses of new recruits.

The stronger and the more energetic the struggle against the robber-pact of Versailles, as carried on by the Communist vanguards of other countries, will be, the greater the determination with which they beat back the insolent attacks of the bourgeoisie, and the better they understand how to draw the masses to them, and into the defensive struggle against the world-wide offensive of the capitalists, the better will they be able to support the fast growing revolutionary proletarian ranks in Germany, which together with the Russian proletarian army are destined to take the next step towards the eradication of the disgrace of Versailles, and towards the reconstruction of world economy, ruined by capitalism, and which is now making a vain attempt at Genoa to emerge from the abyss and reestablish itself on a new basis.

England and Genoa.

By M. Philips Price.

** It is an irony of fate that the first great international conference for the reconstruction of Europe, to which Russia and Germany have been invited, should have been called by those who are obviously now going to reap the least possible benefits from it. It is no exaggeration to say that at Genoa the heads of the Federation of British Industries—that great combination of industrial capital, which has fattened out of the war and has made Lloyd George its tame Minister—hoped to save their fortunes, check the growth of French finance in Europe, raise the falling prestige of the British Empire in Asia and play the leading part in the reconstruction of the public economy of Europe. All hopes of these people have been disappointed. According to all symptoms at the present time the initiative in conducting the Genoa conference, as far as the capitalist powers of Western Europe are concerned, will be taken by M. Poincaré and the Bloc National behind him—that is by the French banks and bondholders.

The British Empire has undoubtedly entered upon the most serious crisis in its history. There are many signs which point to the fact that the Empire is already in process of dissolution. It is true, the process may last for many years and even for decades, but the general trend of developments is already discernible. The immediate effects of the crisis at home is to strengthen the extreme reactionary elements—the Conservative or Tory Party, who for a long time past have been attacking Lloyd George and demanding the end of the coalition, with which he won the war. The elements behind this party are numerous. They consist partly of the outspoken militarist elements and of certain powerful families of the aristocracy, who have regarded the War Office, the Admiralty and the India Office for years past as their special preserve. To them is to be attributed the intention of the British government, clearly seen in the latest developments, to suppress the nationalist revolutionary movements in Egypt and India with all the force of military imperialism and to drown them in a sea of blood. But in addition to these elements there are also powerful influences in the "City", which are at work undermining the economic bases of the Lloyd George Coalition. There can be no doubt that the banks are once again becoming an important, if not a dominating factor in the government of England. During the war and for three years after it the industrial capitalists, who lived on inflation and who monopolized coal, iron, shipping and engineering factories and electrical undertakings, controlled the policy of the Lloyd George Coalition. It was they—the Federation of British Industries—that engineered the coal lockout last year, it is they who have caused the big lockout in the metal and shipbuilding industries. And why? Because they, pressed by the banks to liquidate their "frozen assets", are forced now to sell to the banks at reduced prices those colossal plants, which they built in times of war-inflation and boom. For now those plants are standing idle. The market is ruined in Russia, in Germany, in the Near East. In India and the Far East the native capitalist class is rising and is largely behind the nationalist movements in these lands. They are building their own factories and opening up their own mines. The products of British industries are not wanted by them. The war gave them their opportunity and they took it. There is plenty of cheap labor in Asia. The industrial capital of the Federation of British Industries, is now leading its fatherland and being invested, as bank and finance capital, in the British colonies and spheres of influence. Thus the British working man, who fought in the war "to make the world safe for democracy", now finds that he really fought in order to include by conquest in the British Empire places like Mesopotamia and the German African colonies, where their masters can now recruit cheap blackleg labor to force wage reductions in England and throw hundreds of thousands of unemployed on the streets.

This change in the whole nature and operations of British capitalism is of the utmost importance, if one is to understand the present political situation in England. It explains the weakness of the Lloyd George coalition, the rise in the power of the Conservatives, backed by the higher aristocracy and by the great international banking houses of the "City". It explains the shipwreck of the idea that British industrial capital is to take the lead in the reconstruction of Central Europe and Russia. It explains the success of the French bondholders in sabotaging the original idea of the Genoa conference through their mouthpiece, M. Poincaré. For there is every reason to believe that in the "victorious" countries of Europe, where currency deflation and trade depression are in full swing, a new era of finance capital has arrived. The international money merchants, the Rothschilds, the Kleinwerths, the Pierpont Morgans, the Warburgs, the Levys, who live in Paris, London, Berlin and New

York and who know no nationality, are again becoming powerful. The day of the warprofiteer is gone.

Mr. Lloyd George has failed in his plan to secure for British industrial capital a dominant position, through Genoa, in the reconstruction of Europe. But he is not beaten yet. It may be that he will now try to put himself at the head of some of the big financial groups, who have met in London recently in preparation for Genoa and who are working out plans for a large international credit scheme with guarantees from the debtors. But what fate await the workers of Germany and Russia in view of these new developments of international capitalism? At Genoa, Soviet Russia at least will have the opportunity to follow an independent policy towards the capitalist powers of Western Europe. The tactics which it follows will have to depend in no small degree on the question whether or not banking capital and the money merchants, who are in power in France and seem to be coming to power in England, are able to overcome the rivalry, which has hitherto been going on between the Federation of British Industries and the French bondholders. If it should not be able to do so, then the position of Soviet Russia and consequently also of the German proletariat will be strengthened. They can then hope to drive some benefits from the fact that finance capital cannot yet unite across frontiers. Then Soviet Russia will be able to make use of a new "breathing-space" and conclude separate agreements with each financial group. The German proletariat will also benefit indirectly, if this "breathing-space" enables Soviet Russia to continue an independent economic existence and escape the fate of a colony. On the other hand if the international finance consortium should come about at Genoa, the immediate danger to the proletariat of all the world cannot be too much exaggerated. It will mean the mortgaging of the natural resources of the world and labor everywhere to a great international exploiting machine. True, there will be no more war, but there will be the peace of the graveyard and the silence of the slave-galley. On the other hand this will bring the world one step nearer to the time, when, in the words of Rosa Luxemburg, "capitalism will be drowned in its own surplus values" (ersticken im eigenen Mehrwert).

Genoa and France.

I.

Genoa and the French Bourgeoisie.

by A. Rosmer.

** From the very beginning i. e., from the very moment when it was proposed, the Genoa Conference resounded in an unmistakable way in French political circles. Right then and there it led to the overthrow of Briand's Cabinet and brought Poincaré, "Poincaré of the war", the friend and the tool of Isvolsky, as the last hope of the Bloc National in the government.

In the field of Parliamentary politics, Mr. Briand is a virtuoso. Up to the very finest detail he commands the art of working over the stuff out of which deputies and senators are made, and his last excellent operation of taking over the government consisted in the division of the heterogeneous mass of Bloc National into two parts.

As stupid and idiotic as this Bloc may be, it does not, however, consist exclusively of journalists and lawyers whose sole activity consists in waving the red flag of Bolshevism before the frightened bourgeoisie. It rather consists of men, industrials and business men who on account of their calling have a sharp eye for economic realities. These people also clearly recognized the danger of pursuing the absurd and criminal policy which the French government has been pursuing against Soviet Russia. They also pass resolution after resolution in their various Chambers of Commerce, demanding the resumption of trade relations with Soviet Russia. It was they who always supported Briand and who permitted him to draw the Bloc National further and further away from its original position, at the same time supporting the policy of Lloyd George through all sorts of sleight-of-hand tricks.

Nevertheless, the nationalistic temptation was still too great for the Genoa Conference and its program. Then there was another reason. The whole financial policy of France is based on the principle that Germany is to pay all war indemnities. The motto, "Germany should and must pay!", is not a mere election campaign slogan for the French government. Should Germany not pay, not make the tremendous payments fixed by the Reparations Commission, then the bankruptcy and the breakdown of France's extensive imperialistic policy is assured—a policy adopted by France surrounded by its vassals, the small "liberated" nations of Central Europe.

Poincaré has come into power as the proponent of this policy. He also has displayed all his arts in the hope of preventing the Genoa Conference. It was no longer possible to come out openly against the Conference. But what did lie within the limits of possibility was the limitation of its program, its postponement and finally the systematic reduction of its significance. The first thing to be achieved was that Russia be admitted to the Conference only under the most rigid conditions, and only as a penitent, who confesses all his sins and recognizes the Czarist debts. Similarly the Treaty of Versailles had to be declared a "touch me not" and ruled out of the order of the day of the Genoa Conference.

Poincaré is in search of allies. France could no longer stay away from the Genoa Conference, but it retained the weapon of "choking" the terrible Conference. It therefore mobilized its Small Entente, sought support in England, firstly from the Northcliffe press which was raging against Lloyd George after it had itself recognized him as the savior of the country during the imperialistic world war and sung paeans of praise to him, secondly from Churchill's clique which proposes that Soviet Russia be dealt with through Generals Ludendorff and Hoffmann, and thirdly from the ultra-reactionaries of the "Morning Post", who want to cure England of its economic crisis by means of guns and tanks.

However, Poincaré's success was only partial. The Washington Conference, in spite of having in its time been considered as a great French victory, is a definite defeat for French diplomacy. France went to Washington full of illusions and displayed a complete disregard for the international situation as well as for the conditions and aims of President Harding's disarmament conference. There it developed its vicious program unhampered, in which it declared that it cannot reduce its army of 800,000; it also claimed the need of a large fleet, but mainly of a large number of submarines. The French proposals roused true contempt and lively conflicts. Everywhere French imperialism was loudly and distinctly talked about, and in the eyes of those capitalists who came to realize that the bourgeoisie could divert the sad consequences of the imperialistic world war, and the revolutionary danger only if it could succeed in reconstructing the ruined economic household of the world, France appeared the only and greatest danger.

Under these circumstances Poincaré could not get very far with his machinations. He was compelled to submit to a comparatively short postponement of the Conference instead of the original demand for a three months postponement, and to attempt to limit the list of subjects to be discussed by coming to an understanding with Lloyd George. Thus France came to Genoa pursued by the ghost of reparations and Germany's paying capacity, which completely dominates it. So great is France's fear that Jean Herbert, an official journalist, wrote in the "Temps" of the 30th of March: —

"Should the reparations question come up in Genoa, or should new agreements be worked out, while the Reparations Commissions is still held back by an answer which is based upon disappointment, the French delegation will be compelled to come to Genoa with return tickets. And it might perhaps even be better if it were to save travelling expenses altogether."

Were it only a question of ratifying the Peace Treaty of Versailles, such a gigantic conference as that called in Genoa, at which Soviet Russia and Germany will be represented for the first time and treated on the basis of absolute equality, would be toally superfluous. Already today the entire world with the exception of the French nationalists, knows very well that the world economic household can only be reconstructed if the Peace Treaty of Versailles and all the treaties that followed it are fundamentally changed and modified. For all these treaties are the miserable consequences of endless haggling and of compromises bitterly arrived at. They have split Europe in an insane manner, and with an absolute disregard for all economic demands. Out of Central Europe they have made a crippled and useless thing.

But France refuses to recognize this problem. "Germany should and must pay!" Only this and nothing else is it to give. France will therefore attempt to retain this uncompromising position. But how far will this policy lead it? This is the question which the Genoa Conference must answer. Yet France already show unrest and confusion.

Shortly after having appointed his delegation, Poincaré, who is confused by his own statements, suddenly became hesitant about going to Genoa. He searched for prominent personages capable of representing him. But the French politicians are

very sly. One after other refuses with a graceful wave of the hand and until now Poincaré has only been able to find miserable substitutes. And this is a mighty poor way of going to a conference.

II.

Poincaré and his Bloc National in Genoa.

by Charles Rappaport (Paris).

If it was at all considered possible by anyone to appeal to the healthy reason or at least to the well-understood ulterior motives of the fools who together with the war-maker, Poincaré, are undermining France, and at the same time disgracing and choking her, it is today clearly understood that it was merely an illusion, and that nothing can be accomplished in cooperation with banking capitalists, big industrialists and the clerical and reactionary petty bourgeoisie.

Poincaré wants to know nothing of Genoa. He left no stone unturned in his attempt to bring the conference on the rocks. Beaten on the field of his own allies, the Little Entente, which had prepared itself for Genoa by calling its own conference at Belgrade, Poincaré was compelled to act as if he also approved of the Genoa Conference. But one may be sure that the head of this government or rather the head of a band of nationalists who, tortured by fear and shame, could not sleep peacefully until at the eleventh hour an attempt was made to make the impossible seem possible in the hope of bringing the Conference to a fall.

Mr. Viviani, his accomplice and at the same time his victim of 1914, who seemed to be just the man to drown the tragic truth of the world situation with his rhetorical outbursts, suddenly became weak and has abandoned his post in the League of Nations. Another master of the phrase, Mr. Albert Thomas, the Big Bertha of War-Socialism, may undertake his notoriety trips to Poland ever so often, and bring himself into the public eye by all sorts of clever interviews with the men of the hour in the various countries, yet he is by far too advanced and by far too clear-sighted for the idiocies and deceptions of Poincaré.

What is the cause of this Genoa repulsion? The answer is very simple. For the Bloc National as well as for Poincaré Genoa represents the *Stockholm of the Peace*. We remember very well with what terror these war-leaders, Thomas and Renaudel included, were stricken on the eve of the Stockholm Conference, which was called together by the Russia of Kerenski. That was the sole chance for saving a completely lost situation. And our own dissenters quite correctly scented the danger of war for "right and civilization". Thus they preferred the wholesale murder until "the final victory" to the utmost efforts of preserving peace.

But today the various nations are again in the midst of an extremely critical situation. The battlefield upon which people fought and destroyed each other according to the rules and regulations of capitalistic civilization and science, has given place to a field of misery, unemployment and bankruptcy. The war threatened the armies with destruction. But misery and starvation are today threatening whole nations. The clear-sighted bourgeoisie also seeks to save what little can still be saved. It is only the fearful Poincaré and his Bloc of bandits and idiots that see only one ghost in the Genoa Conference, the return of Soviet Russia into the family of regular states. And that our imbeciles shall never permit. And should Lenin and Trotzki be treated on a basis of equality with such celebrities as Millerand and Poincaré! That is not to be thought of!

That the leaders of the Russian Revolution should be recognized as a power, appears to our statesmen as the height of nonsense. Have Lenin and Trotzki at least abandoned their program after they acquired power? Have they at least gone back on their convictions in the same manner as Millerand abandoned the program of Saint-Mandé? Has the president of the "Sovnarkom" (the Council of the People's Commissars) at least had a hand in the outbreak of the war? No, not at all! For this reason they are not to be treated as sincere statesmen. A statesmen in the service of the workers and peasants is a monstrosity and above all an example to be avoided under all circumstances; such a statesmen is a living threat to the civilization of Schneider, Krupp and Armstrong.

But Genoa breeds still another danger. Directly or indirectly those present will discuss the great masterpiece of human genius, the Peace Treaty of Versailles, which has blessed humanity with eleven conferences, but which has given Europe no peace. Lady Macbeth-Poincaré can and should not permit this either. But even if the Treaty of Versailles is not discussed in Genoa the Keynes-Lloyd George ghost will never-

theless be present. The consequences of the war will also be dragged in at Genoa. There will therefore also be a chance to compare the official promises which were made by the bushel in the attempt to mislead the naive masses with the actual consequences of the war for "justice". And once they start with the chapter of the consequences of the war, the question of guilt may easily creep in. And the Poincaré of war and mobilization will certainly not permit that, as long as the revolting French people do not hang him on the nearest lamp post. Other reasons of high politics make the Genoa Conference particularly uncomfortable to the Poincaré of armed peace. Until now the policy of idiotic Poincaré had only one aim: the surrounding of Germany by its border countries and by Belgium, Poland, etc. According to the interpretation of Shylock-Poincaré the Rhine should always remain in French hands because of Germany's inability to pay. Perhaps the nations that have met in Genoa could not approve this unexpected conclusion drawn from the "war for justice". That is why the Poincaré of Fear prefers to stay at home. Wisdom is wisdom.

Poincaristic France is now playing a part on the world stage which is as tragic as it is shameless for the future of the country. Acting as it does in the capacity of the gendarme for capitalistic reaction and imitating the Austria of Metternich, France is weaving its own isolation from the civilized capitalistic world. It champions its candidacy for the hegemony of Europe by force of arms. But neither its population nor its economic resources permit it to play this part. It creates the impression of a child grasping for the club of Hercules. The France of the Bloc National and of Bankruptcy-Poincaré wants to obtain the hegemony of Europe on credit. But the Americans insist upon payment. And since France is not able to pay, the American sheriff can very easily sell this hegemony at auction . . .

And this insane policy will continue as long as the French people will leave the fools and murderers that rule them unmolested. The election of Marty and Bardina on the 26th of March show however, that the end of Imbecile-Poincaré is not as far as is commonly believed.

The Genoa Conference and Italy.

by Antonio Gramsci (Turin).

** One problem dominates Italian foreign policy: the establishment of Italian supremacy in the Adriatic and the annexation of Fiume and Dalmatia to Italy. The question now arises: What is the attitude of Germany and Russia to this foreign policy?

Before the war Jugoslavia was predominantly influenced by powerful Russia. Even to-day its existence is very closely connected with the fate of Russia, of course not so very much in connection with the form of government of the latter, i. e., not whether Russia has a feudal, bourgeois or proletarian government, but rather because it is the natural ally of the Slavic population in the Balkans. When Russia is weak, Jugoslavia is weak and this weakness permits Italy to extend its imperialism to the Balkans. This is furthermore the form of nationalistic propaganda in Italy, which at the same time is the immediate expression of the policy of the agrarian large landowners and the military caste.

Russia is a most serious competitor of Italian agriculture. Before the war Italy imported 1,600,000 tons of grain from Russia, and the great land owners were protected by the state by the imposition of an import duty to the extent of 3.75 lire per hundredweight. It is thus very natural that an impoverished, ruined Russia is in their eyes much more desirable than an economically efficient Russia which would be able to export its grain surplus.

In Italy the industrial workers are only-third of the entire working class. The other two-thirds are agricultural workers or peasants. Even the Italian Socialist Party was at the beginning more a peasants' than a workers' party. This also in part explains its divergences from a proletarian standpoint and its vacillating policy. The new attitude of the People's Party, the party of the Catholic peasants, has thus also obtained very great importance for Parliamentary politics as well as for Italian foreign policy.

As the civil war, which the large landowners deliberately commenced in order to carry on a large-scale offensive against the Catholic peasantry, spread and grew in intensity, the People's Party turned more and more to the left and the reaction of this changer in its attitude was very soon evident in Italian foreign policy. Premier Bonomi, who was in very large degree influenced by the People's Party, changed his attitude towards Russia and showed a certain inclination towards the reestablishment of re-

lations with Russia. This led him to take the initiative in Cannes for the convocation of the Genoa Conference.

The foreign policy of Benito Mussolini, the leader of the Fascisti is in complete agreement with that of Nitti, the representative of Big Business and high finance. These circles are interested in the coal district on the Black Sea. This explains why they display a very sympathetic attitude towards an international financial consortium for the capitalistic exploitation of Soviet Russia's resources. They thus hope at the same time to do good business and to obtain their own sphere of influence on the Black Sea.

All the vacillations of Italian foreign policy are caused by the intensification of the class war and the consequent disintegration of the social forces. It is thus necessary to give an exposition of the Italian situation, in order to illuminate the reactions in foreign policy which are therewith connected.

The trend to the left of the People's Party and the fact that several of its most prominent leaders, such as Deputy Meda, have expressed themselves in favor of this new political tendency have led to a split within the military caste, a large number of whose members are Catholics.

However, for the great majority of these groups the Conference has only this significance: the reintroduction of Germany into European economy. That also explains why circles are now supporting the Genoa Conference, who at first bitterly fought it and even employed it as a pretext for the overthrow of the Bonomi Cabinet. Among these latter the most prominent are the supporters of Gioletti, the Fascisti and the Nationalists.

Genoa and Czecho-Slovakia.

by B. Smeral (Prague).

** The foreign policy of Czecho-Slovakia is being conducted by two intellectuals who, no matter how great their popularity with a part of the public, are out of touch with both the economic and social realities of the country. Neither President Masaryk nor the Foreign Minister, Benes, have the backing of a regular political party or that of a social strata. The basis of their present position in Czecho-Slovakia is their personal, individual work of both a conspirative and military nature, carried on during the war in the allied countries with the purpose of bringing about a national revolution. This work brought them into close connection with and, as is very often apparent, dependence upon the powers that be in France. In their own country neither Masaryk nor Benes represent an influential party or a compact economic body, but are merely the exponents of French power and French influence in Prague. In this fact lies both the strength and the weakness of their position. They are all-powerful in employing the methods of secret diplomacy in their foreign policy as long as public opinion continues to believe that the existence of an independent Czecho-Slovak state is at the mercy of France and as long as every request from the Quai D'Orsay is blindly complied with without the offering of any criticism whatsoever. Their authority is fated to collapse as soon as the illusion of a community of interests between the French and Czech-Slovak States evaporates. In the meantime Prague dutifully follows in the wake of French official foreign policy. As this policy is here being made, however, in a small territory and at second hand, consequently more primitively, less refinedly and masked than in the Quai d'Orsay, we can very often perceive various French tendencies more clearly in Czecho-Slovakia than in the land of their origin.

In connection with this line of thought I shall cite a number of instances characterizing local preparations for the Conference of Genoa, especially with regard to the relationship with Soviet Russia.

As soon as the Genoa plan was conceived, Dr. Benes was summoned to Paris. He left on February 3rd and returned on the 25th. During this time he negotiated at first in Paris after which he left for London from whence he returned to Paris after a few days in order to lay his report before M. Poincaré. During the last days of his stay in the West, on the 21st and 22nd of February, negotiations were carried on in Bukarest where King Alexander of Jugoslavia had arrived to announce his engagement to a Roumanian princess. The king was accompanied by his Prime Minister, Pashitch, and the foreign minister, Nintchitch. After a conference between the Premiers of Jugoslavia and Roumania the Roumanian and Jugoslavian Foreign Ministers, the Czech-Slovak and the Polish ministers met in conclave. The Bukarest semi-official organ "Isbanda" describes the negotiations as "important" and goes on to say that "a thorough understanding with regard to Genoa has been arrived at between the representatives of the Little Entente, including the Polish minister", and "that it was decided to confer together in Bel-

grade on April 5th, to form a bloc in Genoa". A few days after his return from Paris, on March 1st Benes and the Yugoslavian Foreign Minister, Nintchitch met in Bratislava. The official report upon this meeting was as follows:—

"The objects of discussion were the technical basis of the Belgrade conference, the political and economic problems of Central Europe, the economic relations of the Little Entente towards Russia and, finally, the joint relationship to Russia and Italy".

The Hungarian paper, "Jovo", published on March 5th an interview with Masaryk in which the President used no uncertain language as to his opinion about both Communism and Soviet Russia as a state:—

"The illiterate masses should not be given the helm of a state. I think it impossible to realize the Communist conception of society".

On Russia itself the president had the following to say:—

"A state without a judicial apparatus, without courts and without civil laws can not be considered as a formation with governmental institutions."

The Belgrade conference, which was at first scheduled to meet on March 5th, took place from March 8th to 12th in the Officers' Casino as a "Conference of Experts". It was participated in by representatives of Czecho-Slovakia, Jugoslavia, Roumania and Poland. When it was adjourned, the Paris "Agence Havas" reported that "the Russian problems were solved to the satisfaction of all those concerned." Immediately after the Belgrade conference, the conference of the Baltic States met in Warsaw on March 15th, with Poland participating. These are the superficial events during the last month, all of which are so many indications of a diplomatic movement whose wire-pullers sit in Paris and the leading parts in which have been intrusted to Warsaw and Prague.

Let us now consider the facts, not the appearances of the official Czech-Slovak policy towards Soviet Russia and try to ascertain what we can expect from that policy in connection with Genoa.

In normal times Dr. Benes has been playing with two cards in the Russian game, an attitude that corresponds to the equivocal nature of his position. While on one hand both the labor movement and the industrial interests in Czecho-Slovakia categorically demand that the state pursue an Eastern policy, we see on the other hand that Masaryk as well as Benes are blindly dependent upon Paris. Genoa compels them to show their colors. The official policy of Prague is beginning to show its true face. At the decisive moment its two leaders have proved themselves conscious exponents of the French anti-Russian policy. They have discarded the duplicity which was so thoroughly organized that even in the personnel of the ministry for foreign affairs a "division of labor" was effected under which the Chief of the Russian Department, Dr. Girska, advocated a policy more favorable towards Russia than that connected with the name of Dr. Benes. I shall endeavor to outline the arguments advanced in favor of the present anti-Russian course, steered at France's command, which we will undoubtedly meet again in Genoa.

As soon as Dr. Benes received intimation of what were M. Poincaré's wishes he had his press launch a campaign against Genoa. From the very beginning the papers advocated a postponement of the conference and the exclusion of all political problems and manifested an especially great nervousness in everything pertaining to the Russian question. The tenor of the government press (including the Social Democratic papers) at the time of Benes' visit to Paris (Feb. 10th) is a proof of this assertion, as may be seen from the following paragraph:—

"Today the foreign policy of Czecho-Slovakia is confronted with a different situation than last year. For meanwhile the conferences of Washington and Cannes have taken place. At present Genoa is the political center of interest of the endeavors to reconstruct Europe. And though Czecho-Slovakia is interested in Europe's economic rebirth, we are looking forward to Genoa with a sceptical mind, fearing that there will be room for political intrigues. We are afraid that plots will be concocted behind the scenes in Genoa; we also think it likely that the serious work for economic reconstruction of the mass conference of Genoa will merely lead to empty theories and dangerous political experiments."

Another cause for the unrest of the government press is the fact that Genoa is alleged to be a "peace conference", a term that has already come into vogue in Germany and Russia. After the first few days of his stay in Paris Dr. Benes ordered his press to use especially strong language against England. As an instance I cite the leader in the February 10th issue of "Cas", a paper founded and subsidized by Benes:—

"There is yet another thing we view with apprehension. It appears to us that Great Britain entirely overlooks

the dangers which might result from her policy towards Germany and Russia. Great Britain remains indifferent towards the German endeavors to penetrate Russia economically. We doubt if it serves English interests to prepare for a new German-Russian alliance and allow the Germans to build a new bridge to the English possessions in Asia."

The unconditional invitation of Germany and Russia to Genoa decided upon in Cannes is decried by the Benes press as "too hasty". Europe, it is alleged, is not prepared for decisions of so far-reaching importance—"neither psychologically nor actually". Russia, the papers go on to say, has not yet given serious proof of her intention "to feel herself bound by international agreements and laws", but on the contrary "propagates the world revolution"; she looks upon the defeated governments, no matter what their mode of government, as "her natural allies" in consequence of which "the revanche idea becomes part and parcel of the idea of the world revolution." Meanwhile the government press of Czecho-Slovakia does not cease to voice its misgivings regarding the English policy:—

"A plan has been conceived in England to cut down German reparations. England is also the home of the theory of the necessity for a weak Russia which leads to the idea of supporting a Bolshevik Russia."

At a time when it was already certain that Genoa could not be frustrated, the Benes press advocated the following formula:—

"We accept every economic discussion on the reconstruction of Europe which will not be utilized for political intrigues. Hence we are for postponement."

When Benes returned from Paris and London the press of the Czech-Slovak government parties summed up the situation as follows:—

"The immediate danger for us has been averted. Dr. Benes' trip has frustrated all attempts on the part of Russia to widen the conflict between France and Great Britain; it has also accomplished unity between the two states in Boulogne. It is furthermore to our credit that peace treaties and reparations will not be discussed at the Genoa conference, because if the reverse were the case, the Soviet delegates would in the course of such discussions take occasion to gain the sympathies and the support of the defeated states. The conference will merely treat the economic aspect of the Russian problem leaving its political side untouched and deal with the 'guarantees' for trade connections with Russia."

These arguments will suffice to characterize the *real* official Czecho-Slovak policy towards Soviet Russia.

This relationship is determined by the personal connections between Masaryk and Benes and the French powers that be, which date from the time of their stay in the Allied countries during the war. But does this standpoint correspond to the economic interests of the country? Most emphatically, no! And in this fact lie the limitations of the anti-Russian policy. Economically seen, Czecho-Slovakia is in very much the same condition as England. Her industrial apparatus would be too great for 60 million people while she has only a population of 14 million. This discrepancy results in a crisis of production, in unemployment and, finally, in the urge towards the East; all of which are the reasons for the (relatively speaking) great strength of the Communist Movement in Czecho-Slovakia which is propagating for a Russian orientation so intensely that the President himself must conduct a counter-agitation, as was shown by his interview to the Hungarian paper "Jovo". Even an important section of the industrialists is taking exception to the French-inspired course of Benes' policy. There are already even some organized groups of factory owners who find fault with Benes, because he has not even concluded a trade agreement with Russia. A part of these rebels seriously consider the plan of entering upon trade connections with Russia on their own accord, if Benes should in Genoa estrange the republic even more from Russia. Another section (principally in Northern Bohemia) is debating the question of participating in the orders which Russia is about to give to an industrial group in Germany. The rather poor results of the recently ended fair which was this time completely handicapped by the drop of the mark and by the Leipzig fair, have given added impetus to these tendencies. Many discussions have been going on recently in industrial circles with regard to the Königsberg fair which Germany is said to have arranged in conjunction with the Russian People's Commissariat for Foreign Trade.

Apart from these purely economic considerations doubts are beginning to gain ground among large non Communist sections of the population as to whether or not the "strength" of France and the "weakness" and "disruption" of Soviet Russia really justify the continuation of a one-sided French

foreign policy, as purposed hither—to by Masaryk and Benes. Even bourgeois papers publish dispatches from Riga to the effect that the Baltic states do not underestimate Russia and are more inclined to come to an economic understanding with her than to put their hopes into the capitalist states of the West. Reports of this nature naturally induce a critical survey of the situation in Prague. Oppositional tendencies are making themselves felt that endeavor to hinge the official foreign policy at least upon England instead upon France. Benes was very ill-advised when on the occasion of his trip to Paris and London he had his papers write that he had gone there with the purpose of “conciliating Poincaré and Lloyd George”. The government press wrote in childish and ridiculous exaggeration that this “aim” of the trip had been “fully accomplished” and that Benes the intermediary between France and Great Britain was entitled to a place among “the greatest men in Europe”. On February 20th, the day on which Benes left London for Paris Lloyd George's organ, the “Daily Chronicle”, addressed the following remarkable admonition to Dr. Benes and his whole Czech-Slovak policy. After calling to Benes' attention that always to stay under the influence of Paris could not but cause very grave results, the paper continues:—

“Benes has understood the necessity for the reconstruction of the economic unit which was broken up through the war and the downfall of the Habsburgs. By favoring the loan for Austria and assisting in abolishing the cumbersome border formalities between Austria and Czecho-Slovakia, Dr. Benes has proven himself a capable statesman. Will he be wise enough to understand that what was essential for the group of victors and vanquished within the territory of the former Hapsburg monarchy is no less essential for chaotic Europe of which the successor states are but a part? From Porto Rose to Genoa it is but one step that augurs just as well and is no less essential. In neither of these steps is a germ of danger for the foundations of right on which the Republic of Czecho-Slovakia was founded; they would on the contrary only tend to strengthen these foundations. The task of Czecho-Slovakia in the Europa of the future is not to act as the vassal of a single great power, but that of an homogenous member in a compact unit. Thanks to its industry and its geographical position, that of a very important member, destined to play a leading rôle in restored and reconstructed Europe. Apart from this task there is no other alternative but general chaos which will engulf the whole peninsula from the Urals to the Bay of Biscay and which will especially severely affect and industrial country like Czecho-Slovakia.”

If the ambitions with which Paris has imbued the Foreign Minister of Czecho-Slovakia are fulfilled and he can step forth in Genoa as the spokesman of the Little Entente and Poland (comprising 60 million people, as the Prague papers proudly point out) he will have to step very mincingly for the ground under his feet will be neither solid nor safe. Jugoslavia and Roumania who dominate the Little Entente because of their greater population are primitive agrarian states whose economic interests are differ entirely from those of over-industrialized Czecho-Slovakia. They are, perhaps, in a position to support the French policy towards Russia (France with her colonies is still principally an agrarian state), while Czecho-Slovakia (whose economic structure resembles that of Great Britain) can under no circumstances whatsoever do this. Benes and Nintchitch must have had their reasons for issuing the following denial after their conference in Bratislava on March 1st:—“On the basis of very precise information we are in a position to deny most emphatically all the rumors which have been circulated, especially during the last days, to the effect that differences of opinion have arisen between the governments of the Little Entente who are in full accord both upon trade negotiations with Russia and the Genoa Conference together with the preparations necessary for it.”

To find a common platform for the official policies of Poland and Czecho-Slovakia will prove even more difficult than to smooth over the differences within the Little Entente. Poland's most important and acute problem is the stabilization of her Eastern frontier. Hence she must, contrary to Czecho-Slovakia, insist upon other than purely economic matters being discussed in Genoa. This line of development will lead to a *de jure* recognition of Soviet Russia, a plan against which Benes and Poincaré are endeavoring to influence public opinion. There can be no question whatsoever of the Baltic states seconding Benes. These states whose relations with Poland are rather strained are faced with the alternative either of concluding an alliance with Russia or at any rate keeping on friendly terms with her. Whenever Dr. Benes attempts to get these states under his sway he will be with his head altogether in the clouds without any knowledge of the real conditions in his own country.

All these things considered, it can safely be said that the situation in Czecho-Slovakia is ripe for a well-planned action

of the proletariat with the view of doing away with the one-sided French orientation and altering the course of the foreign policy. Even within the bourgeoisie we notice the steady growth of oppositional forces demanding that criticism be applied to France and that English methods be approached. The Communist Party which counts upon the bitter feeling prevailing among labor as a result of the economic crisis and the consequent unemployment has launched a campaign for a Russian orientation of foreign policy. Apart from the struggle against wage reductions the demands for economic and diplomatic relations with Russia and for an alliance with Soviet Russia are at present the most important and effective slogan of the newly built up united front of the proletariat in Czecho-Slovakia.

Japan and Genoa.

Sen Katayama.

** Japan is invited to the Genoa Conference. The chief aim of the Conference is to discuss the economic and financial reconstruction of Europe, in which Japan has no direct concern. Any conference that discusses the economic reconstruction of Europe without America will hardly get any substantial result, so the opposition in the Japanese Diet criticised the government for its taking a part in the coming Conference. To this Foreign Minister Uchida replied, giving the government's reasons for accepting the invitation:—

“Of course, Japan has no direct relation with Europe but at this Conference it is so arranged that Russia is to take part. Japan is extremely interested in the Russian problem, therefore, disregarding whether America takes part or not it has been decided that Japan take part in the Conference. If the Russian problem is only one of the development of her resources, then it may impossible to solve it without America's participation or American capital but as the Russian debts will be discussed in the Conference it is necessary that Japan should take part. I think that the Conference will not be entirely influenced by the American position. America's non-participation will have a great influence on the Conference but without it I think that we can nevertheless obtain a fair result.

“As a result of this Conference we will in reality have to recognize the Soviet government I think, but if it fails things will be the same as they are today. To permit Russia in the Conference is not to have recognised the Lenin government. Although the Genoa Conference is a financial and economic conference yet it is not objectionable if its agreements become political. At all events, if the Lenin government adheres firmly to Communism the matter may be different, but for the agreements of the Genoa Conference to be satisfactory Russia must give up the principle hitherto upheld and then there is no impediment as to our recognizing Russia.”

As to the so-called Nikolaievsk affair the Japanese Foreign Minister has the following to say:—

“The Moscow government recognizes the Far Eastern Republic and a representative of the Far Eastern Republic may also be present at the Genoa Conference. In the future the Far Eastern Republic and the Soviet government may unite. Then it is our desire to open negotiations as soon as possible.”

Thus the Imperial Diet decided on February 17th to participate in the Genoa Conference and voted 201,000 yen for expenses. It is also noteworthy that in this matter all the parties have supported and voted the appropriation and from the tone of the discussions in the committee they are quite optimistic as to the possible results of the Conference.

From the words of Foreign Minister Uchida we can conclude that the reasons for Japan's acceptance of the invitation to the Genoa Conference is that Russia is to take a part in the Conference Everybody admits that America can help Europe's economic reconstruction and Russia's economic development, but America wants to help them in her own way, in a miser's way in regard to Europe and in a capitalistic manner in regard to Russia. Thus it is possible that the outcome of the Genoa Conference will be very insignificant, but it is a great victory for Soviet Russia. The enemies of Soviet Russia have been beaten in the economic struggle and have confessed their inability to reconstruct Europe economically without Russia, by the act of inviting Russia to the Genoa Conference.

At last Japan finds herself mistaken in her Siberian as well as Russian policy and for the first time Japanese militarists have realized the futility of helping the reactionary generals of Czaristic Russia. This means a great moral victory for Russia over Japan. This is not only a victory for Soviet Russia but also for the Japanese masses, because the militarists of Japan have lost the entire confidence of the people on account of the Siberian affair.

The Prinkipo Island Conference was intended to help Koltchak and other reactionary Russian generals who were then fighting against Soviet Russia, it proved to be of advantage to Bolshevik Russia — at least Lenin and Trotsky made it so. Thereupon so the Allied statesmen ignominiously dropped the Prinkipo Conference. The present Genoa Conference is called to assist the European situation. One reason why the capitalist powers are ready to invite Bolshevik Russia is based on a mistaken conception of the new economic policy of the Soviet government. They think or try to think that the Lenin government's Communist policy has entirely failed and that now Lenin has changed his policy and is rapidly returning to capitalism, so that Russia will soon become a capitalist country like the other Western European countries. Yes, Lenin has adopted capitalism in Russia. Private enterprise are allowed; free trade, profit-making industry and trade are permitted. So far it is capitalism, and the interpretation of the Allied statesmen is correct. But this is not all. There is one important factor still, which the Allied statesmen ignore or did not know, namely, that Russia's present capitalism is unlike that of Western capitalism as conceived by Lloyd George and others—it is a *capitalism under Soviet rule*, Capitalism under the rigid control of the Soviet government of the workers and peasants. Not only that but the present Soviet government is a party government and that government party is the Bolshevik Party, the Communist Party, which is the moving spirit of the Communist International.

The Allies have invited Soviet Russia to the Genoa Conference because they think that they could induce Russia to agree to pay the Czarist government debts, which were used to oppress the people and crush the movement for freedom. Well! Russia may give a promise to them to pay. That is all she could do now. Anyway she is now the master of the situation. It is her own pleasure to do whatever she likes as to the old Czarist debts. The Allies tried to get them by force and by aiding the reactionary generals and they failed utterly in every attempt. Now they invite Soviet Russia to the Genoa Conference with due respect and consideration! The only hope they seem to have is that Lenin has failed in Communism and that he is now adopting capitalism in Russia and will soon return completely to the old capitalism or will soon be overthrown by the newly created capitalism. But they will be disappointed in all these expectations.

To-day Russia is stronger than ever since the November revolution. She has driven out all the reactionary generals and all the White Guards even from the Far Eastern territories. Soviet Russia is far stronger than France at the time of the Congress of Vienna. Soviet Russia has far better statesmen in Lenin and in many others than Tallyrand, and the Holy Alliance of the present, the League of Nations, is far weaker and the promoters of the League of Nations have confessed it long before this.

Now Japan's position is somewhat similar to that of Italy at the Berlin Congress just after the Crimean War. But Japan has no Cavour. Japan, however, has gained in financial influence during the late war, but she has since been losing her export trade more and more. During the war Japan exported over four billion yen over imports. Her gold increased eighteen hundred million yen and reached a total of twenty-one hundred and seventy million yen. But in reality this means nothing but a change of goods to gold, for now Japan lacks every necessities of life. Her rice is short, houses, electricity, transportation and everything that is necessary for life are lacking and prices are exceptionally high. The foreign trade balances have been unfavorable for the past two years. The people are dissatisfied with their conditions.

Thus Japan is in no better condition than before the war. She needs the recovery of her foreign trade, but unless the economic adjustment of the world, especially of Europe and America is realized, the purchasing power of Europe will not be increased for a long time to come. Capitalism has no power to adjust the economic condition of the world even if one hundred conferences are held. The Genoa Conference will not bring any big blessing to the impoverished countries of Europe. If anyone gains by the Genoa Conference it will be first of all England, because England is in a far better financial position to-day than since the war and the armistice. The exchange value of the pound sterling has risen almost to normal; she has apparently solved the troubled Irish question and skilfully suppressed Egyptian national uprisings at least for the present. What England wants is a foreign market in Russia and in other parts of the world. She will play an important role in the Genoa Conference and will come out a temporary victor over France, because she may be able to make some compromise with the German capitalists and open a way to extend her influence in Russia. This, however, does not mean that Russia will lose anything,

because as I said before Russia's position is impregnable as tested by the experiences of the past four years. Her inner condition has been improving inspite of famine and blockade. The adoption of the new economic policy has greatly strengthened the position of the Bolshevik government and production is rapidly increasing in every sphere of industry. Her currency question is apparently grave but the Soviet government has nothing to lose by the present currency system. Unlike the French revolutionary government, Russia of to-day has no better money than the Soviet roubles and her people must use it whether they like it or not. All the foreign trade must be carried on as in any other country by gold bullion. Soviet Russia's condition will improve faster than any other country's. What Russia needs today is transportation facilities and increased production.

Thus Soviet Russia is in a powerful position and she will go to the Genoa Conference better prepared to meet her enemies than anybody else. The Vienna Congress of 1815 assured the French revolution, the bourgeois revolution, and the Genoa Conference assures Russia her Bolshevik Revolution!

Genoa and the Netherlands.

by Gerard Vanter (Amsterdam).

** While the Conference of Genoa was a centre of discussion in the French and English parliaments and prominent politicians emphasized at least the principal points of their policies, up to the present the Dutch government has done all it could to preserve a mysterious silence. Very recently the newspapers published a solitary bit of information—the names of the delegates. Of course this was no small matter. Jonkheer Ruysch de Beerenbrouck, Prime Minister and Jonkheer van Karnebeek, Minister of Foreign Affairs, are going in their own high persons. As for the standpoint which these noble gentlemen will represent at the Genoa Conference, the citizens of Holland needed no detailed information. In fact they did not at all demand it. Neither the bourgeois nor the Social Democratic deputies in Parliament even thought for a moment of demanding any information upon the subject. And thus we would have learned nothing if not for the fact that Comrade van Ravesteyn threw a bit of light into these shadows by his interpellation.

In a number of questions he demanded a statement as to the plans of the Dutch government as well as upon the negotiations of the so-called preliminary conference of the "neutrals" which recently took place in Stockholm. In a brilliant speech in which he branded the secret dealings of the government, he pointed out that Western Europe is hopelessly doomed if the Treaty of Versailles is not radically revised and if commercial relations with Soviet Russia are not completely reestablished. He especially pointed out that German industry must collapse if the conditions of Versailles remain unchanged. He showed that the results of this treaty are becoming more and more evident in Holland as can be seen from the increasing unemployment and the complaints of Dutch industry which as a result of the low exchange in most foreign countries is compelled to close down factory after factory and has been brought to such a pass that among the capitalists (and unfortunately among a large part of the workers) the pressure for protective tariffs, which of course will not be able to relieve the coming crisis, is making itself more and more noticable. Basing his statements upon an article by Herr von Braun, president of the National Economic Council of the German Republic, he pointed out that Germany is threatening to curtail the importation of luxuries, among others tobacco and coffee, which will also be of momentous significance for Dutch commerce. He agreed with the Italian Premier Nitti who declared in his book, "Peaceless Europe", that the question before the modern countries is simply how to oppose the decay of all nations. As for Russia he declared that the necessity for the reestablishment of commercial relations is just as great for Western Europe as for Russia itself.

Minister van Karnebeek replied in his usual sphinx-like way in a long speech devoid of meaning. If we should summarize the contents of his speech, we may say that it ran about as follows:—

"I can say nothing as to the Genoa Conference because I know nothing about it. As for the preliminary Conference of the neutrals, I will say nothing because I do know something about it."

He had not even received an answer to his special request for more detailed information upon the agenda of the Genoa Conference. This very clearly demonstrates that the neutrals will have very little influence at the Conference and van Ravesteyn very correctly spoke of the passivity of the Dutch Government. He then moved that the Parliament call upon the Government to work in Genoa for the reestablishment of commercial

relations with Soviet Russia and for the radical revision of the Treaty of Versailles.

The attitude of Troelstra, the leader of the Dutch Social Democrats, in this connection was characteristic. The usual hypocrisy of the social-patriots over the "rape" of Georgia, in order to terrify the Dutch Philistines in Parliament against Russia. Furthermore, he was impudent enough to attack the Soviet representatives in Genoa. As for the international consortium for the exploitation of Russia, it was his opinion that the Russians should agree to it (!). He and his comrades would also vote against the motion of van Ravensteyn, for the Dutch delegation should not go to Genoa with its hands bound (!).

Comrade van Ravensteyn revealed that this attitude of Troelstra was sharply opposed to that of his foreign comrades; even the British Labour Party had expressed itself in accordance with van Ravensteyn's point of view. The motion was rejected by an overwhelming majority. Naturally, the Social Democrats voted against it.

The Russian Border States and Genoa.

by L. Domski (Warsaw).

** The Warsaw Conference of the Baltic states which took place in the middle of March was considered by the Russian Soviet Government as an unfriendly act against the Soviet Republic. The indignant protest of the Polish and other governments participating in the conference were no doubt sincere in so far as the interests of the Baltic states in no way demand a new intervention against Soviet Russia. On the contrary, a number of unsettled questions (such as the question of the eastern frontiers not yet settled by the Entente and the old Czarist debts which the Entente and especially France desire to extort from the Border states) compel these states to cooperative with Soviet Russia. And nevertheless the charge was entirely justified because the Baltic conference was purposeless without the participation of Russia and could not adopt any important decisions without it. The fact that Russia was not invited to the conference at once was due to bourgeois or rather petty bourgeois shortsightedness which was unable to resolve upon the invitation of hated proletarian Russia to the conferences of the bourgeois states upon an equal footing. This conceit was also punished, for the Warsaw Conference as we shall see was practically barren, as the official enthusiasm of the government papers could not conceal. These, as for instance the "Kurjer Polski", go so far as to maintain that the Warsaw Conference greatly exceeded the expectations placed in it.

What agreement could the Baltic governments come to without Russia and against Russia? Was it perhaps considerations of self-defence which could lead to a political and military agreement between the Baltic states? The whole world knows, however, that Soviet Russia in no way threatens the independence of the Border states; that on the contrary the overthrow of the Soviet government and the restoration of capitalism in Russia would inevitably lead to the revival of Russian imperialistic ambitions. On the other hand it is just as well known (or the course of events will soon cause it to be understood) that in the extension of commercial relations between Russia and the Western powers the latter must attempt to get control of the passages to Russian territory and thus will undermine the independence of the Border States, above all Esthonia and Latvia. It will then be in Russia's own interests for her to maintain the independence of her Western neighbors intact. In this state of affairs a military alliance of these states against Soviet Russia under French influence would be stupidity. And if Poland and Finland aim at such an alliance, the capitalist interests of these countries are least interested therein. It is only the military cliques who—in Poland apparently democratic, in Finland openly reactionary—would like to raise their foreign credit by new military adventures in Karelia and Soviet Ukraine. Capitalist circles are sharply opposed to these machinations and thus the Baltic conference was sceptically and coolly received by the Polish bourgeois (National Democratic) press.

As far as our knowledge of the political and military agreements of the Warsaw conference goes, these are confined to mutual obligations of "benevolent neutrality" in case of an unprovoked attack by a third party. A rather insignificant fruit of three days debate.

The economic agreements are just as hollow and empty. According to these latter all the participating states agree to conclude commercial treaties with one another within . . . a sort time. This modest result of the commercial discussion shows that the Border states were not able to come to much of

an agreement on this point. They are of little importance for one another as markets; on the contrary they are all dependent upon the Russian market for their reconstruction. Thus Polish industry which for many reasons is not able to compete in the Western markets sees in Russia its only salvation; and Lettish industry, which has only arisen upon the basis of the Russian market and without sales to Russia would not only be quantitatively infinitesimal, but would also qualitatively (in so far as its concentration is concerned) fall into decay even more, sees in Russian market its only escape from the present crisis. As far as transit trade to Russia is concerned the Border states have also no mutual interests. They are competing with another and all desire to obtain for themselves alone a connection with Russia. In this race Esthonia and Latvia are way ahead of the other Border states.

The conference of the Border states could perhaps have had as its aim the settlement of frontier difficulties and questions of national majorities. But the absence of Lithuania, whose dispute with Poland is actually the main point at issue, very clearly shows that the settlement of the really serious conflicts was not to be accomplished at this conference. Furthermore, the differences between Poland and Latvia which are of comparatively little importance and were only of greater significance because of the social character of the Polish minority (these are mainly Junkers who are threatened by the Latvian agrarian reform laws), will also scarcely be removed by the Warsaw agreements since the hostile attitude towards the Polish Junkers is one of the necessities of Latvian domestic politics.

The aimlessness of their conference finally became clear to the participants and they attempted to remedy matters by the invitation of the Soviet representative in Warsaw, Obolenski. The firm attitude of the Soviet Government which did not care for a halfway agreement then led to the calling of the Riga Conference.

It is a sign of the times that although two years ago Soviet Russia had to make sacrifices of blood and life to break through the iron ring of its enemies, it now can attain this by the employment of diplomatic methods. Of course the former state of affairs can yet return, when the Western neighbors of Soviet Russia again feel themselves gravely manaced by the rising red wave at home. At present they are in a more hopeful mood thanks to the "new policy" in Russia and the economic difficulties of the Soviet Republic; they leave the fight against Communism to their ministries of the interior and pursue their "peaceful" interests of exploitation. If France counted on again employing her Border vassals in the thankless task of putting military pressure to bear on Russia, this plan failed this time even more miserably than at any time in the past.

Jugoslavia.

A glance at her domestic and foreign policies on the eve of the Genoa Conference.

by S. M.

** Jugoslavia is the most reactionary member of the reactionary Little Entente. That is unequivocally born out by her domestic as well as by her foreign policy. Within the country, the Jugoslavian government has introduced the brutal regime of the White Terror; the notorious anti-Communist law puts Jugoslavia out of the pale of civilization. Mere membership in the Communist International is considered as a crime and punishable. Towards the Croats and Slovenes the government of the kingdom of the Serbs, Croats and Slovenes, is pursuing a policy that gives an all-around advantage to the hegemonic tendencies of the Serbian bourgeoisie. This policy has given rise to a general national discontent, which must sooner or later result in an eruption. The foreign policy of Jugoslavia fully corresponds to her domestic policy. Jugoslavia stands in a semi-colonial relation to Allied imperialism, particularly to French imperialism, in whose sphere of influence Jugoslavia is included. This relation comes to light in the question of resuming relations with Soviet Russia. France exploits the circumstance of the Little Entente's financial dependence for the purpose of transforming the Balkan and Danube countries into an operating base against Soviet Russia. The most servile exponent of this scheme was Jugoslavia. It even went as far as becoming the main operating base for Wrangel's army. Wrangel himself and his general staff have recently entered Belgrade in a special train placed at their disposal by the Jugoslavian government and was immediately received by the king in solemn audience that lasted several hours. Jugoslavia has thus formally

become the center of counter-revolutionary activity against Soviet Russia.

In Yugoslavia Wrangel commands a well-outfitted army (with French and Yugoslavian aid) which is ready for any counter-revolutionary action within the country as well as without. In spite of the most laborious efforts of the Yugoslavian government, this action of supporting Wrangel's army has received no applause from the Yugoslavian populace. On the contrary. Not only are the workers and peasants of Yugoslavia against intervention in Soviet Russia, but they are even ready to prevent it by force, in case it is undertaken. Even the Yugoslavian government is conscious of this fact. And under the pressure of this consciousness Nintchitch, the Minister of Foreign Affairs, recently declared in Parliament that the Yugoslavian government did not entertain any warlike plans against the Russian people, even though they were at present being ruled by the Bolsheviki (This was intended to calm down public opinion stirred by Wrangel's arrival). This statement, which is in some degree an admission of the Pan-Slavic tendency of public opinion, is really another attempt to delude public opinion as to the counterrevolutionary preparations that are in full swing. Such is the value of this statement. But this official declaration of the Yugoslavian government is *per se* of great significance, for it is the first time that the Yugoslavian government felt itself compelled to hide its outspoken anti-Soviet Russian and counter-revolutionary intentions. But the Yugoslavian workers and peasants will not let themselves be deceived; they will intensify their untiring struggle against the Yugoslavian government and make an end to all counter-revolutionary machinations. In view of these facts, it will be very difficult for the Yugoslavian government actively to participate in an eventual intervention against Soviet Russia, even if the French apply their maximum pressure. For the Yugoslavian government knows very well that such an adventure would be the beginning of the end of bourgeois rule in Yugoslavia.

It is not altogether improbable that the Yugoslavian bourgeoisie will very shortly actually have to give up all its adventurous plans. The French policy pursued by the ruling Serbian bourgeoisie has suffered a series of failures. The policy of bourgeois opposition, particularly in Croatia and Slavonia, therefore tends towards the English camp, for as against the Serbian bourgeoisie, the Croatian and Slovene bourgeoisies have no direct economic interest in the execution of the peace-treaties. For example, the Croatian and Slovene bourgeoisie is in favor of resuming relations with Soviet Russia, whereas the governing Serbian bourgeoisie is outspokenly against it. This unfriendly attitude on the part of the Yugoslavian government may also be explained by the fact that Yugoslavia, being an agrarian country, has momentarily no economic interest in the resumption of normal relations with Soviet Russia. But such is not the case with the leading member of the Little Entente,—Czecho-Slovakia. The contradiction between the French policy pursued there, and the actual economic situation, which cries for the resumption of relations with Soviet Russia, may be clearly seen in the arbitrating role played by Benes, between Lloyd George and Poincaré. Benes wants to negotiate with Soviet Russia without recognizing it. Such is the Czecho-Slovakian standpoint that seeks to smoothen out the above-mentioned contradiction. Yugoslavia has not yet officially voiced her attitude towards this Czecho-Slovakian formula. Up to the present, the Yugoslavian government has only officially announced that it leaves the question of her relations to Soviet Russia, to "our big Allies". This official forbearance of all self-dependence in the solutions of so important a question is very characteristic of Yugoslavia's relations to her "big Allies".

Jugoslavia has gone to the Genoa Conference with her hands tied. In no question whatever, has it any definite, independent viewpoint. The ruling bourgeoisie has surrendered itself to the mercy or mercilessness of French imperialism, and should it come back from Genoa with another failure to its discredit, it would only accelerate the bankruptcy of Yugoslavia and contribute to the clearing of the domestic confusion.

Genoa and the Scandinavian Countries.

by Smohlán.

** The Scandinavian countries are looking towards Genoa with mixed feelings. The organs of the Swedish financial and commercial world and those of the Norwegian Conservatives, are writing on the prospects of the Genoa Conference in pessimistic tones, whereas the Social Democrats seem to be much more optimistic. Both countries of the Scandinavian peninsula

are well under way towards a trading treaty with Soviet Russia; in Norway we even hear of Soviet Russia being recognized *de jure*, in order to secure the sale of fish. In Sweden where at least 20,000 people derive their incomes from the Russian orders, the Social Democratic Government is taking great pains to conclude the agreement already drawn up. Not so very long ago the head of this government was traveling about as England's agent during the world-war period, and after the victory of the Bolsheviki he propagandized for armed intervention into Russian affairs by the Allies. But times have changed. This sly fox, who rivals Lloyd George in the art of changing his opinions, has a good sense of direction, for he understands full well that an approach to Russia might keep his party in power for a while longer. Now, the Premier and Minister of Foreign Affairs, Branting, together with an old arch-reactionary professor and a very rich and anti-labor bank president, have been entrusted by the Social Democratic Government with the task of protecting the interests of capitalistic Sweden. His own press is overjoyed with this particolored delegation, and it writes that "Branting-Trygger are a guarantee for continuity with the League of Nations". "And what is still better: the Swedish workers have their special representative in the person of Thorberg, the president of the Trade Union Federation. It is a good choice, and may it serve as a good omen for the extremely difficult, delicate and at the same time very important work of reconstruction that is about to begin at Genoa." Another proof that the masters are self-satisfied in the choice of their lackeys, may be seen in the utterance of the London *Westminster Gazette*:—

"There is reason to hope that if Professor Cassel (an expert) actually comes to Genoa, his presence at the conference will lend to it some of the farsightedness which he always displays in his treatment of money problems."

The bourgeois radical Government of Norway, which owes its existence to the 27 Communist members of Parliament has selected a few ministers and a number of experts among them our Comrade Ole Lian, (president of the Trade Union Federation) whom it has sent to the conference in the capacity of experts. "Mr. Lian has special sympathies for Moscow", writes the leading Conservative sheet. Denmark will be represented by a bank president. It really makes no essential difference by whom this fruitful country be represented as long as England buys its butter and eggs. Its reactionary peasant government has more important matters to take care of. It furnishes material aid to the employers, in the latter attempt to deprive the workers, who are being led by the nose by the "strongest Social Democratic Party in the world", of the positions acquired by them a long time ago.

Finland of the White Terror is sending its former Premier Professor Erich, its ambassador in Paris and a Social Democrat who is the head of the cooperatives. In order to discuss the possibility of a united front of the neutral countries, Branting recently called a conference at Stockholm. All that is known of this conference is that, "in all questions taken up, the conference was generally in accord". The reports are not very illuminating. "They mask of reality in the ambiguous cloak of diplomacy and the public knows as much non as it did before", writes the Norwegian "Tidens Tegn".

The "Handelstidningen", the organ of Swedish finance writes as follows: "It requires an optimism verging on the sickly, to hope that the Genoa Conference will succeed in formulating a definite plan for treating the Russian problem. Lloyd George with his shattered position will not be the dominating figure in Genoa; it will be one who is not there — Poincaré".

"No constructive forces can be detected in the advice of the politicians. In all silence the foundation is being laid for new structures in place of those that have been swept away by the storm. One fine morning, this new structure will be visible to all. New forces will take over the tasks which the old art of government was unable to fulfil.

"The old forces are exhausted and they persist in powerless sterility. The art of confusion is still theirs, but not the art of cooperative efforts. The total barrenness of the old system will one day reveal itself to every one".

We Communists agree with these sentiments, although under the expression "new forces" we understand something different from what the Swedish professor means when writes on politics.