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Max Salzman

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The Revolutionary Struggle Against Imperialist War

By H. M. WICKS

The recognition on the part of Communists that the question of the imminence of another world war is the central problem of the day places sharply before us the question of revolutionary tactics in the struggle against imperialist war. August 1st has been set aside by the Communist International as a day of strikes and mighty mass demonstrations in every country in the world against the threats of the war-mongers. This fifteenth anniversary of the outbreak of the last world war is a day of world-wide mobilization of the masses against capitalism, a challenge to the capitalist states of the world that are driving relentlessly toward another world war.

In sharp contrast to the revolutionary position of the Communists is the preparations of the social-democrats for observance of the fifteenth anniversary of the world war. They have set aside August 4th for their celebrations. That is the anniversary of the day on which the socialists in the German reichstag voted the war credits demanded by the government of the Kaiser. The day on which those parliamentary leaders who were charged with the task of defending the interests of the working class against the imperialists, deliberately betrayed the workers and aided the government and its police drive them into the slaughter house. This act of treachery, this going over to the camp of the imperialists, was duplicated by the social-democratic leaders of France, of England, Austria-Hungary and a considerable section of the Russian social democrats. When the social democrats observe the Fourth of August, they celebrate the anniversary of their perfidy to the working class. They call August 4th "International Peace Day." The very designation of the day is a contemptible deception practiced upon the working class. In face of the world-wide preparations for imperialist war they deny the existence of the war danger. From MacDonald to Hillquit the social-democratic leaders hail the Owen D. Young reparations agreement as a herald of peace, when in reality it means a further consolidation of the imperialist united front against the Soviet Union. The social-democrats talk of growing "understanding" between Britain and the United States, in spite of the fact that these imperialist giants are waging relentless
economic struggles in every part of the world and engaging in frenzied armament races in preparation for the day when diplomatic intrigue will no longer suffice for their struggles against each other but will give way to open warfare.

In this situation the Second International is an active aid of the capitalist states by trying to confuse the masses with pacifist phrases and openly assisting the bourgeoisie organize an anti-Bolshevik bloc. The social democratic international and all its sections have been placed at the disposal of the imperialist powers in their campaign against the workers' and peasants' government of the Soviet Union. The social-democratic press has become a publicity bureau for the imperialists by publishing the most malignant slanders against the Soviet Union, by talking about "red imperialism" and endeavoring to alienate the masses from defense of the Soviet Union so that their imperialist masters will not fear to wage a war of intervention in an effort to destroy it. The social democrats try to conceal their role as servants of capitalism by pacifist talk. They spread illusions concerning the possibility of preventing war by disarmament, by committees of arbitration, by reparations agreements, by the action of the League of Nations, etc.

Against this sort of deception is the clear call to action by the Communist International, which urges a determined revolutionary struggle against war. As a section of the world revolutionary party, the Communist Party of the United States, is engaged in mobilizing all its resources to organize mass demonstrations and strikes throughout the country.

The first prerequisite for any effective campaign is the internal strengthening and clarification of the Party. The face of the Party must be toward the industries. There must be activization of all the factory nuclei and careful preparations for enlisting the broadest masses in the demonstrations. The shop papers must expose the war plans of the government. The struggle against the war danger must be utilized to aid in the drive to organize the unorganized workers in the war industries. The Party district conferences that are being held must not only mobilize the nuclei but must strengthen the departments of the Party organizationally. The women's departments must be strengthened and a drive made to enlist the working women in the demonstrations and strikes. The organization of defense groups is imperative not merely for one day's activity on International Red Day, but as permanent forces in the struggle against the tyranny of the police, the gangsters and thugs of the employers. The agitation and propaganda departments of the Party must be strengthened and conferences held so that the maximum of our resources may be concentrated on the
ideological campaign for International Red Day during the remaining weeks before August 1st.

The fight against the right danger without and within the Party is an integral part of the internal strengthening of the Party for the struggles that are before us. Every member must understand the role of the right wing as objectively aiding the imperialist war preparations. The slanders about degeneration of the Communist International, the Trotskyist "leftist" talk about the Soviet Union abandoning the path of revolution and the rise of a "thermidorian" period (the consolidation of the victory of the bourgeoisie) are calculated to weaken the determination of the working class to defend the Soviet Union. It is a denial of the defense of the revolution and objectively it is actual counter-revolution.

In its mass work the Party will utilize the agitation for August 1st to popularize the principles of revolutionary struggle against imperialist war and to expose the shameful betrayals of the working class by the social democrats and all those elements who are traveling the road that leads to social democracy.

At the present moment in the United States we must concentrate on the organization of the unorganized in the war industries. The workers in the steel mills, in the motor industry, the chemical industry, the coal mines and oil fields, and the transport workers must be organized into fighting unions that will resist with all their might the proposals of the government at Washington for industrial conscription in time of war. Modern warfare is dependent upon industry. By crippling the war industries it is possible to deliver a terrific blow to the whole war machine. Our work of organization of the unorganized in the war industries must be definitely connected up with the fight against imperialist war. We must not fall into the opportunist error of trying to conceal from the unorganized workers the character of the war industries in which they work, but must frankly carry on such work as a part of the general political campaign against imperialist war. The workers must be made to realize that the system of wage-cuts, speed-up, lengthening of hours and the whole rationalization process is a result of the world-wide economic struggles now raging and that they are also a part of the preparations for another war.

By connecting up the struggle against war with their every-day demands we will be able to enlist great masses of industrial workers in strikes to cripple the industries in time of war. This is in direct contradiction to the position of the social-democrats who talk of "national defense" in time of war and declare for "social peace," peace between the working class and the capitalist class.

When Communists urge strikes and crippling of industry in time
of war we are accused of trying to bring about the defeat of "our own" government. To that charge we plead guilty. That is precisely our aim. A government engaged in warfare is weaker than at other times in spite of the fact that its savage repressions make it appear strong to the superficial observer. At such a moment an organized drive to stop the production of war supplies, to cripple the transportation system may result in creating such difficulties that the imperialist forces may be defeated.

But it is not sufficient in our drive against imperialist war merely to concentrate upon the war industries. We must be able to reach the masses in the armed forces of the nation with revolutionary agitation and propaganda calculated to cause defections and mutiny in the ranks.

We do not indulge in the social-democratic twaddle about disarmament. We will not tell the soldiers in the army to throw away their guns and run home. We tell them to hold their guns in their hands and use them against their own capitalist oppressors. When faced with an imperialist war as an accomplished fact we must be able to popularize definite revolutionary slogans among the armed forces. In case of a war between imperialist nations we raise the slogan of fraternization with the soldiers of the opposing army, refusal to obey commands of officers, mutinies, and other forms of disruptive work. In case of a war against the Soviet Union our main slogan will be different. We will then urge the soldiers in the imperialist armies to desert the army and with their guns and as much ammunition as they can get, go over to the side of the Red Army against the imperialist forces.

While the capitalists prepare for another imperialist war, we prepare to utilize the difficulties for capitalism arising out of such a war in order to initiate the next stage of the world revolution.

We realize that such a conflict requires careful preparation under the leadership of a determined Bolshevik party. Turning an imperialist war between nations into a civil war against capitalism is not a simple matter, it is not a game for dilettantes to play. It requires the most highly developed revolutionary strategy and an ability to estimate the relative forces involved in the struggle as well as the precise moment for the launching of the insurrection.

When a revolutionary situation is developing, as a result of war or from any other cause, the Party of the proletariat must lead a direct attack against the capitalist state. The slogans put forth must be of such a nature as to guide the movement in its development, which will take the form at first of mass strikes and armed demonstrations. In that stage there arises the question of arming of the working class and disarming the capitalist class. Finally the highest
form of struggle is reached wherein it culminates in the general strike and a merging of large sections of the military forces and the workers for armed insurrection against the capitalist state power.

We thus indicate the high-lights in the development of the revolutionary struggle against the bourgeoisie in order to emphasize the world-historic importance of the mobilization of the working class for the struggle against imperialist war. Every revolutionary worker, realizing the significance of August 1st, will work day and night to make our strikes and demonstrations the greatest concerted action on the part of the working class this country has ever seen.
The Right of Revolution—
An American Revolutionary Tradition

By A. LANDY

JULY Fourth presents the American bourgeoisie with a deep and inherent contradiction. As a national holiday, hence as a holiday of the national state, it serves to consolidate the workers in support of American imperialism by means of the State. On the other hand, the tradition of July Fourth is the tradition of armed insurrection, conveying the lesson of revolutionary action as the ultimate means of struggle against oppression and the exploitation.

This contradiction compels the bourgeoisie to develop its own “theory” of American history, a theory adjusted to its present-day needs as ruling class and intended to preserve the capitalist system against the proletarian revolution foreshadowed in the history of Europe. The bourgeoisie cannot hide the skeleton in its historical closet; it cannot obliterate the fact that it owes its hegemony to armed insurrection and civil war. But to recognize the right of revolution today is to recognize the right of the proletariat to revolt against capitalist rule. And while theoretically, one could conceive of the capitalists conceding an abstract right of revolution to the proletariat, arguing that although it undoubtedly had this right as human beings, there was no need to employ it, since democracy obviates it in practice—in reality, the ruling class neither makes this concession nor dares to make it at a time when the proletarian revolution is on the order of the day. Such a concession—which, incidentally, presupposes a progressive bourgeoisie and not a reactionary imperialist oligarchy, nineteenth century capitalism and not twentieth century imperialism—would not and could not remain a theoretical abstraction. It would immediately become a material element in the class struggle, an ideological weapon in the hands of the workers which would serve to strengthen their organization as a class and enhance the consciousness of their struggle.

THE DENIAL OF THE RIGHT OF REVOLUTION

The preservation of the capitalist system, therefore, requires a complete denial of the right of revolution to the working class. It requires a denial of the class struggle and the existence of classes, an assertion of the popular character of the state, and a propaga-
tion and maintenance of the fiction of bourgeois democracy as an adequate means of "effectuating the popular will." It requires the sophistical proclamation that

"The right of revolution does not exist in America. We had a revolution 140 years ago which made it unnecessary to have any other revolution in this country. . . . One of the many meanings of democracy is that it is a form of government in which the right of revolution has been lost. . . . No man can be a sound and sterling American who believes that force is necessary to effectuate the popular will. . . Americanism . . . emphatically means . . . that we have repudiated old European methods of settling questions, and have evolved for ourselves machinery by which revolution as a method of changing our life is outgrown, abandoned, outlawed."*

If there was a time when the bourgeoisie recognized the existence of a class struggle and consequently of an historical movement, it has learnt better by now. Today it cries: Pater peccavi, Father I have offended—stubbornly insisting that "there has been history, but there is no longer any." If, in its formative years, it recognized the right of revolution and sealed its right by victory, now that it has won its struggle for power, it commemorates its own revolutionary past by denying that right to the working class. "We," it says, "have made our revolution. We have therefore outgrown, abandoned, outlawed the revolutionary method of change. We do not need another revolution, because another revolution in America today can only be a proletarian revolution.

The "evolution of the American method" of solving social problems by the ballot is part of the well-known racial myth of Anglo-Saxon peacefulness as contrasted with the "Asiatic violence" of the Russian workers. It is true there are many characteristics in the development of American capitalism that distinguish it from the development of capitalism in Europe. But no one literate enough to read the facts of history can truthfully assert that violence is not a fundamental characteristic of both.

The "right" of revolution does not exist apart from the material conditions and class relations that give rise to revolutions. As an abstract right it is a pure fiction and, at best, can only mean that the class claiming this right represents the interests of society as a whole. To the extent that the right of revolution exists as an independent entity it exists simply in the form of a verbal or written phrase.

*This direction to teachers of history, taken from one of the state manuals for elementary schools for 1921, is cited by Robert S. and Helen Merrell Lynd, in Middletown, A Study in Contemporary American Culture, New York, 1929, p. 198.
THE TRADITIONAL RIGHT OF REVOLUTION

As long as the bourgeoisie had not yet grown into an imperialist bourgeoisie, as long as free land permitted the fluidity of class relations, and capitalism had not yet entered its final stage of imperialism, the right of revolution was accepted as a tradition of American life. When the bourgeoisie of today tell us that the right of revolution died with the revolution of 1776, they conceal the fact that this right was asserted a second time, weapon in hand, on an even larger scale in 1861. They ignore the repeated assertion of this right over more than a century by the most outstanding statesmen and figures of American bourgeois society.

THE AMERICAN REVOLUTION

The revolution of 1776 was an armed insurrection against a foreign oppressor. Led by a well-organized militant minority, it was not only characterized by the organization of the national revolutionary forces, but also by the employment of revolutionary means within the country itself. The War of Independence was in the last analysis a bourgeois revolution which laid the basis for the independent economic development of the present United States. It was the first of a series of progressive national wars that characterized the epoch between 1776 and 1870. The slogans and political documents of the war were the direct expression of the economic class interests of the landholders and the early American bourgeoisie, and these interests coincided with the interests and future of American society as a whole. This has been sufficiently revealed by the bourgeois historians themselves.

The Declaration of Independence is the concentrated expression of the very revolution which the imperialists claim as their own today. And yet this Declaration asserts precisely what they deny, namely

"that whenever any form of government becomes destructive of these ends (life, liberty and the pursuit of happiness), it is the right of the people to alter or to abolish it, and to constitute a new government, laying its foundation on such principles, and organizing its powers in such form, as to them shall seem most likely to effect their safety and happiness."

It is not in the interests of the imperialists that the workers take the declarations of their ancestors literally. Like the Southern slaveholders who taught their slaves only those passages in the Bible commanding obedience and submission and avoided those passages that might inspire them to fight for freedom, the capitalist slaveholders today ignore the revolutionary lessons of the Declaration of Independence and instead drill the workers to accept the government and the system as "of the people, by the people and for the people."
THE RIGHT OF REVOLUTION

BEFORE THE CIVIL WAR

The Revolution of 1776 did not and could not give absolute political power to the industrial bourgeoisie, first, because American industry was only in its infancy, and, secondly, because of the predominantly agricultural character of American economy. On the other hand, the industrial development of America was definitely assured, and the growth of the industrial bourgeoisie together with its economic power prepared the ground for an ultimate struggle for political power between the slaveocracy of the South and the industrial bourgeoisie of the North, representing two antagonistic economic systems. The Civil War, or the second American revolution, was, therefore, not merely the revolution of the Southern slaveholders, but also the revolution of the Northern bourgeoisie.

The four years of war from 1861 to 1865 were only the culmination of the struggle that had been going on for decades primarily in a political form. For our purposes, we shall look at only three periods in this struggle, the years of 1830, 1850 to 1851, and the war years of 1861-1865.

The growth of the "irrepressible conflict" between the system of slave labor and the Northern system of wage-labor, the inevitable passage of political power to the industrial bourgeoisie, confronted the Southern slave-owners with the alternative of perishing within the Union or of establishing an independent state of their own. Secession or union became the axis around which the political struggle revolved in the South.

When the question of the right of secession was raised in the early thirties, Daniel Webster, the representative of the Northern bourgeoisie in the Senate, argued against secession as a constitutional right, but conceded what every American of his time recognized, that if the slaveholders found it necessary to make a revolution, it was their "natural right."

"Secession as a revolutionary right," he said, "is intelligible. As a right proclaimed in the midst of civil commotions, and asserted at the head of armies, I can understand it. But as a practical right, existing under the constitution, and in conformity with its provisions, it seems to be nothing but an absurdity."

Constitutional rights are the rights of the established order and the ruling class. Changes that would abolish the government and the system of the ruling class can only be accomplished by means of a revolution. Webster's logic is perfectly clear; and with the guns of Bunker Hill still ringing in his ears, he accepted the right of revolution for what it was, an avowed and undisputed tradition of American life.
In the congressional elections of 1850 and 1851, the basic issue in Georgia, Alabama, Mississippi and other parts of the South was again the apparently abstract question of the right of secession. The Southern Democrats who supported this principle were opposed by another group of large slaveholders, the Southern Whigs who denied any such right. But—what is of particular interest to American workers—these very slaveholders who fought the right of secession in 1850 and upheld actual secession in 1860, asserted the inalienable right of revolution. When conditions became intolerably oppressive—they asserted—and all other remedies had been tried and failed, there remained recourse in the last resort, only to the inalienable right of revolution. "This was the burden of the official and unofficial utterances of their officeholders, of the letters and speeches of their candidates, of the editorials of the Whig press, of the resolutions of local and state union conventions besides those which the Mississippi constituent convention and the Tennessee legislature officially adopted under Whig influence."*

According to Cole, resolutions giving expression to loyal devotion to the union would close with the declaration: "We hold ourselves in duty bound to maintain the government as long as it maintains us, but when it becomes our open enemy, by some hostile act, if that time should come, then we should be for Revolution and Independence." The revolution of the South was being prepared ideologically. "The Whigs declared that the right of secession was confounded with the inherent and inalienable right of revolution—'a right nobody disputes and terrible to tyrants only.' They made it clear, however, that it was not a right fixed by constitutional provision or regulation, that it was justifiable only in case of extreme oppression, that its exercise meant rebellion against the authority of the general government and hence bloody civil war, a remedy which the existing situation surely did not require."

This shows very clearly how deeply rooted in American life, how entirely undisputed "the right of revolution" was as yet. Had space permitted the examination of the intervening years between 1776 and 1830, and from 1830 to 1850, the correctness of this assertion would have received an even more striking confirmation. Before leaving this period, however, one more quotation will be of interest. In the congressional elections of 1851, Hilliard, a well-known figure in the politics of the time, represented the Whigs in the Montgomery district of Alabama.

"The Constitution did not give any State the right to secede," he argued, "but every free people have a natural right to rise and demand redress when the charter of their liberties is invaded. If the just demand be refused, they should overthrow the government."

This was the cry of the slaveholders in 1850. In 1860, they exercised the right which they proclaimed as indisputable, and began the second American revolution.

THE CIVIL WAR

If now we turn to the period of the Civil War proper and look not at the slaveholders, but at their class enemies, the industrial bourgeoisie of the North, we shall find that they, too, acknowledge the right of revolution, in spite of the fact that they had apparently won political power by constitutional means. This fact undoubtedly gave their struggle to maintain power a legal form. But if the American working class is to learn anything from the lessons of American history it must not ignore this significant fact that the conquest of power by the ballot did not save the industrial bourgeoisie from armed struggle but actually brought it on. Even if the proletariat could take power by constitutional means this would not obviate an armed struggle to maintain and consolidate it.

The destruction of slavery, the relatively unhampered development of capitalism and the growth of a labor movement with revolutionary potentialities are all progressive achievements of the Northern bourgeoisie and the Civil War. From the point of view of both North and South this was the very essence of the revolution. Practically all writers of the time recognized that they were dealing with a revolution altho Jefferson Davis in his inaugural address declared such statements to be "an abuse of language." From our point of view, the interesting feature here is the reaction of the Northern bourgeoisie towards this revolution. As defenders of the Constitution, entrenched in a legal position, they could have done as our present-day imperialist bourgeoisie does, and deny both the right of secession and revolution. But no one in the North, just as no one in the South, thought of denying the inalienable right of revolution. It required a political and economic intrenchment, the evolution of the industrial bourgeoisie into an imperialist bourgeoisie, the crystallization of a powerful proletariat and the manifestations of an era of proletarian revolutions to transform the bourgeois assertion of the right of revolution into its denial. If the bourgeoisie did not deny the right of revolution in 1860 it was no doubt due not only to the historical potency of the traditions of this first American revolution, but primarily to the economic structure of capitalism at the time.
At the beginning of the Civil War, John Lothrop Motley, the well-known historian of the Dutch Republic who had been appointed ambassador to Austria, wrote a long letter to the London Times explaining the nature of the Union and the causes of the war. According to George William Curtis, the editor of Motley's correspondence and his personal friend, this letter "was republished in the United States and universally read and approved."

Motley himself says in a letter to his wife and daughters dated June 14, 1861 that "the paper was at once copied bodily into the Boston and New York papers, with expressions of approbation . . . "

In this letter Motley asserts in the clearest possible terms the direct opposite of what the bourgeoisie wishes the proletariat to believe today.

"No man," he says, "on either side of the Atlantic, with Anglo-Saxon blood in his veins will dispute the right of a people, or of any portion of a people, to rise against oppression, to demand redress of grievances, and in case of denial of justice to take up arms to vindicate the sacred principles of liberty. Few Englishmen or Americans will deny that the source of government is the consent of the governed, or that any nation has the right to govern itself, according to its own will. When the silent consent is changed to fierce remonstrance the revolution is impending. The right of revolution is indisputable. It is written on the whole record of our race. British and American history is made up of rebellion and revolution. Many of the crowned kings were rebels or usurpers. Hampden, Pym and Oliver Cromwell; Washington, Adams and Jefferson—all were rebels. It is no word of reproach. But these men all knew the work they had set themselves to do. They never called their rebellion 'peaceable secession.' They were sustained by the consciousness of right when they overthrew established authority, but they meant to overthrow it. They meant rebellion, civil war, bloodshed, infinite suffering for themselves and their whole generation, for they accounted them welcome substitutes for insulted liberty and violated right. There can be nothing plainer, then, than the American right of revolution."*

Motley was thoroughly correct in asserting that he expressed the point of view of the entire North. Edward Everett, one of the greatest philistines produced in America, indicated the same opinion in an oration which he delivered in New York on July 4, 1861. Everett combated the argument of the right of secession by a sovereign state. After enumerating a number of things a sovereign state, in his opinion, could do, he also mentioned her right to

"ratify and adopt a constitution of government ordained and established not only for that generation, but their posterity, subject only to the inalienable right of revolution possessed by every political community." *But, he says farther on in the same speech, "it may be thought a waste of time to argue against a constitutional right of peaceful secession, since no one denies the right of revolution; and
no pains are spared by the disaffected leaders, while they claim
indeed the constitutional right, to represent their movement as the
uprising of an indignant people against an oppressive and tyran-
nical government.”**

On April 21, 1861, Wendell Phillips, for whom Marx had the
highest words of praise, in spite of his bourgeois limitations, delivered
an oration in Boston, affirming the American tradition of the right
of revolution.

“No government,” he said, “provides for its own death; therefore
there can be no constitutional right to secede. But there is a revo-
lutionary right. The Declaration of Independence establishes, what
the heart of every American acknowledges, that the people—mark
you, the people—have always an inherent, paramount, inalienable
right to change their governments, whenever they think—whenever
they think—that it will minister to their happiness. That is a
revolutionary right.”***

We shall refer only to one more statement in an editorial entitled
“The Right of Revolution” which appeared in the New York
Weekly Tribune of May 24, 1862. The New York Tribune
was one of the most popular papers in the North during the Civil
War. It owed its success to the fact that, beneath all of its
flirtations with ideas of reform, it was essentially an organ of
the industrial bourgeoisie, as Marx, who wrote for the Tribune,
pointed out.

“We,” the Tribune states, “have steadfastly affirmed and upheld
Mr. Jefferson’s doctrine, embodied in the Declaration of American
Independence, of the Right of Revolution. We have insisted that,
where this right is asserted, and its exercise is properly attempted,
it ought not to be necessary to subject all concerned to the woes
and horrors of a civil war. In other words, what one party has a
right to do, another can have no right to resist.”

The Tribune could raise the cry of a legal revolution only
because the Northern bourgeoisie had itself apparently accomplished
such a feat. But the election was only the first stage in the last
and highest phase of class struggle between the slaveocracy and
the bourgeoisie. Parliamentary success was bound to be followed
by military struggle. The idea of a peaceful revolution, however,
is a specifically nineteenth century American product, which has its
reflection in the faith of the American masses in the efficacy of
the bourgeois ballot. And in spite of their denial of the right
of revolution, which is in essence a denial of the proletarian revolu-

*J. L. Motley: The Causes of the American Civil War. A Letter to the
**Edward Everett: The Great Issues Now Before the Country. New
tion, even the capitalists foster this illusion. If you ignore the existence of classes, if you ignore the class struggle and the concrete conditions under which it takes place, then bourgeois democracy turns into pure democracy, and democratic parliamentarism offers the best means of "effectuating the popular will" and abolishing capitalist productive relations. If you ignore everything that constitutes reality you will accept the American tradition of the right of revolution, as the Socialist reformists do, but prove to the American workers that whereas the first two American revolutions were fought out on the military front, the third American revolution will be a peaceful revolution accomplished by constitutional means.

You will point to England and the "labor" Government as an example of the efficacy of the Anglo-Saxon ballot. But nothing so well reveals the bourgeois character of the idea of a peaceful revolution than its origin with the industrial bourgeoisie during the era of the American Civil War. Nothing so well exposes its absurdity as the entire history of the class struggle in America. The slogan of peaceful revolution today can only be a slogan against the interests of the workers; if violence is irrational and peacefulness is "realism," it is the realism of preserving and extending the capitalist system.

We have said enough to show the necessity of drawing upon the facts and traditions of American history in the interest of the proletarian struggle. A thorough discussion of the right of revolution in American history, however, would fill a volume. In this article we have confined ourselves to the development of this right in the practice of the bourgeoisie and the Southern slaveocracy. After the Civil War, the tradition of the right of revolution passes almost entirely to the labor and agrarian movements. But this is another chapter that cannot be touched upon here.
Right Tendencies at the Trade Union Unity Congress

By WM. Z. FOSTER

The Trade Union Unity Convention in Cleveland on August 31-September 2 will overwhelmingly endorse the present program of the T. U. E. L. as stressed in the League's actual practice, the convention call and various letters of the R. I. L. U. Briefly, this program calls for the establishment of a national coordinating center for the new unions and the left wings in the old organizations. It sees as the central task the organization of the unorganized masses and the bringing forward of the T. U. E. L. as the actual leader and organizer of the masses in their struggle against capitalist rationalization. It develops a militant fight against the social reformists—the A. F. of L. leaders and their S. P.-Muste aides—who are tools of American imperialism. The T. U. E. L. program calls for vastly intensified work amongst the Negroes, for arousing the masses against the threatening war danger, for the defense of the Soviet Union, for defense of the Gastonia workers, etc.

The correctness of this line, which is based on the Comintern and R. I. L. U. analyses, has already been sufficiently demonstrated by experience. The manifest growing radicalization of the workers as exemplified by the South, the automobile, needle, mining industries, etc., the treachery of the A. F. of L. leaders (Elizabethton, Atterbury scheme, etc.), the violent attacks of the government upon the workers (Gastonia, etc.) imperatively demand pushing forward with the whole program of the new unionism.

The mass of delegates, coming straight from the unorganized industries, will see the correctness of the T. U. E. L. line and will enthusiastically endorse it. Nevertheless there will be opposition present, some elements who do not agree with the main line. These oppositionists will be of both a right and "left" character. Although this opposition will comprise but a small minority of delegates, it is necessary that we analyze, evaluate, and fight the wrong tendencies it expresses.

First as to the "left" opposition. This will manifest itself by tendencies to diverge from the correct policy by proposals for the establishment of a new general federation of labor instead of a coordinating center for the new unions and left wing; for the wholesale desertion of the old unions and the surrender of them to

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Green & Co., instead of intensifying our revolutionary work within them, etc., etc. But although these "left" opportunist tendencies have in them the elements of danger and must be fought, they by no means constitute the principal deviation. The main danger comes from the right.

The general trend of such right tendencies as will manifest themselves at the convention will be to "soften" the line of the T. U. E. L. They will aim at slackening the fight among the organized and unorganized workers against the trade union bureaucracy and will seek to confine the fight to a legal basis within the old unions. They will overestimate the difficulties in the way of the new unions and try to shift the center of gravity of T. U. E. L. work back into the old organizations. Such right tendencies will be based upon an underestimation of the radicalization and fighting power of the workers and an underestimation of the treacherous role of the trade union bureaucracy and the Socialist party. Their main drift will be to have the T. U. E. L. abandon its policy of class struggle and to slump in the direction of a program of class collaboration. Such a right line would tend to undermine the whole militant program of the T. U. E. L. and to reduce it to impotency.

Although the total number of right delegates at the T. U. E. L. convention will be small, the tendencies they represent are dangerous. They are the gateways of surrender to the trade union bureaucracy and to the employers. Hence, it is necessary to isolate and combat them. Let us see, therefore, how these tendencies will manifest themselves and what groups will express them.

First, there is the so-called Muste Labor Age group of "progressives." Although this group has officially decided not to send delegates, some, if not leaders, then rank and file followers, will probably be there. This group would constitute the extreme right at the T. U. E. L. convention. Its importance in connection with the T. U. E. L. convention derives not so much from the numerical representation it may have there as from the fact that its program is the goal to which all right tendencies as will exist in the T. U. E. L. convention naturally lead.

The Muste group is a fig leaf for the reactionary A. F. of L. bureaucracy. Its so-called progressive program, embellished with various left wing slogans, is designed to bewilder the masses and lead them into the class collaboration trap of the A. F. of L. leaders. It is an anti-class struggle group, and it has shown its treacherous face at New Bedford, Passaic, Elizabethton, etc. It is one of the negative manifestations of the radicalization of the workers. Its role is not to fight the A. F. of L. bureaucracy, which it weakly pretends to do, but to fight against the Communist Party,
the T. U. E. L., and the whole left wing program of aggressive struggle. It seeks to reestablish the prestige of the A. F. of L. bureaucracy and to extend their control over the unorganized masses. It is an enemy of the new union movement. Such proposals as adherents of this group may make at the T. U. E. L. convention will so definitely lead in this direction that the delegates will unquestionably be able to dispose of them.

Second, there is the Cannon-Trotsky elements. This group will try to make a mobilization of its forces at the convention, although at the best it will net but a small delegation. Notwithstanding the fact that the Cannonites appear as "leftists" on the Trotsky issue, covering up their counter-revolutionary attack on the Soviet Union and the Communist International by revolutionary phrases, they will come to the T. U. E. L. convention with an openly right wing trade union program.

The outline of the Cannon trade union program is contained in the *Militant* of July 1, in an article entitled "What the T. U. E. L. Conference Should Do." The substance of it is an attack upon the whole new union program of the T. U. E. L. and an attempt to shift the center of gravity of the trade union work back into the old unions on the basis of an alliance with the Muste group. The article is a long diatribe against the "sectarianism" and "leftism" of the present T. U. E. L. program. The Cannon "lefts" sneer at the new unions as being "brand new," "perfection itself," etc. Not a word is said about organizing the unorganized. No need is seen for a national coordinating center, but the warning is sounded in all keys not to make this R. I. L. U. center in the United States real and substantial as the leading organ of the class struggle unions. The whole Cannon line amounts to a liquidation of the program of building new unions and the restriction of our work to the A. F. of L. organizations.

The article mentioned puts as the center of its line an alliance in the old unions with the so-called progressives, which means the Musteites. And cynically, to buttress the wrong line, it quotes from my book "Misleaders of Labor" to the effect that united fronts with the progressives against the reactionary bureaucracy constitute a correct strategy. This raises an interesting question:

Undoubtedly in the past the T. U. E. L. has made serious mistakes in its united front policies. It is correct to make united front movements with progressives, but only on the principle of the united front from below, that is to say, united fronts with the rank and file progressive elements against the fake progressive leaders of the A. F. of L. This the T. U. E. L. must do on the broadest possible scale to win away progressive workers from the corrupt Muste
leadership. A mistake of the T. U. E. L. in the past, and this to some extent is reflected in the various left wing statements and documents, including my book, was to have based its united front movements often on alliances with so-called progressive trade union bureaucrats. For this the T. U. E. L. was sharply and properly corrected by the R. I. L. U.

Cannon, who has the brass to claim he is furthering the revolutionary movement by attacking the Soviet Union, was one of the very worst defenders in the erroneous united front policy of the T. U. E. L. He understood it and fought for it to mean that we should make alliances with every crook and faker in the labor movement who made even a pretense of being in opposition to the ruling labor bureaucracy. This was the substance of his conception of trade union work, which not only carried with it this right wing conception of the united front policy, but also proposed to surrender the leadership in such united front movements to the so-called progressive bureaucrats.

Cannon now carries his trade union line to its logical conclusion by his more or less open alliance with the Muste group. His whole trade union program is only Musteism thinly veiled. At the T. U. E. L. convention this veil will be stripped aside and his program will be shown for what it really is, a surrender to the trade union bureaucrats and an abandonment of all real efforts to organize and lead the masses of workers in their struggle against capitalism. The convention will overwhelmingly reject Cannon’s brand of Musteism.

Besides the above mentioned Musteites and Cannonites, there will undoubtedly be some manifestations of the Lovestone right tendency at the T. U. E. L. convention. Lovestone rejects the Comintern repudiation of the theory of American exceptionalism. That is to say, he persists in his claims that the position of American imperialism is an exceptional one, which means that the world crisis of capitalism does not effect American imperialism in the same basic sense that it does European capitalism, and that consequently, the Comintern line does not apply to the United States. This constitutes an overestimation of the power of American imperialism and leads directly to an underestimation of the radicalization of the American workers. Lovestone has given ample proof of this underestimation of the American workers’ radicalization. This means that he can see no real basis for the building of the new trade unions.

Lovestone has definitely assumed a right wing position, but he has not yet completely formulated his program, on the basis of his theory of exceptionalism. We may rest assured, however, that a very central portion of this right program will deal with the question
of trade unionism. And it can only take one form, an attack against
the program of new unionism which is so inextricably bound up
with the Comintern and R. I. U. analyses of radicalization,
which Lovestone so definitely rejects. Lovestone’s right trade union
line has already been foreshadowed by his lukewarm attitude towards
the new unions.

Insofar as Lovestone’s right influence is felt at the T. U. E. L.
convention, either through the action of his sympathizers in the Party
or by the development of an avowed Lovestone tendency among the
convention delegates, it will go in the same general direction as
Cannon, that is, towards Muste, by minimizing the new union pro-
gram, by trying to shift the center of gravity to the old unions, by
creating alliances with progressive leaders, etc. Lovestone formerly
showed the same wrong tendencies as Cannon in T. U. E. L.
united fronts. This was no accident, as recent events graphically
demonstrate. It is far from the impossible that within the near
future, these two brothers-in-arms against the Comintern, Cannon
and Lovestone, will be found shoulder to shoulder fighting for the
slogans of their right wing trade union program and trying to draw
the T. U. E. L. forces under the hegemony of the Muste pro-
gressives.

These right tendencies of the Muste-Cannon-Lovestone groups
base themselves upon the skilled workers, the aristocracy of labor,
whereas the T. U. E. L. bases its program primarily upon the
masses of unskilled and semi-skilled, the most exploited section of
the working class. The rights tend to put the emphasis on the old
unions and drift in the direction of a program of class collaboration,
while the T. U. E. L. stresses the building of new unions and the
furtherance of their program of class struggle. The Convention
will show the trade union program of the Muste, Cannon and
Lovestone tendencies to be essentially of the same cut and pattern.

The rights are due for an overwhelming defeat at the T. U.
E. L. convention. The best guaranty for a correct line at the
T. U. E. L. convention, as well as for the initiation of real work
for organizing the unorganized, is a big mass representation of
delegates coming from the unorganized basic industries. These
workers will easily understand the necessity for the building of
the new unions, for militant leadership and aggressive struggle
against the social reformists of all hues. It is our task to build such
a delegation. This must be done, not on the basis of simply gather-
ing together immediate supporters of the T. U. E. L. and send-
ing them to the convention as “delegates,” but by establishing real
organization amongst the unorganized workers, through the estab-
lishment of shop committees, the extension of the new union locals and the building of the left wing groups in the old unions.

The T. U. E. L. convention must be a real mass gathering of all the left wing trade union forces of the country. It must be a convention in which the mistakes made in the past are frankly discussed and corrected, thus laying the basis for an effective strike strategy. It must be one that does not simply pass its time in talk, but outlines active campaigns of practical organization work in all possible industries. It must thoroughly expose the reactionary role of the trade union bureaucrats and their Muste supporters and unite the workers against them. It must arouse the workers to the imminence of the war danger. It must give tremendous impulse to trade union work amongst Negroes. It must build youth and women's work and lay the basis for the building of Labor Unity into a real mass organ. It must be a great mobilization point for the struggle of the American working class against the detrimental effects of capitalist rationalization.

In connection with the T. U. E. L. convention, it is necessary that the Party, in addition to building T. U. E. L. forces, shall also build its own Party organizations, shop nuclei, trade union factions, etc. The work of organizing the unorganized cannot be successfully carried through unless the Communist Party exists as the strong steel backbone of the whole left wing movement. The development of the T. U. E. L. organization campaign not only gives the Party an excellent opportunity to recruit new members, establish new shop nuclei and build new trade union factions, but it throws upon the Party the imperative duty of carrying through these tasks efficiently and energetically.
Gastonia—The Center of the Class Struggle in "The New South"

By BILL DUNNE

ON MAY 8 of this year the Committee on Manufactures of the United States Senate met to consider a resolution whose preamble reads as follows:

"Resolved, That the Committee on Manufactures, or any duly authorized sub-committee thereof, is hereby authorized and directed to investigate immediately the working conditions of employees in the textile industry of the States of North Carolina, South Carolina and Tennessee, with a view to determining whether the employees in the textile industry are and have been working for starvation wages despite the fact that the textile industry is the beneficiary of the highest tariff protection granted any industry in the United States, and is still appealing for more tariff protection; (2) whether men, women and children are compelled to work as many as sixty hours a week for wages insufficient to permit a human being to live in decency; (3) whether such employees have been and are the victims of oppression such as is prevalent in countries wherepeonage is the rule; (4) whether enormous dividends are being paid by the textile corporations that are made possible by the oppression of the wage earners in their employ; (5) whether the appeal of the textile interests of the South for higher tariff protection is justified; (6) whether United States citizens entering the textile districts to aid these underpaid and oppressed workers in their misfortunes have been kidnapped and deported into other states and threatened with death if they returned; and, (7) whether union relief headquarters have been demolished by masked men and acts of violence committed against the workers that are making life unsafe. . . ."

The Senate committee had before it a press dispatch dated May 7—the day preceding its session.

This dispatch said under a Gastonia, N. C., date line:

"Striking members of the National Textile Workers Union here were facing a new and pressing problem tonight as police deputies began carrying out eviction orders issued today against 62 families formerly employed by the Manville-Jenckes Co.

"The deputies began their dreary task at 2 o'clock this afternoon. As the chill of nightfall crept over the town they had entered 13 of the mill shacks, dragging the humble furnishings and cherished possessions out into the street.

"The mill people, although reduced to a condition approaching absolute poverty by the 5-weeks strike, offered no resistance to the officers. In most cases they stood passively by while their homes were emptied."
Some, however, spoke bitter words, while a few of the women wept as they watched their belongings dumped into the gutter in front of the place where had been home.

For two families the eviction was a grave matter. Illness failed to stay the hand of the officers, although the order provides for special consideration of those families so afflicted.

The families of Henry Tetheroe and J. A. Valentine were evicted, strikers said, contrary to orders of Magistrate Bismarck Capps, who signed the eviction writ. Valentine's 4-year old daughter was said to be seriously ill with smallpox, against which this state has no quarantine laws."

Exactly one month later—a month in which brutalities were multiplied against the strikers and their families—on the night of June 7, the police attacked the headquarters of the National Textile Workers Union and the tent colony of the Workers International Relief where evicted strikers were housed.

The workers replied with bullets this time and not simply with "bitter words" as on May 7.

In one month from the time of the first evictions to the battle at the union headquarters the strike had developed to a far higher stage—that of armed struggle. "The cheapest and most docile labor in the world" (see advertisements of the southern chambers of commerce in the northern trade journals) had entered the class struggle with arms in their hands. The chief of police was killed, four of his subordinates and one union member wounded. In their first engagement the textile workers gave a good account of themselves.

The National Textile Workers Union had received its baptism of blood in its first struggle in the stronghold of the southern textile industry—Gastonia.

Fifteen organizers and strikers are charged with murder and held without bail for trial. The ruling class intends to send them to the electric chair. Eight others are charged with assault with intent to kill and only long terms in prison for them will satisfy the textile barons and their government. Three women are among those charged with murder are members of the Communist Party of the United States—Fred Beal, Vera Bush, Amy Schechter; Sophie Melvin, 17 years old, is a member of the Young Communist League. The other prisoners are members of the National Textile Workers Union. Most of them are young. All but two or three have spent almost their entire lives in the southern textile industry.

Here then, in the front ranks of the class struggle in the South, are Communist women, Communist youth, organizers of the young and militant N.T.W. and the foremost fighting contingents of the southern working class—not foreigners but of native parentage for generations—English, Scotch and Irish ancestry—precisely the stock
which the American capitalists and their publicity agents and propagandists have always claimed would not and could not recognize the class struggle—that "European importation."

But capitalism itself—that mass of contradictions insoluble except in the white hot crucible of the social revolution—laughs at its own propagandists with a grim humor which found an echo in the roar of the guns in Gastonia. Industrialization of the south, with its marvellous network of high tension transmission lines and cheap power for basic industries, the new chemical technique that makes the great rayon plants the rivals of the cotton and woolen textile mills, the herding of the farmers and mountaineers and their families into modern factory establishments, the combing of the countryside for new recruits for the working class, the fierce joy of the capitalists with the ease with which these new workers could be exploited—the erection of a whole superstructure of the most modern industry upon a countryside still burdened with semi-feudal traditions this has brought a rapid development of the class struggle culminating at this early stage in such conflicts as that in Gastonia.²

The advent of our Party in a leading position in this struggle is in itself a striking testimonial to the rapid development of the class conflict in the South.

True to its role of guardian of the interests of capitalism, that collection of wary watchdogs, the American Federation of Labor leadership, warns the capitalist class to watch its step—to throw a few crumbs to half-starved workers before they learn to demand the whole loaf and organize their mass political power to take it. President William Green, speaking of the evictions in Gastonia, told the worthy senators:

"Is that a way to promote industrial peace and cooperation? . . . Those people had served the mill company faithfully and well until they rebelled against the impositions that were placed upon them. . . . We talk about communism and about communism having penetrated into those communities. What is it that breeds communism? . . . It is this imposition upon working men and women. . . . These southern workers know nothing about the philosophy of communism; they do not know what it means . . . but in their hour of distress, when they are rebelling against conditions they accept the support and help of anyone who extends a friendly hand. But, my friends, while the American Federation of Labor . . . is standing as a barrier to the onward march of communism, battling with it and fighting it and opposing it, concretely and abstractly everywhere it shows its head, the owners of these mills are the ones who are sowing the seeds of communism, and it has invaded the conservative and peaceful centers of the South. It seems to me that that fact alone ought to appeal to this committee. A condition that borders on communism is one that can not be ignored."
That is a fine—and illuminating—phrase: "Communism . . . has invaded the conservative and peaceful centers of the South." It is the principal task of President Green and his "left wing" allies of the United Textile Workers (Muste, McMahon, Kelley, etc.) to convince workers that "conservatism" and "peace" can take the place of militant unionism and revolutionary struggle and—failing in this—to betray and sell out such struggles as arise (Elizabethton, for example, where the "victory" of the U. T. W. forced the blacklist on the workers with the approval of the union leaders).³

The rapid sharpening of the class struggle in the South will induce the capitalist class to turn more and more to the leadership of the A. F. of L. just as every capitalist class depends more and more upon the social reformists as the masses of the workers tend more and more to depend upon militant struggle and revolutionary leadership. This, of course, is exactly what Mr. Green is figuring on. There is such a wealth of new and fertile fields in the south. There are so many hundreds of thousands of workers who have never enjoyed the supreme privilege of being sold out to the bosses by Messrs. Green, Lewis, Muste, and Co.

There is so much working class misery in the South (as in the North) to be exploited by bureaucrats. There is great honor to be gained and power to be won by those who will show the mill owners and their government how to keep "the seeds of communism" from sprouting.

But the Greens and Mustes come too late. That is not to say that they will be entirely unable to create confusion, turn sections of the struggle into channels where it will fritter itself away for the time being into "management-cooperation," and betray various groups of workers.

But the "seeds of communism" have already shot down roots deep into the soil of the class struggle in the south. The ruling class there is an integral part of the ruling class of the United States. It has embarked on the path of world conquest—of open and brutal imperialism with all the militarist accoutrements that go with such a policy. Like the workers of the North, the new sections of the proletariat whose ranks are already formed in the South can advance only by struggle. The bureaucrats and social reformists will not lead these struggles. They will try to prevent them and betray them.

In these struggles as in Gastonia the proletariat will turn to such militant unions as the National Textile Workers and to the Communist Party of the United States—the shock troops and the general staff of the class struggle in the North and South.
Here we have put the whole problem in its simplest form. It hardly needs emphasis in this article but it must be mentioned that in this task of carrying successfully the struggle for industrial unionism under the banner of the Red International of Labor Unions, especially in the South, our Party faces a task which will tax its energies and its revolutionary devotion to the utmost.

There is the greatest need for an exact examination into the conditions of workers in all southern industries. There is the greatest need for skilled trade union organizers. There is still greater need for the development of union organizers and Communist leadership straight from the ranks of the southern workers themselves. It is also necessary to determine exactly to what extent, in what direction, and how best to utilize for building a powerful class conscious labor movement, the class differentiations that are taking place in the South under the tremendous blows of modern industrialism is delivering to the old order.

This differentiation not only is drawing a clear line between the proletariat, and the capitalist class and the middle class (which has grown to great proportions since the outbreak of the world war) in new fields every day, but is expressing itself in the inner conflicts arising between various sections of the bourgeoisie and the petty bourgeoisie. A growing body of petty bourgeoisie liberal opinion is to be found grouped around educational institutions like the University of North Carolina. Beginning as a protest against the abysmal ignorance and sectional chauvinism of the South, this movement at first expressed and opened the intellectual path for industrialization. Today, it is principally the expression of the discontent of sections of the middle class with the economic and political domination of the new industrial lords.

In the Democratic party there is a wide and growing split. The Senate resolution from which we quote at the beginning of this article, especially in its language relative to the tariff question, shows this clearly. There is already to be seen the embryonic beginning in the south of a middle class movement comparable to the LaFollette movement of the North.

In this period the Gastonia case is not only a symbol of the re-alignment of class forces taking place in the South, but it is a dynamic factor forcing a more rapid re-alignment. Around the issues in the Gastonia case—the right of workers to organize, to strike, to use arms to repel attacks on their persons and their union headquarters by the forces of the government—and especially around the appearance and role of the Communist Party as the leader of these class struggles, a rapid re-grouping is to be seen.

The Gastonia case is the highest political issue in the South today.
It is not too much to say that for the moment, at least, it overshadows the tariff question and the Negro question brought forward in a sharp form by the social activities of Congressman De Priest. Perhaps it would be more correct to say that it is a synthesis of these and other major issues.

Not to understand these things clearly is to fail to grasp the importance of the struggle in Gastonia.

Much more than in the textile industry (out of which the Gastonia struggle developed) where the percentage of Negro workers is small—less than 10 per cent—in other industries (coal mining, steel, lumber, marine transport, etc) the actual organization of Negro workers into militant unions brings forward the whole question of the struggles against white chauvinism—the most important and the most difficult phase of the struggle for organization of the masses in southern industry.

While the line of our Party is clear in respect to the issues mentioned, the practical problems of the correct application of this line have to be worked out in the heat of the struggle. Mistakes, therefore, have been and will be made. But the disastrous mistake of underestimating the importance of work in the South has not been made. The struggle now going on in and around Gastonia proves this.

Our Party has gathered to itself already the tradition of revolutionary struggle at the head of the fast-forming ranks of the new southern proletariat.
GASTONIA—CENTER OF CLASS STRUGGLE

Notes

1 Since the great bulk of the workers in the textile industry are the so-called unskilled, I give here figures on wages of these and the lower paid groups of workers. These figures are the average for the South. They are the result of a survey made by Sidney M. Edelstein and Co., industrial engineers of Union, S. C., and are for mills manufacturing "broad silks."

<table>
<thead>
<tr>
<th>Position</th>
<th>Weekly Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>Winders</td>
<td>$12</td>
</tr>
<tr>
<td>Redrawer</td>
<td>$10</td>
</tr>
<tr>
<td>Foreman</td>
<td>$20</td>
</tr>
<tr>
<td>Boy</td>
<td>$6</td>
</tr>
<tr>
<td>Quillers</td>
<td>$8</td>
</tr>
<tr>
<td>Warpers</td>
<td>$18</td>
</tr>
<tr>
<td>Helper</td>
<td>$10</td>
</tr>
<tr>
<td>Machine Twisting</td>
<td>$15</td>
</tr>
<tr>
<td>Hand Twisting</td>
<td>$15</td>
</tr>
<tr>
<td>Enterers and Reeders</td>
<td>$10</td>
</tr>
</tbody>
</table>

In the cotton-mill section of the industry the average is 28.8 cents per hour. For a 55 hour week (the average) the worker thus receives $15.81.

The average yearly earnings in typical centers of the cotton goods industry are as follows:

<table>
<thead>
<tr>
<th>City/City</th>
<th>State</th>
<th>Yearly Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gastonia</td>
<td>N. C.</td>
<td>$703.18 Columbus, Ga. $633.50</td>
</tr>
<tr>
<td>Durham</td>
<td>N. C.</td>
<td>699.45 Knoxville, Tenn. 632.22</td>
</tr>
<tr>
<td>Charlotte</td>
<td>N. C.</td>
<td>679.40 Salisbury, N. C. 631.42</td>
</tr>
<tr>
<td>Anniston</td>
<td>Ala.</td>
<td>664.09 Augusta, Ga. 623.97</td>
</tr>
<tr>
<td>La Grange</td>
<td>Ga.</td>
<td>636.07 High Point, N. C. 574.79</td>
</tr>
</tbody>
</table>

The following quotations from a speech delivered before the Labor College of Philadelphia by Ethelbert Stewart, United States Commissioner of Labor Statistics, give a striking picture of the rationalization drive in the southern textile industry.

"Perhaps in no other industry in the world has so much ability been applied to the development of machinery. Not only has the automatic character of these machines been carried to the utmost limit but the productive capacity has developed far beyond the needs. In 1913 we had warpers that could warp 350 yards per minute. In 1929 we have warpers that can warp 750 yards per minute. In 1913 we had looms that could produce 120 picks per minute. Now we have looms that can produce 220 picks per minute. These two pieces of complementary machinery to the manufacture of cloth have been doubled in their capacity to produce, the loom being the principal item in fast production . . . this supermachinery . . . results in a tendency to more and more mass production by the very reason of the expense of this supermachinery.

"Automatic features are likewise being added to this supermachinery, so that now instead of a weaver operating 30 or 36 looms as was true only a few years ago, plants are built now in banks of 90, 100, 110, and I have been informed of one mill where a weaver is expected to look after 118 looms.

"Since 1920 the wages have been going steadily down. They were 26 per cent less in Massachusetts in 1928 than they were in 1920; they were 32 per cent less in Georgia, 41 per cent less in South Carolina, and 36 per cent less in North Carolina."

2 Some of the statements sent out as general advertising and in response to requests for information from northern manufacturers, by southern chambers of commerce, show that "cheap labor," recruited fresh from the countryside and with no experience in any form of class organization, is regarded as one
of if not the principal asset of southern capitalism. We quote some of these below:

From a book issued by the chamber of commerce of Spartanburg, S. C.:
“The abundant supply of native white labor on which Spartanburg draws comes largely from the mountaineers of the Blue Ridge. . . . Labor in Spartanburg is free, unchangeable and contented. Strikes are unknown. . . . The labor supply . . . is cheap. It is plentiful. It is faithful and efficient.”

From the secretary of the Florence, S. C., chamber of commerce:
“I take pleasure in advising you that I believe you will find here in this particular section of the South a better supply of high grade female labor than any other section of the South. This may sound like a broad statement, but it is backed by a survey compiled by the Roger Babson Institute and I believe you would find the labor situation here unusually attractive. Our wages for female labor range from $6 to $12 per week.”

From the secretary of Rocky Mount, N. C., chamber of commerce:
“Replying to your letter of November 28th . . . will say that the wages run from $7.50 to $18 per week. The working hours for women are 60 hours per week.”

From the secretary of the Columbia, Tenn., chamber of commerce:
“Labor legislation is favorable to all kinds of industry. There are no minimum wage laws for females. . . . There are no night laws for females over 16 in Tennessee.”

From the Gastonia, N. C., secretary of the chamber of commerce:
“Wages in Gastonia range from 18 to 20 to 30 cents for skilled workers. . . . Children from 14 to 18 years of age can only work 11 hours a day. . . .”

From the secretary of the chamber of commerce of Goldsboro, N. C.:
“Children between the ages of 14 and 16 that have gone through the fourth grade in school may work 10 hours. Children that have not gone through the fourth grade work 8 hours. Adult female hours, 11 per day.”

Speaking about Elizabethon, Tenn. before the Senate committee on manufactures, meeting on May 8, President Green of the A. F. of L. said:
“I directed one of my trusted representatives to go there, and Mr. McMah- hon, representing the United Textile Workers, directed his representative to go there and to exercise every effort at their command to establish cooperative relations and industrial peace.
“They had splendid meetings with some members of the chambers of commerce, business organizations and representatives of the mills, and believed that they had a satisfactory settlement . . . after they had performed a good day’s work in the interests of industrial peace. . . .”

Here is further proof of the charge we have made, and substantiated, that everybody was consulted about the Elizabethon “settlement” except the workers who were on strike.

The value of all manufactures in the South increased from $3,158,388,799 in 1910 to $10,371,793,000 in 1927. The value of the products of mines, quarries, oil and gas wells increased from $213,540,000 in 1910 to $1,057,567,000 in 1928. The value of manufactured cotton products increased from $234,890,000 in 1910 to $908,690,000 in 1927. The number of active cotton spindles increased from 11,149,000 in 1910 to 18,303,000 in 1928. Railroad mileage increased from 85,739 in 1910 to 92,117 in 1928. The exports to foreign countries from the South increased from $628,487,000 in 1910 to $1,631,690,000 in 1928. Approximately one-third of the for-
eign trade of the United States is now handled in southern seaports.

In the field of water power development and high tension transmission (an infallible indication of industrial expansion and rationalization) the South "has more than trebled its developed waterpower since 1908, while the rest of the country was little more than doubling its installed hydro-electric capacity during the same time.

"Over 61 per cent of the gain made in the developed waterpower of the country in 1928 was made in the South, which now has 28 per cent of the hydro-electric generating capacity of the United States."

In the new rayon industry (combined chemical, textile and explosive industry)—the plants being capable of becoming TNT factories practically over night—which is developing new sections of the countryside into industrial communities, the southern section of the industry will, it is estimated, produce 90,000,000 pounds of the country's total of 125,000,000 pounds in 1929. (The above figures and quotations are from the "Blue Book of Southern Progress" for 1929.)

It is interesting to note the heading which the editor of this publication puts over the leading article summarizing the results of the last presidential election. It says:

"A political revolution which marks the beginning of the greatest material advancement the South has ever known. Republicans and Democrats will now vie with each other in seeing which party can do the greatest good for the progress and prosperity of the South."

Speaking of the Democratic Party the editor says: "Its policies must be modernized to conform with the new industrial and economic development. . . . The American protective tariff, enacted as such at the instance of Jefferson and Monroe, must again be recognized and adopted as a great democratic principle. . . ."
The Young Plan

EDITOR'S NOTE: We publish in this issue two articles on the Young Plan and the Reparations Conference by well-known European authorities on international finance and politics. The article by Comrade Fried—written just before the Conference concluded—discusses the world-political aspects of the proceedings while Comrade G. P. explains the main features of the Young Plan as finally adopted. We intend to publish in coming issues of the Communist further material and articles on other features of the reparations question.

The Reparations Conference and the War Danger

By A. FRIED

FORMALLY, the Paris Reparations Conference is not yet over. There is still some controversy on the size of the payments and on the conditions under which they should be made. But the future sessions will deal with the technique of the reparations business rather than with its essence. Basically the decision was made when the German representatives agreed to the Young Plan. Whether the German payments will finally be fixed (in accord with the Young plan) as 1675 million marks to reach the height of 2350 million marks in twenty years or whether these sums will be increased—this question is an entirely secondary one compared with the significance of what has already been agreed upon.

On what basis was it possible to reach an understanding among the imperialist groups whose representatives in Paris began the conference with what appeared to be a struggle of each against all? From the very beginning it was clear that behind the financial transactions the decisive questions were those of international politics. Would the international solidarity of interest of the imperialist powers against the Soviet Union prove stronger than the contradictions among the individual powers themselves, between the “victor states” and Germany on the one hand, between the United States and Great Britain on the other? The whole course of the Reparations Conference took place under this sign.

Aside from the individual artificial “crises,” provoked for the sake of public opinion, the total results of the Reparations Confer-
ence can best be understood in direct connection with the question of war. For the Paris Conference was from its inception not simply a conference to reach an understanding on reparations, but a conference to reach an understanding on war. It was a Reparations Conference which in its essence became more and more clearly an intervention conference.

Germany failed, in spite of its dramatic gestures, to achieve any real diminution in the demands of the victorious powers. At the time when the Reparations Conference appeared to have blown up altogether, the participants including Germany issued the new slogan: The Conference is dead—Long live the Conference! This decisive moment proved very clearly that the imperialist united front against the Soviet Union was a stronger factor than all of the antagonisms among the imperialist powers themselves. After German imperialism decided (in Berlin, not in Paris) to continue with the conference, there was nothing left but to submit to the conditions formulated by Young and sharpened by England and France. The final integration of Germany into the fighting front of world imperialism was really achieved very cheaply. The reduction of a few hundred million marks (the exact sum is not yet certain) per year, the only concession that Germany received, was not at all the decisive motive for Germany's submission to the Young Plan. Far more decisive was the fear of German capitalism of a credit blockade; far more decisive was the tendency of German finance capital to make up for the unsuccessful reparations business with a more profitable "Russian business." But this "Russian business" is precisely the coming war of imperialism against the Soviet Union,—or, preceding the war and preparing for it, a Dawes Plan for the Soviet Union.

To prepare such a Dawes Plan for the Soviet Union is one of the most important functions of the Reparations Bank whose establishment was decided upon by the Reparations Conference, and for which detailed plans are already being worked out. In this connection the Reparations Bank is the successor of the anti-Bolshevik Committee of Russian Creditors in which German finance capital participated. Of course the extent and significance of a Dawes plan for the Soviet Union under the control of the Reparations Bank will be immeasurably greater than the plan of the anti-Bolshevist Committee of Creditors. One of the most important practical tasks of the new Reparations Bank will unquestionably be the carrying through of a credit blockade against the Soviet Union. It is clear that a Dawes Plan against the Soviet Union—since it will be entirely unacceptable to the Workers Government—is something
more than a preparation for war. It is already a stage in the war, in the economic war.

Do the results of the Reparations Conference, and especially the establishment of the Reparations Bank, mean then that the antagonisms among the imperialist powers themselves have been liquidated or at least greatly weakened? The course of the Conference shows something entirely different. Certainly the acceptance of the Young Plan implies that the mutual imperialist contradictions have been placed in the background in favor of the establishment of a united front against the Soviet Union and, as far as necessary, against Germany, but only temporarily. There was no sign of let up in the intensity in the struggle for world hegemony between England and the United States at any point in the conference. It was the aim of the U. S. not only to achieve hegemony over the other states but also to break France loose from England. A deep fog still engulfs the secret proceedings that went on between the representatives of American and French finance capital. This much, however, is certain, that with the Paris Conference, the question of the Anglo-France military and political alliance entered upon a new stage. It remains a fact also that the unity of interest between England and France as the two debtor states of America, is still the strongest factor, a situation not essentially changed by American promises.

The establishment of the Reparations Bank will not weaken the Anglo-American antagonisms or the consequent danger of a new imperialist war; on the contrary, it will raise them to a new level. For of course, the reparations question signifies no solution in the struggle for hegemony in the world market; rather does it represent a new field of battle, a definite concentration of the struggle for mastery in world finance. The rivalry between England and America will show itself in this sphere no less vigorously than in the disarmament question. Indeed it can be declared as a certainty that the Reparations Bank also signifies the attempt of the U. S. to achieve control of the financial world market and therefore brings with it a tremendous intensification of imperialist contradictions.

In close connection with the Young Plan and with the creation of the Reparations Bank stands the question of inter-Allied debts, that is the problem of regulating the debts that England and France owe America. It became obvious at the Conference that the U. S. has no intention of relinquishing the powerful weapon that these debts place in its hands. The demand of England and France to connect up the Reparations question with the problem of inter-allied debts met with no success.

Such is the present stage in the Reparations Conference. Peace and harmony in Paris—reports the press of international finance
capital. But this "peace and harmony" is accompanied by intensified war preparations on the part of every country by the fiasco of the Geneva Disarmament Conference, by the bloody May Day in Berlin, by the suppression of the Red Front Fighters, by the demand of the German bourgeois papers for a break in diplomatic relations between Germany and the Soviet Union!

The New Reparations Plan

By G. P.

After months of discussion, the experts of the imperialist powers in Paris have ultimately come to an agreement. The result of their efforts is the final draft of their report, to be known as the Young Plan. This plan has to be investigated carefully and seriously, for only on the basis of a detailed analysis of the results of the work of the experts is it possible to arrive at definite conclusions regarding the political and economic consequences of the agreement signed in Paris. By enumerating the chief facts of the case, however, we may even now draw a number of conclusions.

The fundamental aspects of the Young Plan figure as follows:

The first difference between the Young Plan and the Dawes Plan lies in the difference of the yearly payments of Germany. Whereas according to the Dawes Plan the "normal" annual German payments, beginning with the fifth year from the inception of the plan, i. e., from the current year, amounted to 2500 million marks, the average sum which Germany will have to pay annually for the first 37 years according to the Paris agreement is 1988 millions. Germany's annual payments have thus been reduced by more than 500 millions.

The present capital value of Germany's debts according to the Young Plan amounts to 39,200 millions, or, with the addition of the present capital value of the last 22 yearly payments, to 52,000 million marks. On the other hand, the capital value of Germany's indebtedness under the Dawes Plan, with due consideration of the welfare index, stood at 56,000 millions on the basis of 37 years of payment, or at 71,600 millions on the basis of 58 years of payment.

In contradistinction to the arrangement under the Dawes Plan, the payments are to be subject to a sliding scale. They will rise slowly from 1707 millions in the year 1930-31, reach the two thousand million mark ten years later, and continue rising to 2428 millions in 1965-66.

If we bear in mind that German economic circles feared that,
by reason of certain clauses in the Dawes Plan, an improvement of Germany's prosperity might call forth an increase in the yearly payments beyond the two-and-a-half billion mark, the advantages of the Paris agreement for German economy will be obvious. (The so-called "welfare index," it may be added, has been altogether dropped).

It would be wrong, however, to limit ourselves entirely to this purely arithmetical conclusion. It must not be forgotten that at the moment of the commencement of the Paris negotiations, in the fifth year of the Dawes Plan, it had become obviously impossible for the colossal sums of the Reparations payments to be squeezed out of German economy for any length of time. Germany's creditors already spoke of a paralysis of the Dawes Plan. In place of a clear and unambiguous declaration on the part of Germany that the respective payments should be made, the Allies have now received an assurance of Germany's willingness to continue making the yearly payments curtailed by 20 per cent. The political and economic advantages of such a repeated and "generous" confirmation of the will to pay on the part of Germany must not be underestimated. It should not be forgotten that it was not in 1924 that such readiness is evinced, at a time when German economy was in a condition of almost complete collapse, but in 1929, when Germany is in possession of far greater power and reason to resist the payment of an onerous gold tribute.

If, therefore, this problem of annual payments is regarded not from the purely mathematical standpoint but rather with a consideration for the entire complex of political and economic consequences of Germany's renewed promise to make further payments, the victory of the German delegates in Paris loses considerably in glamor.

The second difference between the Dawes Plan and the Young Plan lies in the establishment both of the final sum total of all reparations payments and of the final date of their performance. The full term of payment was fixed at 59 years and divided into parts, one comprising 37, and the other 22 years. Mathematically it may also be established that the sum total of payments, as laid down in Paris, is far below the sum hitherto named. It will be remembered that in 1919-20 the sum total of German reparations was put at 250,000 million gold marks. At the London Conference of 1921, this sum was reduced to 132,000 millions. At the Paris and London Conferences of 1923 it was reduced again to 50,000 millions. At none of these conferences, however, was the ultimate sum total established. Not even the Dawes Plan really established it, since it merely stated the amount of the yearly payments but not the num-
ber of years during which such payments were to be made. The Young Plan has established both the amount of the payments and the length of time during which they will continue to be due. At the same time the sum total was put at a lower figure than it had ever stood at before.

It appears that in this question, too, German economy may be said to have achieved a great success. But even this conclusion is in some respects incorrect. It will be remembered that the representatives of German economy were not over-anxious to see the sum total ultimately established nor yet to learn for how many years payments would still have to be made. This is comprehensible, seeing that the changing political and economic position might enable Germany in a few years' time to shake off the reparations debt entirely. To act thus would now be far more difficult, since Germany has promised to pay the debt in the course of 59 years. True, neither Germany nor its creditors consider this term seriously. Nevertheless, an engagement so voluntarily incurred cannot but impair Germany's freedom of action in the case of a further change in the conditions of payment.

In regard to the other stipulations of the Young Plan, we may still speak of the question of payments in kind, of the question of a connection between the German reparations and the debts of the Allies, and finally of the question of the foundation of a Reparation Bank.

It is well known that both before and according to the Dawes Plan part of the reparations payments was made in kind. By the Young Plan these payments in kind have been established at a value of 750 million marks per annum, a sum which is to decrease successively every year by 50 millions, ceasing completely in ten years' time. Superficially this stipulation also appears in the light of a German success. In reality, however, quite a serious blow is thus dealt to the German industrial interests. As things stand at present, the deliveries in kind on the part of German economy open up a guaranteed market for a very considerable sum. According to the Young Plan, this market is to be successively narrowed, so that in the end payments in foreign currencies will take the place of deliveries in kind. For German economy the question of foreign markets will assume more serious proportions every year. Under such circumstances the present regulation of the deliveries in kind can hardly be looked upon as a victory for the German delegates.

In the course of the first 37 years, the German reparations amounts will be employed for defraying the military expenditure of the creditors and for the payment of inter-Allied debts. In the course of the subsequent 22 years, Germany guarantees to enable
the creditor powers to defray their indebtedness to the United States. This stipulation of the Young Plan is undoubtedly of the very greatest importance. For the first time the victors of Versailles have managed completely and formally to shift their burden of indebtedness to America onto the shoulders of Germany. The latter State has thus become the only debtor of the United States, while Great Britain and France are no more than agents of transfer for the payment of their debts.

In this connection the instructions of the Young Plan in regard to the foundation of a Reparations Bank are of particular interest. We may well say that the Reparations Bank will be a powerful channel by means of which American capital will penetrate European economy in a far greater degree than hitherto, while at the same time circumventing the mediation of the British banks. The activity and profits of this bank will have immediate influence on the volume of the German payments. There obviously results the interest of German economy in the operations of this bank. The extent and character of such operations, however, will not depend on Germany. The leading role in the administration of the bank will undoubtedly lie with the American business world. German export trade will be financed and guided along lines which appear advantageous to the American capitalists, though these lines may deviate from the lines of an organic development of German economy.

We have by no means enumerated all the stipulations of the Young Plan here. What has been said, however, should suffice to lead us to the conclusion that in spite of certain advantages Germany derives from the Young Plan, the real advantages fall to the Versailles victors on the one hand and the United States on the other, in both cases at the cost of Germany.
Further Notes on Negro Question in Southern Textile Strikes

By CYRIL BRIGGS

SINCE writing the article on "The Negro Question in the Southern Textile Strikes," which appeared in the June number of The Communist, certain developments have occurred which necessitate an elaboration of the subject.

Significant of the change which has been wrought in the minds of the white strikers and concrete proof of the correctness of the Union's policy of organizing the Negroes together with the white workers on a basis of full equality is the fact that following the unprovoked police attack on the strikers' tent colony, the shooting of the chief of police and the arrest of the strike leaders, the white strikers themselves took action to save Otto Hall, Negro organizer for the union, from the lynching fate prepared for him by the local mill owners and the police. The fact that Hall had been absent in Bessemer City at the time of the attack on the strikers' tent colony and could have had no part in its defense made no difference to the mill bosses and their business allies and police tools who saw in Hall's connection with the union an opportunity to whip up a lynching spirit against the strikers and their leaders. They planned to use the Negro question to mobilize the community against a cause so unpopular to the white ruling class as the organization of Southern workers against capitalist rationalization and starvation wages. It would not have been the first time that the Negro question had been utilized by the Southern bourgeoisie against an unpopular cause. Had the police succeeded in laying their hands on Hall it is certain that not only would Hall have been lynched but it is highly likely that with the Negro question to serve as a fuse there would have been a tremendous emotional explosion and other lynchings that night. The Gastonia newspapers did their best to work up a lynching spirit, but lacking the Negro issue which the capture and lynching of Comrade Hall would have furnished, fell far short of actual success. However, these newspapers are now busy mobilizing sentiment for a legal lynching via the capitalist courts and the electric chair of the fifteen strike leaders under arrest on the charge of murder in connection with the killing of the chief of police, and it behooves our Party to exert every ounce of its strength in defense of these fifteen victims of one of the most murderous frame-ups in the history of the labor movement.

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Unaware that there had been trouble in Gastonia and that the stage was even then set for his lynching, Comrade Hall was on his way back from Bessemer City. The white strikers were up against a test. Deprived of the guidance of their leader, all of whom, with the exception of Beal who was away, had been rounded up by the police, they faced a situation calling for quick thinking, quick action and a spirit of loyalty to their Negro organizer, based upon an acceptance of the Negro policy of the Union. They responded magnificently! Breaking through the police cordon thrown about the roads leading into Gastonia, a committee of white strikers succeeded in intercepting the car in which Comrade Hall was returning to Gastonia and, warning him of his danger, rushed him to a railroad station forty miles from Gastonia where they raised sufficient money for his fare and put him on a train for New York City. Also, even before this, the white strikers had furnished Comrade Hall with a body guard in his movements about the strike area, giving notice to the world in general and to the mill bosses and their police thugs in particular that they accepted him as an organizer and leader of their union and were prepared to protect him. It seems that we had less trouble in convincing the Southern white strikers of the correctness of our policy than with some of our own comrades in the strike area!

That men who a few months before would have willingly and avidly responded to any proposal of the white ruling class for the lynching of a Negro, should have risked their liberty and even their lives in breaking through the police cordon to save the life of a Negro union organizer is both significant of the change which has come over the first section of the Southern white working-class to come under our leadership and indicative of what can be accomplished with the actual launching of a broad ideological campaign among the Southern white working masses against white chauvinism.

In the light of this change in the attitude of these white strikers toward the Negro, the capitulation of some of our comrades to white chauvinism becomes all the more inexcusable. For this retreat before white chauvinism it is my opinion that Comrade Jack Johnstone was mainly responsible. Comrade Johnstone was several times severely censured by the Party Secretariat for his attitude on the Union’s Negro policy, his statement that the Union had no policy for the South (tantamount to saying that the Union’s Negro policy for the South must be different to its policy for he North), his wrong interpretation of R.I.L.U. and C.I. decisions to “set up special unions for these Negro workers who are not allowed to join the white unions” as authority for setting up Jim Crow locals in the left wing unions we ourselves are organizing, and for his
NEGRO QUESTION IN SOUTHERN STRIKES

opportunist proposal that "if we found that the Negro workers did not want to join the regular locals that special Negro locals be formed." Also, Comrade Johnstone, as the C. E. C. representative in the strike area, committed a serious breach of Party discipline in his failure to fight in the fraction for the line of the Party, confining himself to a mere presentation of that line with the declaration that he had opposed it in the meetings of the Secretariat at which he was present. Comrade Johnstone based his opposition to the Party line on his opinion that any effort to organize Negroes and white in the South in the same locals and on a basis of full equality for the Negro would militate against the opportunity to organize the white workers and, if persisted in, would amount to an abandonment of the white workers.

Comrade Karl Reeve appears to have had much the same attitude on the Union's Negro policy as Comrade Johnstone. He particularly took the attitude that the putting into effect of the Union's Negro policy would mean the destruction of the Union. Comrade Reeve must share with Comrade Johnstone the responsibility for the disgraceful retreat before white chauvinism.

Comrade George Pershing was the organizer in charge of the mass meeting at Bessemer City at which a Jim-Crow wire was stretched across the hall to divide the Negroes from the white strikers. Comrade Pershing did not give instructions to put up this wire. His responsibility lies in the fact that he did not discourage and prevent such an insult to the Negro strikers. But this is hardly surprising when we take into account Comrade Pershing's inexperience, plus the confusion in the fraction, plus the wavering of older and more experienced comrades like Reeve and Johnstone.

That there are still large sections of the rank and file that have not yet fully orientated themselves on the Negro decisions of the Communist International, the RILU and the Party was evident even before the Southern retreat occurred to dramatize our weakness on the Negro question. That leading comrades like Johnstone could be so confused was not, however, to be expected.

That there is still a good deal of confusion on this issue on the part of responsible comrades is evidenced even in the treatment of my article in the June Communist. My caption for that article "The Negro Question in the Southern Textile Strikes" altho correct in the title was made to read in the page heads as "The Negro Problem, etc." And worse yet, an unauthorized and wholly impermissible change was made in a sentence of the article in which
the words "the Negro Question in the South" were changed to read "Our Negro Problem in the South."

It should be crystal clear to any Communist who gives this question the serious consideration it deserves that the Communist Party can have no Negro problem, South or North. Our problem is rather a problem of white chauvinism among the working class and in the very ranks of the Communist Party itself.

Communists must be careful not to fall into the error of accepting the capitalist estimation of the Negro as a problem. Even viewing the country as a whole the correct Communist viewpoint would be that there is at worst a race problem, not a Negro problem. And certainly our problem is not what to do with the Negro, but rather how to overcome the capitalist ideology of race separation and racial hatred in order that we may, as the Party equally of the Negro and white workers, achieve complete working-class unity in the furtherance of our struggle for the overthrow of capitalism.

NOTE

Comrade Otto Hall has sent in the following note of correction in connection with some remarks made by Comrade Briggs in his article in the June issue of the Communist:

"At the time Comrade Briggs wrote his article I was still in Gastonia and therefore all the facts were not fully available. I did not make the motion to organize the Negro workers into the A. N. L. C. What I did propose was to organize those Negro workers who could not be organized into the N. T. W. U. into the Labor Congress, that is those Negro workers who were not working in the textile industry. This is quite a different thing. My mistake was in not making this motion clear enough and in not keeping a copy of it."

*The change to which Comrade Briggs refers as well as the wrong page captions were both due to typographical and technical reasons; but of course Comrade Briggs' remarks are fully justified.—The Editor.
Capitalism and Agriculture in America

By V. I. LENIN

(Continued from last issue)

3. THE FORMERLY SLAVE-OWNING AGRICULTURAL SECTION

"The United States of America," writes Mr. Himmer, "is a country which never knew feudalism and which has nothing of the economic survivals of feudalism." This statement is in direct opposition to the truth for the survivals of slavery do not differ in any essential respect from those of feudalism; and the survivals of feudalism make themselves very strongly felt up to the present time in the formerly slave-owning South. Mr. Himmer's mistake would not have deserved much consideration had it occurred in a hastily written newspaper article. But the whole liberal and the whole Narodniki (populist) literature in Russia shows that the same "mistake" is systematically and persistently made in relation to the Russian share-cropping system which is a survival of feudalism.

The South in the United States was a slave-holding section up to the Civil war of 1861-65. The number of Negroes, who form only 0.7% and 2% of the population in the North and West, forms even now 22.6-33.7% of the population of the South. The average Negro population for the whole country is 10.7%. Nothing need be said of the social position of the Negroes; in this respect the American bourgeoisie is no better than the bourgeoisie of other countries. By "liberating" the Negroes it has resorted, on the basis of free republican-democratic capitalism, to every possible and impossible means of assuring for itself the most shameless and despicable exploitation of the Negro. As characteristic of the cultural level of the Negroes it will suffice to point out here just one small statistical fact. While the number of illiterates among the whites in the U. S. A. was, in 1900, 6.2% of the entire population (counting only those over 10 years of age), the percentage of illiterate Negro population was 45.5%! Nearly eight times as high! In the North and the West the percentage of illiterates was 4% and 6% respectively while in the South it was 23.9%! It is easy to understand with what a situation in regard to morals and domestic relations this most shameful fact about literacy is associated.

What is the economic basis upon which such a "superstructure" has evolved and is still being maintained?

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It is on the typically Russian basis, upon the "truly Russian" system of share-cropping. The number of farms belonging to Negroes amounted in 1910 to 920,883, i.e., to 14.5 of the total number of farms. Of the total number of farmers 37% were tenants, 62.1% owners, and 0.9% managers. Among the white farmers the total number of tenants was 39.2%, but the percentage among Negroes was 75.3%. The typical white farmer is a tenant farmer. In the West the percentage of tenants equals only 14%; it is a district now in the process of colonization, of new free lands, the eldorado of the small "independent farmer." The percentage of tenant farmers in the North is 26.5% and in the South 49.6%; half the southern farmers are tenants.

But this is not all. We have here tenants not in the "cultured-European" modern capitalist sense. We are dealing primarily with semi-feudalism or, what amounts to the same thing from an economic point of view, with semi-slavery. Only a minority of the tenants in the "free" West are share tenants (25,000 out of 53,000). In the old North settled long ago, 483,000 out of a total of 766,000 (or 63%) are share tenants; in the South out of a total of 1,537,000, 1,021,000 are share-tenants, i.e., 66%.

In "free" democratic-republican America there were in 1910, 1 1/2 million share tenants of whom over a million were Negroes. And the number of share tenants in relation to the total number of farmers is not decreasing; on the contrary, it is continually and quite rapidly increasing. In 1880 17.5% of the total number of farmers in the United States were share tenants; in 1890, 18.4%; in 1900, 22.2%; and in 1910, 24%.

American statistics conclude from the 1910 census that "in the South conditions were always somewhat different than in the North and many of the tenant farms are in part plantations on which there still largely prevail the remnants of by-gone days, of pre-war days." In the South "the system of tenant-farming, primarily of Negro tenants, has replaced the old system of slave labor." The development of the system of tenant farming becomes all the more clear in the South where large plantations formerly operated by slave labor have in many cases been parcelled out into small tenant farms.

These plantations are in many cases in essence still worked as agricultural units, because the tenants work to a certain extent under superintendence which is more or less similar to the superintendence to which the farm wage laborers of the North are subjected (vol. v, 1910, pp. 102-104.)

To characterize the South it should be added that its population is deserting it and is migrating to the capitalist sections and towns in the same manner as the peasants in Russia who live in the most
backward sections, in the central agricultural governments under the rule of Valiy Markov where the remnants of serfdom are still great, are leaving their homes and migrating to the more capitalistically developed districts in Russia, to the capitals, the industrialized provinces and to the south.

The districts where share-tenants predominate both in America and in Russia are the most stagnant and backward and their toilers are the most degraded and oppressed. American immigrants who play such a prominent role in the economic and social life of the country are keeping away from the South. The percentage of foreign born population in the U. S. A. was 14.5% in 1910. In the South the percentage was only 1% to 4% while in no other district was it less than 13.9% and in some places it was as high as 27.7% (New England). For the "free" Negroes the South is a close prison with not a breath of fresh air. The people there are more tied down to the land than anywhere else. In the two most backward sections 90% of the population was born just about where they live at the present time, whereas the percentage for the whole of the United States is only 72.6%, which shows it to be much more mobile. In the West (which is a section of colonization) only 34-41% of the population were born where they are today.

The Negro population is fast leaving the two sections of the South where no colonization is taking place at all; thus in the decade 1900-1910, 600,000 of the colored population left these two sections. The Negroes are migrating chiefly to the cities; while in the South 77-80% of the Negroes reside in the countryside, in the other sections only 8-32% live in the villages. The similarity of the economic conditions of the Negroes in America with those of the "former serfs" in the agrarian center of Russia is remarkable.

4. THE AVERAGE SIZED FARM. "THE DETERIORATION OF CAPITALISM" IN THE SOUTH

Having reviewed the fundamental distinguishing features of the three great divisions of the United States and the general character of their economic conditions, we can now proceed to analyze the statistics generally used. In particular, it is the question of the "average sized farm" that will be considered. On the basis of these statistics quite a number of economists, among them also Mr. Himmer, come to the conclusions we have already mentioned..
THE AVERAGE SIZED FARMS IN THE U. S. A.

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<tr>
<td>1850</td>
<td>202.6</td>
<td>78.0</td>
</tr>
<tr>
<td>1860</td>
<td>199.2</td>
<td>79.8</td>
</tr>
<tr>
<td>1870</td>
<td>153.3</td>
<td>71.0</td>
</tr>
<tr>
<td>1880</td>
<td>133.7</td>
<td>71.0</td>
</tr>
<tr>
<td>1890</td>
<td>136.1</td>
<td>78.3</td>
</tr>
<tr>
<td>1900</td>
<td>146.2</td>
<td>72.2</td>
</tr>
<tr>
<td>1910</td>
<td>138.1</td>
<td>75.2</td>
</tr>
</tbody>
</table>

On first glance one can see, in general, a reduction in the size of the average farm, and uncertain changes—here reductions, there increases—in the average area of cultivated land. But it is clear that the period of 1860-1870 is the definite stage of demarcation, and so we have divided it with a dotted line. In this period a huge reduction in the average amount of land per farm is noticeable, a reduction of 16 acres (199.2-153.3); in this period also there is the largest decrease in the average amount of cultivated land (79.8 to 71.0).

What has happened? Evidently it is closely connected with the Civil War of 1861-1865 and the subsequent abolition of slavery. The slave owners' latifundia suffered a decisive blow. We shall see later many more evidences proving this fact, which, indeed, is so well known as to require no further proof. We shall now present the full figures, separating the North from the South.

### The Average Sized Farm in Acres

<table>
<thead>
<tr>
<th>Year</th>
<th>In the South</th>
<th>In the North</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Av. land total</td>
<td>Av. cultivated</td>
</tr>
<tr>
<td>1850</td>
<td>332.1</td>
<td>101.1</td>
</tr>
<tr>
<td>1860</td>
<td>335.4</td>
<td>101.3</td>
</tr>
<tr>
<td>1870</td>
<td>214.2</td>
<td>69.2</td>
</tr>
<tr>
<td>1880</td>
<td>153.4</td>
<td>56.2</td>
</tr>
<tr>
<td>1890</td>
<td>139.7</td>
<td>58.0</td>
</tr>
<tr>
<td>1900</td>
<td>138.2</td>
<td>48.1</td>
</tr>
<tr>
<td>1910</td>
<td>114.4</td>
<td>48.6</td>
</tr>
</tbody>
</table>

It is clear that the quantity of cultivated land on average per farm has tremendously decreased in the decade 1860-70 in the South (101.3-69.2). It is therefore here a case of specific development of conditions in the South. Even after the abolition
of slavery there is here a continuous slow reduction in the average acreage per farm.

Mr. Himmer concludes from this that "small scale farming is spreading its hegemony and capital is leaving the sphere of agriculture for other investments"... "Agricultural capitalism is deteriorating in the Southern Atlantic States."

This curious reasoning can find its parallel only in the arguments used by our Narodniky on the "deterioration of capitalism" in Russia after 1861 as a result of the transition from the system of serfdom to the system of working part-time for the land barons (semi-serfdom). The break-up of the slave owners' latifundia is called a break-up of capitalism. The transformation of the uncultivated land of the former slaveholders into small farms husbanded by Negroes, most of whom are share-tenants (it should be remembered that the percentage of share-tenants is continually increasing from decade to decade) is called "deterioration of capitalism." Can there be any greater perversion of economic science?

In the twelfth chapter of the explanatory text to the census of 1910, American statisticians have given data on "plantations" typical of the present day and not of the slave period. Out of 437,978 plantations we have 39,073 landlord farms and 398,905 tenant farms: an average of 10 tenants to one landlord. The average plantation has 724 acres of land, 405 acres of which are cultivated and over 300 acres are lying fallow. Quite a field for future exploitation on the part of former slave holders.

The average area of land held by landlord plantations is 331 acres, 87 acres of which are cultivated. The tenant Negro sharecropping farm, working for and under the observation of the landlords, comprises an average of 38 acres of which 31 are cultivated.

The former slave holders in the South having vast latifundia in their possession, nine-tenths of which is lying fallow, are gradually, as the population and the demand for cotton increases, selling out their land to Negroes or more frequently, are renting it out on a share-cropping basis. (From 1900 to 1910 the number of farmers fully owning their land increased in the South from 1,237,000 to 1,329,000, i. e., an increase of 7.5% while the number of share croppers increased from 772,000 to 1,021,000, i. e., an increase of 32.2%). And there are economists who call this "deterioration of capitalism."

As latifundia we consider those farms which embrace 1,000 or more acres of land. Of such farms there were in the United States in 1910 altogether 50,135 or 0.8% with a total of 167,-100,000 acres or 19% of all land. This is an average of 3,332
acres per latifundia. Only 18.7% of it is improved, whereas the average for all farms is 54.4%. The capitalistic North has the smallest percentage of latifundia, 0.5% of all farms and 6.9% of all land, 41% of which is being cultivated. The West has the highest percentage of latifundia: 3.9% of all farms and 48.3% of all land, 32.3% of which is under cultivation. The largest percentage of uncultivated latifundia land is in the South; there percentages are: 0.7% of all farms, 23.9% of all land of which only 8.5% is under cultivation! These detailed data clearly demonstrate how incorrect it is to describe, as is so very often done, all latifundia, without analyzing the concrete conditions of every given country or district concerned, as capitalist enterprises.

In the decade 1900-1910 the amount of land in the latifundia, and only in the latifundia, decreased. This reduction was quite considerable: from 197,000,000 to 167,100,000, a reduction of 30,700,000 acres. In the South this reduction equalled 31,800,000 acres, in the North there was an increase of 2,300,000, and in the West a decrease of 1,200,000 acres. This is the situation in the South (and only in the South), where the process of breaking up the latifundia is taking place on a large scale and where only a very small part (8.5%) of their land is under cultivation.

From this it inevitably follows that the economic process now in progress may be properly defined as a transition from slave-holding latifundia, 9/10 of which are lying fallow, to petty commercial farming. The land is going not to “working” farmers, as Mr. Himmer and the Narodniki with all bourgeois economists, singing cheap hymns to “toil” love to say, but to commercial farmers. The word “working” has no politico-economical significance, it only indirectly leads to confusion. It is void of all significance because under all social-economic forms—slavery, serfdom or capitalism—the small agrarian is “working.” The phrase “working enterprise” is a mere hollow phrase, a declaration without any substance, serving the bourgeoisie in their effort to confuse the most varied social economic forms; the word “working” confuses and deceives the public because it creates the impression that the given enterprises do not employ wage-labor.

Mr. Himmer, like all bourgeois economists, ignores all data on the question of wage-labor although they give the most important information pertaining to the question of capitalism in agriculture. Such data are found not only in the census of 1900, but also in the “Bulletin” of the 1910 census (Abstract Farm Crops by States), which Mr. Himmer quotes.

That the increase in small scale farming in the South is really an increase of commercial farming can be seen from the fact that
its chief product is cotton. Grain in the South forms 29.3% of the value of the whole crop, grass and forage 5.1%, and cotton 42.7%. From 1870 to 1910 the production of wool increased from 162,000,000 lbs. to 321,000,000 lbs.—that is, it doubled; wheat increased from 236,000,000 to 635,000,000 bushels—somewhat less than trebled; corn from 1,094,000,000 bushels to 2,886,000,000—also close to three times the amount, and the production of cotton increased from 4,000,000 bales to 12,000,000—also trebled. The growth in the production of purely commercial products has gone far beyond those products which are of a lesser commercial character. In addition to this, there was a considerable development in production, in the most important Southern division, the "South Atlantic," of tobacco (12.1% of the total crop value in Virginia), vegetables (21% of the total crop value in Delaware and 23.2% in Florida), fruit (21.3% of the crop value in Florida), etc. All of these crops signify intensified farming on small plots of land with the employment of hired labor.

We shall now investigate the data on hired labor: it should be noted that although in this respect the South lags behind the other divisions—less hired labor is employed here because more of semi-slave forms of labor are used—nevertheless the employment of hired labor in the South is also on the increase.

(Continued in the next issue)
Economics and Economic Policy in the First Quarter of 1929
(Up to April 15, 1929)

(Editor's Note: The following paragraphs constitute the last section of the report of Comrade Varga on "Economics and Economic Policy in the First Quarter of 1929." The whole of the report is published in full in International Press Correspondence (English edition), Vol. 9, No. 25, May 28, 1929, to which the reader should certainly refer.)

THE UNITED STATES

With Hoover's entrance into office, the economic life of the United States has experienced a certain reanimation. Whereas Coolidge was only a passive executive organ of the will of the big bourgeoisie of the United States, Hoover is a living organizational force standing for the development of American imperialism.

In the address with which Hoover convoked the interim session of the Senate for the middle of April, he spoke in favor of a higher customs tariff. Since, as a result of the industrialization of the South, the Democratic Party has also abandoned its resistance to high industrial duties, there can be no doubt but that a considerable rise in the customs duties is imminent. In view of the predominance of the monopolies in economic life every per cent by which the tariffs are increased spells a corresponding increase in the profits of the big monopoly organizations. It is characteristic that the American Federation of Labor should be among the advocates of higher tariff. Woll, vice-chairman of the Federation, recommended not only an increase in the tariffs but also the application of the "American valuation" in the assessment of duties.

The proposed invigoration of the fight against bootlegging is likewise in the interest of the industrial capitalists, as is also the proposed creation of a fund of $3,000,000,000 for the purpose of carrying out public works in the eventuality of a recession in the trend of business.

Hoover's foreign policy, too, is completely directed towards supporting the expansion of United States capitalism. It is significant that Hoover has chosen as his Secretary of State, Stimson, formerly Governor of the Philippines, and an expert on matters connected with Asia; also that immediately upon his appointment and prior to
his departure for the States, Stimson should have paid a visit to Shanghai, where he had an interview with the Chinese Foreign Minister. (New York Times of February 28, 1929.)

Similar significance attaches to the decisive attitude of the United States Government in favor of the present Government in Mexico, the furnishing of arms to the Mexican Government troops, and the permission for these troops to cross American territory in the course of the civil war. These two facts, the visit of the State Secretary to China and the support of the Mexican Government, symptomatically point the direction of the future policy of expansion of the United States. (According to the Frankfurter Zeitung of March 26, the Shanghai electricity works, which are among the largest in the world, are to be sold for 10 million pounds to the American and Foreign Power Company.)

The extremely capitalist character of the Hoover Government is clearly apparent from the composition of the Cabinet. Not only has Mellon, a typical representative of the financial capital of the United States (personally connected with the aluminum trust, with coal-mining interests and the like), retained his post of Secretary of the Treasury; the new Secretaries are all recruited from the ranks of the leading capitalists. Lamont, Hoover’s successor as Secretary of Commerce, is on the boards of a dozen big enterprises, including Armour & Company, Dodge Brothers, and the International Harvester Company. The commencement of Hoover’s administration was the signal for a fresh vigorous boom on the stock market and for a series of gigantic amalgamations and capital augmentations.

THE BUSINESS DEVELOPMENT

The business position has materially improved during the last few months, as will be seen by the following index figures. In this connection the reader should be warned not to draw any particular economic inferences from such index figures as appear in the daily papers. The index figures of the United States are frequently changed and are published in various forms. Thus, the Federal Reserve Board has published an index of national production on the basis of 100 to represent the level of 1923 and more recently again an index based on the level of the average of the three years from 1923 to 1925. The daily papers, meanwhile are wont to mix the various indices, so that they must be read with the utmost reserve.
Returns of the Federal Reserve Board

<table>
<thead>
<tr>
<th>Monthly Average 1927</th>
<th>Index of Industrial Production (1921-23=100)</th>
<th>Index of Degree of Occupation of Workers (1919=100)</th>
<th>Index of Loaded Trucks (1921-23=100)</th>
<th>Index of Building (1921-23=100)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>106</td>
<td>92</td>
<td>—</td>
<td>128</td>
</tr>
<tr>
<td>Monthly Average 1928</td>
<td>110</td>
<td>89</td>
<td>103</td>
<td>135</td>
</tr>
<tr>
<td>January 1928</td>
<td>105</td>
<td>88</td>
<td>100</td>
<td>133</td>
</tr>
<tr>
<td>November 1928</td>
<td>112</td>
<td>91.6</td>
<td>103</td>
<td>126</td>
</tr>
<tr>
<td>December 1928</td>
<td>113</td>
<td>91</td>
<td>103</td>
<td>116</td>
</tr>
<tr>
<td>January 1929</td>
<td>117</td>
<td>91</td>
<td>104</td>
<td>128</td>
</tr>
</tbody>
</table>

In January the index of industrial production was thus twelve points higher than twelve months earlier, while the index of occupied workers had advanced by no more than 3 per cent. This means that the relative diminution in the number of workers in proportion to the volume of output continues to progress.

The following table, published in the *Annalist*, is characteristic of the trend of production in individual industries during the last few months.

### Business Index Figures of the "Annalist"

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Iron Output</td>
<td>108.7</td>
<td>109.6</td>
<td>105.4</td>
<td>109.8</td>
<td>105.9</td>
<td>101.6</td>
<td>89.3</td>
</tr>
<tr>
<td>Steel Output</td>
<td>106.9</td>
<td>103.6</td>
<td>106.0</td>
<td>106.3</td>
<td>112.6</td>
<td>113.4</td>
<td>87.8</td>
</tr>
<tr>
<td>Loaded Trucks</td>
<td>101.3</td>
<td>98.2</td>
<td>97.4</td>
<td>98.7</td>
<td>95.4</td>
<td>95.0</td>
<td>94.0</td>
</tr>
<tr>
<td>Output of Elec. Energy</td>
<td>102.3</td>
<td>103.1</td>
<td>99.1</td>
<td>101.9</td>
<td>102.8</td>
<td>100.9</td>
<td>100.6</td>
</tr>
<tr>
<td>Coal Output</td>
<td>105.6</td>
<td>95.7</td>
<td>92.3</td>
<td>94.6</td>
<td>92.9</td>
<td>89.8</td>
<td>92.6</td>
</tr>
<tr>
<td>Automobile Output</td>
<td>145.7</td>
<td>145.7</td>
<td>99.1</td>
<td>97.0</td>
<td>100.8</td>
<td>108.9</td>
<td>96.4</td>
</tr>
<tr>
<td>Cotton Consumption</td>
<td>107.7</td>
<td>111.2</td>
<td>102.6</td>
<td>107.3</td>
<td>106.0</td>
<td>94.2</td>
<td>101.2</td>
</tr>
<tr>
<td>Wool Consumption</td>
<td>101.7</td>
<td>107.3</td>
<td>102.2</td>
<td>102.6</td>
<td>100.1</td>
<td>98.2</td>
<td>101.2</td>
</tr>
<tr>
<td>Output of Footwear</td>
<td>102.9</td>
<td>91.2</td>
<td>98.2</td>
<td>103.1</td>
<td>105.6</td>
<td>103.0</td>
<td></td>
</tr>
<tr>
<td>Zinc Output</td>
<td>89.9</td>
<td>85.1</td>
<td>91.6</td>
<td>96.2</td>
<td>91.9</td>
<td>95.3</td>
<td>87.8</td>
</tr>
<tr>
<td>Combined Index</td>
<td>105.7</td>
<td>104.0</td>
<td>99.1</td>
<td>101.5</td>
<td>101.0</td>
<td>98.8</td>
<td>97.2</td>
</tr>
</tbody>
</table>

The table shows that the production of automobiles is the main factor in the business boom. From this industry the boom spreads to the iron and steel output, which in February was from 15 to 20 per cent higher than a year ago, while in Marsh it showed absolutely record figures. The iron and steel industry in particular is supplied with orders for a long time ahead. The output figures at 95 per cent of capacity and more. At the end of March the terms of delivery for steel plates were twelve weeks.
In March the output of pig iron was 3.7 million tons, which represents the peak figure of the last nine years.

WEAK POINTS OF THE BUSINESS POSITION

In spite of the great optimism of the United States capitalists, it is obvious that there are a number of weak points in the American business position.

One weak point lies in the automobile industry. For the past three years the sales of the automobile industry have been much on the same level, figuring at rather more than four million cars per annum. Now that Ford has recommenced producing to full capacity, while a number of other producers have also greatly extended their capacity of output for competitive purposes, there is the imminent danger of an over-production of automobiles. The industry, it is true, is making the utmost endeavors to get rid of part of the surplus output by a penetration of foreign markets. In the year 1928, 368,000 passenger automobiles and 139,000 trucks were exported, to a total value (with spare parts) of 522 million dollars. In January, 1929, the export figure was 25,000 for passenger cars and 13,000 for trucks, representing together with parts, a value of 48 million dollars. But, substantial as these figures are and seriously as they affect the European automobile industry, they are yet not adequate to banish the danger of an over-production on the United States market.

Another weak point in the realm of production is the regression of the building activity, which in January fell short of the extent of January, 1928, by as much as 11 per cent. Nor is the proportion likely to have improved since then. If we consider that in 1928 the value of newly constructed buildings amounted to 8,000 million dollars, the significance of such a recession for the entire economy is apparent.

The third weak point lies in the over-production of crude oil. At the beginning of March the daily output figured at 2.7 million barrels, or 350,000 more than a year ago. The stocks of oil amount to 373 million barrels, well night equaling the output of half a year. By reason of an agreement among the big oil concerns, it is true, a restriction of output has been attained not only in the United States but also in Venezuela, but it is doubtful whether this agreement will be maintained.

Finally, the critical position of agriculture continues unchanged. True, in his address to the Senate, Hoover promised that the extraordinary session of the Senate should be devoted, inter alia, to working out a bill in favor of agriculture, but it is economically inconceivable that the ruling financial capital which Hoover represents
should afford any serious assistance to the unorganized small agricultural capitalists, whose exploitation constitutes one of the foundations for the profits of monopolized capital. The proposed increase in the duties on agricultural products can merely have the effect of enhancing the prices of certain goods in certain limited regions. For all such goods as are primarily dependent on exportation, such as wheat, cotton, tobacco, and cattle products, an increase in the tariffs can be of no advantage.

THE DIFFICULTIES ON THE MONEY MARKET

The most serious difficulties are those which have been brought about on the money market by the tremendous speculation on the stock exchange. The situation may be summed up by saying that the Federal Reserve system has lost control of the money market. As a matter of fact, it has not been found possible, in spite of the higher bank rate, to curb stock exchange speculation and the rise of the loans invested in this direction. Things have gone so far that various economists are speaking of a new inflation of quite a special nature in the United States.

Added to this we have the increase in the bank shares and in the shares of the investment trusts. The significance of this tremendous apparent increase in fortunes and incomes becomes apparent when it is borne in mind that the value of the wheat, maize, and cotton crops together is roughly $4,000,000,000 a year. In the opinion of numerous economists in the United States, an artificial inflation of incomes has been brought about. This leads to an enormous increase of luxury consumption in all directions.

All warnings issued in regard to speculation have hitherto proved useless. On March 20, the loans employed in stock exchange speculation reached the record height of $5,793,000,000. Owing to the policy of restriction and to the pressure of the Federal Reserve Banks there was well nigh a panic on the stock exchange on March 27. The rate of interest for call money rose to 20 per cent and a serious fall of the rates set in.

Meanwhile the leading banks refused to accede to the credit policy of the Federal Reserve Board. The National City Bank placed big sums at the disposal of the stock exchange so as to prevent a collapse. Mitchel, the chairman of the said bank, declared it to be the duty of the banks to avert a serious crisis on the stock exchange. This duty must take precedence of attention to the warnings of the Federal Reserve Board. For this reason, he said, the National City Bank had placed big sums at the disposal of the stock exchange as soon as the danger of a collapse of the rates became acute.

This incident also shows that the Federal Reserve Bank system
has lost control of the money market and the stock exchange. Inevitably, sooner or later, as soon as the leading banks are prepared and disposed to take the risk, there is bound to be a great stock exchange crash, which may well become the starting point of a serious crisis.

FOREIGN TRADE

As we already pointed out in the first section of our report, the exports of the United States increased in the course of last year, though the increase was no greater than that of the entire volume of output. A point of particular importance for international trade was the increase in the exportation of finished products by the United States. The increase in this connection over 1927 amounted to more than 50 million pounds. If we bear in mind that the entire foreign trade of the world in regard to finished goods representing a value of from 2,000 to 2,500 million pounds, the significance of this increase will be apparent. The increase, moreover, appears to be continuing in the current year.

<table>
<thead>
<tr>
<th>Foreign Trade (In Millions of Dollars)</th>
<th>Imports</th>
<th>Exports Finished Goods</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Average, 1927</td>
<td>349</td>
<td>397</td>
</tr>
<tr>
<td>Monthly Average, 1928</td>
<td>341</td>
<td>419</td>
</tr>
<tr>
<td>November, 1928</td>
<td>326</td>
<td>538</td>
</tr>
<tr>
<td>December, 1928</td>
<td>339</td>
<td>466</td>
</tr>
<tr>
<td>January, 1929</td>
<td>369</td>
<td>487</td>
</tr>
<tr>
<td>February, 1929</td>
<td>371</td>
<td>444</td>
</tr>
</tbody>
</table>

The exports of the first two months of the current year were almost $150,000,000 greater than those of the corresponding period of 1928. The surplus of the balance of payments in the said two months was almost $200,000,000. Such substantial export figures have not been recorded since 1921. It must be remembered, however, that some very important American export goods, such as cotton and in particular copper, are priced much higher now than they were a year ago.

In keeping with the very favorable commercial balance, with the tension on the money market, and with the decreased capital exportation, the importation of gold to the United States has set in in earnest, amounting in the first two months of 1929 to 23 million dollars. It is probable that the current year will see a further increase of the export surplus and of the importation of gold.
THE POSITION OF THE WORKING CLASS

In view of the altogether insufficient social statistics in the United States, it is difficult to make any definite statement as to the position of the American working class. Now that the elections are over very little is heard in the bourgeois press in respect of unemployment. That in spite of the improved business position there is still a very considerable degree of unemployment, cannot be doubted. This matter we have dealt with in the General Section.

As regards wages, or rather earnings, there are likewise no comprehensive statistics. In certain industries, such as coal mining and the textile trade, wages have been reduced, while in other cases, e. g., in the copper industry and on several railroads, they have been slightly raised.

The index figures of the Federal Reserve Board, which are based on the returns of the Bureau of Labor and comprise more than three million factory workers, afford the following survey, on the basis of 100 to represent the level of 1919:

<table>
<thead>
<tr>
<th>Year</th>
<th>Year</th>
<th>Year</th>
<th>Year</th>
<th>Jan.</th>
<th>Febr.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1925</td>
<td>1926</td>
<td>1927</td>
<td>1928</td>
<td>1929</td>
<td>1929</td>
</tr>
<tr>
<td>Number of Operatives</td>
<td>95</td>
<td>96</td>
<td>92</td>
<td>90</td>
<td>91</td>
</tr>
<tr>
<td>Wage Amount</td>
<td>107</td>
<td>109</td>
<td>105</td>
<td>104</td>
<td>103</td>
</tr>
</tbody>
</table>

These figures show the well-known tendency of a diminution in the number of operatives and of the amount paid out as wages, the earnings per worker having remained more or less the same or, if anything, having slightly receded.
Literature and the Class Struggle

By FRANZ MEHRING

EDITOR'S NOTE: We reprint below some extracts from the chapter on "The French Revolution and Its Results" in Franz Mehring's book GERMAN HISTORY FROM THE CLOSE OF THE MIDDLE AGES. The translation is by Gertrude Haessler.

FROM now on (after the success of Goethe's "Faust"—Trans.) Goethe, throughout the long period of his old age, stood upon a lonely height over and above the nation. Even its struggle for a national existence did not touch him; he adopted a completely neutral stand toward the wars against Napoleon, with which he has been both justifiably and unjustifiably reproached. Unjustifiably insofar as he was too much a cultured person to find any taste whatever in the anti-French absurdities, and justifiably insofar as he could feel content, during a period of world-shaking struggles, to remain in the miserable little cage of the court of a German princeling. The great poet now all too frequently and all too completely disappeared behind the little minister, as the powerful master of words contented himself with an empty ceremonious senile style.

But Goethe nevertheless remained a power in German life—as the greatest and also the last representative of classic literature, which, so long as he lived, formed the only indisputable claim of the German people to being a modern cultured nation. With the Russian barbarians as allies, the so-called "wars of liberation" against the heirs of the French Revolution were won and a desperate reaction followed. Classic literature, however, had created its own place, and this is what Goethe had in mind when he despatched the boastful arrogance of the romantic school of poetry, which had arisen under the impact of the feudal East on the bourgeois west, with the words: "The classic is the healthy, and the romantic is the unhealthy."

But it was a different matter with the opposition, which even before this time had thrown the robust elements of the bourgeoisie, joyfully anticipating the future, against Goethe. He died March 22, 1832, when the Paris July Revolution set up a goal for the sorrowful days of European reaction, and when the people remembered their rights against the princes. The German youth, who had begun to think and to act politically, who had seen only the old Goethe, and who had found little even in his youthful writings to
stir their hearts, were compelled to take up a hostile and antagonistic attitude toward Goethe. This was unavoidably accompanied by bitter, sharp and undeserved condemnation; we need only remember what even Boerne and Heine wrote about Goethe. But that is no reason for joining the cry that the nation had done its greatest son a wrong. A nation is always much greater than its greatest son; it must develop its gifts and energies in all spheres of human activities, which is something that an individual, limited as he is comparatively in space and time, can never do. Sharp and undeserved as the condemnation of Goethe was at that time, it yet arose from a historical necessity: were the German people again to become a unified and conscious nation, it was imperative that the charm of the great name of Goethe, once inspiring and now numbing, be broken.

It is stupid to believe that the opposition which arose against Goethe with the development of political life in Germany could be invalidated by stating that it ruined art by blending it with political tendencies; the political poetry of Heine, Herweghs, Freiligrath and others is an aesthetic absurdity which does not exist before the bar of good taste. It is certainly true that poetry and politics are separate spheres, that a poem which does not operate through artistic means, but merely speculates on political passions and tendencies which happen to be in the forefront of political interests, like the Hohenzollern dramas of Wildenbruch, is reprehensibly tendentious. But one must not draw the conclusion therefrom that poetry must not deal with political problems or social catastrophes. This demand comes to nought by the very fact that it is inherently impossible to fulfil. Poets and artists do not descend like snow from the skies, nor do they wander round in the clouds; they live in the midst of the class struggles of their peoples and their times. Various minds can, of course, be affected by them in the most varied ways, but beyond them no poet or thinker can go.

Thus our classical literature was nothing but the unfolding struggle for emancipation of the German bourgeoisie. To imagine that in the second half of the eighteenth century a great number of talented literary minds developed particularly on German soil because of a lucky accident or because of an unfathomable decree of Providence, is untenable. The economic development of that period gave the bourgeois classes in Germany a strong impetus; but since these classes were nevertheless too weak to struggle for political power, as in France, they created for themselves an ideal of the bourgeois world in their literature. In Klopstock and Lessing and young Schiller, the revolutionary bourgeois thought appeared sufficiently clear and sharp, but since it found no echo in the mass
of the people, it contented itself, in the very prime of our classical literature, which is characterized by the friendship of Goethe and Schiller, with a realm of “aesthetic glory,” which deliberately limited itself to a small circle of select souls and which carefully divorced itself from all political and social tendencies at the very time when the revolutionary wars were overturning feudal Europe from one end to the other.

It is now clear that this realm of aesthetic glory must fade out in proportion as the political and social consciousness awoke in the bourgeois classes. What had formerly been an advance, the highest development of aesthetic culture of Goethe and Schiller, became now a reaction, just as soon as the objective conditions arose for political and social struggle; what had formerly constituted the ideal of the best minds, harmonious beauty and fulfillment in the realm of aesthetic glory, became now the vulgar phrase of reactionary philistines who wanted to be left in peace and who rejected all historical progress; it became the commonplace phrase of the political tendentious poetry which has nothing in common with art. But in the face of such reactionary talk, it must always be kept in mind that it is not the honest and open political and social tendency which is artistically reprehensible, but only its representation with artistically impermissible means. And this is the very thing which the working class must keep in mind, for it might otherwise adopt the senseless attitude that that which constitutes the best content of its life must not be used as the object of poetic or artistic representation.

Examining the reverse side of the medal, we find that Goethe, because of the one-sidedness of his purely aesthetic philosophy fell into the hands of the pedants and philistines, as Gottfried Keller, who is deservedly called the Swiss Goethe, had already bluntly stated. In world literature there is no figure which lends itself so well to hero worship, but whoever devotes himself now to the Goethe Cult wanders friendlessly and aimlessly about. A classical example is the book of Victor Hehn on Goethe, which contains wonderful paragraphs revealing Goethe’s innermost secrets; but which sets forth the most narrow and odious opinions of Schiller, Lessing, Buerger, Heine and in general of those giants of German literature in whom the revolutionary bourgeois soul lived most forcefully; a book which condemns the German Revolution of March, 1848 as a political prank; in short, a book which betrays the most complete stupidity toward the political and social problems of the time. These are the consequences to which the unconditional Goethe Cult lead; it is condemned to complete sterility with regard to the great problems of the time, and it cuts a ridiculous figure when it
complains about the stupidity of the masses who know nothing and wish to know nothing of Goethe.

There is only one reply: man does not live on bread alone, but neither does he live alone on art; before he can create a beautiful life, he must make his life secure. The working class of today possesses at least a morsel of the economic and political freedom which the bourgeois class of the 18th century lacked; it can get directly at its foe and requires no round-about artistic way. It is no handicap, but rather an advantage of the proletarian struggle for emancipation that it can and therefore must concentrate its energies on the political and social field, and that, while not neglecting the demands of aesthetic culture, it nevertheless gives them second place.

Malicious and short-sighted as usual, the opponents draw the conclusion therefrom that art is the prerogative of a dominant minority, and in order to glorify themselves, they have even preached the insolent dogma, that the masses will never be able to bear the blazing sunshine of art, but at most a few subdued rays of this light. This dogma can spread as long as ruling classes exist, as long as the oppressed masses must struggle for their bare existence; for only after they have secured this much, can they even think of creating a beautiful life. Nothing is more stupid than the illusion that when the ruling classes fall, art will also go under. It will fall, it is true; not as art however, but as a monopoly; it will at last become what in essence it should actually be—the primary possession of humanity. Not until then will Goethe come completely into his own; the day on which the German nation becomes economically and politically free will be the jubilee of its greatest artist, because then art will become the common property of the whole people.

Mr. Javits wants the business man to stop admitting that they are in business for profit. He tells them they want to serve the needs of the people. Mr. Javits wants to give business an "ideal." He wants the capitalist to continue the robbery of the workers but to do it under the guise of "service."

The author pretends to be living in an America that is in a vacuum. America, he thinks is not subject to the same laws as capitalism in other countries. He suffers from the illusion that the United States today is not bound by millions of threads with the rest of world capitalism.

He sees a new social order where everybody will be rich. This social order will be brought about by the development of gigantic trusts in all industries. These industrial combines will become the directing body of the United States displacing the political government.

But something stands in the way of Mr. Javits' panacea. That is the Sherman Act, which in his opinion does not allow mergers in the interest of the "people." And so, like the knight of old, in his coat of shining mail, he goes out to slay the dragon.

Unemployment exists, admits the author, as a result of displacement of men by machines. But, he claims, the workers remain unemployed, because they will not accept work with the small firms at low wages. He favors high wages, he says, because low wages would narrow the market, and compel American capitalists to look for markets in other parts of the world. This would lead us to war.

Mr. Javits forgets that the United States is already in conflict with other countries of the world in their search for markets. He is blind to the conflict between the U. S. and its most intense rival, Great Britain, in almost every part of the world, a conflict at any moment will burst forth into a world war that will make the last one look like a picnic. The struggles between the U. S. and Great Britain in the Near and Far East, in Latin America and in the English colonies don't exist for him.

He tries to kid us into believing that the capitalists have made almost no profit in the peak years of "prosperity." This when the reports from most of the large corporations show greater profits than ever before.

I wonder if Mr. Javits will win any converts for his "new order" among the business men. Surely the workers will not accept his theory. The workers will, on the contrary, fight for better living and working conditions. They will fight for old age and unemployment insurance. They will fight for a new social order—Communism—that will abolish exploitation.

—N.


The clarity of expression and lucidity of thought of Professor Hutcheon's work make it an outstanding illustration of the hopeless self-contradiction into which modernism has gotten itself.

In modernism Christianity commits suicide. It is for this reason that the fury of the fundamentalist is reserved, not so much for the open agnostic or atheist, but rather for the modernist who, under the cloak of the time-
honored symbols of Christianity, objectively undermines the very foundations of religion. The dialectic contradiction of current bourgeois religious thought is reflected in modernism, whose right hand does not know what the left hand is doing.

Professor Hutcheon definitely rejects supernaturalism as the basis of religion: "the creative imagination rather than supernatural revelation is the organ of religion." He treats revelation and inspiration as psychological concepts, having nothing in common with supernaturalism: the Christian Scriptures are "inspired" in essentially the same way as the works of Homer or Shakespeare or Dante or Beethoven. He holds the mystics in great suspicion because they "try to force the mind to transcend itself and function outside the structure which evolution thus far has given it." To him conversion is "a stage in psychic evolution," and salvation is "the organization of character." The miracle, "faith's dearest child," is not even regarded as worthy of rejection. The Bible is regarded as "unique" merely as a literary and historical manifestation. Worship becomes a subjective spiritual exercise. Faith, "the exquisite flower of religion," becomes "akin to the venturesome spirit of the explorer and pioneer." Jesus fades into a symbol and God into metaphysical vaporizing. "Morality (is) without supernatural sanctions" and the "hope for the dead" is merely negative. Such is the essence of modernism. No wonder Santayana described modernism as "the love of all Christianity in those who perceive that it is all a fable."

But the contradiction has its other pole. It is true that religion is traced to the "creative imagination" but this creative imagination is set up, distinct from reason, as "a means of divining or visioning or penetrating the nature of the living universe," as mystical intuition, in fact. Intuition is then identified with the workings the "race-mind" and we are informed that "the great substantial enduring creations of the imagination (of the intuitive race-mind) may after all be the best revelations of the truth about reality that we can attain." It is true that his morality is "without supernatural sanctions" but on the other hand it is grounded in a "belief in the cosmic ground for goodness." It is true that the orthodox "assurances of immortality" simmer down to "hope for the dead" but even this hope is purchased at the price of capitulating to vulgar spiritualism, to the well-known "dematerialization" of the universe, to the belief in psychic processes distinct from and unconnected with any neural processes, to the crudest mysticism, in short. Such is the nature of modernism. It ejects supernaturalism ceremoniously through the front door only to readmit it through the rear entrance—but how changed, how weak, how anemic!

From an historical viewpoint modernism is no more than the latest (and last!) attempt at Christian apologetics, at "adapting" religion to the changed spirit of the age. But the cycle has closed; the age of partial heresy is past. Modernism "is the last of those concessions to the spirit of the world which half-believers and double-minded prophets have always found making, but it is a mortal concession" (Santayana).

In modernism Christianity—and religion—commits historical suicide. Its gravedigger is materialist science, the animating spirit of all progressive culture and thought.

—Apex.


The essay on Marxism, written in 1909 as a contribution to a German bourgeois encyclopedia, is far and away the best abstract of the scientific achievements of Marx that has yet appeared. It is in itself a work of the highest order of revolutionary theory. The essential features of the world-view of dialectic materialism are presented in a concise, accurate and clear manner. The historical and economic doctrines of Marxism, condensed in about thirty pages, can well stand comparison for preciseness and clarity with the most elaborate popularizations. The paragraphs on Socialism and the Tactics of the Struggle of the Proletariat, which conclude the essay, present the fundamental outlines of the system later designated as Leninism in a way that is absolutely astonishing to the reader who is acquainted with the character and level of the general pre-war Marxist literature.

The pamphlet, The Proletarian Revolution, is already well-known in this country, having been translated and published in English several times since its appearance in 1918. It is a vigorous polemic against the corruptors of Marxism, against "those who convert Marx into a liberal"; it is at the same time a powerful presentation of the basic principles of the proletarian dictatorship and of the Soviet power as its concrete historical form. The new edition of the pamphlet shows the most decided improvement over all previous editions in translation, style, and typography.

The other two books, Revolutionary Lessons and Preparing for Revolt, consist of the most important journalistic articles, pamphlets, etc., written by Lenin in the world-historical months of February-October, 1917. It would surely be futile to attempt to characterize the incomparable qualities of these writings in a few lines. Every page, every paragraph mirrors the Lenin that the Communist world has learned to know—Lenin, the consummate Marxist; Lenin, the great strategist of the proletarian revolution; Lenin, the very incarnation of the revolutionary ideology and the revolutionary spirit of the great historical struggle for the emancipation of labor.

Lenin's famous style—terse, forceful, simple, and crystal-clear—marks all of these pamphlets.

—Apex.
Books

The following books will be commented upon or reviewed in coming issues of *The Communist*:

INTERNATIONAL ARBITRATION FROM ATHENS TO LOCARNO, by Jackson H. Ralston. 1929. Stanford University Press, Stanford University, Calif.


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