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Program of "Peoples Front"

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TO THE AUSTRIAN VICTIMS OF FASCISM

"Fear not tyrants shall rule for ever." Shelley.

We see your gallows...
We ask not where are your graves
We know but this: you were no slaves.
Every hour and everywhere
Is heard your voice. Somewhere
From the deep silence of tomb and mould,
It rises and o'er the world it echoes bold;
"Fear not tyrants shall rule forever"
Think not freedom can never
Bless humanity; think not the dark prolonged night
Shall last eternally and light
Shall never pierce darkness and cloud.

Rise, and fight and fight again,
Slaves, you have to break the chain.

All must die
All but spirit. That survives...
Misery, slavery is no tie,
It but gives wings the slave to fly.
Enslaved we longed for freedom;
This was our doom.
They tortured us and took our lives,
But not our spirit; that survives...

Our mothers, wives and children
Do not cry,
They know wherefore we had to die.

Our death has not been in vain
If you, oh brethren, smash the chain.

We see your gallows...

ANGELICA BALABANOFF
THE tempo of change in industrial relations, and in the political scene is accelerating. It becomes increasingly necessary for socialists, if they are to keep abreast of the times, to have a forum for the discussion of such questions as the road to power, the united front to the left and to the right, independent labor political action, a socialist agrarian program, a progressive program in the trade unions, the role of youth in the revolutionary movement, fascism and the swing back to modes of government that we thought were gone forever. The American Socialist Quarterly tried for years to meet the demand for such a forum. It has served its purpose. Now the task has grown too great for a quarterly.

With this number the American Socialist Quarterly becomes the AMERICAN SOCIALIST MONTHLY. In its new form the journal will, as in the past, discuss matters of interest in politics, industrial relations, economic and international affairs, from a Marxian point of view. It will not be an impartial “journal of opinion”. On the contrary, it will vigorously represent the interests of revolutionary socialism. Without descending to irrelevant personal details, it will present a socialist interpretation of men and affairs. It will seek to keep its readers informed as to the main currents in thought that are agitating world opinion.

The American Socialist Monthly will contain a number of features not present in the quarterly. Each issue will include a review of the news of the month. Several pages will be devoted to the youth movement here and abroad. The significant books in fields of interest to socialists will be reviewed. So far as possible, each issue will contain an article dealing with socialism abroad. Letters from our readers discussing articles contained in the monthly, or taking up issues of the day, will be a regular feature.

No fiction will be published. Poems will be included only if they are relevant to the purposes of the paper. Articles dealing with the broader philosophic and cultural phases of the socialist movement will be presented.

Articles of a controversial nature, dealing with the socialist program and tactics, and with moot questions in the world of labor and of labor politics, will appear regularly.

There will be no changes in the editorial staff for the present. The editorial board will make every effort to maintain the high standard of excellence which the American Socialist Quarterly established.
Roosevelt Faces Re-election

This article is written in the latter part of January, 1936. The date is important. We live in times when events march rapidly, and the untoward is by no means the unexpected. All sorts of things, varying from a fiscal crisis of some sort due to paying the veterans’ bonus, the possible refunding of AAA taxes, and the political necessity of offering to the farmers some equivalent for the subsidy they have lost, to a possible war crisis, may greatly change the political scene as it now appears. An “incident” precipitating sharp crisis in relations with Japan in which Roosevelt would take a vigorous and possibly war-like position would rally incalculable support to him. Even our communist friends might get behind him, or make a united front with him, in the name of a holy war against fascism or against an actual or potential aggressor against Russia.

But that is speculation going somewhat beyond the facts before us. As things now stand neither war nor fascism will be an immediate issue between the two major parties or in the minds of the majority of the electorate. Both Republicans and Democrats are banking heavily upon the maintenance of a relative degree of recovery—at least till after the election. The Democrats will say that it is due to the New Deal; the Republicans will say that it is in spite of the New Deal—and, perhaps, because of the Supreme Court! While this relative recovery lasts there will be no organized fascist drive. It cannot be too strongly insisted that fascism under its own or a new name is not the first choice of American business interests. It was not first choice in Germany, and American business has never had a German discipline in regimentation and has had reason for no such fear of chaos or communism as frightened German magnates into Hitler’s camp. American business and industrial leaders have, moreover, had time to observe that fascism does not spell prosperity. What they want is a return to the golden age of Coolidge; not a demagogue as dictator. It is only when they find how impossible is that return that we shall have a definite fascist movement. A successful struggle against fascism requires us to recognize it as a stage in the disintegration of capitalism, a stage to which we shall be led by new economic crisis or by war, but not a conspiracy of capitalists. Fascism is not equivalent to capitalist reaction of the Hoover brand. We are fighting certain tendencies, political and economic, which make for fascism, not a fascist movement already organized.

If Huey Long had not been shot the future for Roosevelt and the rest of us might have been somewhat different. Among our political Messiahs there is no one who approaches him as a fore-runner of fascism. Father Coughlin, to be sure, is still a factor in American life and politics and his significance is definitely fascist, albeit of the Austrian clerical rather than the German anti-clerical brand. But as the winter wears on, one has, more and more, a definite feeling that Coughlin’s influence is waning. Certainly in my travels I hear him far less talked about than a year ago. The outstanding Messiah of the moment is the benevolent Doctor Townsend. Of the
significance of his movemnt we shall speak somewhat later, but certainly he is not in his own person an American Mussolini, Hitler or Dolfuss.

Assuming, then, as seems fairly probable, that we avoid fresh economic collapse and a war crisis between now and November, the political campaign will follow the old familiar lines: one party in, the other wanting to get in; one party (Roosevelt’s) fighting to defend what it has done rather than to advance; the other (the Republican) attacking the New Deal with only the vaguest positive program. It is characteristic of our politics that the *Literary Digest* and other folks do not ask: what positive program do you favor, but are you for or against the New Deal? And the Republican hopes are based not on any positive liking the voters have expressed for a program the Republicans haven’t got, but on the strength of the anti-New Deal sentiment among the strata of our population reached by the various questionnaires.

Mr. Roosevelt’s much discussed address to Congress and the nation indicated the lines he hoped the political campaign would follow. He would stand forth as champion of virtuous, peace loving Americans as against warlike wickedness in other lands—but he wants a big army and navy and he wants to write his own ticket on neutrality. He is champion of good little business against wicked—some of it—big business; valiant defender of New Deal achievements against Republican attack. But he had no program for the future—merely trust in the momentum of recovery to help him balance the budget, take enough care of the unemployed to keep them quiet, and yet impose no new taxes. His “dare” to the Republicans to try to repeal his laws was excellent poli-

tics. If the Supreme Court had not knocked out AAA, the Republicans wouldn’t have. Much as many of them hated AAA there was no effective unity against it in the Republican party.

The Supreme Court decision and the others likely to follow it have made the President’s strategy somewhat obsolete. He must fight for some new legislation to replace the old and he may have to seek new taxes. Even so, it is a safe guess that, as formerly, even in this campaign year, on his new measures he will not have a solid Democratic vote with him in Congress or a solid Republican vote against him. And if the Republicans win—a very much harder and less likely result than superficial observers conclude from the *Literary Digest* poll—they will change things far less than the editors of the New York *Herald-Tribune* hope. They will discover that budget balancing is easier said than done and that like the Roman emperors they will have to keep the unemployed quiet by some sort of bread and circuses. (What an uninspiring contest it promises to be between “statesmen” to see how few crusts and how cheap circuses will prevent riots!) Moreover, in office the Republicans are pretty sure to discover that they don’t want to abolish the alphabetical agencies, but merely to change a few names and substitute deserving Republicans for undeserving Democrats. And neither Democrats nor Republicans, under the capitalism they accept, can or will stop our drift to war and fascism.

Now if the farmers and workers who have unquestionably been awakening to the case for a farmer-labor party would agree with this diagnosis the outlook would be fairly bright for us as socialists and advocates of a farmer-labor mass movement in the political field. Truth
American Socialist Monthly

compels me to think that at present they do not accept this diagnosis. Possibly in the wholly unlikely event that Borah should be the Republican presidential nominee we should have a rather favorable situation for our propaganda. Borah has a reputation for progressivism which on the record he does not deserve—certainly not a courageous, consistent, intelligent progressivism. But he might in the minds of the masses compare favorably enough with Roosevelt so that the desperate fear of Hoover or someone like him would not operate to help Roosevelt and shut the popular ear to our message.

It is precisely that fear of a return of Hoover or Hooverism which is the chief obstacle to the immediate formation of a farmer-labor party of encouraging size prior to November 1936. It will also be an obstacle in the way of getting the vote we should for a straight socialist ticket. Many near socialists who have voted for us will vote for Roosevelt. Not that Roosevelt's popularity is anything like what it was. There is widespread disillusion about the rule of the Democratic Party in general, and about unemployment, relief standards, sales taxes, denials of civil liberty and workers rights in particular, after almost four years of the New Deal. But too many Americans have the habit of voting not their hopes, but their fears. And the fears of the potential builders of a farmer-labor party and of many potential socialist supporters are fears of Republican triumph. This is true, so far, of the more progressive farmers even though they criticize Roosevelt. It is true of most of the American Federation of Labor leaders, whether they belong to the sharply contending forces of the craft or the industrial unionists. That controversy tends to absorb labor interest and temporarily to divert it from the political field.

The very encouraging endorsement of a farmer-labor party in principle by many state and local federations and by at least three strong international bodies has not been followed by effective action within them to organize an anti-capitalist party for production for use. The coalition with the LaFollette Progressives in Wisconsin which Wisconsin socialists have voted to enter expressly restricts the new party or alliance to state issues. It seems to be a foregone conclusion that the coalition, socialists included, will support Philip LaFollette, and that he as an individual will support Roosevelt! Governor Olson of Minnesota when I met him in New York some weeks ago was fairly definite in his opinion that the national farmer-labor party which he said he wanted would probably not emerge until Roosevelt had been re-elected for his second, and last, term, and that a premature farmer-labor party or ticket in 1936 might arouse antagonism and delay the formation of a real mass party. At the least, Governor Olson is a shrewd politician.

Whether the situation might have been more favorable if we socialists had been bolder, surer of ourselves, and taken a more intelligent initiative to form a farmer-labor party or coalitions, possibly using for one agency the once promising Continental Congress, I shall not now attempt to say. This one observation, however, is in order: it is dangerous for the best interests of our party and our cause, as, in part, the Wisconsin situation shows, to wait passively for something to turn up, or until organized labor on the right, or possibly communists on the left, force our hand. Even now we should do a little
active exploring of the field as it may involve certain definite farmer and labor alliances in 1936. Otherwise we may be passed by later on; forced to accept a very unsatisfactory farmer-labor party or stay outside as a little sect.

It follows from this review of the situation that in 1936 there will be no automatic rush to vote the socialist ticket. We shall have to work for what we get. But never will work be more important or in the long run more rewarding. We have immediate issues of urgent importance that Roosevelt will not take away from us: The Workers' Rights' Amendment, real social security legislation, some protection to share croppers and the worst exploited agricultural workers; real neutrality and genuine workers' sanctions for peace.

But above and beyond this we have a task which even the communists in loyalty to their present opportunistic line may ignore. It is to insist that nothing short of socialism will save us. We must show that within capitalism every scheme will fail as the New Deal has failed. There is no satisfactory sharing of wealth except on the basis of planned production for use, not profit, based on social ownership. We shall not get socialism piece meal. We must capture power for decisive change. There is no way of financing the Townsend Plan for the aged under capitalism short of stifling economic activity by prohibitive sales taxes or disastrous inflation.

This does not mean that we may not enter a real farmer-labor party with less than a full socialist program. But our usefulness in it will depend upon our zeal, intelligence, and skill in educating for socialism. And the kind of farmer-labor party which will emerge may depend in large part on the work we do, especially in this campaign. A compromising socialism, a bureaucratic socialism, a sectarian socialism, an apathetic socialism, will never be the antidote to quack remedies or opportunistic politics inside the farmer-labor party. Whatever Roosevelt faces, we face more urgently than ever the necessity of presenting socialism as the only road to plenty, peace and freedom.

**READERS' FORUM**

The ASM has adopted the policy of opening its pages to communications from its readers with reference to important problems in the socialist movement. It is the desire of the editors that comrades avail themselves of this opportunity. Necessarily, the length of such communications will have to be limited because of space.

Beginning with the next issue, resolutions on War, Trade Unions, United Front, and so on, to be submitted to the National Convention of the Socialist Party in May, will be carried. Discussion of these resolutions in particular is invited.

The ASM will, from time to time, print documents of importance in the international socialist movement. The program printed is the first in the series. The "Front Populaire" is one of the most widely discussed events in the radical movement.
Socialists and the League of Nations

The League of Nations is still too little analyzed by socialists in realistic terms. Either it is regarded, as by some British socialists, as a body which can be made of what they will by the statesmen who operate its institutions; or they dismiss it, as communists were wont to do before Russia joined it, as simply an association of capitalist-states from which nothing useful can be expected. Both views err on the side of excessive simplicity.

The optimistic view is futile because it ignores the nature of the state-members of the League. They are sovereign states; and, in last analysis, their sovereignty is the expression of the class-relations they exist to protect. It is inevitable, therefore, that each state should regard the problems of the League, not from the angle of a world-order in whose well-being it is, equally with others involved, but from the angle of the class-interests it exists to promote. The contrast, for example, between the attitude of the League to the rape of Manchuria, in 1931, and the attack on Abyssinia in 1935, is a measure of this. In the first instance union for the protection of China against a named aggressor proved impossible, partly because the price of restraining Japan seemed, at the moment, too high, and partly because the interest of the greater powers in Manchuria was too indirect to make them willing to live up to their formal obligations. In the second, the direct threat to the British interest in the Sudan, and the dependence of France upon British aid against potential German aggression, combined with the knowledge that Italian success would (1) threaten the very existence of the League and (2) stimulate powers like Germany, Italy and Japan to further aggression to persuade to action. But the Hoare-Laval incident shows plainly that members of the League cannot be trusted to use its authority as a fundamental weapon against imperialism where this can be reconciled with their own economic interests.

On the other hand, it is foolish to regard the League as simply a union of capitalist states for two reasons. (1) The contradictory interests of the great powers are too profound to permit it to act as a means of furthering their power to maintain and extend the class-relations of the present social order. It would not now be possible, for example, as it might well have been possible a decade ago, to use the League as the basis of an attack upon Soviet Russia. (2) The withdrawal of Germany and Japan, from the League (which may soon be followed by that of Italy) has made it an organization mainly composed of states which, for the present, at any rate have a genuine interest in maintaining the peace. Insofar as this is the case, the existence of the League represents a mutual insurance of its members against aggressive action by powerful fascist states. This insurance is particularly important to Soviet Russia; and I do not need to emphasize, in a socialist journal, the fact that for all socialists the defense of Russia at all costs must be one of our fundamental objectives.

There are other factors, also, which socialists must bear in mind. After the experience of 1914, it is the fact that in
democratic countries the organization of public opinion for aggressive war is a more difficult adventure unless League machinery is used for that end. Further, the Hoare-Laval incident has shown that, in those countries, public opinion is strong enough to make any fundamental violation of League purposes less easy than it would be without the League. The inference I show is the important one that while the League remains in being, the necessity of open discussion at the forum it provides will at least prevent the easy enthusiasm for war which swept through the social-democratic parties of Europe in 1914. The fact that Soviet Russia and the Scandinavian countries can take part in joint action there does at least serve to inform the peoples of non-fascist western civilization of what it is proposed to do in their names. I do not think the significance of this should be lightly underestimated.

I do not mean that, in my judgment, The League as at present constituted can either (1) make collective security effective or (2) prevent war. Neither of these ends is attainable within the framework of the capitalist system. For the class-relations of the present social order "implicate" imperialism, and imperialism, at some stage, means war. Collective security, in any creative sense, is not possible while states have a different interest in the results of its operation. That they now have this different interest is clear from the Sino-Japanese dispute. It seems to me further clear that, as far as the prevention of war is concerned, the ultimate failure of the League is presaged by the tragicomedy of the Disarmament Conference. The great states cannot disarm because they do not trust one another. They do not trust one another because each has interests to protect which the others envy; and, in the absence of mutual trust, armaments are necessary to safeguard those interests from attack. An unchecked armaments race means fear; thus, as in the years before 1914, means insecurity; out of this, war will develop sooner or later. Thinkers like Sir Norman Angell who argue that war will not pay capitalism take far too limited a view, also far too national a one, to cover the facts. It will not "pay" Italian capitalism to make war for an arid tract of mainly uninhabitable desert in Abyssinia; but a capitalist and fascist state needs victory to maintain its prestige and authority, and this is more important than profit; military glory always draws attention away from internal discontent. It may well be, also, that the Japanese exploitation of China will pay her in the same way, as, since 1757, British exploitation of India has paid Great Britain. Sub specie aeternitatis imperialism does not pay because, from that angle, it reveals the degree to which, in capitalist society, the relations of production are in contradiction with the forces of production. But that is a long-term view. Capitalists would, I believe, regard the dividends of 180 years as a not unprofitable result of the Indian adventure.

The aspect of the League, further, to which socialists must pay attention is its nature as a League of sovereign states. From that angle, it must be realized that sovereignty and a world-market are incompatible terms. For, with a world-market, world-planning of its conditions, currency, tariffs, access to raw materials, labor-standards, migration—are indispensable. This world-planning is impossible so long as the state is sovereign. For the meaning of its sovereignty is its right to use its
supreme coercive power to maintain a given system of class-relations with its own territory. It will not surrender this power if, as with Great Britain or France, the result of these relations is privilege for a special class which is unwilling to surrender them. The present economic crisis showed, in the futility of the World Economics Conference of 1933, the completeness of the contradiction between the requirements of the world-order, on the one hand, and the implications of the capitalist state on the other. Either the League of Nations must be much more than it is, or it will be much less than it is. There is no middle road.

The fact that the League is composed of sovereign states must be read, also, in the context of its incompleteness. It cannot bind non-members; and even in its collective strength, it is doubtful if it is coercively strong enough to control them. For example, it cannot be organized as a unit against Japan; and it would not act against Japan unless assured of American support. I doubt whether it would act as a unit in the event—by no means unlikely in the next decade—of a German attack on Russia. It is, indeed, legitimately to be inferred from the Hoare-Laval incident that the great capitalist states regard themselves as involved in the fate of the fascist powers lest the breakdown of these lead to the overthrow of those capitalist class-relations there maintained by dictatorship—relations which Great Britain and France desire to see maintained. There is an acute realization in the foreign offices of all capitalist states that, in ultimate analysis, their fate will be decided by the success or failure of the Russian experiment; and I think it is a reasonable inference from their policies to argue that their fear of the consequences of Russian success—under the immense psychological impact it would make upon the working-classes of all countries—would triumph over their sense of their obligations to the covenant of the League.

Two further inferences follow from what I have already said. (1) Though by article XIX of the Covenant provision is made for the peaceful revision of treaties, I do not myself believe that this revision can be made effective, in any thorough-going way, within the framework of capitalism. For such revision, as soon as it touches fundamental economic interests, would be resisted by the will to power which in an essential characteristic of the sovereign-state in its capitalist form. That revision, to be fundamental, must release productive power for the common benefit; but the world is not organized, and under existing class-relations cannot be organized for the common benefit. That can be seen clearly enough from our inability, at the present time, to achieve that stabilization of currencies which is essential, even under capitalism, to the resumption of world-trade. No capitalist state will release its hold on markets if it can retain them; and, at bottom, all serious proposals for the revision of treaties look to the acquisition of potential productive power which can be exploited in the interest of the owning class in some particular state. Release of new productive power—the only real way to economic recovery—is impossible within the present system. For this reason no major state is likely to release its power, by way of, e.g., surrender of colonies or spheres of influence, if it can keep hold of it.

The second inference is one that many socialists, above all in Great Britain and the United States, find unpalatable. It is
that, given the nature of the forces in which we are involved, a pacifist policy is inadmissible for socialists. In a world of power-politics pacifism is deteasism. I believe, therefore, that the duty of socialists is the imperative one of using the antagonisms of capitalist society for their own ends. From this angle, I can see no answer to the attitude adopted by Lenin during the war of 1914. Our business as socialists, is to turn an imperialist war into a civil war and so organize that we emerge the victors from that conflict. The alternative seems to be world-wide fascism since the needs of organization, under modern conditions, no longer permit war to be waged if democratic institutions are to be retained. I do not believe that individual objection, on conscientious ground, to war is a feasible procedure for the masses. I believe that a general strike against war, if it is to be something more than an empty gesture, must become at once more than a general strike and pass into revolutionary action. The alternative seems to me to be to leave all initiative in the hands of an imperialist government, which is certain to attack all the organs of working-class defense both during and after the war in order to maintain the class-interests it exists to protect. For, if it did not attempt that protection, by definition it would not be an imperialist government.

One last remark I may venture to make. Socialists should approach the League upon the basis that the one condition of realizing its aims to make the complexion of its state-members socialist. To the degree that they do this they can help to fulfill the purposes of the League by opening to it the one effective way of transcending its present and inescapable internal contradictions. That means, in my judgment, an obliga-

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The Townsend Plan
A Critical Analysis

Harry W. Laidler

DURING the last year or two, millions of men and women all over the country have been busily signing petitions urging their Congressmen and Senators to become militant advocates of the Townsend Plan.

On the Pacific Coast a few months ago Townsend Plan clubs were flourishing in every hamlet and tens of thousands of people, chiefly old people, working feverishly for the advent of this new panacea for the ills of the old. In some of the southern cities of California all a person needed to do was to announce a Townsend Plan meeting and a full house was assured. The followers of Dr. Townsend were besieging every corner grocery store and demanding that the proprietors contribute two dollars a month to the promotion of the plan, or suffer a boycott by the clubs. They were collecting tens of thousands of dollars from their initiation fees of twenty-five cents and their monthly dues of ten cents a month in California and other states, while other thousands are being collected from the one dollar a month dues exacted of members of the Townsend National Legion and from the sale of the privately owned Townsend Weekly, of banners, pins, pictures, busts of Dr. Townsend, tire covers, not to speak of lecture fees, picnic funds and other collections.

No candidate in the West this year can escape going on record for or against the plan. It is claimed that the Townsendites elected two years ago the reactionary governor of California, Governor Merriam. Merriam had said that he believed in the plan “in principle”.

Of course as Governor of California, it was not necessary for him to do anything about translating that principle into state legislation. Upton Sinclair, candidate for Governor on the Epic ticket, and Milen Dempster, Socialist candidate for Governor of California, declared frankly that they did not believe it could be realized under present conditions, and the Townsendites never forgave them. In numerous cases throughout the country unscrupulous conservatives are getting the votes of the Townsendites by giving lip-service to the type of old age pension proposed by the Townsend group, while the more conscientious progressives who critically discuss the pros and cons of this form of old age relief are taboo. The Townsendites today claim from 2,000,000 to 3,000,000 members and maintain that their petitions have been signed by 25,000,000 people. They may be a factor of no small importance in the next Presidential campaign.

What, in brief, do Dr. Townsend and his followers propose? Their proposal has been modified considerably since the first days of the Townsend crusade. When Dr. F. E. Townsend first emerged from his obscurity as an assistant in the health department of Long Beach, California, to become a national figure, he proposed quite simply that every citizen sixty years or over be privileged to apply to Uncle Sam for a pension of $200 a month, or $2400 a year, on three conditions: (1) that he was not gainfully employed; (2) that he had not been an habitual criminal, and (3) that he promised to spend the whole of each
month's pensions within thirty days after receiving it and spend it within the United States or its territories. The money for such pensions, Townsend proposed, should be raised by a fifteen per cent sales tax.

Since first introducing this idea, the good doctor has made a number of changes in his original proposal. Those changes were incorporated in the McGroarty Bill, (H.B. 7145).

This bill, distributed by the followers of Townsend as the "Townsend Plan", makes one fundamental modification in the original scheme: it provides for an annuity of not $200 a month, but of "such amount not exceeding $200 per month", as may properly be paid from funds accumulated during a specified period of time. If the funds are not in hand from the imposition of specified taxes, the pensioners will obtain not the full $200, but such amount as may be paid without bankrupting the fund.

In the second place, the McGroarty bill provides for a variety of taxes as a means of raising money for the fund. Instead of a fifteen per cent straight sales tax, it proposes a two per cent tax on all transactions within the United States and its territories—on all purchases and sales, on every check cashed, or piece of property transferred, etc.

In addition, this bill provides for a tax equal to one-tenth of the tax levied on all incomes under the provisions of the federal Revenue Acts; a tax of two percent on all property acquired by inheritance or testamentary disposition, and a tax of two per cent on every gift valued at more than $500.

In dealing with the type of person eligible for an annuity of $200 a month or less, the bill provides that

(1) the annuitant shall not engage in any gainful occupation and

(2) that he shall agree to spend, and shall spend, all of the $200 during the calendar month in which he has received it, or within five days thereafter, within the United States or its territorial possessions, for the purchase of services or commodities, for the purchase or the leasing of a home, or for the payment of any indebtedness arising from these purchases. Nor shall any more than ten per cent of the money received be given as gifts or contributions to any person or association.

Several groups in the community will not be eligible under this bill for this annuity. Those excluded include, as has been stated above, non-citizens and those who work for a living and, in addition, persons who, directly or indirectly, receive from any source a net income in excess of $2400 a year. Finally, an American citizen receiving a pension cannot live on the Riviera or in gay Paree. He must live within the confines of the United States or its possessions.

If those otherwise entitled to an annuity, are in receipt of any money not arising from personal services, and this income is less than $2400, such person shall receive during the year a sum equal to the difference between his net income and the amount to which pensioners are entitled. This sum will be pro-rated to him in monthly installments.

All revenues received under these taxes shall be placed in a separate fund to be known as the United States Citizens' Retirement Annuity Fund. And any annuity granted under this act, "shall be wholly exempt from attachment, garnishment, execution, levy or any other judicial process."

Dr. Townsend maintains that his plan kills two birds with one stone. It helps to bring about recovery by greatly stim-
ulating purchasing power, by causing a large number of old people to resign from gainful occupations, thus making way for younger workers, and it provides a comfortable and secure living for the aged.

Dr. Townsend is sure of the soundness of his plan. "Put eighteen billion a year into circulation," he declares. "We wouldn't have to wait thirty days—or ten days—after passage of the law before factory wheels would be turning fast. Almost immediately every one would get work. We know that from experience." On the other hand, Dr. Stuart A. Rice, acting chairman of the Central Statistical Board of the United States Bureau of Census, regards the plan as a "cruelly mischievous", "crassly unworkable" scheme, filled with "possibilities of wreckage." Which view is correct?

Today there are around 10,800,000 people sixty years of age or over who are eligible for Dr. Townsend's pension. Suppose that the California doctor stands by his guns and insists on a subsidy of $2400 a year. Suppose that most of those eligible apply for the pension. That would mean, according to Dr. Rice, a government expenditure in 1930 of $25,000,000,000. It would mean a cost of $31,000,000,000 in 1940 and $40,000,000,000 in 1950. If but 8,000,000 applied for these pensions instead of 10,800,000, the cost would be about $20,000,000,000 a year for the pensions alone; about one-fourth of the 1929 national income of $81,000,000,000; about one-half of the 1932 income of $39,500,000,000 and about two-fifths of the 1935 income of about $53,000,000,000. "In other words," declared the American Association for Social Security, "one-half of the whole national income would be paid over to the six per cent of the population which this group (8,000,000 of the 10,800,00 eligible) constitutes. The amount is seven times the entire normal budget of the national government and only a few billion less than the total national debt. Incredible as the sum appears, it must be remembered that nothing has been allowed for administration, which may require many more billions in watching the spending practices and lives of 8,000,000 people." The raising of twenty to twenty-four billion dollars for this purpose, declares Dr. Edwin Witte, would mean a 12 to 15 per cent tax on all money transactions including salaries.

Further, in considering a $200 a month pension, it must be realized that, even during the boom days of 1929, the average worker was obtaining around $1200—$1300 a year, and that sixty percent of the families of the country were securing less than $200 a year. Dr. Townsend is asking those workers who, even during prosperous times, were getting many hundreds of dollars less a year than were required for a life of health and decency, to donate from their small earnings a sum sufficient to support the non-productive workers in comparative comfort.

In 1934, it was estimated that the income of wage-earners and salary-earners was $33,500,000,000 or 65 per cent of the national income. Suppose, by some legerdemain, the taxes imposed by the Townsend Plan yielded enough to pay 10,000,000 people $200 a month, or a total of $24,000,000,000; suppose that approximately two-thirds of the taxes or $16,000,000,000 came out of labor, labor receiving not $33.5 billion but $17.5 billion. That would mean that the employees of the country would be securing a wage of around $600 or $700 a year, while the older people out of
industry, were living off of a comfortable wage of $2400. Or, suppose that the expenditure of the old increased the national income to the 1929 level, as the Townsendites predict. In that year the 35,000,000 employees secured a return of about $53,000,000,000. If we deduct from that amount $16,000,000,000 in taxes, labor would receive a return of about $37 billion or an average labor income of a little more than $1000 a year, five-twelfth of that of the non-working man or woman over sixty.

A further question arises: will the taxes proposed by Dr. Townsend and Congressman McGroarty raise the amount of money required? If we turn to the proposed income, inheritance and gift taxes, we will find that they will at best yield but a few per cent of the needed taxes. A tax on incomes equal to 10 per cent of that collected under the current Revenue Act would bring in less than $200,000,000. (For under the rates imposed by the 1935 Revenue Act, the government expects to collect in 1937 but $1,942,000,000.) The estate and gift taxes combined are expected to yield in that year less than $300,000,000.

We would have to turn to the transaction tax proposed for any considerable yield. If we imposed a tax of two per cent on all transactions, as provided by Dr. Townsend, what then?

There is considerable confusion in the country as to the amount of transactions during any one year. Dr. Townsend’s followers claim that in any one year the money value of transactions approximates 1.2 trillion dollars. The economists of the University of Chicago estimate on the other hand, that the outside figure for taxable transactions in 1934 was $325,000,000,000. This amount, according to their estimates, would shrink to $150,000,000,000 with the imposition of a transaction tax. A two per cent tax on $150,000,000,000 would yield a return of about $3,000,000,000 instead of the twenty odd billion required, and would make it possible for the government to pay 7,000,000 pensioners, excluding entirely the enormous cost of administration, $35 a month instead of the $200 promised. If eight or ten million old people applied, the pension fund would be correspondingly reduced.

Besides these transactions in trade and manufacturing, there are those in connection with our banks. If all of the debits in individual accounts in the banks had been taxed in 1935 there would have been just enough, excluding heavy administrative expenses and other taxes, to pay $100 a month to 8,000,000 persons.

“But the number of these debits,” as the University professors point out, “is much greater than the number of taxable transactions because payments for government securities, remittance between head and branch offices of firms and expenditures on salaries and interest of all governmental bodies are included in the debit figures . . .

“Even without any shrinkage of transactions below the present level, the tax would scarcely yield enough to pay $75 a month to 7,000,000 persons—much less $200 to 10,000,000 — and transactions would shrink greatly if taxed at two per cent. The notion of such large pensions financed by a two per cent transactions tax is thus altogether a delusion . . .

“If French experience offers us any basis for judgment—the turnover tax in France yields about three per cent of France’s national income—it would suggest that an administratively feasible tax on transactions would not produce more than $1,500,000,000, which represents roughly about three per cent of
our national income.”

A transaction tax, furthermore, would be undesirable from various points of view.

1. It would greatly burden the small salary and wage earner, increase his cost of living, decrease his purchasing power, and depress his wages.

2. It would involve a tremendous administrative expense. Under the McGroarty bill, the government would have to handle 125,000,000 returns annually, while it has difficulty in auditing under the present income tax, 4,500,000 returns. It would have to employ a large corps of investigators to find out whether pensioners had or had not spent all of their money within thirty days or had lived up to all of the requirements of the law, or whether the tax had been paid on all transactions.

3. It would lead to private and business hoarding; to great inconvenience on the part of the individual and the business concern, add to the cost of doing business, and, almost inevitably, bring inflation, depreciation of the currency and further economic disaster. At first, there might be a considerable stimulus in business, as a result of the increased spending of the old people, but the workers would spend less, and there would be considerable public and private hoarding.

4. It would give a further impetus to an unsound system of taxation. Sound taxes, declare students of the subject, should be imposed on the basis of ability to pay or benefits received. The transaction tax follows neither principle, but burdens inequitably every one who gets in its way, and burdens doubly the low paid wage and salary-earner and the small business man.

The ideal of any society should be an income to the worker, to the old, the sick, the involuntarily unemployed, sufficient to provide a life of security and comfort. Society should strive for that ideal. The present old age assistance act is grossly inadequate. Even under the present system of private ownership, it should be made far more ample. In a cooperative order, under which the great economic wastes of a competitive system were eliminated, in which we utilized all of our natural resources, our mechanical power and our labor power to the full and under which income was justly distributed, it would be possible to develop an adequate old age pension system. But we cannot retain capitalism, with its wastes, unemployment, and unjust inequality of wealth and hope by some magic to guarantee a life of comfort to six to eight per cent of our population—the non-working portion—while the mass of workers are living just above or just below the poverty line. Especially can we not hope to develop such a pension system, through a system of taxation that creates no new wealth, but merely increases the burden on millions of workers already pitifully overburdened.

The way out for the aged, the sick, the employed and unemployed is not the Townsend Plan or any other plan that keeps the present profit system intact. That way leads to disillusionment, and furnishes a fertile soil for fascism. The way out is in a forward movement to a scientifically planned cooperative system, under which all our resources are utilized to the maximum for the common good. The way out is in socialism and the triumph of the socialist movement.
Program of the "Front Populaire" in France

The organizations of the Left in France which form the "Front Populaire", or "People's Front", have published a programme, drawn up by a committee. The following organizations form a part of the "Front Populaire": the Socialist Party, the Communist Party, the Socialist-Republican Union, the Radical Party, the National Trade Union Centre of the free trade unions, National Trade Union Centre of the Communist trade unions, League for Human Rights, Vigilance Committee of the Anti-Fascist Intellectuals, the World Committee Against War and Fascism (Amsterdam-Pleyel), etc.

In an article in the "Populaire" Léon Blum describes the programme of the "Front Populaire" as the "programme for the second ballot, the common programme of the future majority, the programme of the government."

The programme contains the following demands:

A. POLITICAL DEMANDS.

I. The Defense of Liberty.

(1) A general amnesty.

(2) Action against the Fascist Leagues:
   (a) The disarmament and real dissolution of the parliamentary bodies in accordance with the law.
   (b) The putting into operation of the provisions of the law in the event of incitement to murder or attack on the security of the State.

(3) The cleaning up of public life, in particular with regard to the incompatibility of membership of Parliament (with certain economic functions).

(4) The press.
   (a) The repeal of the so-called "Infamy Laws" (lois scélérates", i.e., laws passed at the time of the anarchist violence at the end of the nineteenth century) and of the decrees which restrict the freedom of the press.
   (b) The reform of the press by the adoption of legislative measures,
      (aa) which would effectively attack slander and blackmail;
      (bb) which would assure the newspapers of normal means of existence, oblige them to make public the origin of their resources, put an end to the private monopolies of commercial publicity and to the scandals of financial publicity, and, finally, prevent the formation of newspaper trusts.
   (c) The organization of State broadcasting for the purpose of ensuring the accuracy of the news given and the equality of the political and social organizations before the microphone.

(5) Trade Union Rights.
   (a) The recognition and putting into effect of the right to belong to a trade union for all.
   (b) The recognition of women's right to work.

(6) School and freedom of conscience.
   (a) The ensuring of the existence of the State school not only by the
provision of the necessary finances but also by means of reforms such as the raising of the school-leaving age to 14, and, in secondary education, the putting into operation of a selection process as a necessary concomitant to its being free of charge.

(b) The guaranteeing to all, both pupils and masters, of full liberty of conscience, in particular by respecting the neutrality of the school, its secularity and the civic rights of the teaching personnel.

(7) The Colonial Territories.

The setting up of a Parliamentary Commission of Enquiry into the political, economic and moral conditions in French territories overseas, and in particular in French North Africa and Indo-China.

II. The Defense of Peace.

(1) A call to the people, and in particular to the working masses, for their co-operation in the maintenance and organization of peace.

(2) International collaboration within the framework of the League of Nations for the purpose of collective security, by designation of aggressor and automatic and all-around application of sanctions in the event of aggression.

(3) Unceasing efforts to bring about the transition from armed peace to a disarmed peace, first by means of a treaty of limitation, and then by the general, simultaneous and controlled reduction of armaments.

(4) The nationalization of the war industries and the abolition of the private manufacture of arms.

(5) The repudiation of secret diplomacy, international action and public negotiations to bring back to Geneva the States which are outside the League, without violating the basic principles of the League, namely, collective security and the indivisibility of peace.

(6) The facilitation of the procedure envisaged in the Covenant of the League for the peaceful adjustment of treaties which threaten world peace.

(7) The extension, particularly to Eastern and Central Europe, of the system of pacts open to all, on the lines of the Franco-Soviet Pact.

B. ECONOMIC DEMANDS.

1. Restoration of Purchasing Power destroyed or reduced by the Crisis.

Against unemployment and the crisis in industry.

The creation of a State unemployment insurance fund.

The reduction of the working week without a reduction in weekly wages.

The provision of work for the young by the introduction of a system of adequate pensions for elderly workers.

The speedy putting into operation of a plan for useful public works on a large scale, both in town and country, with the co-operation of the State, the local authorities and the local savings banks.

Against the Crisis in Agriculture and Commerce:

The revalorization of agricultural products combined with the combating of speculation and the high cost of living, by means of which the discrepancy between wholesale and retail prices shall be reduced.
The creation of a State inter-professional Grain Board to put an end to the tribute levied on both producer and consumer by speculation.

The support of the agricultural co-operation societies; the supply of manures at cost prices by the State offices for nitrogen and potash, control and price regulation of the sale of super-phosphate and other manures, the promotion of agricultural credit and the reduction of farm rents.

A postponement of seizures and the regulation of debts.

Whilst awaiting the complete and most speedy abolition possible of all the injustices brought about by the decrees (of the Laval Government), the immediate rescinding of those measures affecting the conditions of life of those sections of the population most hard hit by the decrees.

II. Against the spoliation of those who save. For a better organization of credit.

Regulations for the exercise of the profession of a banker.

Regulations for the drawing up of the balance sheets of the banks and the limited liability companies. The regulation, on new lines, of the powers of those administering companies.

Civil servants in permanent retirement or on half pay to be prohibited from acting as members of boards of directors of companies.

In order to free credit and savings from the dominion of the economic oligarchy, the Bank of France, today a private bank, must be made France's own bank, by means of:

The abolition of the board of governors (Conseil des Régents).

The increasing of the powers of the Governor under the constant supervision of a council consisting of representatives of the legislative and executive powers, and the authoritative organizations of the workers, of industry, commerce and agriculture.

The transformation of capital into shares, measures at the same time being taken to safeguard the interests of the small shareholder.

III. Financial Re-organization.

The reform of the provision of war material in connection with the nationalization of the war industries. The abolition of wasteful expenditure in the civil and military administrations.

The creation of a pension fund for war-disabled soldiers.

The democratic reform of the system of taxation along the lines of a reduction in taxes to give a stimulus to trade, and the provision of fresh resources by measures affecting the large fortunes (a step gradation of the supertax on incomes in excess of 75,000, the reform of death duties, the taxation of monopoly profits with provisions to prevent such taxes being shifted on to the shoulders of the consumers).

The combating of defraudation of the revenue in connection with transferable securities by the introduction of the tax legitimation card already approved by Parliament, in conjunction with a tax amnesty.

The checking of the flight of capital and the punishment of evasion by the severest possible measures even extending to the confiscation of the property concealed abroad or of a sum equal to it in value in France.

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People's Government vs. Proletarian Dictatorship

The abandonment of a revolutionary position on war by the Communist International is now generally known. Not so well known, perhaps because more concealed, is the communist abandonment of a revolutionary position on the capture of state power. Let us, for instance, consider the concept of a "people's government".

The "people's government" is not a "united front" government. A "people's government" is composed of all anti-fascist parties, including democratic bourgeois parties, whereas a "united front" government is composed of working-class parties.

What, according to the communists, is such a "people's government" supposed to do? According to K. Gottwald in his speech before the Seventh Congress, the people's government will: (p. 21, The United Front in Czechoslovakia)

"Eradicate the fascist elements from the state apparatus and army, dissolve and disarm the fascist organizations, grant all civil rights to the soldiers and full freedom to all anti-fascist organizations, and arm the anti-fascist... deal severly with the capitalists, bankers and big landowners, impose proper taxes on them and introduce workers' control of production in their enterprises... etc."

This is a big bill to fill. Moreover, it is sheer fantasy to imagine that anything but a proletarian dictatorship could ever carry through such a program. To assume even for a moment that a non-revolutionary regime can put through such measures is to foster the most reformist illusions concerning the character of the state.

But let me assume, as the communists assume and as the reformist socialists assume, that such a program is possible. The next question is: What need is there for a revolutionary overthrow to seize power? And against whom shall it be directed?

Lenin, in his polemic against Kautsky, Kautsky, the Renegade, pointed out that the need for a revolutionary overthrow of capitalism arose from the fact that the bureaucracy and the army were concentrated in the hands of the ruling class.

But once the bureaucracy and army pass out of the hands of the ruling class and become "democratized," then why continue to insist upon the need for a revolutionary overthrow? In fact, if one is part of this democratic people's regime, how can one carry on revolutionary activity against—one's self?

The reformists are consistent both in their theory and their practice. They say that it is possible, within capitalism, to establish strong "democratic" governments, able to "democratize the army and the bureaucracy", able to make great inroads in the income of the ruling class, able to establish "workers' control of production". The reformists consistently prepare for a peaceful and democratic transition to socialism and the proletarian conquest of power.

The communist practice, based upon the concept of a "people's government" is identical with the practice of reform-
ist socialism. The difference lies in the fact that the communists continue to mumble the phrases “revolutionary overthrow” and “proletarian dictatorship”.

In this connection, we should like to recall that Kautsky, chief spokesman for reformism, never gave up the phrase, “proletarian dictatorship”. He always believed in it. He merely differed from Lenin in the matter of definition and approach to it. So, too, the Communist International is saving the shell while the living body departs.

M. Ercoli, reporter to the Seventh Congress on the question of war and peace, seriously proposed “raising the question of transforming the present bourgeois army into a people’s army” within the framework of capitalism. (p. 1256, Communist International, No. 17-18.) Once this is accomplished, Comrade Ercoli may shout for revolution, but he will present a ridiculous spectacle of an individual crying, “Revolution gratia revolutionis.”

The Formulation of the Question

When fascism threatened the German Social-Democrats, they stated: the choice now is not between socialism and capitalism but between capitalist dictatorship and capitalist democracy. They chose the “lesser evil” and decided to defend it against the greater evil. Everyone knows the result. Let us review the reason for this result.

The fascist reaction was provoked by the fact that Germany was in crisis and that the masses of Germany were on the move, fighting for a change, for a solution to the capitalist crisis. In order to defend the “lesser evil”, socialists had to enter into alliances with bourgeois democratic parties. This meant a cessation of the struggle against these parties and their programs. It meant an acceptance of the status quo which the masses hated so bitterly. Immediately, the ranks of the workers were demoralized, discouraged, split, defeated.

The middle class, also in motion against the status quo, saw no champion in the party of Social-Democracy, standing behind the existing regime.

While the discontented elements began to shift to the Nazis, for want of some party of protest and action, the ranks of the socialists began to thin, if not numerically, then certainly in terms of fighting morale.

Meanwhile the so-called democratic parties and democratic political leaders, in the bourgeois and petty bourgeois groups, came to see that they could no longer remain in the vacillating center. They had to choose a permanent ally. And they chose as their class interests dictated. Hindenburg, the democratic opponent of the dictatorial Hitler, invited Hitler to set up a government. The democratic Bruening was not only the last democratic premier of Germany but also the first dictatorial premier.

The policy of the lesser evil was bitterly criticized by the communists. To quote Palme Dutt, British communist leader:

“To preach confidence in legalism, in constitutionalism, in bourgeois democracy, that is, the capitalist state, means to invite and guarantee the victory of fascism. That is the lesson of Germany and Austria. And this is the reality which blows to smithereens the deceitful and disastrous slogan of ‘Democracy versus Dictatorship.’” (Fascism and Social Revolution.)

This book was written before the “new line”. At the Seventh Congress, Dimitroff pompously announced the “new line” of the Comintern: “Now the masses in a number of capitalist

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countries are faced with the necessity of making a definite choice, and of making it today, not between proletarian and bourgeois democracy, but between bourgeois democracy and fascism.”

(P. 1237, C. I. op. cit.)

This is the wisdom of Dimitroff. This kindergarten fallacy from the text books of reformism.

The People’s Program

The program of the people’s front in France appears elsewhere in this issue. One glance is sufficient to reveal its character. It is clearly the left-bourgeois program of the Radical Socialists. The Communist Party and Socialist Party of France, in these days when the masses are restless and looking for leadership out of the crisis, bend their knee to this liberal reform program.

When one places this program of the suicide pact next to August Bebel’s statement, made in 1910, one is amazed at the prophetic ability of German Social Democracy’s old leader. “If I as a Social Democrat enter into an alliance with the bourgeois parties, you may wager a thousand to one that it will not be the Social Democrats but the bourgeois parties who are the winners; we shall be the losers. It seems to be a law of politics that wherever Right and Left unite, the Left loses and the Right wins. . . . If I enter into political relations of friendship with a party fundamentally opposed to mine, I must necessarily adapt my tactics, i.e., my mode of conflict, in such a way as to prevent the alliance from going to pieces. In other words, I can not criticize as I like, I can no longer fight in accordance with rigid principles, for this would offend my new allies; I am forced to be silent, to cover many things with the mantle of charity, to justify many acts that can not be justified, to whitewash what should not be whitewashed.”

The people’s front government is just one great whitewash for the program of the liberal bourgeoisie of France, coming at a time when a frontal attack upon the capitalist system of France is a crying need.

Out of Crisis

Jacques Duclos, communist leader of France, in apologizing for the concept of a people’s government explained:

“And when the communists speak of a government of the People’s Front, which incidentally is not an inevitable step, they mean a government constituted under the conditions of a political crisis, when there is a revolutionary upsurge among the masses which the bourgeoisie can not hold back. We do not mean, believe me, a government of participation of a parliamentary character, but a government which will fight energetically against fascism and reaction, which will not yet be a dictatorship of the proletariat, but which could be a sort of preface to that.” (Communist, January, 1936.)

This is supposed to be an apology, but it is exactly the opposite. It is the worst condemnation of the people’s government idea that could possibly be made. It means that the slogan of a people’s government, as differing from proletarian power, is the one that shall be raised, and raised in a revolutionary crisis.

The People’s Front in Practice

In practice, the people’s government is not necessarily a child of crisis. The communists are indirectly supporting bourgeois liberal regimes long before any such revolutionary upsurge.

In France, the purpose of the people’s
front is to halt a civil war. Dependence is placed upon the government to disarm the fascist groups and democratize the army. All this, the people’s front, with the communists in it, hopes to do by the regular processes of parliamentary democracy.

In Czechoslovakia, the theory of the “lesser evil” stands forth in all its reformist nakedness. When Benes ran for President, the communists characterized him as follows:

“The candidature of Dr. Benes is no expression of a real anti-fascist front. It is no expression of a real struggle against reaction and capital. This candidate has been put up by the Clerical People’s Party and the Socialist Party, both of which have definitely refused to abandon the policy of class collaboration.”

And after thus characterizing him they conclude:

“But we declare: if the election to the Presidency involves a fight in which we have the deciding vote, we shall vote for Dr. Benes.”

Harry Gannes, explaining the line in the Daily Worker, states wisely: “It is not only necessary to know what you are fighting for; it is equally necessary to know what you are fighting against.”

So the communists voted not for Benes (for whom they cast their votes, of course, although they were not the deciding votes) but against Nemec, the opponent of Benes. Likewise the Social-Democrats voted, not for Hindenburg but against Hitler. Maybe in the next campaign the Communist Party may try voting against the Liberty League and God only knows for whom.

Blunt Reformism

The communist position on the road to power today is blunt reformism.

Its approach to the problem is that of defending the lesser evil of capitalist democracy against the greater evil of capitalist dictatorship. Its means in doing this is to support liberal bourgeois candidates, parties and programs. Its illusion is that it will thus establish a parliamentary and legalist basis for democratizing the state, thus halting the onward march of fascism.

It thereby destroys the entire theoretical and practical basis for a revolutionary overthrow of capitalism. It is only a question of time before the revolutionary phrase, too, will be forgotten!

A WORD ABOUT OUR CONTRIBUTORS

ANGELICA BALABANOFF, first secretary of the Communist International, from which she later withdrew; secretary, Zimmerwald Conference; co-worker with Plekhanov and Lenin; co-editor with Mussolini of the Italian Socialist Paper “Avanti”.

NORMAN THOMAS, Socialist candidate for president, 1928-1932. Author of “War—No Profit, No Glory, No Need” and “The Choice Before Us”.

HAROLD J. LASKI, member, British Labor Party; author of “The State in Theory and Practice” and “Democracy in Crisis”.

GUS TYLER, member of editorial staff of the “Socialist Call”; editor of official publication of Local 91, I.L.G.W.U.

EDWIN C. JOHNSON, secretary, Committee on Militarism in Education.

SIDNEY HOOK, contributor to “Modern Monthly”; author of “Toward the Understanding of Karl Marx” and “From Hegel to Marx”.

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Marx on Bentham and the Principle of Utility

The philosophy which preaches self-enjoyment is in Europe as old as the Cyrenaic school. Just as the Greeks in ancient times, so the French in modern times are the matadors of this philosophy, and indeed for the very same reasons—their temperament and their society give them above all others the capacity of enjoyment. The philosophy of pleasure was never anything else but the clever language of certain pleasure-privileged social classes. The form and content of their pleasures were continuously conditioned by the entire complex of the rest of society, and carried the marks of all its contradictions. But it was when this philosophy pretended to have a general validity and proclaimed itself as the philosophy of life of society as a whole that it degenerated into pure phrases. It sank to miserable moralizing, to sophistical rationalization of existing society—and even transformed itself into its opposite by declaring the involuntary asceticism [of the proletariat—S.H.] to be a kind of pleasure.

The philosophy of pleasure emerged in modern times with the decline of feudalism and the transformation of the feudal landed nobility into the lusty pleasure loving and extravagant court nobility of the absolute monarchy. Among the nobility it still took the form primarily of an immediate, naive philosophy of life which had its expression in memoirs, poems and novels. It became a real philosophy only at the hands of several literary representatives of the bourgeoisie who, on the one hand, shared the education and mode of life of the court nobility and, on the other, subscribed to the more general outlook upon affairs of the bourgeoisie—an outlook rooted in the more general conditions of existence of the bourgeoisie. These writers were therefore accepted by both classes although from quite different points of view. Among the nobility, the language of pleasure was understood to be restricted to the confines of the first estate and its conditions of life; by the bourgeoisie, it was generalized and applied to all individuals considered in abstraction from their actual conditions of life so that the theory of pleasure became transformed into a stale and hypocritical sermonizing. As the further course of development overthrew the nobility and brought the bourgeoisie into open conflict with the proletariat, the nobility became devoutly religieuse and the bourgeoisie solemnly moral and strict in its theories . . . although the nobility in its practice did not in the least renounce pleasure while the bourgeoisie even made of pleasure an official economic category—luxury.

The connection between the pleasure-experiences of individuals at any time and the class relations of their time as well as the conditions of production and communication which produce the class relations within which individuals live, the limitation of all traditional pleasures which do not flow from real life activity of the individual, the connection between every philosophy of pleasure and the political pleasure at hand, and the hypocrisy of every philosophy of pleasure which presumes to generalize for all
individuals regardless of their differences—all of this naturally could not be discovered until the conditions of production and communication of the traditional world had been criticized and the opposition between the bourgeois view of life and the proletarian socialist and communist point of view created. Therewith all morality—whether it be the morality of asceticism or that of the philosophy of pleasure—was proved to be bankrupt.

* * *

To what extent the theory of mutual exploitation which Bentham, already at the beginning of this century, developed to the point of boredom can be regarded as a phase of the previous one, has been demonstrated by Hegel in the *Phenomenologie*. Compare the chapter on “The Struggle of the Enlightenment with Superstition” in which the theory of utility is presented as the final result of the enlightenment. The apparent absurdity which dissolves all the manifold relations of human beings to each other in the *one* relation of utility—this *apparent* metaphysical abstraction proceeds from the fact that within modern bourgeois society all relations are subsumed under the one abstract money and business relation. This theory arose with Hobbes and Locke in the period of the first and second English revolutions, the first blows by which the bourgeoisie conquered political power; it received its true content among the physiocrats who were the first to systematize economics. Already in Helvetius and Holbach we find an idealization of this doctrine which corresponded completely to the oppositional point of view of the French bourgeois before the revolution. In Holbach, all individual activity based on reciprocal response, e.g., speaking, loving, etc., is represented as relationships of utility and use (*Nutzlichkeits- und Benutzungs-verhältnisse*). The real relations which are here presupposed are therefore speaking and loving, determinate behaviour forms of determinate properties of individuals. These relations are now not to have their own characteristic significance but are to be interpreted as expressions and manifestations of a third artificially introduced relation,—the relation of *utility*. This circumlocutory distortion ceases to be senseless and arbitrary as soon as the individual relations mentioned no longer appear as valid expressions of self-activity but as disguises—by no means of the category of use—but of a third genuine end and relation which goes by the name of utility-relation. The linguistic masquerade has a meaning only when it is the unconscious or conscious expression of a real masquerade. In this case the utility relation has a quite definite meaning, i.e., I can only serve myself insofar as I deprive others of something *exploitation de l'homme par l'homme*).

Further, in this case, the utility which I derive out of a relationship is quite foreign to it. As we saw above in discussing the power or capacity to do anything, something is demanded of it which is a foreign product, a relation determined by social conditions—and this is the utility relation. And this is precisely the case for the bourgeois. Only *one* relation is intrinsically valid for him—the relation of exploitation; all other relations are valid only insofar as they can be subsumed under this relation. And even when relations appear which cannot be directly classified as one of exploitation, he at the very least does so in his illusions. The material expression of this utility is money, the measure of value of all things, human beings and social relations. Of course
one can see at a glance that I cannot by reflection or will abstract the category of "usefulness" out of the real relationships to others in which I stand, and then presume to present these relationships as if they were the real expression of a self-evolving category which is itself derived from them. To proceed in this way is completely speculative. In the same fashion, and with the same justification, Hegel presented all relations as relations of Objective Mind. Holbach's theory is the historically justified philosophical illusion of the rising French bourgeoisie whose lust for exploitation can still be interpreted as the desire to assure the full development of the individual in a social intercourse liberated from the old feudal bonds. Liberation from the point of the bourgeoisie—competition—was the only possible way during the eighteenth century to open up to the individual a new career for freer development. The theoretical proclamation of this consciousness which corresponded to bourgeois practice, the consciousness of mutual exploitation as the general relation of all individuals to one another, was a daring and outspoken sign of progress, a secular enlightenment in relation to the political, patriarchal, religious and sentimental embellishments of exploitation under feudalism; embellishments which were appropriate to the existing form of exploitation and were systematized by the literary representatives of absolute monarchy. . . .

The different phases in the progress of the theory of utility and exploitation hang intimately together with the different epochs of bourgeois development. Its real content in Helvetius and Holbach never amounted to much more than a transcription of the manner of life of the literary man in the time of absolute monarchy. They expressed not the facts but rather the wish to reduce all relations to the relation of exploitation and to explain social intercourse out of material needs and the methods of gratifying them. But the problem was set. Hobbes and Locke had before their eyes not only the early development of the Dutch bourgeoisie (both lived for a while in Holland) but the first political actions by which the English bourgeoisie burst their local and provincial fetters and achieved a relatively developed manufacture, shipping and colonization: especially Locke who wrote at the period of English economy which witnessed the rise of the joint stock company, the Bank of England, and English naval supremacy. For both of them, particularly Locke, the theory of exploitation is filled with an immediate economic content. Helvetius and Holbach had before them in addition to English theory and the development of the Dutch and English bourgeoisie, the experiences of the French bourgeoisie still fighting for its right to free development. The universal commercial spirit of the eighteenth century had gripped all the classes in France in the form of speculation. The financial embarrassment of the government and the debates to which it gave rise over taxation concerned at that time the whole of France. To which must be added that Paris in the eighteenth century was the only world city, the only city in which personal intercourse between individuals of all nations took place. These premises, together with the universal character of the French, gave the theories of Helvetius and Holbach their characteristic, generalized color but deprived them at the same time of that which was still present among the English—its positive economic content. A theory which among
the English was a simple observation of fact became among the French a philosophical system. As found in Helvetius and Holbach, the theory is universal but robbed of positive content and essentially lacking the rich fullness of meaning discovered only in Bentham and Mill. The former epitomize the fighting, the still undeveloped bourgeoisie; the latter, the ruling, developed bourgeoisie. The positive content of the theory of exploitation, neglected by Helvetius and Holbach, was developed and systematized by the physiocrats. But since they took as their point of departure the undeveloped economic relations of France in which feudal landed property still had great importance, they remained limited by their feudal conception and declared landed property and agricultural labor to be the productive forces which conditioned the whole organization of society. Further development of the theory of exploitation took place through Godwin, but more especially through Bentham who more and more assimilated into his system the economic content which the French neglected. Godwin's *Political Justice* was written during the time of the French terror, the chief works of Bentham during and since the French revolution and the development of large industry in England. The complete unification of the theory of utility with political economy is to be found finally in Mill.

Political economy which earlier had been cultivated either by men of finance, bankers, and merchants, that is to say, by people who had some immediate contact with economic relations or by men with general culture like Hobbes, Locke and Hume for whom it had significance as a branch of encyclopedic knowledge—political economy was first elevated to a special science by the physiocrats. Since their time it has been treated like one. As a special technical science it absorbed into itself other relations, political, juristic, etc., insofar as it reduced these relations to political ones. It regarded, however, this subsumption of all relations to itself as valid for only one aspect of these relations and acknowledged that they possessed some significance independently of economics. The complete subsumption of all existing relations under the utility relation, the unconditioned elevation of this utility relation to the sole content of all the rest, is to be found in Bentham, [for whom] after the French revolution and the development of large industry, the bourgeoisie steps on the scene no longer as a mere class among others but as a class whose conditions of existence are the conditions of existence for the whole of society.

After the sentimental and moralistic paraphrases which among the French constituted the entire content of the utility theory had been exhausted, the only thing that remained for the development of this theory was the question: How were individuals and relationships to be used or exploited? The answer to this question in the meantime had been given by political economy. The only possible progress therefore lay in assimilating the content of political economy. It had already been proclaimed in economic theory that independently of the will of the individual the primary relationships of exploitation were determined through production as a whole and were found ready to hand by individuals. There remained therefore for the theory of utility no other field save speculation concerning the position of the individual to the fundamental relations, the private-exploitation of the given world by the particular individual.
And on this point Bentham and his school delivered themselves of lengthy moral disquisitions. The whole criticism of the existing world by the utility theory was therewith restricted to a narrow field of vision. Limited by the presuppositions of the bourgeoisie, there remained for criticism only those relations which had been inherited from an earlier period and which stood in the way of the development of the bourgeoisie. To be sure, the theory of utility developed the conception that the whole complex of existing relations was bound up with economics but it did so in a partial and narrow way. From the very outset the utility theory had the character of a theory of general or public utility [utilitarianism]. This character only became significant with the assimilation of economic relation into the theory, particularly the division of labor and exchange. In the division of labor, the private activity of the individual becomes a common utility; the common utility of Bentham reduces itself to the same common utility observable in general in competition. Through the introduction of economic relations like ground rent, profit and wage labor, the definite relations of exploitation of the different classes were likewise introduced, for the kind of exploitation is dependent upon the position in life of the exploiters. Up to this point, the utility theory could tie up with definite social facts; its further divagations into the kinds and arts of exploitation peter out into copy book maxims. Its economic content gradually transformed the utility theory into a pure apologia for existing affairs, into the proof that under existing conditions the present relations of men to each other are the most advantageous and commonly useful. All modern political economy has this character.


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The article by Powers Hapgood on “Recent Trends in the A. F. of L.” will appear in the next issue. It was decided to await the outcome of the convention of the United Mine Workers before completing article.

Because of illness, Haim Kantorovitch could not complete his article for this issue. It will appear in a subsequent issue.
WHERE LIFE IS BETTER
An Unsentimental American Journey—
James Rorty—Reynal and Hitchcock,
a John Day book, New York. $3.00.

In some respects an advertising copy writer has a better opportunity to know America than most of the rest of us. When the copy writer happens also to have a Marxian orientation, he is in a position to reveal many of the hidden mainsprings of action. Twelve years ago James Rorty wrote a pamphlet designed to bring people to California. The booklet was called “California, Where Life is Better”. To-day he uses the title with satiric intent. He has learned much in the twelve years that have elapsed since writing the original pamphlet.

The present volume is raw material for sociologists and for revolutionists. In the spirit that animated the Lynds when they wrote “Middletown”, if with less paraphernalia, Rorty set out in 1934 to cross the country in an automobile and to discuss what, if anything, the American was thinking. He interviewed rich man, poor man, beggarman, and even the legendary Indian chief, and what he records makes at the least interesting reading. It also contains much that will cause the judicious to grieve.

He found that, at a generous estimate, five per cent of those he met had had contact with Marxist thought of one shade or another. These few were alive to the rapidly changing social and political scene. The rest, the great majority of all classes, were still sure that business would pick up, that prosperity even now was only around the corner. “I encountered nothing in 15,000 miles of travel that disgusted and appalled me so much as this American addiction to make-believe. Apparently not even empty bellies can cure it.” The term, “the American dream” used by James Truslow Adams in a laudatory sense, becomes in Rorty's book, a derogatory term epitomizing the Colonel Sellers strain in the American population.

The American, if Rorty has read him correctly, still dreams of something for nothing. He has no notion of the forces that mold his world, no power of abstraction.

Here and there he finds a man, or a group, that has risen beyond shallow optimism. The Auto-Lite workers in Toledo; Local 574 of the Teamsters in Minneapolis; the seventeen defendants in Sacramento criminal syndicalist case; the followers of Bridges, San Francisco—these give room for hope for the future. That hope is swept away by the picture of “Yowzir”, the magazine salesman who thinks that what this country needs is another war.

Wherever Rorty went he saw muddling efforts to meet the problems created by the depression. He saw honest efforts at planning nullified by the ignorance of the planners and by the predatory philosophy of the population. He saw the effects of the Wallace farm program on the farmers themselves. He saw the workers on relief (he calls them the Fifth Estate) sinking into a lumpenproletariat.

“Yowzir's” wish for another war, to stimulate business, to start the wheels of industry moving, he heard repeated in many forms all over the country. Men, he says, see the last war, the war
of 1917-1918, in terms of high wages and profits, and in terms of its deaths, its wounds and its social catastrophes.

What Rorty says links up well enough with what many of us knew before he wrote his book. What he saw and heard tempts him to pessimism. He is inclined to think that fascism will catch up with us long before the conscious five percent can establish contact with the minds of the ninety-five.

Whether his pessimism is justified or not, his book serves to emphasize the problem that too few of us ever stop to think about. It is our task to reach the "Yowzirs", and the "Scheherezade Sweeneys" whom he so engagingly pictures. It will be well for us, and for them, if we reach them before the fascists wave engulfs us. But even afterwards it will still be our task to break down this mass resistance to thought.

D. P. BERENBERG.

THE COMING WORLD WAR:
By T. H. Wintringham.
Thomas Seltzer, New York City, 1935. 257pp. $2.50.

T. H. Wintringham, an outstanding British Marxist, has produced a substantial volume on the war problems which deserves listing among the very best yet produced with a forthright left-wing slant. This can be said despite the fact that certain questionable assumptions may be detected in his argument. Is it true, for instance, that the development of military technique makes the imperialist State weaker and more susceptible to overthrow? Again, can we accept as conclusive the statement that "every development of imperialist military technique makes it clearer that it is possible, in a revolutionary crisis, for the workers to take power?" And is it not pardonable to doubt that a Soviet Germany will emerge as the most probable outcome of the Second World War? Is not irremedial catastrophe a greater probability?

But, debatable assumptions aside, it must be said that Wintringham brings to his task both an extensive knowledge of military history and a penetrating insight into the nature of modern military techniques and their probable effect upon the psychology of the masses. To Wintringham it is clear that the world crisis of capitalism has produced a situation from which there is no escape "save by war or revolution". Consequently he has little enthusiasm for endeavors to convince the bourgeois State to end war and preparations for it; instead, "the essential thing about the work of those who want peace must be the attempt to convince the working class of their power to end the bourgeois State, thereby ending war." Nor is Wintringham taken in by the peace professions of capitalist government leaders. Far from it. His conclusion is that their speeches on behalf of peace must conform to a pattern composed of and emphasizing two aspects, the nationalist and the pacifist, unless they would lose their hold upon the public mind of the masses.

The big point in Wintringham's book is that we are living in an age when wars are ended, not through decisive military victory by one side, but in a new way: by hunger, collapse and revolution. The development of scientific warfare methods makes it easier to start than to win modern wars, as Mussolini has recently demonstrated once again. "Machine-guns are so much stronger in defense than in attack that a military solution is not to be expected: a solution through hunger is indicated by all modern history." New weapons, therefore,
must be judged “not only by their efficiency as weapons, but also by two other standards: (1) their effect on the process of class differentiation within the armed force in question, and (2) their effect upon the dependence of this armed force on the products of a skilled working class.” Wintringham’s prediction is that in the next war “the decisive factor will be not the potential killing-power but the actual will-power, solidarity and endurance of the opposing forces. Class differentiation, shortages of supplies due to strikes at home, and other factors of this sort will affect the will and endurance of the troops.” Wintringham’s thesis is not unsupported by history. The threat and reality of the Paris Commune tended to shorten the Franco-Prussian war; the Russo-Japanese war ended in an abortive revolution in Russia; the World War “opened fully the period in which wars are ended in a new way.” For from that war came “the first working-class revolution” and, after the Russian revolution, the war itself was stopped by “the revolutions in Germany and Austria . . . [which] were built up out of widening strike movements in which the working class learnt the brutality of the forces opposed to it, but also learnt its own power.”

Wintringham is confident that “when it is clear to an industrial worker that the decision before him is war or revolution, he will not hesitate to choose.” And from an acknowledgment of this fundamental alternative other necessary decisions flow: “One is that no possibility can exist for even partial, or qualified, support for any form of capitalist war.” Another is that the worker must “become a member of a political party representing his class and organized to carry through the mobilization of that class, with all allies it can gain, for revolution.”

EDWIN C. JOHNSON.

**BOOKS RECEIVED**

| The Coming American Fascism, by Lawrence Dennis, Harper & Brothers, | Price $2.50 |
| Introduction to Dialectical Materialism, by August Thalheimer, Covici Friede, | Price $2.00 |
| Farewell to Poverty, by Maurice Parmelee, John Wiley & Sons, | Price $3.00 |
| Fascism and National Socialism, by Michael T. Florinsky, The Macmillan Company, | Price $2.50 |
| Marching! Marching! by Clara Weatherwax, John Day, | Price $1.90 |
| Steel-Dictator, by Harvey O’Connor, John Day, | Price $3.00 |
| Where Life Is Better; An Unsentimental American Journey, James Rorty, Reynal & Hitchcock, a John Day Book, | Price $3.00 |
From Our Readers

That the American Socialist Quarterly has become a monthly is real joyous news, and deserves the support of every socialist. You may count on mine, and the organization which I represent.

J. S. J., Virginia.

Because I know so many good writers are contributors to the Monthly, and because you are connected with it I enclose my subscription.

Art Young, Bethel, Conn.

I need not say how pleased I am that the N. E. C. authorized an A S M. It is a fitting testimonial to you and those few comrades who have persevered with the A S Q these past parlous years. I want you to know that I shall help in any way possible—be it as subscription-getter, or what not.

F. T., Washington, D. C.

Congratulations! So you did make it?

T. B., Illinois.

It’s a damn good magazine and I recommend it to all my almost socialist friends.

B. C. K., Illinois.

I am very glad to know that this wonderful magazine is to be a monthly and I sure do not want to miss an issue.

H. N. N., Colorado.

You may be interested to know that, in my opinion, the paper by F. Cohen in the last issue of the Quarterly, on the “Myth of Legality and Socialism” is one of the best pieces of socialist writing that I have come across here for a long time. Withal it is very timely and I am sure if properly distributed among friends and foes, especially in Congress, it could be made to find a larger audience which it deserves.

B. H., Brooklyn, N. Y.

In my opinion, your publication is a potent factor in shaping the onward course of the radical movement in America, and deserves the support of every socialist worthy of the name. Every party member should be a subscriber.

E. J. F., Missouri.

I am happy to see the Quarterly become a Monthly and hope to see it grow so that it may be a prominent fixture on all news stands and on the workers’ tables.

J. K. H., Montana.

The announcement that the American Socialist Quarterly will now become the American Socialist Monthly is a message of encouragement and cheer to those of us who are convinced of the need of education and action in revolutionary socialism.

C. L. H., Massachusetts.

Congratulations upon the coming appearance of the Monthly! The Quarterly has done a real service, and there is a big place for the Monthly if only it can maintain the high standards of the Quarterly.

S. O., California.

Congratulations on becoming a Monthly! Your magazine has always been “tops” both in content and in typographical make-up.

C. G. O., Kansas.