RADICAL PERIODICALS IN THE UNITED STATES
RADICAL PERIODICALS IN THE UNITED STATES

FIRST SERIES 1888-1960

Alternative (1948-1951)
Amerasia (1937-1947)
American Appeal (1920-1927)
American Socialist (1914-1917)
American Spectator (1932-1937)
Black & White (1939-1940)
Blast (1916-1917)
China Today (1934-1942)
Class Struggle (1917-1919)
Class Struggle (1931-1937)
Clipper (1940-1941)
Common Sense (1932-1946)
Communist (1919-1921)
Communist International (1919-1940)
Conscientious Objector (1939-1946)
Dialectics (1937-1939)
Enquiry (1942-1945)
Equal Justice (1926-1942)
Forerunner (1909-1916)
Good Morning (1919-1921)
Industrial Pioneer (1921-1926)
Industrial Unionist (1932-1950)
International Class Struggle (1936-1937)
International Review (1936-1939)
International Socialist Review (1900-1918)
International Socialist Review (1940-1963)
Labor Action (1940-1958)
Labor Age (1913-1933)
Labor Bulletin (1936-1938)
Marxist Quarterly (1937)
Militant (1928-1934)
Modern Quarterly (1923-1940)
Modern Review (1947-1950)
Modern Socialism (1941-1942)
Monthly Review (1934-1935)
Mother Earth Bulletin (1906-1918)
Nationalist (1889-1891)
New Foundations (1947-1954)
New International (1934-1958)
New Militant (1934-1936)
New Nation (1891-1894)
New Review (1913-1916)
New Trends (1945-1946)
New World Review (1932-1960)
One Big Union Monthly (1919-1938)
Pacifica Views (1943-1947)
Party Organizer (1927-1938)
Politics (1944-1949)
Radical Review (1917-1919)
Rebel (1895-1896)
Retort (1942-1951)
Revolutionary Age (1918-1919)
Revolutionary Age (1929-1932)
Socialist Appeal (1934-1937)
Socialist Review (1932-1940)

SECOND SERIES 1881-1961

Alarm (1884-1889)
American Fabian (1895-1900)
Catholic Worker (1933-1961)
Challenge (1938-1939)
Challenge! YPSL (1943-1946)
Champion Labor Monthly (1936-1938)
Clarity (1940-1943)
Comrade (1901-1905)
Debs Magazine (1921-1923)
Dr. Robinson's Voice in the Wilderness (1917-1920)
Equality (1939-1940)
Freedom (1933-1934)
Hour (1939-1943)
Industrial Democracy (1932-1938)
Industrial Union Bulletin (1907-1909)
Industrial Unionist (1925-1926)
Industrial Worker (1909-1913)
Labor Power (1939-1941)
League for Industrial Democracy (1922-1932)
Liberty (1881-1908)
Man! (1933-1940)
Marxian (1921)
Marxist (1925-1927)
Marxist Review (1937-1940)
National Issues (1939)
New Day (1920-1922)
New Essays (1934-1943)
New Justice (1919-1920)
New Student (1922-1929)
New York Communist (1919)
Party Builder (1912-1914)
Road to Communism (1934-1935)
Road to Freedom (1924-1932)
Socialist (1919)
Socialist Party (1904-1913)
Socialist Spirit (1901-1903)
Syndicalist (1910-1913)
Upton Sinclair's (1918-1919)
Vanguard (1932-1939)
Why? (1913-1914)
Wilshire's (1900-1915)
Young Spartacus (1931-1935)

Spanish Revolution (1936-1938)
Spanish Revolution (1936-1937)
Student Advocate (1936-1938)
Student Review (1931-1935)
U.S. Week (1941-1942)
Weekly Review (1936-1943)
Workers Age (1932-1941)
Workers' Council (1921)
Workers' League for a Revolutionary Party, Bulletin (1937-1950)
World Survey (1941-1942)
Young Worker (1922-1936)
Introduction

This series of publications, which appeared during the years 1934 to 1943 under the title International Council Correspondence, later to be renamed Living Marxism and, finally, New Essays, expressed the political ideas of a group of American workers concerned with the proletarian class struggle, the conditions of economic depression and worldwide war. Calling themselves Council Communists, the group was equally far removed from the traditional Socialist party, the new Communist party, and the various "opposition" parties that these movements brought forth. It rejected the ideologies and organizational concepts of the parties of the Second and Third Internationals, as well as those of the stillborn "Fourth International." Based on Marxist theory, the group adhered to the principle of working-class self-determination through the establishment of workers' councils for the capture of political power and the transformation of the capitalist into a Socialist system of production and distribution. It could be regarded, therefore, only as a propaganda organization advocating the self-rule of the working class. Because of the relative obscurity of this group and its ideas, it may be well to deal briefly with its antecedents.

Labor organizations tend to see in their steady growth and everyday activities the major ingredients of social change. It was, however, the unorganized mass of workers in the first of the twentieth-century revolutions that determined the character of the revolution and brought into being its own, new form of organization in the spontaneously arising workers' and soldiers' councils. The council, or soviet, system of the Russian Revolution of 1905 disappeared with the crushing of the revolution, only to return in
greater force in the February Revolution of 1917. It was these councils that inspired the formation of similar spontaneous organizations in the German Revolution of 1918 and, to a somewhat lesser extent, in the social upheavals in England, France, Italy, and Hungary. With the council system, a form of organization arose that could lead and coordinate the self-activities of very broad masses for either limited ends or for revolutionary goals, and that could do so independently of, in opposition to, or in collaboration with existing labor organizations. Most of all, the rise of the council system proved that spontaneous activities need not dissipate in formless mass exertions, but could issue into organizational structures of a more than temporary nature.

In both Russia and Germany the actual content of the revolution was not equal to its revolutionary form. Although in Russia it was mainly general objective unreadiness for a Socialist transformation, in Germany it was the subjective unwillingness to institute socialism by revolutionary means that largely accounts for the failures of the council movement. The great mass of German workers mistook the political for a social revolution. The ideological and organizational strength of social democracy had left its mark; the socialization of production was seen as a governmental concern, not as the task of the workers themselves. The workers' councils, which had made the revolution, abdicated in favor of political democracy. In Russia, the slogan “All Power to the Soviets” had been advanced by the Bolsheviks for tactical and opportunistic reasons. Once in power, however, the Bolshevik government dismantled the soviet system to secure its own authoritarian rule. The Russian soviets proved unable to forestall the transformation of the soviet into a party dictatorship.

It is clear that workers' self-organization is no guarantee against policies and actions contrary to proletarian class interests. In that case, however, they are superseded by traditional or new forms of control, by the old or newly established authorities. Unless spontaneous movements, issuing into organizational forms of proletarian self-determination, usurp control over society and therewith over their own lives, they are bound to disappear again into the anonymity of mere potentiality. This is not true, of course, for the minority of conscious revolutionaries who expect and prepare for new social struggles and to that end concern themselves not only with the critique of capitalist society but also with the criticism of the means required to put an end to it.

This accounts for the Left opposition within the Communist movement, which arose as early as 1918 and directed itself against the opportunism of the Bolshevik party in its endeavor to secure the existence of the Bolshevik government. Although bad experiences with bourgeois parliamentarianism and with the class-collaborationist practices of trade unionism had turned Western Communists into antiparliamentarians and anti-trade unionists, and thus into supporters of the council movement, the Bolsheviks insisted on a reversal of policies and the return to parliamentarianism and trade unionism. The Communist parties were split and their left wings excluded from the Communist International. Lenin's pamphlet, *Radicalism, an Infantile Disease of Communism* (1920) was written to destroy the influence of the Left in western Europe.

With the prestige of success on their side, and with the material means available to government to influence or destroy rival social movements, the Bolsheviks succeeded in reducing Left communism to practical insignificance. But it was never completely extinguished and has continued to exist in small groups in a number of countries down to the present day. For a time, it even won a hearing in the United States, where the lack of revolutionary conditions condemned communism to exist in merely ideological form. The formation of groups of council Communists was first made possible here during the Great Depression, which saw the spontaneous growth of organizations of the jobless and of councils of the unemployed.

With the demise of the unemployed movement, the group of council Communists elected to continue to function as an educational organization. A split in the Proletarian party added to their membership and made possible the publication of *Council Correspondence*. At the founding of the group it adopted the temporary name United Workers party, soon to be changed to Council Communists. It was, perhaps, due to the character of the group and its
intentions that it failed to attract intellectuals into its ranks. With the exception of articles translated from European sources, all the material published in Council Correspondence was written by employed or unemployed workers. Contributions were not signed because they expressed the opinions of the group even when written by individuals. There was, of course, no money available to pay for printing, and the magazine was produced by voluntary labor. Only with an increase in the number of readers, which coincided with a membership decline in the group, did it become both possible and necessary to print the journal. In view of the reduced membership, however, it was clear that Council Correspondence did not promote the growth of the organization but was practically no more than a vehicle for the elucidation of the ideas of council communism. For this reason the change of name to Living Marxism was decided upon. Eventually, however, the general decline of radicalism resulting from America's entry into World War II made the name Living Marxism seem rather pretentious, as well as a hindrance in the search for a wider circulation. It was changed to New Essays, but this did not yield the hoped-for results. After a few issues it became clear that a sufficient number of subscribers to make the magazine financially viable was not forthcoming.

Throughout the existence of International Council Correspondence no attempt was made to simplify its style or content to suit less-educated workers. The intention was to raise their level of understanding and to acquaint them with the complexities of social, economic, and political issues. The magazine was also written for politically advanced workers and for the council Communists themselves so as to improve the collective knowledge of the group. It was a forum for discussion, unhampered by any specific dogmatic point of view, and open to new ideas that had some relevance to the council movement. The magazine eventually succeeded in attracting contributions from Socialist writers who were not associated with the group. And it had, of course, at its disposal the work of some academic people, for instance, Anton Pannekoek (writing under the pseudonym J. Harper), an advocate of workers' councils since their very inception. Others, like Otto Rühle, had been active in the workers' councils in the German revolution. It was Karl Korsch, however, who became Living Marxism's most prominent academic contributor as well as theoretician of the council movement.

Because large-scale unemployment was the most important aspect of the depression years, it received special attention in Council Correspondence—particularly with regard to self-help organizations and direct actions that attempted to alleviate the miseries of the unemployed. Connected with this in a special sense, but also for general reasons, was a great concern with the inherent contradictions of the capitalist system and their unfolding in the course of its development. The nature of capitalist crisis was more intensely discussed, and on a higher theoretical level, than is generally the rule in labor publications, encompassing as it did the most recent interpretations of Marxist economic theory and its application to the prevailing conditions. The various articles devoted to this subject make their perusal highly rewarding even today, since they have lost neither their actuality nor their validity.

In political terms, the rising tide of fascism, and thus the certainty of a new world war, occupied most of the space in Council Correspondence—not only with regard to the European scene but also with respect to its interconnections with Asia and the United States. From its earliest beginnings, German "National-Socialism" was recognized as preparation for a war to redivide economic power on a worldwide scale favoring German capitalism. The reactions to Fascist imperialism were considered as being equally determined by competitive capitalist interests. Fascism and war were seen as directed against the international working class, for both attempted to solve the crisis by capitalistic means in order to sustain the capitalist system as such.

The anti-Fascist civil war in Spain, which was immediately a proving ground for World War II, found the council Communists quite naturally—despite their Marxist orientation—on the side of the anarcho-syndicalists, even though circumstances compelled the latter to sacrifice their own principles to the protracted struggle against the common Fascist enemy. The essays devoted to the civil war were of a critical nature and for that reason possessed a high degree of objectivity, which made the failure of anti-fascism—as a
mere political movement—more explicit. Not only were the polit­
ical-military struggles, foreign interventions, and frictions within
the anti-Fascist camp adequately dealt with, but even more atten­
tion was given to the short-lived collectivization of industry and
agriculture in the anarchist-dominated centers of revolutionary
Spain.

Insofar as the problem of the collective economy has been dealt
with at all in nineteenth-century Socialist literature, it was in
terms of the nationalization of productive resources and govern­
ment control of production and distribution. Only with the Russian
Revolution did this problem assume actual importance, even
though the socioeconomic conditions in Russia allowed for no
more than a state-controlled economy that retained all the essential
economic categories of capital production. This system may best
be described as state capitalism. In spite of its differences from the
capitalism of old, it was, as far as the working class was concerned,
merely another system of capitalist exploitation. The council
movement did not recognize its planned economy as either a
Socialist economy or a transition to such an economy, and opposed
it not merely by denunciation but by developing its own concept
of a Socialist society as a free association of producers in full
command of all decisioning power connected with the production
and distribution process.

The organization of socialism was, then, a recurrent theme in
Council Correspondence and Living Marxism, for the questions it
raised could be answered neither by the localized collectivization
of economically backward Spain nor by the centralized govern­
ment planning in equally economically backward Russia. Quite
gen erally, however, Russia’s state capitalism was either bewailed
or celebrated as the realization of socialism—or, at any rate, as
the road leading to it—and this illusion, though aiding Russian
state interests, was detrimental to the international labor movement.
It was the function of council communism, through its publica­
tions, to aid in the destruction of this illusion. There was no longer
an urgent need to oppose social democracy. It had already, through
its own practices, demonstrated its non-Socialist character and was
now in the process of shedding its Socialist ideology as well. This,
however, gave the no less counterrevolutionary activities of inter­
national bolshevism an unwarranted nimbus. Much space was,
therefore, given to analyses of both the theory and practice of
bolshevism, going back to its earliest critics, such as Rosa Luxem­
burg, and bringing this criticism forward by following the history
of bolshevism down to World War II. This criticism was all-in­
cclusive, philosophical, political, economical, and organizational,
and expressed at an early date what became, only much later, a
more widely accepted recognition of the true nature of bolshevism.

Criticism of the old labor movement, whether reformist or
revolutionary in its tactics, did not exhaust the repertoire of Council
Correspondence. Many of its articles and essays dealt with issues of
a scholarly nature of more general interest, ranging from prob­
lems of psychology, sociology, and literature to such items as
geopolitics, nationalism, and imperialism. Quite a number of these
essays have been steadily reprinted by other publications and have
served different authors as material for their own productions. Yet,
for some years after World War II, the ideas propounded in the
publications of council Communism seemed to be totally lost.
Since then, however, a new interest in workers’ councils has brought
into being a great international library devoted to the subject and
its history. This new interest was undoubtedly fostered by the
institutionalization of workers’ councils, shop stewards, and
workers’ committees in almost all the west-European nations, by
the rather emasculated workers’ councils in the Yugoslav “market
socialism,” and, last but not least, by their emergence as revolu­
tionary organizations in the recent social upheavals in “Communist
Poland and Hungary. In view of this situation, this reprint of
International Council Correspondence and its successors is not only
of historical interest but may, in a small way, throw some light on
the potentialities of a future labor movement.

—Paul Mattick
Cambridge, Massachusetts, 1969
NOTE

1. Radical Periodicals in America, 1890-1950, published by Yale University Library, 1964, states erroneously that council Communists "never affiliated with any major party," and that the "great majority of its members were former members of the German Sozialistische Arbeiter-Partei." However, council communism was the program of the first west-European Communist parties before they were changed into parties of the Leninist type to fit them into the Third International. As regards the American group, none of its members had belonged to the Sozialistische Arbeiter-Partei, which held a position midway between social democracy and Bolshevism. The few Germans in the American group came from the German council movement. The large majority were native workers, and those with a political background came either from the Industrial Workers of the World or from the left wing of the Proletarian party—the most "American" of the three Socialist groups that had vied for Russian acceptance as the "official" Communist party.

COUNCIL CORRESPONDENCE
ENGLISH EDITION

For Theory and Discussion

CONTENTS:

What is Communism?

Future of the German Labor movement.

Unity of the American Workers Party and the Communist League?

The Strike Wave.

Reports and announcements.

OCTOBER, 1934 - No. 1

UNITED WORKER'S PARTY
NOTE

1. Radical Periodicals in America, 1890-1950, published by Yale University Library, 1964, states erroneously that council Communists "never affiliated with any major party," and that the "great majority of its members were former members of the German Sozialistische Arbeiter-Partei." However, council communism was the program of the first west-European Communist parties before they were changed into parties of the Leninist type to fit them into the Third International. As regards the American group, none of its members had belonged to the Sozialistische Arbeiter-Partei, which held a position midway between social democracy and Bolshevism. The few Germans in the American group came from the German council movement. The large majority were native workers, and those with a political background came either from the Industrial Workers of the World or from the left wing of the Proletarian party—the most "American" of the three Socialist groups that had vied for Russian acceptance as the "official" Communist party.

CONTENTS:

What is Communism?
Future of the German Labor movement.
Unity of the American Workers Party and the Communist League?
The Strike Wave.
Reports and announcements.

UNIFIED WORKER'S PARTY
In communism, the process of production is no longer a process of capital expansion, but only a labor process in which society draws from nature the means of consumption which it needs. No longer are values produced, but only articles for use. As an economic criterion, the necessity of which is undeniable, since both production and the productive apparatus must be made to conform to the social need, the only thing which can still serve is the labor time employed in the production of goods. It is no longer the 'value' but the calculation in terms of use articles and the immediate labor time required for their production which is the necessary form of expression of a regulated communist economy.

And so, from the standpoint of Marxism, the Russian experiments in planned economy are not to be rated as socialist. The Russian practice is not directed according to communist principles, but follows the laws of capitalist accumulation. We have here, even though in modified form, a surplus-value production under the ideological camouflage of "socialist construction". The wage relation is identical with that of capitalist production, forming also in Russia the basis for the existence of a growing bureaucracy with mounting privileges; a bureaucracy which, by the side of the private capitalist elements which are still present, is strictly to be appraised as a new class appropriating to itself surplus labor and surplus value. From the Russian experience no positive conclusions can be drawn which have a relation to communist production and distribution. It still offers only examples of the way in which communism can not be developed.

The decisive problems of a communist economy do not come up until after the market, wage labor, money, etc., have been completely dispensed with. The very fact of the existence of the wage relation signifies that the means of production are not controlled by the producers, but stand ever against them in the form of capital; and this circumstance further compels a reproduction process in the form of capital accumulation. This latter is, by the Marxist theory, beside and because of its validity as a law of crises and collapse, at the same time the reproduction of misery, and hence also the Russian workers are...
actually growing poorer at the same rate as capital accumulates. The productivity of the Russian workers increases faster than their wages; of the increasing social product they receive a relatively ever smaller share. To Marx this relative pauperization of the working population in the course of accumulation is only a phase of the absolute pauperization; it is only another expression for the increasing exploitation of the workers, and to denominate this as the "growth of socialism" is after hardly anybody possible.

The gist of the Bolshevist "theory of socialization" may be sketched as follows: With the revolutionary overthrow, i.e., the expropriation of capital, the power over the means of production and hence the control over production and the distribution of the products passes into the hands of the state apparatus. This latter then organizes the various branches of production in accordance with a plan and puts them, as a state monopoly, at the service of society. With the aid of statistics, the central authority computes and determines the magnitude and kind of production, as also the apportionment of the products and producers.

To be sure, the means of production have here passed from the hands of the private entrepreneurs into those of the State; as regards the producers, however, nothing has changed. No more than under capitalism do they themselves exercise the command over the products of their labor, for they still lack the control over the means of production. Just as before, their only means of livelihood is the sale of their labor power.

The difference here is no longer required to be capital with the individual capitalist, but with the total capital, as the purchaser of labor power. In the mind of the Bolshevist theoretician, as in that of the Social Democrat, monopoly capitalism has already made production "ripe for socializing"; the only thing left to do is to give a "socialistic" form to distribution. The decisive aspect of the matter here is the _organizational-technical side_ of the production process; the aids developed by monopoly capitalism or to be copied from it, instead of the truly basic factor of communist economy: the economic relation between producer and producer.

The conception that the mere centralization of the means of production in the hands of the State is to be regarded as socialization precluded the practical employment of an accounting unit in keeping with a communist mode of economy. Centralized power over social production and distribution admitted of no form of accounting by which an uninterrupted economic process was possible as a substitute for money economy. The Russian attempts at a natural economy during the period of "war communism" are completely miscarried. Money accounting had to be re-established.

Under capitalism, the means of production (mp) and labor (l) appear as constant (c) and variable (v) capital. The values of _c_ and _v_ can be applied capitalistically only so long as they produce surplus value (s). The capitalistic formula of production is \( \text{cp/v} \). It is only because \( \text{mp/l} \) appear as \( \text{c} + \text{v} \), that it is possible to attain s. If \( \text{c} + \text{v} \) drops out, so also does s, and vice versa. What remains is the concrete, material form of \( \text{c} + \text{v} \), that is \( \text{mp/l} \), the means of production and labor. The communist formula of production is \( \text{mp/l} \).
many labor hours are withdrawn from this factory for the production of 50,000 shoes per annum. The same number of labor hours must accordingly be restored to it. And what holds for the single enterprise holds also for the whole of society, which of course is only the total of all enterprises. The total product of all enterprises. To distinguish the production formula of the single enterprises from that of society as a whole, we select capital letters for the latter. The formula for the social product (SP) then reads: MP(RxR) - the sum of all the fixed means of production) to amount to 100 million labor hours, the corresponding sum R to amount to 600 million, and the labor time consumed to be equal to 600 million, we have the following for the total product: MP(RxR) = 100,000,000 x 1,300. Of the total product of 1300 million labor hours, in conditions of simple reproduction, (i.e., when no expansion of production occurs), we assume that 600 million labor hours are turned over to the consumers in the form of means of consumption.

The application of the social average labor hour as the computing unit presupposes the existence of workers' councils (soviets). Each enterprise comes forward as an independent unit and is at the same time, as we shall show later, connected with all the other enterprises. As a result of the division of labor, each factory has certain and products. With the aid of the production formula MP(RxR) each enterprise can compute the labor time consumed in its end product. In the shoe factory taken as an example, the end product (one pair of shoes) contains an average of three working hours. This average labor time for each product in each enterprise is a product of an enterprise, insofar as it is not destined for individual consumption, goes to another enterprise either in the form of mp or R, and this one in turn computes its end products in labor hours. For all places of production, without regard to the magnitude or kind of their products.

When the individual enterprises have determined the average labor time contained in their products, it still remains to find the social average. All enterprises of the same nature, i.e., turning out the same kind of products, must get in touch with each other. From the individual enterprises of a determinate industry, in a given territory, will be derived the total average of all the average (average of averages) for these enterprises. To take a rough example: if 100 shoe factories strike an average of three hours, then the total average for a pair of shoes is 2-1/2 hours. The varying average result from the varying productivity of the individual enterprises. Though this is condition inherited from capitalism, and the differences in productivity will, slowly but surely, disappear, the deficit of some enterprises must in the meanwhile be made up through the surplus of the other. From the standpoint of society, however, there is only the social average productivity. The determination of the social labor time calls for the cartellation of the individual enterprises: the opposition between the factory-average and the social-average labor time comes to an end in the production cartel.

The social average labor time decreases with the development of productivity of labor. If the product thus "cheapened" is one for individual consumption, it goes into consumption with this reduced average. To it is an end product used by other enterprises as means of production, then the consumption of mp/R for these enterprises fails, the production "costs" decline and hence the average labor time for the products of these enterprises must get in touch with each other. From the standpoint of society, however, there is only the social average productivity. The determination of the social labor time calls for the cartellation of the individual enterprises: the opposition between the factory-average and the social-average labor time comes to an end in the production cartel.

The application of the social average labor hour as the computing unit presupposes the existence of workers' councils (soviets). Each enterprise comes forward as an independent unit and is at the same time, as we shall show later, connected with all the other enterprises. As a result of the division of labor, each factory has certain and products. With the aid of the production formula MP(RxR) each enterprise can compute the labor time consumed in its end product. In the shoe factory taken as an example, the end product (one pair of shoes) contains an average of three working hours. This average labor time for each product in each enterprise is a product of an enterprise, insofar as it is not destined for individual consumption, goes to another enterprise either in the form of mp or R, and this one in turn computes its end products in labor hours. For all places of production, without regard to the magnitude or kind of their products.

When the individual enterprises have determined the average labor time contained in their products, it still remains to find the social average. All enterprises of the same nature, i.e., turning out the same kind of products, must get in touch with each other. From the individual enterprises of a determinate industry, in a given territory, will be derived the total average of all the average (average of averages) for these enterprises. To take a rough example: if 100 shoe factories strike an average of three hours, then the total average for a pair of shoes is 2-1/2 hours. The varying average result from the varying productivity of the individual enterprises. Though this is condition inherited from capitalism, and the differences in productivity will, slowly but surely, disappear, the deficit of some enterprises must in the meanwhile be made up through the surplus of the other. From the standpoint of society, however, there is only the social average productivity. The determination of the social labor time calls for the cartellation of the individual enterprises: the opposition between the factory-average and the social-average labor time comes to an end in the production cartel.

The social average labor time decreases with the development of productivity of labor. If the product thus "cheapened" is one for individual consumption, it goes into consumption with this reduced average. To it is an end product used by other enterprises as means of production, then the consumption of mp/R for these enterprises
was by the varying productivity of the single enterprises. Everything which enterprises consume must be drawn from the stores of the productive enterprises.

Going back to our production formula for society as a whole:

\[ (MP/R)/L = \frac{mass \text{ of } MP \text{ or } R}{L} / \text{amount of working hours}, \]

MP and R have to be reproduced; there remain, of the total mass of products, 600 million working hours. The GSL enterprises take from those of the productive enterprises 50 million working hours. It is accordingly necessary to know the total consumption of those public enterprises. If we designate the means of production for the public enterprises as MP, the raw materials as Rs and the labor power as L, then the values of the total budget for the public enterprises of the GSL, or (for example - 5 million / 5 million / 10 million labor hours.) From the 600 million labor hours to be consumed, 58 million must be charged for MP and Rs, which goes for the mixed enterprises of the GSL enterprises. There remain 542 million labor hours for the individual consumption of all workers. In the productive enterprises the workers were employed 600 million hours, and in the GSL enterprises 50 million. Of the total output of labor power there is available for individual consumption, accordingly, only 542/565 or 84%. We call this proportion the "factor of individual consumption" (FIC). The formula for FIG is: L - (MP/R)/L over L. In our example: 600 million - 58 million - 456 million / 660 million.

If a worker has worked 40 hours, he receives a labor-money certificate in the amount of 0.83 x 40 = 33.2, which he exchanges for such articles as he pleases. This computation is possible because all enterprises keep an account of their consumption in millions and labor. The general social bookkeeping, which records all products, has at its disposal all data necessary for determining the payment factor, namely, MP, Rs and L, which result from simple summation in the current account.

In the GSL enterprises, the "taking according to needs" was, as we have seen, already realized. With the growth of communism, this type of enterprise receives an ever increasing extension, means of consumption, dwelling, passenger transport, etc. The more society grows in this direction and the more enterprises are transformed into the GSL type, the less individual labor will measure for the general development of communist society. With the development of communism, the accounting for FIC changes. Various enterprises, such as an electric plant, work in part for the productive enterprises and in part for purely productive purposes. To refer to the example: if the consumers, electricity, are free of charge, the electric plant belongs to a new type of enterprise. For accounting purposes, these mixed enterprises must be divided into those of the productive and those of the GSL type. This electric plant must receive back from the FIC the deliveries of current, expressed in working hours, going into the individual consumption. The deducting of these parts of all mixed enterprises gives the deficit to be made up by the FIC. If we call this part the general deficit (D), we have a new distribution formula: FIC = L - (MP/R)/L - D over L.

A number of variables are possible here, depending on whether we assign the mixed enterprises to the public or to the productive ones or divide them between the two. But these variations do not affect the clarity of the general view.
enterprises are brought into G.S.L. production, distribution by means of labor money grows less and less, and rushes on to its own abolition. Fixing the factor of individual consumption is the task of social-bookkeeping. On the credit side of the social bookkeeping stands L. E. and R., and its "bookkeeping as control and abstract summary of the economic process," says Marx, "becomes the more necessary to the process functions on a social scale and loses its purely individual character. It is, therefore, more necessary that production that has no power over the producers or the material production, and still more necessary in co-operative than in capitalist production." This bookkeeping under communism is merely bookkeeping and nothing else. It is the central point of the economic process but has no power over the producers or the individual enterprises. The social bookkeeping is itself only an enterprise of the G.S.L. type. Its functions are: the registration of the stream of products, the fixing of the F.C.I., the outlay of labor-time, money the control of the social enterprise. The control of the labor process is a purely technical one, which is carried out by each enterprise for itself. The control exercised by the social bookkeeping extends only to accounting for all deliveries of the individual enterprises and watching over their productivity.

The control of production in the society of free and equal producers does not come about through persons and authorities, but is conducted through the public registration of the objective course of the productive process; that is, production is controlled through reproduction.

The different industrial organisations turn their production budgets over to the enterprise which conducts the social bookkeeping. From these budgets the monthly results of the productive process ideal as in one form flow to the enterprises; new ones in another form are given out by them. Each conveyance of goods is recorded in the general social bookkeeping by an endorsement, so that the debit and credit of the individual enterprises at any time can be seen at a glance. Everything which an enterprise consumes in the way of means of production, raw material or labor money, appears on the debit side of the enterprise; what it has turned over to society in the form of products appears as a credit. These two items must cover each other continuously, revealing in this way whether and to what extent the productive process is flowing smoothly. Shortage and excess on the part of the enterprise becomes visible and can be corrected. If an enterprise is not able to maintain its productivity, if that productivity declines, then the other enterprises, even though they work beyond the s.a. production time, cannot cover the shortage of the first one. The comparatively unproductive enterprise is unable to reproduce itself, the malfunction becomes visible and can be remedied by society. The control of the G.S.L. enterprises runs parallel in part with that of the productive ones. It results from the material production through the registration of the articles turned over to them and the receipts of labor money of the G.S.L. enterprises, however, goes into society gratuitously", so that for these enterprises the credit factor is lacking in their bookkeeping. The control of productivity is primarily only possible with the aid of comparative investigations.

While under capitalism the category s.a. labor time is dependent on "value", in communism it is only a matter of the labor embodied in goods turned out. And while social productivity under capitalism has to be regulated by the market, which involves a gigantic waste of the social forces of production, in communism the lowering of the s.a. production time is a conscious, socially-regulated act. It leads to a general drop in the time of productive labor and the reduction of the means of production at 100,000 labor hours. If we assume that these instruments have a ten-year span life, then 10,000 working hours are to be added yearly to the labor time. If, for example, an enterprise declines, then the products of this enterprise are connected with the expenditure of extra labor. The reproduction time of the enterprise has changed. Since the s.a. reproduction time is observed, the only change is in the productivity factor of this enterprise. The s.a. production time of the capital with which the enterprise is connected always remains the same. The reproduction time is observed, the only change is in the productivity factor of this enterprise. The s.a. production time of the capital with which the enterprise is connected always remains the same. The reproduction time is observed, the only change is in the productivity factor of this enterprise. The s.a. production time of the capital with which the enterprise is connected always remains the same.
Any speculation regarding the possibilities of the German labor movement must take into account, not merely the size of the various organizations, but the structural transformations in modern society. This change in the economic setup, during the last decade, has led to the political consequences, in the sense of the indispensable key to the complete understanding of fascism.

In 1937, the monopolist form of economy develops within itself stagnating tendencies directed economically against the laissez-faire principle and politically against "formal democracy." The present crisis, which continues during the collapse of small social groups, though it is only the working class which can be moved into a genuine opposition to the existing order. The economic dependence of the middle class allows it no policy of its own; it develops only a backward ideology against industrial progress. It is nothing other than the expression of the monopoly state apparatus which has openly to defend the interests of the economically strongest groups against society as a whole. Practically, fascism can only be appraised as the expression of the policies of the monopolist groups of society during the crisis. It is nothing other than the compulsion to permanent recession against the working class; and this compulsion results from the fact that the further endangering of industrial profits by social unrest can no longer be tolerated, since the already insufficient profit brings into question more and more the continued existence of the economic system. Fascism, furthermore, has to wage the class struggle against the class struggle which it denies, so as to prepare the "nation" for the imperialist clashes to be expected.

As a result of the conflicts of interests within society - conflicts deniable only in words, not in reality - fascism may change its leaders and symbols or may even under certain circumstances, as a result of new social upsurges, give place to a neo-democratic regime. But practically, this transformation would be nothing more than an exchange of leaders and symbols, since even the "formal" "democracy" would be compelled to adopt the fascist policies. Even a democratically "enforced" state apparatus would have to protect the existing society with the necessary means, which today are means of terror. Without overlooking the differences between fascism and democracy, it may still be well to explain these social forms of the present system, have only the same possibilities of action, since politics is always dictated by the economic necessities.
From this standpoint, any struggle for democracy is only a pseudo struggle. And for this reason, such a struggle is quite out of line with the activity of the workers, and can only be conducted by those groups which are willing to play capitalist political parts, that is, merely want to govern. This fight will not even be decided by the "fighters", but by the processes within the economic groupings. Only the assumption that the present economy is still capable of further progressive development can feed the illusion of a new democratic era.

In Germany also, the real class struggle will not turn on the question of democracy, and all attempts to erect a new labor movement on these lines are doomed in advance. The efforts of the socialist movement to get a new lease of life through the adoption of its phraseology fall down on the objective impossibility of turning history backward. The demand for the rehabilitation of democracy is no less laughable than the faith of the fascist in the restoration of democracy and all attempts to erect a new labor movement. The attempt of the various communist groups to build up illegal organizations in the old party style show that they thoroughly share the illusions of the socialist movement. Nothing has changed in regards to these groups as regards the role of the party. What was once legal shall now continue to function illegally in the same form. They completely fail to see that the old party movement was just an expression of formal democracy, and could exist without it. The party is bound up with democracy, the one is not possible without the other. Anyone who fancied that strong party organizations capable of playing a decisive role in history can be built up anew, such a person must now see what power such a movement possesses, which is a consequence of the fall of the new democratic era.

Nothing is more naive than the various assertions of the different political groups in Germany to the effect that they have so and so many thousands of illegal members in their ranks. These computations can only be made and peddled about in foreign countries. They are not based on proof, and spring only from the competitive needs of the various parties in the countries which have not yet gone fascist. Those computations are obvious for the very reason that there is absolutely no way of making them. No controlled illegal labor movement embraced on party principles exists in Germany.

It is true that the Communist Party succeeded, during the first few months of the dictatorship, in leading portions of its non-renegade membership to engage in pugnacious demonstrations, in collecting dues from the membership, in prompting them to the distribution of leaflets, etc. But this activity was only possible because the fascist terror was still lacking in system, and we find that the communist activity let up in the same measure in which the fascist "Tcheka" spread its nets. This "revolutionary" spirit of the C.P. - a spirit which was asleep at the proper moment, because it did not want that moment to come - collapsed from its own insensibility. Thousands of factionalized party hangovers drifted into the concentration camps for distributing illegal leaflets containing nothing more than the phrase, "Hands off the Soviet Union." The fluctuations in membership was peculiar to the C.P. The S.P. was composed of old fellows, incapable of changing, while the C.P. was largely composed of younger elements which instead of convictions had only uniforms to change. There was a lack of illegal activity of the all the easier for the C.P. to turn toward the people. The slogan of the C.P. was not even the courage of despair, but served merely to justify the C.P. as a "class constructor" which in the words of the fascist "fascist ideologist" is still rooted even in the workers. They put themselves willingly as the service of the authorities for the purpose of exterminating "Marxism." A state of general distrust is reared over the movement. One who still eat in the "party councils" today might stand on the western great masses brought into the labor movement a state express ing resignation and a feeling for the necessity of concrete change of policy. Anything that stopped the class struggle was a very small circle of banded revolutionists who, in view of the true situation, will continue for the present to keep their own counsel. The only thing, apart from a few exceptions, means the impossibility of forming permanent organizations which can play a prominent role in the class struggle. The groups themselves are in no condition to keep the mutual understanding of those engaged in the movement; they refrain from all outside activity.

Having shattered the old labor movement, Fascism neither can nor will permit the building up of another. What is more, with the further deepening of the crisis, the terrorism must start to grow sharper. The necessity of atomizing the masses politically or on organizing them under the direct control of the fascist state apparatus does not, however, do away with the economic necessity of bringing them together in great numbers in the enterprises, trade unions, employer bureaus, labor service camps, etc. The impossibility of forming strong organizations does not abolish the class struggle itself; in the new situation fascist organizations do not simply assume new forms. The absence of permanent organizations will only lead to the extension of the workers' council movement. The social development has reached a point which makes the council movement the natural and only possible one. What hitherto has been propaganda arises now as the relations themselves. Since the class struggle, viewed as the essential form of historical movement, is not susceptible of being forbidden, the struggle of the workers for their existence must take the spontaneous character under the existing dictatorship and will be done in the council movement. The councils exist as long as they are in action; they are in action as soon as they exist. In order to be permanent, they have first to come into being. They are at the same time the realization of the united front, since they are the one common property of all ideologies, but are the expression of the material life needs of the combatants without regard to their-ideology. They make a reality of what could hitherto be
valid only in words; namely, that the Revolution is not a party matter, but the affair of the class.

To avoid going off into empty speculation regarding the coming German labor movement, it must be realised that the period of disintegration of existing authority constitutes a new historical epoch which follows its own laws and not those of the past. The old party movement which regarded itself as the decisive factor of the revolution was in reality only a child of aspiring capitalism, which the communist movement through the crisis in Germany and the High Period is necessarily bound up with the end of democracy and hence with the end of the previous labor movement. The past, to be sure, still weighs upon the present and leads to the building of neo-socialist, neo-communist and other such "neo" organisations, but all traditions must yield in the face of the changed circumstances. The world crisis is still in its first stage, the process of disintegration has only begun. The further this process advances, the more must the terrorism against the workers be sharpened. But this terrorism serves for their political education. In the course of development, fascism will be compelled to destroy its own organisations. The workers will not permit anything to invert the revolutionary process. The whole of fascism ceases to be fascist. Resignation kills individuals, but not classes. Every attempt of the workers to ward off their impoverishment will be combated in the manner in which rebellions are put down. Thus even the most backward workers will be compelled, in order to save themselves, to act as if they were conscious revolutionists. Every assembly of workers becomes a reservoir of revolutionary energy. The workers of the illegal organisations will not permit any degree of cooperation with the masses. In contrast with the organisation and workers councils they will create their own form of organisation and their own leadership. And it is only in these first beginnings and their quantitative growth that the revolutionary movement can be discerned.

The tempo of this development is determined by that of the period of disintegration. Unless there occurs a sudden and rapid deepening of the crisis or unless a new war fundamentally changes the whole world picture, nothing much of a surprising nature in reference to the labor movement will happen in Germany in the near future. Of a restoration of the labor movement upon the basis of the old, nothing of the sort need be looked for. So that, so far as concerns the party movement, one will have to deny its very existence. It is impossible to conceive of any way in which it could set itself up as a quite special group, since the movement is identical with the working class idea. And nevertheless, still more surprisingly than did the fascists, that movement will one day snatch the power into its hands.

The October issue of the MODERN MONTHLY contains, between other interesting articles, a criticism of the American Workers Party, by Paul Mattick, from the viewpoint of the council movement. Also a critique of Lewis Corwin's book "The Decline of American Capitalism" from the standpoint of over-accumulation.

According to the "Militant" (#37) the organisational unity of the two groups is close at hand. The political parties, particularly the socialist, are to put their differences to the satisfaction of all concerned, to put their differences to the satisfaction of all concerned. The membership of both groups will be very happy, and they will be members of a larger and more important organisation. The Trotskyites are to be entitled by a larger and more important organisation. They fight for the American kind of a revolution, and celebrate the memory and bones of American Bourgeois rebels dead 150 years ago.

The whole matter is a joke, only indicating that by this merger they hope to stop the disintegration going on in both groups. It is of no importance to the working class, and as a matter of fact the workers ignore both of the "only ones". Divorced or combined, they have no future as their only weapons are outworn traditions which may still confuse part of the workers, but never really influence them.

Practically it may be summed up as an expression of the sound policy "for bigger and better business". As long as it is not positive that this unity will actually take place, it is not worthwhile to deal with it at great length. We will come back to the results in one of the future issues of the C. C. Monthly Organ of The International Communist Workers' Council Movement.

"LIVING MARXISM"

A monthly magazine to be published beginning Jan. 1, 1935, "Living Marxism" will be unique insofar as it will not be restricted by party interests, but will serve the interests of any parasitic bourgeois, or be influenced by leader falseness. It will deal with vital problems of international and world-wide significance and will publish only such material which will be of value in the revolutionary struggle for communism. It will publish the never-mentioned opinions of Marxists like Rosa Luxemburg, Franz Mehring, Karl Liebknecht, Anton Pannekoek, Herman Gertler, and many others. "Living Marxism" has already issued the book of the "official labor fakers", and it will bring forward the economic works of Henry Groszug and others, of the greatest importance for the international council movement, which have been ignored and suppressed by the so-called "official labor fakers".

It will be published by the United Workers' Party of America in collaboration with the Groups of International Communists in Holland and Denmark, and the Council Movement in Germany, England, France, Hungary, Checho-Slovakia and Hungary. We can expect no help from the "official labor movement", so we seek for your support an subscription. Write to United Workers' Party - Chicago, Ill.
The present strike wave is characterized by defeats and betrayals. The workers suffer defeats because of their insufficient and... treacherous organizations on the one hand, and because the capitalist class and its state cannot permit a victory to the workers on the other. Capitalism in the period of general crisis, must combat to its fullest extent any attempt by the workers to improve their conditions. Victory for the workers would mean endangering the position of capitalism. Every strike is practically lost in advance.

But this does not exclude the necessity of workers fighting every onslaught on their living standard. We must take part in every one of these struggles, and encourage the worker to fight, because the present strike wave in spite of its shortcomings is more important than the whole of the "official political movement" at this time. The fact that these strikes are destined for defeat or betrayal does not mitigate the revolutionary value of the struggle. We may point out that on the basis of the present labor movement no victory is possible, but we have to fight in all these labor struggles as they are, and not as we might want them. We must strive to hinder the labor fascists from using these strikes to their own advantage, and this is best done by the most activity on the actual strike front.

The fight for existence is the fight of today; and the struggle for a new society can only grow out of these daily struggles. As these day to day struggles increase, and as the worker gains experience from the defeats, the fight changes its quality and becomes revolutionary leading to the overthrow of the present system. A communist may criticize and condemn the character of the strikes and the organizations involved, but he must take part in the strikes and fight, for this is the shortest road to revolution in the declining period of capitalism.

ANNOUNCEMENT: -- Do not fail to get the next issue of Council Correspondence (#2). It will be entirely devoted to the translation of the "Thesis on Bolshevism", consisting of ten separate articles on this subject, prepared jointly by the Group of International Communists of Holland. It is an exceptional and comprehensive history and analysis of Bolshevism. There will be only a limited amount of copies available, so order yours now!

We recommend the next pamphlet to be published by Polemic Publishers: 673 Broadway, New York City, "THE INEVITABILITY OF COMMUNISM". A critique of Sidney Hook's "Interpretation of Marx" by Paul Mattick. It is written from the viewpoint of the United Workers' Party of America, and deals with almost every aspect of revolutionary Marxism. Should be in the hands of every Marxist.

To be published soon by United Workers' Party: "WHAT NEXT FOR THE AMERICAN WORKER" - A pamphlet dealing in a simple manner with the needs and future of the American labor movement.

We still have some copies of:
"World-Wide Fascism or World Revolution" - 10c
"Bolshevism or Communism" - 56-

UNITED WORKER'S PARTY -- 1604 N. California Ave., Chicago, Ill.
The present strike wave is characterized by defeats and betrayals. The workers suffer defeats because of their insufficient and treacherous organizations on the one hand, and because the capitalist class and its state cannot permit a victory to the workers on the other. Capitalism in the period of general crisis, must combat to its fullest extent any attempt by the workers to improve their conditions. Victory for the workers would mean endangering the position of capitalism. Every strike is practically lost in advance.

But this does not exclude the necessity of workers fighting every onslaught on their living standard. We must take part in every one of these struggles, and encourage the worker to fight, because the present strike wave in spite of its shortcomings is more important than the whole of the "official political movement" at this time. The fact that these strikes are destined for defeat or betrayal does not mitigate the revolutionary value of the struggle. We may point out that on the basis of the present labor movement no victory is possible, but we have to fight in all these labor struggles as they are, and not as we might want them. We must strive to hinder the labor fakers from using these strikes to their own advantage, and this is best done by the most activity on the actual strike front.

The fight for existence is the fight of today; and the struggle for a new society can only grow out of these daily struggles. As these day to day struggles increase, and as the worker gains experience from the defeats, the fight changes its quality and becomes revolutionary leading to the overthrow of the present system. A communist may criticize and condemn the character of the strikes and the organizations involved, but he must take part in the strikes and fight, for this is the shortest road to revolution in the declining period of capitalism.

ANNOUNCEMENT: -- Do not fail to get the next issue of Council Correspondence (22). It will be entirely devoted to the translation of the "Thesis on Bolshevism", consisting of ten separate articles on this subject, prepared jointly by the Group of International Communists of Holland. It is an exceptional and comprehensive history and analysis of Bolshevism. There will be only a limited amount of copies available, so order yours now.

We recommend the next pamphlet to be published by: Polemic Publishers, 673 Broadway, New York City, - "THE INEVITABILITY OF COMMUNISM", -25¢. A critique of Sidney Hook's "Interpretation of Marx" by Paul Mattick. It is written from the viewpoint of the United Workers' Party of America, and deals with almost every aspect of revolutionary Marxism. Should be in the hands of every Marxist.

To be published soon by United Workers' Party: "WHAT NEXT FOR THE AMERICAN WORKER?" - A pamphlet dealing in a simple manner with the needs and future of the American labor movement.

We still have some copies of:
"World-Wide Fascism or World Revolution" - 10¢
"Bolshevism or Communism" - 5¢

UNITED WORKER'S PARTY --- 1604 N. California Ave., - Chicago, Ill.
In the first issue of Council Correspondence we announced that this issue would be devoted to the "Thesis on Bolshevism", a series of ten articles prepared jointly by the Group of International Communists of Holland. We are sorry to say that difficulties encountered in the translation of the thesis forces us to postpone this material to the next issue, number three - available Dec. 1, 1934.

AN EXPLANATION.

In March 1934, the United Workers' Party published the pamphlet "World-Wide Fascism or World Revolution?" - the Manifesto and Program of the Party. This manifesto made a very general and brief analysis of the most important questions with no attempt to take up any subject in detail. It was hoped that subsequent booklets would treat each subject more fully, and cover other subjects not possible in the first pamphlet. The pamphlet "Bolshevism or Communism?" followed soon after, and took up the question of the role of the Party and the leaders in the revolutionary movement. The feature article in Council Correspondence #1, "What is Communism", helps to explain our attitude to the USSR. The main article in this issue elaborates the economic analysis in the manifesto. A popular pamphlet now gone to press entitled, "What Next For The American Worker?" will also deal with questions not given much space in the first booklet. Future issues of this paper, as well as the contemplated monthly journal "Living Marxism", to be published by the United Workers' Party in collaboration with the European groups, will take up in detail for discussion all the questions and problems of vital import to the Revolutionary Proletariat.

I.

According to Marx, the development of the productive forces of society is the most powerful of historical development. In acquiring new productive forces men change their mode of production, and in changing their mode of production, their manner of gaining a living, they change all their social relations. The transformation of the spinning wheel, the hand-loom and blacksmith's sledge, into the self­
tending mule, the power-loom and the steam hammer was not only accompanied by a change of the small, individual shops of the craftsmen into huge industrial plants employing thousands of workers, but there also came with it the social overturn from feudalism to capitalism; that is, not merely a material revolution, but a cultural revolution as well.

Capitalism as an economic system had the historical mission of developing the productive forces of society to a much greater extent than was possible under any previous system. The motive force in the development of the productive forces in capitalism is the race for profit. But for that very reason this process of development can continue only as long as it is profitable. From this point of view, capitalism becomes a barrier to the continuous development of the productive forces as soon as that development comes into conflict with the necessity for profit. Then the monopoly of capital becomes a fetter upon the mode of production which has sprung up and flourished along with, and under it. Centralization of the means of production and socialization of labor at last reach a point where they become incompatible with their capitalist integument.

Marx always considers the economic laws of motion from two points of view: first, as "a process of natural history"; second, in its specific, social form. The development of productive forces went on in every social system, a process consisting of an ever increasing productivity of labor due to better working tools and methods. The productive process under capitalism, in addition to producing the necessities of life, also produces value and surplus value and it is only due to this fact that capitalism has been able to acceler-
In the capitalist system wage labor is necessary for the production of surplus value. In buying labor-power the capitalist acquires the right to use it for his own benefit. By his labor, the worker is able to produce a greater value than he consumes, i.e. — he produces more value than the capitalist pays him in form of wages. Since the capitalist buys labor-power at its exchange value, he necessarily overvalues the labor power, which can only be compensated by the increase of the quantities of commodities produced, which means an increase in the exploitation of labor. This is done by two main methods: by lengthening the labor time necessary for reproducing the wages of the workers (relative surplus value); or by shortening the labor time necessary for reproducing the wages of the workers (relative surplus value). If the shortening of the labor time is impossible, then there only remains the shortening of the necessary labor time, which can only be done by decreasing the value of labor power. The decrease in the value of commodities is only the means of reducing the value of labor power, but this in its turn can only be the result of increased productivity. This process is, at the same time, an accelerator forcing technical development at an ever increasing tempo towards mass production and gigantic and costly machinery, concentrated in huge industrial plants, eliminating individual and small capitalists in favor of big capitalists and corporations.

Since wage labor is the source of his profit, the capitalist should be interested in exploiting as many workers as possible. The more quickly the surplus value on labor and value, the more relative surplus value, the less absolute surplus value, the lower the rate of profit. It is nevertheless a fact that from the very beginning of the capitalist epoch, the number of workers employed relative to the capital employed, has been falling. Even if their number has absolutely increased for a period, they have increased more slowly than capital has accumulated. Today the number of workers employed has fallen, not only relatively, but absolutely. (Since 1918 the number of those employed in American industry has continuously decreased though production increased until 1929.) The increase in the rate of capital invested in wage labor has accelerated the accumulation of capital, both as concerns its mass and value, and lowered the rate of profit, these same circumstances have also created a relative over-population and continue to create it. The development of the productive forces, the concentration of laborers who are not employed by the surplus capital on account of the low degree of exploitation in which they might employed, or at least on account of the low rate of profit which they would yield with the given rate of exploitation."

The law of value is, according to Marx, the regulator of the production of commodities and determines in what proportion the work of society is distributed, but this only holds good for society as a whole, not for individual capitalist units. In reality the law of value only emerges through individual enterprises; actual exchange of commodities does not take place according to value, but according to price of production. If one capitalist sells his commodities at a price above production, which resulted in the establishment of the real rate of profit, he also established the law of value as the final and general law which underlies the sum total of individual transactions at the prices of production.

Without this, the rate of profit would differ from one branch of production to another according to the rate of surplus value, period of capital turnover, and the organic composition of capital. The greater the rate of surplus value, the higher the rate of profit. (The rate of surplus value or exploitation is the surplus value divided by the capital invested in wages, — the variable capital. The rate of profit is the surplus value divided by the total capital including constant capital: — means of production, and variable capital.) The quicker the turnover of capital, — i.e., the quicker the capital invests his capital outlay plus surplus value back, the higher the rate of profit; and vice versa. The ratio between the means of production and labor power, expressed in value form as constant and variable capital, we call the organic composition of capital. The higher the organic composition, the lower the rate of profit.

As not only the rate of profit for individual capitals, but also the average rate of profit continuously sinks on account of the rise in the organic composition of capital, small capitals, especially if they were unable to increase their capital sufficiently. The existence of the capitalist depends on a continuous increase of his capital, which it cannot do by reproduction onto before normal. He strives to gain an extra profit by producing and selling his product over their individual but below their social value. Each capitalist has of necessity the same desire and so each capitalist must accumulate.
If he stops reinvesting part of his surplus value in his enterprise, he runs the risk of his capital becoming valueless, if its technical form is falling behind the general development of the productive forces. If, in addition, he does not again raise the organic composition and further lowering the rate of profit, and thereby hastens the tempo of development by stimulating the search for extra-profit. To resist would mean economic suicide for the capitalist.

To understand the action of the law of value and accumulation, we must first disregard this individual and external motivation, and consider accumulation from the point of view of total capital, since the total social capital values and total prices are identical. The most important factor in this inquiry is the composition of capital and the changes it undergoes in the course of the process of accumulation. In the capitalist mode of production, in so far as it is in itself, is the source of the productive power not only expressed as a growth of means of production in order to have more results with less labor, (as it is expressed in all economic systems) but as a rise in the organic composition of capital, more constant capital, but variable capital and a consequent falling rate of profit. A fall in the rate of profit and a hastening of accumulation is inseparably different expressions of the same process as both of them indicate the development of the productive power. Accumulation in its turn hastens the fall of the rate of profit, as such it implies the concentration of labor on a large scale and thereby a higher composition of capital.

The fall in the rate of profit is at the same time accompanied by an increase in the mass of profit as long as capital accumulates faster than the rate of profit falls. The sinking of the rate of profit and the growth of the rate of profit are therefore expressed by capitalist accumulation. At the same time the sinking rate of profit acts as an index to the relative fall of the mass of profit. When the accumulation of capital reaches a certain point, the mass of profit will fall not only relatively to the total capital, but also absolutely; a larger social capital will bring an absolutely smaller profit. But this point only appears at the end of a certain period of accumulation. Up to that point, "the same development of social productivity of labor exposes itself with each socialist period of capital production on the one hand in a tendency to a progressive fall of the rate of profit, and on the other hand in a progressive increase of the absolute mass of the appropriated surplus value, or profit; so that in the whole, a relative decrease of variable capital and profit is accomplished by an absolute increase of both. This is the characteristic expression of the progressive development of the productive power of labor under the capitalist mode of production.

II. Accumulation and Crisis. The fall in the rate of profit has thrown bourgeoisie economy out of balance. For Marx "the falling rate of profit turns into an antithesis of this mode of production at a certain point and requires for its defeat periodical crises." Accumulation and a higher organic composition of capital are identical. With it goes the increase in the mass of profit, it is rising constantly. An organic composition (5:1) say 10 constant capital and 30 variable capital, and a rate of exploitation of 100%, the rate of profit will be 50%. With an organic composition (5:1) say 25% constant capital and 50 variable capital, and the same rate of exploitation, the rate of profit will be 16.6%. As stated before the rate of surplus value (here 100%) is determined by the proportion between the necessary and the surplus labor time. But the rate of profit is surplus value divided by the total capital; i.e., constant and variable capital. Thus, even a small surplus value, for example, 1000$, would be the same if the total capital is 6666$. Capital accumulation, the margin in itself, would not change, but the profit rate will be smaller, say 15%. But this point only appears at the end of a certain period of accumulation.

Capital accumulation initiated a series of great booms interrupted by periodic crises. As the rate of accumulation grew, the intensity of the crises grew with it. The capitalist process of reproduction repeats itself, not in the form of a circle, but as a spiral, narrowing to a point. The production of value must, due to its inherent contradiction, lead to its own negation; but only the accumulation of these contradictions can transform them into a qualitatively different: into revolution. The same laws which had at first constituted the motive forces of a rapid development of capitalism now serve to bring about its downfall. It is the law of capitalist crises. But this collapse does not develop evenly and in a downward line; it is continuously interrupted as capitalist reality modifies the general abstract law of capitalist accumulation. Marx elaborated no
special theory of crises, but his analysis of the laws of capitalist reproduction, or accumulation, was also a theory of one order. Let us illustrate with an abstract table the law of capitalist reproduction.

In order that accumulation may be possible, the surplus value must be divided into three parts: one to be distributed in the form of organic capital, one in additional variable capital, and the remainder to be consumed by the capitalist class as individuals. During the rise of capitalism, variable capital grows as well as constant capital, only more slowly. We begin, in our table below, with an organic composition of 2:1. The constant capital grows at a yearly rate of 10%, the variable at 5%. The rate of surplus value remains 100%.

(1) Constant capital (C) = surplus value available for accumulation of capital at 5%; the variable at 5%, the rate of surplus value remains 100%. The value of the yearly product we call VYP; the percentage of surplus value consumed by the capital we call R%; the rate for accumulation A%, the rate of profit F%.

$$V = \frac{C}{R} \quad A = \frac{V}{C} \quad F = \frac{C}{A}$$

We see how in this table accumulation increases in spite of a fall in the rate of profit. Accumulation pays for the capital in the first year, these returns dwindle down to a vanishing point. Besides that, from the theoretical point of view, the surplus value increases yearly 5%; AV has a deficit. Instead of the needed 26,265 in the 35th year, only 14,756 is available, leaving a deficit of 11,509. This deficit would represent the industrial reserve army as the inevitable outcome of the capitalist process of accumulation.

The capital accumulated in the 35th year can't function completely. Because 11,509 workers cannot be employed, the whole additional constant capital (AV: 540,753) cannot be reinvested. On the basis of our assumption, a population of 11,509 in the 36th year would require a constant capital of 5,616,200; consequently by a population of 540,075 only 5,499,015 constant capital could be invested. There is a capital surplus of 117,185 that cannot be used. Insufficient capital accumulation even for the surplus value has led to accumulation of surplus capital unable to expand and an unusable surplus population. (The empirical researches, e.g. by W.C. Mitchell in the U.S.A. has shown that in time of economic expansion profit is uninterruptedly increasing, while a crisis is preceded by a decrease of profit.) Thus, increasing "utilization" of capital is the chief cause of capital over-accumulation, and the lack of a sufficient "utilization" of capital the cause of crisis.

The theoretical formulation of the theory of over-accumulation as here presented was first undertaken by Henryk Grossmann who considers his work as only a reconstruction of Marx's theory of accumulation which is the theory of crisis and collapse. According to Grossmann, if accumulation is to take place, the organic composition of capital must increase and then a relatively ever greater part of the surplus value must be taken for the purpose of the additional constant capital (AC). As long as the absolute mass of the total social capital of a low organic composition is small, the surplus value is relatively large, and leads to a rapid increase in accumulation. For example: by a competitive capital of 203,000, 1,410 B (surplus value), the constant capital can (assuming the total surplus value to be used for the accumulation) be increased by 50% of its original size. At a higher stage of capital accumulation, with a considerably higher organic composition, e.g. 117,185 of 150,880 by 150 B the increased mass of surplus value is only sufficient, when used as additional capital (AC) for an increase of 1%.

By continued accumulation on the basis of an ever higher organic composition, a point must be reached when all accumulation ceases. Not even a fragment of capital can be used for expansion of production. A definite limit of profit is reached which grows continuously with the progressive accumulation of capital. The development of capital accumulation, a not only absolutely but also...
relatively greater part of the mass of surplus value must be used for the purpose of accumulation. At a high stage of accumulation, where the mass of surplus value demanded for additional constant capital (AC) must become so great that it finally absorbs all the surplus value, the part of surplus value demanded for additional capital consumption (AV and R) must decrease absolutely. This would be the turning point at which the previously latent tendency to collapse begins to be active. It is under those conditions necessary for the progress of accumulation no longer can be made that the mass of surplus value though grown absolutely is insufficient to take care of its three functions. If the additional constant capital (AC) is taken from the surplus value, the revenue at disposal insufficients to take care of the consumption of workers and employers at the prevailing scale. A sharpened struggle between the working class and the employers over the division of the revenue thus is inevitable. If, on the other hand, the capitalists by pressure from the workers are forced to maintain the wage scale and the part earmarked for accumulation (AC) thus decreases, the tempo of accumulation slows down, and the productive apparatus cannot be renewed and expanded to keep pace with technical progress. All further accumulation must, under such conditions, increase the difficulties, since for a given population the mass of surplus value can only be raised by a trifling amount. Surplus value flowing from the previously invested capital is on the ebb, and there arises a crisis of idle capital, very, very looking for possibilities of investment.

Thus accumulation is a process that inevitably leads to overproduction of capital, to ever increasing unemployment, to a surplus of capital unable to function profitably, and an unuseable surplus population. And this is the final great contradiction of capitalist production that causes it to go to pieces. The economic crisis, the depression, is the climax of production. As productivity of labor increases more rapidly than the productive population, expresses itself, therefore, capitalistically in the inverse form that the laboring population always increases more rapidly than the conditions under which capital can employ this increase for its own self-expansion.

On the basis of this analysis of accumulation, the question no longer is whether the capitalist system will collapse, but rather why it has not already collapsed. We have hitherto followed the process of accumulation in a fictitious capitalism. Reality is different. The final collapse of capitalism as demonstrated by us functionally in a pure capitalism - a capitalism that actually does not exist. In order to best illustrate the law of capitalist accumulation and consequences flowing therefrom, we have had to disregard the secondary features and tendencies that are characteristic of the real capitalism. For the purpose of our investigation up to now, they were quite irrelevant since they only obscure the inner law of the process of capitalist accumulation. Outside of the already mentioned simplifications, we regard only with the process of production by the process of reproduction, only the dynamics of society as a whole interested us, so that we did not consider the individual spheres of production, and disregarded complex processes, the effect on the tempo of the increase in the capital from the point of view of capitalist production is of great importance.

We disregarded the middle class groups, and spoke only of capital and labor. There was in our analysis no credit problem. We disregarded it as well as other important elements of the actual law of accumulation. In short, our analysis of accumulation is based on a non-existent capitalism. All that we set out to do was to demonstrate that by following the process of accumulation in such a pure capitalist system, the result would with mathematical certainty be the collapse of the system.

Since, in reality, there is no such pure capitalist system, and it follows that the tendency to collapse does not operate in the above described "pure" form. Instead, the "pure" tendency of capitalist accumulation is slowed down in its dizzy pace by counteracting tendencies which also arise out of the capitalist development. The tendency in their periodicity which is expressible, and more or less slowed down and temporarily halted by these very crises, though they be the embryonic form of the final collapse, but the counter tendencies are essentially of a temporary character. They can postpone the collapse of the system. If the crisis is only an embryonic collapse, the final collapse of the capitalist system is nothing but a crisis fully developed and unhampered by any counter tendencies.

If the causes of crisis are over-accumulation which makes the "utilization" of capital impossible, then new means must be established to assure again the necessary capital "utilization" in order to end the crisis. The crisis, according to Marx, a crisis of overproduction, pushes the capitalists to a violent return to further profitable expansion; from the point of view of the capitalists, a "cleaning out". But after the "cleaning out" with its series of capitalistic bankruptcies, and the starvation of the mass which is produced and after all the "utilization" of capital again becomes insufficient. The self-expansion stops as the accumulated capital again becomes too large on its new basis. The new crisis sets in. In this manner, the tendency towards collapse is broken up into a series of apparently independent cycles.

III

How Crisis Are Overcome.

The changing periods in the economic cycle may be longer or shorter, but there is a fact. It is furthermore a fact that in boom periods the crises are always growing shorter, while the duration and intensity of the periods of crisis is increasing. This reveals the fact that the tendencies which serve to delay the collapse of capitalism, while being an integral part of capital accumulation, are nevertheless greatly weakened with every passing cycle; and the overcoming of crises becomes an ever greater difficulty. The United States has passed through a series of industrial crises followed and preceded by boom periods. The crisis of 1893 was preceded by a feverish activity of construction. A nationwide network of roads were built, canals were constructed and steamships were developed. Digger mining was capital was imported, and a general optimistic anticipation of profits developed speculation. By the first sign of insufficiency, profit-production, "business" flowed into speculation that took in too the capital. A crisis followed swiftly. To bolster production until the crisis appeared to be caused by the impossibility of paying interest on borrowed capital, as the rate of
profit that could be yielded was too small." The panic of 1857 was preceded by a period of intoxication due to the discovery of California gold, and the large railroad constructions aiding industrial development in general. Again prosperity was transformed into a intensified speculation which is always the case when profits become small. The crisis was again explained by the problems of 'interest'. According to bourgeois conceptions, the railroad were constructed too "quickly", industry developed too "hastily", and the means of production increased faster than the possibility of "utilizing" this growth. This was followed by the crisis of 1873, 1893, 1907, 1921, - to name only the most important.

In whatever manner these crises were explained, each individual explanation suggested that profits were insufficient, that further expansion of industry was unprofitable and for that Reason could not take place, so that each explanation, unconditionally it is true, gives over-accumulation as the cause of crises. But no one spoke about this as the inevitable outcome of the capitalist process of accumulation: this fact was always disregarded as "overproduction of commodities" is too heavy a burden of debts and inability to pay interest. The fall of prices, therefore, was accepted as the cause of crises.

According to Marx, in times of crisis, the rate of profit and with it the demand for industrial capital almost disappears. There is no lack of purchasing power with which to expand production, but no use is made of this purchasing power because it does not pay to expand production. Since expanded production does not bring in more but less profit, the value in the previous scale of industry in which production has become unprofitable, production at first continues at its previous volume. By this continuation of production at its previous rate, each year, there is produced surplus value part of which is consumed by accumulation, but without any application. Thereby the stock of unused means of production, of unalienated goods in general grows; cost of storing increases, plant equipment is unnecessarily tied up since there is no rush through sales of commodities; and by overaccumulation, but without any application. Thereby the stock of unused means of production, of unalienated goods in general grows; cost of storing increases, plant equipment is unnecessarily tied up since there is no rush through sales of commodities.

The capitalist solution to this problem lies in the reestablishment of the 'utilization' of capital. To do this, either the value of the constant capital must be decreased, or the surplus value increased. Both possibilities are found in the sphere of production as well as in the sphere of circulation. We shall deal here only with a few of the tendencies that overcome crises and delay the collapse of the system.

We said the capitalist always sees the fall of prices as the cause of crises. A rise in prices, consequently means to him the beginning of recovery. But bourgeois economists claim that as prices fall, bankruptcies increase proportionally, and they offer statistical demonstrations of this fact. According to them, price stability is a guarantee of social stability. But what they really show is only the increased productivity of labor expressed in prices. The beginning of bankruptcies only illustrates the process of capital concentration, in spite of this, bourgeois economists have always, in their super-

ficial manner pointed to the fall of prices as the cause of crises, and they still hold to this stupid explanation in face of the fact that in the U.S. since 1925 a boom period took place with falling prices. It is also a fact that the expansion of the productive apparatus takes place in times of depression when prices are low. Only when the demand created by that expansion exceeds supply will prices increase. Therefore, the rise in prices, if it takes place, which is not absolutely necessary, is the effect and not the cause of recovery. May, profits and investment must again be possible at the lower price level before recovery can begin. This demands increased productivity of labor which again means higher organic composition of capital, or the reproduction of the crisis on a higher plane.

Increased productivity is, besides other things, a process of concentration and centralization accompanied by amalgamation of industrial units and general rationalization. So that the crises, even though they are accompanied by "overproduction" are always overcome, in spite of that, by a further expansion of production. That this leads to increased laying off of workers first relative to capital employed, later also absolutely does not alter its necessity. Statistics show that during the periods of upswing in the United States these bankruptcies which occurred involved small enterprises, and that while these bankruptcies increased, trusts made superprofits in spite of falling prices. Trustification made larger profits at lower prices because the small enterprises outside this movement of "rationalization" succumbed. Prof. Eitemann writes: "The low prices which had prevailed during the depression of 1873, encouraged the introduction of labor-saving devices. The effect of machine progress is that the search for cheaper methods of production continued even after the return of prosperity, and resulted in a steady downward trend of prices."

The increased productivity of labor, and the thereby relatively diminished cost of constant capital makes the "utilization" of capital again possible. This tendency is apparent during the present crisis. Reports from the United States show that in the small enterprises outside this movement of "rationalization" succumbed. Prof. Eitemann writes: "The low prices which had prevailed during the depression of 1873, encouraged the introduction of labor-saving devices. The effect of machine progress is that the search for cheaper methods of production continued even after the return of prosperity, and resulted in a steady downward trend of prices."

At the same time that the "Merchant Fleet Corporation" allowed 12,000 ships of approximately one million tons to be destroyed, the construction of 20 million tons of new ships is planned even though "overproduction" leaves a great number of these ships idle in port. In the crisis, in spite of "overproduction", the apparatus of production instead of becoming restricted has been enlarged. Nevertheless, previous crises have passed. The crisis, then, is not a restriction of the real apparatus of production, but a break-down of an artificial system of prices and values, and its reorganization on a new level.

According to Marx, the tendency in the fall of the rate of profit is accomplished by an increase in the rate of surplus value, or in the rate of exploitation of labor. By the development of the productive
lower organic composition weakens the tendency to the collapse of labor. The organic composition (O.P.:I) remains; the organic composition (U.V.) sinks. The mass of surplus value remains the same, but as it is now calculated on a smaller capital basis, the rate of profit is higher. In practice, overproduction takes the place of sales at ruinous prices. Crisis and capitalist wars are gigantic evolutions of constant capital by violent destruction of value as well as of use value forcing its material basis.

Forces, commodities are made cheaper. Insofar as this happens to commodities consumed by the workers, the elements of variable capital are made cheaper. The value of labor power sinks and rate of exploitation increases. The same effect is gained by intensifying labor by technical rationalization and by more pitiless rates of speed-up, or by longer working days. One of the most important means is by the forcing of wages below the value of labor power by taking advantage of the growing army of unemployed during a crisis. The lowering of wages below value has already become a "basis" of existence for the whole system. The ridiculous conception that by increasing the purchasing power of labor the crisis can be overcome has always and still is answered by capitalism reducing that purchasing power still further. It is exactly in this manner, by wage cutting, that capitalist crises try to overcome the crisis. Thus, the "Commercial and Financial Chronicle" writes:

"The manufacturer is no longer able to produce goods at a profit, and accordingly he stops producing at all and as a result, hosts of wage earners find themselves idle and out of employment. If the President could be induced to prevail upon the wage earners to adjust wages to a lower basis, one more nearly in accord with the times, trade depression would soon become a thing of the past."

Statistics, for example those of the U.S. Steel Corporation, show that crisis and increasing exploitation run parallel.

<table>
<thead>
<tr>
<th>Month</th>
<th>Increase/Decrease</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aug. 1921</td>
<td>10% increase</td>
<td>Higher productivity</td>
</tr>
<tr>
<td>Oct. 1921</td>
<td>8 hour basis</td>
<td>Labor force intensification</td>
</tr>
<tr>
<td>Feb. 1922</td>
<td>10% increase</td>
<td>Higher productivity</td>
</tr>
<tr>
<td>Mar. 1922</td>
<td>5% decrease</td>
<td>Lower efficiency</td>
</tr>
<tr>
<td>Apr. 1922</td>
<td>8 hour abolishment</td>
<td>Reduced work hours</td>
</tr>
</tbody>
</table>

The crisis of 1921 destroyed the previously adopted 8 hour day and led to sharp wage cutting. In 1931 this was repeated. The intensification of exploitation is one of the strongest tendencies working against capitalist collapse.

The shortening of the time of capital turnover is also a force acting against collapse. The main means for accomplishing this, outside of increased productivity, are better and more direct means of communication, especially transport, and diminution of stock in storage, etc. Furthermore, an increase in use-values at the same exchange value, and the founding of new spheres of production with lower organic composition weakens the tendency towards the collapse since these branches of production yield exceptionally high profits. As the capitalist class cannot dispose of the appropriated surplus value alone, it must divide it with the middle class groups. The crisis is always the beginning of an intensified fight between these groups in the form of a fight of "actual" producers against ground rent or of industrial capitalists against all other capitalist and the middle class groups who exploit labor indirectly thru the industrialists.

An important element in re-establishing profitable operations is the development of capital. This development is expressed by the amount or means of production being represented at a smaller value. The technical composition (H.P.:I) remains; the organic composition (O.P.:I) sinks. The mass of surplus value remains the same, but as it is now calculated on a smaller capital basis, the rate of profit is higher. In practice, overproduction takes the place of sales at ruinous prices. Crisis and capitalist wars are gigantic evolutions of constant capital by violent destruction of value as well as of use value forcing its material basis.

By ever drawing in new foreign use-values, capitalist production is expanded and the tendency towards collapse weakened. The importing of cheap foodstuffs lowers the value of labor power and increases the rate of surplus value proportionally. By the furnishing of cheap raw materials, the elements of constant capital are made cheaper and the rate of profit increased. This is why the struggle for sources of raw materials contributes one of the main objectives of international capitalist politics. Through the tendency of the equalization of profits, the highly developed countries can appropriate part of the surplus value created in the less developed countries. This equalization of profits weakens the basis of the collapse of the foreign trade, the movement towards collapse is slowed down, and as this, with the development of accumulation, becomes a matter of life and death to the capitalist system, it leads imperialist expansion to become more and more violent.

The international character of crisis develops with foreign trade. The same factor also leads to the development of world monopolies, yet even though at an earlier stage of development capital has been able to monopolize the production of the same kind of goods, the export of capital has been always an important instrument of accumulation, though necessary, is unprofitable, a collapse of the system need not follow as long as sufficient capital in form of foreign loans and investments can find a raw and satisfactory basis for utilization. This makes the export of capital characteristic of imperialism. All these elements, concentrated in imperialism, are remedies against the insufficiency of profits. The final consequences of imperialism is the political annexation of foreign territories, so that the securing of a new imperialist base and the securing of foreign loans and investments to postpone capitalist collapse. As the progress of accumulation makes the threat of collapse more imminent, the imperialist tendencies are proportionally strengthened.

IV

Permanent Crisis

We have previously shown that the Marxist theory of accumulation is the law of the collapse of the capitalist system. We have further demonstrated that this law is overcome by counter-tendencies for certain periods. But these counter-tendencies are themselves overlaid in the course of development and lose their effect through overaccumulation. Rationalization becomes failing rationalization. Accumulation in the form of industrial units, is made unprofitable by the dead weight of closed down units. Wage cutting and intensification also have their limits. The workers cannot permanently be paid below their cost of reproduction. Dead and starving workers...
produces no surplus value. The shortening of the time of capital turnover beyond which it breaks the continuity of production and circulation. Even if commercial profits were eliminated altogether, the sinking of the rate of profit would still continue. Foreign trade as a counter-tendency to the continued existence of capitalism would ensue among capital-exporting countries by forcing their industrial development through a hot house growth. As the force of the counter-tendencies is stopped, the tendency of capitalist collapse is left in control. Thus we have the permanent absolute pauperization of the proletariat. The only means left for the continued existence of capitalism is then the permanent absolute and general pauperization of the proletariat.

In previous crises it has been possible to regain sufficient capital "utilization" without permanent cutting of real wages. Marx said: "in the measure as capital accumulates, the situation of the workers, whatever its pay, high or low, must become worse." All statistics available show that accumulation and pauperization of the workers are two sides of the same process. But in the period of the rise of capitalism only a relative, but not necessarily absolute, pauperization of the workers took place. This fact formed the basis for reformism. Only when the proletariat must necessarily be absolutely pauperized are objective conditions ripe for a real revolutionary movement.

If, instead of misleading ourselves by the actual increase of nominal wages in the United States during the last three decades, we examine the trend of wages in relation to production, we shall have a clearer idea of the relative pauperization of the proletariat. If we divide the index of real wages by the index of production, we have the index of the purchasing power of the workers.

The purchasing power of factory workers in the United States has not increased in proportion to the total product of the factories; it has lagged. The workers position is relatively worse. This is true in spite of real wages having increased from 100 in 1900 to 123.6 in 1928. But in the same period the volume of production increased from 100 in 1899 to 283.8 in 1928. The workers lived better, but were more exploited in 1928 than in 1900. To Marx this relative pauperization was only a phase of absolute pauperization. If wages at first only decline relatively to general wealth, they later decline absolutely as the quantity of commodities falling to the worker's share becomes absolutely smaller. This relative pauperization of the workers position is the limit of moderate improvement only continues as long as conditions permit sufficient increase in the mass of surplus value to allow sufficient "utilization" of capital. In the final phase of capitalism the surplus value is insufficient for the maintenance of both previous wage levels and satisfactory "utilization." Therefore, the crisis can now only be overcome by a satisfactory rate of accumulation and the reestablishment of profits at the cost of the workers. What differentiates the final from all previous crises is that with renewed profitable operation the wage level cannot be re-established, - that the latter will sink permanently in times of "superprosperity" as during the crisis. While capital "overcomes" the crisis, it leaves the workers to starve and if they refuse to let themselves be destroyed, they have no other recourse but the aboli- tion of the capital system.

The level of world industrial production is today below the scale of 1928. The depression is world-wide. Relative to the high stage of accumulation, the crisis may vary from country to country, but the internal character of the crisis is everywhere perceptible. The shrinking of the domestic market sharpens competition in the world market which likewise shrinks due to protective tariffs. The shrinking of world trade intensifies the crisis by making their economic and financial status more precarious. These events are paralleled by a heavy loss in profits. The condition of bank capital is catastrophic. The number of unemployed in the United States alone in 1933 was about 16 millions. All this indicates that the present crisis in the United States as everywhere differs from all previous crises by its extent and intensity. It is the greatest crisis in capitalist history; whether it will be the last for capitalism, as well as for the workers, depends on the action of the latter. "The Roosevelt prosperity of the United States to which the bourgeois press referred as the "end" of the depression was in reality only a char­ acter and did not effect the world crisis at all." Anything the U.S. did gain for a short while was a loss for some other country. The industrial depression in the United States to compete better on the world market, but only as long as the other crises were not ready to hit back, by inflating their own money or finding other means of fighting the American competition. Inflation as the means of generalizing the contraction and the elimination of the middle class, as well as the elimination of profit-eating bank capitalists, to a certain extent may spur production because this again becomes profitable for a short while. But this profit is only gained by a pauperization process American capitalism is only of relative but of absolute character. It is a "boom" in the death-crisis, a gain that does not indicate development but decay. It shows that we are not at the "end," but only at the beginning of the crisis.

The actual beginning of the present depression in the United States is always connected with the stock market crash, though the latter was the effect rather than the cause of the crisis which had already begun. As far back as 1927 the "utilization" of capital in the U.S. had become more and more difficult. The falling rate of profit indicated the over-accumulation. But in spite of that, expansion of industry took place until 1929, but not to such an extent as would have been necessary according to the rate of accumulation in previous years, and on the basis of accumulated capital already exist in­ dustrial investment, which could not more fully be reinvested in in­ dustry, flowed to the American banks; deposits in member banks of the Federal Reserve System were increased by 17 billions of dollars more than in 1926. While an increase of 5% in nominal income normal, this amounted to 8%. Simultan­ eously, available credit was insufficient for growth. The market and speculatively inflated stock quotations were the result, bringing on the Wall Street fever of speculation ending in the stock...
Nov.1934  Council Correspondence  Page 16.

market crash. But the speculative fever was only the index of the lack of possibilities for sufficient productive investments. As the surplus of capital lowered the rate of interest to 1 percent, the industrial crisis was followed by a bank crisis, and in the wake of it a rash of defaults from which the bourgeois state expected a turn towards prosperity, no credit was demanded by industry. The "Chicago Daily Tribune" writes: "What idle money has piled up in banks had difficulty in finding safe outlets, but loans and investments did not increase". This situation is not peculiar for the United States, but general throughout the whole world. J.P. Morgan testified at a Senate inquiry: "The depression, for the first time as I know in the history of mankind, is so widespread no country can lend money in any other". At the present time there is no demand for capital for industry.

This situation can, nevertheless, only be overcome by further accumulation; i.e. expansion of the productive apparatus or renewal of the fixed capital on a larger scale. The mass necessary for accumulation is dependent on the previous volume of fixed capital regardless of whether this has only been utilized at half of its capacity, because accumulation is determined by the rate of speed it has previously gained; and this accumulation must take place on a lower price level as expansion of production is coupled with a fall in prices. Therefore, if accumulation is to continue, then the expansion of productive force beyond the cost of production so that the expected mass of profit will compensate for the fall in the rate of profit. For this reason, "Barrons Weekly" says in its yearly survey: "In the extent to which the accumulated capital is effective in promoting economic recovery depends on whether the necessary adjustments have been made in other parts of the mechanism - in cost of production and prices, in supply and demand relationship for individual goods, in the governmental charges on the tax payer and their real value to the country; in short, on whether capital can earn a profit and keep its astatic system of capitalism is an impossibility; capital must either go forward, i.e. accumulate, or collapse. Accumulation presupposes reestablishment of profitable operation; hence we see violent efforts on an international scale to achieve this end. But all previous measures taken to overcome the depth of the present crisis have failed miserably. As we have said before, the resumption of profitable operation depends on the lowering of the organic composition of capital, or the increase, by other means, of the surplus value. The devaluation of capital lowers the organic composition. In practice, this means the fusion of small enterprises to be drawn into the boom. But in monopoly or as overproduction is to pin hope on a still higher form of capitalism than monopoly capitalism, the crisis does not have the same ruses, its capital values is only a raid on the small share holders - but not the "class struggle", but increased rationalization leads to irrationalization: a time in which individual capitalists imperils the very existence of capital, but increased rationalization again possible. This fact is closely connected with the structural change in capitalism from competition to monopoly capital.

"Classical" capitalism answered a crisis with a general fall in prices that lead to widespread bankruptcies and forced the survivors to adapt themselves to the new price level by installing of small industries fixed capital lowered the rate of interest to 1 percent, the 37 tire producers; five of them account for 70% of the total production, the other 32 divide the remaining 30% among themselves. In the automobile industry, 76% of the total production is accounted for by five enterprises: General Motors, General Motors trusts (U.S Steel and Bethlehem) control 50% of the total steel production. In the meat packing industry 70% of the total production is controlled by four firms: Swift, Armour, Wilson and Oudoby. In other industries the same indications are found. What effect can the collapse of small enterprises have here? The fusion of capital and the resultant strengthening of monopolies strengthens this tendency towards stagnation and decay, which really means that permanent depression is a characteristic of monopoly capitalism, even the huge writing down of capital values is only a raid on the small share holders, but not the "class struggle", but increased rationalization leads to irrationalization: a time in which individual capitalists imperils the very existence of capital, but increased rationalization again possible. This fact is closely connected with the structural change in capitalism from competition to monopoly capital.

As we have said before, the resumption of profitable operation depends on the lowering of the organic composition of capital, or the increase, by other means, of the surplus value. The devaluation of capital lowers the organic composition. In practice, this means the fusion of small enterprises to be drawn into the boom. But in monopoly or as overproduction is to pin hope on a still higher form of capitalism than monopoly capitalism, the crisis does not have the same ruses, its capital values is only a raid on the small share holders - but not the "class struggle", but increased rationalization leads to irrationalization: a time in which individual capitalists imperils the very existence of capital, but increased rationalization again possible. This fact is closely connected with the structural change in capitalism from competition to monopoly capital. To increase the mass of surplus value, the cost of production must be lowered. This is attempted through the process of general rationalization, but increased rationalization leads to irrationalization; a time in which individual capitalists imperils the very existence of capital, but increased rationalization again possible. This fact is closely connected with the structural change in capitalism from competition to monopoly capital. To increase the mass of surplus value, the cost of production must be lowered. This is attempted through the process of general rationalization, but increased rationalization leads to irrationalization; a time in which individual capitalists imperils the very existence of capital, but increased rationalization again possible. This fact is closely connected with the structural change in capitalism from competition to monopoly capital. To increase the mass of surplus value, the cost of production must be lowered. This is attempted through the process of general rationalization, but increased rationalization leads to irrationalization; a time in which individual capitalists imperils the very existence of capital, but increased rationalization again possible. This fact is closely connected with the structural change in capitalism from competition to monopoly capital.
technocrats. Rationalization is only effective when the saving in wages made possible is greater than the increased cost of fixed capital made necessary. Rationalization causes the shut-down of many enterprises, and therefore the saving in wages must exceed, not only the increased cost of fixed capital in the rationalized enterprises, but in addition, balance the loss caused by depreciation of fixed capital in idle enterprises. If the costs of fixed capital are increased, all enterprises become more sensitive to downward fluctuation in the rate of profit. Rationalization, therefore, increases the rate of profit both by the cost of storing and by the further increase in surplus value gained by rationalization. The case of "irrationalization" shows definitely the impossibility of recovery through further rationalization.

Increase in surplus value through shortening the time of capital turnover, likewise finds its objective limits in the development of accumulation. The period of turnover of total capital has been prolonged by the decreased utilization of fixed capital. The same rate of profit for one period of turnover becomes thus a much smaller yearly rate of profit. The fall of prices, those of monopoly capital hinders the still remaining possibilities of reducing the period of turnover. Decreasing the stock to raise the rate of profit is limited by the demand for continuity in production and circulation. Outside of this, the action of the crisis creates a situation which only allowed the utilization of 50% of the rationalized enterprises, and thereby annulled the increase in surplus value gained by rationalization. This case of "irrationalization" shows definitely the impossibility of recovery through further rationalization.

The depth of the crisis is also shown in the vicious attacks of capitalist on the system of production of the middle classes. In spite of increasing expropriation of the middle classes, reducing those catering directly to capitalist consumption, the crisis continues to deepen, nullifying those methods of retaining a greater part of surplus value in the hands of the capitalist class. After all, these groups could only be eliminated once, and even before this was done, another barrier would have been set up against further expropriation of them by the fact that the continued rule of the capitalist class depends on their existence. And in contradiction to these strenuous efforts to eliminate expenditures for unproductive and destructive expenditures are increasing. The growth in taxation was more rapid than the growth of the national income in the United States. Increasing capital accumulation causes increasing relief expenditures, and increasing expenditures for the purpose of violent repressions of revolt, and for imperialist designs.
spent themselves or become inadequate in face of the growth of capital accumulation. But capitalism does not collapse automatically; the factor of human action, though conditioned, is powerful. The death crisis of capitalism does not mean that the system commits suicide, but that the class struggle assumes a form that must lead to the overthrow of the system. There is, as Lenin said, so absolutely hopeless a situation for capitalism; it depends on the workers as to how long capitalism will be able to vegetate. The "Communist Manifesto" sounds the alternative: Communism or Barbarism! A static capitalism is impossible; if the accumulation cannot continue, the crisis becomes permanent and the condition of the workers will continually worsen. Such a crisis is barbarial!

Today, half the workers in the great industrial countries are unemployed and the enormous increase of exploitation does not compensate for the smaller number of workers employed; and still there is no other way for capitalism but continuous attacks on the workers. The general, absolute and permanent pauperization of the workers has become an absolute necessity to the existence of capitalist society. Thus, according to Marx, the final and most important consequence of capitalist accumulation and the final reason for every real crisis is the poverty and the misery of the broad masses, in contradiction to the essential driving force of capitalism to develop the productive forces to such an extent that only the absolute consumption possibilities of society be its barrier. Under such conditions, the bourgeoisie can rule no longer, since, as the "Communist Manifesto" pointed out, "it is unfit to rule because it is incompetent to assure the existence of his slaves within his slavery; it, cannot help letting him sink into such a state that it has to feed him, instead of being fed by him."

The analysis of capital accumulation ends, as Marx said in a letter to Engels: "In the class struggle as a finale in which is found the solution of the whole smear! In the phase of accumulation where the further existence of the system is only based on the absolute pauperization of the workers, the class struggle is transformed. From a struggle over wages, hours and working conditions or relief, it becomes, even as it fights for those things, a struggle for the overthrow of the capitalist system of production, - a struggle for proletarian revolution.

THE STRUGGLE AGAINST THE REDUCTION OF UNEMPLOYED RELIEF IN AMSTERDAM.

(Foreward to Raetekorrespondenz #4 of the International Communist of Holland.)

In the first days of July, the Dutch Government cut the unemployed (cash) relief to an extent which aroused the unemployed to spontaneous demonstrations at the relief stations and on the streets. These demonstrations were at once combatted by the police and the guardsmen in the "Jorduaan District" and the "Jorduaan Workers District" of Amsterdam. The unemployed did not allow the police to break their demonstrations up without a fight. They answered the bullets and sabers of the police with the stones they got from the pavement. The struggle lasted many hours. In the evening after the workers left for group meetings which had been hastily arranged. In the short time to powerful and large demonstrations which the police again tried to break up. The workers erected barricades to keep the police out of the streets, as it is impossible to defeat bullets with stones. The barricades were destroyed in order to make it difficult for the police to advance. This, which was done in a few streets, became the situation in the whole "Jorduaan District" the next day. At all corners hastily but well erected barricades were seen; the streets were closed to exclude all fast transportation. On this day the workers succeeded in bringing every policeman out of the district which by evening was entirely in the hands of the workers. The unemployed were victorious for this day; but, by twelve o'clock at night they all returned to their homes and the police moved in again without a fight.

On the following day the guardsmen took possession of the district. They came with tanks, armored automobiles and machine guns. They arrived in such a strength that the unemployed alone could never be able to fight them successfullly. They were not cowardly in not opposing the guardsmen because the events of the day before had brought proof that they were good fighters. However, in the face of this strong enemy, a fight would have been suicide.

The struggle had grown out of a relief question. The immediate goal of the fighters was to force the government to recall the relief cut. Workers who want to fight the government at least need the support of very broad layers of the working class. This support was not forthcoming, because majority of the workers in a movement which embraces their immediate interests. But the fight was merely a fight for unemployed relief; it did not involve the employed workers. Without their support, there was no sense to go farther in the struggle, and it ended in a defeat.

The relief cut was an absolute necessity for the Dutch bourgeoisie. The wages of the employed workers had become so low by a series of wage cuts that there was almost no difference any more between the relief and the wages; but before further wage cuts could be made, the relief had now to be cut first. The continuation of the profitableness of the capitalistic system made this absolutely necessary. This is why the government answered a simple demonstration of the unemployed in a way in which formerly only revolutionary uprisings would have been answered. It was martial law. This offensive against the unemployed was a challenge against the whole working class. There could only be one answer after the brutal attack of the police and the guardsmen: "The General Strike"; but the trade-unionist traditions made it hardly possible. It is important to note that in factories not controlled by the trade union, the workers walked out in sympathy with the unemployed.

As bitter as the battle was, which the unemployed put up and which spread as a guerrilla warfare all over the city, in a few days the whole thing was crushed. After the defeat of the uprising, the attitude of the existing labor organization set in. In all labor organizations, arose bureaus, abuse bureaus, that must lead to the overthrow of the system. Although this may hurt the labor organization very much,
it is not bad at all from the viewpoint of the actual class struggle of the working class. The fighting strength of the workers actually increases through such measures of the ruling class. To forbid the class struggle itself is impossible, but if the bourgeoisie makes the existence of the pseudo-revolutionary organizations impossible, it also removes at the same time an obstacle against the real revolutionizing of the workers. The workers cannot merely be neutralized by the labor fakers; they have to find their own way. Their labor becomes more difficult to be sure, but also more effective. What they now do is to actually fight and not engage in some opportunistic sidetracking of the real issue in the fields of parliamentary fakes-success, etc.

The greatest value for the revolutionary movement is the fact that actions of this kind, and the actions of the ruling class which followed them, showed the weaknesses of the present day labor movement in all its ugliness. One stroke of the ruling class sufficed to do away with the Communist Party and all its affiliated organizations. The leadership of the C.P. had not anticipated this, and actually, the bourgeoisie had really no reason to be so hard on this organization which, in spite of all its self-assurance, is only trying to live and prosper inside of the capitalistic system. Even the last number of the Communist Party of Holland's paper, the "Tribune", before it was suppressed, tried to support the system of private property. We read therein regarding the action of the unemployed ("Tribune" - July 8), "Fight Against Lootings and Provocations"

"When the workers in the Jordaan District were fighting a mass battle, some criminal elements were trying to loot the stores. The workers have nothing in common with these elements. They have to fight them. The workers want the sympathy and the support of many small businessmen in Jordaan. They, like the workers themselves, are hit hard by the depression and also by the relief cut."

(By the way: The looting hit the firm "Jamin", a big capitalistic enterprise in foodstuffs—a chain store.)

The C.P. also advised the workers in order to combat the military onslaught of the ruling class to engage in such silly things as to organize a "school strikes," "don't pay rent movements", etc.; but not a single one of the only thing which was logically necessary, "The General Strike".

The most important lesson to be drawn from the struggle of the unemployed in Amsterdam is the fact that successful group struggles are no longer possible. The difficulties in which the bourgeoisie finds itself, not only in regard to their diminished profits in this country but in their extended necessity to compete on the world market and thus prepare for the imperialistic actions, forces them against the policy of the bourgeoisie is translated by the ruling class as a direct menace against its existence.

What took place when the sailors of "De Zeven Provinciën" revolted was repeated with this demonstration of the unemployed. The sailors demonstrated against their miserable condition, but they were checked as if they had started a revolution. So again the "Handelsblad" of July 8 writes: "Whoever is building barricades in the city will be answered as it is the custom to answer when barricades are built."

The brutality with which the bourgeoisie answered even the slightest protest of the workers comes actually as a surprise to these workers, who did not even understand this at first. The sailors of "De Zeven Provinciën" looked up to the army planes, and laughing, they never thought that these army planes would drop bombs to destroy the rebels. The workers of Amsterdam did not dream that a mass demonstration would turn the city into a battlefield, with military tactics, barricades and killings; but they learn and they learn fast as their action proves. They will soon know that not even the weakest activity will be granted to them; that the ruling class is deadly serious in their determination to kill all actions in favor of the working class.

The periods of "Democracy", of "Parliamentary Humbug", of "Reforms" and of "Legal Action" is definitely over. Now machine guns make history, and realizing this new situation, the workers will also find out that it is absolutely necessary to adopt a class policy, and that success is only possible if the present system is destroyed through proletarian revolution.

THE CLASS STRUGGLE IN SPAIN.

In the middle of September, "La Nacion", a leading bourgeois newspaper in Spain, wrote: "That the danger growing out of this situation of strike activities can at this time only be combated by the execution of an open dictatorship". Since then the days were marked by increasing provocations by the government against the labor organizations, as well as the whole working class. Demonstrations, meetings, organizations were forbidden, the press suppressed, elections declared illegal and communist and socialist deputies replaced by reactionary ones. The bourgeoisie press spoke of a planned revolution, and supported the development of the fascist organizations. All this did not decrease the strike activity, and the consequences in which these strikes were carried through. The economic struggle became at once a struggle against the government, as the government has to assure its profits. The ruling class is determined to bring, by all means, the activity of the working class to a standstill, and is preparing for an open dictatorship supported by the growing fascist forces.

In the beginning of October, the strike situation changed to civil warfare. October 5th, about 100 deaths were reported, and the days followed with a rising number of deaths and the spreading of revolutionary ideas among the workers, after they had started this slaughter of the workers merely for their strike activity. The streets of Madrid and of many of the smaller cities became battlefields. The heroism of the workers was remarkable in the face of their merciless enemies. The troops have been given orders to fire on any suspicious person or manifestation. "All extremists carrying weapons shall be shot."
Nov.1934 Council Correspondence Page 24.

ordered the premier. Once more it became clear that a real General Strike of the workers in such a situation is identical with civil war.

Using this melee, the separatists elements, partly supported by the C.P. slogans against the self-determination, also struck for their special interests. They declared Catalonia temporarily an independent republic, and led the class struggle in this part of Spain on the eidtrack of nationalism.

The issues of the workers were not clear. They were, by their different organizational interests, in a terrible ideological mess. Anarchists, syndicalists, communists and socialists were forced into a working class united on one issue, the issue of communism. The workers learn to understand their problems, not merely on a purely ideological basis, but they learn at once by actual practice. The reality is more revolutionary than the ideas of the workers; and so even a defeat of the workers in Spain can indicate nothing more than a temporary one which also carries with it the weapons for certain success in the future.

UPTON SINCLAIR ON THE ROAD TO FASCISM?

Two years ago, in relation to Sinclair and the Eisenstein movie, "Redemption Ouer Mexico", the critics already tried to point out that his ideology was of a fascist character. With his attitude towards the cutting up of the movie, he had lost his prestige as a socialist and was considered on the road to the class enemy. A business man, however, is not necessarily also a fascist, and the noise about Sinclair's perversion soon died out.

He ran for governor several times on the Socialist ticket, and now he enters the Democratic Party with his Epic Platform (End Poverty In California) trying to gain as a bourgeois candidate what he had failed to reach as a Socialist. From our point of view, this makes no difference. If the Socialists it it outright betrayal, and the noise about Sinclair's perversion soon died out.

Sinclair brought the Democratic Party, as he himself boasts, about 300,000 members in a short time. He received about 400,000 votes and soon started a newspaper which in a few weeks attained a circulation of 175,000. He is a very successful man, and we understand the envy of all labor-fakers without a doubt.
The most important parts of the Epic program have been dropped, however. In order to insure himself the support of the Democratic Party, and in order not to hurt Roosevelt, he has thrown overboard his platform even before he is elected. The state-farms, factories run by the state, old age pension, etc., he dropped, but remains but empty phrases. He is willingly and knowingly betraying his voters in order to satisfy his film-star ideology; he cannot sleep well without being mentioned at least once daily in the papers.

He claims that he and Roosevelt agree on everything, and that the "New Deal" has advanced to the position of 'Epic'. This is true. Epic has lost its main points and the New Deal is bankrupt. They agreed before they start working. Where there is nothing, there can be no disagreement; we the Democratic Party adopts Sinclair as its own.

Daily Sinclair becomes more patriotic. He now expresses what he always felt. It was formerly more outstanding to play at being a socialist, now there is more fame by showing fascist tendencies. There is no likelihood that he will become a California Hitler, as he is seeking advertisement - not power. He fills the space between the real acts in this historical drama, and when the social forces begin to move, he will probably be disposed of in short order by the real fascists or pushed aside by a revolutionary proletariat. The future will not be determined by freaks of his size, but will be determined by the social struggle for power.

HOME COMING.

The End of the Trotsky Movement.

A short time back the "Militant" expressed quite a lot of pity for some of the Lovestone group who were trying to find their way back to the Socialist Party. A few weeks ago, too, they became vehement in complaints against "the treacherous Third International" because it started a United Front from the top with the Socialist Parties, with a proposal of merging the two organizations. "The Stalinists are liquidating the Communist Movement", cried the Unser Wort, the Trotskyites in France. "Down with such a merger. It will weaken, not strengthen the revolutionary movement!"

Then came a surprising move; the liquidation of the Trotsky group in France, and the offer of the American Trotskyites to enter the American Workers' Party. Yesterday, the liquidation of independent Communist parties was open betrayal of the revolutionary cause. Today in France, these same people subject themselves to the discipline of the Socialist Party, and in the United States merge with the petty bourgeoisie American Workers' Party.

These events suit us fine. The common sense displayed by the "leaders" is to be congratulated. We can speak of the petty bourgeoisie of the Socialist Party. There are times of stress for "Labor's Leaders". It is dangerous now to hide behind revolutionary slogans. There is the perspective, too, of the eventual destruction of the old labor movement, and with it the independence and content of old "Leaders". Faced with this common danger, petty differences of organization are forgotten; unity on the basis of "Statu Quo" is established, and the professional revolutionists are saved from what they call "The Horrible Reaction of Fascism".

We will try to strengthen our revolutionary leadership in the United States, because revolution is not necessary; labor and only labor, under a safe and sane leadership, can solve the troubled sea of economic chaos.

"Comrades", calls the National Conference of the Communist League of France, "join us in the ranks of the Socialist Party for the revolutionary struggle of the proletariat. Without renouncing our past or our ideas, but also without any mental reservations of sectarians, we sincerely believe that the Socialist Movement in Austria and Germany fell because it was too revolutionary; that the S.P, must drop its revolutionary slogans, win the middle class, gain power and in that way make fascism impossible. The S.P. is offering to perform the task of the fascists themselves, and in this enterprise finds help from the Trotskyites, despite the great dangers and difficulties involved in such a drastic reorientation. We recommended this course with full confidence that they would remain true to their banner and carry it with them into the Socialist Party!"

The above, in plain English, is a command to join the party of social chauvinists; to join with the murderers of Liebknecht and Luxemburg; to join with the Otto Bauers, the Thomases and Vanderweels. The members of the Communist League in France who could not understand that "triumphal expulsions" were expedient were expelled. Yesterday the "Militant" wrote: "Prior to the decision of the conference to take this step, the National Committees of the Communist League of America decided by a majority of eight to one, to recommend this course of the French comrades, despite the great dangers and difficulties involved in such a drastic reorientation. We recommended this course with full confidence that they would remain true to their banner and carry it with them into the Socialist Party!"

We have said that the old labor movement reaches from "Mosse" to Trotsky, it has departed only temporarily. The departure was only a family fight; now they are united again. The "Left Leadership" of the old labor movement have gone over to the petty bourgeoisie. They have come home not to die, but to eat. In order to eat, these leaders offer themselves to the capitalist class as a way cut that is better than fascism. In doing so, they become, in the words of Trotsky: "the party of counter-revolutionary despair." They prove to the workers by these slogans that they are chauvinists, enemies of the revolution who live by betrayal. They prove by deeds that this "Bolshevist Leninist kernel" is as cowardly and worm-eaten as those who have been in the past in the Socialist Party, Communist Party and Left Opposition have always been associated with a capitalist ideology. They prove that they are revolutionists in name, constitutionalists in deed. They fight with their flag...
unfurled, and must be crushed with the capitalist traditions of yesterday. They are fakers again making history, struggling in a feeble effort to ward off the dialectic movement of reality. Meanwhile, the class struggle deepens – real revolutionists must carry on!

It has come to our notice that the Weisbord group, another "wing" of the Bolsheviks, who have "adhered" to the Trotsky movement internationally while opposing the Left Opposition in America, have repudiated Trotsky and his whole movement on the basis of this new orientation.

READ:

BOLSHEVISM OR COMMUNISM.
(A pamphlet which foretells the events described in the article above, and analyses the entire Bolshevik movement.)

5 cents per copy – The United Workers' Party.

WORLD WIDE FASCISM OR WORLD REVOLUTION.
(Manifest and Program of the United Workers' Party)
Table of Contents:
The Permanent Crisis
"State Capitalism" and a "Planned Economy"
Fascism
The Old Labor Movement
The New Revolutionary Labor Movement.
10 cents per copy.

JUST OFF THE PRESS, NOV. 1st, 1934 –

"WHAT NEXT FOR THE AMERICAN WORKER?" 
(A new and popular pamphlet, dealing with present day conditions in the United States, and giving a perspective of what the workers can expect in the future.)

10 cents per copy.

UNITED WORKERS PARTY
1604 North California Avenue
Chicago, Ill.

COUNCIL CORRESPONDENCE
ENGLISH EDITION
For Theory and Discussion

CONTENTS:

THESIS ON BOLSHEVISM;
1. The significance of Bolshevism.
2. The preconditions.
3. The class groupings.
4. The essence of Bolshevism.
5. The directives.
7. The Bolshevist Revolution.

Produced jointly by the Group of International Communists of Holland.
[First English Translation from "RATEKORRESPONDENZ".

WHAT'S BEHIND THE NEW DEAL?

DECEMBER, 1934 – No. 3

UNITED WORKER'S PARTY
unfurled, and must be crushed with the capitalist traditions of yesterday. They are fakers again making history, struggling in a feeble effort to ward off the dialectic movement of reality. Meanwhile, the class struggle deepens - real revolutionists must carry on!

It has come to our notice that the Weisbord group, another "wing" of the Bolsheviks, who have "adhered" to the Trotsky movement internationally while opposing the Left Opposition in America, have repudiated Trotsky and his whole movement on the basis of this new orientation.

REA D:

BOLSHEVISM OR COMMUNISM.
(A pamphlet which foretells the events described in the article above, and analyzes the entire Bolshevik movement.)

5 cents per copy - The United Workers' Party.

WORLD WIDE FASCISM OR WORLD REVOLUTION.
(Manifeste and Program of the United Workers' Party)
Table of Contents:
The Permanent Crisis
"State Capitalism" and a "Planned Economy" Fascism
The Old Labor Movement
The New Revolutionary Labor Movement.
10 cents per copy.

JUST OFF THE PRESS, NOV. 1st, 1934 -

"WHAT NEXT FOR THE AMERICAN WORKER?"
(A new and popular pamphlet, dealing with present day conditions in the United States, and giving a perspective of what the workers can expect in the future.)
10 cents per copy.

UNITED WORKERS PARTY
1604 North California Avenue
Chicago, Ill.
THE QUESTION OF A NEW COMMUNIST PARTY.

THE SIGNIFICANCE OF BOLSHEVISM.

1. In Soviet Economy and the Soviet State, bolshevism has created for itself a closed field of social practice. In the Third International, it has organized an instrument for controlling and influencing the labor movement on international paths. Its directives in matters of principle and tactics are elaborated in "Leninism". The question arises: Is the Bolshevik theory, as Stalin says, Marxism in the epoch of imperialism and the social revolution? Is it, accordingly, the axis of the revolutionary movement of the proletariat on an international scale?

2. Bolshevism obtained its international reputation in the proletarian class movement, first, by its consistent revolutionary struggle against the World War of 1914-18 and, secondly, by the Russian Revolution of 1917. Its world-historic importance lies in the fact that, under the consistent leadership of Lenin, it recognized the problems of the Russian Revolution and at the same time created in the Bolshevist Party, the instrument by which those problems could be practically solved. The adaptation of Bolshevism to the problems raised by the Russian Revolution was brought about by 30 years of painstaking and consistent development with the aid of insight into the fundamental class questions involved.

3. The question of whether this successful mastery of its tasks entitles Bolshevism to leadership, in theory, tactics and organization of the international proletarian revolution involves, on the one hand, an examination of the social bases and preconditions of the Russian Revolution, and, on the other, of the problems of the proletarian revolution in the great capitalist countries.
Russian society was decisively conditioned by its position between Europe and Asia. While the more progressive economic force and the stronger international position of Western Europe destroyed in Russia, before the end of the Middle Ages, the first beginnings of a commercial capitalist development, the political superiority of oriental despotism created the foundations for the absolutist state apparatus of the Russian Empire. Russia thus occupied, not only geographically but also economically and politically, an intermediate position between the two continents, combining their different social and political systems in its own peculiar way.

This internationally ambiguous position of Russia has decisively influenced not only its remote past, but also the problems of its revolution in the first two decades of the 20th century. The capitalist system in the era of imperialist uprising created two mutually opposed but intimately interlaced centers: the highly developed capitalist center of active imperialist advance in the strongly industrialized area of Western Europe and North America, and the colonial center of passive imperialist plunder in the agricultural regions of Eastern Asia. The class menace to the imperialist system thus arises from both these centers: the international proletariat revolution finds its pivot in the highly developed capitalist countries of Europe and America, the national agrarian revolution in the peasant country of Eastern Asia. In Russia, which stood at the dividing point between the spheres of influence of the two imperialist centers, the two revolutionary tendencies were mingled.

The Russian economy was a combination of antiquated agrarian production characteristic of Asia, and of modern industrial economy characteristic of Europe. Serfdom in various forms survived in practice for an enormous majority of Russian peasants. The small beginnings of capitalist agriculture were thus hindered in their development. They merely caused the breaking up of the Russian village, its indescribable pauperization, while leaving the peasant chained to a soil which no longer was able to nourish him. Russian agriculture, embracing four-fifths of the Russian population and more than half the total production, was until 1917 a feudal economy sprinkled with capitalist elements. Russian industry was engrained by feudalism, which wanted to be independent of foreign countries especially in the production of army supplies. Since, however, Russia lacked the basis of a well developed system of handicrafts and the rudiments for the building of a class of "free laborers", she was bound to orient herself toward Oriental despotism, though born as mass production, created to wage-working class. It was a system of capitalist serfdom, and preserved strong traces of this peculiarity down to 1917 in such features as the mode of wage payments, barring of the workers, social legislation, etc. The Russian workers were therefore not only technically backward, but also to a great extent illiterate and in large part directly or indirectly bound to the absolutist State. The labor force was made up mainly of seasonal peasant workers who had no permanent connection with the city.

Russian industry until 1917 was a system of capitalist production interpenetrated with feudal elements. Feudal agriculture and capitalist industry were thus mutually penetrated with each other's basic elements and had been combined into a system which could neither be governed by feudal principles of economy nor furnish the foundations for an organic development of its capitalististic elements.

The economic task of the Russian Revolution was, first, the setting aside of the concealed, feigned feudalism and its continued exploitation of the peasants as serfs, together with the industrialization of agriculture, placing it on the plane of modern commodity production; secondly, to make possible the unrestricted creation of a class of "free laborers", liberation from all its feudal fetters. Essentially, the tasks of the bourgeoisie revolution.

It was on this foundation that the State of czarist absolutism arose. The existence of this State depended on an equilibrium between the two possessing classes, neither of which was able to dominate the other. If capitalism furnished the economic backbone of that State, its political prop was provided by the feudal nobility. "Constitution" "right to vote", and system of "self-government" could not conceal the political impotence of all classes in the czarist State, which, under the conditions of the country's economic backwardness, produced a method of government which was a mixture of European absolutism and Oriental despotism.

Politically, the tasks confronting the Russian Revolution were: the destruction of absolutism, the abolition of the feudal nobility as the first estate, and the creation of a political constitution and an administrative apparatus which would assure politically full citizen participation in the task of the Revolution. The political tasks of the Russian Revolution were, therefore, quite in accord with its economic presuppositions, the tasks of the bourgeoisie revolution.
At the time of the terrorist movement of the Narodniki in the 70's and 80's, they supported the revolutionary movement passively for the purpose of strengthening the pressure on Czarism. They also attempted to use means of pressure, the terrorist movement, to bring the revolutionary movement down to the October struggles of 1905. Their aim was not only to overthrow the reform of Czarism. During the parliamen- tary period, they attracted many of the liberal intelligentsia, which was des- signed to reestablish the former power of the Czar. It became counter-revolutionary even before the tasks of its own revolution had been accomplished. The first class characteristic of the Russian Revolution is, therefore, the fact that as a bourgeois revolution it had to be carried through not only without but directly against the bourgeois intelligentsia. Thus arose a fundamental alteration of its whole political character.

14. In conformity with their overwhelming majority, the peasants became the social group which at least passively determined the Russian Revolution. While the numerically less important capitalist-middle and upper—peasantry represented a liberal, petty-bourgeois policy, the preponderant number of famishing and enslaved small peasants were forced by elemental necessities into the course of violent revolutionary politics against the large estates. Unable to pursue a class policy of their own, the Russian peasant element (roustads) was compelled to follow the leadership of other classes. Until February 1917 they had, on the whole, despite sporadic revolts, been the firm basis of the peasant masses, being the most decisive in the overthrow of Czarism. The 1905 revolution collapsed. In 1917 they were decisive in bringing about the end of Czarism, which had organized them in great social units in the army, in that they passively crippled the conduct of the war. By their primitive but irresistible revolts in the villages during the further course of the Revolution, thus doing away with the large estates, they created the necessary conditions for the victory of the Bolshevik revolution which, during the years of civil war, was able to maintain itself only by reason of their further active assistance.

15. In spite of its backwardness, the Russian proletariat possessed great fighting strength, due to the merciless schooling of the combined Tsarist and capitalist oppression. It threw itself with enormous tenacity against the reforms of the Russian bourgeoisie which emerged from the 1905 revolution and became its sharpest and most reliable instrument. As each of its actions, through the clash with Czarism, became a revolutionary one, it developed a primitive class-consciousness which in the struggles of 1917, especially in the spontaneous taking over of dominant enterprises, raised itself to the height of subjective communist will.

16. The petty-bourgeois intelligentsia played a distinct role in the Russian Revolution. Intolerably restricted in material and cultural matters, hindered in professional progress, schooled in the most advanced ideas of Western Europe, the best forces of the Russian intelligentsia stood in the forefront of the revolution and by their leadership imprinted upon it a petty-bourgeois, Jacobin-stamp. The Russian social-democratic movement, in its professional-revolutionary leader-element, constitutes primarily a party of the revolutionary petty-bourgeoisie.

17. For the class solution of the problems presented by the Russian Revolution, there arose a peculiar combination of forces. The enormous peasant masses formed its passive foundation; the numerically weaker worker, the spontaneously strong proletariat, represented its fighting instrument; the small element of revolutionary intellectuals arose as the master mind of the Revolution.

18. This class triangle was a necessary development of capitalist society which was ruled politically by the absolutist, independent State, based on the disfranchised possessing classes; the feudal nobility and the bourgeoisie. The peculiar problems involved in accomplishing the bourgeois revolution without and against the bourgeois grew out of the necessity for the overthrow of Czarism, of mobilizing the proletariat and peasantry in the struggle for their own interests and thereby destroying not only Czarism but the existing forms of feudal and capitalist exploitation. Numerically, the peasants would have been able to handle the matter alone, but were politically not in a position to do so as they were unable to actualize their class interests except by subordinating themselves to the leadership of some other class element which in a certain measure determined to what degree the class interests of the peasantry were carried through. The Russian workers developed, in 1917, the beginning of an independent communist-minded party, but lacked the social presuppositions for their victory, which as a victory of the proletarian revolution would have to be a victory also over the petty-bourgeoisie. The peasantry, however, had to a large extent became a means of pressure, the revolutionary strike. It, therefore, the fact that as a bourgeois revolution it had to be carried through not only without but directly against the bourgeoisie.

19. The creation of the organized leadership of the Russian Revolution and the development of an appropriate tactic is the merit of the Bolsheviks. They accomplished the seemingly hopeless task of creating the contradictory alliance between the peasant masses fighting for property and the proletariat fighting for communism, thus making the revolution under its difficult conditions possible and assuring its success by binding together this contradictory peasant—worker combination with the iron links of their party dictator- ship. The Bolsheviks constitute the leadership party of Russia's revolutionary petty-bourgeois intelligentsia; they accomplished the historical task of the Russian Revolution, namely, the fitting of history to the back of the bourgeois—revolutionary peasantry combined with the proletarian—revolutionary working class.

20. Bolshevism has all the fundamental characteristics of bourgeois—revolutionary policy intensified by the insight (taken over from Marx) of the laws of movement of social classes. Lenin's phrase, "the revolutionary social democratic is the Jacobin-linked with the masses", is more than an external comparison. It is rather an expression of the inner techno-political affinity with the move- ment of the revolutionary petty-bourgeoisie of the French revolution.
The basic principle of Bolshevist policy—the conquest and exercise of power by the organization—is Jacobinical. The guiding line of the great political perspective and of its realization through the tactic of the Bolshevist organization fighting for power is Jacobinical; the mobilization of all militant masses and forces of society for the overthrow of the absolutist opponent, combined with the application of all methods which promise success; zigzagging and compromising with any social force which may be used, if even for the time being only on the least important sector of the struggle. The fundamental idea of bolshevist organization, finally, is Jacobinical; the creation of a strict organization of professional revolutionists which will remain a pliant tool of an omnipotent leadership.

Theoretically, Bolshevism has by no means developed a thought structure of its own which could be considered a closed system. It has, rather, taken over the Marxist method of looking at classes and adapted it to the Russian revolutionary situation, i.e. basically changed its content while maintaining its concepts.

The one ideological achievement of Bolshevism is the connecting of its own political theory as a whole with philosophical materialism. As a radical protagonist of the bourgeois revolution, it falls upon the radical, philosophical ideology of the bourgeois revolution and makes it the dogma of its own view of human society. This fixation upon philosophical materialism is accompanied by a continual adaptation of the philosophical ideology which unfolded during the period of political practice as in the last instance the emanation of the action of leaders. (Treason of reformism; idolatry of Lenin and Stalin.)

The organization of Bolshevism arose out of the social-democratic circles of intellectual revolutionists and developed through factional struggles, splits and defeats into an organization of leaders with the dominant positions in the hands of the petty-bourgeois intelligentsia. Its further growth, favored by the continually illegal situation, established it as a political organization of military character, based on professional revolutionists. Only through such a straight-lined instrument of leadership could the Bolshevist tactic be carried through and the historical task of Russia's revolutionary intelligentsia be fulfilled.

The Bolshevik tactic, in the service of pursuing the conquest of power by the organization, revealed—especially up to October 1917—a powerful inner consistency. Its continual outer fluctuations were essentially only temporary adaptations to altered situations and to altered relations of forces between the classes. In accordance with the principle of absolute subordination of the means to the end, without any consideration of the ideological effect on the classes which it led to, the tactic was overhauled even in apparent contradiction to the party program, was utilized. That could be done because the only issue was the unconditional capture of masses for its policy. It had to be done because these masses, workers and peasants, had contradictory interests and a completely different consciousness. Precisely for this reason, however, the tactical method of Bolshevism reveals its connection with revolutionary-bourgeois policy; it is, in fact, the method of that policy which Bolshevism actualized.

The goal which furnished the starting point of Bolshevism is the overthrow of the czarist system. As an attack on absolutism, it led to revolutionary-bourgeois action on the whole. It even solved the struggle about the tactical line within the Russian social democracy. In this struggle, Bolshevism develops its methods and slogans.

It was the historical task of Bolshevism to weld together, by its leadership tactic, the rebellion of the proletarian and peasant, who stood on quite different social planes, to the end of common action against the feudal State. It had to combine the peasant revolt (action of the bourgeois revolution at the beginning of the development of bourgeois society) with the proletarian revolt (action of the proletarian revolution at the end of the development of bourgeois society) into a unified action. It was able to do this only by reason of the fact that it unfolded a grand strategy in which use was made of the most diverse class stirrings and tendencies.

This utilization strategy begins with the willingness to capitalize the smallest splits and cracks in the opponent's camp. Thus Lenin, who spoke of the liberal proprietors as our allies of tomorrow, while at another time he came out for support of the priests persecuted by Czarism.

The clarity of Lenin's tactic, however, reveals itself in the fact that, especially as a result of the experiences of 1905, he posed the question of the "allies of the revolution" on the right line, in that he turned more sharply against all compromises with the dominant capitalist groups and restricted the policy of the "allies" and of compromisers to the petty-bourgeois and small-peasant elements, i.e. those elements which alone historically could be mobilized for the bourgeois revolution in Russia.

The two-class basis of Bolshevist policy is expressed broadly in the tactical slogan of the "democratic dictatorship of the workers and peasants"; which in 1905 was made the general guiding line of Bolshevist policy and which still carried with it the illusionary idea of some sort of parliamentarism without the bourgeoisie. It was later replaced by the slogan of "class alliance between the workers and peasants." Behind this formula was concealed nothing but the necessity of getting both these classes in motion for the Bolshevist policy of seizing power.

The temporary slogans under which these two classes determining for the Russian Revolution were mobilized on the basis of their contradictory interests were ruthlessly subordinated to the one purpose of using the forces of these classes. In order to mobilize the masses and to proceed the Bolshevists as early as 1905 therefore coined the slogan of "radical expropriation of the landed proprietors by the peasants." This slogan could be regarded from the peasants' standpoint as an invitation to divide the big estates among...
the small peasants. When the Mensheviks pointed out the reactionary content of the Bolshevik agrarian slogans, Lenin informed them that the Bolsheviks had not in the least decided what was to be done with the expropriated estates. To regulate this matter would be the function of social-democratic policy when the situation arose. The demand for expropriation of the large estates by the peasants was thus of a demagogic character, but struck the peasants on the dominant point of their interests. In like manner, the Bolsheviks expanded the alliance between the proletariat and the peasantry—"an alliance in which logically antagonistic class interests are consciously lumped together.

35. The necessity for basing Bolshevik policy on the two lower classes of Russian society is transcribed by Bolshevism into the formula of the "dictatorship of the proletariat". As the proletariat in its turn is ruled by the Bolshevik Party, the "primacy of the proletariat" means the primacy of the Bolshevik Party and its claim to governing both classes.

36. The Bolshevik pretension of seizing power with the support of two classes finds its highest expression in the Bolshevik concept of the "dictatorship of the proletariat". In conjunction with the concept of the Party as the absolute leader-organization of the class, the formula of the proletarian dictatorship naturally means mastery on the part of the Jacobinical-Bolshevik organization. Its class content is furthermore completely done away with by the Bolshevist definition of the dictatorship of the proletariat as the "class alliance of proletariat and peasantry under the primacy of the proletariat". (State and Party Program) The concept of the dictatorship of the working class is thus distorted by Bolshevism into the rule over two opposed classes by the Jacobinical party.

37. The bourgeois character of the Bolshevik revolution is underscored by the Bolshevists themselves in their revised slogan of the "people's revolution", i.e. the common struggle of different classes of a people in one revolution. That is the typical slogan of every bourgeois revolution which behind a bourgeois leadership brings masses of petty-bourgeois peasants and proletarians into action for its own class aims.

38. In view of the organization's struggle for power over the revolutionizing masses, every democratic attitude of Bolshevism becomes a mere tactical move. This has been proved particularly in the question of workers' democracy in the soviets. The Leninist slogan of March 1917, "all power to the soviets", bore the typical upper-class aspect of the Russian Revolution, for the soviets were the councils of workers, peasants and soldiers, i.e., again peasants! Furthermore, the slogan was mere tactic. It was put forth by Lenin in the February revolution because it seemed to assure the "peaceful" transition to a new form of socialist society. As a matter of fact, the call to the Bolshevists by the increase of their influence in the soviets. When, after the July demonstration, the influence of the Bolsheviks among the soviets declined, Lenin temporarily abandoned the soviet slogan and demanded the organization of an insurrection by the Bolshevik Party. It was only then, when as a result of the Kornilov Putch, the bolshevik influence in the soviets again sharply increased, that Lenin's party again took up the soviet stage.
Since the Bolsheviks regarded the Soviets preponderantly as organs of insurrection instead of as organs of self-government of the workers of the working-class, they made it all too clear that to them the Soviets were only a tool by which their party could take over the only power of which their party could take over the whole of which their party could take over the only power. This has been demonstrated in general practice, not only by their organization of the Soviet state after the conquest of power, but also in the whole practice of the bloody repression of the Kronstadt rebellion. The peasant-capitalist demands of this insurrection and leninist domination was that of Bolshevism, is likewise determined from the point of view of control and leadership of the Bolsheviks, in Russia, the Bolshevists have completely taken away from the working-class their role as the leaders of labor organizations, by governmentalizing and militarizing them by the compulsory character imposed upon them after the conquest of power. In the other countries, the final result of the Bolshevik policy has been to protect the bureaucratic, reformatory, and revolutionary organizations, and instead of the breaking up of such organizations, the Bolshevists created the "conquests" of their apparatus. They were bitter opponents of the idea of revolutionary, industrial organizations because these latter embodied democratic democracy, the Bolsheviks fought for the conquest or development of organizations controlled by the centralistic bureaucracy, which they thought to rule from their own command posts.

As a leader of the Jacobinist dictatorship, Bolshevism in all its phases has consistently combated the idea of self-determination of the working-class and demanded the subordination of the proletariat to the bureaucratised organization. In the question of organization within the Second International, Lenin was a violent and vindictive opponent of Rosa Luxemburg and supported himself outspokenly on the centrist Kautsky, who during and after the war clearly revealed his policy of class betrayal. Bolshevism had even then, as constantly since, proved that it not only has no understanding of the question of developing the consciousness and the class organization of the proletariat, but that it also combat with all means all theoretical and practical attempts to develop actual class organizations and class policies.

VIII. The Bolshevist Revolution

43. Bolshevism has called the revolution of February the bourgeois revolution, and that of October the proletarian revolution, and that of the Bolshevik revolution to be able to pass off its later regime as proletarian class rule and its economic policies as socialism. The absurdity of this division of the revolution of 1917 becomes clear merely from consideration of the fact that a development of seven months would have sufficed to create the economic and social presuppositions for a proletarian revolution in a country which had just entered the process of its bourgeois revolution, and that to bring this process to its conclusion that would at least require decades. In reality, the revolution of 1917 is a quite unitary social process of transformation, beginning with the collapse of Czarism and attaining its climax with the victorious armed insurrection of October 1917. This violent process of transformation is that of Russia's bourgeois revolution under the historically created, peculiar Russian conditions.

44. In this process, the party of the revolutionary, Jacobinist intelligentsia seized power on the two social waves of peasant and proletarian mass insurrection and created in the place of the shattered governing triangle, Czarism, nobility, bourgeoisie, the new governing triangle, Bolshevism, peasantry, working class. Just as the state apparatus of Czarism ruled independently over the two possessing classes, so the new Bolshevik state apparatus began to make itself independent of its double class basis. Russia stepped out of the conditions of Czarist absolutism into those of Bolshevist absolutism.
The slogan of control of production served the attempt to maintain capitalism as a force for technical and economic organization of production, but depriving it of its character of exploitation. The bourgeois character of the Bolshevist revolution and the Bolshevist self-restriction to this bourgeois economic character, the consolidation of the results of the October revolution of 1917, could not be shown more clearly than in this slogan of control of production.

48. "The elemental force of the workers' attack, on the one hand, and the sabotage by the enthroned employers on the other, meanwhile drove the Bolshevist industrial policy further into taking over the industrial enterprises by the new governmental bureaucracy. The state economy which at first, throughout the period of war, was most choked from above, was denoted by Lenin as state capitalism. The designation of the Bolshevist state economy as "socialist is a product of the Stalinist era.

49. Lenin himself had, however, no other fundamental conception of socialization of production than that of a bureaucratically conducted state economy. To him the German war economy and the postal service were illustrations of socialist organization, i.e. economic organization of an outright bureaucratic character, centrally controlled from above. He saw only the technical, not the proletarian, social side of the socialization problem. Lenin likewise based himself, and with him Bolshevism in general, on the concept of a socialist organization by the statist Hilferding, who in his "Finance Capital" had sketched an idealized picture of a completely organized capitalism. The actual problem in socializing production, i.e. the taking over of the enterprises by the working class and its class organizations, the shop councils; Bolshevism has completely passed it by. It had to be passed by because the Marxist idea of the association of free and equal producers is directly opposed to the essence of the rule of a Jacobinical organization, and because Russia did not possess the social and economic conditions necessary for socialism. The socialization concept of the Bolshevists is therefore nothing but a capitalist economy taken over by the State and directed from above by the bureaucracy. The Bolshevist socialism is state-organized capitalism.

VIII. - Bolshevist Internationalism and the National Question.

50. During the World War, the Bolshevists represented a consistently international standpoint under the slogan "Convert the imperialist war into civil war" and had apparently conducted themselves as consistent Marxists. But their revolutionary internationalism was as much determined by their tactic in the struggle for the Russian Revolution as was later their swing to the NEP. The appeal to the international proletariat was only one side of a large-laid policy for international support of the Russian revolution. The other side was the policy and propaganda of "national self-determination" in which the class outlook was even more definitely sacrificed than in the concept of "new revolution", in favor of an appeal to all classes of certain peoples.

51. This double-faced "two-class internationalism" of the Bolshevists corresponded to the international situation of Russia and of revolution. Russia stands between the two centers of the imperialist world system economically and sociologically. In Russia, where the active imperialist and the passive colonial tendencies met, the system collapsed. The reactionary classes of Russia were incompetent to put it together again, as their decisive role in the Kornilov Fascist movement had been proved. The only real danger threatening the Russian revolution was that of imperialist intervention. Only military invasion on the part of imperialist capital could strike down Bolshevism and restore Czarism - the old regime which had been built into the world system of imperialist exploitation both as an instrument and as material at the same time. The problem of active defense of Bolshevism against world imperialism consisted, therefore, in counter-attacking in the imperialist centers, which is what was done by Lenin and for the imperialist centers fought about through the two-sided international policy of Bolshevism.

52. With the standpoint of the international proletarian revolution, Bolshevism propagated an internal attack by the international proletariat on the center of world imperialism in the highly developed capitalist countries. With the policy of "the right to national self-determination" Bolshevism propagated an attack by the oppressed peasant peoples of the Far East on the colonial center of world imperialism. In a double-phased international policy adjusted to tremendous perspectives, Bolshevism attempted to lengthen the peasant and peasant arms of its revolution into the international stretches of world capitalism.

53. The position of Bolshevism on the "national question" is practical, however merely an expedient of the bourgeois revolution of its own country, a revolution which wished to strike Czarism with the aid of the national instincts of the oppressed peasant elements, and nationalities of the Russian Empire. It is, at the same time, the peasant internationalism of a bourgeois revolution which was accomplished in the age of world imperialism and which could hold out in the meshes of the imperialist net only with the aid of internationally oriented and activated counter-policy.

54. As instruments of Bolshevist leadership for this policy of international support for the bourgeois revolution accomplished on Russian soil, Bolshevism attempted to create two international organizations: the Third International to mobilize the Russian proletarian and the peasant-bourgeois revolution, and the National International as an organization for Bolshevist mobilization of the oriental peasant masses. As the final guiding thought of this international double-class policy there appeared the idea of the world revolution, in which the international (European-American) proletarian revolution and the national (mainly Oriental) peasant revolution were to be riveted into a new international unity of bolshevik world policy under the strict leadership of Moscow. Thus the concept of "world revolution" has for the Bolshevists an altogether different class content. It no longer has anything in common with the international proletarian revolution.

55. The international policy of Bolshevism was thus directed to repeating the Russian Revolution on a world scale by simultaneous utilization of the third international and the peasant-bourgeois revolutions and thereby making the leadership of the Bolshevist party of Russia.
the commander of a world bolshevik system of coupling together the communist-proletarian and peasant-capitalist interests. This policy was insular protective in practice and has protected the bolshevik state from imperialist invasion by continually disquieting the capitalist states, and thereby has given Russia the opportunity for an unhindered national building up and extension of its own internal position. The two-front policy of bolshevism was negative in that on both sides the attempt to carry over the active bolshevik policies onto a world scale has collapsed. The experiment of the peasant international has completely broken down with the defeat of bolshevik policy in China. The third international, after the pitiful collapse of bolshevik world policy. The gigantic factor in bolshevik policy into world relations is historically a failure, and proves the national Russian limitations of bolshevism. At any rate, the bolshevik experiment in international bolshevism has afforded time and space for the retreat of bolshevism into its national (Russian) position and for the conversion to capitalist-imperialist methods of international policy. Theoretically, this retreat found its expression in the formula "socialism in one country", thereby removing the international ties from the concept of "socialism" after the Russian economic practice had already robbed it of its proletarian class content and turned it into a disguise of state-capitalist tendencies found as well in reformism and in petty-bourgeois fascism.

Actually, it is unessential, now that we have the results of 15 years of the bolshevik state and bolshevik international, whether Lenin at or before the founding of the Comintern had or had not a different idea about the effect of this bolshevik international. In practice, bolshevism with the concept of the "right to national self-determination" has developed into world-bolshevik Machiavellism. It has also, through the Comintern, decisively contributed to the result that the European proletariat was unable to raise the height of revolutionary insight and insight into the bolshevik regime, and accordingly represents a different and more advanced type of capitalist production than ever the greatest and most advanced countries have to show.

The establishment of the Soviet State was the establishment of the rule of the bolshevik Machiavellism. The sociological basis of the bolshevik state was, insofar as it has protected the bolshevik state, the unique conditions of the bolshevik regime, and accordingly represents a different and more advanced type of capitalist production than ever the greatest and most advanced countries have to show.

IX. - State Bolshevism and the Comintern.

The foreign policy of the Soviet Union has been subordinated to the point of view of securing the position of the bolshevik party and of the state apparatus which it has achieved. Economically, the bolshevik state has been based on the foundation of commodity production, the surplus value produced serves to the point of exploitation, economy. It is state capitalism under the historically unique conditions of the bolshevik regime, and accordingly represents a different and more advanced type of capitalist production than ever the greatest and most advanced countries have to show.

The bolshevik state is its inner policy was continually being tossed back and forth between the two tendencies.
61. In the center of the foreign propaganda of the Comintern, Bolshevism placed the thesis of "imperialist encircling of the Soviet Union" though such a phrase did not harmonize in the least with the complicated avoidance of all formalistic conflicts of interests and their continually changing groupings. It attempted to mobilize the international proletariat for its foreign policy and, through a partly parliamentary partly putchist policy on the part of the communist parties, to create unrest in the capitalist states from within and thereby strengthen the diplomatic and economic position of the Soviet Union.  

62. The oppositions between the Soviet Union and the imperialist powers led to the ideological counter-propaganda of the Comintern under the slogans: "Menace of War against the U.S.S.R."
or the "Soviet Union". In that the workers were presented with these oppositions as the only and determining ones in world policy, they were prevented from gaining an insight into the actual realities of international politics. The adherents of the communist parties became before everything else, blind and opportunistic defenders of the Soviet Union and were kept in ignorance of the fact that the Soviet Union had long ago become a full-fledged factor in imperialist world politics.  

63. The continual cry of alarm about an imminent war by the combined imperialist powers against the U.S.S.R., served in domestic politics for justifying the intensified militarization of the Russian proletariat. At the same time, however, the Soviet Union had and has the greatest interest in the unconditional avoidance of any military conflict with other States. The existence of the bolshevik government is more measure than mere convulsion in the sphere of foreign policy, both military as well as revolutionary. Therefore the Comintern has in practice...  

64. The policy of unconditional understanding of the U.S.S.R. with capitalist and imperialist States has not only economic grounds. Nor is it merely an expression of military inferiority. The Soviet Union's "peace policy" is, rather, quite decisively guaranteed by the inner situation of Bolshevism. Its existence as an independent state power...
hence against all groups seeking to anhvor them anew in the proletarian class is one of the first tasks in the revolutionary representation of the working class. Proletarian policy can be developed only from the proletarian class ground and with the methods and organizational forms adapted thereto.

WHY IS BEHIND THE "NEW DEAL?"

The New Deal is no harbinger of a "new social order," nor is its apostle, Franklin Delano Roosevelt, self-proclaimed Messiah for the "forgotten man," the really unselfish and public-spirited individual he is portrayed.

Roosevelt's election was engineered, just like all other previous elections, by a group of individuals whose economic interests required urgent governmental aid.

The fall of 1935 saw the complete collapse of American industry and a rising tide of agrarian discontent. The current occupant of the White House, Herbert Hoover, placed there by the Morgan and Mellon financial interests, appeared totally oblivious to the desperate straits of these two groups. It was only natural that these groups should rally to the leadership of a man, William Vincent Astor, one of the establishment firm of management lawyers in New York City. While in their employ, he directed the affairs of the huge Astor estate, and thereby established a very close friendship with William Vincent Astor, one of the country's most influential industrialists and bankers. In a spirit of fun, Roosevelt then entered politics. Running for the state Senate on the Democratic ticket, he surprised everyone by capturing the office. No sooner was he seated, than Roosevelt, the comparatively unknown, drew national attention to himself by leading an opposition to the Tammany nomination for U.S. Senator in those days, 1913, they were elected by the state legislature. Thus he gained through this one act that unfounded reputation for unselfish devotion to the people's interests that has endured to this day. Next Roosevelt boosted Woodrow Wilson for the Democratic presidential

nomination in 1912, stumping for him afterwards during the successful election campaign. As usual, Wilson repaid. Wilson rewarded, Wilson repaid. After the election of 1912, Roosevelt spent seven years in this position. Several months after, the Administration publicity agencies made much of the State department's order removing the U.S. Marines who had been stationed in San Domingo (Haiti). They discreetly neglected to mention that it was none other than Franklin D. Roosevelt who sent them there in 1913 in his first official act as Assistant Secretary ostensibly to protect American lives, actually to protect American investments. His record is one of all. During the summer and fall of 1913, our peace-loving asst. Secretary of the Navy began preparing the Navy for eventual participation in the World War, two years before our actual entry! In addition, he developed a gift for oratory and began to advocate publicly for a much larger Navy. This missionary work was largely instrumental in causing President Wilson to sponsor the largest Navy appropriation bill up to that time. Passed in 1916, it provided an appropriation of $320,000,000 for naval expansion.

After America was propagandized into the war, thanks to paid Allied propaganda plus the help tendered by American financial interests, (J.P. Morgan & Co.) and young jingolists of the Roosevelt type, our hero proved himself quite capable. Roosevelt invented the "Macy Board"--the first governmental war labor board, which coordinated wages in every part of the country. The National War Labor Board developed from this. This latter Board showed its regard for Labor by forbidding all strikes, which were heretofore considered legitimate. Roosevelt represented as representative of the Navy on the War Labor Policies Board, charged with working out labor policies. In his capacity as Navy labor expert, Roosevelt helped "arbitrate" labor disputes pertaining to the Navy. Thus he had caused the nation's attention as a much advertised "liberal" politician, but even more so because his own economic interests were identical with those of the group pushing his candidacy.

James Roosevelt, father of Franklin D., one-time vice-president of the Delaware & Hudson R.R., accumulated such a tremendous fortune in railroad organization, both down South following the Civil War, and in the North, that he was considered one of the richest men of New York City. Although young Franklin D., had expressed a desire to enter the Navy, the elder Roosevelt persuaded him to study law instead, and thus better equip himself for the ultimate management of the extensive Roosevelt holdings. Following graduation from Harvard and Columbia Law School, Roosevelt entered the offices of the best established firm of management lawyers in New York City. While in their employ, he directed the affairs of the huge Astor estate, and thereby established a very close friendship with William Vincent Astor, one of the country's most influential industrialists and bankers. In a spirit of fun, Roosevelt then entered politics. Running for the state Senate on the Democratic ticket, he surprised everyone by capturing the office. No sooner was he seated, than Roosevelt, the comparatively unknown, drew national attention to himself by leading an opposition to the Tammany nomination for U.S. Senator in those days, 1913, they were elected by the state legislature. Thus he gained through this one act that unfounded reputation for unselfish devotion to the people's interests that has endured to this day. Next Roosevelt boosted Woodrow Wilson for the Democratic presidential
Roosevelt is not the only member of his family with extensive railroad holdings. His first cousin on his mother's side, Lyman Delano, is today Chairman of the board of directors of the Atlantic Coast Line R.R. Co., the Louisville & Nashville, and has an interest in many others. Other Delano relatives are J.J. Felley, recently resigned president of the New York, New Haven & Hartford R.R., and a shareholder in others; and Mr. Curry of the Union Pacific. Roosevelt's three most intimate friends are likewise industrialists with huge railroad holdings. The aforementioned Vincent Astor, besides his extensive interest in the American Smelting & Refining Co., a director in the Homestake Gold Mining Co., the Illinois Central, the Michigan Central, and other railroads. Besides these relatives and close friends, all who supported Roosevelt's presidential campaign with substantial financial contributions, almost every other railroad mogul in the country likewise backed him: Robert Taft, Arthur C. James, Edward S. Harkness, C.S. Mellon, David Bruce, Howard Bruce, Wm.T. Kemper, and F.H. Rawson. The railroad group behind Roosevelt numbered almost everyone but, significantly enough, the representatives of the roads controlled by the J.P. Morgan financial interests.

The railroads had indeed taken the worst beating of any capitalist group during the period of the crisis, and certainly needed help. For example, in 1928, the selected railroads showed a deficit of $150,634,000 compared to earnings of $896,807,000 in 1929. The railroad equipment industry led by Wm.Woodin also marshalled behind Roosevelt.

Another section of industry that rallied behind Franklin D., was the mining, particularly the precious metals—gold and silver—group. Most famous were the Guggenheim and Bernard M. Baruch interests, exerting a virtual monopoly on silver through control of the American Smelting & Refining Co., which either extracts or refines for others almost one-half of the world silver produced yearly. Included with these is also Wm.R.Hearst, newspaper publisher, large Mexican silver mine owner and shareholder in the Homestake Gold Mining Co. This group in advocating gold devaluation and greater use of silver for monetary purposes enlisted the large farmers' vote who demanded that farm product prices be raised through monetary legislation.

A political party that promised to raise farmer purchasing power, (fallen in 1932 to almost one-half that of 1929) was bound to gain the support of industrial interests dependent on the farmer; and so we find the McCormick interests, owning the monopolistic International Harvester Co., and other farm implement and fertilizer manufacturers joining the Roosevelt band-wagon.

Minor industrial interests included the liquor concerns who wanted repeal of the Prohibition Amendment, and construction industry moguls such as C.R.Crane of Crane Co., Jesse H. Jones (R.F.C. head) and J.T. Jones of the Jones Lumber Co., etc.

Behind both political parties was also a grim struggle between two factions for control of the giant Chase National Bank. Backing the Republican Hoover were his 1928 mentors, the House of Morgan. Opposing
In the effort to help those other "forgotten men", the backbone of his political support, the railroad and allied interests (including himself) the President has been forced to adopt a cautious and slow policy. Because they are subject to federal regulation, the railroads present a delicate problem. Rates cannot be arbitrarily raised without the consent of the Interstate Commerce Commission. Competition at the hands of the bus, waterway and the aeroplane has caused a great drop in railroad traffic. For example: volume of freight traffic today is only 60% that of 1929; passenger traffic today is only 50% of 1929 and 33½% of 1920. A coordinate rate of railroad was established after Roosevelt took office. His job has been to develop a plan to reestablish the roads. His plans call for greater consolidation among the various competing roads which would eliminate competition between them -- one of the requirements of the I.C.C. In addition, it has been suggested that the I.C.C. be reorganized with separate divisions for railroads, motor lines, air lines and other carriers in a coordinated system of government regulation. If these plans are carried through, and they should considering Roosevelt's hold on Congress today, then the railroads will become more of a monopoly than ever, and rival forms of transportation will suffer. The government will also be forced to subsidize the railroads in order to modernize them. Private capital could hardly finance the costs involved today.

Having secured most of its real objects, or about to secure them, the "New Deal" cannot afford to drop its mask "New Realism." Overtrades have been made to big business assuring it that the administration is inherently devoted to preserving the profit system. Because of Labor's growing militancy and its refusal to obey and accept docilely the traditional trade-union leadership of the A.F. of L., in the face of ever-growing misery, a change in the governmental labor policy may be expected shortly. In return for some sop, such as unemployment insurance of a kind, labor will be made to give up its right to strike. Once the strike is outlawed, is made illegal, wage cuts will become the rule. Of course, Labor will be asked to accept these cuts only "temporarily until business revives!"

Our only conclusion is that Labor only by completely changing the social and economic system can really and truly give itself a New Deal for all time.

NOTICE

Each issue of the Council Correspondence contains:

* first translations into English of some important articles or pamphlets by Marxian theoreticians. This material is not obtainable anywhere else. Every Marxist needs this.

* scrid to: United Workers' Party

* dress to: United Workers' Party

* 1604 N. California Ave., Chicago, Ill.

ANNOUNCEMENT OF CLASSES CONDUCTED BY U. W. P.

NEW YORK CITY: Monday evenings - 8 P.M.

I.W.W. Hall - 94 Fifth Ave.

Subjects: Capitalist Crisis and Collapse

Production & Distribution in Communism.

CHICAGO

Monday evenings - 8:30 P.M.

1604 N. California Ave.

Subject: The history and development of the American Labor Movement.

BUFFALO, N.Y. Thursday evenings - 8 P.M.

533 Broadway (corner of Jefferson Ave.) 2nd floor.

Subjects: Introduction to the Economic Laws of Motion.

Dialectic Materialism.

FORTHCOMING ARTICLES IN THE COUNCIL CORRESPONDENCE.

In issue of January 1935:

"The Labor Movement and the Workers in Motion" - by Karl Korsch

"Is the A. F. of L. a Labor Organization?" - by Rosa Luxemburg

The Present Stand of the European Council Movement.

Article on the Organization Question - by Rosa Luxemburg.

The Labor Movement in England.

Some new translations from Karl Liebknecht.

To those who have written in asking for additional copies of the first issue of Council Correspondence, we are sorry to say that this issue is entirely sold out. We hope to get out the feature article, "What is Communism" in pamphlet form sometime in the near future, and when we do we will notify the workers who have sent in these requests. We still have a few copies of the November issue.

IN GERMAN: -- BESTELLT - LEST.

"Ratskorrespondenz" (Theoretisches - und Diskussionsorgan für die Ratsbewegung) Herausgegeben von der Gruppe Internationaler Kommunisten Holland.

Jede Nummer 10 cent. Portofrei. Bestellst bei

United Workers' Party

1604 N. California Ave., Chicago, Ill.
COUNCIL CORRESPONDENCE
ENGLISH EDITION

For Theory and Discussion

CONTENTS:

THE BABBITTS HAVE A PROGRAM.
On the program of the National Association of Manufacturers.

CAPITALISM AND PLANNING.

THE NEW PROGRAM OF THE "AMERICAN WORKERS PARTY".
By KARL KORSCH

JANUARY, 1935 -- No 4

UNITED WORKERS' PARTY
On the program of the National Association of Manufacturers.

The spirit of Hoover, Babbitt & Company lives on, very much unimpaired. The Roosevelt Revolution came, passed over it, and finally spent itself in the vaporings characteristic of predepression Cal at his best. The manufacturers, industrialists or whatever one chooses to call them (but the word "capitalists" is taboo) have taken heart, emerged from their cellars and come forward with a "Proposed Platform for Recovery" which we understand was adopted at their annual convention at the Waldorf-Astoria, Dec. 5 and 6. Or if it wasn't adopted, that was a mere oversight due to the fact that the delegates no doubt had a number of more important things to think about, as, for example, the best way to spend the evening.

And if you don't believe that this Platform is a gem, just read the first page introduction by Mr. C.L. Bardo, president, and be convinced. Here we are informed specifically that the worthy Babbitts are intent on "giving their best thought and unity towards business recovery" and that "at this particularly crucial time the "elements of recovery" are merely awaiting "the materializing effect of stabilizing policies," which at any rate seems to prove that the lords of American capital are learning to use bigger words; perhaps they will actually be reading before long -- if only the signs of the times. In fact, even the present program contains an occasional note of alarm regarding radical criticism, and a hint at fascist repression. We are warned, for example, to "stop poisoning the wells of public opinion" (as if that were not another capitalist monopoly); and the Committee (of future relations of government to industry) "urges a check upon those utterances that rashly assail the general integrity and competence of our industrial leadership or assert the failure of our economic system." But even at the risk of injecting a little more poison into those wells, we wish to take up the various proposals of the Platform in order and in some detail.

The first proposal, "subject to ratification by industry," deals in a general way with "The Road to Recovery." The keynote here is that "recovery must be ranked first among all relief measures" or "recovery and re-employment must not be subordinated to reform." And how is re-
government competition which as exemplifies threaten industry, thereby
private initiative and retard recovery" (italics ours), and again:
"Stop government competition which converts the taxpayer's money into
an instrument for his destruction" (1). Demagogy here turns upon said
devours itself.

The section on employment relations and industrial disputes is equally
rich in what it tries to conceal, though more carefully. It
com pared with the Union and the complete open-shop and no-strike philosophy
dear to the hearts of all industrialists. They are very solicitous of
courses, about strike-breakers (what they call "protecting men in their
right to work"), when the government, and the sympa thizers of
government strikes, they would "refrain from policies which attempt to
force men into labor organizations", and above all they would
"deprive individuals and minorities of their right to bargain for
themselves", - nor, no doubt, of their right to strike. And while
"management recognizes that the productivity of the worker should
be fairly and even literally reflected in his compensation", still, of
course, "labor cannot share what is not produced". We wonder, however,
if labor might not reasonably ask why it is not produced. Would they
self-soliciting capitalists be good enough to explain that, or would
such an explanation belong among those rash utterances which must be
checked? Or would it simply be to "ignore economic (i.e. capitalist)
possibilities"?

The question of "social security" is taken up in more detail in a
special proposal under in the "Platform". It contains nothing of
an element of the bourgeois conception of a democracy of the world
of men, and of thebourgeois conception of a democracy of the world
of men, and of the

But are the dreary examples. Economic planning is, of course,
rejected, on the long-hackneyed and purely ideological ground that it
tends to regimentation, and that "no group of men is wise enough to plan
all the operations of all our manifold business activities"; though this latter statement does at least contain an implied
admission that capitalism itself precludes planning, and is perhaps
for that reason worthy of being called to the attention of all liberal

On the question of public finance, the great aim is, of course, to
balance the Federal budget -- and how? Hereby by the "adoption of
policies which will stimulate business, restore employment, increase
national income and permit cutting public expenses to fit running
charges", Here, however, the Babbitts are at their best; they make some
concrete proposals which might possibly prove somewhat effective --
m ostly to the expense of the workers and others whose budgets (if any)
are rarely or never balanced. These include rejecting payment of the
soldiers' bonus until due, federal appropriations for constitutional purposes only (whatever that means) and "an equitable non-cumulative
Marxist plan to tax to take the place of sales and business taxes and present selective Federal sales and 'nuisance' taxes".

Government competition is, of course, a very touchy point with these
gentry, and their phraseology on the subject becomes quite ludicrous
in its un guarded rage. Thus we are told to "abandon all forms of

Council Correspondence

Council Correspondence.
in the tested fundamentals of our political and economic system" and "recognizes as an essential task of statesmanship the continuing adaptation of these principles to the problems peculiar to modern life without compromising the basic truths which they contain. It assumes that the powers contained in the National Industrial Recovery Act rest upon the assertion of emergency authority and that "it is obvious that emergency will pass." It looks forward to the "expiry data" of the N.R.A. (June 16,1935) with considerable relief, whereupon it trusts that its own plan "would provide a means of securing, with a minimum of executive enforcement, the free and effective cooperation of Industry and Government." This plan consists essentially in the enactment by Congress of a Fair Trade Practice Act which would differ from the N.R.A. primarily in the fact that the adoption of codes of fair practice would be voluntary on the part of the different industries and subject to approval or disapproval by an administrative court. In fact, the plan would go still farther in the freedom granted to industry, in that "an approved code should likewise place upon the industry the primary obligation of policing enforcement." The Program ends with a panegyric to the achievements of American industry,—a panegyric which turns out to be a rather lame apologia. The good industrialists display a real concern about the future of "this great financial, industrial and humanity-serving structure" which "to destroy through prejudice or lack of understanding would be to burn down the house in order to punish some rat." But the last sentence reveals a chastened and (to the initiates) hopeless outlook which belies all the brave words that went before, as if they had faintly realized that capitalism still drags on merely by force of habit and strength of tradition. The best that they can gather up heart to say is that "once artificial obstacles are removed, and confidence restored, industry will go its full part toward recovery."
their cry of protest can inspire no more terror or restraint than, as that of the hogs in the slaughterhouse prior to having their throats cut. Rather as the English champion of planned economy, Blackett, writes: "The idea of planning has passed rapidly beyond the stage of being suspect for its communist connotations and has become perfectly respectable.

II

The champions of capitalist planned economy have the present on their side. Their darts directed against laissez-faire principle strike home, even though they are fired with closed eyes. Of course, the Marxists as well as a number of the bourgeois economists - on different premises, to be sure - reject the possibility of a partial planning, asserting that such a thing is a self-contradiction and that a planned economy necessarily involves the meaningful and harmonious interconnection of all processes in all economic and social spheres, to which end the most consistent centralization of economic direction is indispensable. But such a position, however correct it may be, still fails to meet the objection that a partial planning in certain circumstances is capable of suppressing some of the economic friction, of overcoming a number of minor difficulties and thus of creating new situations which in the turn can exert a more or less favorable influence on the economic process. If this is the case, one has a perfect right to speak, if he likes, of "partial planning", and any criticism would practically only be tilting against the terminology which makes this piecemeal planning synonymous with planned economy itself.

Every planned economy has its planless aspects, and every planless economy has also its regulated moments. In the classic capitalism of free competition there were monopolies, and in monopoly capitalism there is competition, even though of a more limited sort. From general competition arose that of the monopolies among each other, which amounts to saying that competition has on the economic process. We might state in advance that the negative answer to this question does not lend support to the opponents of capitalist planned economy but that such an answer is at the same time an approval of planned economy, though only after the overcoming of the capitalist system of production.

III

The major part of the theories of planning hitherto devised can be approached and disposed of by the consideration of the tactics of escaping either by means of evading the laws by which capitalistic relations are governed. Their starting point was always discontent with existing conditions. They noted, as anyone may readily do, what was ably set forth by Hoover's Research Committee on Social Trends, that society's capacity for producing commodities is continually increasing at a more rapid rate than the purchasing power of the population, that the ratio of employment fails to keep up with the improvement of the productive machinery, and that the means of production are being wasted so far as capitalism itself is concerned. To the capitalists, the problem of planning is a quite one-sided and practical matter, namely, the conversion and adoption of their productive apparatus and of their business to the automatically contracting relations of the market and to the changes within the economic structure -- as brought about through monopolization, cartelization and trustification -- in order to win for themselves as much as possible of the social profit. What actual "planning" takes place would take place even without decisive modifications -- even if the various brain trusts did not exist -- and precisely upon the prescribed basis of the natural market tendencies -- as brought about by the mechanism of the natural market. To change the social mechanism, but this mechanism functions today in a manner which fails in with the theories of the planners. It expanded the productivity of society in order then, on the ground of this expansion, to create this capitalism. This capitalism is therefore nothing more than planned planlessness, or more
simply stated—nonsense. With the acceptance of the present economic system as the only one for all time there can, of course, be no in­
-sight into the fact that any planning within it can only be a fancif­
one; the present economic system really permits no genuine economy at
all, but only one which is hazed over with the fetishism of commodi­
ties. To talk of planning from the standpoint of commodity production, is just as interesting as to hear a blind man talk through
the planner cannot see with his own eyes, but only by way of an outside
agent by which he is determined. But this outside agent, commodity
fetishism, stands economy on its head. The manner in which bourgeois
economy thinks had already been characterized by Marx: "To be a good­
liness social is the preparation of circumstances, but to be able to read and
write is a natural gift."

IV
The shares of the individual capitalist enterprises in the total soc­
10 nal profit being dependent on the magnitude of the capitals involved, so
that they, and there compelled to keep on increasing their capita­
15 in order to maintain themselves as capitalists when profits are dimin­
ishing in virtue of the development of the social forces of production
since they must strive to attain the average social productivity in
10 order to maintain the necessary average profit—it follows that the
20 hindering of the growth of the small capitals means eventually their
destruction. These capitalists are well aware of the fact that contro­
over production means their elimination in the interest of larger aggre­
gates. This cleansing process goes on automatically even during the
25 crisis, by way of bankruptcies, is now to be further pro­
20 moted by political means, through the planned-economy demagogy; that
"freeze the status quo" is in reality the planful destruction of small
30 capitals is ordered along the life of the larger ones, whose only
remaining means of subsistence is death. The thing which to some,
(e.g. Professor Molley) is a new humanitarian adjustment in the econ­
omy and political spheres is to the others a downright selfish policy of
35 strangulation, and these latter are justified in appealing to the law e
of nature, which do not
30 admit·
40 tion of the inctidual !unctions of mutually independent private pro­
ducers is delayed in its realization, without regard to society, until
the goods reach the market, any limitation imposed upon the freedom
of marketing is a limitation upon the individual entrepreneurs them­
45 selves and can only lead to sharpening their oppositions. Limitation of
production, which can only be brought about by way of the market,
has the same effect. Even if the idea of a capitalist planned economy
need not be completely rejected, it can be assigned no more than a
50 limited validity. It is only under conditions in which a certain group
of interests succeeds in completely dominating all the rest of society,
that the idea could be justified in a conditional sense. Yet the un­
avoidable social convulsions arising under such conditions are prob­
ably enough again to exclude the speculation; quite apart from the
still weightier factor that under such conditions, with the retention
of capital production, its liability to crisis is still not done away
55 with, for that liability is only modified by the market and has its
final basis in capital accumulation itself. Capitalist society neces­
arily presupposes exchange. Even if the impossible should be accom­
plished, namely, the embracing of all capitals in a giant cartel, the
60 latter, as the buyer of labor power, would still stand over against
the workers with only their labor power to sell, so that production,
and hence also distribution would necessarily continue to be antago­
nistic. Thus we have already at hand the material foundations for a genuine socialist planning goes without
saying.

V
The endeavor to stabilize present capital investments at their present
level under the pretext of planned economy, is but an expression of
the fact that at a high level of capitalist development further tech­
nical progress no longer, as before, increases profits but diminishes
them. Though the continuance of monopolization cannot be halted, this
process is at the same time the destruction of capitalist sources of
existence, in that it eliminates more and more such things as capital
devaluations, taking practical expression in mass bankruptcies, and
by which the load of the crisis is lightened. The opening up of the
world market for capitalist enterprise, while becoming more necessary to cap­
itism, becomes at the same time the reason of the expansion already attained, since here it is not the geographical limits
but those of accumulation which are decisive. The more imperative the

imperialistic conflicts become, the more dubious also their results. In short, the restriction of the productive forces is at the same time their development and this development at the same time their restriction. This two-fold movement has brought the capitalist economy to a standstill which can only be overcome through the overcoming of capitalism.

It is only to one who has never delved beneath the surface of capitalism that this contradictory movement appears to arise from the disproportion between production and consumption. Though it cannot be denied that such a disproportion exists, it is bound up with the material character of production and consumption in character which in the capitalist world, however, has validity only for the individuals and not for the social movement. If a communist society, or if a single individual in looking on piled-up stocks of food, were to go hungry, that is, if both were crazy, in that case one might speak of a disproportion between production and consumption. But the commodities under capitalism, regarded as use articles in their material form, play in the social sense no part. So that when one speaks of the spread between production and purchasing power, one must first know what all the theoreticians of planning completely neglect, namely, what capitalist purchasing power is. Human consumption capacity and capitalist purchasing power are fundamentally different things. The senselessness of destroying commodities, e.g., from the standpoint of natural consumption, is very sensible from the standpoint of capitalist purchasing power, and any one who gets excited about this capitalist 'insanity' and wants to abolish it under capitalism simply fails to see that insanity is the primary cause of capital itself, and consequently is not insanity. The natural necessities of a certain proportionality between production and consumption assert themselves violently in the end against such inverted social conditions and form the content of revolutionary history.

Present-day society does not even concern itself with determining the consumption capacity or needs of society, in order to make a corresponding adjustment of production. It leaves this to the individuals, while the only social concern is the market on which the purchasing power depends. Since the market forces the capitalists to individual accumulation, the only decisive factor in determining capitalist purchasing power is the necessities and possibilities of accumulation. Capital itself is the greatest consumer and forms its own market. To speak of lack of purchasing power merely means that capital is making no use of its purchasing power, and we have to inquire about the reason for this fact. Since profit is the motive of capitalist production, it must also furnish the explanation for this abstention. With this question, we come up against the laws of capitalist movement. These laws are widely neglected by the theoreticians of planning, and hence their theories cannot be taken seriously.

VI

Capital which fails to increase must of necessity some day cease to be capital. The development of the social forces of production can be either restricted or promoted by the social relations, but restricted only occasionally. Socially, human advance is contrary, human advance may be greater than before, and yet be too small relatively to the demands of further accumulation. The capitalist crisis is but an expression of the fact that further accumulation is capitalistically not worthwhile or is impossible. Absolutely, the profit acquired may be greater than before, and yet be too small relatively to the demands of further accumulation.
and raw materials, remain unused in their commodity form. Thereupon, production is diminished or quite suspended, workers discharged. The consumption industries also are dragged into the crisis, which soon seizes upon all the social domains. With this, the competi-
tion becomes more and more intense. Producers are compelled to lower their already low prices, and this leads to great price drops, bankruptcies and the general predic-
tament.

From this point of view, we see also the factors which may serve in overcoming the crisis. The crisis can be done away with only through the continuous of accumulation. Capitalist purchasing power must be strengthened. Capitalist purchasing power stands in a secret relation to the crisis. If they draw the favorite parallels with the past, they say that 'scarcity' was responsible for economic complications in all pre-capitalist forms of economy, though in view of the productive cap-
acity, this factor offers no explanation for the present difficulties. In other worse, these economists are looking upon the capitalist world in a manner in which it can not be looked upon; that is, as a world which serves to supply the needs of human beings. This crisis too has its basis in 'scarcity'; scarcity, however, apart of use value itself, is not of capital, and this scarcity must be overcome if the depression is to be weathered. Profitability must be re-established on the basis of continued accumulation. Since, however, profits do not fall from heaven, but are the result of labor, they can be increased only by raising the expropriable quantity of surplus labor which the workers because of their social position have to perform for the capitalists. In other words: the raising of capitalist purchasing power, which al-
most always is accompanied by higher prices, lowers the purchasing power of the masses and the actual production became greater. It was precisely in this way that a rise occurred in capitalist purchasing power and produc-
tion advanced temporarily; but to denote as planned economy the further impoverishment of the population is after all a bit strong.

At the end of each crisis, capitalism reorganizes itself, alter

ernous sacrifices, by that market. The individual interests are not governed according to the collective interests already estab-
lished as a result of the previous development.

Competition is made responsible for the over-development of the produc-
tive apparatus, though it is only this continuing over-development which is the secret of capitalist prosperity and its limitation is nothing but the philosophy of crisis. Competition is to be reduced through the further trustification and cartelization of enterprises, in spite of the fact that this trustification is a result of competi-
tion. It may be true that within the production cartels the overpro-
duction of commodities may be hindered (a matter which in the capital-
istic economy plays no decisive part). Still the cartelization does not hinder competition; moreover the cartels only serve the further expansion of the productive apparatus; since over-expansion is facil-
itated by way of monopoly profits, since each of the cartellized enter-
prises improves and expands its plants in order to make differential gains and raise the production greatly. Capital and cartels can never be attained from a planning station so long as production remains in private hands. The enterprises as well as the individual monopolies can cross the plans of the central bureau in hundreds of ways and, as a matter of fact, it has been shown in previous years that ways have been found for getting around the plans as fast as they were made.

So in the face of these numerous contradictions, the economy planners take refuge in the illusion of a stationary capitalism. However sense-
less such a demand may be, it is nevertheless the logical consequence of capitalist planning, which thereby, though of course ruthlessly, establishes its impossibility. A stationary capitalism is only another name for the permanent crisis; and even here the term fails to hold water, since any permanent crisis can only lead to collapse and is acc-
cepted neccessarily by the stationary. But it is only with a stationary, i.e. il-
lusionary, capitalism that planning is possible, since any revival promptly throws all planning overboard. If the planners endeavor, nevertheless, to make the impossible possible, and, for example, be-lieve that planning is possible when technical advances it will be possible to hold on to an accepted price level - that is, if they fancy that prices can be juggled with like balls -- there is concealed behind these dreams nothing but a total ignorance of the real nature of prices. Technical progress means all changes in values, obviously changes are -- in the prices to be deduced from values; a matter which in view of the decline of prices which has accompanied the whole of capitalist de-
The market may exercise a modifying influence on the determination of prices, but more decisive than the market relation is the development of the productive forces which in the first place formed this market, as one of their many expressions.

As a proof of the possibility of capitalist planning, we are often referred to the control of economy in countries at war. But the monopoly economy of war time was only a means to capitalist accumulation, to perpetuating planlessness. A man takes castor oil in order to get well, but it will not occur to him, merely because he can, to live on castor oil exclusively. Yet such mental arrangement is basically the same as capitalism. During the war, the national economy was not subject to the military necessities, but the military necessities, i.e. the necessities of the strongest capitalist groups interested in the war, subjected all other groups to themselves and forced them to do what was asked. Here also the technical possibility of planning was not proven, since this economic dictatorship remained tied up with the market mechanism. As a matter of fact, today also we hear complaints that the thing which passes for a beginning at planned economy is in reality only the economic dictatorship of the stronger against the weaker capitalist groups; that through it the poor become poorer and the rich richer.

Even though individual theoreticians of planning go so far as to raise the demand for a World Economic Council, most of their theories are nevertheless short of the mark. The national economy is not only the movements of the world market. While centralization of economic power within the national boundaries is held possible, there is no doubt of the matter as applied on a world scale. Capitalist society is, however, bound up with international relations; the national economy can never be identical with the creation of the international division of labor. From division of labor within the separate nations arose the international division of labor, and the latter can no more be gotten away from than the former. It may be objected that the individual countries, such as the United States, are capable of a self-sustaining economy by reason of their manifold natural wealth and are not to be distinguished from countries less blessed. On this assumption, autarchy would be the only possibility. But this latter possibility is not, however, presupposed or required. If an economy is destroyed by international relations, and if the circumstances would involve the death of countries which are not in a position to make themselves self-sufficient. Since this latter possibility would not, however, greatly disturb the humanitarian theoreticians of international planning, we also are willing to overlook the matter, and nevertheless it must still be noted that the very possibility of autarchy at the same time precludes it as an actuality. The very diversity of the geographic, climatic and cultural conditions of the United States is an obstacle to their unified co-ordination, for this diversity, under capitalist relations, is nothing other than a multiplicity of mutually hostile interests which are not very distinguishable from the interests of the continent of Europe. Even though their forms are different. However small may be the part of foreign trade in the economy of any country, it is nevertheless a question of life and death to whole social classes, and decisive may be the domestic market in time of economic ups and downs. When imperialist compulsion becomes the dominant factor, for the insufficient profit at home compels to the conquest of additional sources of profit. Even though foreign trade is not at the root of either crisis or periodicity, nevertheless the latter never ceases to develop or shrink the foreign market. Neither this market itself, however, nor the announcement of it, explains anything. While as regards industry, autarchy is impossible even in "war manufacture", so as regards agriculture, e.g., the experts bear witness to a war witnessing of the technical possibility of agriculture, it would involve structural transformations which from the viewpoint of productivity would not only be chaos but which, in view of the social upheaval which they would bring in their train, are not at all likely to be attempted. It is specialization and division of labor which are here determining, and not the will of the economic planners.

By way of summary, let us repeat: The thing which likes to pass itself off as planned economy is nothing more than the monopoly form of laissez-faire. Planned economy and capitalism are irreconcilable contradictions; the one excludes the other. If an economy is planned, then it has also ceased to be a capitalist economy.

ON THE NE\ PROGRAM OF THE "AMERICAN WORKERS PARTY".

By - Karl Korsch.

The first question to be put with reference to the statement of principles of a revolutionary labor party has to do with whether and how far that program really breaks with the existing capitalist order of society. The A.W.P. is not only in the subjective will to make that break, it rejects not only the hitherto existing form of the bourgeois social order and its economic foundation, but also the previous and future forms of the bureaucratic administrative, "social credit", and similar Fascism as merely an attempt to save the capitalist State and property, and lays bare within the Roosevelt administration the clearly arising tendencies to Fascism. It rejects the traditional American concept of "politics" and the replacement of this concept with that of the American national economy, and for accomplishing the transition to the communist society. It takes the standpoint of an unconditional revolutionary international of the labor movement; and it separates itself from the Communist International because primarily this organization has "mechanically" controverted the Russian party and servile to the changing official interests of the Soviet Union, so that the identity of its tasks with the immediate tasks of the international struggle of the working class is no longer unconditionally and at every moment guaranteed. In its economic analysis it delicately takes the position that even though the present world crisis may be temporarily "overcome" the line of the capitalist system is no longer reversible, and it regards the present crisis as the "beginning of the end of the present form of society". It makes the claim of having recognized the nature
of the impending revolutionary change and of having the capacity for the correct carrying through of the revolutionary proletarian class struggle and for the setting up of a free workers' democracy.

Nevertheless, the present draft program does not contain the break with the capitalist order and all present and future further developments of that order. Even in the economic program there is a striking gap, in that nowhere is there any attempt to come grips with the concept of planned economy, and much less is the fundamentally capitalist-fascist character of the whole present day talk and pretense of so-called planned economy decisively pointed out. The draft speaks of "planned economy" only in two places. In the one it is taken for granted that a "planned socialist economy" exists and is making headway in the Soviet Union; and although in the next paragraph there is express mention of the "compromises" forced upon Russia in the economic sphere and a statement of the impossibility of building a socialist economy in the Soviet Union alone, there is not a word of explanation as to why and to what extent the unlimitedly socialist character of the Russian planned economy accords with these compromises and impossibilities and in what that character consists. In the other passage which reveals a lack of clarity almost reminiscent of the Rooseveltian and Hitlerian "economic planning", we read that the future workers' State issuing from the victorious revolution is destined "to undertake great projects of social reconstruction by the planned economy of the new society". To this unsatisfactory treatment of the concept of planned economy may be added the ambiguous manner in which, immediately thereafter, in the section "Socialization", there is demanded only the expropriation of all "monopolies" in industry and land. In view of the monopolistic character of all capitalist industry, this may, on the one hand, mean complete socialization. On the other hand, many doors remain open for the "socialization" of so-called monopolies after the manner of the "socialization program" of the German and Austrian Social Democracy from 1918 to 1923 according to the still further watered proposals of the new-socialist post-war "socialism" (de Man's "Plan d'action").

Thus in the very incompleteness and ambiguity of the economic demands it becomes manifest that the carrying out of this program might require, instead of the revolutionary attack upon the whole of capital, possibly only one or another partial attack. Likewise the lack of theoretical clarity at the base of these demands is proved by the form in which (in the last paragraph of the first chapter) the "central contradiction" of the capitalist system and its "solution" are defined:

"The central contradiction is unmistakably clear: it is the contradiction between a productive plant (1) now physically capable of supplying fully all the basic needs of men, of freeing men forever from hunger and want and insecurity, of creating man's full and creative life—between this and a system of relations that prevents this productive plant from operating efficiently, that directs its operations not to the fulfillment of human needs but to the making of profits for private individuals and corporations. Out of this contradiction and the irreconcilable class divisions it creates, flows every other contradiction that devastate modern society."

What is here proclaimed is not the Marxist and revolutionary basic contradiction of the productive forces and the productive relations (and what is strictly identical with this economic contradiction) the historical, social and practical contradiction and struggle between the possessing class (interested in maintaining the present relations of production) and the non-possessing class (interested in overthrowing the present relations of production), a class which, according to Marx, is "itself the strongest productive force". Rather it is here asserted, after the fashion of Stuart Chase and other modern apostles of capitalist planned economy, that even today, under capitalism itself, a new epoch has set in, in which "scarcity production" could be replaced by "plenty production" if only the present productive apparatus were no longer capitalistically misused but humanly regulated. As if the capitalist apparatus, intended "to undertake great projects of social reconstruction by the planned economy" of the new society, were not a "planned socialist economy" only in the capitalist supreme central contradiction, the contradiction and the irreconcilable class divisions it creates. The end result of capitalism itself, a new epoch has set in, in which "生产 economy" could be replaced by "plenty production" if only the present productive apparatus were no longer capitalistically misused but humanly regulated. As if the capitalist apparatus, intended "to undertake great projects of social reconstruction by the planned economy" of the new society, were not a "planned socialist economy" only in the capitalist supreme central contradiction, the contradiction and the irreconcilable class divisions it creates.
Council Correspondence.

is protected under all circumstances in war and in peace and defended with all extraordinary means against all attacks of the workers as well as of the individual capitalists and special capitalist groups. That is the feeling today of the bourgeoisie, even where it suffers under fascism, and that is the feeling of a large and growing part of the proletariat itself as an "idealist" deviation of the master from his own materialism. This draft program is in general joined to them ideologically in new socialist forms - only apparently revolutionary, in reality superficial ideas which to be misunderstood by the authors of the program. There are Marxists and "materialists" who look upon the Marxian doctrine of the "productive character of the proletariat itself" as an "idealistic" deviation of the master from his own materialism. This draft program is in general far remote from such dogmatic narrowness. Still less is it my design to base this whole criticism, say, on the single phrase, "productive plant." But the whole passage above quoted, which occupies a decisive position in the program, is saturated even in its style with those "productive-economic" invasions into the present system of production. Even where the program brings out, with a decisiveness not hitherto attained in any socialist science of the proletariat itself, and the subjective causes, based on the outer development, or from subjective causes, based on its own development - to combine its different activities, distributed over different spheres and time intervals, among each of society and not to make a profit for private individuals and corporations. This, as this only, will release the machinery now broken by the overhang of capital debt and the impossibility of finding solvent purchasers for commodities. This ostensibly revolutionary goal of the basic industry workers can today, in the exigencies of the capitalist who is threatened with bankruptcy, and in Germany we find Hitler shouting: "The general welfare comes before private welfare!"

The "Revolutionary Parliamentarism" of the A. W. P.

In the criticism of the political part of the draft program, I take as my starting point the view (won through study of the program and press of the A.W.P.) that the A.W.P. at its present stage of development is not yet a directly revolutionary party but is merely on the way toward an American Revolutionary Labor Movement. This becomes evident even from the external division of the program, where the aims of the party are treated quite separately from the means and methods which in the present and immediate future it thinks of employing in its "struggle for power". The second chapter which treats of "the aim of the A.W.P." is immediately followed by an intercalated third chapter which gives a criticism of the other labor parties and should really stand as an annex at the end of the program; and it is only in the fourth and last chapter that we get the answer to the question, "How the A.W.P. will fight for Power". The significance of this sharp separation between the so-called "final goal" (questions of the maximal program, questions of the program of principles) and the so-called "present tasks" or "transitional slogans" (questions of the minimal program, questions of the program of action) is sufficiently well known, which I must mention the unfettering of the worker within the framework of the revolutionary productive forces which even today is the proletarian class itself, through the bursting of those fetters which even today is capital itself, and through the violent solution, in the international proletarian revolution, of the sharpening basic contradiction: existing between the two.

It is not my intention to say that this, the real meaning of the Marxian doctrine on the basis contradiction of the social economy, was misunderstood by the authors of the program. There are Marxists and "materialists" who look upon the Marxian doctrine of the "productive character of the proletariat itself" as an "idealistic" deviation of the master from his own materialism. This draft program is in general far remote from such dogmatic narrowness. Still less is it my design to base this whole criticism, say, on the single phrase, "productive plant." But the whole passage above quoted, which occupies a decisive position in the program, is saturated even in its style with those "productive-economic" invasions into the present system of production. Even where the program brings out, with a decisiveness not hitherto attained in any socialist science of the proletariat itself, and the subjective causes, based on the outer development, or from subjective causes, based on its own development - to combine its different activities, distributed over different spheres and time intervals, among each other and with all the other actions of the proletarian class into the cohesive whole of one revolutionary action.

Where such a situation is given - and that this applies to the A.W.P. in its own character and its position within the present-day American labor movement - clearly proved, in my opinion, by the present draft program - it would be improper to take the standpoint of a "pure" and total revolutionary ideology and to regard the difference between the final slogans and the present demands of the program offhand, as so many "contradictions" and "inconsistencies", or to deny to the party in question any sort of "revolutionary" character because of the
The given starting points for such a criticism, one which is not ideologically brought about through the relation between final goal and present tasks, parties in Europe and there already shown up by reality are brought if not to refute all the fundamental objections which might arise of parliamentarism, and on the other to the question of trade unions.

All the mistakes committed in the earlier development of the Marxist parties in Europe and there already shown up by reality are brought together with encyclopaedic completeness and realism in a systematic presentation of facts. It is a matter of criticizing the decision adopted by the party in this field of tactics. A sober exposition of mere grounds of expediency, which make participation in elections possible, the decision in principle and tendency revolutionary, would suffice if not to refute all the fundamental objections which might arise against the tactical decision, at least to make them practically of no account. Instead of that, the present draft program has, in the first place, taken a position on this question which is thoroughly contradictory -- and this is by no means a dialectical contradiction, brought about through the relation between final goal and present tasks, but a simple and direct contradiction arising thru unclear and inconsistent thinking and speaking. It has, furthermore, at the place where after long debating about the bush in the very last section of the program the tactical decision is now really taken, it has forthwith added on to this opportunistic decision an ideological and apologetic, illusionary and "revolutionary" justification by which itself and in addition to other or others are deceived. In doing so, it has decided not simply to parliamentary activity of the party, but has rather taken up with that thereby unreal monster of a so-called "revolutionary parliamentarism" the nothingness of which has been proved by the previous experience of all Marxist parties in Germany and in all other European countries before and since the war, -- a something which, after the close of that historical period in which the bourgeoisie revolution itself a means of struggle and not yet a mere means for coordinating the different competing class interests turned into a weapon in the one-sided class struggle, epoch of the beginning proletarian revolution has actually never end and nowhere which likewise will by no means exist for the present and future America now entering upon the era of the final struggle between revolution and counter-revolution, democracy and fascism, socialism and capitalism.

Because of the importance of the matter, I shall sketch in some detail the different formulations this program's revolutionary principle, which from the very beginning is formulated ambiguously becomes converted into a mere revolutionary phrase.

As early as the second chapter, (which in itself is not concerned with present practice, but only with the "goal" of the party) we got some remarkable phraseology concerning the allegedly "common aims of all political parties" -- as if (and particularly from the viewpoint of the revolutionary final goal) there could be such a common character of proletarian and capitalist parties even for a moment. The program itself describes in detail, in two special sections, "The Nature of the Capitalist Dictatorship" as the rule of a minority and the technique by which it subjugates the proletariat, and its development, creating the majoritarian character of the class struggle of the people and of the working class with all forceful means, direct and indirect.

This exposition is counterbalanced in the next section by "The Specific Aims of a Revolutionary Party", and on this occasion, if words have any meaning, parliamentary action as a possible means for the attainment of even the smallest part of those specific aims is radically rejected. This rejection begins--still somewhat weakly--with the observation that the A.W.P., to be sure, like the capitalist parties aims at the conquest and consolidation of state power, but that, unlike the capitalist parties, it regards this measure "merely as an essentially direct and indirect contradiction arising thru unclear and...". The whole exposition immediately following reaches its climax in the result that in the given conditions of the capitalist dictatorship of capital, resting upon the economic and social class-character of the capitalist order, it would be utopian for the workers to believe that they could take over the state power along parliamentary paths. To this end, the working class would rather require other, newly forged weapons. The united action of the working class organizations must provide the basis for the construction of truly united revolutionary working-class organizations, the workers' councils, which carry through the struggle for power "with all means".

But all the theoretical clarity which with these formulations seems at first to fundamentally not only for an action lying in the remote future, but in tendency also for the present action of the revolutionary labor party, -- that becomes illusory through the statements of the fourth chapter by which they are irreconcilably opposed. Here we find, in the next close but section, devoted to the "United Front" the paradoxical inversion of the real relation between a genuine workers' united front and the revolutionary seizure and exercise of power through the workers' councils; namely, that the united front is not denoted as a breeding ground for the workers' councils, but conversely "so-called (why only so-called?) workers' councils" as merely "the most highly developed form of the united front". But this little discrepancy between the first and the second chapter completely disappears before the magnitude of the situation. The whole epoch of the beginning proletarian revolution has actually never end and nowhere which likewise will by no means exist for the present and future America now entering upon the era of the final struggle between revolution and counter-revolution, democracy and fascism, socialism and capitalism.

Because of the importance of the matter, I shall sketch in some detail the different formulations this program's revolutionary principle, which from the very beginning is formulated ambiguously becomes converted into a mere revolutionary phrase.

As early as the second chapter, (which in itself is not concerned with present practice, but only with the "goal" of the party) we got some remarkable phraseology concerning the allegedly "common aims of all political parties" -- as if (and particularly from the viewpoint of the revolutionary final goal) there could be such a common character of proletarian and capitalist parties even for a moment. The program itself describes in detail, in two special sections, "The Nature of the Capitalist Dictatorship" as the rule of a minority and the technique by which it subjugates the proletariat, and its development, creating the majoritarian character of the class struggle of the people and of the working class with all forceful means, direct and indirect.

This exposition is counterbalanced in the next section by "The Specific Aims of a Revolutionary Party", and on this occasion, if words have any meaning, parliamentary action as a possible means for the attainment of even the smallest part of those specific aims is radically rejected. This rejection begins--still somewhat weakly--with the observation that the A.W.P., to be sure, like the capitalist parties aims at the conquest and consolidation of state power, but that, unlike the capitalist parties, it regards this measure "merely as an essentially direct and indirect contradiction arising thru unclear and incon...". The whole exposition immediately following reaches its climax in the result that in the given conditions of the capitalist dictatorship of capital, resting upon the economic and social class-character of the capitalist order, it would be utopian for the workers to believe that they could take over the state power along parliamentary paths. To this end, the working class would rather require other, newly forged weapons. The united action of the working class organizations must provide the basis for the construction of truly united revolutionary working-class organizations, the workers' councils, which carry through the struggle for power "with all means".

But all the theoretical clarity which with these formulations seems at first to fundamentally not only for an action lying in the remote future, but in tendency also for the present action of the revolutionary labor party, -- that becomes illusory through the statements of the fourth chapter by which they are irreconcilably opposed. Here we find, in the next close but section, devoted to the "United Front" the paradoxical inversion of the real relation between a genuine workers' united front and the revolutionary seizure and exercise of power through the workers' councils; namely, that the united front is not denoted as a breeding ground for the workers' councils, but conversely "so-called (why only so-called?) workers' councils" as merely "the most highly developed form of the united front". But this little discrepancy between the first and the second chapter completely disappears before the magnitude of the situation. The whole epoch of the beginning proletarian revolution has actually never end and nowhere which likewise will by no means exist for the present and future America now entering upon the era of the final struggle between revolution and counter-revolution, democracy and fascism, socialism and capitalism.

Because of the importance of the matter, I shall sketch in some detail the different formulations this program's revolutionary principle, which from the very beginning is formulated ambiguously becomes converted into a mere revolutionary phrase.

As early as the second chapter, (which in itself is not concerned with present practice, but only with the "goal" of the party) we got some remarkable phraseology concerning the allegedly "common aims of all political parties" -- as if (and particularly from the viewpoint of the revolutionary final goal) there could be such a common character of proletarian and capitalist parties even for a moment. The program itself describes in detail, in two special sections, "The Nature of the Capitalist Dictatorship" as the rule of a minority and the technique by which it subjugates the proletariat, and its development, creating the majoritarian character of the class struggle of the people and of the working class with all forceful means, direct and indirect.

This exposition is counterbalanced in the next section by "The Specific Aims of a Revolutionary Party", and on this occasion, if words have any meaning, parliamentary action as a possible means for the attainment of even the smallest part of those specific aims is radically rejected. This rejection begins--still somewhat weakly--with the observation that the A.W.P., to be sure, like the capitalist parties aims at the conquest and consolidation of state power, but that, unlike the capitalist parties, it regards this measure "merely as an essentially direct and indirect contradiction arising thru unclear and incon...". The whole exposition immediately following reaches its climax in the result that in the given conditions of the capitalist dictatorship of capital, resting upon the economic and social class-character of the capitalist order, it would be utopian for the workers to believe that they could take over the state power along parliamentary paths. To this end, the working class would rather require other, newly forged weapons. The united action of the working class organizations must provide the basis for the construction of truly united revolutionary working-class organizations, the workers' councils, which carry through the struggle for power "with all means".

But all the theoretical clarity which with these formulations seems at first to fundamentally not only for an action lying in the remote future, but in tendency also for the present action of the revolutionary labor party, -- that becomes illusory through the statements of the fourth chapter by which they are irreconcilably opposed. Here we find, in the next close but section, devoted to the "United Front" the paradoxical inversion of the real relation between a genuine workers' united front and the revolutionary seizure and exercise of power through the workers' councils; namely, that the united front is not denoted as a breeding ground for the workers' councils, but conversely "so-called (why only so-called?) workers' councils" as merely "the most highly developed form of the united front". But this little discrepancy between the first and the second chapter completely disappears before the magnitude of the situation. The whole epoch of the beginning proletarian revolution has actually never end and nowhere which likewise will by no means exist for the present and future America now entering upon the era of the final struggle between revolution and counter-revolution, democracy and fascism, socialism and capitalism.
instance (!) not (1) the (1) most important (1) form (1) of the political mass-movement. This reservation now serves merely as a transition to the emphatic observation: "This does not mean that the AWP will neglect the traditional methods of American politics". It will rather be true now, broken, and the floods so long held up rush back with their old accustomed course. "Wherever and whenever possible, participate in local, state and national elections, and will fight to win elections".

Now to the justification of this tactic there march up, one behind the other, all those well-known ideological pseudo-reasons which in Germany and elsewhere have over and over again been thoroly deprived of force. Beginning with the "revolutionary" possibilities of the election, as a tribune for propagating the aims and program of the party and for uncovering the misleading and concealing maneuvers of the opponents, and ending with those "strategic positions" into which the various elected party members will be placed through this election allegedly for the support of the organization and of the continuing avelopment of the party and as it receives the revolutionay "theory" of the basic part of the party program and especially the solemn promise "not to step into state office, the Presidency or Congress" is here actually reduced to a pure ideology of concealment, which enables the party also on its own account to faithfully carry on "the traditional methods of American politics".

The Trade-Union Policy of the A.W.P.

In the trade-union question also there is a contradiction between the theoretical position of the A.W.P. as consciously proclaimed in the program, and its actual practice as shown by the previous and continuing development of the party and as it receives at least an indirect expression in the concrete positions and the decisions taken concerning the questions of the present-day American trade-union organization and tactic. In its actual practice and in all concrete questions, the A.W.P., which in its past has functioned primarily in the economic and political struggle of the American trade union movement, recognizes the peculiar and independent significance of the economic and social struggles of the working class and renounces expressly not only a "mechanical" but actually any other form of rule over the trade-union organizations and the subordinating of their special aims to the "higher" aims of the "politics" carried on by the "Party". In its theoretical position on the trade-union question, however, it takes its stand on that theory which in the best case (Lenin is Jacobinical-revolutionary and in the worse case (the German Social Democracy and other marxist parties of pre-war time) is simply bourgeosio; namely, the primacy of politics over economics and of the political over the trade-union struggle. While it rightly reproaches the American Social Democracy with drawing too sharp and arbitrary a line of separation between the political and economic labor struggle, with leaving the leadership of the latter completely in the hands of the ultra-bourgeois bureaucracy of the A.P. of L. and with supporting in the trade-unions in all the cases of the reactionary right-wing bureaucracy against the progressive tendencies within the trade unions, still in the formulations of principle of its draft program the A.W.P. itself falls into the opposite one-sidedness. One may say that in the American labor movement of the present time the stage has been set of the actual development, while the A.W.P. repeats the ideology of the German Social Democracy in pre-war time, where the true relation between party and trade unions was even then mirrored inversely.

In a sharp break with the actual character which it has previously revealed, the A.W.P. today wants to be above all a "political" party, for this reason it wishes to give a strictly political orientation not only to all its own activities, but in an extraordinarily abstract fashion to subordinate all other activities of the working class to this political activity of the Party. All other class organization of the fighting proletariat appear accordingly, even in the present program, "the broad and specific general name of "mass organizations" (to be won by the party). Even the trade unions, which in reality represent a peculiar and independent basic form of the proletarian class organization not replaceable by the party, come under this theoretical viewpoint. In the present draft program they are treated as, to be sure, most important but yet only of equal rank with the other "mass organizations" (by the side of farmers, negroes, professional workers and unemployed), thrus which the Party, mainly bent upon its own narrower political party tasks, strives to extend and strengthen its influence in a secondary way. Though in this connection the overwhelming importance of the industrial workers and especially of the "workers in the large shops, mills, factories and mines of the basic industries" is correctly emphasized, with a somewhat striking "idealism", the actual winning of precisely these most important workers is practically set equal to the purely ideological task of their merely theoretical attraction into the ideological position of the Party. The program says that the A.W.P. wants to support itself "in a two-fold sense" on these industrial workers. It wants to win their membership, their confidence and influential positions in their organizations; but even though the actual program aimed at this task, the A.W.P. wants to "make the needs and the historical position of these workers the viewpoint of its theoretical orientation". This "idealistic" turn of speech is not only suspiciously reminiscent of the manner of a merely "mass" politics, but is completely replaced by the statement that the A.W.P. also over takes care to put the needs and the situation of broad masses of Voters "in the mid-point of its orientation". It also shows very clearly the "in sufficiency of such a merely formal attitude of the Party to the class struggle which are not or "not yet" politically formed.

Now of course the A.W.P. in this very profession of allegiance to the primacy of politics over economics and to the superiority of the conscious political struggle of the Party over all other less developed forms of the proletarian fight for emancipation, has wished to profess allegiance to that revolutionary conception of the relation between economics and politics, party and trade unions, which since Lenin and Trotsky is regarded as the true Marxist position on the trade-union question. The A.W.P. wants in its turn to repeat that great and all-captivating line of thought, and that in the turn of the century, carried through in Russia and on an international scale by the Communist Econo­mists", and to restore to honor that famous phrase of the Communist Manifesto which states that in the last instance "every class struggle is a political struggle". It quite correctly recognizes behind the
apparent bowing of the "Socialist Party" to the "trade unions" the
real basis of the so-called alliance of the proletarian party and trade unions, and wants to set over against this alliance of
all reactionary elements under the "hegemony" of the trade-union bureaucracy the alliance of all progressive elements of the whole labor
movement and the revolutionary leadership of the proletariat in the
field of practical activity of the working class into the single whole of
the workers can first be actualized in the full development of the
revolutionary and trade unions, and wants to set over against this alliance of
Marxists and Leninists no less than the "economic" on the one hand, the
tidal rise through the no less formal rejection of all "political"
in the "Leninist-Communist" manner as a bringing together of
all isolated forms of struggle into the revolutionary political struggle or in the "syndicalist" manner as an extension and intensification of
paralyzing tendencies of the Roosevelt administration to turning the trade
union movement into an instrument of state policy, and which furthermore propagates as the next stage of development to be aimed at with reference to workers' united front actions the forming of revolutionary
workers' councils--how can such a party, in such a pompous manner
remain in the revolutionary end-result a single difference between the
two tendencies which today are competing with and warring upon each
other. The very same Marx who called every class struggle a "political
struggle" has also in exactly the same sense called politics a "concentrated economics". The coincidence of the two concepts regarding the relation of the economic to the political class struggle first practically comes about, however, in the moment or in the period when, in the direct revolutionary action of the workers' councils, economic
and politics actually coalesce. Until that time the claim to hegemony
put forth by both of the tendencies, the "political" one of the
Marxists with the "economic" no less than the "economic" of the Syndicalists, contains a one-sidedness which restricts and weakens the
practical class struggle of the proletariat. The identity which is
present in the beginning of the economic and political class struggle of the workers can first be completely actualized in the full development
of the directly revolutionary struggle. It can no more be brought about in advance through a merely formal "subordination" of the "trade
union mass organizations" to the viewpoint of a revolutionary party
than through the no less formal rejection of all "politics" in the
other camp; and the damage unavoidably resulting from such an empty
formalism strikes, as is especially clearly shown by the fate of the
German Social Democracy, in the end not only and not even so verly the trade unions and the possible forms of organization to be "politicized" and "let" by the party in accordance with its "revolutionary" ideology, but also the party itself, Just as in an earlier period with the German Social Democracy, so even today there is concealed behind the ideologically raised claim to the pri
macy of the party over the trade unions, in reality the opposite
practical tendency of subjugating its revolutionary political theory
to the preponderance of the trade-union mass organizations and their
practice, oriented to their own and by no means revolutionary inter
ests. Such a germ of future capitulation is concealed, for example,
behind the extraordinarily general declaration of the party against
"any general policy of dual unionism" and the equally general asser
tion, added to this declaration as the only reason for it, that any
"divided trade union movement opens the way for fascism." This passage
may be very applicable to the policy of the Communist Party--a policy which
is described sarcastically in this passage with its paper red unions bound to the line set by the party leadership, though even for this trade union policy of the C.P. the most fatal mistake--it shows which the program completely overlooks--con
sisted in the fact that it has been an unpriactical tactic different

IN GERMAN:-- BESTELLT - LEST "Ratekorrespondenz" (Theoretisches - und Diskussions-
organ fur die Ratebewegung) Herausgegeben von
Gruppe Internationaler Kommunisten Holland.
Jede Nummer 10pf. Portofrei. Bestellt bei
United Workers' Party
1604 N. California Ave.,
Chicago, Ill.

NOTICE

- 24 -

- 25 -
COUNCIL CORRESPONDENCE
ENGLISH EDITION

For Theory and Discussion

CONTENTS:

First Complete English Translation of
LENINISM OR MARXISM?
--- by ROSA LUXEMBURG.

THE A.F. of L. AND THE PRESENT CRISIS.

MARXISM WITHOUT DOCTORS:

No.5 FEBRUARY, 1935 10 Cents

UNITED WORKERS' PARTY
"Sensitive souls will again lament," wrote Rosa Luxemburg at the end of her quarrel with the pseudo-Marxists of the Second International, "that Marxists wrangle among themselves, and that approved "authorities" are combatted. But Marxism is not a handful of individuals who confer upon each other the right of "expert judgment" and before whom the great mass of believers is expected to die in a state of blind confidence. Marxism is a revolutionary view of the world which must constantly strive for new insights, which eschews nothing so much as the holding on to forms which have lost their validity, and which best preserves its vital strength in occasional clashes of self-criticism."

These sentiments of Rosa Luxemburg, written in jail during the World War, deserve to be repeated today louder than ever. The cry for unity which is now so much in favor, and which, after the frightful defeats of the international proletariat, serves merely to veil the fact that with the present labor organizations the forming of a genuine proletarian class front is impossible, must be answered by the revolutionary workers with unspiring criticism. The old, outlived labor movement excludes any real united front, which is possible only upon the basis of the genuine class struggle and not upon that of organizations. The unity of the dead form is the death of the fighting spirit of the working class. The proper concern is rather with breaking up the organizations which have become a fetter upon the class struggle, in order to make the working class fit for struggle. And what today must be broken up are not only the wretched remains of the dilapidated organizations of the Second International and of the trade union movement, but also the organizations of the "heirs" of the reformist movement, the Third International and its various "right" and "left" offshoots.
Searched had the Russian Revolution put an end to the "expert judgment of the Second International in the matter of class betrayal and murder of workers, when the new International was at the beginning of the new revolutionary movement, which found its new form of organization in the workers' councils. The "official" labor movement has never been more contemptible, more treacherous, more nauseous than in the way history again becomes the "work of great men". The role of spontaneity in the historical development was misunderstood and underrated; it was of importance only as far as it could be influenced by the Party. The workers' councils (soviets) arising spontaneously out of the masses themselves were of value only in so far as the Party was able to control them. The Party itself was the beginning and the end of the Revolution.

The history of the Leninist, pseudo-communist parties of the Third International is the history of uninterrupted inner crises. Their development could really take no other course; for the whole ideological and political line of the Third International is in the interpenetration of democratic traditions and so-called "experiences" of the Bolshevik Party—combined with the needs of Russian national policy (directed toward making Russia one of the Great Powers), which determines the political line of that international. Yet one of the elementary truths of the materialist dialectic is that the methods and means of struggle which are proper to a given period and to a determinate place prove inert when transferred to another period and to other localities and revolutionary conditions. Even without the Party, the first attempts at the forming of genuine fighting instruments. They must further be shattered even as a tradition, and within the scope of this necessity lies also the destruction of the Lenin legend so artificially built up.

The Party is the most important factor in the process of overthrow. The quality of the Party, of the central committee, of the leaders, of the smallest groups of the Party, is of the utmost importance at all times, in the forming of the first beginnings of a genuine revolutionary movement, hence the forming of professional revolutionists and the demand for fanatic discipline in carrying out the party decisions, without regard for the fact that in history again becomes the "work of great men". The role of spontaneity in the historical development was misunderstood and underrated; it was of importance only as far as it could be influenced by the Party. The workers' councils (soviets) arising spontaneously out of the masses themselves were of value only in so far as the Party was able to control them. The Party itself was the beginning and the end of the Revolution.

Such a position is idealistic, mechanism, one-sided, and certainly not Marxist. To Marx, revolutionary consciousness occurs not only as ideology, but the proletariat as such. Without regard to ideological factors, is the actualization of revolutionary consciousness. The Party to Marx, is welcome and a matter of course but not in our knowledge necessary; quite apart from the further consideration of revolutionary consciousness can also manifest itself in other than the party forms. Even without the existence of a Party, without a central committee, and without a Lenin, the revolution must finally come about, since it receives its strongest nourishment from the increasing social forces of production and not merely from the productive relations. The ideology corresponds to the social relations, the class consciousness of the proletariat, to Marx, is not merely the revolutionary ideology crystallized in the Party, but the truly practical class struggle, through the growth of which (not through the Party) the truly revolutionary ideology is brought to a successful issue. To Marx, there is no separation between workers and Party; the existence of the Party is merely an expression of the fact that only minorities can consciously what the masses themselves can only make conscious, the character of the Party is not, and does not, meet the needs of the revolutionary class struggle of the proletariat; and still less in harmony with this struggle is Russian domestic politics.

The defiling of Marxism, from opportunistic considerations, at the hands of Lenin's international, is no less extensive than that which it has suffered through the Second International. Neither of them has any connection with revolutionary Marxism. The opportunistic character of Lenin's thought, for example, may be glimpsed in the fact that, misled by the ideological backwardness of the Russian workers while at the same time accepting the mechanistic conceptions of Plechanoff and Kautsky, he came to the philosophical conclusion that the working class will never be capable of developing a revolutionary class-consciousness but that such consciousness must be 'imposed' on the masses by the revolutionary party, which gets its ideas from the intellectuals. But what is the Party to Marx? To Marx, the Party is the product, the expression, the instrument of the class struggle. To Lenin, however, that minority is identified with the revolution itself.

The Party is the most important factor in the process of overthrow. The quality of the Party, of the central committee, of the leaders, of the smallest groups of the Party, is of the utmost importance at all times, in the forming of the first beginnings of a genuine revolutionary movement, hence the forming of professional revolutionists and the demand for fanatic discipline in carrying out the party decisions, without regard for the fact that in history again becomes the "work of great men". The role of spontaneity in the historical development was misunderstood and underrated; it was of importance only as far as it could be influenced by the Party. The workers' councils (soviets) arising spontaneously out of the masses themselves were of value only in so far as the Party was able to control them. The Party itself was the beginning and the end of the Revolution.

The Party is the most important factor in the process of overthrow. The quality of the Party, of the central committee, of the leaders, of the smallest groups of the Party, is of the utmost importance at all times, in the forming of the first beginnings of a genuine revolutionary movement, hence the forming of professional revolutionists and the demand for fanatic discipline in carrying out the party decisions, without regard for the fact that in history again becomes the "work of great men". The role of spontaneity in the historical development was misunderstood and underrated; it was of importance only as far as it could be influenced by the Party. The workers' councils (soviets) arising spontaneously out of the masses themselves were of value only in so far as the Party was able to control them. The Party itself was the beginning and the end of the Revolution.
merely seek to restore what has already landed on the jumble pile of history. All these formations are haunted by the ghost of Lenin who carried to its logical conclusion what had developed in the Second International. The complete surrender of the working masses to the private needs of the professional bureaucracy in the organizations. "Back to Lenin" as people are so fond of shouting today, means to repeat the building up of labor organizations which of necessity, by reason of the very structure, must become obstacles to the revolutionary movement.

In the current debates on questions of organization of the proletarian revolution, it is significant that they are conducted upon a level far beneath that of 1916—in fact, as will be clear from the work of Rosa Luxemburg here presented, far beneath the 1904 level. Just let us compare, for example, the political conclusions drawn by Karl Liebknecht from the treason of the Second International with those of the neo-bolshevist movements of 1934, and it becomes clear at once that these latter have forgotten everything and learned nothing. "The interest of the professional bureaucracy within the labor movement," writes Karl Liebknecht, ("Nachklang" written 1916 in the house of detention) "is at nothing so much as the avoidance of any serious discussion, any decisive conflict. It is directed toward official relations, toward the continuance of a labor movement which goes along at an even pace, one which is well tolerated and even looked upon with favor by the ruling classes. The movement must never endanger the 'organizations' and the positions of the bureaucrats. To them, the organization is an end in itself, not a means to the revolutionary end. To, the organization among the organizations, among the leaders, is the source of existence of the professional leaders, for the purpose of winning members, is the one and only for which they can be had for struggles still—struggles within local limits, to which they give their best efforts and esteem the existence of the institution as above the intervention of the organizations. They are not revolutionists, but reformists at most; they are completely 'above the battle'—a paradoxically parasitic element attached to the capitalist social order.

"That is the fatal circle in which these organizations move—the great centralized affairs provided with functionaries living on a fixed salary and, considering their previous class level, a very good salary. In this professional bureaucracy they not only spend their time on the things which are absolutely hostile to the revolutionary interests of the proletariat, but convert that element into their leaders with full powers, who easily become their tyrants. Meanwhile the mental and moral independence, the will, the initiative, personal action of the masses is suppressed or quite eliminated. To this professional bureaucracy also belong the salaried parliamentarians.

"There is only one remedy at hand for this evil; removal of the salaried bureaucracy, or its elimination from the forming of all resolutions and limiting its functions to technical assistance. To which may be added: lenient application of any official after a certain tenure, and measures which would serve at the same time to increase the number of proletarians familiar with organizational and technical matters; possibility of recall at any time during the term of office; restriction of the content of rivalities; decentralization of the movement; reservation of the decision on important questions. In the election of officials, the decisive weight must be laid upon their having stood the test of decided, will-

---

Council Correspondence.

tant, revolutionary action, of revolutionary fighting spirit, of unrestrained self-sacrifice inclusive of taking their whole existence for the cause. The training of the masses and of each individual for formal and moral independence, for skepticism regarding authority, for decided self-initiative, for readiness and capacity for free action, forms the only sure foundation for the development of a labor movement equal to its historic task, as well as the most essential presupposition for the eradication of bureaucratic dangers."

That was in 1916. A little later, Liebknecht and Luxemburg, and, with them, all true revolutionists saw with astonishment with that with the consolidation of party rule in Russia, with the degeneration of the dictatorship of the proletariat into the dictatorship of the bolshevist bosses, the real content of the revolution of 1917 was again dissipated. With the putting down of the German revolutionary movement, with the murder of RosaLuxemburg and Karl Liebknecht, everything which had already been won by revolutionary criticism was lost again in the false enthusiasm for the Russian bourgeois socialism. We now have to start again from the beginning.

The collapse of the Third International was first required in order to bring about a real decision in the theoretical struggle which took place between Lenin and Luxemburg thirty years ago. History has decided in favor of Rosa Luxemburg. In laying her criticism of the opportunist principles of Lenin before the proletariat again today, we are conscious of the fact that her argument might be considerably extended, that her standpoint was not maintained only after the first period of her work, but was still influenced (and necessarily so) by the Social Democracy. But regardless of the extent to which her criticism can no longer be regarded as having more than a historic interest, we have today to say against the opportunistic principles of organization and action of the present day than when it was written. The need for destroying the Lenin legend, as a prerequisite for a complete reorientation of the labor movement, restores to the work of Rosa Luxembourg a contemporary value. This pamphlet will be followed by others in which the question will be taken up at the point where Rosa Luxembourg was obliged to drop it when her life was snuffed out by the capitalistic gunmen of the Social Democracy.
In the Social Democracy, organization too is a different thing from that of the earlier, utopian attempts at Socialism; being not an artificial product of propaganda but an historical product into which the Social Democracy brings nothing.

In the Social Democracy, organization too is a different thing from that of the earlier, utopian attempts at Socialism; being not an artificial product of propaganda but an historical product into which the Social Democracy brings nothing.

In this plane," says the Communist Manifesto, "the drawing together of more than the political consciousness. Under normal conditions, that is, where the class rule of the bourgeoisie precedes the social-democratic movement, the first political welding together of the workers has in large measure been the work of the bourgeoisie itself. "On this plane," says the Communist Manifesto, "the drawing together of workers in mass is not yet the consequence of their own union, but the consequence of the union of the bourgeoisie."

In Russia there has fallen to the Social Democracy the task of consciously stepping in and taking over a part of the historical process and of leading the proletariat into the first political struggle, which is conscious of its own goal, and into the fight for the political framework of a centralized great power under the domination of the bourgeoisie, the Social Democracy into the struggle for the composition of the highest party authority, the Party Congress. According to this, the central committee appears as the real active nucleus of the party, and all other organizations merely as its executive organs.

In the union of such a strict centralism in organization with the social-democratic mass movement, Lenin perceives a specific marxist-revolutionary principle, and has succeeded in bringing into the field a large number of facts to support his conception. Still, let us look into the matter a bit more closely.

There can be no doubt that a strong centralistic streak is native to the Social Democracy. Having sprung from the economic soil of capitalism, which is centralistic in its tendencies, and confined in its struggle to the political framework of a centralized great power under the domination of the bourgeoisie, the Social Democracy, the Bolsheviks, is fundamentally opposed to any particularism or nationalism. Called upon to represent, in opposition to all partial and group interests of the proletariat, and within the framework of a given State, the total interests of the proletariat as a class, it reveals everywhere the natural striving to weld together all national, religious and professional groups of the working class into one unified party.

In this respect, there has been and is, for the Social Democracy also of Russia, no question but that it must form, not a federative conglomerate made up of a great number of special organizations on a national and provincial scale, but a unified, compact labor party of the Russian Empire. There is, however, a quite different question also to be considered: namely, the greater or less degree of centralization and the detailed structure within a united and unified party.

From the standpoint of the formal tasks of the Social Democracy as a fighting party, centralism in its organization appears a priori as an indispensable condition upon the fulfillment of which the fighting qualities of the party stand in direct relation. More important here, however, than the formal question of the formation of the fighting organization are the specific historical conditions of the proletarian struggle.

The social-democratic movement is the first one in the history of class struggles in which all its factors, throughout its course, is

calculated upon the organization and the initiative of the masses. In this respect, the Social Democracy creates a quite different type of organization than did the earlier socialist movements; for example, those of the Jacobin and Blanquist type.

Lenin appears to underrate this fact when he states in his book that the revolutionary Social Democrat is, after all, simply "the Jacobin inseparably linked with the organization of the class-conscious proletariat". In the organization and class consciousness of the proletariat, Lenin perceives the only factors which differentiate the Social Democracy from Blanquism. He forgets that this difference involves also a complete transvaluation of organizational concepts, a quite new content of the many-sided relation between organization and struggle.

Up to this point we have regarded the question of centralism from the standpoint of the general bases of the Social Democracy and also in part from that of the present-day relations in Russia. But the night-watchman spirit of the ultra-centralism championed by Lenin and his friends is by no means, as concerns him personally, an accident, but a product of errors but is bound up with a thorough-going opposition to opportunism.

"The question is," says Lenin, "by means of the rules of organization, to forge a more or less sharp weapon against opportunism. The deeper the sources of opportunism lie, the sharper must be this weapon."

Lenin perceives also in the absolute power of the central committee and in the strict hedging off of the party by statute the one effective dike against the opportunistic current, the specific earmarks of which he denotes as the inborn academic predilection for autonomism, for form, and the wincing at strict party discipline and at any 'bureaucratism' in the party life. Only the socialist 'Liberals', thanks to his innate instability and individualism, can, in Lenin's opinion, oppose such unlimited powers of the central committee; a genuine proletarian, on the other hand, must, even as a result of his revolutionary class instinct, experience a sort of rapture at all the stiffness, strictness and smartness of his highest party officials, and subjects himself to all the rude operations of party discipline with joyously closed eyes. "Bureaucratism as against democratism," says Lenin, "that is precisely the organizational principle of the Social Democracy as opposed to the organizational principle of the opportunists." He appeals insistently to the fact that the same opposition between the centralist and the autonomist conception in the Social Democracy is becoming noticeable in all countries where the revolutionary and the reformist or revisionist tendency stand facing each other.

First of all, it must be noted that the strong emphasis laid on the inborn capacities of the proletarians for social-democratic organization and the contempt heaped upon the 'academic' elements of the social-democratic movement, is not in this way, as he appreciated, anything 'marxist-revolutionary'. All that sort of thing can equally well be regarded as bearing a relationship to opportunistic views.

There can, to be sure, be noted in what has hitherto been the practice of the Social Democracy of western Europe an undeniable connection between opportunism and the academic element, and also between opportunism and decentralist tendencies in questions of organization. But when these phenomena, which arose upon a concrete historical soil, are released from this connection, and converted into abstract patterns with general and absolute validity,—such a procedure is the greatest sin against the "Holy Ghost" of Marxism, namely, against his historic-dialectical method of thought.

Taken in the abstract, only as much may be definitely stated: that the "opportunists" are, exactly, as an element stemming from the bourgeoisie and hence by nature foreign to the proletariat, can arrive at socialism not in accordance with his own class feeling but only through overcoming that feeling and by way of the socialist ideology, and is accordingly more predisposed to opportunistic straying than is the enlightened proletarian, who, insofar as he has not lost the connection with his social origin, the proletarian mass, is provided with a sure revolutionary handbook in virtue of his immediate class instinct. As to the concrete form, however, in which this academic tendency to opportunism appears, particularly in matters of organization,—that depends in each case on the concrete social milieu in question.

The phenomena in the life of the German as well as of the French and Italian Social Democracy to which Lenin appeals were the outgrowth of a quite determinate social basis, namely, bourgeois parliamentarism. Just as this latter is in general the specific soil of the present opportunistic current in the socialist movement of western Europe, so also have sprung from it the special tendencies of opportunism toward disorganization.

Parliamentarism supports not only all the illusions of present-day opportunism, as we have come to know them in France, Italy and Germany, but also the overestimation of reform work, of the cooperation of classes and parties, of peaceful development, etc., in which this academic tendency to opportunism appears. At the same time the soil on which these illusions can be confirmed in practice, in that the intellectuals, who as parliamentarians even in the Social Democracy are still separated from the proletarian mass, are thus in the masses elevated over that mass. Finally, with the growth of the labor movement, the same parliamentarism makes of this movement a springboard for political upstarts, and accordingly easily converts it into a refuge for ambitious and bankrupt bourgeoisie existences.

From all these factors results also the definite inclination of the opportunistic intellectual of Western European Social Democracy to dispel the proletarian mass, and thus in each case a lack of discipline. The second definite presupposition of the present-day opportunistic current is, of course, the presence of an already high stage of development of the social-democratic movement, hence also of an influential social-democratic party organization. The latter then appears as that bulwark of the revolutionary movement against bourgeois-parliamentarian tendencies—a bulwark which has to be worn down and pulled apart so as to dissolve the compact and active kernel of the proletariat back into the amorphous mass, which in itself is not in this way, as he appreciated, anything 'marxist-revolutionary'. All that sort of thing can equally well be regarded as bearing a relationship to opportunistic views.
But all these relations have a considerably different aspect in absolutist Russia, where the opportunism in the labor movement is by no means a product of the vigorous growth of the Social Democracy, of the decomposition of bourgeois society, but inversely a product of its political backwardness.

The Russian intelligentsia, from which the socialist intellectual is recruited, has naturally a much more indeterminate class character, is much more declassed in the exact sense of the word, than the intelligentsia of Western Europe. From this there results—combination, to be sure, with the youthfulness of the proletarian movement in Russia—in general a field for theoretical instability and opportunistic meanderings, which at one time take the form of a complete negation of the political side of the labor movement, and at another time turn toward the opposite belief in the exclusive blessedness of terrorism, and finally rest up in the 'philosophic' swamps of liberalism or of Kantian idealism.

But for the specific active tendency to disorganization, the social-democratic intellectual of Russia lacks, in our opinion, not only the positive hold in bourgeois parliamentary but also the corresponding social-psychical milieu. The modern writer of Western Europe who devotes himself to the cult of his alleged 'ego' and drags this 'master-morality' even into the socialist world of struggle and thought, is not the type of bourgeois existence; he is in fact the product of a decadent, corrupted bourgeois already hidebound in the worst circle of its class rule. The utopian and opportunistic waggery of the socialist intellectual of Russia incline inversely, as is readily understandable, rather to assume the inverted theoretical form of self-mortification, of self-flagellation. In fact, that erstwhile "going to the people", that is, among the populists as a peasant, was nothing other than a despairing invention of the same intellectual, just as is nowadays the clumsy cult of the "harrow hand" on the part of the pure 'Economists'.

The same reflection also makes clear that centralism in the social-democratic sense is not at all an absolute concept which can be carried out equally well at any stage of the labor movement, but that it must be adapted to the tendencies, the actual course of the movement, of which it proceeds in step with the enlightenment and political schooling of the working class in the course of its struggle.

The insufficiency of the most important presuppositions for the full realization of centralism in the Russian movement at the present time may, to be sure, have a very baneful effect. Nevertheless it is false, in our opinion, to think that the still impracticable majority role of the enlightened workers within their party organization may be replaced 'temporarily' by a 'transferred' sole-mastery on the part of the central authority of the party and that the lacking public control on the party organs would be just as well replaced by the inverted control of a central committee over the activity of the revolutionary workers.

The history of the Russian movement itself furnishes many proofs for the dubious value of centralism in this latter sense. The central committee with its almost unlimited authority of interference and control according to Lenin's ideal would evidently be an absurdity if it should limit its power to the purely technical side of social-democratic activity, to the outer means and accessories of agitation—say, to the struggle for capture and successful use of economic and financial forces. It would have a comprehensible political purpose only in case it were to employ its power in the creation of a unified fighting tactic for Russia and in the release of a great political strength. However, in the present case the spontaneous, spontaneous movement itself. So was the first stage of the genuine proletarian movement in Russia, which act in with the elemental outbreak of the great St. Petersburg strike in the year 1896 and which for the first time had instanced the economic existence of the movement itself, of whatever nature, of whatever class background.

Likewise, the second phase—of the political street demonstrations—was opened quite spontaneously as a result of the student unrest in St. Petersburg in March 1901. The further significant turning point, by which new horizons were opened to tactics, was the mass strike which broke out "all of itself" in Rostov on the Don, with its ad hoc improvised street agitation, the popular meetings under the open sky, the public addresses—things of which the boldest blusterer among the Social Democrats would not have ventured to think a few years earlier. Of all these cases, we may say that in the beginning was "the deed". The initiative and conscious leadership of the social-democratic organizations played an exceedingly small role. This was not, however, so much the fault of the opportunistic special organizations for their role—even though this factor may have been a considerable contributing cause—and certainly not the fault of the Russian Social Democracy, of an all-powerful central committee in accordance with Lenin's teachings. Rather, such a committee would in all probability only have worked to the purpose of making the inviding of the various party committees still greater, and brought about a division between the storming masses and the procrastinating Social Democracy.

The same phenomenon—the small part played by the conscious initiative of the party leadership in the shaping of tactics—is still more observable in Germany and elsewhere. The fighting tactics of the Social Democracy, at least as regards its main features, is absolutely not 'invented' out of tactics, but is the result of a progressive series of great creative acts of the active and experimenting proletariat and struggle. Here also the unconscious precedes the conscious, the logic of the objective historical process goes before the subjective logic of its spontaneity. The social-democratic leadership becomes one of an essentially conservative character, in that it leads to working out empirically to its ultimate conclusions the new experience acquired in the struggle and soon to converting it into a bulwark against further innovation in the grand style. The present tactic of the German Social Democracy, for instance, is generally admired for its remarkable fluidity, flexibility and at the same time certainty. Such tactics simply mean, however, that our party has adapted itself wonderfully to struggle to the present parliamentary basis, down to the least detail, that it knows how to exploit the fluid field of battle offered by parliamentarism and to master it in accordance with given principles. At the same time, however, this specific formulation of tactics already serves to much to conceal the further horizon.
that one notes a strong inclination to eternalize that tactic and to regard the parliamentary tactic as the social-democratic tactic for all time. As illustrative of this mood, we may mention the vain efforts which Parvus has been making for years now to bring about a debate in the party press regarding an eventual reformulation of tactics in case of the abrogation of universal suffrage, in spite of the fact that such an eventuality is viewed by the party in full and bitter seriousness. This inertia is, however, largely explained by the difficulty of giving contour and palpable forms to a still inexistent, hence imaginary, political struggle, whatever its weight in the empty air of abstract speculation. To the Social Democracy also, the important thing each time is not the premonition and formulation of a ready-made recipe for the future tactic, but the preservation within the party of the correct historical appraisal for the then prevailing forms of struggle, a lively feeling for the petty leading in the given phase and for the necessary intensification of the revolutionary factors from the standpoint of the final goal of the proletarian movement.

But to desire, as Lenin does, to deck out a party leadership with such absolute powers of a negative character would be only to multiply artificially and in a most dangerous measure in conservatism which is a necessary outgrowth of every such leadership. Just as the social-democratic centralism is formed, not by a central committee but by the whole party or, more correctly stated, by the whole movement, so the separate organizations of the party plainly require such elbow-room as alone enables complete utilization of all means at their disposal. In such a case the correct historical appraisal of the situation of the moment, and for the necessary intensification of the revolutionary initiative, the ultra-centralism advocated by Lenin, however, appears to us as something which, in its whole essence, is not informed with the positive and creative spirit, but with the fallible spirit of the night-watchman. His thought is patterned mainly on the control of party activity and not upon its promotion, upon narrowing and not upon unfolding, upon the hemming and not upon the drawing together of the movement.

Such an experiment seems doubly dangerous to the Russian Social Democracy at the present time. The party stands on the eve of great revolutionary struggles for the overthrow of absolutism, before or rather engaged in a period of most intense creative activity in the field of tactics and—thing which is self-evident in revolutionary epochs—of feverish extensions and shiftings of its sphere of influence. In such times, to insist on fettering the initiative of the party spirit and raising a barbed-wire fence around its capacity for leap-like expansion, would be to make the Social Democracy largely unfit in advance for the great tasks of the moment.

These general considerations on the peculiar content of social-democratic centralism do not, of course, permit of deducing the concrete provisions of the rules of organization for the Russian party. These depend naturally, in the last instance, upon the concrete circumstances in which the activity unfolds in the given period, and—since we are concerned in Russia with what is, after all, the first attempt at a great proletarian party organization—can scarcely be predicted in advance. Nevertheless, one must rather in each case first stand the test of practical life. What can be inferred, however, from the general conception of the social-democratic type of organization is the main outlines, the spirit of the organization; and this spirit prescribes, especially in the beginnings of the mass movement, coordination and drawing together instead of segmentation and exclusiveness. If this spirit of political liberty, combined with a sharp eye to the spirit of the principle of the movement, has assured a foothold in the ranks of the party, in such a case the defects of any rules of organization, even of those which are awkwardly worded, will soon undergo effective revision through practice itself. It is not the making of the totality of the spirit and artistic expression incorporated into that wording by the active fighters which decides concerning the value of a form of organization.

Blanquism was not calculated upon the direct class action of the working masses, and accordingly did not need a mass organization. On the contrary, since the great mass of the people was not to appear on the scene of action until the time for the revolution, while the preliminary action for the preparation of the revolutionary insurrection was performed by a small minority, a sharp separation of the persons entrusted with this action from the mass of the people was an indispensable condition to the successful carrying out of their task. Such a separation was possible and practicable, since no inner connection existed between the daily life of the masses and the blanquist conspiratorial activity, and likewise the tactics and the more immediate objects of activity—since these had no connection with the soil of the mass actions—were mere appendages on the present field. By this means the central committee was freed of the shackles of a small minority, and could concentrate all its efforts on the mass action. On the other hand, the process of struggle which shapes the organization leads to a constant fluctuation of the party's sphere of influence.

Fundamentally different are the conditions of social-democratic action. This action grows historically out of the elemental class struggle. In so doing, it works and moves in the dialectical contradiction that here the proletariat army is first recruited in the struggle itself, where it also first becomes clear regarding the tasks of the struggle, organization, enlightenment and struggle are here not separate, but are interwoven into fixed party cadre and the surrounding element organized into fixed party cadre and the surrounding element which are awkwardly worded, of those which r.re awkwardly worded, of those which r.re awkwa...
on the blind subordination of all party organizations, with their activity, down to the least detail, under a central authority which alone thinks, acts and decides for all, and on a sharp separation of the organized nucleus of the party from the surrounding revolutionary milieu, as championed by Lenin—opposed to us for a mechanical carrying over of the organizational principles of the blanquist movement of conspiratorial circles onto the social-democratic movement of the working masses. And Lenin himself has perhaps characterized his standpoint more keenly than any of his opponents could do, in that he defines his "revolutionary Social Democrat" as the "Jacobin linked with the organization of the class-conscious workers". As a matter of fact, however, the Social Democracy is not linked or connected with the organization of the working class, but is the movement of the working class itself. Social-democratic centralism must therefore be of essentially different construction from the blanquist. It can be nothing other than the imperious coordination of the will of the enlightened and fighting vanguard of the workers as contrasted with its different groups and individuals; this is, so to speak, a "self-centralism" of the leading element of the proletariat, the majority rule of that element within its own party organization.

Just from looking into this true content of social-democratic centralism, it becomes clear that the necessary conditions for such a thing are not yet fully realized in Russia. These conditions are, in the main, the presence of a considerable element of the working class already schooled in the political struggle and the possibility of giving expression to its maturity through the direct exercise of influence (at public party congresses, in the party press, etc.).

It is clear that this latter condition can only be created with the advent of political freedom in Russia. The former condition, however,—the forming of a class-conscious, competent vanguard of the proletariat,—is only one course of achievement more readily attained, in the initial stages of the labor movement, not through decentralization but precisely by way of strict centralism, the mechanical transfer to Russia of inert patterns from Western Europe but through the investigation of the given concrete relations in Russia itself, we arrive at a quite different conclusion. To say of opportunism, as Lenin implicitly does, that it goes in for any one certain form of organization—say for decentralization—is at once to mistake its inner nature. Being opportunistic as it is, the only principle of opportunism, even in questions of organization, is the lack of principles. It always selects its means according to circumstances, with reference to the degree to which those means promote its ends. But if, like Lenin, we define opportunism as the endeavor to paralyze the independent revolutionary movement of the proletariat in order to make it serviceable to the lust for ruling on the part of the bourgeoisie, one can only say that this purpose can be most readily attained, in the initial stages of the labor movement, not by decentralization but precisely by way of strict centralism, by which the proletarian movement, still unclear in its aims and methods, is turned over, bound hand and foot, to a handful of academic leaders.

Even from the standpoint of the fears entertained by Lenin, that is, the dangerous influence of the intellectuals upon the proletarian movement, his own conception of organization constitutes the greatest danger for the Russian Social Democracy.

As a matter of fact, there is nothing which so easily and so surely banishes and destroys the vital labor movement of the proletariat, more than the improper use of slogans to denote equally as "discipline" two such opposed concepts as the willing and thoughtless enforcement of the centralized bourgeois State. However, it is nothing short of an improper use of slogans to denote equally as "discipline" two such opposed concepts as the willingness and thoughtlessness of a four-legged and many-armed mass of flesh which performs mechanical movements to the accompaniment of the baton and the voluntary coordination of conscious political actions on the part of a certain social element; the lifeless obedience of a governed class and the organized rebellion of a class conscious and impassioned by the breaking up and uprooting of this slavish spirit of discipline, that the proletarian
On the other hand, it is a thoroughly unhistorical illusion to think that the only effective weapon against opportunistic tendencies is a mass movement in the revolutionary sense of the term. It has been established in advance once for all, that the labor movement can be preserved once for all from opportunistic side-loops. To be sure, the Marxian doctrine provides effective weapons against all basic negative character. Thus we have an idea as to what must be shoved into the pocket of the weapons supplied by Marxism—after they have assumed a definite shape in the course of experience. Regarded from this point of view, opportunism too appears as a product of the labor movement itself, as a by-product of its historical development, as something arising in Russia, where the Social Democracy is still young, and the political conditions of the labor movement are so abnormal, opportunism might very well at present spring largely from this source, from the unavoidable groping and experimenting in matters of tactics, from the necessity of bringing the present struggle into harmony with socialist principles in quite peculiar and unexampled relations.

But if that is so, one must marvel at the idea that the rise of opportunistic tendencies can be forbidden in the very beginnings of a labor movement by means of this or that form of rules of organization. The attempt to ward off opportunism by such scraps of paper as a matter of fact, do not harm the movement itself but only to the Social Democracy itself, and, by restraining within the party the pulsing of a healthy blood, weakens its powers of resistance not only against opportunistic currents, but also—such thing which after all might be important—against the existing social order. The means turns against the end.

In this frightful effort of a part of the Russian Social Democracy to prevent the supplanting labor movement of Russia through the guardianship of an omnipotent and omnipresent central committee we seem to see also the same subjectivism involved by which socialist thought in Russia has frequently been imposed upon in the past. Assuming, in truth, that the subjective idea of history loves to perform at times in his own historical process, the ego which has been beaten down by Russian absolutism takes revenge by setting itself on the throne in its revolutionary thought-world and declaring itself omnipotent—omnipotent committee in the name of a non-existent "popular will." The 'object' shows itself stronger, however: the knot soon unties, in that it proves itself to be the 'legitimate' expression of the given stage of the historical process. Finally there appears on the scene, as a more legitimate child of the historical process—the Russian labor movement, which makes a splendid beginning to shape, for the first time in Russian history, a real popular will. Now, however, the ego of the Russian revolutionary quickly stands on its head and declares itself once more to be an almighty ruler of history—this time, in the direction of the social-democratic working masses. In so doing, the bold acrobat oversteps that the only sub的产品 which this role has now fallen upon, the mass ego of the working class, which everywhere insists on venturing to make its own mistakes and learning historical dialectic for itself. And by way of conclusion, let us say openly to ourselves: the truly revolutionary and consistent ego, in historical perspective, immeasurably more fruitful and valuable than the fallibility of the very best "central committee."

Council Correspondence.

II.

Dictatorship of the Party or Dictatorship of the Dictator(*).

The implicit presupposition of the dictatorship theory in the Lenin-Trotskystian sense is that the socialist overthrow is a matter for which there is a ready-made recipe in the pocket of the social-democratic party, which has only to put it into practice vigorously. That is, unfortunately—or otherwise, if you will—not so. Far from being a sum of ready-made prescriptions which have only to be applied, the practice of social democracy as an essential and as an economic system is a matter which lies completely veiled in the fog of the future. What we have in our program is only a few big sign-posts which show the direction in which the measures must be sought, and mainly of economic matters. But if we have an idea that, aside from these points no enlightenment is furnished by any socialist party program or by any socialist textbook. That is no defect, but the superiority of scientific socialism over the utopian brand: the socialist system of society can only be an historical product, arising from its own school of experience, in the hour of fulfillment, from the course of living history which, in precisely the same way as organic nature, of which in the last instance it is a part, has the lovely caprice of bringing forth, together with the genuine social need, also the means for its satisfaction, and with the problem also the solution. If that is so, however, then it is clear that socialism, from its very nature, is not susceptible of being imposed, or introduced by decree. It has as a matter of course, by the same token, for a thousand problems. Only experience is capable of correcting mistakes and opening new paths. Only unrestrictedly flowing life, just as it happens upon a thousand new forms, makes improvisations, contains creative power, itself corrects all blunders. The public life of the nations with limited freedom is so needy, so poor, so schematic, so unfruitful for the very reason that by excluding democracy it berears the living springs of all spiritual wealth and progress. The whole mass of the people must participate; otherwise, socialism is decreed, imposed from the green table of a handful of intellectuals.

Unconditional public control (according to Lenin's own words) is necessary. Otherwise, the exchange of experiences remains only in the closed circle of the officials of the new regime. In place of the representative bodies arising from universal suffrage, Lenin and Trotsky have proposed the soviets as the only true representation of the working masses. But with the suppression of the political life, and the suppression of the political media of the organic life of the soviets, the soviets become paralyzed. Without general elections, unrestricted freedom of the press and of assembly, free conflict of opinion, life dies out in every department. The soviet, becomes a mere semblance of life, in which the bureaucracy remains alone as the active element. But that can evade this law. The public life gradually falls asleep, a dozen party leaders of ineradicable energy and boundless idealism direct and govern. Among them, the actual leadership is usually shared by a dozen preeminent brains.

(*) Extract from Rosa Luxemburg's "The Russian Revolution."
and a selected group of the workers is invited to meetings from time to time to applaud the speeches of the leaders, and to approve by unanimous vote the resolutions laid before them. What we have, then, at bottom, is a clique economy—a dictatorship, to be sure, but not the dictatorship of the proletariat. Rather, the dictatorship of a handful of politicians, that is, dictatorship in the bourgeois sense, in the sense of the Jacobins—in a word, ruling by the interval between the soviet congresses from three to six months). And what is more such conditions must be a symptom of the barbarization of the public life.

The basic error of the Lenin-Trotskyist theory is simply this: that they set dictatorship, just as Kautsky does, over against democracy. "Dictatorship or democracy"—that is the question both for the Bolsheviks and for the Social Democrats. The latter decide, naturally, for democracy, and for bourgeois democracy at that, since he views it precisely as the alternative to the socialist overthrow. Lenin and Trotsky decide, inversely, for dictatorship in opposition to democracy and, in so doing, for the dictatorship of a handful of individuals, that is, for dictatorship after the bourgeois fashion. Two opposite poles, both equally far removed from the true socialist policy. When the proletariat seizes power, it can never more follow Kautsky's advice and renounce the job of carrying through the socialist transformation, under the pretext of "the ripeness of the country", and devote itself merely to democracy, without committing treason to itself, to the International and to the Revolution. It is bound to and must without delay seize power, unceasingly, unwaveringly and fully. It must take socialist measures in hand, hence exercise dictatorship—but dictatorship of the class, not of a party or clique: dictatorship of the class, i.e. in the broadest publicity, with the active participation of the masses. The dependence of limited public opinion, proceed from the growing political education of the masses.

THE AMERICAN FEDERATION OF LABOR AND THE PRESENT CRISIS.

With the beginning of 1935 such rumor is heard about a possible major offensive by the A.F. of L. in a number of basic industries. Some superficial observers already see the threat of a nation-wide general strike to be initiated by textile, steel and automobile workers' unions. Vague statements about Labor's awakening, uttered by the pious Baptist, who needs the A.F. of L. further alarm, is a movement of workers, keepers, and 1935 opens with generally evil forebodings to the middle class and the small business men.

We say middle class and small business men, because big business does not fear the A.F. of L. It knows that no general strike will be undertaken by the labor leaders and even such dangerous consequences as might arise from a textile or steel strike will be curbed before reaching their objective.

It is not merely that Green, Woll & Co., are cowardly, vacillating and reactionary that leads to this conclusion—it is that the A.F. of L. as an organization, lock, stock and barrel, is not by its nature inclined to take any risks.

The structure and history of the A.F. of L., as such that it can never engage in any struggle that endangers the existing order—and in these times any major action by the workers will have just that effect.

Organized in 1881, the A.F. of L. represented at that time the skilled aristocracy of labor against the contemporary primitive labor organizations. The Knights of Labor, most powerful organization in the eighties, with all its faults had crystallized a potentially powerful movement of unskilled workers. Reactionary officials were unable to stem the tide. "Orderly" strikes developed into major revolts of gigantic proportions. The workers, despite the pious pleadings of reactionary leaders, fought as only the completely disfranchised could fight—with any and all means at their command.

In 1885 the Gould strike, waged by the Knights of Labor in 1885 in which they whipped the most powerful railroad combination in the United States, was an example of working class revolt that involved skilled, semi-skilled and unskilled laborers on the basis of the slogan "An injury of bourgeois society, without which the socialist overture cannot be actualized. This dictatorship must be the work of the class, and not of a small minority in the name of the class; that is, it must proceed at the active participation of the masses, subject to their direct influence, stand under the control of unlimited public opinion, proceed from the growing political education of the masses.
The slow but steady growth of the A.F. of L. shows the substantial development of a movement of skilled workers, whose preferred position was not conducive to radical, revolutionary sentiment. They had banded together to take advantage of that position to secure further concessions — concessions that an expanding capitalism could well afford to grant. As they consolidated their position they became less inclined to risk it on any "wild revolutionary or socialist schemes".

America, the growing industrial giant, presented certain conditions that constantly frustrated a revolutionary labor movement. The continuity that characterized European movements was absent here. The possibility of rising into the petty bourgeoisie, of becoming factory managers, salesmen, etc., coupled with recurring crises of a violent character submerged completely recurrent labor organizations. Added to this the comparative acracy of skilled labor in the United States enabled the latter to enjoy a standard of wages and living much higher than the unskilled or any of the European workers could boast of. The violent recurring strikes of the unskilled workers imposed sacrifices on the skilled which the latter were unwilling to make.

The American Federation of Labor represented above all things the personal interest, the property interest. Its growth was more substantial, making up in essence what it lacked in numbers. The Knights of Labor disappeared from the field. The eight-hour movement, fought courageously by the rank and file and betrayed miserably by the leaders came to a bloody conclusion in the murder of the Haymarket "Anarchists"; but the A.F. of L. succeeded in keeping its hands unsullied by any radical activity at that time.

By 1894 Eugene Debs had organized the American Railway Union and in the Pullman strike of that year the class struggle flared anew, only to be suppressed with federal troops. The A.F. of L. repudiated the A.R.U. strike.

The Western Federation of Miners at this time developed a militant movement which broke away from the A.F. of L., and by 1905 resulted in the organization of the I.W.W. Until shortly before the world war the I.W.W. represented the best and most militant elements of the labor movement. The ignored and submerged unskilled workers saw reason for new hope, but the A.F. of L. kept its hands off except where it was possible to break "Wobbly" strikes and assist vigilante mobs in lynching-bees.

When the United States entered the world war, the A.F. of L. entered into an industrial peace pact with the master class and concentrated on sending American workers into the European slaughter. The I.W.W. was destroyed; its leaders sent to jail by the hundreds, and the A.F. of L. exulted with the rest of the jingoes at 20 year sentences handed out to "Wobbly" organizers.

With the close of the war, the revolutionary upsurge in Europe had its reflex in America in the growth of radical sentiment. Heading reluctantly the insistent demands from below, the A.F. of L. entered upon a campaign to organize the steel industry. The steel workers responded enthusiastically only to be attacked on two fronts — by the forces of the national, state and local governments, and by the old-line A.F. of L.union of skilled steel workers, the Amalgamated Association of Iron, Tin and Steel Workers, who sabotaged the strike to the extent of scabbing. Jurisdictional disputes between the affected crafts played a good part in making the strike ineffective. The strike was lost.

When the present depression broke, the A.F. of L. had no plans to offer. The bureaucracy at the top was out of touch not only with the broad masses, but it was out of touch with its own membership as well. Its membership fell off. Already the possibility of complete collapse appeared as Roosevelt Roosdevelt II saved the tottering structure. The decline in membership had been going on at a terrific pace. Dropping from four million members in 1920, it declined to two and one-half million by 1932. But with the help of the NRA, workers were again herded into the A.F. of L.

The president's attitude may have been surprising, but there was nothing extraordinary about his action in view of the conditions. The world chaos threatened by the never-ending depression left its mark on American politics as it did on those of Europe. The capitalists of the world are preparing for two eventualities — war and revolution. In each country they prepare for this in their own way: Italy with Mussolini, Germany with Hitler, the United States with Roosevelt and NRA. The differences of approach and method do not alter the fundamental nature and purpose of this movement. In each case the capitalists have the task of each country consolidates its forces against the coming war and revolution, and in each case that process of consolida­tion may accurately be called the process of fascism. This process calls for the utmost concentration of the forces of the national capitalist class as a whole. This accounts for its nationalism. Individualistic, representative capitalism is a thing of the past, subordinate to the interests of the whole class; thus the socialism of fascism.

The workers must be controlled or their organizations destroyed, and since working class organization can never be entirely destroyed under capitalism, machinery is set up to control them. Here the A.F. of L. has succeeded; it offers itself as the willing and eager henchman of capitalism. No doubt even it will become superfluous or behhersome, or too ineffective in time to be of further use to the masters.

The elemental character of the movement which swamped the Knights of Labor is borne out by the membership figures during the growth and decline of the eight-hour agitation. For this period the membership figures for the Knights of Labor and the A.F. of L. were:

<table>
<thead>
<tr>
<th>Year</th>
<th>Knights of Labor (K.ofL)</th>
<th>A.F. of L.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1881</td>
<td>19,422</td>
<td>40,000</td>
</tr>
<tr>
<td>1882</td>
<td>42,517</td>
<td>65,000</td>
</tr>
<tr>
<td>1883</td>
<td>60,811</td>
<td>76,000</td>
</tr>
<tr>
<td>1884</td>
<td>104,066</td>
<td>105,000</td>
</tr>
<tr>
<td>1885</td>
<td>702,924</td>
<td>125,000</td>
</tr>
<tr>
<td>1886</td>
<td>510,351</td>
<td>158,000</td>
</tr>
<tr>
<td>1887</td>
<td>220,607</td>
<td>160,000</td>
</tr>
<tr>
<td>1888</td>
<td>702,924</td>
<td>175,000</td>
</tr>
</tbody>
</table>
Council Correspondence.

But at this time it is usable. Mr. Roosevelt holds out glowing vistas to the labor skates. Their mouths water as they peer into the promised land. Only one cent per month per member flows into the A.F. of L. treasury from members of affiliated international unions. But there is a chance to organize the unemployed in "frederal Unions," paying 35¢ a month per capita, and the president had practically told them to go ahead and let "his friends take care of the exploited. The unskilled are to be bailed into the A.F. of L. and kept in check thereby.

The labor skates have delivered. They throttled the militant miners in the East. They surrendered to the steel industry; they scotched an attempt at an automobile industry strike and joyously broke the "Frisco general strike from within."

With a reactionary history to its credit, an organization, susceptible to no changes, an officialism so firmly entrenched as to be immoveable, a rank and file that it is either important or reactionary as its leaders, the A.F. of L. at this time is much too useful to the master class to be discarded. It is expected to fulfill the role of America of the Nazi "labor front" in Germany, and so far it has realized all the hopes Roosevelt put into its job to prevent strikes, to regiment and curb the workers, to duplicate the Fascist labor organizations of Europe. General strikes are not a part of Fascist routine. So a question whether the A.F. of L. will initiate a general strike movement in 1935 is indeed laughable.

"..."& means without doctors."

Review on: The Inevitability of Communism. by Paul Mattick. (e)

It has been the misfortune of Marxism in the United States that its greatest development took place under the influence of the Russian Revolution. Our native radicals have displayed a pig-headedness almost equal to that of the bourgeoisie itself in continuing to regard 'Leninism' or 'Marxism-Leninism' as synonymous with, or at least a logical extension of Marxism, and Bolshevism as synonymous with Communism. Even two such embittered antagonists as Sidney Hook and Max Eastman--the one wanting to be a Marxist and the other a Leninist--are in fundamental agreement on this point, and their heated disputes accordingly reduce largely to a mere matter of words. It has not yet dawned upon the American intellectuals that the Bolshevik Revolution was essentially only a bourgeoisie revolution directed to overthrowing Czarism and doing away with the vestiges of feudalism in Russia, thus preparing the way for an unrestricted state-capitalist development.

It has been the misfortune of Mattick personally--apart from the circumstance that he brought with him from Germany a philosophic mind and style--that his work is directed to breaking down these illusions and prejudices and reawakening Marxism from the filth of epigones. He recognizes that Marxism in its pure and original form was impossible of application during the upgrade period of capitalism; that it was necessarily adapted to suit the needs of the governing bureaucracy of the movement, and that it is impossible in its permanent crisis when the objective conditions are ripe for the overthrow of capitalism, that it is really possible for Marxism to come into its own. Which is merely another manner of saying that Marxism can be actualized only through the revolutionary proletariat in the act of throwing off the fetters of capitalism. Mattick accordingly rejects all forms of marxian 'orthodoxy', including particularly those associated with the names of Lenin and Kautsky. Yet, he is an 'orthodox' Marxist himself--but with a difference. In the first place, he makes a distinction between mere lip-service to Marxism, or the use of revolutionary phrases to conceal reformist or counter-revolutionary practices, on the one hand, and the practical application of Marxist principles in the pre-revolutionary state capitalism on the other. And secondly, to him, as to George Lukacs, orthodox Marxism "does not mean an uncritical acceptance of the results of Marxism--it does not mean a 'thesis', nor the exegesis of a 'sacred book'. Orthodoxy in questions of Marxism relates rather exclusively to the method. It is the scientific conviction that in dialectical Marxism the correct method of investigation has been found, that this method can be actualized only through the revolutionary proletariat in the act of throwing off the fetters of capitalism."

Such a view of orthodoxy enables Mattick to be the most uncompromising of Marxists, and at the same time one of those who are least hampered by traditions. He recognizes the historical character of all the various forms of the labor movement, whether parliamentary and the political party. The political party, for instance, is just an expression of formal democracy--one which will be permitted to function only so long as the bourgeoisie can afford so much leniency, but the revolution itself, under modern conditions in highly developed capitalist countries, "is not a party matter, but the affair of the class" (of the proletarian class, he understood, and not a proletariat-peasant alliance such as was indispensable to the overthrow of Czarism). All expressions of formal democracy, inclusive of labor organizations, became more and more intolerable to the bourgeoisie in the permanent crisis, when the continued existence of capitalism depends on a perfectly smooth functioning of the economic organizations, but the class struggle itself cannot be suppressed--it is simply obliged to assume new forms adapted to the new conditions. These new forms are essentially embraced in the workers' councils, (soviets), led by committees of action--that is, under the direct control of the workers themselves, hence not dependent upon the existence of parties, not subject to the personal sway of professional "labor leaders", but functioning over the heads of all
policies and bureaucracies and hence capable of effecting a real united front and waging a really common struggle against capitalism in its final and more or less 'fascist' form.

Ever since fascism first made its appearance in Italy, shortly after the War, and particularly since the rise of Hitler in Germany and the suppression of the Social Democracy in Austria, a reorientation of the labor movement has been underway. In this process, two opposite tendencies have led. One is headed in the direction of compromise with capitalistic prejudices, abandonment of revolutionary principles and winning the middle classes, as best illustrated in this country by the recent "American Workers Party" (now combined with the Communist League to form the "Workers Party"). The other sees in the proletariat itself the only reliable instrument of the communal revolution and avoids all compromise with revolutionary principles. This latter position is illustrated in the Hitlerian "National-Socialist German Labor Party." It is that latter position which is represented by Mattick, in harmony with the "United Workers' Party" of America and the "Groups of International Communists" of the various countries throughout the world. It is essentially the same position as that combated by Lenin under the name of Left Communists—a position which, from the point of view of the Russian Revolution, with its petty-bourgeoisie and Jacobinical ideology, was naturally anathema to the time to any Bolshevik—as it was also to Noske and Ebert, but which from the international proletarian point of view is revealing itself as the one truly revolutionary force in contemporary society.

In the present pamphlet, "The Inevitability of Communism," as well as in various other writings, such as his critique of the American Workers Party (a), Mattick has taken pains to show the disastrous consequences of the compromising attitude and of the reformist position. It is a position that understands that merely an Abekenungsmanoever, an attempt to mislead the workers by the use of pseudo-revolutionary or at least pseudo-radical phrases, as illustrated in the Hitlerian "National-Socialist German Labor Party." Fascism too pretends to be aiming at a form of 'socialism,' that is, state capitalism, which generally passes for socialism. The active part of the bolshevik movement in Russia and of the national bolshevik parties controlled by the Third International. Fascism too pretends to be aiming at a form of 'socialism,' which can be introduced by the simple process of voting, without the necessity of a revolution with all its unpleasant connotations. Thus when the members of the reformist, petty-bourgeois parties—a term which includes even the self-styled revolutionary political parties—proach the workers with being stupid, they fail to consider that these parties themselves are largely responsible for that 'stupidity,' in that they put reformist notions into the heads of the workers and fail to make a clear-cut distinction between capital (in its fascist form) and communism, and that these latter are not the result of capital's own initiatives, but of the workers themselves. The reformist parties (regardless of their revolutionary phrases or intentions) are in fact ideological and propagandistic. They are not the true revolutionary tendency, which sees in the proletariat itself the one truly revolutionary force in contemporary society.

These two opposed tendencies in the labor movement imply, of course, differences in theoretical base, involving questions not merely of psychology but of philosophy and economics. The reformist position is essentially opportunistic and undialectical. It is accordingly supported by momentary successes, however won and with the aid of whatever elements, without regard for ulterior effects on the revolution movement and the form of society resulting from it. It fails to see in the capitalist relations themselves and in the antagonism of production (in particular, the growth of the proletariat) the circumstances which makes the eventual triumph of communism inevitable, however long that triumph may be postponed by fascism and other varieties of reformism. On the other hand, the truly revolutionary tendency, which sees in the proletariat itself the antithesis engendered by capitalism, and in communism the synthesis resulting from this antagonism, is not concerned with catering to the petty-bourgeoisie but with developing the strength and the consciousness and the self-confidence of the workers, so that these latter will be capable of leading the petty-bourgeoisie instead of being led by it. In other words, as Mattick makes plain in the concluding sections of his work, it is not so much a question of arriving at a form of political parties, whatever they may be called socialists themselves. What wonder, then, that the workers turn to fascism—a form of 'socialism' which can be introduced by the simple process of voting, without the necessity of a revolution with all its unpleasant connotations. Thus when the members of the reformist, petty-bourgeois parties—a term which includes even the self-styled revolutionary political parties—proach the workers with being stupid, they fail to consider that these parties themselves are largely responsible for that 'stupidity,' in that they put reformist notions into the heads of the workers and fail to make a clear-cut distinction between capital (in its fascist form) and communism, and that these latter are not the result of capital's own initiatives, but of the workers themselves.

sense worthy of such a critique. Mattick and Hook are, of course, in agreement on many specific points (omitted as obvious in the present pamphlet), and their differences are sometimes more a matter of emphasis than of fundamental opposition. But Hook, in common with all the other people who have tried to "make sense of Marx" has, we think Mattick clearly shows, merely succeeded in reducing what is essentially science to the common-sense level of understanding and not only abandoned Marxism himself but made it all the easier for liberals and 'nice people' generally to feel that they were perfectly justified in never concerning themselves with the matter or never taking it seriously if they did. Mattick reveals that Marx is more modern than all his critics, whether of the pseudo-scientific radical camp like Max Eastman, or of the purely liberal type like Stuart Chase. Marx is not only the symbol of revolution, which is the only present alternative to world-wide fascism; he is also the man who has provided the most profound understanding of capitalist society, and that insight into economic laws and the movement of social classes which is the only sure guide to pursuing a really radical course of action under capitalism in its stage of decline. And Mattick, in spite or because of his comparative youth, has brought into Marxist theory and the political labor movement a freshness of insight and depth of understanding gained in the course of years of experience here and abroad and hitherto lacking in this country.

NOTICE

The February issue of Council Correspondence will feature an article by Kristen Svanum on "Daniel De Leon". There will be a brilliant article on "Revolutionary Marxism," as well as other very interesting material.--Be sure to get a copy.

We have some back numbers of Council Correspondence which you can get by sending in to the United Workers' Party:

C.C. #2 - featuring article on Henryk Grossmann's interpretation of Marx's Theory of Capitalist Accumulation.

C.C. #3 - featuring the "Thesis on Bolshevism" by the group of International Communists of Holland.

C.C. #4 - containing a splendid article on "planned Economy" and a critique by Karl Korsch on the American Workers' Party program.

"WHAT NEXT FOR THE AMERICAN WORKER?" - A popular pamphlet dealing with the present American conditions and outlining a perspective of the future. - Single copy 10¢ - Order from: United Workers' Party 1004 N. California Ave. Chicago, Ill.
sense worthy of such a critique. Mattick and Hook are, of course, in agreement on many specific points (omitted as obvious in the present pamphlet), and their differences are sometimes more a matter of emphasis than of fundamental opposition. But Hook, in common with all the other people who have tried to "make sense of Marx" has, we think Mattick clearly shows, merely succeeded in reducing what is essentially science to the 'common-sense' level of understanding and not only abandoned Marxism himself but made it all the easier for liberals and 'nice people' generally to feel that they were perfectly justified in never concerning themselves with the matter or never taking it seriously if they did. Mattick reveals that Marx is more modern than all his critics, whether of the pseudo-scientific radical camp like Max Eastman, or of the purely liberal type like Stuart Chase. Marx is not only the symbol of revolution, which is the only present alternative to world-wide fascism; he is also the man who has provided the most profound understanding of capitalist society, and that insight into economic laws and the movement of social classes which is the only sure guide to pursuing a really radical course of action under capitalism in its stage of decline. And Mattick, in spite or because of his comparative youth, has brought into marxist theory and the political labor movement a freshness of insight and depth of understanding gained in the course of years of experience here and abroad and hitherto lacking in this country.

NOTICE

The February issue of Council Correspondence will feature an article by Kristen Svanum on "Daniel De Leon". There will be a brilliant article on "Revolutionary Marxism", as well as other very interesting material. Be sure to get a copy.

Buck Numbers of Council Correspondence.

We have some back numbers of Council Correspondence which you can get by sending in to the United Workers' Party:

C.C.#2 - featuring article on Henryk Grossmann's Interpretation of Marx's Theory of Capitalist Accumulation.

C.C.#3 - featuring the "Thesis on Bolshevism" by the group of International Communists of Holland.

C.C.#4 - containing a splendid article on "planned Economy" and a critique by Karl Korsch of the American Workers' Party program.

* "WHAT NEXT FOR THE AMERICAN WORKER?" *
A popular pamphlet dealing with the present American conditions and outlining a perspective of the future. * Single copy 10c - Order from: United Workers' Party 1004 N. California Ave. Chicago, Ill. *
There has of late been a tendency by intellectuals who during the present crisis have discovered the revolutionary movement to join with the Socialist Labor Party in its cult of Daniel De Leon. While these intellectuals remain very skeptical towards the S.L.P. they wax quite lyrical about the revolutionary abilities and potency of De Leon even going so far as to name him an American Marx or Lenin. This is quite unjust to the S.L.P. that has ceased to be a factor in the revolutionary movement due to its devotion and loyalty to the theories and personality of De Leon. Such injustice is, of course, a matter of small importance but a distortion of revolutionary theory making a Marx or Lenin out of such shabby material as De Leon is much more serious; not because De Leon’s importance in American revolutionary tradition is heavy enough to allow a reinterpretation of his theories and activity to have any influence on the class struggle, but because it is an index of the confusion existing in revolutionary theory, and if not countered by a correct analysis is a contributory cause towards making confusion twice confounded.

Frederich Engels’ conception of De Leon must have been quite different. When Lucien Sanial and De Leon visited him in England, his sole comment to a friend in the United States was, “they did not impress me much.”

The alleged greatness of De Leon is usually based on his conception of industrial unionism and his uncompromising stand against any reformist compromise. It is unfortunate for the former premise that the refusal of the credentials committee to seat him at the 1908 convention of the I.W.W. was due to the fact that he was a member of, and a delegate from, a craft local (the clerical workers) and had consistently refused to transfer to an industrial union local in spite of the insistence of the General Executive Board of the I.W.W. that he do so. During the discussion of the credentials committee’s report, in which De Leon was permitted to participate, it was brought out by
De Leon himself that this was to him not just a question of expediency - preference for representing a numerically stronger local - but of principle, i.e. that according to De Leon the organization of industrial unions should commence with the organization of craft locals.

This attitude of De Leon amounted, in practice, to demanding that the I.W.W. retrace the steps of the A.F. of L. before starting out on its own proper career, and was the decisive factor swinging many of De Leon's former supporters against him. As Tom Power, a delegate from New England, put it: "No one but De Leon himself could convince me that De Leon does not understand industrial unionism, - but he has done it."

The idea prevalent that it was the political action clause that was the issue of this convention is merely a deduction from the fact that after the withdrawal of the De Leon supporters from the convention, the political clause was struck from the I.W.W. preamble; but this was merely a result of the anti-political faction being in control after the withdrawal of the De Leonites, not the cause of this withdrawal.

De Leon's second claim to revolutionary fame is even more shaky; to examine it, it is necessary to go back to the time of his entrance in the S.L.P., and the discussion then raging on the "who pays the taxes" question. In this question, De Leon and his supporters held that the workers do not pay any taxes. This stand was superficially considered more revolutionary. When the opposing faction contended that the question of taxes should furnish one of the main planks in the platform, De Leon and his supporters held that this must agree with De Leon that this was only a red herring to draw the workers off the revolutionary trail; but, when examining the grounds on which the De Leonites took this stand, the question then assumes a sinister significance.

De Leon's argument was that under capitalism wages are determined by the law of value of labor power. The workers are therefore unable to improve their conditions under capitalism, and vice versa the capitalists are unable to cut their wages, the law of value overriding all such subjective notions. From a theoretical point of view, this is changing the Marxist conception of the class struggle into a conception of capitalist production as ruled by "iron immutable" laws. De Leon's opponents considered such a conception not only empiricizing the human element in the class struggle, but even making them into a counter-revolutionary factor, reducing the human element in the class struggle to nothing; reducing social science to the same elements as natural science. In practice, it means the cessation of all struggle except the struggle with immediate revolutionary results. This degrades the revolution to the level of a miracle; for if the wage level can be decided by factors outside the determination of capitalists and workers both, then the struggles, whether defensive or offensive, about wages, hours, etc., must be just that much waste of effort.

Incredible as this may seem, this was the attitude of De Leon; and this is the attitude of the S.L.P. today. The position, briefly stated, is this: nothing short of a revolution can, of course, not be carried through with perfect consistency; but the S.L.P. came very close to this "ideal". On the whole, S.L.P. candidates have honestly set forth at elections that, if elected, they could accomplish nothing; so, too, the W.I.U. organizers hold that unions can accomplish nothing for the workers. The result has, of course, been that there has been very little response from the mass of the working class. Only those very susceptible to revolutionary propaganda can respond to a message as severely academic as this. The only measure of success that the S.L.P. has been able to gain has therefore been to isolate within its ranks a small number of people highly susceptible to revolutionary propaganda, and thereby to restrain them from actively participating in any mass struggle.

Corresponding to these theoretical and strategical shortcomings is an equal deficiency in tactical principle. De Leon's opposition to the anti-political faction with the I.W.W. was not an opposition to opportunism and compromise, but against the "advocates of physical force". To his notion, political (read parliamentary) action plus industrial unionism made any actual physical struggle unnecessary. The class struggle could, therefore be carried on "on the civilized plane" with peaceful electioneering, organization and propaganda work. De Leon's tactical principle therefore became an extreme of formalism and pacifism, and anyone failing to worship these fetiches were simply branded as "enemies of the working class" and agents provocateurs.

The functions of a revolutionist joining the S.L.P. and adhering strictly to the principles were limited to a narrow sort of propaganda with no practical participation in the daily working struggles of the workers, may even disdaining these struggles and deprecating the necessary outbursts of violence of an offensive or defensive character incidental to them. The theoretical, strategic and tactical principles advocated by De Leon thus made revolutionists coming under their influence not only abstain from participation in the actual class struggle, but even made them into a counter-revolutionary force trying to canalize the spontaneous struggles of the workers into sterile channels.

The functions of a revolutionary movement is, of course, extremely limited. It does not furnish the motive power of a revolution but only gives direction to it, and this even within narrow limits. The working class would, even if no revolutionary movement existed, arise against the oppressive conditions that the capitalist system imposes on it. Political subjugation of the daily struggle such revolts would be empirical, tentative, blundering. The revolutionary
movement furnishes not only a record of such revolts, but, by analysis, establishes not only a connection between them by linking them historically to the past and discerning the relationships between the apparently disconnected struggles of the present, but more importantly, points towards which the struggle is leading. For the revolutionary movement is thus the central sensory and reasoning apparatus of the working class. And as it is impossible for a man to add an ounce of power to his bodily strength by the use of his mind and senses, so is it likewise impossible for the revolutionary movement to increase the revolutionary force of the working class. But a well-trained mind and perfect coordination of nerve and muscle cannot only utilize the muscular power of a man to ever better advantage, it can even, over a period of time, by suitable training increase bodily strength until tasks hitherto impossible can be conquered. It is likewise impossible for the revolutionary movement to accomplish any immediate increase in the revolutionary force of the working class. What is can do is to lead it into the most useful channels and thereby increase its effectiveness; to change it from a blind, instinctive, spontaneous, into a conscious, reasoned, deliberate struggle, not only for immediate redress of grievances but showing a path to the final aim - the rule of the working class as a transition to a classless society. Under such direction the revolutionary force of the working class would not only be better utilized, but would grow by continuous and rational exercise until it became adequate for its final aim.

De Leon's theory declared the actual class struggle senseless. His strategy would turn it into useless channels, his tactics would offer on the altar of legalism. De Leon never ceased to be a university professor in spirit; practical life had to be simplified into simple abstractions; the class struggle to be conducted within an academic, petty-bourgeois framework; and before all, no violence; let us be strictly legal. In his strategy he forgot that only one thing can make a revolution legal -- its success.

---------------

ANNOUNCEMENTS.

Back numbers of Council Correspondence can be had by sending in 15¢ in stamps for each copy wanted. We have a few copies of each issue except #1 and #2.

We will accept a limited number of six month subscriptions at 50¢. If you want the C.C. sent you by mail each month, send in your subscription now.

The Council Correspondence will accept for publication articles containing material which we consider should be brought to the attention of workers, by writers who are not members of the United Workers' Party. These articles are signed to denote that we do not necessarily endorse the views of the writer entirely. All material presented without signature is to be considered the collective work of Party members. We will at all times appreciate suggestions or criticism on the material contained in Council Correspondence.

- Editorial Committee -

- CAPITALISM'S CONSERVATION CORPS. -

What stamps the C.C.C. as the most unique experiment inaugurated by Franklin D. Roosevelt is the almost total lack of criticism both from capitalist political opponents, and even those self-professing "liberals" admitting a "socialistic" taint. For that very reason, the Civilian Conservation Corps demands close scrutiny. Obviously, any institution that immediately meets with the unqualified approval of ALL the rival capitalist groups; bodes no good for the Proletariat.

The C.C.C. was launched amidst the usual fanfare of idealistic catch-phrases. The boys were to be given an opportunity to do useful work in healthful surroundings; God's Own Country - no less; of greater importance to the members -- so they were gravely informed -- was the chance to regain that most precious of all possessions, their "morals".

Actually, of course, the Administration was moved by more practical motives. First, it was realized these youngsters, jobless and confronted with the ever-mounting misery prevailing in their homes, constituted a potential menace to Society (read: CAPITALIST Society). By draining off these, potentially, most militant elements into the C.C.C. that danger might be averted and the working class, as a whole, thereby weakened. Second, organizers and organizers of the training of the C.C.C. has been so conducted under Regular Army officers as to allow its conversion into a huge army at short notice. (Present 1935 plans call for an enrollment of over 1,000,000 men! Age limits are to be raised to 30 years, and married men are to be accepted.)

Against the second "alleged" motive the argument has been raised that because the members do not drill or engage in other warlike training the government cannot be accused of militarizing the C.C.C. By advancing this "argument", capitalist apologists either reveal their lying hypocritical role, or else betray an utter ignorance of modern warfare and military organization.

Modern industry requires hardly any specialized skill from the laborer, who today merely acts as an adjunct to the machine. Likewise, with modern warfare, one of Capitalism's greatest industries. Here, too, great development in the mechanization and efficacy of weapons has resulted in a lessened demand for specialized skill on the part of the modern soldier. The deadly accuracy of the machine gun has destroyed the old deep, scattered formation. With the outwitting of this form of organization went the necessity for extensive drilling en masse. Today, soldiers fight in a loose, scattered formation in bodies of about 200 - 250 men under the command of a captain and several lieutenants. Sufficiently enough, this is the identical form of organization of the C.C.C. camps! Each camp holds from 200 - 250 men under the command of a commissioned army captain and two lieutenants. In the regular army, there are non-commissioned officers (corresponding to sergeants and corporals) chosen from the ranks of the C.C.C. seemingly, to judge by report, on the basis of physical brutality and blind obedience in carrying out orders. These
"straw bosses" known as leaders and assistant leaders receive more than the usual $30 per month, - $45. and $36. per month respectively. It is evident then, that providing the men are thoroly disciplined and unquestioningly obedient, they can be quickly taught to military fashion with machine guns, skill in using them can be learned in a few hours, would turn the C.C.C. into a first-class army capable of engaging in regular warfare, or, what is more likely in the minds of Roosevelt and his counsellors, capable of combating a militant working-class!

Only if this basis can the peculiar ideological training the boys have been subjected to, be explained. This explanation, too, furnishes the rational key to the extreme brutality with which, even, have been subjected to, be explained. Both mentally and physically the men are being prepared for the role they are to play.

A thorough "head-fixing" department has been set up in every camp under the guidance of an "educational advisor" The real purpose was blurted out by a naive educational advisor, who, writing in the New York Times (6-3-'34) said: "This lecturing stuff is out! A regular "bull" session will be started on government affairs, national news, and economics." Evidently a form of the Catholic confessional is being introduced into the camps. Any luckless Corps member who unwittingly reveals a lack of faith in the "New Deal" is in for severely rough treatment. In D. Roosevelt, the United States and Capitalism, will be quickly shown his error.

This touching solicitude for what C.C.C. members read and think was demonstrated still further in the banning of the pamphlet "YOU and MACHINES", written expressly for the C.C.C. by Prof. Wm. F. Ogburn of Chicago University. Rbst. Fechner in banning the booklet explained that it was not suited for its audience, and that it was just a bit too gloomy, painting too pessimistic picture of our technological future for the laborer. What Fechner actually objected to were certain stray remarks of Prof. Ogburn's that were REVOLUTIONARY in their implication.

Quoting from the pamphlet: "Machines are forcing our institutions to change, but always they lag behind... We can't bring back the good old days...Passing laws will never do it...If they want to stop the change, they will have to break up the machine, or, better still, poison all inventors...They (Youth) must learn to adjust themselves to the machine..."

Again: "It is generally believed that not more than one person out of every seven persons unemployed in 1933, perhaps not even 1 in 10 had his job taken away by a machine."

What is Prof. Ogburn sketching in the above statement, if not the Materialist Conception of History? True, in a distorted and almost unrecognizable form. But, does he not show the futility of patching Capitalism by means of the New Deal in stating: "Passing laws will never do it". (i.e. "bring back the good old days..."). Furthermore, isn't this an expression of the necessity of REVOLUTION for the progressive development of the machine (productive apparatus) of the society? No wonder Rbst. Fechner banned the pamphlet! No dangerous ideas were going to be put into the minds of C.C.C. if he could help it! Fechner, a vice-president of the A.F. of L. International Association of Machinists, has been preaching "harmony" between Labor and Capital all his life. To him, capitalist society is eternal and the best of all societies. It HAS been good to him. The job as head of the C.C.C. was his reward for the fine work he performed during the World War "conciliating" Labor to capitalist oppression.

Humorously enough, Dr. Percy Bidwell, editor of the booklet, in defending it, said the author was "a pillar of society" and a man of "tremendous reputation". To no avail, however. Fechner, acting as censor for capitalist society, had to ban the pamphlet even though written by "a pillar of that society."

The administration cannot relax its regime of iron discipline and unquestioning obedience, for that would spell failure in their attempt to build up a large army. On the other hand, members of the C.C.C., not aware that they are actually being moulded into an army, are rebelling against the seemingly unnecessary and excessive discipline, that certainly is out of all proportion to the type of work they have been doing: building roads, planting trees, digging and then filling those same holes, etc. As a result of this contradiction, the spirit of discontent is steadily growing and is manifesting itself increasingly in spontaneous outbreaks.

Secretary Dern of the War Department in summing up the achievements of the first year of the C.C.C. (4-16-'34) said: "No group of men understands Youth better or holds it in greater affection than does the commissioned personnel of the army."

Now the commissioned personnel practically display their "great affection" was demonstrated three months later (7-10-'34) by Lieutenant Getlin at an Oklahoma C.C.C. camp. The Lieutenant, in an exuberance of affection, "attempted to control recruits who were reported to have been drinking" by firing once at a group, slightly wounding a private dpc Cullough. This individual, not aware of Secretary Dern's report, evidently mistook the Lieutenant's affectionate action and is alleged to have returned the fire, killing him.

As time went on, the reaction to the restrictions and discipline, which in the beginning manifested itself in sporadic and individualistic acts of protest, took on a MASS character, expressing itself in SPONTANEOUS action on the part of WHOLE camps!

Thus, on Nov. 7, 1934, 250 C.C.C. workers (an entire camp) being sent South from their Maine camp to Virginia and Maryland camps, rebelled against this arbitrary, wholesale transfer. They rose in a mass, badly beat up their officers and then locked them in baggage cars! The government then promptly showed that action on the part of workers was, however slight, in this period of the Permanent Crisis, the decline of capitalism, will not be tolerated and will meet with the same reception as the action of class-conscious workers in open revolt! In this particular case, 150 policemen were called to the yards and eagerly beat up the boys. Had the police failed, the government stood ready to call upon regular troops.

This is even more strikingly shown two months later (1-8-'35) when...
the entire camp at South Mountain Reservation, Orange, N.J. gathered before the camp commandant, Captain Tobin, and served notice through a demonstration and appointed a grievance committee. The good Captain called upon Park Police to escort the "mutineers" from the reservation, although the boys went peacefully, they were threatened with tear-gas and clubbings from the police. Near Orange, N.J. the 125 workers held a demonstration and appointed a grievance committee. To newspaper me this committee revealed that besides dissatisfaction with the 11 o'clock rule, the commissioned officers practiced discrimination, and that there was a refusal on the part of the officers to arbitrate (!) mistreatment. Evidently, the boys still took seriously the camp school, which was still the glorious "right" echelon of the workers by the New Deal. They were quickly disillusioned by their own teachers. Captain Tobin and several high ranking officers from the army appeared before the meeting near Orange, made stirring speeches about "duty to their government," etc. etc., and finally ordered the boys back to camp, refusing to meet with the committee. Hemmed in by police, threatened with military law, the boys finally gave in and returned to camp. Captain Tobin immediately issued a report to the papers stating: "Three or four communist agitators had inspired the youths, the situation is now under control". To give the lie to his own words, he immediately "dishonorably" discharged the 12 members of the grievances committee. A regular Catholic Inquisition was then instituted and every word was uncovered anddamaged. The boys turned and the following day, To show his contempt for the boys, the Captain moved up the bed time to 10 o'clock. To a complaint about food, he replied, "The food is the best to be had. I never had anything as good as this. Doesn't really believe he was unskilled on the workers' side. The New York Times (6-21-'34) carried an item revealing that 30 C.C.C. members and a Captain's wife and daughter had been stricken with poisonous poison at Lews, Del.

Major Morse, who investigated the affair for the government, in his report revealed the same "impartiality and thoroughness" that characterizes ALL "New Deal" investigations involving workers. Quoting: "We are not aware of the C.C.C. camps nor the C.C.C. camps. It is our desire to have you (the members of the camp) return to your homes better citizens." What touching sincerity!

Of great importance to workers in general is the first appearance in this affair of the COMMITTEE OF ACTION in embryo. True, it failed in this particular instance; but the fact remains that the C.C.C. workers have discovered that their problems are mass problems, and only as groups, and as members of the working class, can their problems be solved. And the form of organization most natural and best suited for this purpose is that which takes the form of the Committee of Action, the only form that cannot be smashed as long as there are workers alive! The only form that can understand their local problem and solve it in conscious action!

Our conclusion (which is almost superfluous) is that as the crisis deepens and the capitalist class forms more and more of the burden of the depression onto the shoulders of the working class, the C.C.C., an integral part of that class, will likewise suffer. Just as the workers will organize in committees of action to gain food, clothing, and shelter, so the C.C.C. will organize in similar groups to combat the ever-tightening bonds of discipline, the attempts on the part of an overweening but desperate capitalist class to force them to shoot down their own relatives fighting to live. And in this struggle which MUST culminate in the destruction of capitalist society, the necessity for the organization of the C.C.C. into collective bodies, the inception and development of a CLASSLESS society, the members of the C.C.C. will take their rightful places in the ranks of FREE and EQUAL PRODUCERS.

 Council Correspondence,

 Anyone unfamiliar with politics who strolls into a workers' meeting (leaving out of consideration the gatherings of the unemployed) is surprised by the fact that the larger part of those present is not to be numbered among the most impoverished strata of the proletariat. The best organized workers are, of course, those who belong to the so-called labor aristocracy, which takes a social position between the middle class and the genuine proletariat. These trade-unionsist organizations espouse the direct vital interests of their members, bringing to them immediate advantages; and yet they are neither able nor do they attempt to politicize their adherents in the socialistic sense. The radical labor movement, on the other hand, can provide immediate benefits only with ideas as its cornerstone. It offers them no direct material advantages. And this is precisely why it is incapable of embracing the truly impoverished part of the proletariat. This part, by reason of its very misery, is compelled to concern itself only with its pressing and direct interests if it is not to abandon life altogether. For this reason the political radical labor movement hovers between the two poles of the working population, namely, the labor aristocracy and the Lumpenproletariat, and is embodied by those elements which, though without illusions on the point that within the present society genuine possibilities of advance are barred to them, nevertheless still maintain a standard of living which permits them to devote money, time and energy to endeavors the fruit of which, in the form of real material advantages for themselves, is deferred to some uncertain future. They set themselves in opposition to the existing society from a recognition of the fact that it has to be changed and because, in spite of this position, it is possible for them to live in it.

 The activity of the radical labor movement in times which are not revolutionary is mainly directed to transforming the prevailing ideology. Agitation and propaganda demand material sacrifices; they bring no material advantages. The members of these organizations have time available; they wait for the masses to become revolutionized, even though they seek, meanwhile, to hasten the day of the overturn; they educate, discuss, philosophize. Those elements of the working class which flock to their standard but which, because of their circumstances, are not in a position to wait, are continuously replaced by other elements. With the inception and development of a CLASSLESS society, the members of the C.C.C. will take their rightful places in the ranks of FREE and EQUAL PRODUCERS.
poorer than they idealistically believe they are quite in order to power to possess. The fact that these advantages are of a merely temporary nature cannot disturb these elements, which of course are constantly in a state of living "from hand to mouth". To reproach them for having betrayed is merely to attribute to them the possibility of a conscience and of a set of convictions, -- a luxury which, however, their determinate mode of life precludes. They act on the strength of their most proximate interests, as, for that matter, the mass of workers in general later accepts the fascist movement, passively or actively, in order not to injure themselves. As to who first and who later goes over to the class enemy, that depends on the degree of impoverishment. Apart from this factor, the investigation of class scientists in almost all countries have proved that the decline in revolutionary tendencies is bound up with the impoverishment of the masses. Their conclusions are based exclusively, however, on the last few years and hence can no longer indicate that impoverishment is at first bound up with the regression in revolutionary tendencies.

II.

The concept of Lumpenproletariat is by no means strictly delimited. Thus the communist groups to the left of the official parliamentary and trade-unionist labor movement have given such broad bounds to the concept that "Lumpenproletariat", become a term of abuse, is made to cover all those elements which, in virtue of their class situation, would naturally be counted among the proletariat but which perform a role of service or other function for the ruling class. In this conception the lumpenproletarian element is made up not so much of the "scum of humanity" as of the so-called flower or top, i.e. of the governing bureaucracy of the labor movement. In this extension of the concept the scab becomes the "tyrant" who betrays immediacy left out of consideration the fact that the betrayal is more the product of the whole historical development than of the individual self-interest of corrupted leaders. From the whole the labor movement includes under the term Lumpenproletariat, the many pillars of present society who are thrown into the struggle directly in opposition to the workers, as, for example, the policemen, provoicateurs, spies, etc. To the reformist "labor movement" striving for power within the existing society, however, these elements forthwith lose their lumpenproletarian character as soon as the reformist bureaucracy is given a share in the government. The policemen then become the "brothers in uniform", the spies turn into worthy citizens who protect the country from threatening anarchy, and the strikebreakers become the "technical emergency workers." A change of government suffices to take away from these elements the stigma of "Lumpenproletariat".

The bounds of the existing or of any other antagonistic society cannot, however, be properly grasped in the concept of Lumpenproletariat, since they are quite necessary to the social practice. This is not quite true of the strikebreakers; but even they are logically excluded, since, to use an expression of Jack London's, "with rare exceptions" they themselves are in the working class. As a matter of fact, the scab can be reproached only from the standpoint of a
social order not yet in existence. Today they act in complete accord with the social practice, which, however, much it has socialized production, nevertheless permits no other rule of conduct than private interest. The scab has not yet realized, nor sufficiently experience in practice, that it is precisely his individuality which is made to impose upon him collective action. He is not yet sufficiently disillusioned by the fruitlessness of the efforts directed to making his way on the basis of the existing society. He hopes to secure himself advantages from better fitting into the practice of society, and it is only through the nothingness of his endeavors that he can be convinced that in reality he stands estranged from that society, however much he has strived to do justice to it. However much the workers are forced to oppose the scabs, these latter cannot be denoted as Lumpenproletarians.

Since the capitalistic relations of production serve to advance the general human development during a certain historical period, these working-class "pillars of society", however parasitical and hostile they may be to the workers, must nevertheless themselves be recognized as productive elements. If the productive capacity of society was driven forward at a dizzying tempo by the market and competitive relationship, then the means for the safe-guarding and promotion of this relationship must likewise be understood as productive elements. The means can be properly opposed only by one who stands opposed to the society itself. The function of both groups of the proletariat, the directly productive as well as the indirectly productive, which ensures the safety of society, are different only in manner; in principle, they serve the same purpose. The overthrow of existing society would show at once that the concept of Lumpenproletarians is applicable only to those outcasts of society who are taken over by the new society as the successor of the old; the shiftless and criminal elements which, though a product of present society and constantly denied and frequently employed by it, must also be combated by the new society. These are nothing other than what is regarded as the scum of humanity: the beggars, tramps, bootleggers, prostitutes, pimps, floats, drunkards, thieves, swindlers, etc.

At the time when unemployment could still be denied as a regular social condition, since the temporary booms concealed the fact that it is inseparably bound up with the present system, a large part of bourgeoise criminology came to regard all criminal activities and proclivities within the lower strata of the population as having their roots primarily in shiftlessness. This attitude was nourished even in working-class circles, and the organized worker with a fairly regular income looked with no slight contempt upon the shiftless samable of the large cities and highways. The source of this shiftlessness, in cases where the word could really serve as an explanation, was quite a matter of unconcern to the judges. The socialist movement, to be sure, made existing society responsible for it; and yet when capitalism had occasion precisely to combat the tendency, they also merely resolved for the bourgeois criminal code development of capitalism; it is necessary to the present system of productive functions to keep wages and work conditions on the level corresponding to the demands of a profitable economy. Even though unemployment alone does not explain capitalism's mastery over the workers, it yet explains the greater success of that mastery. As a result of the beneficial effect of the various enterprises, the very existence of that army has its basis in the economic laws which determine the movements of capitalist society. The tendency of capital accumulation, producing superfluous capital on the one hand and excess population on the other, has become a very painful reality which is no longer deniable. So it comes to be admitted, however reluctantly, that unemployment can never more be entirely eliminated, and efforts are devoted less to setting it aside than to lessening the dangers which it involves for society. Hence also the vigorous discussions concerning reform of the penal system, discussions which only mirror the changes occurring on the labor market. Thus even H.L. Mencken, in a recent number of Liberty, raised the demand for Chinese punishments in vogue during the Middle Ages, since the prisons have ceased to be means of frightening, and the gratuitous labor power of the prisoners can no longer be used. The increased misery resulting from unemployment and the resultant increased cruelties disposes the fear of punishment, since life in jail is not much worse than existence on the outside. The criminal elements are multiplying; a fact which compels to the further brutalization of punishment, the impossibility of the conditions prevailing in the prisons. "When we get down to the poorest and most oppressed of our population," says Bernard Shaw, "we find the condition of their life so wretched that it would be impossible to conduct a prison humanely without a prison. We can imagine a system of prisons which produces civilization, as proved by statistics, which show that the majority of those previously convicted repeatedly find their way back into the jails. Yet this animalization of human beings, a phenomenon bound up with the development of capitalist society and which finds its most pronounced expression in the growth of the Lumpenproletariat, arises not only from the unemployment and the mass impoverishment by which it is accompanied. The accumulation of wealth at the one pole is not only, to use an expression of Marx's, the accumulation of misery, but also of drudgery, slavery, ignorance, brutality, and moral degeneration at the other pole. Under capitalistic working conditions labor becomes forced labor pure and simple, however "free"; the workers may be in other respects. Even outside the labor process, the worker does not belong to himself; he merely recuperates his labor power for the next day. He lives in freedom merely in order to remain in condition to work. The worker becomes an alienated thing, suspended in his own activity, he has no voluntary relations of any sort to his work. He himself is only a thing, an appendage of the productive mechanism. To expect these workers, under such conditions, to take pleasure in their work.
is out of the question. They have to endeavor to get away from it in order to assert themselves as human beings. Such a state of things must, in the long run, animalize them.

With external power, with force and compulsion alone, it is impossible to dispose of the Lumpenproletariat or to bring about a diminution in its numbers. The question is one of what is to be done in human beings the psychic readiness to take their place in society and its definite mode of life; and this becomes increasingly impossible. The lack of social conscience and of social adaptability on the part of criminals is susceptible of other explanations in addition to that of "shiftlessness." Of course there are a great number of lopsided theories by which mental and bodily defects are advanced as the essential reasons for the criminal actions of human beings. It is undeniable that biological psychological factors must be taken into consideration if criminal propensities are to be really understood. It nevertheless remains obvious that the theory which has the most to offer by way of enlightenment on this subject is the economic-social-political one. The biological and psychological factors associated in determining the conscious and unconscious actions of human beings in class to which they belong. In a society which grants the highest measure of recognition to the rich and propitious, the narcistic impulse of the lumpen-Proletariat (as has been shown by the ready surrender in the case of Erich Fromm), must lead to an enormous intensification of the desire for possession. And if, on the basis of society, those propensities cannot be satisfied along "normal" paths, they must seek their fulfillment in crime. Even if crime is rationalized, it is still a criminality that is, at root, purely and simply a manifestation of the workers' attitude, which is further strengthened by the poor and continually deteriorating conditions of human beings as it is to do the same for the criminals, since otherwise the compulsion to labor would lose some of its sharpness and the workers' power of resistance in the wage struggle would become understandable from the consideration of the whole social process; and even the others are partially determined, if not directly, yet indirectly by the social and political situation. Hence also they can be changed or set aside only through changing the society in which they occur.

There is no better concrete proof of the importance of the economic factor for explaining crime than the fact that it greatly increases in times of economic crisis. As a consequence of depressions, the mentally and corporeally weakest of the poor are hurled onto the road of criminality; frequently, in fact, no other possibility is left open to them. How clearly the socio-political factor is here revealed as the essential one when we consider the fact, for example, that the sexual transgressions of children in families of the unemployed are much more numerous than in families whose economic life is more normal. How can any one attempt to explain the decline of the family-in American society? Is it another factor in the increase of criminality—on a biological and psychological basis? How the fact of the rapid increase in prostitution during the crisis? Investigations reveal that the increase of criminality is in the United States revealed that the greater percentage of convicts came from the city slums and from families which lived from hand to mouth. The majoritty of crimes are those committed against property, the investigations further revealed, and the majorirty of criminals are of

"normal intelligence." The youthful tramps, who today are roaming planless and goalless through the States and populating the highways and the railroad trains, are the result of depression for the Lumpenproletariat. No opportunities knock to them; they are embittered, and resolved to provide themselves with the fullness of life by all the ways, i.e. the criminal ways, which still remain open to them. These ways, which are new and unprecedented, are not the respectable heroes of present society, but the Dillinger Kind. While Jack London could once characterize the tramp as a discouraging worker, most of these youngsters have never yet worked at all. They are formed before having begun; and the longer they remain without a job, the more they lose the capacity ever to fit themselves into the social rhythms of life.

"it is better for society", as William Petty already realized, "to burn the work of a thousand people than to let these thousand people lose their working capacity through idleness." But it is not only from the standpoint of profit, but also from that of social security, that the present system bites into its own flesh when it robs the workers, ever though against its will, of the possibility of keeping themselves occupied. It is only through the sale of their labor power that the workers can remain alive as workers. Their whole life depends on the fickle movements of the labor market. To get away from the compulsion and chance of the market is possible only in case they evade the workers lot itself. To him who fails to make the leap into the middle class—a possibility which was always very exceptional and which is to-day is already precluded—the only remaining way out is into the Lumpenproletariat. This "way out" is sought voluntarily by the workers, but for an ever growing element of the unemployed it becomes unavoidable. Since it is quite as much out of the workers' hands as anything else, the unemployed, as long as they remain unemployed, are not the respectable heroes of present society, but the Dillinger Kind. While Jack London could once characterize the tramp as a discouraging worker, most of these youngsters have never yet worked at all. They are formed before having begun; and the longer they remain without a job, the more they lose the capacity ever to fit themselves into the social rhythms of life.

Anyone who has been debarred from the labor process for some time loses also the capacity and the possibility of ever working again. Consider, for example, one who has been unemployed three or four years; it becomes extremely difficult for him not merely psychologically and corporeally to take his place once more in industrial life, but has become impossible for him in many occupations merely by reason of the rapidly progressing rationalization; he is unable to meet the increased demands, especially across the great wave of new technology. For this reason employers almost universally refuse to take back workers who have undergone years of unemployment. Toward such workers they have a very skeptical attitude, which is further strengthened by the poor and dilapidated appearance. As a result of the increase of criminality, of the unemployment, and which to-day is already precluded—the only remaining way out is into the Lumpenproletariat. This "way out" is sought voluntarily only in exceptional cases, but for an ever growing element of the unemployed it becomes unavoidable. Since it is quite as much out of the workers' hands as anything else, the unemployed, as long as they remain unemployed, are not the respectable heroes of present society, but the Dillinger Kind. While Jack London could once characterize the tramp as a discouraging worker, most of these youngsters have never yet worked at all. They are formed before having begun; and the longer they remain without a job, the more they lose the capacity ever to fit themselves into the social rhythms of life.

There is no better concrete proof of the importance of the economic factor for explaining crime than the fact that it greatly increases in times of economic crisis. As a consequence of depressions, the mentally and corporeally weakest of the poor are hurled onto the road of criminality; frequently, in fact, no other possibility is left open to them. How clearly the socio-political factor is here revealed as the essential one when we consider the fact, for example, that the sexual transgressions of children in families of the unemployed are much more numerous than in families whose economic life is more normal. How can any one attempt to explain the decline of the family—in American society? Is it another factor in the increase of criminality—on a biological and psychological basis? How the fact of the rapid increase in prostitution during the crisis? Investigations revealed that the increase of criminality is in the United States revealed that the greater percentage of convicts came from the city slums and from families which lived from hand to mouth. The majoritty of crimes are those committed against property, the investigations further revealed, and the majoritty of criminals are of
able one to forget the senselessness of his own existence; or the 

If the impoverishment taking place among the masses in the course of 

the individual would in this case be capable of expressing itself in no 

that the lumpenproletariat is possible only as a minority lies also its tragic character. As a result of this minority situation there 

In countries at war, for example, where increasing scarcity of food, in spite 

remains to it, in fact, no other than the sponging or criminal form 

of activity. In countries at war, for example, where increasing scarcity 

activity. Insofar as the lumpenproletariat arises not only 

leaplike impetuousity. Insofar as the lumpenproletariat had to take 

situation which the impoverishment takes place by stages and with 

as a minority, even though an increasing one. Because society grows up too 

expansion, it is itself still condemned to remain for a long while a-

right to it, in fact, no other than the sponging or criminal form 

as a minority lies also its tragic character. As a result of this minority situation there 

uniform standard of living among the great masses of the population, 

a revolutionary situation is more likely to result than in times and 

situation in which the impoverishment takes place by stages and with 

indirectly but also directly from the existing relations, thepredom-

uniform standard of living among the great masses of the population, 

owing to which it is brought about. The lumpenproletariat had to take 

form because the impoverishment first arose simultaneously with the 

expansion of the economic system and because, with the close of this 

remains to it, in fact, no other than the sponging or criminal form 

of activity. In countries at war, for example, where increasing scarcity 

activity. Insofar as the lumpenproletariat arises not only 

leaplike impetuousity. Insofar as the lumpenproletariat had to take 

right to it, in fact, no other than the sponging or criminal form 

as a minority, even though an increasing one. Because society grows up too 

expansion, it is itself still condemned to remain for a long while a-

right to it, in fact, no other than the sponging or criminal form 

as a minority, even though an increasing one. Because society grows up too 

expansion, it is itself still condemned to remain for a long while a-

right to it, in fact, no other than the sponging or criminal form 

as a minority, even though an increasing one. Because society grows up too 

expansion, it is itself still condemned to remain for a long while a-

right to it, in fact, no other than the sponging or criminal form 

as a minority, even though an increasing one. Because society grows up too 

expansion, it is itself still condemned to remain for a long while a-

right to it, in fact, no other than the sponging or criminal form 

as a minority, even though an increasing one. Because society grows up too 

expansion, it is itself still condemned to remain for a long while a-

right to it, in fact, no other than the sponging or criminal form 

as a minority, even though an increasing one. Because society grows up too 

expansion, it is itself still condemned to remain for a long while a-

right to it, in fact, no other than the sponging or criminal form 

as a minority, even though an increasing one. Because society grows up too 

expansion, it is itself still condemned to remain for a long while a-

right to it, in fact, no other than the sponging or criminal form 

as a minority, even though an increasing one. Because society grows up too 

expansion, it is itself still condemned to remain for a long while a-

right to it, in fact, no other than the sponging or criminal form 

as a minority, even though an increasing one. Because society grows up too
The pressure of class interests upon government is aptly illustrated by Roosevelt's recent turn to the right in New Deal policies. The president came into office with a reputation for opportunism and vacillation. As a consequence, his cabinet is the most heterogeneous hodge-podge, running wild in contradictory and conflicting policies.

It was not personal astuteness that caused him, at the outset of NRA, to curry favor with the A.F. of L. and Manufacturing capital was terrorized by the fear of incipient revolution. They needed peace, industrial peace, in order to find their bearings, and NRA had proved unable to deliver. At first instance of trouble, San Francisco, and the textile strike were the high points of an unprecedented strike wave swept the country: Toledo, Minneapolis, the San Francisco strike was repudiated by him, and the socialist leaders of the Textile Workers' Union called off its strike before attaining its objective.

The organization work of the A.F. of L. was hampered by craft divisions. The NRA setup required vertical unions so that the workers, regimented in industrial units, could be effectively handled by the leaders and delivered to their masters. One prominent NRA executive resigned from his post because it was inconceivable to him to use a "craft" A.F. of L. and Gerald Slope of the General Electric voiced determined opposition to organizing his workers on a craft basis.

At its 1934 convention, the A.F. of L. decided to adopt "vertical" unions in some industries. That this was purely an opportunistic maneuver was plain, as Charles F. Howard, president of the International Typographical Union, who fathered the compromise proposition on vertical unions, is a bitter enemy of all progressive tendencies in the typographical union, which latter is one of many crafts subdividing the printing industry.

But all of these efforts were belated. It had become obvious to NRA chieftains that the A.F. of L., though reactionary enough, lacked the force to become the Fascist labor adjunct of our dying capitalism. The administration turned from it in the automobile controversy. The administration decided to continue the automobile code which admitted company unions and independent unions into the collective bargaining arrangements until June 16th. This turn of events shows no deviation by the national administration from its previous policy of regimenting workers in units that will serve the general fascization of American labor. It merely represents a shift from the A.F. of L. as the instrument of fascism, to the pure company union. It does not signify that the A.F. of L. leaders will initiate in any industrial movement instead of being the main factor.

Green and his cohorts will call no general strikes. They may bluster as they have done in the past, but there will be no action. The A.F. of L. has lost so much ground in the auto industry, as a result of its temperizing policy, that it couldn't call a strike if it would. There is no danger that the A.F. of L. leaders will initiate in any industry a strike movement that very likely would result in rank and file strength which would eventually overthrow the leadership.
ANNOUNCEMENTS

Pamphlets Published by
---*** UNITED WORKERS' PARTY ***---

WORLD-WIDE FASCISM or WORLD REVOLUTION?

"Traditions must be broken down to bring about unity between theory and practice. Revolution is only possible when this unity becomes an actuality. The purpose of this pamphlet is to help the revolutionary movement come closer to this situation." -- 10¢ per copy

ORDER FROM

UNITED WORKERS' PARTY
1604 N. CALIFORNIA AVE., CHICAGO

In the March Issue of:

THE MODERN MONTHLY
"Uncensored by Party, undoctored by Dogma"

** THE LEADING SYMPOSIUM OF THE YEAR **

WHY I AM NOT A MARXIST
George Santayana
Alexander Goldenweiser
H. G. Wells

WHY I AM A MARXIST
Harold J. Laski
Karl Korsch
Abram L. Harris

WHY I AM NEITHER
Havelock Ellis

25¢ per copy $2.50 yearly

SPECIAL OFFER: FIVE MONTHS FOR ONE DOLLAR *** SUBSCRIBE NOW:

The Modern Monthly,
50 Morton St., New York City.
Enclosed......for five months subscription, starting with the....issue.

NAME
ADDRESS
CITY....STATE

COUNCIL CORRESPONDENCE
ENGLISH EDITION

For Theory and Discussion

CONTENTS:

THE BASES OF JAPANESE IMPERIALISM.
By The Group of International Communists of Holland.
Translated from "RAETEKORRESPONDENZ".

WORKERS' COUNCILS AND COMMUNIST ORGANIZATION OF ECONOMY.

No. 7 APRIL, 1935 10 Cents

UNITED WORKERS' PARTY
ANNOUNCEMENTS

Pamphlets Published by
---*** UNITED WORKERS' PARTY ---***

WORLD-WIDE FASCISM or WORLD REVOLUTION?

"Traditions must be broken down to bring about unity between theory and practice. Revolution is only possible when this unity becomes an actuality. The purpose of this pamphlet is to help the revolutionary movement come closer to this situation." 10¢ per copy

WHAT NEXT FOR THE AMERICAN WORKER?

Dealing with the present day American conditions and outlining a perspective of the future. "Very interesting, easy to read and very original." - W.T. Los Angeles.

The best pamphlet I have encountered for the American worker. -Send me a bundle of ten" - F.W. Miami, Fla.

-- 10¢ per copy --

ORDER FROM

UNITED WORKERS' PARTY

1604 N. CALIFORNIA AVE., CHICAGO

In the March Issue of:

THE MODERN MONTHLY
"Uncensored by Party, undoctorred by Dogma"

THE LEADING SYMPOSIUM OF THE YEAR

WHY I AM NOT A MARXIST

George Santayana

WHY I AM A MARXIST

Harold J. Laski

Alexander Goldenweiser

Karl Korsch

H. G. Wells

Abram L. Harris

WHY I AM NEITHER

Havelock Ellis

25¢ per copy

25¢ per copy

$2.50 yearly

SPECIAL OFFER: FIVE MONTHS FOR ONE DOLLAR --- SUBSCRIBE NOW.

The Modern Monthly,
52 Morton St., New York City.

Enclosed......for five months subscription, starting with the....issue.

NAME..............................................................

ADDRESS..........................................................

CITY..............................................................STATE....

COUNCIL CORRESPONDENCE

ENGLISH EDITION

For Theory and Discussion

CONTENTS:

THE BASES OF JAPANESE IMPERIALISM.

By The Group of International Communists of Holland.

Translated from "RAETEKORRESPONDENZ".

WORKERS' COUNCILS AND COMMUNIST ORGANIZATION OF ECONOMY.

No. 7 APRIL, 1935 10 Cents

UNITED WORKERS' PARTY
A short while ago there appeared in Italy a brochure giving a resume of a large number of articles from the largest Japanese daily, "The Osaka Mainichi and the Tokio Nichi". In it we find the following:

"You Europeans, and especially you Englishmen, have made it nice for yourselves, following the great industrial development at the end of the preceding and beginning of the present century; you have raised the standard of living and have counted upon the world export-trade as upon an eternal right. The world does not, however, stand still, nor does it wait on you if you fail to keep pace with the times. We do not hesitate to affirm that the English and, in general, the European textile industry is being beaten every day by that of Japan, because you have forgotten that the whole basis of trade consists in selling at low prices. The purchasing power of most of the countries with which you do business is rather slight, and for that reason we maintain that the Japanese design of selling their commodities at the lowest prices--regarded from the general human point of view--is more beneficial than your tendency to stick to high prices.

"You Englishmen and Europeans think of your earnings and the high standard of living of your workers; we think of the necessity of finding work for our workers and of the vital need on the part of the millions of Asians, Africans, South Americans--our customers--who lead a more than modest existence. If Japan can sell these peoples a fabric at two cents a yard, why should they pay the Europeans four or six?"

These are the words of Japanese capital, grown power-conscious and engaged in defeating western capitalism with its own logic. With the same logic and the same humanitarian phrases, European capital once destroyed European handicraft; it also later seized the markets of backward countries and imposed its economic methods upon Asia. Today it raises against the force created by it the same wishy-washy phrases of an economically surpassed petty-bourgeois morality with which the expiring handicraftsmen sought to defend themselves against its competition. The newer and more efficient capital of the East, with self-conscious
brutality, declared war on European capitalism, its creator. And this declaration of war is clearer than all the utterances of the imperialistic warriors of the Japanese General Staff. In its spirit will Japanese capitalism not only fight; it will fight with that spirit the duped capitalism of Europe in the field of international economy.

The Technical Preconditions of Japanese Expansion.

The European bourgeoisie points bitterly and with fear to the "dumping" on the part of the Japanese exporters. With what justification remains to determine.

It must be emphasized, in the first place, that the question as to the strength of Japanese export is not answered with general phrases about dumping. That is to say, it is quite incontestable that Japanese capitalism has a technical equipment which is far superior to that of Europe. This holds, above all, of the textile industry. It is true that the cost of setting up a textile factory in Eastern Asia are four times as high as in England, but on the other hand, Japan practices a much more intensive utilization of her machinery. The highly modern Japanese textile machines regularly run in two shifts of 24 hours each, and at highest speed. A 10-year-old Japanese textile machine has worked an average of 62,000 hours, while a similar English machine has been put to use only an average of 24,000 hours. The average number of labor hours per week is reported (1932) as 100 for Japan, as against 40 in Europe.

The intensity of the machine labor hour in Japan is greater than in England. Thus a Japanese spindle turns out in 48 hours an average of 42 lbs. of thread No. 40; an English spindle only 36 lbs. Japan, with eight million spindles, attains almost the output of the English textile industry with 50 million spindles.

The tempo of labor rationalization is so high in Japan that in spite of the increasing productivity the number of workers has remained practically stationary at 4.8 millions the last ten years. While in 1929 10,000 spindles were looked after by 285 workers in the cotton industry, in 1933 the same number of spindles was left to 197 workers. In the same space of time, the output of a spinner increased by 35.6 percent.

The "currency dumping".

While the highly rational utilization of man and machine, together with the concentration upon a relatively few kinds of thread and fabrics, not only in the cotton but also in the wool and artificial silk industry, may put Japan in a position, even from this merely technical point of view, successfully to meet the European and American competition, still Japan has a further advantage in the controlled devaluation of her currency. This devaluation alone does not in the least explain the success of her export trade, and England has no right whatever to raise a howl on that score. For, in the first place, the devaluation of the English currency took place prior to that of the yen, and secondly, the yen was galvanized on the English pound in the hope that the Japanese example has further shown that a cheapening of currency has only a brief stimulating effect upon the economy, while Japan's success is a long-term affair. Her announcement of the possibility of a new devaluation experiment is evidence, at any rate, of the will to administer, if need be, a new shot of adrenalin to Japanese economy; an experiment which England would hardly venture to follow.

Japanese Wages.

One of the essential reasons for the low prices of Japanese exports is the Japanese wage. In Japan, the monthly wage for 729,000 female workers. The Bank of Japan has indicated as average monthly wage of male workers in the metal industry 59.21 yen; in the provisions industry 42.88 yen; in the chemical industry 41.93 yen; in the textile industry 35.05 yen; and for various other branches of industry 44.95 yen. The reported wages for women vary between 25.20 yen in the metal industry and 15.26 yen in the textile industry, and in no case do they amount to as much as 50 percent of the wages for men.

These data, which in themselves are quite unreliable, do not permit an exact comparison with wages in Europe. In the first place, according to an article by Oliver Lawrence in "The Listener" (London), beginning of March 1934, a considerable part of the wage is paid in kind. And secondly, a large number of the women workers, as in the textile industry, is barred according to law from any wage.

Standard of Living.

Japanese wages embody a different standard of living from that of the European workers. The city administration of Tokio has established a mean budget for workers, which comes to 54 yen per month. That is more than four times the average income of all categories of workers apart from those of the metal industry. It is not without reason that the Japanese statisticians have preferred to make the different computation of income on a family basis. In statistics on incomes and expenditures of 1000 households—statistics which after all are strongly biased—they arrive in this way at an average net workers' income of 77.97 yen per month, and give to understand that 4.69 yen of this amount is saved.

That is palpable, to say the least, when it is born in my mind that saving in Japan has to take the place of social insurance. For the lowest category of the households considered, which show an income of less than 50 yen, this computation itself is bound to establish a monthly deficit of 4.34 yen. A comparison between the Japanese wage index and the index of retail prices shows that the living conditions of the Japanese workers, in spite of increasing industrialization and mounting exports, is absolutely being worsened. From November 1931 to September 1933 the wage index fell from 89.7 to 84.7, while the retail index rose from 130 to 147.

The devaluation of the yen has had no influence, according to Japanese data, upon the workers' standard of living, since the prices to be paid for the necessities of life have not changed. A comparison of the wage and price index, however, says the opposite. It remains to be considered that the necessary foodstuffs for the Japanese workers are limited to rice, fish, tea and a bit of alcohol, and that the rice price in
Council Correspondence.

The “rice standard” of the Japanese workers cuts down the Japanese wage fund in a measure which is still unattainable to European capitalism, even with equal or even greater relative impoverishment of its workers. The great prevalence of woman and child labor, which makes the attainment of the existence minimum dependent on the labor of the whole family, presses the wage level far down in the scale.

In spite of high technical pretensions, the Japanese workers are intensively exploited in the highly rationalized production process. This becomes understandable as the Japanese capitalist is disposed to dispose of a reserve army capable of being enormously expanded. By reason of the great growth of population alone, some 200,000 workers are added to it each year. And on the other side there is the highly impoverished peasantry, which makes up the largest part of the Japanese population: an inexhaustible human reservoir.

This human reservoir lives in pre-capitalistic working and exploiting conditions. Since the Japanese bourgeoisie did not grow up in struggle with the feudal forces in the country districts, but arose through the division of the reigning feudal class, the feudal-agrarian subsoil of Japanese society has been widely maintained. The greatest families of the feudal nobility are at the same time those who carry on the concentrated Japanese industry and are the beneficiaries of a peasant exploitation which amounts practically to servitude. The feudal dependency of the Japanese peasants is concealed, as in large parts of China, behind rent-in-kind relations. It is customary for the peasant in Japan to turn over 50 percent of his crops as rent to the land owner. Since the highly modern industry and the half-feudal agriculture are bound up with each other in the closest possible manner, Japanese capitalism is a direct beneficiary of the feudal exploitation of the peasants. It pockets such extra profits as fall to imperialist capital from the sucking dry of the pre-capitalistic producers in other colonial regions, without being obliged to share with the feudal class and the other innumerable intermediary agents. Though the winnings of the Japanese entrepreneurs are in many cases fabulous (in the artificial silk industry, for example, it was possible to derive yearly profits of 75 percent as the rule), the disposal of Japanese capital is a considerable feudal income, which it is free to employ in the competitive struggle on the international plane.

In this respect, also, it is hardly permissible to speak of a genuine “social dumping”. Japanese capitalism merely makes use of its position, -a position attained by the means and methods which otherwise have been applied by imperialist capital to colonial territory.

For the Japanese workers, the old feudal relations have become a further fetter. On the one hand, the recruiting and engaging of workers goes on in half-feudal form. Agents of the great enterprises round up in the villages whole ship and train loads of labor volunteers to whom a cash payment is made. Then they have bound themselves to work for several years. This business is usually closed with the head of the family; which is to say that a mild form of trade in human beings has developed out of the patriarchal family relations.

Permanent Agrarian Crisis.

In Japan, as in general where similar conditions prevail, the position of the peasant grows worse at an extremely rapid rate, for in addition to the yoke of feudal exploitation there was laid upon them also that of capital. At the very beginning of the world economic crisis, in the train of a 20 percent wage cut and through the return of numerous discharged factory workers to the country, the discontent was manifested in strong agrarian uprisings. The partial boom occurring in 1931 failed to bring any satisfactory relief. The prices of important farm products such as rice, beans, tea and raw silk, “did not keep pace with the development of the economy” as the Japanese government itself had to admit. This development again became critical, and accordingly the Government, in the autumn of 1933, attempted to ease the agrarian situation, but without real success, through extensive purchases of rice. In June 1934 the Japanese agrarian association published alarming reports: it established that 10 to 15 percent of the peasants no longer had any rice supplies for their personal needs, and that the percentage of the famishing in the area of silkworm culture was still greater. It further became known that the peasants had broken open some of the Government’s rice houses and put these supplies into distribution. The Government is not in a position to remove the causes of the agrarian impoverishment. Any considerable increases in the price of rice would make it impossible to continue maintaining the peasant wage rates and, with them, the intensified attack on the rivals in the world market. Furthermore, the peasant impoverishment is not to be combated so much by raising prices for rice as through the setting aside of the loose slavery. And the ruling class of Japan is still not in a position to explain the source of its economic power. In view of this fact, there falls to the working peasants of Japan, who make up roughly 54 percent of the Japanese population, a special social significance. The question of beating down the ruling powers of Japan, as in Russia prior to 1917, is not alone a question of the workers’ struggle, but at the same time a peasant question. So long as the ruling class of Japan succeeds in maintaining the feudal-agrarian basis of the country, so long is it not only secured at home, but also enjoys a considerable advantage on the world market.

The Japanese State.

Through the close social and family ties uniting the feudal and the capitalistic powers, which are intertwined in closest manner with the State by reason of inherited religion and manners as well as by reason of their interference, the Japanese State has become an arena where the total political and economically. This is proved not only by the policy of
imperialist conquests in Eastern Asia, a policy which serves far-flung political and economic aims in the striving for power. This is proved also by the support which the State extends to Japanese exports. Though the State administration is under heavy strain as a result of the military budget, which in the preliminary estimate for 1934-35 occupies no less than 60 percent of all state expenditures, the State still has considerable means at its disposal for promoting exportation. In the first place, the Japanese shipping firms have adjustable freight rates. When by reason of the freight rate at a distant port the commodity is not competitive in the home market, the State will have to sell it less than at least five percent under the lowest competing prices, the freight rate is lowered or even, in certain circumstances, directly made inoperative. Any losses of the shipping firms, moreover, are covered by the State, and the soldier, in the technical sense, is a dumping price. This dumping is possible because Japanese industry operates with large earnings. The increasing expenditures of the State are raised, not by way of mounting taxes, but by way of increasing loans. Of more than 8.1 billion yen provided in the new budget, not less than 1 billion are raised through treasury notes, while the taxes still bring in less than 700 million yen. Japan's national debt amounts to 10 billions. It remains to be seen whether the Government will succeed in the long run in keeping up such a financing system, which would be ruinous to any other State, and on the other hand, in spite of all the tensities, succeed in maintaining, even by force, the equilibrium on the agrarian field.

To the methods of transportational dumping belong also those of an indirect state subvention to Japanese industry through state contracts. For armaments, railway constructions, etc., for which the State lets contracts paid by certain increases in question are enabled to set low prices on exports. As regards the silk and steel industry, this system has been officially admitted.

On investigating the character of these methods of export subvention through the policy of adjusting transportation costs and through the over-valuation of army and state contracts, one arrives at the following basic fact: Japan's export power is due to her extraordinarily high capitalist concentration, which is explained by the very manner in which Japanese industrialism arose. A great number of enterprises was founded by the State, and then, when they had become profitable, turned, without the capital, and without the State having any real possession of the military nobility. Five family concerns, in the hands of the old military nobility, have under them approximately 75 percent of all Japanese industry. This industry, furthermore, is organically linked with the present Japanese army in the possession of the military nobility, have under them approximately 75 percent of all Japanese industry. This industry, furthermore, is organically linked with the present Japanese army, with the employment of the whole export system is organized by the State, not only the export, the quantity and the quality of the export products established from a political and economic standpoint. This has everywhere been the case. In consequence, the Japanese export market and the conducting of the flow of exports itself is centralized and organized. Japanese capitalism has been incomparably more successful than that of any other country in taking hold, as organized

---

WORKERS' COUNCILS AND COMMUNIST ORGANIZATION OF ECONOMY.

We have received the following theses from Prague, as reported by "Neue Front" No. 20. They are issued under the title "Revolutionary Marxism and Socialist Revolution" by a group of revolutionary Marxists who organically belong to the German Social Democracy. Their conception of the way that leads to socialism is here expressed. Our criticism follows.

1. The experience of all revolutions during and since the War has shown that a reformist and opportunistic policy leads to the defeat of the working class. The preliminary work for the socialist revolution, the winning of the victory in the socialist revolution and the consolidation of that victory presuppose therefore a radical break with all reformist policies.

2. This radical break demands a fundamental change in the means and methods of the political struggle and in its concrete aims. As a sign of the inner transformation and as an acceptance of revolutionary Marx-
3. The goal is the attainment of socialism on the basis of a socialist German Soviet Republic, under the sway of the dictatorship of the proletariat. The revolutionary dictatorship is the necessary transitional period to the socialist society. The destruction of the capitalist system through dictatorship of the proletariat is the presupposition for the realization of the personal and moral freedom of all people now under the yoke of Fascism.

4. For conducting this struggle, the proletariat has need of a revolutionary party conscious of the goal. This party can and may embrace only the revolutionary vanguard of the proletariat. Only those persons become members, therefore, who have stood the test of the revolutionary struggle, acknowledge the dictatorship of the proletariat and subordinate themselves unconditionally to the decisions of the party. The party makes use of all legal and illegal forms of struggle. It is the party's duty to prepare and organize mass movements, mass strikes and the armed insurrection.

5. In case of a war, the party rejects any open or covert form of "defense of the fatherland." It rather calls the proletariat to its aid in converting the imperialist war into a civil war, in order to bring about the dictatorship of the proletariat. Among the means to that end are mass strikes and armed insurrection.

6. After the conquest of political power, the old state apparatus will be completely dismantled. All legal power and authority pass over to workers' councils, small-peasants' and farm-workers' councils. The councils exercise the dictatorship of the proletariat. The leadership in the dictatorship lies with the revolutionary-marxist party.

7. The consolidation of power is taken over, until the forming of a socialist army, by the armed proletariat.

8. The professional bureaucracy will be abolished. All persons serving in public capacities are appointed through the councils and can be recalled at any time.

9. For the purpose of lending support to the revolutionary dictatorship, workers and functionaries will organize themselves in industrial unions.

10. Printing establishments and newspapers will be sequestrated. Printed matter, radio and any other kind of news service shall be under inspection and control of the councils.

11. The whole of capitalist property will be expropriated without compensation. General liability to labor will be introduced, and the control of production through the councils.

12. All banks will be combined into a central bank. In the same manner all insurance establishments will be brought together.

13. Farm mortgages will forthwith be declared invalid. Rent will be abolished. Land ownership, insofar as it exceeds in any case the amount required for maintaining a family (Familienackernahme), will be expropriated. According to the needs of the small peasants and farm workers, there will be a new distribution of the soil. The peasant enterprises will be brought together in associations.
Here again it is the "revolutionary party conscious of the goal", the "vanguard", which leads the masses into the struggles and to victory, prepares mass movements, mass stakhanovites and the armed insurrection. And after the victory, it is again the party under the leadership of which the workers' councils are to function as state organs, and workers and functionaries are organized in industrial unions. If a doubt should still remain as to who is supposed to exercise the real power in this socialist soviet republic, it is set aside by thesis 7: "The consolidation of power is taken over, until the forming of a socialist army, by the armed proletariat."

Which is to say, that after the victory, the armed workers who are necessary for the overthrow of the fascist state forces are to hand over their weapons in favor of "socialist army", which naturally is under the command of the Party.

Stripped of all wrappings, what remains is the old social-democratic conception of the state as the "socio-list army", by the armed proletariat. From this then follows the concentration of economy under the party's rule. The worker remains a wage-worker, now bound by state liability to labor (thesis 11). He works in state enterprises and sells his labor power to the State. His wage is the price which the State pays him for it. Thus the State steps into the place of the expropriated private capitalist. It is the State which now exercises command over wage labor and thus also rules and exploits the workers. Labor power becomes a commodity, just as under private capitalism; it is set equal to an already created product (the means of existence which the worker receives by way of the wage). It becomes a commodity, which means also that it is degraded to a thing, deprived of all personal will. It is converted from subject to object. Since, however, the worker cannot be separated from his thing-holding of the wage-worker himself; he becomes a thing, is degraded, to an object, in order to be employed by the owner of the means of production, as a means of production. His goal concept and the further argument is needed in order to state that the fact that in this state economy the worker remains a wage-worker involves also the determination regarding his social position.

But the Russian example is not only a demonstration of the fact that the proclaimed socialism is in reality state capitalism. It has not only proved that state production is not production for need, but ordinary commodity production/ There also arose from it a new ruling element which disposes over the state property and thus comes to occupy a privileged position. This element is interested in the further extension of state power, because it is precisely this state power which guarantees its privileged position in society. It also prescribes the direction for the further development, for in its hands are concentrated all the material means and other forces of society. And what else can it do than strive for increase of the state property and magnification of the state power?

Wage Labor and State Economy.

The socialism which it is desired to construct thus proves to be state economy. It is thought, with economic planning, the elimination of disrupting competition and of profit, in conjunction with the full employment of the increased forces of production, to raise the standard of living of the masses in general. For the very reason that private own-

ership of the means of production stands in the way of a rational economy and still more in the permanent crisis, binders employment of the productive forces at all--the abolition of private ownership appears as the next goal. From this then follows the concentration of economy under the central authority of the State. And here it is the task of the scientists, statisticians, engineers, etc., to carry out the actual construction. In this way the socialist construction of economy appears as an organizational problem (Lenin), as an unrestricted generalizing and bringing to final completion of the tendency already foreshadowed by capitalism in its contradictions. The State becomes a mammoth trust which through organization overcomes the obstacles which stand in the way of a further expansion of production.

The Russian development has proved that such a state economy can be nothing other than state capitalism. The worker remains a wage-worker, now bound by state liability to labor (thesis 11). He works in state enterprises and sells his labor power to the State. His wage is the price which the State pays him for it. Thus the State steps into the place of the expropriated private capitalist. It is the State which now exercises command over wage labor and thus also rules and exploits the workers. Labor power becomes a commodity, just as under private capitalism; it is set equal to an already created product (the means of existence which the worker receives by way of the wage). It becomes a commodity, which means also that it is degraded to a thing, deprived of all personal will. It is converted from subject to object. Since, however, the worker cannot be separated from his thing-holding of the wage-worker himself; he becomes a thing, is degraded, to an object, in order to be employed by the owner of the means of production, as a means of production. His goal concept and the further argument is needed in order to state that the fact that in this state economy the worker remains a wage-worker involves also the determination regarding his social position.

But the Russian example is not only a demonstration of the fact that the proclaimed socialism is in reality state capitalism. It has not only proved that state production is not production for need, but ordinary commodity production/ There also arose from it a new ruling element which disposes over the state property and thus comes to occupy a privileged position. This element is interested in the further extension of state power, because it is precisely this state power which guarantees its privileged position in society. It also prescribes the direction for the further development, for in its hands are concentrated all the material means and other forces of society. And what else can it do than strive for increase of the state property and magnification of the state power?

Once social production has taken the form of state enterprise, it follows a development conditioned by the way of the relations of power thus created.

The workers are dispossessed, each day anew, when they perform labor; and, in fact, the way of the State, the general proprietor, which appropriates the products of labor. The State is the proprietor, the administrator of the social wealth. It is the organizer, leader and conductor of the social process of production. And it is at the same time the one who determines the further development, he who distributes the goods. This is a social organization which is best comprehended if one thinks of the administrative apparatus of all
Thus the development of state management is marked by an antagonism which is bound continually to intensify. On the one side, the accumulation of power and property in the hands of the state bureaucracy, for it is the State; on the other side, the wage-workers, the products of whose labor the State appropriates.

The more the wealth of society as state property increases, the greater is the exploitation of the wage-workers, and the more powerless they are. With the wealth of society as state property, there increases also the impoverishment of the wage-workers; it is a necessary consequence, is the class struggle between wage-workers and state bureaucracy. For the sake of asserting itself in this struggle, there remains to the bureaucracy no other choice than to extend the state's apparatus of suppression, which must grow in the same measure as the class differences. The richer the State, the greater the poverty of the workers and the sharpen the class struggle.

**The Problem From The Proletarian Point of View.**

The wage-workers cannot be content with this "Socialism", even though it should shower them with material blessings (which, moreover, is very much to be doubted). The aim of their striving must be that the rule of capital shall be abolished for them also. Their struggle is directed to doing away with the capital relation itself; that they shall no longer be purchased as labor power and be ranged as a productive force into the productive process on a level with the machines. They must themselves become the masters of production, of their own and the mechanical productive forces. They themselves must take possession of the means of production, in order to use and administer them in the name of society, and answerable to this society. They must themselves rise up to become the director and manager of production, the administrator and distributor of the goods produced, if they wish to unite humanity in the classless society and avoid falling into thraldom again themselves.

**The Workers' Councils.**

From this striving, otherwise than in the case of the intellectuals, there results also another statement of the problem, and new perspectives are opened. In this way conceptions are formed regarding the regulation of the mutual relations of human beings in social production, conceptions which to the intellectual elements appear incomprehensible and which they declare to be utopian and unrealizable. These conceptions have already unfolded a powerful force in the revolutionary uprisings of the wage-workers, of the modern proletarians. This force was shown first on a major scale in the Paris Commune, which sought to overcome the centralized authority of the State, to establish the self-governing role of the workers' councils, and also of Marx's giving up his idea (expressed in the Communist Manifesto) that state economy could lead to the disappearance of class society. In the workers' and soldiers' councils of the Russian and German revolutions of 1917-23, it arose once more to a mighty and at times all-mastering power. And in future no proletarian-revolutionary movement is conceivable in which it will not play a more and more prominent and finally all-mastering role. It is the self-activity of the broad masses of the workers, an activity which is expressed in the workers' councils. Here is nothing utopian any longer; it is actual reality. In the workers' councils the proletariat has shaped the organizational form in which it conducts its struggle for liberation.

So it is no utopia, no empty theory, that these workers' councils, wherever they group themselves around production, in the shops, where the new workers' councils become separated from the factories, to organize out of the productive and themselves direct and manage production. It is a demand which is raised in the course of developments by broad masses of workers. The intellectual element will have to suppress this striving with force if it wants to assert its control in the state economy.

From the viewpoint of the workers' councils, the statement of the problem in matters of economic organization is not as to how production must be governed, and in this sense best organized, but as to how the mutual relations of human beings to each other and among each other are to be regulated in connection with production. For, to the councils, production is no longer an objective process in which the labor of man and machines becomes separated from it, a process which one computes and directs like lifeless material, but to them production is the vital function of the workers themselves. If production -- the vital function of human beings when every one is obliged to work --even today is social in practice, then also the participation of human beings in that production, their own vital function, can be socially regulated without putting them on a level with their own working instruments and without subjecting them to the command of a special class or element. Once the problem is put in this way, its solution is no longer so improbable, but rather easy to find. It presents itself, as it were, of its own accord. It is the labor of human beings itself, their own vital function, in the fields of production, which serves as a criterion for the adjustment of their mutual relations. Once the labor of individuals, as well as their union in shop organizations, has been introduced as the determining factor in the social adjustment of the mutual relations, there is no longer room for any sort of leadership, which does not itself take part in the productive process, which merely exercises governing functions and appropriates to itself the products of others.

The theses make it clear that the authors do not believe in the creative force of the proletariat. Even after the workers' councils as an undeniable fact have produced the proof of that force. No leader of the Social Democracy, not even Lenin, prior to 1917 had recognized the significance of the workers' councils, and yet they had already played an important part in St. Petersburg in the Russian revolution of 1905. It was not until 1917 in Russia, then in Germany and elsewhere, when the workers' councils had proved themselves as the form of struggle of the revolutionarily acting proletariat, not until the broad masses of the working class were conscious of the communal and political function of the workers' councils upon politics and economics, it was only then that the attention of the political big-wigs of the Social Democracy was directed to...
them. But not at all in the sense of perceiving in them the first independent step of the proletariat in the direction of taking its fate in its own hands. The workers' councils were to them a new phenomenal form which must serve to bring the big-wigs to see the error of their ways. The producers, who are at the same time the constantly still growing social force, was in their eyes just as much social force, like the productive forces in the shops—a force which one employs to arrive at determinate results, to put into practice worked-out plans. Such is the standpoint of the intellectual as leader of the capitalistic process of production, and such is also his thought when as a Social Democrat he thinks of directing the social forces. To him, the proletariat has no thinking of its own; it thinks and acts just as its leaders think. For that reason the "revolutionary-marxist party" (thesis 4) must have the leadership in hand if the proletarian forces are to be thrown into the struggle in accordance with the socialist plans. If it is not the revolutionary-marxist party, then it is simply another party which in order to carry out its special plans and designs, Anyone who looks at the matter from this angle can come to no other conclusion than: Without the leadership of the party, no socialism. From this standpoint, the workers' councils appear as new proletarian organs in which the leadership must be won; they must become an instrument in the hands of the leadership, in order thus to influence the thinking and acting of the masses. It is in this spirit also that the workers' councils are seen and defined in the Theses.

But the force which goes out from the workers' councils is not along the exactly opposite way. It was the mass-will seen in the workers' councils which was hitherto detached from the mass, as its mouth-pieces, ready at any moment to stand up for the mass with the utmost means. This mass-will has either to still taken form only in conjunction with a new apparatus of quite general character which can finally be evaded by none. Thus the will of the masses in Russia in the year 1917 and in Germany in 1918 was directed to ending the war. The war had to be ended, at any cost; all slogans on that point, artificial, cultivated and rooted in the masses themselves, were mere sides. In this way there took form everywhere the general will to put an end to the war, and for that purpose to take up the struggle against the military power of one's own country. The workers' and soldiers' councils were thus the organizational form in which this will was converted into action. Thus the workers' councils are possible only as the organizational form of the will of broad masses of workers; though in this connection it must be borne in mind that such a will takes form only under certain presuppositions and is certainly not called into being through the slogans of this or that party.

Now when the "revolutionary-marxist party" strives for leadership in the workers' councils, it follows the opposite course. It wants to make use of those organs of the mass-will as a means of casting the masses to act in accordance with the will and plans of the "leaders". The working-class party has a definite will; he must work, and the independent mass-will is in this connection a hostile element. Hence the workers' councils under the leadership of a party are robed of their own strength, and if there is no resistance it is only the case, that is, when they conceive from the masses that they have become instruments in the hands of the leaders. And that was the fate of the workers' councils in Russia and Germany after the first goal, the ending of the war, was attained.

And opinions diverged with reference to the reconstruction of the social order,—a unified will, that is, on the part of the working masses was no longer present. They were "won" by the mutually competing party tendencies, soon lost even their influence upon the working masses and are in no position to demand other values for the party politics of the leader. They have disappeared. It is only in the plans of the "revolutionary-marxist" parties, which are making ready to win the leadership in the coming mass uprisings, that they continue to live as organs through which it is thought to lead the masses.

Yet the spirit which came to expression in the revolutionary workers' councils is not dead. In truth, the essential point consists in the fact that the workers find this unity in the daily class struggle, when they themselves conduct the struggle by way of spontaneously formed organs while setting aside the old organizations by which they were separated, then is the spirit of the revolutionary workers' councils again in the working masses; then do the masses reveal their will.

In the present-day struggle, we see again and again the embryonic forms of this class action, but we see also at the same time the hitherto almost always unsuccessful attempts of the old labor movement to win away from the workers the leadership of the struggle and place it in the trade-union offices. Just as the "communist" economy of the leaders is to be accomplished along the roundabout way of the state official apparatus, so also the conduct of the struggle is to be taken away from the direct authority of the workers and redirected by way of the trade-union apparatus.

But the power of the ruling class under capitalism is so enormous that only the power of the whole undivided working class is capable of overcoming it.

Thus the class relations tell us that the workers can win only when they have overcome the old labor movement through their council-unity; that they can win only when the "legislative and executive power" in the struggle is exercised by the mass itself.

In the year 1918, in Germany, the revolutionary slogan of the proletariat was: "All power to the workers' councils."

This slogan has meaning, however, only when the power of the council in the expression of the unified will of broad masses of workers,—yes, of the whole working class. Unity in will and action of the whole working class; that is the will on which the power of the workers' councils arises. To this end it is not enough when broad masses in extremis need put an end through their own action to an unbearable condition. They did that in 1918 and brought about only the ending of the war. There must be added to this the positive will to the reconstruction of society, to the readjustment of the relations of human beings in this society.

The former, the intolerable condition, may safely be left to capitalist society itself. The situation of the working class becomes over worse unbearable, wage-labor becomes for a constantly growing mass of millions a curse, a nightmare, which cannot be evaded. The situation
Council Correspondence.

finally becomes so tense that in broad masses the will is born to put an end to this unbearable condition, cost what it may. But they cannot do it without the same time doing away with wage labor. Even the state socialism of the leaders brings no salvation, for it lets wage-labor, organized anew through the state power, remain in existence. For that reason there must be added to the action under compulsion of extreme need the conscious transformation of the social relations. The ending of the state of distress and the reordering of the social relations is a single deed; they are only two sides of one and the same action. Out of the condition which has become unbearable to the working masses, who as wage-workers are given over to absolute impoverishment, there is only this one salvation: that the wage-workers themselves take possession of the means of production. But they can do that only when, combined in the councils, they become the social power and at the same time apply the means of production in common, that is, on communist bases, for the social need.

Communist Economy.

The council or soviet power does away with wage labor; it makes the worker the determining factor in production. Its task is to bring about the liberation of the working class, in that it converts the wage-workers to free and equal producers. But these free and equal producers have to adjust their relations to each other. The firm adjustment of these relations, through which the equality and hence also the freedom of the producers is assured, when it has become an all-momenting law; that is, in the last analysis, the solid foundation on which the communist society rests.

This adjustment, however, is nothing other than the regulation of the interacting economic society,—the regulation of production and consumption; of the participation of the individual producer in the production of goods and of his consumption of the goods produced in common. And where the labor of the individual producers is at the same time his participation in the social production of goods, it necessarily follows that this labor decides also regarding his share in the goods produced. The social measure by which the relations of the producers among each other must be governed is labor, according to the time through which it operates, the labor-hour. The individual, special labor-hour of the single producer is, however, no social measure; it is different in each case and over and over anew. It is therefore necessary to find the social-average labor-hour, the average of all the different labor-hours, and this must be made the socially regulating factor.

It is impossible at this place to be more precise regarding the movement of the communist economic life on the basis of the social-average labor hour. On this subject we recommend the work entitled, Grundzüge der kommunistischen Produktion und Verteilung, published by the Group of International Communists (Holland). We merely point to the carrying out of the labor-time accounting in communist society as an immediate goal and hence do not regard it as something to be "attained to later on".

The economic promotion of labor-time accounting expresses itself politically in society. The one does not suffice without the other. If the working class is not capable of carrying through the labor-time accounting, that can have no other meaning than that it is not capable of doing away with wage-labor; not capable of taking over the conduct and administration of the social life. If labor time is not made the measure of individual consumption, then wage-labor is the only solution. Which is to say: there is then no direct relation between the producers and the social wealth. It means that through the wage of labor the appropriation of the workers from the social product has become a fact. Or, to state the same thing in other words: the management of the production process cannot lie in the hands of the workers. The management of the production process passes over to the "statisticians" and other scientists charged with the distribution of the "national income". Either abolition of wage labor, with the social-average labor hour as fulcrum of the whole economy, under direct control of all workers, or else wage labor in behalf of the State.

We therefore raise as the immediate allogn of working-class power: the workers bring all social functions under their direct control; they appoint all functionaries and recall them. The workers take the social production under their own management through combining together in shop organizations and workers' councils. They themselves enter their shop under the communist form of economy, in that they gauge their production according to the social-average labor time. Thus the whole of society goes over to communist production. This does away with the distinction between enterprises which are "ripe" for social management, and enterprises which are not yet "ripe".

That is the political and at the same time the economic program of the wage workers; it is in this sense that their councils will transform economy. These are the highest demands which we can raise in these questions; but at the same time also the least, because it is a question of the be or not-to-be of the proletarian revolution.

Council Correspondence.

NEW PAMPHLET
Just Off The Press:

"THE BOURGEOIS ROLE OF BOLSHEVISM"

Published by: The Anti-Parliamentary Communist Federation of Glasgow, Scotland.

This pamphlet originally was published as the "Thesis on Bolshevism" in German in the "Korrespondenz" #3, the monthly organ of the Group of International Communists of Holland. It was published in the English in the Council Correspondence #3.

32 pages
15¢ postage paid.

Order from: United Workers' Party, Chicago, Ill. or from: Anti-Parliamentary Communist Press, 56 Commerce St., Glasgow, C. 5.
CONTENTS:

REVOLUTIONARY MARXISM.


Discussion on Thesis by:

KARL KORSCH

Capturing The A. F. of L.

No. 8  MAY 1935 10 Cents

UNITED WORKERS' PARTY
To Marxism, the determining contradiction in present-day society lies in the contradictory development of the social forces of production within the existing relations of production, or, otherwise expressed, between the increasingly socialized character of the productive process itself and the persisting property relations. In all forms of society, the general advance of humanity has been expressed in the development of the productive forces, i.e., of the means and methods of production, enabling ever greater amounts of use articles to be produced with an ever diminishing amount of direct human labor. This process is divisible into historical periods. In it, each stage simply mirrors the attained level of the continuously increasing forces of production and develops for them corresponding social relations. And as soon as a given set of social conditions no longer sufficed, without giving rise to great maladjustments in the social, economic and political spheres, to satisfy the demands of the new and growing forces of production, those conditions were overcome through revolutionary action.

All social development is based in the last instance on the process of interaction between social man and nature. The contradiction arising through human labor between being and consciousness, nature and man, leads to further and further development and change in nature, society, man, and consciousness. Within this great contradiction evolve, in the process of development, narrower social contradictions, which in their turn propel the progressive social movement along the path of revolutionary action.

Since the development of the productive forces has throughout the past been bound up with the rise and decline of classes, past history must necessarily be regarded as a history of class struggle. Thus the development of manufacture under feudalism had to lead, at a certain level, to the overcoming of feudalism and to the birth of capitalist society; a transition which took a revolutionary expression in all the social domains.
The statement of contradiction, the materialist dialectic, the philosophical theory of Marxism and at the same time the law of all real movement, seeks in all contradictions their unity - without, however, for that reason, confusing those contradictions and seeking in the spontaneous struggle of the class relations the abolition of their resolution in a third form, which again produces and must overcome its contradiction. Since the Marxist analysis takes capital as its starting point, capital becomes the thesis, of which the proletariat is the antithesis. The dialectical law of the negation of the negation leads to the synthesis. This can only be the communist society, which knows neither capital nor proletariat, since it has taken up or resolved them both in their concrete forms. This is merely the falling of the husk, and, being a product of historical property relations, it is only in capitalism that this husk can possess concrete reality.

All reality, is dialectical, hence limitless. Each problem possesses no more than historical character. Marxism does not present itself as something absolute, but as the theory of the class struggle within capitalist society.

Not only, from the standpoint of Marxism, is the contradiction between capital and labor the beginning as well as the end of present-day society, but the progressive development of that society is to be seen only in the growth and sharpening of that contradiction. Capital being the result of the exploitation of labor power, as with the growth of capital, that is, in the course of the human progress under way in this historical period, the exploitation of the workers must of necessity become more and more intensified. If the possibilities of the exploitation of labor power in the system were unlimited, there would be no reason to expect an end of capitalist society. But with the growth of the proletariat, the class struggle also increases, since at a certain point of development the productive forces of the workers no longer be applied capitalistically. At the high point, the proletariat, of its own accord, develops into a revolutionary force, which strives for and brings about an overthrow of the existing social relations.

Marxism, which perceives in the existence of the proletariat the realization of the dialectical movement of society, bases its theoretical justification mainly on the laws of economic development in general, and of capitalism in particular. Capitalist relations of production are not, however, determined by nature (land as a basis for labor) and human activity, but those natural conditions are also subordinate to the capitalistic social relations. The concerns of human beings are not disregarded from the point of view of the needs of human beings, but from the point of view of capitalist needs for profits. The decisive factor in capitalist society is not the production of use values, but of capital; the latter is the motive power of the productive forces. This dependence of human welfare upon the private interests of the capitalists is made possible through the separation of the workers from the means of production. The workers cannot live except through the sale of their labor power. The buyers of labor power, who are the owners of the means of production, buy this power only in order to further their private interests as capitalists, without regard to social consequences.

We have seen that in all forms of society, progressive development is illustrated in the continual growth and improvement of the means and methods of production, enabling the output of an ever greater quantity of products with over loss labor. In capitalism, this same process expresses itself in a more rapid growth of the capital invested in means of production as compared with the capital invested in labor power. That part of the capital which is invested in means of production we call constant capital, since as such it enables no change of magnitude; and that portion which goes in the form of wages to the workers we call the variable capital. The surplus value itself, new values to those already present. In this way it is shown that the development of the social forces of production under capitalism is expressed in a more rapid growth of the constant capital relatively to the variable.

Capital, and hence its material form, the means of production and labor power, can, however, as already stated, function capitalistically only if the conditions appear profitable, which is in the means of production. Coming into action only as capital, they must reproduce themselves as capital, a thing which is possible, on the capitalistic basis, only by way of accumulation. The surplus value, from which are derived the funds for accumulation, the additional sources of production and labor power as well as the capitalists' profit, is, however, nothing but unpaid labor. It is that part of the workers' products which is not consumed by them but was taken from them. Now since the surplus value is derived exclusively from the variable part of capital, and if this variable part must continually diminish relatively to the advance of accumulation, then the surplus value must, with mathematical certainty, continually diminish relatively to the accumulation, eventually ceasing to exist as a contradictory movement, by which with advancing accumulation the capitalistic rate of profit falls (the rate of profit is computed on the total capital, constant and variable)--a process denoted as the growth of the overproduction. At that point, the工人 proletariat, of its own accord, develops into a revolutionary force, which strives for and brings about an overthrow of the existing social relations.

Accumulation there must be, and the lower the rate of profit falls as a result of this accumulation, the greater must the accumulation be. When accumulation goes out, the crisis comes in; the solving of the crisis is possible only through further accumulation, and necessarily at a continually accelerated rate. Each level of capitalistic development, when the tempo inherent in accumulation requires the further advance of accumulation in such measure that the absolutely available mass of profit is too small in relation to these demands for further accumulation, then accumulation must of necessity come to a stop, and the boom turns to crisis. In other words, capitalistic accumulation devours for its own purposes, by which all society is conditioned, an increasingly large part of the surplus value produced by the workers, who are the owners of the means of production, in order to further their private interests as capitalists, without regard to social consequences.

We have seen that in all forms of society, progressive development is illustrated in the continual growth and improvement of the means and methods of production, enabling the output of an ever greater...
Council Correspondence.

the needs of accumulation, lies idle and seeks in vain for profitable possibilities of investment. We are faced with the fact that a shortage of capital gives rise to a surplus of capital lacking room for investment. There is no lack of purchasing power, yet, in the capitalist senses, no use can be made of this purchasing power, since from this point of view it is meaningless, because unprofitable.

If accumulation is not continued, the situation must of necessity give rise to a general tie-up of human activity. The commodities destined for further accumulation can find no buyers. They lie unused, and the over-accumulation results in the general over-production of commodities; a circumstance which expresses itself in the closing and paralyzing of enterprises in all spheres of social life and hence in an enormous increase of unemployment.

The crisis also brings with it certain tendencies working to overcome it. The organic composition of capital is lowered by capital being destroyed through bankruptcies and developmental crises. Other masses of capital and intensified imperialism ventures, new sources of additional surplus value are created. Through general rationalization of working methods, further technical innovations in the productive process, cheaper sources of raw materials, as well as through the pauperization of the workers and the expropriation of the middle classes, etc., the quantity of surplus value is adapted to meet the demands of further accumulation. All efforts during the crisis serve to revive profitable capitalist operation on a lower price and value level. If this possibility appears, the tendency is strengthened in the direction of a new upswing, which, however, after a certain time, as a result of renewed over-accumulation, necessarily turns off into a new crisis. These factors we call the counter-tendencies directed against the collapse of capitalism.

Like everything else, however, these counter-tendencies are of an historical nature. At a certain point of capitalist development, their effectiveness as factors in overvaluation, as well as through the pauperization of the workers and the expropriation of the middle classes, etc., the quantity of surplus value is adapted to meet the demands of further accumulation. All efforts during the crisis serve to revive profitable capitalist operation on a lower price and value level. If this possibility appears, the tendency is strengthened in the direction of a new upswing, which, however, after a certain time, as a result of renewed over-accumulation, necessarily turns off into a new crisis. These factors we call the counter-tendencies directed against the collapse of capitalism.

Produced, their portion was less and less. In the permanent crisis, their real living conditions are bound to grow worse, absolutely and uninterruptedly.

The condition of permanent crisis forms the objective basis of the revolutionary labor movement. The class struggle grows sharper and assumes a new character. On the one hand, the means of suppression employed by the ruling class are adapted to this new condition. While in the upgrade period of capitalism, "formal democracy" sufficed to permit the smooth operation of the social mechanism, in the permanent crises, such means of suppression are not sufficient. In the place of "democracy" there arises, at a rather high stage of development, a political condition which today is called fascism. The fact that the ideological basis of fascism is formed by the impoverished middle classes does not alter the fact that the fascist movement operates only in the interest of the now monopolized capital. Capitalist concentration, which goes on even in the permanent crises, necessarily impoverishes also the middle strata of capitalists. The energy, as thus aroused within the middle class are engaged by monopoly capital for its own purposes. Parts of the petty bourgeoisie are granted concessions at the expense of the workers, though these concessions are only of temporary character.

By destroying the organizations and doing away with the limited "democratic" political liberties of the workers with the aid of the corrupted middle-class army and the part going with it, the rulers transform the capitalist worker into a tool, a weapon to secure its continued existence even during the permanent crisis. But even through, through terrorism, the workers can be politically atomized, their congregation in large masses is necessary for fascist concentration, for the multiplicity of the old form of the labor movement, new forms necessarily arise; and since these forms are deprived of other means of expression, they must express themselves on the job itself, whereby their strength is increased a thousandfold. The workers-council movement, the effluxion of the permanent crisis, thus arises naturally out of the very conditions which capitalism has created. The permanent terror is at the same time the political schooling of the workers. So that in the proletarian capitalism not only produce its own grave-diggers; it has also to demonstrate to the proletariat how they can fight successfully.

Even though the workers in great masses may never attain a revolutionary consciousness, a fight which only can turn in the direction of overthrowing the capitalist system. Until the successful revolutionary overthrow, the proletariat lives in barbarous, constantly worsening conditions, and the only possibility of getting away from that is communism; that is, the overcoming of capitalist relations of production, the abolition of private property in the means of production, which is identical with the abolition of wage labor.

Marxism is not only a theory which sprung from the existence of the proletariat and its position in society. Marxism is the actual class struggle between capital and labor, that is, a social condition in which the workers, whether they will or not, whether they are conscious of it or not, whether they know Marx or not, are unable to act
otherwise than in accordance with Marxism, if they wish to maintain themselves and thereby at the same time to serve the general progress of mankind. While Marx himself actualized the Hegelian dialectic, that is, recognized the real, concrete movement as dialectical, Marxism can be actualized only by means of the fighting proletariat. A Marxist is not one who has mastered the Marxian theories; a Marxist is one who strives to actualize those theories. In a word: Marxism is not only a view of the world; Marxism is the living, fighting proletariat.

The article above will be available in printed pamphlet form after May 1, 1935. It is being printed by the Council Communist Press of Chicago. Order from the United Workers' Party.

We are pleased to announce that the pamphlet on the "OUTLINE OF PRODUCTION AND DISTRIBUTION IN COMMUNISM" by The Group of International Communists of Holland is now in the print shop and will be announced for sale soon. 32 pages Order from United Workers' Party. 15¢ postage paid

The Anti-parliamentary Communist Press of Glasgow are going to print the Rosa Luxemburg pamphlet "Leninism or Marxism?" It will be announced for sale in a future issue of Council Correspondence.

NOTICE.

We are planning to enlarge the Council Correspondence somewhat and with the added expense of a larger issue we may have to raise the price of subscriptions. Council Correspondence has correspondents, revolutionary workers and writers in almost every country, and in addition to publishing the articles from these sources, it will also present the never-mentioned opinions of such Marxists as Rosa Luxemburg, Franz Mehring, Karl Liebknecht, Anton Fankenau, Herman Gorter and many others. We will have articles from Henryk Grossmann, Karl Korsch and Eiu.Conze in future issues. There will also be English translations from "Rastekorrespondenz" published by the Group of International Communists of Holland. Every Marxist needs the Council Correspondence.

FINAL OFFER OF ONE YEAR SUBSCRIPTION FOR ONE DOLLAR WILL CLOSE SOON

Send $1.00 with your name and address to: United Workers' Party 1604 N. California Ave., Chicago, Ill.

---

THE NEXT WORLD CRISIS, THE SECOND WORLD WAR AND THE WORLD REVOLUTION.

(Theses)

(The following Theses are written by a comrade not belonging to our group. Without completely approving them in their present form, we find them interesting and important enough to bring them up for discussion. Our readers are invited to take part in this discussion, which is begun in the present issue with a contribution by Karl Korsch. We shall close the matter with a statement of our own position in one of the following numbers of Council Correspondence.)

1. - The next world crisis is very likely to coincide with the second world war. We must at any rate be prepared for this possibility.

2. - The second world war will again place the working class face to face with a world-revolutionary situation. We are shocked to realize that the forces of revolution assembled in the revolutionary cycle of 1850-1917 are used up and that the new efforts in that direction are weak. It is our task to promote the organizational and ideological preparedness for the world revolution, to make clear what steps in this connection are ineffectual, which activities are merely action for the sake of action (Scheinaktionen), and what possibilities of action are really open under the new conditions, and for our part to really make the most of each of these possibilities.

3. - We have been able since the beginning of this century to gain ample experience with regard to capitalist crises, capitalist wars and revolutionary convulsions of the capitalist world-system in its entirety. It is high time to bring order into this experience. We have mostly contented ourselves with explaining the causes of capitalist wars; an attempt must be made, however, to understand the capitalist structure of the World War, its function in the whole social process, in order that the process itself, its course, its action, its result may become clear.

The world-war crisis of 1913-1919 represents a combination of world crisis, world war and world revolution. It was shown that between capitalist States the immemorial alternation of war and peace--which in itself goes on in other connections--is involved in the industrial cycle. The industrializing of warfare brought it about that the industrial war has become a special form of crisis: the world-war crisis. What is true of any capitalist crisis whatsoever, namely, that it lays bare the disorderly and inhuman character of bourgeois society and---

---
The over-production, in that it produced war, had apparently become home,—an inhuman, capitalistic meaning. Fantastic war profits flowed into the pockets of individual capitalists. On the fronts, the ruthless social-pacification process is introduced with the aim of 'organically' incorporating that part of capitalist society represented by wage labor into the new State. At the same time a far-reaching reorganization of the capitalist class is undertaken for the purpose of adapting it to the special task of political economy in the present period. There is today a whole scale of dogmas of the fusion of peace labor and capital, and to the capitalist process of accumulation and to fit it into the framework of the national State is attended with success, but the capacity of the industrial apparatus cannot be completely utilized even in prosperity. National restriction of production becomes a method of overcoming crises.

Flatly contradictory judgments have been possible regarding the present period: "Decline period of capitalism" (Sombart, Varga, Corey), "Second industrial revolution" (O. Bauer, Beria). Judgments which held to one side of the process just as abstractly as in the previous period the different theories of imperialism and their more or less belated progeny. The special character of the present ("long") depression period comes to light in the character of the world war crisis and of the post-war crises (1921, 1929). They are crises of the system. One is justified in expecting that the next world crisis will have the same character.

4. - Today, now that the passage from the acute crisis into the depression is accomplished (cf. mounting production figures in U.S.A., England, France, Germany, 1935; Japanese export offensive, American still in the two pre-war decades—mainland for victors and for vanquished and beyond recall. Thus there followed upon the mild "trade crises" of 1901 and 1907--mostly signs which were not comprehended—crises of the post-war crises (1921, 1929). They are crises of the system. One is justified in expecting that the next world crisis will have the same character.

The new monopolistic forms of State and Capital--children of the great contemporary crises--fulfill the special task of political economy in the present period: to attain at least the highest measure of expansion of the transcending productive forces within the given framework of the national-State system resting on wage labor and capital. This breakthrough of the productive forces taking place with the blind elementary character of a natural catastrophe has often been interpreted as the world-revolution itself. There is need for such arts of interpretation, which do away with the clear distinctions. For after the exhaustion of the economic energies of capital there came forward the true bearer of the productive forces, the working class itself, with the attempt at a world-revolutionary action. And it was only after the unvictorious exhaustion of the revolutionary forces of the working class that the gigantic efforts undertaken in this crisis, in this war, in this revolution, had again lost both their bourgeois and their proletarian meaning. To the victor is the possession of what has become plain that the question had merely been one of over-production and destruction of value which could not be turned to account; to the working class that the world-war crisis could be met only by world-revolutionary action, that anything less is attempted in such a situation the class, as an army of millions, simply ceases to function in its history-making role.

It was only with difficulty that the new productive forces could again be forced into the capitalist world system for peaceful business propounds as the productive forces of the early 19th century, destructively let loose in the first world war and since that time further increased, had been in motion after a fashion for a few years.
under individual responsibility of the various shop leaders: bolshevist state capitalism. 2. Creation of special authoritarian organs of political economy, to which the individual workers, independent entrepreneurs, are subordinated. 3. Corporate self-discipline of the capitalists under state control: fascist "systematic intervention". 4. The american n.r. staeue running) reveals related features. In the place of private-economy profitability there enter national-economy profitability. The state-subject Capital organizes the domestic market, regulates (a national "general cartel") the prices thereby at the same time sharpening the international competition. The international trade policy has become the vital question of the States, ("Twilight of Autarchy"). The new monopolistic forms have accordingly not only not held up the cyclical course of world economy, they also fail to withdraw their own sphere of influence from the "natural law" of capitalism. As regards crises, these forms can only bring about with the state economy (insofar as they do away with the automatic nature of the process) a different distribution of the over-production automatically settling in and of the hunger with which it is bound up. (Cf. Italy and Russia in the latest crisis).

5. - The productive forces released in war at the beginning of the present period and since then further increased, can no longer come to unfoldment in the given framework of politics and economics otherwise than by way of crisis in a second world war. That is what is at the bottom of the present world unrest. It becomes evident over and over again that the anticipations of the present economy are strained to the breaking point by the unforeseen and unforeseeable. The new monopolistic state economies have at the same time the character of preparedness measures. More and more military preparedness the assurance of that very industrial energy by which the world is driven forward (materization, militarization, industrialization, etc.) the decisive material is being heaped up and stored on a large scale. Likewise the social pacification policy is preparation for war. The disarmament ideology is being replaced by vita militante, soldiery spirit and security. (The Labor Party, in its program, speaks into the war front: "punitive war against peace breakers" packed in the apolitical ideology of the League of Nations. The Comintern is entered in the war preparations through the franco-russian alliance.) The incentives to conflict are numberless, the most important being the japanese expansion in the Far East, the central focus of the second world war. Thus this war is being prepared partly in conscious planning, partly behind the backs of the participants.

And here we have the contradictory drama that these very forms of state and economy which are characteristic of the present epoch actually undo and want peace—in part because their preparation for war is incomplete, in part because they are frightened by the vague suspicion that the state system resting on wage labor and capital will not flatten in its most modern form, outset the second world war—soon and that it is these very states which are preparing the war most effectively. They reveal themselves more and more as transitional forms to this second world war, which in all probability will coincide with the next world crisis.

5. - It must be understood to what extent the new monopolistic forms render the workers' world revolution easier and what are the real difficulties of the new situation.

The series of national, political revolutions resulting from the post-war crises, once the revolutionary force of action of the working class was exhausted, has created on a national scale the vital question of the internationalization. In the second world war it will become plain that there is only one convincing program: the workers' revolution as the precondition for its actualization. If, however, the workers then fail to win their freedom, the new means of mastery which the ruling class has today constructed on a national scale will be extended by it internationally on ruins and blood and the productive forces subjected to a still sharper discipline. That will be the essence of the new world-revolutionary struggles. The free unfoldment of the productive forces is assured only through the action of the producers.

That sluggishly which settled over the labor movement and which was the precondition for the victory of national revolutions was not so much the consequence of individual revolutionary defeats, but above all the consequence of the paralysis and disintegration which was brought about by the actual tying up of the labor movement with social-reformist and politico-revolutionary tasks, hence the actual tying up of bourgeois and proletarian revolution. Since the labor movement down to 1914, engaged in wage struggles, pay-rate negotiations, ballot battles and social politics, had actually not taken steps to break through at any point the framework of the form of state and society prevailing, the new monopolistic state economies have at the same time the character of preparedness measures. More and more military preparedness the assurance of that very industrial energy by which the world is driven forward (materization, militarization, industrialization, etc.) the decisive material is being heaped up and stored on a large scale. Likewise the social pacification policy is preparation for war. The disarmament ideology is being replaced by vita militante, soldiery spirit and security. (The Labor Party, in its program, speaks into the war front: "punitive war against peace breakers" packed in the apolitical ideology of the League of Nations. The Comintern is entered in the war preparations through the franco-russian alliance.) The incentives to conflict are numberless, the most important being the japanese expansion in the Far East, the central focus of the second world war. Thus this war is being prepared partly in conscious planning, partly behind the backs of the participants.

And here we have the contradictory drama that these very forms of state and economy which are characteristic of the present epoch actually undo and want peace—in part because their preparation for war is incomplete, in part because they are frightened by the vague suspicion that the state system resting on wage labor and capital will not flatten in its most modern form, outset the second world war—soon and that it is these very states which are preparing the war most effectively. They reveal themselves more and more as transitional forms to this second world war, which in all probability will coincide with the next world crisis.
and purvey over them the ideological camouflage of the proletarian world revolution.

This state of things serves to explain the peculiar Bolshevik-Fascist twilight lying over the world today. Revolutions win counter-revolutionary, counter-revolutionary counter-revolutionary. Something completely unexpected occurred: the workers having been worn out in the struggle, the bourgeoisie shaken in its self-confidence through unparalleled world crisis, the Third Estate, roused up by war and crisis, "smokes." To it, the twilight between the great decisions is the most becoming illumination. It develops the "new activism", has visions, speaks in tongues. It discovers that one really belongs to no class at all, but to an estate with good reason it evokes the military spirit for the cracking up and serving of the industrial apparatus, which still bears on itself the easily legible trade-mark "World War". It becomes the preacher and banner-bearer of the only thing possible in the given framework: the new monopolistic reorganization of capital, which corresponds to the special task of political economy in the present period. With the aid of the revolution of the middle elements it rises in great numbers into state positions, and thus in part incorporates itself personally with the state-subject Capital.

To monopolistic capital this personnel supplement comes in very handy. For the worker revolutionists the new condition is gratifying: the fascist third estate, as chancellor or minister of monopoly capital is better than the Socialist a la Sevérin or Kautsky. Now that the political revolution and the only possible social reform has won against the workers, and turns out to be their complete lack of freedom, the workers have at least won the negative freedom for their own gigantic ends. No Kautsky and none of his Russian disciples can still entertain the notion of whispering to them from the outside what their "historical mission" truly is. No Bernstein and none of his English teachers can still make it appear to the workers that taking up places in the state apparatus is a "growing into socialism". One has only to bring out the dusty portraits of the Marxist numbers into state positions, and thus in part incorporates itself personally with the state-subject Capital.

With this omission, the structure of the Theses becomes quite clear. In the first part (remainder of Thesis 3) is discussed the pre-history and history of the present crisis period setting in with the World War; in the second part (Theses 4 and 5) the further development after the "transition from the acute crisis into the depression" and the prospects for the next world crisis coinciding with the first world war. Thereupon follows an third part (Thesis 6) the exposition of the "satisfactions" and "difficulties" arising from the new state of affairs and the tendencies revealed therein for the workers' world revolution, together with a backward glance at the "sluggishness" which settled over the labor movement prior to the present state of affairs, the cause of that sluggishness and the new visible overcoming of these causes.

In analyzing these theses, one will do well to leave out entirely the first three paragraphs (i.e. Theses 1 and 2, the first paragraph of Thesis 3). They contain in part uncritical assertions that "likes", coinciding of the next world crisis with the second world war), in part subjective experiences of the author, (his 'shock' at noting that the forces of revolution previously assembled are used up), in part generalizations from the present time, and to the present time, i.e. the Theses themselves. It is not until we come to the last sentence of this section ("We have mostly contented ourselves with explaining the causes of capitalist wars, etc."): that we get something which serves as a real introduction to the analysis of the World War beginning immediately thereafter.

The genuine difficulties of the new situation, however, all spring from the circumstance that the revolutionary movements of the working class, in spite of embittered struggles in all parts of the world, must on the whole begin all over again at the beginning of the war, and that the world-revolutionary situation already enters the range of vision.
next sentence (Thesis 4) the "acute crisis" had already become no more than a "henceforth, from the point of view of the working-class revolution period", with a "breathing spell" following it at the latest within a few years, is said to be already accomplished. In the same way, everything that is said in these Theses regarding the situation, tasks, prospects and difficulties of the labor movement of our time is nowhere related to the present, but to the "next world crisis" (closing sentence of Thesis 4), and the thereupon approaching "second world-revolutionary situation" (closing sentence of Thesis 6). The Theses deal, that is, practically not at all with the actual present, which is passed over as quite uncertain, and which in victory and defeat failed as revolution—the "class, as an entire people", in modern monopoly-capitalist society, has been demonstrated to be a "class in itself" which is entirely indeterminate and without content. We learn from him positively positive grounds for anticipating the world crisis "around 1940", no counter-reasons come forth from the presently visible general tendencies of economic development. But even apart from such special defects in the formulation and support of individual assertions, this actual disregard of the real present and fictitious actualization of a "like" revolutionary situation in the future is a blow to the very foundations of these Theses, when it regards their materialist-practical character. The place of such a character is taken, on the other hand, by pure idealism and idealistic subjectivism, which sets its standpoint "over against the historic movement", and on the other hand, an unavoidable polemical supplement, by that pseudo-materialistic activity which speaks of the necessity of given historical processes in a too general manner, without "thereby" determining its standpoint.

While the connection between such hitherto always isolatedly regarded phenomena as world crisis, war and revolution, or Capital and State, in modern monopoly-capitalist society, has been demonstrated in these Theses with much force from the objective side and represented in striking and sometimes new and original formulations, the practical task springing from this objective connection for the working class has been proclaimed only in abstract manner. The author contents himself in this respect with the simple repetition of the one phrase, "the Theses—on the other hand also celebrated as the final "severing of the umbilical cord between bourgois and proletarian revolution" and hence as a "gratifying state of affairs for the worker revolutionists". The working class itself, however, expresses this not to the Theses—"at that zero point of their revolutionary action at which they have now finally arrived, have "at least won the negative freedom for their own enormous ends".

Against this assertion there is first to be objected that as a matter of fact it is not true. When the Theses state, among other things, that "there are no grounds for anticipating the world crisis in the revolutionary cycle of 1850-1917", we at first still have a reference to something as a "鮮 new beginnings", still at the end of the Theses it is expressly stated that "the revolutionary actions of the working class must, on the whole, begin all over again from the beginning". This state of affairs is, to be sure, on the one hand denoted as a "dictation of the objective moment", and on the other hand also characterized as a "severing of the umbilical cord between bourgois and proletarian revolution" and hence as a "gratifying state of affairs for the worker revolutionists". The working class itself, however, expresses only this to the Theses—"at that zero point of their revolutionary action at which they have now finally arrived, have "at least won the negative freedom for their own enormous ends".
freedom, i.e. of an absolute nothingness, through the mere "approach of the second world war" and the "second world-revolutionary situation to which it gives rise, to that highest in reality and destiny of a direct and total truly proletarian, truly class-befitting, truly world-embracing genuine workers' revolution for which alone, in the view of the author of these Theses, the throwing in of the proletarian forces, after the bitter experiences of the past, is still at all worth while and without the full attainment of which any new militant activity of the workers must lead merely to another and still worse decline into slughness. As a matter of fact, in this case does not say, to the directly world-revolutionary action of the workers in connection with the next world-war crisis (around 1940) but the fearful punishment set on the failure to follow this last warning—it is this punishment which forms the real content of the prospects expressed in these Theses. The author says in effect, there is offered to the workers once more—at a period now lying only a few years in the future—that incomparable opportunity of which they failed to make full use at the end of the "first world war". "In the second world war it will become evident that there is only one convincing program: the world order of labor, and that the emancipation of the workers is the precondition for its actualization. If the workers then fail, however, to win their freedom, then the new means of slavery which the ruling class today has constructed on a national scale will be extended by it internationally on ruins and blood and the productive forces subjected to the "simpler struggles". That will be the essence of the "new revolutionary struggles". Here in the very formulation it remains undecided whether, after all, these new "world-revolutionary struggles of the near future as well will not in their actual realization only be the "international extension" of the so-called "capitalist means of mastery" than the "emancipation of the workers" and rather to a "still sharper (fascist) discipline" than to the "free unfolding of the productive forces".

At this place we come up against a point from which it becomes imperative to attack not only the subjectively practical content of these Theses, but at the same time their theoretically objective content; that is, the theoretical analysis which they give of the historical development and of the objective developmental tendencies coming into light therein. The question arises whether there is not concealed even in the objective, determinative or world-historical points of view, as it is given in these Theses twice (once retrospectively for the first world-war crisis 1913-1919, the other time prospectively for the impending new world-war crisis of a near future), some more or less evident representation or vision of the so-called "fascist" opponent, in attack which at the present moment is obviously felt as over-powerful. With such capitalizations, fascist states of mind and prison ideolo gies the entire european labor movement is treading today, and even the revolutionary tendency within the labor movement shows some of the same affliction.

If from this critical point of view one examines the objective theoretical content of the present Theses, at first everything appears possible that in the Theses a critique of the entire world-war and peace— which apparently (not, as stated in the Theses with a too far-going adaptation to the opponent's ideas, "in itself") "goes on in other connections"—is recognized as in-
double mode of existence as genuine forms of production and forms of destruction, both of which under capitalist relations combine to form an indivisible whole and of which only the two together represent the totality of capitalist society and are kept on growing stronger and must continue to grow still stronger in the future. The present development of the capitalist mode of production is thus heading, in one and the same process, both toward the new crisis and the new war, and toward the combination of both in a new world-war crisis though which, for the class of real producers uniformly suppressed and exploited in war and peace, the presuppositions for a new world-revolutionary situation are from the objective side by side extinguished. The presently given capitalist economic clarification of this objectively revolutionary situation is tantamount to a genuine, and in its consequences for the preparation and carrying out of the revolutionary struggle of the workers, also practically important further development of our insight into proletarian revolution.

And it is likewise a revolutionary attack on the enemy position, and no capitulation, when in the Theses the line of separation sharply drawn by the old marxist theory between economics and politics, Capital and State, is in tendency blotted out and the "State" converted from the merely 'ideational' to the actual "Total Capitalist", and the subject "capital" with the apparatus "state" as an economic and political system is smelted to a "unified total-subject Capital". The struggle against the capitalist State today, as a matter of fact, begin in a quite different, more direct manner a component of the revolutionary proletarian class struggle against capital mastery than it was in the earlier period when the socialist labor movement actually (as admirably represented in the Theses) continually moved about within the (on both sides unsatisfying) contradiction of social reform and (only) political revolution and consequently the workers were unable on either field to arrive at the full concrete reality of their social-revolutionary struggle. It is also a revolutionary criticism which strikes at the heart not only of the present-day enemy, but also of the earlier and present-day false friends of the labor movement; when it is stated in the Theses that through the seizure of power by the hitlerian National Socialism "the political revolution and the only possible social reform against the workers has won" simultaneously and hence at the same time the (in result) counter-revolutionary character of both these ostensibly progressive goals of the now surpassed forms of the labor movement has become manifest.

By the side of these real revolutionary intensifications of the proletarian attack on all the old and new forms of incorporation of the capitalist state and economic power there is, however, in these Theses also a series of formulations through which the one struggle which lies open to the workers in Germany, the struggle against what there today is the only incorporation of capital, is rendered vague and ambiguous. It is a dangerous tendency, in its consequences for the revolutionary emfolding of the proletarian force of attack in the present historical period of development, to consider the Theses the "masterly" (in spite of its brevity) "final" and "utterly decisive" and "comprehensive" formulation of the "immediate" and "historical task" which is as a fighting slogan for the revolutionary proletariat. In the past, now overcome, and the transition into the depression with the prospect of a "breathing spell" soon setting in and coming to a close in the "next world crisis" was announced. Let us recall, further, the peculiar form with which, later on in these Theses, there was denoted as a "thesis", and in reality perhaps more probable prospect for the international further development of the present world condition, by the side of the complete unfolding through the proletarian revolution of the productive forces tied up in the inadequate "national" framework, a new, merely "still sharper "paralysis" of these productive forces through the extension of fascist mastery on an international scale as well. It is seen that these three formulations taken together—the crisis already belonging to the past, the solution of these tasks whose continuing solution according to the marxist doctrine forms the real future content of the whole world-historical development, but at the present time being accomplished by victorious fascism on a national scale, and in future perhaps to be accomplished by it still further on an international scale—these three formulations result in a way at future histoeical development on which, between world crisis, world war and world revolution a quite different, exactly opposite form of union may be brought about than the one which the author of these Theses has been after in his "Theses on the Historical Materialism, a formula occurring in the same connection: "The state-subject capital seizes the monopoly on class struggle". That may mean, and does in fact mean according to its first and most obvious sense, that the fascist State suppresses the whole previous class struggle of the wage-workers against capital. "The breaking up of all class organs of the workers is its first accomplishment". To the quite correct observation concerning the "new world-revolutionary situation is the separation of the capitalist class from the productive forces tied in the inadequate "national" framework, from the standpoint of a clear marxist conception based on the fact of the class struggle, a further statement throwing light on the point as to what change is experienced, as a result of this "mobilization" the state subject capital has made that through the statement is made that through the "new monopolization" of the capitalist State, by the other side of the class struggle, a further statement throwing light on the point as to what change is experienced, as a result of this "mobilization" the state subject capital has made that through the statement is made that through the "new monopolization" of the capitalist State, by the other side of the class struggle, the class struggle of capital against the wage-workers. This statement would have to...
demonstrate, say, that the fascist State--bound up in the closest manner with large capital and, through formally set over the individual capitalist, yet in its general material existence unconditionally dependent on capital--stands out in the form, "on behalf of the State", that "monopolized" class struggle against the workers. Finally, from a truly dialectical, i.e. practically materialistic and revolutionary marxist conception, there would thereby also be added that the fascist State, capitalist and conti

...
struggle of the proletariat in each country and on an international scale against the here and now present form of capitalist mastery, and all its expressions, as the single genuine content of the proletarian "world revolution."

The development of the American labor movement has been different from that of Europe and England in several respects. The trade union movement here not only refrains from independent political action, but actively supports the capitalist parties. Repeatedly the socialist and communist movements have tried either to capture or to destroy the American Federation of Labor. These tactics have fluctuated between "boring from within" to outright organization of dual unions. The history of these efforts is interesting.

The developments of trade unions during and since the world war necessitate a complete revision of the earlier conceptions by Marxians. The expectations of the Communist Manifesto have not been fulfilled. Hopefully as the unions were greeted in 1848 and as lately as 1870 in the days of International, they have now definitely assumed a reactionary character.

Although the American movement shows considerable differences in development from that of Europe, the trade unions of Europe and America alike demonstrated their reactionary character. The Socialist unions of Europe were no less enthusiastic in their support of the mass slaughter than Gompers and his cohorts in America. The reaction of both sprang out of their inherent qualities, from their preferred positions in capitalist society, from their fear of losing their treasuries and "achievements," from their general satisfaction with the status quo.

The trade unions of Germany were as conservative an influence on the German labor movement as were the revisionist Bernstein, and the Austrian trade unions likewise hesitated and temporized, and like the Germans paved the way for the politicians who finally destroyed them.

The British trade unions, unwillingly were precipitated into the 1926 general strike and then recoiled in horror at their own temerity. Now they are passive while dole and wage cuts are proceeding apace.

A review of American trade union history will show the development of this reactionary tendency to a point where it becomes obvious that the American Federation of Labor—the junction of unions under the constitution and laws of that federated body—must be destroyed as a definitely counter-revolutionary force. Its form of organization is not susceptible to change. It is so removed from rank and file control that even a severe crisis arousing the members of the unions composing it would keep them helpless and powerless. It is essentially an organization of officials whose comfortable, well paid jobs and political connections have reconciled them to the capitalist system, and who would fight to the bitter end against proletarian victory as a direct threat to their positions. A real proletarian victory is possible only after this bulwark of reaction has been destroyed.

While history is but the recounting of the dead past, the history of the attempts to change, reform, and displace the A.F. of L. and its later cousin, the C.I.O., can be of use to the A.F. of L. in the formulation of the position of revolutionary workers in relation to it.

These attempts may be roughly divided into four major actions: first, the organization of the Socialist Trade and Labor Alliance, 1885; second, the organization of the I.W.W., 1905; third, the Great Steel Strike, 1919, and the subsequent organization of the Trade Union Educational League; and fourth, the organization of dual unions by the Communist Party from 1928 onwards.

The first major conflict between the A.F. of L. and the Socialist movement occurred in 1890. At the Detroit convention of the A.F. of L. in that year, the Central Federated Union of New York was refused a charter because it admitted delegates of the Socialist Labor Party to its deliberations. Bitter conflicts continued at succeeding conventions until 1895 when the Socialist Trade and Labor Alliance was organized. This was in effect a dual union in opposition to the A.F. of L.; but it never prospered. It never developed beyond the stages of a propaganda organization. Within the S.L.P. it engendered a conflict that split it in 1899 and resulted in the organization of the Socialist party in 1901. The S.L.P. (De Leon) carried on a vigorous campaign against the A.F. of L. while the Socialist Party (Hillquit, Berger, Debs) hoped to win over the Federation by education and propaganda.

It was believed at first that the corruption of the (then) declining Knights of Labor was a main factor in the organization of the S. & L. A. The Socialist Labor Party's National Executive Committee's report and the American Federation of Labor's report both emphasized the "political-economic" dualism that ever after stamped the De Leonite S. L. F. Its declaration reads in part:

"The pure and simple union is no longer an organization that even pretends to better the condition of its members by..."
The Socialist Trade and Labor Alliance was endorsed in the following resolution introduced by De Leon:

"WHEREAS, Both the A.F. of L. and the K. of L., or what is left of them, have fallen hopelessly into the hands of dishonest and ignorant leaders;

"WHEREAS, These bodies have taken shape as the buffers for capitalism, against whom every intelligent effort of the working class for emancipation has hitherto gone to pieces;

"WHEREAS, The policy of propitiating the leaders of these organizations has been tried long enough by the progressive movement, and is, to a great extent, responsible for the power which these leaders have wielded in the protection of capitalism and the selling out of the workers;

"WHEREAS, No organization of labor can accomplish anything for the workers that does not proceed from the principle that an irresistible conflict rages between the capitalist and the working class, a conflict that can be settled only by the total overthrow of the former and the establishment of the Socialist Commonwealth; and

"WHEREAS, This conflict is essentially a political one, needing the combined political and economic efforts of the working class; therefore be it

Resolved, That we hail with unqualified joy the formation of the Socialist Trade and Labor Alliance as a giant stride
its affairs and reorganized as the "Social Democracy".

Debs' entry into the Socialist movement is significant because he represented no white-collared intelligentsia, but came fresh from contact with the workers of a basic industry. He carried into that section of the Socialist movement which had broken away from De Leon and the S.T. & L.A. the idea of fighting the old craft unions. Hardly had the "safe and sane" socialists rid themselves of De Leon, than they were saddled with Debs. And the latter was much more formidable at that time than De Leon. He was illogical, sentimental and unscientific -- the direct opposite of De Leon. But he was fiery, aggressive, and had a tremendous reputation and following. The Socialist Party had to reckon with him.

It was a strange combination that later materialized in the I.W.W.: Debs, De Leon, Haywood, A.M. Simons, Mother Jones, Unterzamn, Hagerty, Sherman and Bohn. It probably never would have been organized but for Debs' venture with the A.R.U. and De Leon's efforts to fight the A.F. of L. with the S.T. & L.A. These two efforts represent the prelude to the I.W.W. The S.T. & L.A. represented the theoretical differences of the Socialist movement with the A.F. of L., the realization that the limitations of craft unions and the narrow viewpoint arising therefrom were inimical to Socialist interests. Debs' movement represented the revolt of workers in industry who saw themselves betrayed and forsaken by the labor aristocracy. Both elements fused for a time in the organization of the I.W.W.

*(In future issues, the I.W.W., the T.U.E.L., and the communist unions will be discussed.)*

# # # # # # # # # # # # # # #
its affairs and reorganized as the "Social Democracy".

Debs' entry into the Socialist movement is significant because he represented no white-collared intelligentsia, but came fresh from contact with the workers of a basic industry. He carried into that section of the Socialist movement which had broken away from De Leon and the S.T. & L.A., the idea of fighting the old craft unions. Hardly had the "safe and sane" socialists rid themselves of De Leon, than they were saddled with Debs. And the latter was much more formidable at that time than De Leon. He was illogical, sentimental and un­scientific -- the direct opposite of De Leon. But he was fiery, ag­gressive, and had a tremendous reputation and following. The Socialist Party had to reckon with him.

It was a strange combination that later materialized in the I.W.W. -- Debs, De Leon, Haywood, A.M. Simons, Mother Jones, Untermann, Hagerty, Sherman and Bohn. It probably never would have been organized but for Debs' venture with the A.R.U. and De Leon's efforts to fight the A.F. of L. with the S.T. & L.A. These two efforts represent the prelude to the I.W.W. The S.T. & L.A. represented the theoretical differences of the Socialist movement with the A.F. of L., the realization that the limitations of craft unions and the narrow viewpoint arising therefrom were inimical to Socialist interests. Debs' movement represented the revolt of workers in industry who saw themselves betrayed and forsaken by the labor aristocracy. Both elements fused for a time in the organization of the I.W.W.

*****

(In future issues, the I.W.W., the T. U.E.L., and the communist unions will be discussed.)

# # # # # # # # # # # # # # #
appears that the late "American Workers Party"--now allied into the Trotsky-American "Workers Party"--had only one member who had advanced far enough towards the understanding of Karl Marx to regard himself, with some misgivings, as a Marxist. His misgivings proved to be justified, but we have to allow him credit for the good will. His party comrades are still at that stage of development where their chief concern is with "Americanizing their Marxism" (if any) as quickly as possible--though to make the quotation strictly accurate, the word "Americanizing" ought to begin, of course, with a capital A, which in turn should perhaps be surmounted (subjectively) by the Stars and Stripes.

Just what was to be understood by this Americanizing of Marxism was left in some obscurity until quite recently, though one might have suspected, in view of the source, that it was designed to get Marxism out of their systems as thoroughly as the circumstances might permit. The paternity of the phrase may no doubt properly be ascribed to V.F. Calverton, of The Modern Monthly, and certainly he has been one of the most vociferous in promoting the idea. Only a few months ago, in an article on Father Coughlin (Modern Monthly, March 1935), Calverton indulges in one of his usual apotheoses about the ineffectualness of "American Marxians (who) have never learned to Americanize their Marxism", as contrasted with the great popularity of the priest and the vote-garnering possibilities of Huey Long and other aspiring fascists. But all that we gather from this is that Marxism has something to do (or not to do) with an affection for cream-puffs, chocolate eclairs, popcorn, or other distinctively American folk-ways which the Marxists are foolish enough to despise. In a later issue of the same journal ("In the Name of Marxism", Modern Monthly, April 1935) we do find, to be sure, that Calverton has gone deeply enough into the subject to pull a few passages from Marx which might be of value to his American-
Americanizing program, if quotations could serve as a substitute for understanding the marxian method. But all in all, it is quite obvious that Calverton is concerned with interesting primarily in making it popular and considers that any means to that end are good; though in the last analysis, his concern with Marxism is merely a means of competing with the C.P., which his party is quite incapable of opposing on other grounds. 

Certainly, we have no objection to being "real guys" and "regular fellows," in the very same number of 'The Modern Monthly' (March 1935). This is written by one of Calverton's party comrades—brothers, to be strictly American—Ludia Budenz by name, and entitled "For an American Revolutionary Approach." Budenz is the Workers Party hero of the "Battle of Toledo", which he has just played in his own way; that is, by maintaining himself as small capitalist in defiance of the big capitalists—"Wall Street" and the banking interests.

Americanizing program, if quotations could serve as a substitute for understanding the marxian method. But all in all, it is quite obvious that Calverton is concerned with interesting primarily in making it popular and considers that any means to that end are good; though in the last analysis, his concern with Marxism is merely a means of competing with the C.P., which his party is quite incapable of opposing on other grounds. 

Certainly, we have no objection to being "real guys" and "regular fellows," in the very same number of 'The Modern Monthly' (March 1935). This is written by one of Calverton's party comrades—brothers, to be strictly American—Ludia Budenz by name, and entitled "For an American Revolutionary Approach." Budenz is the Workers Party hero of the "Battle of Toledo", which he has just played in his own way; that is, by maintaining himself as small capitalist in defiance of the big capitalists—"Wall Street" and the banking interests.
Like the average half-baked liberal who has read in the daily papers about the successes of fascism, he begins to wonder why the revolutionists could not do the thing in the same way, and concludes that they must have been very stupid not to see it.

But it is not merely that Budenz converts into revolutions (and this will always remain as his greatest revolutionary achievement) what were essentially nothing but national or sectional wars without revolutionary significance (except, of course, as means of promoting the development of capitalism). He and his conferees have also combed the utterances of our national heroes, and a whole host of American bourgeois rebels long since dead and quite forgotten, for any utterance that can be given a revolutionary tinge or which could possibly be made to serve as authority for the revolutionary idea.

And why should a revolutionist object to that, they may ask. The answer ought to be obvious, but for the enlightenment of our hundred percent American radicals we shall try to be patient. It is briefly this: that instead of combating fascism—and that involves combating the whole capitalist ideological complex—Calverton, Budenz et al. are actually capitulating to it and in the final result helping to promote it. The very nationalistic sentiments which they are presumably endeavoring to arouse in behalf of revolution will later be exploited by the bourgeoisie for counter-revolutionary ends. That, of course, is the historic patriotism of every era. After the mass demagogues have succeeded into a nationalistic frenzy coupled with more or less radical demands, the real fascists, with capitalist financial backing, take charge of the situation and divert the movement into its legitimate channel. It shall be less than paradoxically that perniciously the whole pattern of the Budenz demagogy fits into the fascist scheme. Take the bourgeois wars which he tries to palm off as genuine revolutions; what could be easier to Hest and his cohorts than to show the true character of these wars to the revolutionists and to demonstrate that these have nothing to do with revolution, much less with communism or anything of the sort, and that they ought rather to serve as lessons in true (capitalist) patriotism—which means, among other things, suppressing any revolutionary feeling in everybody. After the masses have been diverted into a nationalistic frenzy coupled with more or less radical demands, the real fascists, with capitalist financial backing, take charge.

If one is going to glorify nationalism and worship of the bourgeois past as a justification of revolution, he has no right to object when the other bourgeois demagogues come along and quote, say, from George Washington or Alexander Hamilton to whom nothing was more abhorrent than revolution (in the real sense of the word) or the right of the masses to be the masters of their own lives, as he never was. Washington, we ourselves may have thought (or failed to think) has nothing to do with the case.

III

What Calverton, Budenz and their conferees are trying to do is compete in demagogy with the bourgeoisie. Their mistake is essentially a form of pure economism—a belief that a revolutionist may be distinguished from a reactionary merely by a more or less vague belief in the desirability of getting rid—not of capitalism in all its various manifestations with all the that implies in the way of subjection and misery for the workers, but simply of the "Profit System"—essentially merely another "share the wealth" affair. If they had any Marxism to Americanize, they would realize that their Americanization program is not merely superfluous, but downright pernicious and silly. It is based on a reformist, vote-getting and parliamentary conception which, with the setting in of the world crisis and the advent of fascism, is not only antiquated but suicidal. That is precisely the lesson our great heroines, who came from Europe but which, in view of their American mania, they will probably have to learn at home.

However much mass support such a movement might receive, it could never eventuate in anything more than a movement for any one who is not economically and politically a complete innocent knows that any reform of capitalism now, at its present stage of development, can lead only in the direction of fascism. What they are actually aiming at is, of course, a form of state capitalism, something in the nature of Technocracy, in which the workers would have the privilege of selling their labor power to the State instead of to the private capitalists. But even such a limited goal could not be achieved in the manner which they propose. Or take the revolutionists themselves. They are essentially merely another "share the wealth" affair. If they had any Marxism to Americanize, they would realize that their Americanization program is not merely superfluous, but downright pernicious and silly. It is based on a reformist, vote-getting and parliamentary conception which, with the setting in of the world crisis and the advent of fascism, is not only antiquated but suicidal. That is precisely the lesson our great heroines, who came from Europe but which, in view of their American mania, they will probably have to learn at home.

They fail to realize that the weakness of the labor movement is not in its internationalism,—that is its main strength,—but precisely in its reformism and in its party and trade-union basis. Those who have come from the upgraded period of capitalism and the very sort of thing in which these would-be clever politicians are doing their best to perpetuate and glorify it, and that is a solid and indispensable basis for internationalism, --but in the neglect to apply marxist principles and in the false slogans of the Americanization campaign which is coming over the country, infecting the workers with reformist illusions and in general acting as if the good American capitalists were going to let them be voted into office some day, whereas upon the capitalists would be expropriated and the radicals would be kicked out. They have still not outlived the reformist movement of pre-war times; their revolutionary phrases are plainly nothing but phrases, and even those will soon be dropped.

It seems to us that these are precisely the sort of thing...
countries as of different times and circumstances throughout the world. (What does it matter, by the way, if the American workers have massed behind La Follette and Roosevelt rather than Norman Thomas? Does the necessarily indicate, as Calverton seems to think, that they are less class-conscious than the German workers who were following Schleidemann and Ebert, and finally followed Hitler? What's in a party name?) All countries are sooner or later affected in much the same way by the capitalist development, which will create the necessary objective conditions for world revolution. Our task is to help in constructing a labor movement which can function effectively in such a situation. All attempts to magnify national differences and to hedge one country off from another can only promote the interests of the bourgeoisie and act contrary to those of the proletariat. The Russian experience has demonstrated—firstly, that socialism in one country is less a utopia than socialism in one state or one country. The proletariat must win internationally all along the line; and when it wins, it will not be content to follow the counsels of Calverton, Budenz & Co., but will take charge of the works in its own name, thus ceasing to be a pawn in the hands either of a capitalist class or of a bolshevist party.

---

**Marxism and Anarchism**

I

Federalism and Centralism.

The anarchist theorists contend that the future society must be built upon federalism which shall guarantee liberty and equality to all. In emphasizing this point they reproach the Marxists, insisting that these are striving to replace the present capitalist system by another strictly centralized socialist government. We will attempt to contradict them by furnishing proof, firstly, that all those so-called "Marxists" promulgating such theories are non-Marxian; secondly, that the anarchist conception is purely utopian; and, thirdly, that the structure of the future society will be neither strictly federalistic nor strictly centralistic in structure, but that it shall contain elements of both.

Let us briefly analyze the general conception of federalism and centralism. The working class is confronted by a powerful centralized government whose functions are determined by an inherently built state mechanism based on economic division of classes. All efforts of the ruling masses to maintain the existence of the ruling class are brutally suppressed. Strict and rigidly enforced centralism is the political form of all class societies. That it cannot be different does not require any further explanation here. Convinced that every form of centralism leads to oppression and despotism, the anarchists repudiate centralism altogether and support federalism instead.

---

**Council Correspondence**

...
Assuming the working time to be 20 hours per week, the output of each group comprising 100 men would amount to:

a) 633-1/3 pairs
b) 800 pairs
c) 1000 pairs

If every commune consumes 500 pairs, then there remains in each group the following surplus:

a) 133-1/3 pairs
b) 300 pairs
c) 500 pairs

Suppose this surplus would be used to obtain a shoe manufacturing machine whose value amounts to 10,000 pairs of shoes. This would imply that the workers in group a) will have to work 70 weeks and 3 days; in group b) 33 weeks and 2 days; and in group c) 20 weeks, in order to be able to obtain the machine. Group c), therefore, enjoys an advantage over groups a) and b). The communes of group c) could either introduce the surplus to the system of private capitalism and all its complications.

The evolution of human society which is paralleled by the development of productive forces (agriculture, guilds, crafts, machine production, division of labor, etc.) was accompanied by a change in the relation of the worker to the means of production. He finally had nothing else to sell but his labor power and thereby became a mere wage slave. This process in turn brought with it an increasing growth of state power. This development was by no means peaceful and harmonious. It formed, rather, a series of sharp conflicts and an intensification of the class struggle. Marx described this process in the "Communist Manifesto" as follows:--The historical development of the bourgeois state is the history of class struggle.--The anarchists repudiate this viewpoint. Their arguments are based only on the writing of Proudhon and Kropotkin but also on those of the bourgeois ideologist Franz Oppenheimer. They hold that Oppenheimer, author of "System of Sociology" (second volume "The State"), has proven positively and scientifically beyond a doubt that the Marxist viewpoint of the development of the capitalist state is nothing but a fairy tale. It may be of interest to confront Oppenheimer's views with the Marxist interpretation: He introduces the state to the reader in the book cited as follows: "The state is a historical object in the universe and can be interpreted only by far reaching universal-historical aspects", and continuing, "What, then, is the state as a sociological concept? The state, completely in its genesis, essentially and almost completely during the first stage of its existence, is a social institution, forced by a victorious group of men on a defeated group, with the sole purpose of regulating the domination of the victorious group over the vanquished, and securing itself against revolt from within and attack from abroad. Teleologically, this domination had no other purpose than the economic exploitation of the vanquished by the victorious".

Later in the same chapter examples are given by Oppenheimer in support of his argument that the state has arisen through outside pressure, (i.e. foreign tribes) and not through social development in general, and he concludes: "...the state grew from the subjugation of one group of men over another. Its basic justification, its raison d'être, was and is the economic exploitation of those subjugated."

Thus Oppenheimer cannot deny that control and exploitation (even if effected by outside forces), in other words, political-economic factors, lead to the formation of the state. While the Marxists claim that the state grew through the class contradictions arising in every class society, Oppenheimer and the anarchists see the responsible factors for this growth in the arbitrary subjugation of a group of men by
Kautsky's viewpoint was most severely attacked by Lenin in his pamphlet "State and Revolution". Having his response on statements from the writings of Marx and Engels, he successfully challenged the non-Marxist character of Kautsky's deviations. Although succeeding in the bourgeois-cynical construction of the revolution, he committed serious errors, particularly in his interpretation concerning the role of the party to play before and after the revolution. Greatly influenced by the conditions in Czarist Russia, he could not perceive a proletarian capable of conducting and leading its own struggles. According to him, revolutionary ideas cannot develop within the working class itself; hence, they must be carried to the masses from the outside by bourgeois intellectuals and professional revolutionists. These latter, together with class conscious workers, will form the party that will lead the masses through the revolution and to the future society. Proceeding from this viewpoint, Lenin writes on the necessity for the dictatorship of the party whose functions during the first stage of communism would closely resemble those of the conquered capitalist state. The only difference, according to Lenin, would be that the new form of state could not maintain economic class divisions for the simple reason that with the victory of the revolutionary party all classes would be abolished. Gradually, Lenin believed, "as soon as all have learned to manage social production independently" then, "it will become a habit to observe the fundamental principles for a harmonious living, and the transition from the first phase of communism to the higher phase and consequently to the complete abolition of the state would only be a short step".

How profoundly Lenin erred is illustrated by the development of Russia itself. Although the bolsheviks have destroyed the old state, they have built up a new state whose executive power and methods of oppression surpass at times even those of outspoken fascist countries.

Both Lenin and Kautsky were too closely connected with the reformist labor movement they will gradually lose influence over the proletariat. In the present period of decaying capitalism their theories have lost all significance and with the decline of the reformist labor movement they will gradually lose influence over the proletariat.

For revolutionary Marxism the abolition of the state as also the question of the transitional period is just as little a problem as that of federalism and centralism.

Capitalism struggling hard to postpone its evident collapse is forced to oppress the workers of all classes with ever increasing intensity because at this stage profits can only be realized by increased exploitation. But there is a limit to exploitation also, and when this point has been reached, i.e., when the workers, fighting for their bare existence, will then be forced to reorganize production and distribution.

The destruction of the capitalist class and its state through the revolution is immediately to be followed by the building up of the classical communist society. The state will be abolished, the dis-
The financial credits from Germany, and the war pact with France, have both the same basis: the interweaving of the Russian state capitalism with other capitalist interests. A different world situation might have agreement everywhere from France and a military pact with Germany, and possibly new shifts in world policy, determined by economic necessity, does not exclude such a changed situation.

"There is no difference", said Bukharin with the consent of the Fourth Congress of the C.I. "of principle between a loan and a military alliance. We are already big enough to conclude a military alliance with a bourgeois state in order to crush another bourgeoisie. This form of defense of the fatherland, a military alliance with a bourgeois state, makes it the duty of the comrades of a country to help the bloc to victory". Russia and the Communist International have always lived up to this principle expressed by Bukharin but no bourgeoisie policy ever been crushed by the aid of another bourgeoisie. What has been crushed, however, has been the revolutionary movements in many countries. The labor movement flocking around the C.I. has been converted to a football for capitalist policies in the furtherance of this principle. The arms furnished to Turkey by Russia were used to crush the Turkish labor movement; and with the support of Russia, the nationalist movement of China slaughtered the Chinese masses who wished to go beyond "capitalist liberation" from other capitalists.

It is both difficult and confusing for the professional revolutionists to make a comparison between the present war with Germany and the World War of 1914. The Communist International endorses this pact "in line with the defense of the Soviet Union". The revolutionary movement in France, as in Germany, is not an indication of the relative unpreparedness of some nations in comparison to the preparedness of others for the coming new world war. The task of peace and status quo is but a policy of hesitation coupled with a hastening of preparation for the violent changing of the world situation.

Russia will enter the next world war as it now prepares for it, as an imperialistic force lined up with other imperialistic forces and it is not possible for the working class to have any other position towards Russia than towards any other country. The answer of the revolutionary movement and the revolutionary revolution; no, too, must be the answer of the Russian workers to a war in which Russia participates, - a revolution to overthrow the state capitalism now existing. The working-class cannot defend their fatherland, since the workers never had a fatherland and never will have one. The revolution of the workers must be international. They must work for the overthrow of state capitalism as they do for the overthrow of capitalist exploitation in the rest of the world. The answer to a world war must be world revolution.
Economic forces are so manifold and interlocked that they never respond instantly to interference and regulation. It is not necessary and not the case that the paper money of a country is equal, dollar for dollar, to the gold in store. Despite this, the purchasing power of the paper may remain on a par with the gold. As long as paper is exchangeable for the equivalent gold quantity, its purchasing power remains high, even though the gold backing may be low. But the moment distrust and fear cause a large demand for gold exchange which cannot be met, the paper declines until it reaches the level of the gold stock.

It must always be remembered that in economics so many forces are operating in constant interaction that the fundamental tendencies are always partially neutralized and modified. Thus in analyzing money we must remember that the relation between paper and gold is the norm around which large fluctuations occur, but the norm limits and determines the magnitude of the fluctuations. Paper may be three or four times the normal amount of gold in the reserve, yet have a long time higher purchasing power than seems warranted. But the tendency asserts itself eventually and the paper will finally find its true level.

As long as the currency was left undisturbed, price fluctuations upward were frequent and annoying enough to the workers, but they were of a minor nature. Now the federal government has decided to suspend gold payments. It is issuing paper in large quantities and large scale inflation is imminent. The extent of the inflation and the reasons for it should be understood by all class conscious workers.

How Inflation is Being Forced.

The first step taken toward inflation was that of going off the gold standard. This was merely the preliminary step toward debasement of the currency. In effect, it meant no more than that the United States canceled its obligations to accept paper money in exchange for gold, thereby lowering its face value in relation to gold.

Fundamentally gold was, and still is, the basis of all U.S. money, for, by buying and selling gold in Europe with American dollars, with the so-called stabilization fund, the relation of the dollar to gold is established and verified in repeated transactions.

The second step in inflation was the actual debasing of the dollar. The ratio of $20.67 per ounce of gold was changed to $35.00 per ounce. Each dollar now is worth about 59% of its former value. While not immediately noticeable, the effect is now being felt in increasing commodity prices. When prices have adjusted themselves to this phase of inflation, the dollar will buy only 59% of its former value.

Further monetary debasement is in sight as a result of the silver policy. The government is pledged to buy silver until it constitutes one-fourth of the monetary reserve or fetches a price of $1.29 per ounce. Since the value of silver, like that of all commodities, is in the last instance determined by the amount of socially necessary labor required to produce it and by that standard is worth between 5% and 40% per ounce, this policy only increases the weight on the monetary reserves at the expense of the gold reserve.
between the value of silver and the price increased by this policy
eventually has to come out of gold. However, the minting of silver
is a minor phase of inflation, for paper could be printed as readily.
The silver policy is a sop thrown to politicians of the silver mining
states.

But the matter does not stop there. Under the powers given the pres­
bident under the agricultural act of 1933, the floodgates of further
inflation have been opened wide. Greenback issue may be increased
from 343 millions to three billion dollars. Reserve requirements of
the banks have been radically reduced. Federal reserve banknotes can
be issued up to 100% of government obligations held as collateral,
up to 90% of other collateral. The more the government borrows
the more money can be issued.

The credit inflation, still in the preparatory stages, operates with
terrible force once it starts. The banks' reserves have increased as
a result of the government's policies, having risen from 3 billion
dollars in 1933 to 19 billion at the present. The amount is increasing
at a rate of about 3 billion annually. Considering the credit
pyramid that is built up on the basic reserve, through lending and
refunding, and the enforced circulation of loans through the govern­
ment's recovery agencies, a further inflationary force has been
created.

Credit replaces and augments currency. It functions in lieu of cur­
cency. Every loan eventually must be repaid, over and above balances owed in gold. Credit expansion operates like currency
expansion. Credit is a lie of values to be created, that eventually
must be met by real values rather than promises. Until the time of
reckoning credit expansion results in rising prices and inflation. The
10 cent dollar will shrink still further as these inflationary forces
begin to operate.

Why all this inflation? The depression enforces the intensification
and greater exploitation of labor. Inflation is supposed to be a means
in helping to overcome the crisis. It will reduce wages at one fell
swipe without the immediate dire effect of a strike in every plant.
It will stimulate foreign trade, temporarily at least; it will
out a large portion of the terrible debt load. The governmental expen­
ditures, though nominally higher, are really reduced to a minimum
in capitalist production is thus expected to start anew.

That inflation is invoked is proof of the desperation of the capital­
l class, for it involves great discomfort and uncertainty for large
sections of the master class. On the other hand, the reduced living
standards of the working class and their precipitation into misery
with the advance of inflation will have in the end its political re­
percussions in strikes and riots.

This tendency of the book comes to light just as clearly in the philo­
sophical contributions of J.M. Murry and J. Macmurray, and in the eco­
nomical analysis of capitalism by N.A. Holdaway as in the position
of G.D.H. Cole and again J.M. Murry to the practical political questions
of the present-day English and international labor movement. The "theo­
retical" transformation of the marxist doctrine from a theory of the
revolutionary proletarian class-struggle into a mere "revolutionary
ideology serves the practical purpose of using Marxim for throwing
a halo over a political effort whose real meaning is by no means revolu­
tionary. In spite of all the mystical phrasing about the essential
"identity of theory and practice" in the revolutionary "philosophy"
of Marxim, the question for J.M. Murry and J. Macmurray is not one of
better adapting the marxist doctrine to the needs of the workers'
practical class struggle. Their real concern lies in dissociating the
marxist "philosophy" from its definite relation to the proletarian
class-struggle and "supplementing" it with all sorts of other elements
mostly borrowed from the Christian religion. And what do we have as
the goal of this "Marxism" which has been transformed into a religious
philosophy? Instead of a real change of the social surroundings, its
task consists in taking a state of society which in fact already ex­
ists and bringing it into the consciousness of the people living in
this society. The actual overthrow of the existing social order is to be
replaced by a religious, philosophic and moral renovation of the
inner human consciousness.

In dealing with such "marxist" politicians as G.D.H. Cole and J.M. Murry
there is no need of a critical analysis to prove that for them the "revolu­
tional marxist" ideology means only an instrument of vote-catching
for the Labor Party. To Murry there is no doubt that the practical labor
movement in England will still remain for at least thirty
to forty years (206) to a struggle for democratic aims together with
idealistic propaganda of ideals of freedom and religious-moral self-
education of the individuals concerned. Cole, too, comes out flatly

with the statement that "revolution on the part of the English workers is now of a political and less on a trade-union, industrial basis (236-7). Th this was due, according to Cole, to its fascist tendency and making it more re actively to the middle class, on the other han appears, according to Cole, in its natural development, predestined for fascism (221-22, 224), while accordin to Macaulay, it is not as "yet" in England definitely anti-democraci cal and may still find satisfaction for its planned-suspicion and tendenc 

"the party consists for both in diverting this "new class" of the petite bourgeoise discovered by Cole (how many times in the last four de cades?) from its fascist tendency and making it more receptive to soci alism. J.W. Murry goes so far as to represent the socialist movement of the future as an "essentially classless political organization", whose "total Marxism" will be a "faith" and a "vision", "as new and inspiring for the bourgeoisie as for the working man" (19-21). In rea lity, however, this fellow, who is never tired of describing himself as an "idealistic" and "impatient socialist" (203-3) and conceives the main virtue of Marxism to be that the "true Marxist" by means of Marxism kills off his agitational "self" (207), accomplishes on this very occasion, through the denial of a few inessential and temporary phrasings, a pious obeisance to the coming strong man of the Labor Party (Herbert Morrison) and through a strict renunciation of all "sectarianism" (192, 207), his adhesion to that ultra-reformist present leadership of the T.U. Movement which he has justly termed the "last bulwark of the bourgeoisie" against the true and christian "revolutionary Marxism" preached by him (20).

The special need which drives this kind of Labor politicians to bring about their transformation of the present English working-class socialism, in England, in the year 1935, in the form of a turn to "Marxism" and, if such were possible, to "revolutionary Marxism", is not further defined by Murry. On this point we have a certain clear expression on the part of Cole. He is in a better position to afford appraisals here because, in spite of his skeptical attitude regarding any possible revolutionary intensification of the present working-class movement, he is after all still striving for a certain degree of critical change, in the form of sharpening and activating of the present course of the offic ial Labor Party and under certain circumstances does not regard it as wholly precluded. The Labor Party can and shall, in his opinion, win the power, though of course along parliamentary paths, and will then make use of this power for the purpose, among others, of building up certain extra-parliamentary agencies "for the administration of the country on a socialist basis", and it shall furthermore have the "full consciousness" (1) that its mission (2) does not consist merely in passing new laws but in "altering the entire social structure of the country" with a view to a "classless and equilibrarian Society" (237-8). Supported on this concession to the socialist conscience, he now declares quite plainly the real reasons for the usefulness of Marxism to the present-day English Labor Party. As soon as the Labor Party passes beyond the social reforms which are, quite without the socialist, and turns—concerted or otherwise—to establish a socialist system, but even to "demands for social reforms that the capitalists cannot easily concede", it "can no longer afford to be or to look moderate" (226). In order to avoid this "moderate appearance" and thus not to lose all credit, especially with the middle class, which is already going in for Fascism (238), this and the Labor Party needs its present fateful hour this "gospel for revolutionary enthusiasts who want to change the world" (238).

And for the attainment of this noble purpose, Mr.Cole has no fear of bringing in his other weapon, his "constructive and reasonable thinking", which at the same time shall not, at any price, be or at least look like a "moderate" thinking (226).

- III -

While J.W. Murry and J.Macmurray have furnished for the practical political tendencies of the book what may be called the philosophical theory, the fourth contributor, N.A.Holdaway, contributes the economic theory, (193-178). It is mainly from the peculiar, self-selected bank of this faculty of skeptically sober petty-bourgeois intellectuals, namely, that of imparting to the working class by means of the revolutionary marxist ideology the lacking ardoir, that it is possible to understand the otherwise quite incomprehensible ardoir of Marxism is here unceremoniously treated. No reasonable, no modern Marxist would object if Mr.Holdaway had subjected the economic doctrines of Marx to "continual criticism in the light of developing phenomena of the Trade Unions, the T.U. Movement and socialism," and gracefully if (as his friend Cole has occasionally expressed it) he had received in such a continual critical alteration of Marxism even the genuine bank of the "non-orthodox Marxist", that is, had limited his activity as a Marxist to breaking down Marxism in a Marxist manner. But even from such a standpoint, a Marxist "Analyzing of Capitalism" and of its present final phase would have to convey to the reader a few marxist terms, concepts and statements in appropriate manner. When one speaks of "analyzing" and "reformulating" the "economic doctrine of Marx" (239), what is the task of the "non-orthodox Marxist", that is, had limited his activity as a Marxist to breaking down Marxism in a Marxist manner.

To show the confusion wrought by the critical Marxist Holdaway in the economic theory of Marx, and what comes of it, we take a few examples:
As early as page 129 we learn that in feudal society even the exploiting classes (the feudal lords, spiritual and temporal, and their retainers, who by reason of their larger shares of the social product of the soil and likely to it and that, as an early capitalist society the industrial "exploiters", produced "value" in the marxian sense.

On page 132, the author fulfills the utopian dream of old Aristotle. He discovers in present-day capitalist reality, more accurately in the "boots and shoe industry", the existence of machines that "work up raw material into a finished product without any human intervention at all" of that wonder if the traditional marxist doctrine of value creates creators who are not consumers; the capitalist system by its inherent necessity (which is the mother of inventions) creates creators who are not consumers, viz. machines (134).

In the next place, the author discovers (apparently on the basis of a previous discovery of Cole's) that "the Marxian Theory of Value is not an economic theory in the limited sense at all" (135). As a matter of fact, Marx has given in Das Kapital a profound and thorough economic analysis of the value relations of commodities in capitalist production. He besides (in the section Character of Commodity and Its Mystery) also historically and sociologically comprehended those relations as a material concealment of the social relations arising and developing between human beings in the process of production of use-values. This total conception of value, the economist Marx, Holdaway completely omits (in accordance with the "philosophical" and "religious" tendency of his contribution, as of the whole book, directed to the arousing of enthusiasm) the first half, the economic analysis and hold him as "philosophical". The economic category of value thus becomes transformed into a metaphysical thing, of which one merely learns that it is somehow a "measure of exploitation" (132) and no further. Thus, the entire passage is unintelligible. It first becomes clear when one recalls that in Marx it is not value which serves as the measure of exploitation, but the rate of surplus value.

Holdaway's next revelation consists in the discovery of a radical difference in the marxian theory between value and price (138). According to Marx, of course, the price of commodities is nothing other than their value expressed in money (exchange value). For various reasons, of which the most important does not appear until the third volume, it happens that between the magnitude of price and of value of the different commodities and commodity groups there is no direct agreement, nor can there be any in developed capitalist production. Many critics of Marx have therefore thought that Marx was not wholly successful in Das Kapital in the economic derivation of prices from value. Our author falls upon a brilliant, if modern idea. Pointing to him, is something absolutely different from value and in its "modern form" its direct opposite (136-141).

It is "essentially an individual relation" (140); more accurately, a different individual and group antagonisms between the exploiting and the exploited class, in so "price" we have "quite a different unity", namely, the "unity of buyer and seller" on the commodity market (134). The struggle about prices expresses always (even as a struggle between capitalists and small producers in the pre-capitalist period) a more individual antagonism and conflict and never "abstract struggles" (138) of the "special class struggle" with the "relations between the capitalist class and the proletariat" (140). If, under the conditions of pre-capitalist production, value and price will tend to be more or less equivalent (140), in the capitalist epoch price tends more and more to be "absolutely divorced from Marxian value" (141). The transition from the pre-capitalist mode of production to capitalist commodity production and the further development of this mode of production is not, as Marx, brought about through the medium of value, but through the variation of price from value (138-40).

This divorce of the price theory from the marxian "value" is made with a view to representing the economic development of capitalism undisturbed by value and surplus value and the related struggle of the classes in material production itself, that is, as an intra-capitalist affair, or as a struggle between the different competing capitalist and groups of capitalists over prices, a struggle taking place no longer within the sphere of production, but only in the sphere of exchange, on the commodity market. It is only occasionally, as in Critical Points of Time, named in the part "antagonisms" of the economic crises and finally "when all is fulfilled", in the "revolutionary overturn which brings the capitalist epoch to its end" (142) it is only than, from extra-economic, economically incomprehensible, "organic growth" (135) that value breaks ecstatically into this intra-capitalist, economic development: "the forcible overthrow of price by value".

Holdaway does not, however, accomplish his purpose. Through the radical divorce of price from value he has obscured the clear meaning of value, as given by Marx, for the operation and development of the capitalist mode of production. He has not succeeded, however, in finding for "price" in the sense of the economic category, economic determinations of its own. He has declared value to be an "extra-economic" category and robbed it of the economic qualities developed by Marx, transferring these qualities in mutilated form onto his "price". Through this "critical" further development of the marxian "critique of political economy" he has destroyed not only the economic content of the marxian doctrine, but even its critical-revolutionary significance. In order to make this clear, we set the marxian original and Holdaway's copy facing each other. The confrontation shows that the marxian formula is the unveiling of a real mystery, discovery of a new economic insight and clarification of a practically momentous matter for the class struggle of the proletariat. Through Holdaway's formula, on the contrary, a matter which is perfectly clear becomes mystified, with the result that we have neither the winning of a new theoretical insight, nor the expression of a practical class truth.

Marx treats as basic the relations springing directly from the material process of production in its capitalistic form (capitalist commodity production). These relations appear economically in the "value" of commodities.
HOLDAWAY treats as basic the relations arising on the market from the exchange (purchase and sale) of commodities. These relations appear economically in the "price" of commodities.

MARX - By the side of these basic relations (the "relations of productive relations which dominate the sphere of exchange. These relations include the one between the owners of commodities who confront each other as sellers and buyers and who "by means of an act of will common to both, appropriate the other's commodity in that they alienate their own", this relation (the "contract") is no longer an economic relation but a "legal or voluntary relation whose character is determined through the economic (value) relation itself."

HOLDAWAY - The economic (price) relation is derived from the legal or voluntary relation (the "contract").

MARX - In "value" appears a relation of persons which is peculiar to the capitalist process of production, namely, the reduction of private labors which are interdependent but carried on independently of each other to their socially proportional measure of labor time (the regulation of the social division of labor) as a relation between the value of one commodity and the value of other commodities.

HOLDAWAY - In "price appears a relation of persons which belongs to the process of exchange, namely the "unity of buyers and sellers" which is brought about in the sale of the commodity on the market, as a relation between "a commodity and its money form".

MARX - The value relation of commodities is a "crazy" expression for the real relation which it signifies, an expression which has need of a scientific correction. It is at the same time a "socially valid, hence objective conception" for the productive relations of a certain social mode of production (commodity production). The (social) validity of this conception is limited to an historical epoch (the epoch of bourgeois society).

HOLDAWAY - The price relation of commodities is the "inverted form" in which a relation appears to "us" which is something different in objective reality. This inversion occurs in connection with every purchase and sale of commodities, and has no connection with a determinate form of production or with a determinate historical epoch.

MARX - To that extent the value relation of commodities is not a mere appearance which would be dissipated by the discovery of the actual state of affairs concealed beneath it, but would still remain valid for those who are entangled in the relations of commodity production. It first disappears contemporaneously with the abolition of capitalist commodity production through the proletarian revolution and the further development to the classless communist society.

HOLDAWAY - To that extent the price relation of commodities appears as a mere subjective deception; through the discovery of the objective state of affairs lying at bottom, it can be done away with alone by purely theoretical means.

MARX - The value relation of commodities (the commodity form of production in the capitalistic mode of production) contains a real mystery.

"The mysteriousness of the commodity form consists in the fact that it reflects to people the social characters of their own labor as concrete characters of the labor products themselves, as social, natural qualities of these things, hence also the social relation of the product in that it is as a social relation of objects which exists outside of them."

HOLDAWAY - That "the commodities do not themselves go to market and cannot exchange themselves", hence the price exchanged on the market by actual human beings, is an obvious circumstance known to everyone.

MARX - The unveiling of this mystery (the doing away with "commodity fetishism") is a scientific discovery. The reality concealed behind "value" is thus made visible and palpable. By means of a statement regarding a relation existing between real things (the relation of the value of different commodities) a certain matter of fact (the labor time expended on different products of human labor) is properly made clear.

HOLDAWAY - No new theoretical insight is won by stating once more this fact which is well known anyhow. By the assertion that in the "price" of commodities the "unity of buyer and seller" is manifested also in "inverted form", a connection which is clear in itself is only artificially. One fails to see that the price can be bound up with the definition of price as a relation between "a commodity and its monetary form" (i.e. between a thing and its form). It is equally incomprehensible how the "unity of buyer and seller" established on the market must come to be precisely by means of a statement regarding the price of a commodity.

MARX - This discovery has practical importance for the class struggle; the wage workers, hitherto rating as mere sellers of a special commodity (their labor power) by the side of other sellers of commodities, recognize themselves as the class of the real producers, (suppressed and exploited by the non-producers) of all the social products exchanged on the capitalist market. Through their conscious action as a class they break down the barriers set to the capitalist mode of production by the condition of commodity production and they set in the place of the (unconscious) regulation of the social process through the law of value the conscious and planned direct control of production through the freely associated human beings.

HOLDAWAY - Nor is any practical class truth thereby proclaimed. The relation established between the buyers and sellers of the commodity labor-power on the capitalist "labor market" remains, like all other relations of the sellers and buyers of commodities, as "essentially individual" relation of the human beings or "human groups" competing for the sale of their commodities. It has no class character.

MARX - The rational character of the value formula continues to exist in the further development of the value formula of the price formula; that is, in the expression of the value of all commodities in a special commodity, money. Money is a commodity. It makes its appearance as such even in pre-capitalist epochs. It develops for the first time, however, into the general commodity (within the circulation of each country and on the world market) in the period of capitalistic commodity production. The abolition of the commodity character of money takes place simultaneously with the abolition of
capitalist commodity production and of money through the proletarian
revolution and the further development to the classless communist
society.

HOLDAWAY - The irrational character of the definition of price as a
relation between "a commodity and its money form" becomes especially
glimmering through the denial of the commodity nature of money. Money
was originally a commodity. It developed as such even in pre-capital-
ist epochs into the general commodity. It loses in the capitalist e-

don (in a "dialectical negation" of that previous development) the
character of a commodity and attains its capitalist final form as in-
convertible commodity. The "break-through" of the productive forces
through the barriers set for them in capitalist commodity production
by the (among other things) commodity nature of money takes place
without proletarian revolution, through an increase of money by way
of inflation (154).

Like the development of the commodity and of money, as also the general
development of capitalism closes, in Holdaway's exposition, not with
the abolition of the capitalist mode of production through the prole-
tarian revolution, but with the transition to state capitalism, to
capitalist "planned economy" and to fascist enslavement of the workers.
He declares that "the final phase of the centralization of capital
shows the appearance of new qualities" (171), and that treaties of state
capitalist economic war and nationalisms. He thinks that the workers will cease to sell their labor-power to the capital-
ists and will sink into a new form of slavery, "not in the wage-slavery
which has always been their lot, but in a bondage which assumes their
disappearance, not by individual owners, but by the state" (178). Thus
this 'marxist' analysis, which set out to portray the "end of capit-
alism", ends with the prospect for the new beginning of a more virulent
capitalism. In this way this 'economic' contribution, as well, fits
harmoniously into the general tendency of the book. Its authors, who
were selected for the purpose of imparting to the socialist movement,
hard pressed by fascism, a higher ardor through the confession of
faith in a so-called "revolutionary Marxism", and with this:

day still more to-die and unceasingly, to borrow perhaps conscious-
ly and practically, they capitulate before the might of fascism or
yield to what has already in secret long been felt as its irresistible
seduction.

- KARL KORSCH -

THE INEVITABILITY OF COMMUNISM

by Paul Mattick

"It was not the demagogue Hitler who destroyed the German Communist
Party and the Social Democracy, but the masses themselves, in part
actively and in part through inactivity. For these parties had got
into an untangle position; they did not represent the interest of
the workers, and they did not conform with the interests of the
bourgeoisie." (page 46).

Order your copy now from:
United Workers' Party,
1604 N. California Ave.,
Chicago, Ill.

By Aldred's own assertion, this pamphlet owes its origin mainly to a
personal correspondence. It is intended to be the answer to many ques-
tions addressed to him regarding the anti-parliamentary movement. The
high-flown title of the work is not justified by the contents; what we
have here is much rather the self-caricature of a man who is filled
with a "mission". The task which Aldred set for himself—that of re-
vealing in the anti-parliamentary movement the kernel of the new labor
revolution remains unfulfilled. Nor, as a matter of fact, is he suffi-
ciently interested in the matter. His principle object is rather mere-
ly to make his personal light shine as far as possible. And since his
knowledge is very limited, the work turns out to be a tiresome affair
which belongs in the realm of political curiosities.

We regret that our previous attitude toward Aldred's doings must remain
unaltered. He complains in his pamphlet about the slight enthusiasm dis-
played by the U.W.P. for his linking-up plans and his philosophy, but it
is impossible for the U.W.P. to come to an understanding with people who
go about hawking their "missions" in the same way that others do cheese
or shoe-strings. That do we care about Aldred, Vera Buch, Weisbord or
Mattick? We want to promote the consciousness of the class and not glor-
ify individuals. This tiresome emphasis on persons, and of his own person
particularly, stands in flat contradiction to his alleged design of
serving the class. In order to do this latter, he ought first of all
to forget his own name, and then his messiah-complex which makes this
pamphlet, so far as it relates to Aldred, a joke which is not even
laughable.

The pamphlet is written mainly with a view to pleasing the Little
Napoleon of Second Avenue, New York. It accordingly repeats all the
nonsense that Trotsky has given out about himself since he lost his
uniform, and tries desperately to make a class fighter out of the
Leninist Weisbord. The result is a stew of such quality as to be simply
indescribable. It is only when Aldred cites a few facts from history of
the Third International and produces fragments from the publications of
the Communist Labor Party of Germany (K.A.P.D.) that the pamphlet
be read with some interest. In his exposition of the anti-parliamentary
movements of Europe, it is impossible for the u.w.p. to come to an unde-
standing with people who

even where he is
directly concerned, as in his relation to the Weisbord group and to the
J.W.P., he is incapable of seeing the real differences between these
groups or of grasping the real character of either of them. The Weisbord
Group is a hundred-per cent Leninist affair with which the U.W.P. has
not the least thing in common. The fact that Aldred speaks of a "friendly correspondence", to pardon Weisbord the whole of Lenin-
ism is enough to convince us that we also have nothing to do with
people of Aldred's stamp, nor do we want to have.

(c) For Communism. A Communist Manifesto. Defining the Workers' Strug-
gle and the Need of a New Communist International. With a History of
Published in Glasgow, C.I., 145 Queen St., Scotland.

- 25 -
COUNCIL CORRESPONDENCE
ENGLISH EDITION

For Theory and Discussion

CONTENTS:

THE RISE OF A NEW LABOR MOVEMENT.
The Class "IN ITSELF" and the Class "FOR ITSELF."

NATIONAL SOCIALISM.

THE STRUGGLE FOR DEMOCRATIC RIGHTS.

CLASS STRUGGLE AND COMMUNISM.

THE SELF-MOVEMENT of the MASSES.

PARTY OR "WORK GROUP."

No. 10  AUGUST 1935  10 Cents

UNITED WORKERS' PARTY
The labor movement presents a picture of the greatest confusion. Numerous organizations and tendencies combat each other, while ever anew the hunger whip of the owning classes scourges the broad masses. And after each blow of the whip, the confusion in the ranks of the workers increases. Apostles of unity entreat the workers to end the internecine conflict and take up jointly the struggle against the owning classes. They haven't the slightest inkling of the whole situation. They think that the working class is powerless because of its disunity, while in reality the still increasing fragmentation arises from the ever more manifest impotence. With each new lash of the whip the owning class demonstrates to the working masses that the labor movement built up in the last 50 years in the course of painful and self-sacrificing struggles has no value whatever as a weapon against Capital. The old labor movement reveals itself—in the words of H. Gorter—as a toy sword against a steel armor.

How does it happen that the old labor movement is no match for the capitalist class? Whence arises the impotence of the old movement? In this connection we point for the present to two causes. In the first place, the old movement is wholly directed to step-by-step amelioration of the workers' situation within the framework of capitalism. The trouble here is that there can be no more thought of amelioration when the various capitals fail to yield sufficient profit, a condition which, as we know, becomes general in the crisis. In that case the impotence arises not from the weakness of the labor movement, but from the 'natural' impossibility of trying to get something where there is nothing to be had. The second cause lies in a different sphere: it is the mighty power of Capital.
This was not always the case. At an earlier period the capital­
ists were much less organized, so that the workers were able to
accomplish something against the employers by laying down tools.
Thus it was almost always small groups which engaged in the
struggle, and hence also the trade unions and occupational associa­
tions were the indicated leaders of these movements. Even though
on these occasions it was far from being the case that all wor­
kers were organized in the trade unions, still the trade-union
leadership was recognized as a matter of course. The "movement of
labor", i.e. the strike of organized and unorganized, placed itself
under the leadership of the "organized labor movement". The "move­
ment of labor" and the "labor movement" here coincide.

But in the course of time the scene changes. The employers
combine in employers' associations, small businesses become big
business, and these big business combine again into larger eco­
nomic organizations such as syndicates, trusts, cartels and monopo­
lies. In this way, Capital forms such a mighty block that the workers
strike which were limited to single occupations hammered against
it in vain. The trade unions accordingly tried to avoid strike;
they saw their task more and more in negotiations and cooperation
with the employers' associations, and this cooperation finally
thickened to the "working partnership" (Arbeitgemeinschaft). They
had to take this course, because there was nothing more
to be accomplished with the old manner of struggle on the basis of
occupations.

Still the "working partnership" between Capital and Labor can
not fail in the long run to have as its consequence that the workers'
standard of living is sacrificed to the interest of Capital;
that the trade-union leaders, and even the owners of the
trade-union organizations, were simply not in a position to oppose
anything of equal value to the power of Capital. They had to con­
fuse themselves in everything. But even when the workers paid no attention to
the contracts and agreements of the "working partnership", they
themselves took up the struggle in wild strikes, the defeat
followed with equal certainty. For the cause of the defeat is to
be sought in the fact that an occupational group is much too weak
to cope with Capital.

The possibility of an unfoldment of power against Capital
would present only in case the workers make the attempt to
break through their limited occupational front, when they extend the
movement without regard to occupational or organizational limits,
--when they draw into the struggle along with them the entire class.
Not until they develop from the "occupational front" to the "class
front", --it is then for the first time that they unfold power.

**THE CLASS "IN ITSELF" AND THE CLASS "FOR ITSELF"**

In the coming development, this growth to the class front
will come about. Or otherwise expressed: in the future the wor­
kers, driven by the conditions themselves, will truly for the
first time their class conception, their coming to consciousness as a class.
For if we have a mind to see things as they actually are, we must
be clear on the point that at any rate the workers form a class as
against Capital; there is no doubt that the owners treat the wor­
kers as a total class. The workers are far from a class as such;
they form a class "in itself". But they are not conscious of this;
its effect is not sufficiently sensed in that as a class they have
common interests and tasks. As yet they do not form a class for
itsseff. There is already a vague feeling of class solidarity,
but it is still overshadowed by the group feeling. Each worker
himself more closely bound with the occupational group than with
the class in general.

The revolutionary workers are quite easily inclined to assume
of the whole class that it is like the revolutionary party. In meet­
tings, when the give expressions to their own ideas, the mat­
ter comes off in a form like this: The working class wants this or that;
this takes this or that standpoint, says this or that. But in reality
the working class says nothing, it does nothing and takes no stand­
point. It is neither "for" nor "against". As an active class, it does
not exist. It exists like any lifeless thing, hence passively. It does
not exist as a living, active being until it comes into motion and
to the consciousness of itself.

Naturally, there is no complete and unbridgeable opposition be­tween
the class "in itself" and the class "for itself". It will be right in pointing out that in the course of the past century the
working class has fallen forward several times as a class "for itself";
that the working class actually thought something and said some­
ting, that it un doubtly adopted a standpoint. Thus in the parliamen­
tary period, class consciousness expressed itself in the struggle
for democracy's rights and social ameliorations; it showed itself ac­
tive in mass meetings, demonstrations and political strikes......

Looked at in this way, it might appear as if our class had
developed backward and that a class consciousness is no longer
present. Yet that is not the case. A class, too, can set its goals only
in accordance with the tasks which are possible in accomplishment,
tasks for which its forces are adequate. When great portions
of the workers come into action, they do not begin this action with the aim
of bringing down Capitalism and ushering in the communist form of
economic life, because they know only too well that such a thing lies
far beyond our present class forces. The working class does not act
for the purpose of actualizing some theory or other, but in order to
do away with these or those distressing conditions which have become
unbearable. It can accordingly set for itself only limited goals which
are within the scope of the class forces. Greater forces make
possible a more ambitious goal. The "goal" is not something fixed,
no man-made highway according to which the stream of events has
directed itself, but it grows with the forces available. The goal in the
struggle is a function of the unfoldment of forces.

And as regards the means which the masses apply in struggle, we
find the same relation. The masses are not free in the choice of
their means of combat; these vary with the strength of the class.
The growth of forces among the workers has as its consequence an
extension of the means to be employed. Strength, means and goal stand
to each other in mutual dependence and are in this sense inseparably
bound with each other.
In the coming period of development, the transition of the workers from a class "in itself" to a class "for itself" will be a growth. Not by way of propaganda of revolutionists, but through the hard practice of life. In future the owning class will make constantly more pronounced and more direct, and for the masses more comprehensible, an appeal to the government, as an interconnected concentration of the workers. In view of this fact, the most innocent resistance on the part of the workers assumes directly the form of a struggle against the State, and that resistance will be met in the same manner as by the so-called "reactionaries", as it were by the bourgeoisie, as by the State, as by the workers.

The essential point about the coming period is that any real resistance on the part of the workers must be suppressed in blood by the ruling classes. Martial law, abolition of freedom of assembly, freedom of the press, freedom of newspapers and writings; tanks, machine guns, gas bombs and hand grenades become the ordinary means for maintaining "order" or reestablishing it.

The cause, however, of the violent offensive of the ruling classes, who call off the deception formerly practiced by way of democratic pseudo-rights, lies in the critical situation itself. The bourgeoisie has a very good feeling for the fact that the workers have reason enough for becoming insurrectionary. It fears the revolution more than the workers think. Thus the slightest resistance gives rise at once to the fear that it may assume greater scope. For the bourgeoisie there is then only one possibility: to suppress in the germ even the smallest beginning. The consciousness of its own innerly worm-eaten position makes it distrustful of any resistance, however insignificant.

And it helps in the beginning. The sharpened power of the bourgeoisie creates in the workers a feeling of impotence. To the mighty military machine of the bourgeoisie they have nothing of the sort; they merely feel the inadequacy of the meagerly employed. For this reason they feel weak and powerless. It is only individuals who then take stock of the new conditions and thus arrive at the conviction that new means and conceptions are necessary. In vague form a like consciousness then arises within the masses. But it is only until the occurrence of spontaneous revolutionary outbreaks, brought about through great pressure and unexpected events. In this way the bourgeoisie itself brings the struggle into a much broader front. For while at first the matter concerned the resistance of this or that group of workers, now other groups are drawn into the conflict through the political and military measures of the bourgeoisie itself. The bourgeoisie extends the struggle from the occupational front to the class front. From being a class "in itself", the workers are welded into a class "for itself".

This offensive on the part of the owning class does not by any means take place out of free will. The thing by which the bourgeoisie is moved is the state of capitalism itself. Capitalist production, and hence also the social life, can function only in case it yields enough profit. If the necessary profits are lacking, a greater or lesser part of production drops off. The provision of a new profit basis is therefore the first demand of the owning class. In connection it is practically the interests of big capital which are considered in the first instance, because they affect the most important part of social life. For this reason the leadership, too, of the social life is turned over to big capital. Or otherwise stated, the concentration of the economic life finds its political reflection in the concentration of political power in the hands of individuals. And by the side of the concentration of the political power in the hands of individuals, powerful capitalist groups which control the State, there appears the necessity of worsening the situation of the workers in order to reestablish the profitability of capital. This development is a development to Fascism and National Socialism; it is unavoidable in the wake of monopoly capital. It is synonymous with the democratic development of society. The "democratic rights"—right to vote, right to organize, freedom of assembly, etc.—can no longer be tolerated. They are rights accorded only to organizations, groups or persons that subject themselves unconditionally to the policy of monopoly capital.

NATIONAL SOCIALISM

At first sight it would seem as if the workers take an antagonistic position to the urge toward the unveiled dictatorship of big capital. Yet such is not the case. Inversely, it is very probable that large portions of the workers in Western Europe and America are powerfully supporting this development. The thought of the masses is still, on the whole, quite bourgeois, simply because the social relations of human beings among each other are present in bourgeois form. It will not until this social order breaks up in the inevitable future conflicts, when the bourgeois-capitalistic order reveals itself as absolutely incapable
of regulating the social relations of human beings, that the thought of the masses too will change. So long, however, as the owning class, under the leadership of big capital, still keeps up the competitive struggle, so long is that class in its element and drags the masses along with it. The deeper, economic meaning of National Socialism is after all merely this, that it sharpens the order, the petitive struggle, so long that class in its element and dragging the masses along with it. The unity of the nation, the "people's partnership", thus becomes the "lofty goal" to which all special group and class interests have to be subordinated. It becomes the instrument with which monopoly capital conducts its economic and finally also its military campaigns. From each individual is demanded that he work at the building up of the economic life in order to "provide bread and work for everyone". The owners likewise must subordinate their interests to the "people as a whole", and not have their special interests in mind (behind this phrase is concealed the struggle of big capital against the smaller capitals). That the workers too must let their special and group interests slide for the benefit of the "people as a whole" is a matter of course, for: "When it goes well with the whole economy, it cannot go badly with the worker". And then, finally, in order to assure the building up of such a "people's partnership", any propaganda direct against that end must be suppressed (abolition of democracy).

This phraseology is obviously in line with the thinking of the entire mass. The workers under the influence of the trade unions had ever the "people's partnership" as their ideological basis. The Social Democracy on the other hand, had indeed a language borrowed from Marxism—the science of the class struggle—but their whole theory and practice has finally the "people's partnership" as its central point. All the socialisation plans which up to that time had become known— including the "de Men plan" of the belgian labor party—have the "people's partnership" for their basis. It is not enough to say merely that once such conditions regarding the people's partnership dominate the thinking of great masses in Western Europe and America, it is only in so far as the bourgeoisie in introducing the new social order abandons democracy that it is possible with democracy, or if things go better without it, in either case it is content.

THE STRUGGLE FOR DEMOCRATIC RIGHTS

What now, must be the attitude of the revolutionary workers to the abolition of bourgeois-democratic rights? Is it a "stern revolutionary duty" to defend the political rights to the uttermost? We say: Not. We are of the opinion that anyone who fights for democracy is defending a lost cause, and if that is possible with democracy, or if things go better without it, in either case it is content.

THE FIGHT FOR DEMOCRATIC RIGHTS

The fight for democratic rights under the present conditions bears a utopian character. But not only that: it is also obviously impossible. What is the sense of trying to make a fist when one lacks even a hand? Before high-sounding speeches at meetings, operettas, mass demonstrations or a strike here and there, with which it is desired to defend the rights of democracy, the bourgeoisie reposes not a single step. For bringing down the big bourgeoisie, other forces are needed.

which represents in this way its contradictory interests. But when concentration asserts itself in the economic life, this process still is no exception. It is a well-known marxist rule that the development in the material foundation of society is mirrored also in its politics. Seen from this point of view, the political dominance of monopoly capital is a necessary development. In view of the dominance of monopoly capital, a return to democracy is impossible, just as a return to small business is at present impossible. Anyone who today fights for democratic rights is trying to turn the clock of history backward, just as did the hand weavers a century ago when they stormed the factories in order to smash the machines. One might just as well found a society for the prevention of solar eclipses.

A forward-driving class can set for itself only such goals as lie in the train of development. The new labor movement must direct its glance in the forward direction. It has no reason to mourn for the lost "good old times"; the new conditions serve for its orientation. It is not justified in harboring any doubt that the bourgeois-democratic period is definitely over, because such a period is not in conformity with the concentration of economy. The beginning of a new labor movement is possible only where it is recognized that bourgeois democracy has become economically and hence also politically impossible and that the working class must win another democracy—the democracy of the working class.

The development to absolute dominance on the part of monopoly capital is a fact, and the abolition of democracy no less, even though various possibilities stand open as to the manner and means by which this is brought about. The big bourgeoisie has laid democracy aside as a weapon which is unserviceable for its ends, in order later probably to bring it into service for another purpose. The working class must become aware of this and, directly and honestly, regarding the people's partnership dominate the thinking of great masses. Democracy cannot therefore serve for its orientation. It is not justified in harboring any doubt that the bourgeois-democratic period is definitely over, because such a period is not in conformity with the concentration of economy. The beginning of a new labor movement is possible only where it is recognized that bourgeois democracy has become economically and hence also politically impossible and that the working class must win another democracy—the democracy of the working class.
We must look the bitter truth in the face; namely, that the masses still have to find the new form of struggle proper to them. The old methods of struggle,—the elections, the demonstrations, the meetings of protest, the petitions, the strike limited to occupations (with or without the leadership of the trade unions), the local insurrection of isolated, armed groups, however heroically it may be fought out,—everything has been struck from their hand like a broken sword. They have no greater effect than a revolver bullet against a 40-mm. armor plate. The great mass of the workers is quite well aware of this fact, and so also there is hardly a sign of any sort of resistance, while at the same time the hunger-belt has to be buckled ever more narrowly.

No less true is it that in the class struggle of the present and future hundreds of thousands, yes, millions, must come into action if the power apparatus of the owning class is to be shaken. This too is very well known to the great mass, which knows equally well that as yet there is present no spiritual bond, no vital principle by which the millions are thrown as a unit into masses. It does not come about through preaching, it cannot be fought out,—everything has been struck from their hand like a broken sword. They have no greater effect than a revolver bullet against a 40-mm. armor plate. The great mass of the workers is quite well aware of this fact, and so also there is hardly a sign of any sort of resistance, while at the same time the hunger-belt has to be buckled ever more narrowly.

Here lies the essential difference between the struggle in the period coming to an end and the struggle which now beings. Down to the present time the various groups of workers fought each for itself, and the thing by which they were moved was the safeguarding of their occupational interests as metal workers, longshoremen, transport workers, etc. There was an absence of a unifying principle, and they had no need of any great organizations which are a bond of union in the struggle for general class interests, and they had no need of any great means of labor, over social production in general. It is the conversion of the thought world of the suppressed class to Communism. All class-struggle experience directed to the mastery of the class forces leaves in the masses its trace in the form of class unity, struggle for freedom, communism. There thus arises a new vital principle, through which the masses are more closely joined, are inspired to greater sacrifice and greater courage, know how to exercise more discipline and solidarity, than a fixed, formal organization was ever able to demand of them.

Communism, seen in this way, is nothing other than the self-emancipation of the masses, they must be self-conscious, that is, in this sense communistic. Here the Russian communists and the Third International under their influence separate themselves from the struggle of the working class for Communism. They take the view that it suffices when the masses turn the communist party into the governing party and when this latter, once in possession of the political power, constructs communism. To them the masses are the tool which is employed by the party. Anyone who thinks of communism in this way can also combine it with wage labor, and also finds no fly in the ointment when the Third International is as unprincipled and false as to be bound up in opposition to its own comrades. The new, revolutionary labor movement, however, must again bind up communism with devotion to the class. It has need of loyalty and comradeship; it must assist in the overcoming of wage labor, in that it promotes the mastery of social life through the great broad mass itself. It is only then, at least, that dictatorship as well as the "democracy" of a ruling element has lost its meaning.

CLASS STRUGGLE AND COMMUNISM

A new labor movement will scarcely have further need, in its propaganda, of the word Communism, for the reason that the general concept "Communism" assumes more concrete forms. The general formulation, that it is a new economic system in which private property in means of production is abolished, no longer suffices. The "new economic system" of theory was still an empty vessel, it did not live. It now begins, in the class struggle, when the question is one of mastering the social forces through humanity itself, to fill with concrete things, with life. When up to that time we formed a notion of communism as an economic system, we now see that we had only one side in mind, that is, only a partial glimpse of the problems involved. Just as natural science by way of technics has subjected the natural forces to society, so must humanity direct and govern the social forces. These social forces which itself creates and by which it is for the masses, is only then, at last, that dictatorship as well as the communist party learn to know and to subject. The mass of human beings must themselves direct and control all the social forces. To this end, however, it is necessary that all functions in the social life be carried on by the various classes. The mastery over the means of labor, over social production in general. It is the conversion of the thought world of the suppressed class to Communism. All class-struggle experience directed to the mastery of the class forces leaves in the masses its trace in the form of class unity, struggle for freedom, communism.
what is involved in the workers' councils. For this reason also the carrying out of communism is at the same time the carrying out of workers' democracy. The control of the economic and social forces appears in this connection, to be sure, as the material foundation of society, but yet as only a part of a communist society, which in its entirety is far more comprehensive.

Seen in this way, the development of communism does not wait to begin until the workers have won the power in society and are establishing the new order in the economic life. It begins even now, the very day when the workers in the class struggle take their fate into their own hands and themselves conduct their struggles. There is born the workers' democracy, which governs the social forces. The basis upon which communism arises is the self-movement of the masses; what we have here is the process of development in which the masses learn to conduct their own class forces and to apply them consciously in view of the goal. And it is only then, when the working class has its own class forces in hand, only then is it in a position also to conduct and administer the forces of society. In this sense, too, the saying of Karl Marx, that the new society is born in the lap of the old, turns to truth.

With this there is found for communism the simplest, but also at the same time the most essential formula. It can be understood by any worker forthwith, however untaught he may be, and without doubt of its practical carrying out. At the same time it becomes clear that the so-called dictatorship of the proletariat, before which bourgeois lackeys make the workers shudder, is in truth nothing other than the workers' democracy. Marx himself understands that this workers' democracy has nothing to do with the right to elect members of bourgeois parliaments. To make propaganda for the defense of universal suffrage as a defense of the democratic rights of the working class therefore amounts to nothing other than to work against the recognition of our real democratic rights.

The mastery of our own class forces by way of the mass is not brought about through propaganda; the hard experience of life compels the masses in this direction. The democratic period is practical, and on an international scale, closed. Legal organizations can henceforth merely attempt to check incipient class actions as quickly as possible. In a succession of defeats, the working class frees itself from this leadership.

Under these conditions, the new labor movement arises with quite new principles. It is composed of small illegal groups, which see the essence of the struggle for emancipation in the independent movement of the masses and so they do not aim at power for their party or group; it is not their organization which shall become strong, but the class.

Meanwhile, the coming to independence on the part of the masses is a tedious process which takes place in a veritable hell. For never yet in the history of humanity has a suppressed class stood confronted by such a powerful enemy, never yet by such a murderous power; never yet was such an extensive, all-embracing task to be accomplished as that of acquiring mastery over the social forces of the world. And yet the working class is bound to fight out this mighty conflict, because it can not be evaded and there is no other power which can do it. For the unchained forces of capitalist society menace all humanity with destruction. All humanity sees with fear and trembling the approaching mass slaughter of men with poison gases and plague bacilli—the result of the uncontrolled social forces released through capitalist production. No one wants this same slaughter, and yet everyone is convinced that it is already terribly near and that it will finally break loose like an inexorable storm. It is a madness which no one wants and which nevertheless, with the certainty of a natural catastrophe, howls over the world. And because this is so, the battle for the mastery of the social forces must be fought. Even though, in a second world war, entire peoples should perish, the mastery of the social forces still remains as a problem which is unsolved. New and still more frightful catastrophes appear on the horizon. Therefore, the mastery of the social forces through the masses themselves is the problem of today and also of the coming time.

Only the working class alone with its army of millions is capable of fulfilling this task. It is the productive class under capitalism, and as such it alone is in a position to master the social forces of production. That is the most important part of the task, for the productive forces are the well from which all other social forces are nourished.

The working class is here thrown upon its own resources. The Social Democracy and Third International call to the intellectuals and the middle classes for aid in order to tame the productive forces. They are looking for aid where none is to be found. The attempt at mastery over the forces of production through intellectuals and middle strata assumes the form of national mastery over the working class; it ends in National Socialism. The result is not the taming of the productive forces, but that the only force capable of taming them is completely subjected and the contradictions on an international scale thereby sharpened. The oncoming of new world-catastrophes is thereby accelerated.

The working class, which creates the surplus value, is also the only class capable of stepping up the source of surplus value, that is, the productive forces, and it introduces new laws of motion for social production. Naturally, the middle strata and the intellectuals also are menaced with extinction by the unmastered social forces. But as a class which lives on surplus value they can form no auxiliary force.
where, with the introduction of new laws of motion for social production, the source of surplus value itself is done away with. The existence of the intellectuals and middle strata as a special class rests on wage labor for the working class; they can not be allies when the question is one of abolishing wage labor. But the first precondition for their conversion into allies is that the working class itself becomes a power to be reckoned with. When mighty working masses come forth in struggle and reveal the new, all-mastering power of the working class, it then becomes the magnet which draws to itself the dispersed revolutionary forces from all other strata of the population. Not sooner. The attempt at union with the middle strata or the intellectuals leads for this very reason to the opposite of what was intended. The working class must be proud to inscribe on its banner: Only the working class and only the working class alone! In this way the preconditions are then set for the "coming over" of important groups from the intellectuals and the middle strata. It is class power that we need! Class power!

THE SELF-MOVEMENT OF THE MASSES!

Through direct action in the form of the mass-movement the owning class is directly menaced. At present, not yet by reason of the strength or scope of that movement; for the masses are still struggling with tradition, they liberate themselves but slowly from the party and trade-union policies. But in the fact that no independent movement of the workers is possible without overstepping the legal limits. The independent movement of the workers develops its own laws by which it is guided and acts, and the express tendency of these laws is that the workers shall themselves take charge of the social forces of production. Because the mass movement shows that the mass, when it consciously applies its class power, does so in order to take control of the social forces of production, because the mastery of the class forces includes the administration of the productive forces, for this reason there remains to the owning class no choice. It must suppress these movements instantaneously with the sharpest means at command.

As soon as an independent strike movement arises here or there, the bourgeoisie answers at once with martial law; newspapers, organizations, meetings are forbidden, if they are not in fact suppressed in advance. But when a movement develops, it takes action against such suppression. Meetings are simply held regardless, and newspapers are put out. That, however, means taking up the struggle against the state power. If the workers draw back before this struggle, the ruling class is then enabled to suppress the movement once resistance is offered, the movement then becomes subject to its own inner laws. In the strike area, where the workers have something to say, a different law prevails than outside that area. This other law reveals itself, among other things, in the fact that in the strike area the laws for the protection of private property must go by the board. And not because the fighting workers are conscious communists who let themselves be guided by the thought of putting the social forces of production into the service of the working class, but because nothing else is in order, because the struggle itself makes it necessary ... The mass movements show in the germ what later on will become reality in the whole of society. It is revealed in them that the masses can do nothing with their class force unless at the same time they make the productive forces serviceable to them. Both belong together.

So long as the mass movements are still small and still remain a surface affair, the tendency toward the mastery of all social forces does not come so clearly to light. But if these movements become large, then more and more functions are drawn into the province of the struggling masses, their sphere of action becomes extended. And in this struggling mass there then comes about a completely new grouping of the relations between human beings and the productive process. A new "order" develops. Those are the essential distinguishing marks of the independent class movements, which are accordingly the horror of the bourgeoisie.

The development of the mass movement is therefore a development which has as its content the progressive mastery of the class forces and hence also of the social life. But this gradual process, this step-by-step development, takes place in the sense that what has once been attained remains as a class heritage, to be built upon further. Such direct successes as are attained are continually vanishing in thin air. What remains is the experience. Each mass movement succeeds anew on the experience of the previous movements. Thus there arise various measures with reference to the extension of the movements, to the provision of necessary material with which to organize the defense, to the distribution of foodstuffs, etc. These measures then come to be looked upon as a matter of course; they are things which are then no longer discussed, because they have become, through experience, through repeated employment, a part of the thought of the masses. Just as today no great arguments are engaged in any more when the question is one of setting up posts for the purpose of capturing strike breakers, because it "goes without saying", so the masses draw to themselves all functions of the social life, without advising long on the matter.

The suppression of a mass movement is accordingly also only a partial defeat of the working class. For such a defeat reveals by the side of the momentary impotence also the growing power;
it is only the defeat of the young giant, of the strength which has not yet fully matured.

b) Extension of the movement.

One of the first functions which take root in the thinking of the struggling masses is the extension of their movement. This question is still vehemently contested, but clarity on this point will be introduced mainly by the power which the movement develops. For a movement either grows rapidly into a genuine movement, or else it is suppressed in the very act of getting underway.

The old labor movement knows two methods by which a movement is extended. Either the trade-union leadership decides as to whether and in what measure this is to take place, and to that end sets the organizational apparatus in motion, or else various parties by means of leaflets etc. issue a call for solidarity on the part of the workers of other enterprises and occupations. In either case the extension is here not a function of the striking workers, but of the "labor movement".

A struggling mass that comes out on its own is first concerned with the taking over of this function. And then not in the sense that the "self-selected" strike leadership issues a call to the other industrial groups, but in the sense that the striking mass itself visits the other enterprises in order to urge their class comrades to solidarity.

Besides, it is quite conceivable that the workers still on the job fail to follow the exhortations of other organizations. The organizations are continually engaged in a struggle among each other, because each organization wants to increase its own membership at the expense of the others. So that the mutual struggle of the organizations is rooted not only in the difference of conception regarding the tactics to be employed, but is also a matter of organizational interests. No worker can finally fail to be aware of this, and so he lends no ear to the slogans of other organizations.

But when the striking workers themselves come up and appeal to the solidarity of the other workers, the matter takes a different aspect. The conflict between organizational discipline and class allegiance then assumes for each individual worker a sharper form, and the danger of a fraternization becomes more probable. The ruling class will therefore do everything in its power to prevent this fraternization; to every attempt of the masses to carry out the extension themselves, it will reply with strict military measures. For the present, a strike movement can accomplish nothing in the face of this military power, so that it appears senseless to seek extension in this manner.

And yet it is not senseless. For the workers who then still refuse to take part in the movement are forced to work under military protection. The military state power which they hate has to protect them against their own class comrades. In this way the psychological conflict between trade-union discipline and class solidarity is sharpened and new possibilities for the extension won.

Even today, that is, in "normal times", when the horizon reveals not a cloud of aggressiveness on the part of the workers, the functioning of extending the movement through the agency of the workers themselves must be placed on the order of the day. Here, over workers come together, this principle must be given the central position. Looked at superficially, this has no direct, practical significance; and as a matter of fact we are not in a position to determine in what measure this principle will find a response—that can only be ascertained in practice. But the practical application of the new principle can only be facilitated by an intensive preliminary work and preparation.

A truly revolutionary propaganda does not, then, consist in the ever renewed calls to "revolution" or in the "release" of all possible conflicts. It consists in the constant, unremitting preparation of the possibilities of extension, so that the inevitably coming class conflicts may embrace the greatest possible number of workers.

c) The mastery of the class forces through the workers' councils

The second function to be performed by the masses themselves is that of "mastery of the class forces through the workers' councils". Until this time the "movement of labor" coincided with the "labor movement"; the old organizations were forthwith the leaders of the movements. This relation between "mass and leader" was to be sure, in various occasions, broken through by the struggling workers in connection with revolutionary mass movements; still there was not yet seen in this circumstance any new principle born from the practice of the class struggle, but only a "deviation" from the usual course of events, and which simply resulted from this or that particular situation. The "deviation", however, consisted in the fact that the workers, without the consent and often against the will of the old organizations, took up the struggle and freed themselves from the old leadership and, under their own leadership, actualized a mass goal which had taken form in the masses independently of and in spite of the old leadership. And this "deviation" now becomes the usual form of the struggle when the mass comes into motion for its own class goals.

The conditions with which the class struggle is bound up at the present time leave no other choice. For the very reason that each movement of labor comes into conflict with the state power and gets started from the prescribed legal path, because every single struggle must be so conducted as if the question were directly the emancipation of the working class, for this reason any leadership over the workers is bound to break down, and what remains is the leadership won by the striking workers themselves. And this is not affected by the fact that parties and organizations can for the present still impose their leadership on movements which have arisen independently of them and against
Thus the mastery of our class forces, under the present-day conditions, finds its practical form in the council system. As a class, we must consciously apply our forces only in the measure in which we have been able to crystallize them in the workers' councils. In every mass movement the organizational drawing together and coordination of the forces, their conscious application, assumes more fixed forms. In this direction lies also the task of the revolutionists; the aim of their striving must be to make each mass movement more and more into a council movement.

The growth of the mass movement to the council movement shows us in what measure we are learning consciously to apply our class forces.

But after all, we may ask, is it so certain that mass movements will develop into the council movement? Has National Socialism in Germany and Fascism in Italy not brought the masses into a movement which bears no trace of workers' councils, but rather set over the masses an opposite principle, namely, the dominance of the "leader"? And a second question arises: Will the increasing economic distress, the ever intensified exploitation by the ruling class, lead to a struggle for the means of production, to a struggle for mastery over the productive forces by the workers? Has not the experience in Germany and Italy shown that the persistent worsening of the workers' situation has driven the masses not to the left, but to the right? Has there not come over the masses a wave of nationalism and militarism, of destruction and moralism which can only maintain its existence by ever greater impoverishment of the broad masses? What is the thought of the laboring masses more than ever capitalists-ally oriented? And are we not bound to realize that in the fascist countries the laboring masses do everything in their power to rescue capitalist economy?

In actual fact! We are indulging no illusions that the working class is moving straight ahead toward the mastery of its own forces. But we know, too, that this can be a permanent state of affairs, that it does not prevent the final ascendency of the class to power. We derive this knowledge from the science of the laws of motion of capitalist society, which tells us that capitalism can only maintain its existence by ever greater impoverishment of the broad masses.

Whatever ideas may be present in the masses regarding an "ordering" of capitalist economy, the fact remains that this ordering is dictated by the interests of monopoly Capital.

The big capitals which in modern capitalism constitute the determining force in economy must yield profit if the whole economic life is not to be brought to a standstill. They can only live if they obtain a profit from the workers. In our present-day society, the central problem in the class struggle is that the producers of goods are not only means of production and labor power, but at the same time capital, and that they can produce only when, as capital, they create enough profit for the owning class. That is attempted through constantly sharpened exploitation, leads to the
absolute impoverishment of the broad masses and finally after all comes up against its natural limits.

The problem is therefore not an "ordering" of capitalism, but its abolition. The fact that the productive forces are at the same time capital and as much yield profits becomes in ever increased measure a hindrance to their application. Therefore, in the interest of the broad masses, the economic life must function even without yielding profit for capital ownership. This, however, is equivalent to saying that the means or productive forces the same time 'capital and therefore the problem or their capitalist character, they are thereafter only tools with which the free workers produce goods in order to satisfy the need of the hungering masses.

The complete overturn of all economic relations is therefore the problem of our time. The relation of human beings to the means of production, which today is characterized by wage labor; the relation of human beings to the store of goods present in society, on which the workers can draw only provided that and in proportion to the price at which they sell their labor power; the relation of one human being to another, in so far as they function in different classes, and which appears in the form of master and wage slave, of appropriator and expropriated, of buyer and bought: all these relations receive a complete and fundamental transformation. For with the elimination of the question and appropriation of the productive forces, the whole circulation of social goods is brought into other channels, while all relations of human beings among each other assume new forms.

Fascism is neither able nor wants to solve this problem, and will accordingly, after it has shown its true face in this decisive question also, be overcome by the masses themselves. The solution of this very problem becomes ever more pressing, and hence also mass movements directed to setting up production for and through the workers are unavoidable.

The decisive point in this connection is that it must come about, - the will to that end arises from the necessity, -- while the working class is able to do it only when it forms itself to that end in the workers' councils. The conquest of power in a certain district will then not be the greatest difficulty. Much more important still will be the question whether the workers succeed in mastering production; that is, in doing away with the relation of master and slave and, by binding together the various enterprises, in introducing the social regulation of production. That is possible only through the workers' councils. And they must also assume the supply of the means of subsistence to the broad masses, in that through social regulation of distribution they make impossible the private appropriation of the products of labor. This regulation, too, is possible only when the working masses are organized in councils.

--18--

So that the growth of the mass movement as a council movement is the yardstick with which the conscious application of the class forces can be measured, the idea that the workers' councils arise only in the revolution itself must therefore be rejected as false. In council movement proceeding from the working class, the main concern must be with the forming of workers' councils. The significance of a mass movement consists not so much in the material successes which it attains, but whether and in what measure it succeeds in applying the class forces through their councils.

THE NEW LABOR MOVEMENT

Up to this point our efforts have been directed to showing that the "movement of labor" assumes in the workers' councils the form through which it is in a position to master the social forces. We now turn our attention to the new "labor movement", to the organizational binding together of the still relatively small number of revolutionary workers who have consciously adopted the standpoint of the workers' councils. In this connection it is first necessary to draw a sharp boundary line between organizations which call themselves revolutionary but in reality still belong to the old "labor movement" and those which are developing in the new direction. All organizations which lay claim on the leadership of the struggles, which want claim on the leadership of the working class, stand on the other side of the boundary line, regardless of how recent may be their date of birth. On the other side of the line stand the organizations which do not want to snatch the power into their own hands but only want to promote class struggle, which elevate to a principle the self-movement of the masses through the workers' councils, -- all these we count as belonging to the new labor movement.

This new labor movement is already present, but still after all just in the first beginnings, so that as yet it is scarcely possible to speak of a developed organizational structure. For the present, it still appears in the form of small illegal propaganda groups which turn up here and there, are of varying opinion on a great number of practical and theoretical questions and for the moment will no doubt remain so. But even as they are, they are still the organs through which the class strives to come to an understanding of its true situation. In these groups, which remain rooted in the mass, is revealed the reorientation of the thinking of the class. Still spontaneously at first, here and there groups take form which are without much cohesion and hence also with divergent conceptions. But the more this group-forming asserts itself, becomes the general rule, and is finally recognized as a necessary schooling of the working class, the more also will the divergent conceptions be merged into a unity.

Party or "Work Group"

We now have to answer the question whether these propaganda or work groups must also be looked upon as new parties. For these groups have, just as do the parties, a political program: they are
groups with more or less fixed opinions, and with distinctive di-
rectives for political activity as well as for the class struggle
in general. So it might appear then that they, like the hitherto
known parties, stand aloof from the mass, elevate themselves over
it and finally after all once more strive for dominance over the
mass. But anyone who judges in this way fails to see that the con-
ceptions advocated by the new work groups regarding the path which
the working class must take for its emancipation are directed to
the overcoming of all forms of dominance. The content of their
propaganda does not convert the groups into organs of domin a-
tion, but into organs through which the class itself derives the nec e-
sary knowledge and thus is in a position to shake off all domi-

nance.

Otherwise with the hitherto known political parties. These
want first to win the state power, and then, by way of decrees,
ordinances, laws and government measures, put through their politi-
cal program. This is the usual way in bourgeois class society. But
such a policy simply has as its presupposition the class oppo-
sition in society, and is at the same time bound up with it.

It can have as its content merely a view to softening the oppositions,
of "compensating them" or "compensating" them. But the opposition
between master and slave may be "compensated" as much as one likes,
master and slave nonetheless still remain. This opposition, on
which the whole structure of present-day society is built, can
hence also its government, can not be compensated, not even through
the policy of a government which calls itself communist. It can only
be done away with, in that the workers, through their councils,
directly seize the power, themselves carry out all political (so-
cial) measures, and in collective union obtain the disposal over
the preconditions for the production of their own living. That,
however, can not be accomplished through the policy of a govern-
ment, but takes place only in the course of a revolutionary pro-
cess in which the working masses themselves come to maturity and
rise to be the social power.

In view of the specific character of dominance which is bound
up with the concept "party", whereas the new work groups direct
their propaganda precisely against such a character, and also, in
so far as they have a political program, are in complete opposi-
tion to the known party conceptions; these groups have practically
nothing in common with what is understood by "party". They differ
from parties essentially, and can therefore not be looked upon as
such. For the present we call them "work groups"; as to what name
they finally receive, we must leave that to the further devel-

opment.

The Work Groups

The task of the work groups, viewed exteriorly, is very mo-
dest. The revolutionary phrase, brilliant speeches of great party
leaders, tom-tom propaganda and party advertising cease to
all these have been lost all once more strive for dominance over the
class. But as soon as they become capable, even in general,
when they form a consciously widespread movement, when work groups
arise everywhere for the purpose of imparting to the workers the
true (scientific) insight into the social process of life, then
the picture is altered. Their task then is no longer small and
modest, but gigantic and all-mastering. In the work groups the
working class has then shaped for itself the instrument with which
it masters the science of the social forces.

The time for it is due, and over-due; unless all signs fail,
the development presses in these directions. What remains in Ger-
many, for example, of the old labor movement are small illegal
discussion groups in which the workers seek to find their way
under the newly formed conditions. It is only in these discus-
sion groups, in fact, that an independent labor movement there
under the present conditions is at all possible. And what even
today has become reality in Germany will in the near future have
its entry also in the other capitalist countries. Then, there too,
the time will have arrived when, with the visible collapse of the
old labor movement, the new form of illegal discussion and propa-
ganda groups or, as we prefer to name them, of work groups, will
become necessary.

As yet such groups arise through the circumstance that va-
rious workers come together in order to converse regarding their
class situation. They are still weak and uncertain and not yet in
a position to come out independently. There is still too little
knowledge of the general conditions and the impulsion to the form-
ing of more and more groups. This and, however, it is first necessary that the groups
realize their task and give the importance of their work for the emancipation
of the proletariat. When it once becomes clear to the
workers that they can here practically and actively work at
the center of the whole class, each in his locality and each group
as little more than a wheel which can not be missing in the great
structure of the working class if the class is to become fit for
action, then they will devote themselves whole-heartedly to
this task. Then, however, what was impossible will become a matter of course. Then the work groups
which have gone on in advance along this path and which, basing
themselves upon the marxian social doctrine, have recognized the
whole breadth and depth of the problem, -- the
emancipation of the proletariat -- must call on their class compatriots to follow
everywhere their example. They must point out the necessity that
each group form an independent unit capable of thinking for it-
self and putting out its own propaganda material. Each new work
group must become a radiating center for the idea of independence
and the impulsion to the forming of more and more groups. Here
a field of labor lies fallen of such enormous extent that there
will not be forces enough for the whole. But this labor once
begun on a major scale, sets free so many new forces that it
will finally arouse the enthusiasm and the allegiance of the whole
class.

In the work groups of the new labor movement the soil is

the social forces, so long the importance of this work does not
directly attract the view. But as soon as they become capable,
when they form a consciously widespread movement, when work groups
arise everywhere for the purpose of imparting to the workers the
true (scientific) insight into the social process of life, then
the picture is altered. Their task then is no longer small and
modest, but gigantic and all-mastering. In the work groups the
working class has then shaped for itself the instrument with which
it masters the science of the social forces.
being prepared on which arises our knowledge of and insight into the movement of the social forces. What the individual, left to himself, can not do is quite possible in collective exchange of ideas, first in the work group and then in the community of groups which finally create the spiritual bond throughout the class. The analysis of the constantly changing social phenomena -- in the old movement the monopoly of the intellectuals and leaders -- is here accomplished by the workers themselves.

The very widespread opinion to the effect that such a thing is beyond the capacities of the workers is quite wrong-headed. Inversely: The intellectuals and leaders, who form a special privileged stratum whose function is built on scientific investigation on the social field, are incapable of giving an analysis of the social developments for the revolutionary proletariat. They see the phenomena otherwise than do the revolutionary workers because their goal is different: they today play the part of leaders and front rank fighters, whereas the revolutionary proletariat is incapable of setting the intellectual needs of the time as an individual, or of seeing things which are impossible in collective exchange throughout the class. The analysis of the constantly changing social phenomena -- in the old movement the monopoly of the intellectuals and leaders -- is here accomplished by the workers themselves.

The new labor movement thus arising has, naturally, its "diseases of childhood". These are frequently of such a dangerous character that most of the newly arisen groups succumb from them at present. In the last five years alone, such groups have arisen again and again, only in order to disappear as they come. The causes of these "diseases of childhood" are mainly two: The most essential one is that they lacked a sufficient theoretical foundation and were all too much a hodgepodge of traditional ideas and of new ones insufficiently digested. The second cause lies in the fact that under the new conditions collaboration in the groups must have a quite different character than in the old movement. The qualities required for that purpose are not forthcoming present, they must first be learned and acquired in struggle. For these two reasons the problem of group-forming is also much more difficult than appears at first sight.

And so their language is fearfully "revolutionary"; their description of the ruling class is horrifying and they end in stereotype manner with the alternative: Revolution or decline into barbarism. This gives them the feeling of being very revolutionary and the conviction that there is a proletarian revolution. But all this is accomplished by it is that the revolutionary impatience is discharged in strong words and actions like loose powder, without injury to the ruling class. And when after all, here or there, isolated small groups permit themselves to be driven in this manner into an "action", they merely demonstrate how laughable such a tactic is. The revolutionary language can not replace what the class lacks in the matter of insight. The attempt by such methods to make the proletariat "ripe" for revolution merely demonstrates that these "front rank fighters" themselves still lack the most elementary insight into the conditions of the proletarian struggle for emancipation.

The other "disease of childhood" consists in the fact that the work group in the group must first be learned, that collaboration in the groups has not yet found the form befitting the new tasks, and that even the workers collaborating in the groups have to acquire new intellectual qualities adapted to the new conditions.

The most characteristic trait of the old organizations is that their members, who have joined them on the basis of certain principles, are controlled through the organization itself. The individual wants to subject himself to the principles which he holds to be correct, in reality he subjects himself to the organizational apparatus, which in its turn lays down rules, always to be followed, which the members determine in how far they are valid in this or that case, etc. and even establishes how the workers must act in accordance with these concepts. The individual member who through his entry becomes a part of the organization thus subjects himself to
The labor organizations are thus a faithful image of the political order of bourgeois society in general. The democratic party has contributed the final touch to this development, in that it elevates the autocracy of the leadership into a principle; a leadership which is henceforth responsible only to its "God" and its "own conscience". But whether along democratic paths or through bureaucratic decree or finally through the "God-illuminated" leader, the organizational rules and statutes are yet the basis on which the activity of the individuals in the organization is bound into a whole. In this way they can work together in spite of the fact that they mutually distrust each other's judgment as to the proper course and are ready at any time to discredit their neighbor if he stands in their way in the organization.

In the last few years we have become acquainted with various groups which had retained this mentality from the old movement and which have disappeared as quickly as they came. It was first attempts to bridge over the mutual differences through the building up of an organizational apparatus. But in small groups that is practically impossible: here the mutual distrust very soon dissolves any organizational bond. The first lesson which may be derived from this is that small groups are capable of working only when their members have at least an approximately like conception of their tasks.

Groups which still today wish to become "big" -- big in the sense that the organization grows big and powerful -- find themselves on the same path that the old labor movement has taken. They still bear the distinguishing marks of the old labor movement, where the organization "leads" as an apparatus and the individual member subjects himself to this leadership.

So that at the present time it is only like-minded people who can combine in small groups. It is better that revolutionary workers in thousands of small groups work on the coming to consciousness of their class than that their activity be subjected in a large organization to the striving for dominance on the part of their leadership. That does not preclude collaboration of the groups among each other, but rather makes it more necessary. It is shown in practice that such collaboration is not always attended with success, then in truth the smelting together into a great organization of like-minded persons surely accomplished. But this smelting together to an organic unity can only be the result of a process of development.

The groups which are to be the starting point of the new labor movement must consist not merely of members with like conceptions regarding their tasks. These conceptions must be distinguished essentially from those of the old labor movement. The first and most important of these conceptions is that the member does not subject himself to a leadership, but that he combines in collective comradely manner with others of like mind in order that a "leadership" to which one must subject himself may be made superfluous. The leadership as well as the rules according to which the collaboration in the groups takes place can not be a foreign apparatus ruling over the members, but must be new forms of absolute devotion of those members. They themselves make ever anew the leadership and the bond that binds them to common action in the group; that is the all-surpassing will to leave personal interests out of account when the fulfillment of the common tasks so demands.

SUMMARY

When we bring together a few general aspects of the new labor movement, it is seen that the aims which it sets for itself are very different from those of the old movement. This latter wants, by way of action through the trade unions and through social legislation, to bring about ameliorations on the basis of capitalism. The new labor movement, on the other hand, directs its activities to the ultimate abolition of the state of society which has as its presupposition the abolition of the capitalistic relation of production. In the mass movement, it wants to bring the mass to self-organization in the workers' councils, so that through these the mass can perform all functions of the legislative and executive power and itself carry out all tasks in relation to production and distribution. The revolutionary workers who take as their task the propaganda for the self-movement of the working masses want to combine them in organizations under their own leadership, in work groups which in all that they do remain completely independent. These work groups have not only the task of propaganda toward the outside; essential at the same time is their own schooling; knowledge is necessary. All the bourgeois professors on earth, even when they are combined into a "brain trust", can not do away with the all-mastering opposition between Capital and Labor. They can not discover the essential cause of the constantly increasing social catastrophes, for that cause -- wage labor -- is at the same time the basis on which arises their privileged function in society. Only the working class alone is in a position to do that, because it must if it is not content to be pressed farther down in the scale.

The central problem, which ever more pressingly cries for its solution, consists in the might development of the productive forces and the impossibility of applying them. Capitalism continues to maintain itself only by ever anew destroying productive forces or throwing them out of action. This problem stands today in the center of all thoughts; it begins to pursue each individual as well as the mass; it can not be evaded. We must therefore
make this problem the central axe of our self-schooling and propaganda. Until theory seizes the masses: then theory becomes a material power. And it is only then that we learn to know the full significance of the words:

THE EMANCIPATION OF THE WORKING CLASS CAN ONLY BE THE WORK OF THE WORKERS THEMSELVES

EVERY RADICAL MUST READ:

International Council Correspondence
Each issue of the Council Correspondence contains a first translation into English of some important article on Marxian theory

The Modern Monthly, an independent radical magazine

Pamphlets:

The Bourgeois Role Of Bolshevism, 10¢
Leninism Or Marxism, by Rosa Luxemburg 10¢
World-Wide Fascism or World Revolution? Manifesto and Program of the United Workers Party 10¢
Bolshevism or Communism. The question of a new Communist Party and the “Fourth Internationale” 10¢
The Inevitability of Communism, by Paul Mattick 25¢
What Next For The American Workers, a popular pamphlet published by the United Workers Party dealing with the present day American Conditions and outlining a perspective of the future 10¢

For those who read German

Raatekorrespondenz, (theoretisches- und Diskussionsorgan fuer die Raetebewegung), herausgegeben von der Gruppe Internationaler Kommunisten- Holland, Einzelnummer 10¢

Order from: United Workers Party
1604 N. California Ave. - Chicago, Ill.
make this problem the central axis of our self-schooling and propaganda. Until theory seizes the masses: then theory becomes a material power. And it is only then that we learn to know the full significance of the words:

THE EMANCIPATION OF THE WORKING CLASS CAN ONLY BE THE WORK OF THE WORKERS THEMSELVES

EVERY RADICAL MUST READ:

International Council Correspondence
Each issue of the Council Correspondence contains a first translation into English of some important article on Marxian theory. 10¢ a copy—— $1.00 a year

The Modern Monthly, an independent radical magazine 25¢ a copy

Pamphlets:

- The Bourgeois Role Of Bolshevism, Its relation to world communism 10¢
- Leninism Or Marxism, by Rosa Luxemburg 10¢
- World-Wide Fascism or World Revolution? Manifesto and Program of the United Workers Party 10¢
- Bolshevism or Communism, The question of a new Communist Party and the "Fourth Internationale" 5¢
- A critique of Sidney Hook's Interpretation of Marx
- What Next For The American Workers, a popular pamphlet published by the United Workers Party dealing with the present day American Conditions and outlining a perspective of the future 10¢

For those who read German

Raetekorrespondenz, (theoretisches- und Diskussionsorgan fuer die Raetebewegung), herausgegeben von der Gruppe Internationaler Kommunisten- Holland, Einzelnummer 10¢

Order from: United Workers Party
1604 N. California Ave. - Chicago, Ill.
The catastrophic economic condition of Germany, especially in regard to raw materials and finance, leads to the conclusion that the system will soon collapse. The ability of capitalism to "muddle through" is often underestimated by the revolutionary proletariat. The example of the war years (with certain reservations) is invoked. But, even without considering the intensification of agricultural production that has progressed greatly since the war, the raw-material situation today offers more avenues of escape than formerly. Although the actual production of artificial raw materials, such as benzine or fibre, fail to fulfill the boastful announcements made, essential sources are available. Besides, no matter how limited the imports, with the regulation of the rate of exchange and the most urgent raw-material needs can be met. These manipulations lead to constant annoyance of certain trade circles; that regular export trade suffers and the inner contradictions are intensified is obvious. All efforts to overcome the difficulties lead but to a postponement, not an overcoming of the crisis.

It must not be overlooked that the foreign exchange problem in its relation to the securing of raw materials is not confined to normal methods. Although the Reich and German industry in general has received no foreign credits till now (it remains to be seen what the outcome of England's conciliation policy will be), yet some monopolistic firms are receiving them and thus are independent of the general credit difficulties in securing their raw materials. Thus the I.G. dye trust (I.G. Farben) reports that the concern dispensed over four times as much in raw material credits in 1934 as compared to 1933, namely 28 million marks. The credit resources of I.G. are far from exhausted by this, as it can offer credit securities of enormous value in its foreign branches, partnerships, etc. For example there is the hydrogenation process in which the...
Rockefellers participate, used not only in coal but in making benzine out of oil as well. The big concerns, Siemens, Mannesmann, the steel trust command, similar reserves for securing raw materials.

The second problem, that of finance, is subject to similar conditions. True, the domestic debt has increased enormously from the standpoint of the respectable merchant the period of bankruptcy has been reached long ago. An indebtedness of 80 milliard marks according to the figures of the Reichskreditgesellschaft, more than double that of the first half of 1934, offers a clear picture, with hazardous state of German finance. But Gamber Schacht still holds a few tricks in his hand. Though the Reichsbank and the finance ministry has vainly appealed for foreign credits to the various missions and observers representing American and other foreign financial and government institutions in Berlin, the fact that this debt is an internal one (because of refusal of foreign credits) constitutes Schacht's main chance. The debt, however, has remained within the country; the creditors are the beneficiaries of the public works and armament policy and it is possible to exert considerable pressure on them for instance, the argument that if the large capitalists consider a large loan unsafe the previous credits become worthless. Incidentally a part of the domestic note issue, underwritten by the large concerns has been transferred to foreign institutions, though it is impossible to estimate the actual amount. However, with or without pressure, the capitalists themselves are interested in seeing a part of the short-term loans transformed into long-term credits.

Of course, it is still impossible for them to perform feats of magic, the card tricks of high finance will not be sufficient to forestall a financial collapse. But as yet the prospect of being thrown off course exists. Moreover the resources of the various economic groups are drained and the basis of the system over the longer period is undermined.

At present, the only measures contemplated are those serving the imposition of a great domestic loan, following the forced loans on the banks and insurance companies to the tune of 1,2 milliard marks, which last year lightened the burden. A further 50 to 60 million is added by the change of the house rent tax into a forced loan. However, this is but robbing Peter to pay Paul, for the elimination of the tax on the one hand is made up by the forced loan on the other hand, although the budget took this into consideration.

At present, then, it is planned to float a large loan at low interest, which is made attractive to the lower income classes with tax reductions. The capital market has been prepared partly through the limiting of public works, which aroused the opposition of the profit-hungry industrialists and aggravates the unemployment problem (for which an outlet has been provided by compulsory military service), partly through manipulation of the Gold Discount Bank belonging to the Reichsbank, which is authorized to issue notes for 200 million marks. The money market appears unusually flexible. The English newspapers, which have cut these notes, in its curt farewell to the great note issue of an interest rate of 3 1/8 to 3 5/8 for day-to-day loans plenty is offered at 2%. Political and moral pressure is to do the rest in starting the loan of 2 milliard marks. Behind the scenes violent conflict occurs over the handling of an interest rate of 3 1/8 to 3 5/8 for day-to-day loans plenty is offered at 2%. Political and moral pressure is to do the rest in starting the loan of 2 milliard marks. Behind the scenes violent conflict occurs over the handling of the loan, especially the form of the note issue, so as to avoid heavy depreciation, as a loss of this magnitude cannot be floated successfully if sale and loan privileges are denied.

The third great problem is that of the foreign relations. Here, also, overestimation of the difficulties must be avoided; we must reach conclusions after sober consideration, especially in regard to war, when and against whom?

True, the almost complete isolation of Germany was evident in the Geneva deliberations. But how important is that? What will be the results? A review of the last months, of which a book was published, which delayed Simon and Eden's trip; when England, France and Italy united at Geneva, when McDonald in the News Letters led the anti-German front, every one thought the ring around Germany was most firmly welded as the Franco-German line on its eastern front. But the commentaries of the English press to Hitler's speech of May 21 showed how quickly the gates could be opened. Not all papers were as enthusiastic for Hitler as the Daily Express May 21 which said, *His words bring relief and hope-Germany being ready to cooperate in the cause of peace should be welcomed warmly and met half-way. Our government should do all that is in its power to satisfy her legitimate aspirations including the return of Germany's colonies. Hitler, after all, is the one great constructive mind that Germany has produced in this generation.* But other papers, including the Daily Herald, adopted a friendly attitude, not to speak of the hymn of praise of "Conrads" Phillip Snowden. Here it becomes obvious that German policy is neither so blind nor insane and unconsciously displays more sense than it is credited with by many fanatics who are blind to the capitulations of other countries and only see the capitalisms of the Nazis in the dark colors. In the dark days of modern Germany, does not want war with a united Europe. He aims at a new bloc policy, to take advantage of the breaches in the anti-German front. That this is sound policy should be obvious. The front against the rearmament, a few weeks ago, of a few newspapers on a telephone post in 1923 occupied the Ruhr, against a disarmed Germany, while in 1935 it participates in a conciliation policy with rearmed Germany, demonstrates how the new international developments, shows how far the conflicts of the various imperialisms are forcing new alignments. Rearmed Germany is a desirable ally for either of the main groups of powers in the next conflict. War is not imminent because of the rearmament of German military power. Only when Germany has oriented itself in relation to international relations and political forces in the West and against whom? This orientation of course will depend also on the German internal situation.

What is the internal political situation in Germany? In view of the widespread espionage in personal contacts as well as mail communications it is difficult to arrive at conclusions that are complete and accurate. However, what knowledge we have is based on personal observations and experiences in various parts of the Reich, on contacts with various strata and interests. The picture we have shows that National Socialism not only has not captured the working classes as a "siegenschaftung" but these sentiments are recoiling against it. This applies to those who originally supported it or were "converted" in 1933 as well as to that group whose class interests are not really represented by it - the middle classes. Not the least opposition comes from the farmers, driven thereto by the inheritance law, all but whose first-born are disinherited. These illusions were shattered by the failure of the settlement policy and the unlimited support given to the great landed pro-
Priest. Unemployment in the cities comes in the light, and they are driven into the labor camps on road-building, and in the agricultural aid (Landhilfe), where these farmer's sons are herded among unemployed industrial workers to work for landowners, proprietors and large farmers. They are depicted in a number of letters recounting their experiences. Ten to twelve hours work per day with shelter and lodging of a kind already notorious among the Polish seasonal laborers in Pomerania and East Prussia in pre-war days; wages of 20 marks from which is deducted the social insurance and similar fees as well as their travel expenses, which had been advanced by the state in railroad tickets. The slaves are not only shipped regardless of their wishes, but must pay the shipping costs themselves.

The middle class in the city also feels cheated - the destruction of the mortgage and loan capitalists, the elimination of the department stores did not materialize after "clean" Aryans took over these functions. The small dealer and the tradesman note no greater purchasing power and feel the pinch of large capital. The wholesalers are increasing prices more rapidly than the retailers, in view of public sentiment were granted only a surcharge of 20 marks from which is deducted the social insurance and similar fees as well as their travel expenses, which had been advanced by the state in railroad tickets. The slaves are not only shipped regardless of their wishes, but must pay the shipping costs themselves.

The boasted credit facilities to the middle classes, promised by the National Socialist economists, proved a similar failure. The bank statistics point to the number of single credits granted of less than 20,000 marks - The German Bank & Discount Co. estimated these loans constituted 90% of the total loan taken in 1929. But the total amount loaned to small and medium sized concerns is only about 25%. The other 75% of the total money loaned is in the hands of 10% of the borrowers. Since 1933 a further drop in small and medium loans has taken place. The total of these loans receded from 225 million marks to 210 million - about 10% - the total loans above 20,000 marks increased from 470 million to 620 million marks - about 30%.

The beneficiaries along the line are the large capitalists, the banks, industry and landed proprietors. Never before was a government so clearly the expression of the class rule of monopoly capitalism as the absolute leader-dictatorship of the National Socialist State. This appears in the balances of the great corporations such as I. G. Dyse, Siemens, Krupp and Mannesmann Brothers. I. G. Dyse, aside from invisible reserves, in 1934 earned 51 million marks dividends and extras, as well as 80 million marks better rationalized large concerns and intensifies the concentration of capital.

What goes on in the plants and factories? True, there appears to be some peace, enforced by that policy that supports the espionage and stool pigeon system, and unlimited terrorism. Reports we have received of open opposition through underground channels show either individual acts of pure desperation that expired without results, cases upon cases where these acts are not to be considered general, no matter how much they may be symptoms of general sentiment, although not of a general preparedness for working class action. The working class is not yet ready for concerted action. The plant and factory owners are still the masters of the situation. But within a short while the working man is sent from Pontius to Pilate and runs the risk of having his "Herzian" past thoroughly investigated. Should his protests receive support he is sure to get his walking papers from his employers at the earliest opportunity.

What goes on in the plants and factories? True, there appears to be peace, enforced by that policy that supports the espionage and stool pigeon system, and unlimited terrorism. Reports we have received of open opposition through underground channels show either individual acts of pure desperation that expired without results, cases upon cases where these acts are not to be considered general, no matter how much they may be symptoms of general sentiment, although not of a general preparedness for working class action. The working class is not yet ready for concerted action. The plant and factory owners are still the masters of the situation. But within a short while the working man is sent from Pontius to Pilate and runs the risk of having his "Herzian" past thoroughly investigated. Should his protests receive support he is sure to get his walking papers from his employers at the earliest opportunity.

These income figures in the greatest chemical concern are typical of working class conditions generally. According to the statistics of those above paid employees, the industrial workers amount to 21 ½ marks, with average working hours of 43 weekly. In addition there are the increased prices for food and clothing, an increase not fully determinable because of the quality of the goods. An increase of 10% in prices is necessary but unproductive functions are penalized. For example, an iron foundry in April of this year, with a 60-hour week reckoned the pay of an skilled worker, including overtime, at 46.15 marks, deductions 10.20 marks, leaving a net of 35.95. To evade social provisions skilled workers often are hired as helpers under the pretext no work in their branch is available. Within a short while they find themselves doing the work of skilled hands - at helpers' wages. Protests are salutary, the workers' 'representatives' are mere puppets of the employers, in the bureau of the Labor Front the worker is sent from Pontius to Pilate and runs the risk of having his "Herzian" past thoroughly investigated. Should his protests receive support he is sure to get his walking papers from his employers at the earliest opportunity.

The fact that something new is being put in place. But the chained fist is still sunk deep in the pocket.

What now? We ask that all sections of the population, except large capitalists and those in government and industrial offices united by the National Socialists into an unprecedented system of corruption, are dissatisfied. Despite this an immediate collapse cannot be predicted. Aside from the working class there exists the fear of "what after", the fear of the real
The concept often heard in 1933: "The gentlemen will soon declare bankruptcy, then comes the military dictatorship," is out of date. For this concept has been realized in the dictatorship of large capital through the military. This dictatorship already extends over the Nazis, as is shown in the events of June 30, 1934, the subsequent retirement of Fader, Darr, and others as well as their satellites. The higher bureaucracy again is manned by the old heads. Although the front still shows Hitler, Goering and Goebbels as well as the swastika flag, the interior is manned by a new, more SS-like organization already occurring on the scene. The decisive powers, who allowed the Nazis to seize power in order to suppress the working class - sometimes themselves suppressed in the confusion - now are in complete control.

One activity was left to the Nazis, that of propaganda in fields outside of economics. The seizure of economic power was paid for in this small-change. The religious warfare is not approved by fields outside of economics. The seizure of economic power was paid for in this small-change. The religious warfare is not approved by the Nazi ideology. It has eliminated good deal of unwelcome competition. Economically speaking, the workers of other lands are not much better off than those of Germany. War is not the creator of all the above-mentioned evils, but the climate is certainly the wide of revolution and the probability is great that only the war will open the floodgates of revolution in Germany. But if the war comes as a crusade against Hitler it will lead to another "August 1914." The workers will be playing into the hands of their ruling classes. It is by no means certain that Germany will be the loser, for if war comes it will not be against an isolated Germany.

**NATIONAL BOLSHEVISME**

The chief task of the Bolshevik parties outside of Russia has been, since their beginning, the encouragement of universal good will to the "Soviet" union, the rallying of varied social elements in opposition to attempts at interference with the industrial development and modernization of Russia.

The revolutionary phrases of 1918 are still with them. The language of post-war Bolshevism was most flamboyant, most revolutionary during the "third period", which followed in wake of the defeat of the Russian State in its attempt to play off the "national liberation" of China against Russia's closest imperialist rivals. After 1933, however, the Bolshevist "Communist" parties have also stopped from international parties of peace, that is, peace for the sake of the U.S.S.R.

They, too, proposed to paralyze optimism by means of peace congresses and by encouraging popular moves for disarmament. Under the influence of Russia's need of completing its national progressive revolution -- under the stimulus of Russia's historic need of solving its economic backwardness, the Leninist parties began to abandon the more "erratic" features of their practice flowing from their contradictory theoretic stand. Willy-nilly they are returning to the program of the Social-Democracy, from which the same Russian Revolution had torn them.

The German working class cannot be saved from without. True, the class struggle is international, but that merely signifies that the working class of every country must settle its scores with its class enemy. Every block policy and alliance outside results in the strangling of the development of the working class and the surrender to the ruling class.

The consciousness of solidarity with the working class of the world is an important factor for the revolutionary workers of Germany, but it is solidarity already occurred in Russia. The class struggle is internationa.l, but that merely signifies that the working class of every country must settle its scores with its class enemy. Every block policy and alliance outside results in the strangling of the development of the working class and the surrender to the ruling class.
It leads to an attitude in accordance to which imperialism is not the period of the decisive struggle for (world) socialism, but the diabolic invention of a clique of greedy men. It leads to a program according to which the bourgeoisie may be persuaded that imperialism and militarism are bad from the capitalist viewpoint; and after the supposed instigators of imperialism have been isolated, a block constituted of the proletariat and wide bourgeoisie layers with the idea of paralyzing imperialism through 'partial disarmament', by rendering it inoffensive.

"Just as the decadent liberalism of the last century turned with appeals from the badly informed monarchy to the better informed 'warsinst center' (before 1918) to appeal from the badly enlighten bourgeoisie to the more enlightened bourgeoisie -- from the policy of imperialist catastrophe to that of international disarmament, from the struggle of the great powers for the world dictatorship of the cannon to the pacific federation of national democratic states. The struggle between the proletariat and capital was to give way to a utopia of compromise between the proletariat and the bourgeoisie, which would 'softer' the antagonism among the imperialist powers." (From the Anti-critique, second part of Accumulation of Capital.)

Luxemburg wrote this in 1915, immediately after the World War had shattered the hopes of the socialdemocratic peace lovers, who themselves had helped to create the illusion of war "to make the world safe for democracy", a "war to end war".

By today, the Bolsheviks, heirs to the Social-Democracy, have succeeded in fashioning a new illusion, which serves to prime the workers of the world for the next "great war". They say that the Social-Democrat workers' fatherland, to bear arms in its defence, since a probable opponent of Russia in the coming international war will be Hitler barbarism. They describe such participation of the workers in the next war as "revolutionary defence." Yesterday, the Central Committee of the Communist Party of Germany resolved at the behest of the Moscow center: There is no principle difference between bourgeois democracy and fascism. They wrote: "The task of the Communists is in no way to seek with blue spectacles a pseudo-theory of the existence of some kind of difference between Democracy and Fascism" (Die Internationale, January 1932, p.31). Yesterday all workers who refused to recognize the "hegemony of the Bolshevik leadership" were branded as "social fascists". Yesterday "genius-leader" Stalin declared: "The Social-Democracy is the moderate wing of Fascism". Yesterday the only action against Fascism that was permitted by the Moscow center was through the "united front from below", that is, inside the Bolshevik Party. Yesterday all who begged Moscow to stop the nonsense, to permit a real united front against the Nazis, to bolster up opposition to Hitler by giving direct aid to such a united front, were called agents-provocateurs seeking the destruction of the "workers' fatherland". No doubt resistance to Fascism in the socialdemocratic minority would have embroiled Germany in a civil war. And in 1938 the biggest slice of foreign credit received by the Soviet entrepreneurs came guaranteed from the German State. A Germany troubled by a civil war would not have been in the position to continue to give credit and Hitler did not fail to renew this business arrangement with the "workers' fatherland" when he attained State power.

Today Moscow is a lover of Democracy with a capital letter. Yet, even bourgeoisie democracy. Today Moscow sees so much of a difference between bourgeois democracy and Fascism that it calls for the formation of "popular" and "national" united fronts, including bourgeois groups and states that are not democratic. Today Bolshevik politicians are advised to enter bourgeois coalition governments wherever such governments are opposed to Fascism.

But it is doubtful if by "Fascism" Moscow means, in this case, Mussolini's rule in Italy. It has made close economic pacts with Italy. General Nobile and a large staff of technico-military experts in the two years and a half are not in the "workers' fatherland" to sort borscht and Russian pumpnickel. They are in the land of Bolshevik socialism to develop the "socialist" sinews of war. Is not the partnership of fascist Italy in the Franco-Soviet war block possible? In view of Nazi Germany's designs on Austria, in view of Mussolini's fear of the threat of a huge Germany on the northern borders of Italy, such a partnership is probable.

It is, moreover, vain to deny the possibility (by the time the war breaks out) of a "nationalistic" front of the French "friends of the Soviet Union" and the French fascists. Steps in that direction have already been taken by the Russian "foreign legion" in France. The French Bolshevists have proposed, even to the indignation of the social-democratic Populaires, a "united front of the workers' fatherland. They want a Russian and fascist youth." A formal invitation to join in an made to the Jeunesses Patriotes and Solidarite Francaises, the two organizations embracing most young elements of French Fascism. "After all," argues the Moscow center, "the French Fascists are not pro-German. They are anti-German. The coming war will be a war of us and our allies against Germany and its allies."

By Fascism, Moscow means all those powers that are likely to be found in the block of States opposing the probable Franco-Italian-Soviet block in the next world war. The coming war, like the past world war, will be a contest between blocks of powers over economic advantages in the world. In this contest the Soviet Union will be a partner in a combine made up of avowed imperialist States. We are told that it is still the duty of the workers of the world, and especially the workers in the imperialist countries allied with the U.S.S.R., to bear arms in the defence of the "socialist fatherland". But the defence of the Soviet fatherland now coincides with the defence of several imperialist fatherlands. Revolutionary defence now equals national defence. Like the Social-Democracy in 1914, the Bolshevist "Communist" parties have taken the next logical step, as indicated by Rosa Luxemburg. Yesterday they organized peace congresses. Today they are parties of national defence.

The ruling class cannot carry on its wars without pressuring the masses for enthusiastic participation in the slaughter. To prepare the masses for efficient service in a war, the politicians must get the masses to confuse their interests with the interests of
The attempt of the various national bourgeoises to remedy the economic crisis by means of the old private-capitalist methods has essentially failed and has led to a further sharpening of the general world crisis. In this connection, local structural alterations may very well be called "planned economy", but these alter- nations of economy, there changes also in the social superstructure. Thus fascism expresses itself in a nationalism of winds, elimination of the right of the masses to participate in the forming of decisions and replacement of that right by the authoritarian principle of leadership, militarizing of the entire nation together with dictatorship of a party over the masses, in which connection the dictatorship may be bolshevist, socialist, democratic, bourgeois, nationalistic. This general development leads to the overcome of the earlier class stratification of bourgeoisie-society-big bourgeoisie, middle strata and proletariat—and to the emergence of two starkly opposing social groupings: the class of owners of the means of production with its trinitarian apparatus of party, economy and State, and the great majority of the population as exploited, impoverished masses of producers.

The elaboration of state-capitalist "planned economy" likewise clearly demonstrates the identity of this historical close of the bourgeois epoch with the socialist final goal of the old labor movement. And precisely in virtue of this necessary development the working masses are bound to realize more and more clearly that the new economy must take a form which is funda- mentally different from that of the Socialists and Bolsheviks with their projects of a socialist planned economy resting, just like the capitalist variety, on wage labor. So long as wage labor exists, capitalist economy prevails.

The state-capitalist development, in the elaboration of "planned economy" logically bridges over the national antagonisms and demands the formation of mammoth economies transcending national boundaries. The capitalist competitive struggle is thus shifted more and more onto the field of the entire world against each other. The overcoming of the national antagonisms within the continent will therefore only a question of time, the duration which is conditioned by the necessity of bringing about a cooperation within the framework of the mammoth economy. The "mammoth planned economy" is thus an overcoming of the old capitalist trade unionism based upon the available markets, the opening of new markets and the tapping of new sources of profit. The explosion—like, undulatory crisis continuing and more and more to disappear. Their place is taken by the latent, constantly sharpening crisis, which leads to a sharper but unremitting impoverishment of the masses. The development of
the class struggle will thus hereafter be less determined through transaction of the becoming crisis convulsions than through the sharpening of the class antagonisms between the two impoverished masses, on the one hand, and on the other the parasitical bureaucracy in charge of the politico-economic state apparatus.

The overcoming of the class antagonisms through the proletarian revolution is possible only as the self-emancipation of the masses. In each phase of their struggles, the masses must have the initiative and direction in their own hands: this is the only assurance against every form of tutelage and leadership over the masses. This self-emancipation is at the same time one of the essential presuppositions in the reshaping of the economic relations. Through the circumspection that the masses liberate themselves, they also acquire the suppression, the abolition of wage labor and its replacement by schooling for the direction of the economic process, and the disengagement of the means of production. Through doing away with each and every kind of wage labor that the complete overcoming of all capitalist modes of economy is assured, so that we now have as the immediate tasks of the workers' movement, to the end of their self-emancipation from capitalist exploitation and suppression, the abolition of wage labor and its replacement by labor-time accounting and the exercise of direct producers' control over the products and means of production, as the basis of the new economic order.

The new labor movement must not only recognize, but above all practically apply, the lessons of the Paris Commune and of the Russian Revolution of 1905 and 1917 as well as the experiences of the development down to the present time. This is necessary because the smashing of the state apparatus and the combining of the power of decision and execution in the hands of the masses, organized in councils under constant control, is possible only through practical application of the council principle in all developing struggles of the working masses. It is therefore the task of the council-communist groups in all countries not yet gone fascist to promote the autonomous direction of these struggles, as well as to strive for the extension of all struggles beyond their local and occupational limits into mass struggles and to intervene in such struggles actively on their own part. By the side of this, propaganda directed to making the masses conscious concerning the real tasks of the workers' struggle in relation to the reshaping of economy and the replacement of wage labor by labor-time accounting should be conducted in the most intensive manner possible and in a generally understandable form adapted to the workers' ideology. By putting to use the experiences of the illegal movement in the fascist countries, the council-communist groups must prepare themselves even now for the state of illegality and adopt all corresponding measures: The organizational safeguarding of the labor movement through elaboration of the group system. Elimination of all hierarchy, constantly changing of unresolvable and unresolvable connections (the local conditions and the changing composition of the groups make desirable the application of new working methods varying from case to case). Elaboration of different methods of bringing masses now standing aloof or in the enemy camp: Avoidance of slogan propaganda. Adaptation of ideas to the altered conditions, etc.

One would think it would soon be superfluous to come out in opposition to the old labor movement. The two Internationals and the other organizations connected with and related to them unmask themselves long before midnight; they also change their masks so often that the most stupid should have a chance to discover their real features. But masquerade and deception can simply be recognized as such only; all in all, it is only the illusion of reality is no assurance that it has been mastered. Like religion, so also the hope in the old labor movement permits the illusion of later amendment of the present misery and hence the justification of the old organizations' activity and the undertaking of opposition to the ruling class, they offer a new demonstration each day of their true prostituted nature. They think to save their own skins by binding themselves to do the work which today really belongs to the fascists. In whichever direction we look, and only occasionally with the forced exception of the countries already gone fascist, we see the endeavors of the old labor organizations to prolong their bankrupt existence not by combating fascism, to be sure, but by making it superfluous. They promise their capitalists not to lay hands upon the present system of exploitation, but to defend it with clubs and teeth and to conform with all its needs, even to conducting war, because they think in this way they may still save themselves to do the work which today really belongs to the fascists.

Nevertheless, world history, in so far as it depends at all on groups and individuals, does not depend on the lackeys but on their masters, so that no doubt even this new example of "Realpolitik" on the part of the organizations still falsely denominated as a labor movement" will not avail to assure their existence. The at present peculiar constellation of the capitalist powers, which are making ready for a new war, can by no means be regarded as fixed; all sorts of surprising shifts are still possible and on these will depend, among other things, the further development of fascism. Reversals of German, Russian and French policy are capable of putting an end also to the present pseudo-struggle for the safeguarding of democracy against fascism. In which connection all that the Russians would have to do would be to identify fascism with socialism and make this latter not to depend any more on the presence of democracy. Meanwhile it is perhaps still possible for a time to point out "successes" to the "freedom-loving anti-fascists" and to continue laying rotten laurels in the more modest but still ample lap. The Russian-French alliance has somewhat hindered the development of French fascism, but this hindrance will only be the secret of the accelerated progress of capitalism, constantly capable of holding and clubbing down the workers, it is not very likely that the bourgeoisie will bring into service the used-up lackeys out of the old labor movement, but rather the new, fresh, job-hungry, pettybourgeois rabble which, now that capitalism is on the decline, can no longer find the families which, notwithstanding monogamous
To speak the language of the Social Democracy. If one wants to stand firm in the labor movement itself is the wind by which fascism is being propelled.

Criticism on the part of labor, however, is not feared; not even on culture, are complete with the servant-maid system. The wind has not to avoid being an anvil, he must become a hammer, "And so the old plenty of opportunity in the last fifty years by the competitors. It is difficult, because a bad conscience takes an enormous lot of impudence to run after executioner's jobs where a part of their own subjects in the organizations. There has been plenty of opportunity in the last fifty years to "educate" and "enlighten" the workers, so that today they are actually capable, if the beloved leader so desires, of taking black for white or what amounts to the same thing -- of seeing in Vandervelde or Stalin the "sacred friends" and leaders of labor. The labor organizations have stupified their hangers-on ideologically in quite the same way as Capitalism has idiotized the whole of humanity, in far greater measure than any other form of society and precisely by way of civilization and the increase of education. A beast can live, self-respecting people go under. When people today really think, they are quite on the way to insanity. When they fight like wild animals for their own interests, they act correctly and intelligently. That such a condition is not desirable does not do away with it; it merely compels to the revolutionary solution of the facts. We cannot always make the leap from the animal kingdom into the realm of freedom.

We are yielding to no illusion whatever; we place no hopes in the "light of the general insight of the masses;" we have no confidence that one day the "scales will fall from their eyes" and that they will recognize intellectually their true problems and needs. The hangers-on of the old labor organizations who have not quite the same perniciousness, but at most as a result of their hunger, which will no longer be able to stand the sight of their well-fed leaders; but as yet that point has not been reached; they are led further along the path of their own demoralization. What the creatins of the old labor movement and their school of corruption still lack they have meanwhile learned from the fascists. If the occasion arose, there is no doubt that the owners of the labor organizations could once more do their part in making out of the poorest also the truest sons of the respective fatherlands.

As a matter of fact, the whole policy of both internationals is directed to giving the organizations a proper place in the "people's front", to conforming with the people's interests, that is, with the interests of monopoly capital which are passed off as such, because the striving and the old labor movement was adjusted to "taking advantage of the rents" in the bourgeois camp -- much as the A.P. of L. comes out at one time for the Republican and at another for the Democratic Party, according as one or the other has the most to promise. -- this blind policy is no longer possible now that the exercise of power has necessarily been monopolized. Since there is only one any more who pays, so also only one song any more can be sung. It runs: politicians, the fascists, the capitalists, the "people's front". Gone are the lovely times of good-natured horse-trading, gone the lovely days of "reforms"; they task of all organizations bound up with capitalism has been contracted to the safeguarding of Capital -- which is completely identical with the State -- against all enemies within and without.

From the "Dictatorship" to the "People's Government"

The Second International and its various national affiliates have actually, however strange it may sound, learned a number of things from the proceedings of the last few years. As a part of capitalism and bound up with its fortunes, they have done everything to show their gratitude to this world. They had already arranged themselves in the best possible manner, won for themselves a number of governments posts, even tho the struggle in this connection was only a matter of talk. They have built themselves houses, shaved wonderful broad seats under their buttocks and filled police jobs, too; in this latter case the uniform collars sorely rubbed the fat necks. They have even administered the colonies with gas bombs and airplanes; they have laid up money without, like true idealists, asking from whence it came; and they have also, even tho (as they write in their memoirs) only with heavy heart and out of their great sense of responsibility, shot down and bayoneted the revolutionary workers, wherever necessary -- naturally in the interests of growing socialism. And yet they have never considered, that social scale is not the only way to show the ir gratitude to this world, They had already learned from the fascists, if the a -capital has found them unserviceable for its further ends and shown them the door. Just as the bourgeoisie by way of diplomacy sets one power against another, plays group off against group, just as in this system generally it is a struggle of all against all, so Capital has also promoted the competition among those who specialize in slaughtering workers and always held with the victors whose aim it furthered. The fascist victors had more to offer, they fitted in better with the "spirit of the times", They were not burdened with a past; with respect to the bourgeoisie they were not ambiguous, and they are reliable.

The dismantling of the labor organizations, which accompanies the dismantling of democracy and which in its turn is only the political reflection of the monopolistic development, was seen rather a shock to the labor-movement enterprises. That would lead to a radicalization of the socialist parties: such was the guess of those people who never become one thing or the other, who refuse to say anything good about anyone or any organization, since of course, as a socialist if nothing else, one was bound to believe in the goodness of man. These timid nature, whose brains are no less flabby than their bellies, are still not disappointed, in spite of the fact that what occurred was the exact opposite of what they expected. After indulging for a time in a more radical policy and after the exhibitions of tipsy leaders of the Social Democracy, wounded by mistake, with all which it was sought to master the disturbance brought into the rest of the organization by reason of a few thousand worker's corpse, the leaders soon came out again with the "language of reason" in order to establish themselves.
The struggle in the American wears itself out, and the positions of the reactionaries are nothing else. One can be expected from the other countries; in these party after the European scandal, through bound up also with the spirit of opposition grows tired and more and more of the fascist coloring, the States, where the Social Democracy still plays no real role, that socialist world movement, and beside it was quickly realized by country as Switzerland and see that even there the Social Democracy only the warding off the opposition which drew back in due time in order not to sink down into revolutionary poverty. The whole dispute was practically not at all different from monopolistic fascism, but is at most still more consistent. And so it merely competes with other aspirants for the paraitical functions in the capitalist system of exploitation.

Whether it will be given once more to the Social Democracy to carry on functions contrary to the maintenance of the State does not depend on the Social Democracy but on a number of circumstances of a national and international character which are not yet sufficiently transparent to permit of accurate conclusions. One thing is clear: if the fascists and the Social Democracy are able of holding the masses in check, this role might under certain circumstances once more fall to the Social Democracy, and the role would certainly not be refused. Meanwhile, however, there remains to the Social Democracy a task, by the side and on the basis of the "old way," spokes loudly enough as to what is the proper course within the capitalist system of exploitation.

If we take such a "traditionally democratic and peace-loving" country as Switzerland and see that even there the Social Democracy can carry on only in competition with the fascists, then certainly nothing else can be expected from the other countries; in these the task of the Social Democracy can only be to furnish the bureaucracy for a fascist state system. And of course it has no need, to that end, of any special transformation: its own state-capitalist conception is in principle not at all different from monopolistic fascism, but is at most still more consistent. And so it merely competes with other aspirants for the paraitical functions in the capitalist system of exploitation.

The Belgian Success

That the Social Democracy failed, as so many people assert, to learn from the proceedings of Germany and Austria the "right thing" is not owing to any unwillingness to learn but to the circumstance that the "right thing" is beyond its power to learn.
The social labor party of Belgium offers a further example of this necessity. The "De Man Plan" which it adopted and from which it expected so much new life is only slightly distinguished from the "planned-economy" nonsense of the fascists. All that it finally amounts to is a demand for government control over the banks and key industries and their partial socialization; combatting the monopolies; assistance for the smaller enterprises; rescue of the victims of fascism; social legislation; and the like, and all the well-known dissonances of the modern song of planned economy which, very uncouthly intoned, seeks once more to become popular. The circumstance that the Belgian bourgeoisie has failed at first to find it agreeable does not affect in the least its insipidity and senselessness. The Belgian government thinks to transplant its Congo policy into the motherland, but, the white Belgian negroes were not yet sufficiently demoralized to bow forthwith to the whip of emergency decrees. A series of strikes, which threatened to turn into a general strike, compelled the Belgian bourgeoisie to accept a temporary compromise to the effect that the "Plan of Labor" would be seriously taken under advisement. Its author was for the present given a government post, and thereupon the Social Democracy, without going so far as to wage war, concluded an armistice with the bourgeoisie. This armistice is in reality a season for the legal labor movement, which is allowed to grow still a bit fatter before the drive upon it gets under way. During this close season the Social Democracy renders its bourgeoisie the full service which had been rather rashly demanded by the proletariat in the talk of planned economy. The awakened forces are allowed to blow out in illusions, until the workers are sufficiently demoralized to accept fascism willingly. But "Socialism" is still on the march in Belgium as it once was in Germany. And it will probably leave quite as many workers' corpses along its way and end up in the fascist dictatorship just as did the german socialism. It is also probable, however, that the social-democratic leaders will in the meanwhile develop into hundred-percent fascists.

The Triumph of the United Front

The success of the Belgian socialists still looks paltry in comparison with the triumph of the French "communists". Upon the conclusion of the Franco-Russian Alliance, the policy of the Communist Party of France (C.P.F.) suffered a sharp turn. All the previous watchwords were exchanged for those of the people's front and national defense. This transformation was soon extended to all sections of the Third International, with the exception of those countries which might under certain circumstances operate contrary to the Franco-Russian block. At the same time there came about the dissolution of the communist trade-union leagues and their conversion, wherever possible, into the reactionary trade-union federations. This development is the logical conclusion of the alliance with the Social Democracy, which receives an offer of organic unity. Quite open efforts are made toward the liquidation of the communist parties and of their international. The Social Democracy still maintains a waiting attitude; the attempt at suicide on the part of the Third International is for the present still looked upon in the spirit of a competitor and not of a partner. The Social Democracy in the various countries is still too closely linked up with its own national bourgeoisie, while the "Communist" parties are exclusively attached to the new Russian bourgeoisie. In those countries, however, where the interests of its own run parallel with those of the new Russian bourgeoisie, as in Czechoslovakia and France, the Social Democracy is much more inclined toward organic unity. The reason advanced by the Social Democracy for its restraint in regard to the unity efforts of the Third International are amusing: this latter had become too reactionary for the socialists. The communists "struggle" in union with and against the masses of the population -- with the Catholics for religious liberty, with the German steel helmets for the right to have other reactionary organizations by the side of the fascist ones, with the "Black Front" of the Strasser group for the genuine as against the opportunistic Hitler fascism -- these demands of the "communists" go a bit too far even for the Social Democrats. In connection with the negotiations for the united front in France, the C.P.F. came out against the demand of the Socialists looking to the partial socialization of individual capitalist monopolies, on the ground that such demands went too far and would hinder the forming of the people's front. Nevertheless, the united front came out, and not only with the Social Democrats but also with the petty-bourgeoisie, on the basis of demands and watchwords which resembled those of the fascists almost to a hair. Even after the defeat of the workers, the Social Democracy is surely open to conviction. Still it remains a joke when Norman Thomas can say of the present program of the C.P.F., that it "stands forth like a national socialist program". It is rather temporary communist opportunism into a similar position. But only temporary. Norman Thomas too, just like his swiss colleagues, will know how to prize this opportunism as the last word in socialist realistic policy.

The French people's front was formed around the slogan Defense of Bread, particularly the bread of the middle classes, the retardation of the crisis in France retarded also the growth of fascism. But even now the fascist forces within the ranks of the allies of the C.P.F. are quite as strong as those which for the present are willing to go along with the communists. The petty-bourgeois groups which can derive no profit from the present united front will very shortly, in their inevitable disappointment, proceed from half to full fascism and drag a part of the workers with them. As in Germany, so also in France the Communist Party is preparing the masses for the coming fascism. Regardless of his intentions, anyone who, instead of pursuing a revolutionary policy, merely competes with the fascists for the state jobs can only, under the present conditions, help fascism into the saddle. "That the united front of the C.P.F. ceases today, the fascists will reap tomorrow."

"Ye are firmly decided," writes the French communist press, "to take up the struggle against impoverishment, without, however, repelling anyone from the front, the demand is the unification of the people's front, under C.P.F. leadership. All demands which could only bring about divisions, at which the fascists would rejoice, as for instance a demand upon the (petty-bourgeois) Radical Party to take over the slogans and the program
of the communists, as certain defenders of the 'pure doctrine' would like to do. Since the petty bourgeoisie refuses to accept the platform of the C.P., the C.P. accepts the platform of the petty Bourgeoisie. Here are the party's demands: Taxes on large fortunes; state ownership of the Bank of France; control over the book-keeping of the banks. Or as the C.P. sums it up in the vernacular: 'The rich shall pay.' Why not go farther? That sort of effect would result from the phrase, 'The rich are politely requested to hang themselves?' In the light of this program, one can really dub Roosevelt an ultra-radical.

A people's front embraces the whole people. If the rich are to pay, they must first be made financially sound. This has also been looked after by the C.P., through the aid which it has assured/dub Roosevelt an ultra-radical.

Stalin, upon the request of IAval, should have been more natural.

After the nationalistic adventures of the French communists, the 7th congress of the Communist International could no longer present any surprises. Altho the french policy is only a repetition of the policy of the C.I. under Lenin and Trotsky in Germany around the year 1923, or of its policy in Turkey, where it wants to maintain the Versailles peace, all this fact, which has vanished from the memories of all the bureaucrats who have been neglected by Stalin. They have accordingly been greatly aroused over the consistent carrying out of Leninism by way of Stalin, as this was manifested at the congress. Stalin is courageous, however, as the genuine Leninist policy must be today, equally pitiful are its present-day exponents. The perfect valet Pick and the cheap actor Dimitrov set the tone. The stupidity was naturally a unanimous stupidity, the counter-revolutionary unmasking was resolved as one man. A betrayal of revolutionary principles is here out of the question, for one can not betray what he has never represented. The present world situation compels the Third International to smash all traces of the 'conspiratorial' souls who would otherwise wish to do. The Third International has gone the way of all professional revolutionary flesh with admirable precision to its end. For us, there is no occasion for any polemic; we have only the satisfaction of the recording. Let us listen to Wilhelm Pieck: 'To communists fight to the death (À la Germany?) against Fascism and every manifestation of reaction (except the Russian, Czech and French varieties, be not so understood). To us it is, a matter of indifference which political system prevails in this or that capitalist country. Since parliamentaryism and the remains of democratic liberties, in spite of the heavy yoke of the capitalist system, offer some slight possibilities for the open fighting organizations of the proletariat, we are ready to defend the remnants of parliamentaryism and democracy against Fascism and in further course to conduct the struggle for the proletarian dictatorship. We care nothing for protection to all peoples against capitalist slavery and fascist suppression. (What magnanimity!) We have been and constantly are for the right of self-determination of every people, however small. If German Fascism attacks the national independence and unity of small independent states in Europe, a war waged by the national bourgeoisie of these states will be a just war, in which proletarians and communists cannot avoid taking part.' And a little later he articulates the dominance of the masses. "It is to give out at the proper time fighting slogans against the price policy of monopoly capital by which the peasants were ruined, as well as against 'interest slavery' (one of the most fetching fascist slogans). In many countries the petty bourgeoisie did not find in the communist parties sufficient understanding for effective support in its resistance to the trusts and the banks by which it was being bled white. The German communists did not consider in due time the significances of the yoke of Versailles, and enabled the bourgeoisie to turn to its own account the hatred of the masses for that yoke." In a word, Pick complained that the communists had been such poor fascists, that they conducted such wretched competition.

While on the one hand, however, the C.I. regrets that it has not proceeded sharply enough against Versailles, on the other hand, by way of Stalin, it wants to maintain the Versailles peace. While it fights against German fascism, at the same time it assists German fascism in its armament policy. The Russian government recently concluded with Hitler Germany contracts by which the German Air fleet is to be provided with the necessary fuel for the next three years. Business is business. The simultaneous support of the French and of the German army is not by any means a contradiction. The maintenance of world capitalism is the enduring task, the alliance policy is highly changeable.

As Moscow sets the tune, so the various sections of the International dance. The American Communist Party today comes out for such things as the "Worker's and Farmer's Labor Party," which is to be based upon the half-fascist A.F. of L. and which incidentally is to be taken up itself the whole liberal virus. And all for a number of laws to be wrung from Congress, for an amendment to the Constitution designed to humbling reaction, and other such nice things at which before this time it could only laugh compassionately. It represents the impossible and the nonsensical, for it doesn't care to represent anything at all, but only to assure in some manner or other the daily bread for its functionaries.

All that ought to put a lot of life into the "oppositionists" of the C.P. But their northern state is still hanging on. To all the degeneracy of the Communist International they open the thing to oppose except the calling up of the past. "Back to Lenin," or "back to Trotsky," for a new Zimmerwald, for 'better leaders': that is the beginning and end of the cry, which, with all its 200,000, has its own wind. The Movestones who for years have combatted the
today the "ultra-left" course of the C.P. against its "ultra-right course" because the Stalinists are still not resigned to setting them up again with salaries. Trotsky founds for the second time the Fourth International with members whom he has fortunately just brought to shelter in the Second International. The bureaucrats quarrel over the ever fewer paid posts and disguise their quarrel behind an alleged struggle for this or that correct Leninist line. These ridiculous half-and-half organizations, small parasites of the greater spongers, are not the heirs of the Third International nor its carrion crows. They are going under with it, as they were only capable of living off it. But for them also the revolutionary workers have no tears to shed. To speak for once with the original superman against all the present-day supermen of the C.P. and its offal, the workers can only - and not without satisfaction -- say: "What falls shall furthermore be kicked."

READ: International Council Correspondence

Each issue of the Council Correspondence contains a first translation into English of some important article on Marxist theory. 10¢ a copy. $1.00 a year

THE MODERN MONTHLY, an independent radical magazine. 25¢ a copy

PAMPHLETS

The Bourgeois Role of Bolshevism, Its Relation to World Communism, by Rosa Luxemburg 10¢
World-Wide Fascism or World Revolution? Manifesto and Program of the United Workers Party 10¢
Bolshevism or Communism, the question of a new Communist Party and the "Fourth International". What Next for the American Workers? A popular pamphlet published by the U.W.P. of A. dealing with the present day American conditions and outlining a perspective of the future. 5¢
The Inevitability of Communism, by Paul Mattick A critique of Sidney Hook's Interpretation of Marx 25¢

Raetekorrespondenz, (theoretisches- und Diskussionsorgan) fuer die Raetebewegung, herausgegeben von der Gruppe Internationaler Kommunisten - Holland. Einzelnummer 10¢

Order from: United Workers Party
1604 N-California Ave. -- Chicago, Ill.

COUNCIL CORRESPONDENCE
ENGLISH EDITION

For Theory and Discussion

CONTENTS:

"REVOLUTIONARY
PARLIAMENTARISM"

ANTI-PARLIAMENTARISM AND COUNCIL MOVEMENT

THE INTELLECTUALS

REPORT FROM DENMARK

CRITICAL REMARKS CONCERNING--
"THE RISE OF A NEW LABOR MOVEMENT"

No. 12 OCTOBER 1935 10 Cents

UNITED WORKERS' PARTY
today

"ultra-left" course of the C.P. about/against its ultra-right course
because the Stalinists are still not resigned to setting them up
again with salaries. Trotsky founds for the second time the Fourth
International with members whom he has fortunately just brought to
shelter in the Second International. The bureaucrats quarrel over
the ever fewer paid posts and disguise their quarrel behind an
alleged struggle for this or that correct Leninist line. These
ridiculous half-and-half organizations, small parasites of the
greater spongers, are not the heirs of the Third International, nor
its carrion crows. They are going under with it, as they were only
capable of living off it. But for them also the revolutionary
workers have no tears to shed. To speak for once with the original
superman against all the present-day supermen of the C.P. and
its offal, the workers can only - and not without satisfaction --
say: "What falls shall furthermore be kicked."

READ:
International Council Correspondence

Each issue of the Council Correspondence contains a first trans­
lation into English of some important article on Marxism theory.
10¢ a copy ------------------------- $ 1.00 a year

THE MODERN MONTHLY, an independent radical magazine. 25¢ a copy

PA EP LETS

The Bourgeois Role of Bolshevism
its relation to world communism 10¢
Leninism or Marxism, by Rosa Luxemburg 10¢
World-Wide Fascism or World Revolution ?
Manifesto and Program of the United Workers Party 10¢
Bolshevism or Communism.
the question of a new Communist Party and the
"Fourth International". 5¢
What Next for the American Workers
A popular pamphlet published by the U.W.P. of A. dealing
with the present day American conditions and outlining a
perspective of the future. 10¢
THE INEVITABILITY OF COMMUNISM, by Paul Mattick
A critique of Sidney Hook's Interpretation of Marx 25¢

Raetokorespondenz, (theoretisches- und Diskussionsorgan
fuér die Raetebewegung), herausgegeben von der Gruppe Inter­
nationaler Kommunisten - Holland - Einzelnummer 10¢

Order from: United Workers Party
1604 N. California Ave.--Chicago, Ill.
Propaganda against parliamentarism among the working class was for a long while extremely difficult. The assumption that the worker too, or his confidant, must take part in the work of law-making, in order that the laws to be passed may have regard for the interests of the class, has grown into a nice, comfortable habit. And it is quite as well known as regrettable that no one more than the worker hangs on to old habits, conservatively and without insight—in fact, he clings to them even long after the bourgeoisie has thrown them back into the lumber-room. This holds of all phenomena of society, whether in the field of general culture, of custom and morality or of politics. The special field of politics—parliamentarism—naturally forms no exception; for here there asserts itself not only the lack of independent movement on the part of the working class, but a quite imposing array of forces by which, when the social milieu gives rise to such a movement, it is held up. Parliamentarism—that is, the doctrine that the economic laws of a society are controlled by oratorical battles—is of course not only a doctrine, a philosophy, but an eminently practical matter; practical, that is, for those who conduct these oratorical battles—the members of Parliament, Congress, or whatever the law-making institution may be called in the different countries. For them, the Parliament is exactly the same thing that Heaven and God are for a parson. As soon as people refuse to believe in the existence of Heaven and God, the parson's existence also collapses. Heaven and God are thus questions involving the livelihood of a certain group of people; and just as everyone is interested in the maintenance of his existence, so also are the uniformed God-champions. Apply this example to parliamentarism, and we have the whole truth.

The circumstance, however, that something is "true" is by no means any assurance that this something will forthwith come into its own, without further ado. In the first place, this is prevented
by the fact that on the side of the deceived and misled the general
possibility of perception and hence the course of perception is too
is too slight, while on the other side science, whose task it should
be to serve as a medium of perceptions, stands wholly in the service
of class rule. The more the possibility of perception developed in our
civilization propagated the story of heaven and God could be recognized
as a fairy tale, the greater was the amount of "science" put forth
in order to bring into question the fruits of this recognition.

The history of parliamentarism is, to be sure, younger and
briefer than that of theology, but resembles it in all its features.
And of course, in the last analysis, both parliamentarism and
theology -- children of the same mother; that is, children of the
belief that someone or other -- excepting ourselves -- will free us
from our present ills. Not at ones, naturally, but, according to
theology, when we are dead; while parliamentarism offers us the
prospect of some day-after-tomorrow here on earth. For all this we
have nothing to do but vote for those who take the trouble to hold
continually before our eyes the beauties of a posthumous paradise
or of an earthly day-after-tomorrow, and to support them in a
manner befitting their station -- naturally, in so far as possible,
with paying in advance.

Just as the clergy in the age of enlightenment had to resort
to much more refined means for keeping their little sheep in the
fold, so also in times of extreme economic distress and the
impossibility of a compromise between the ruling and the suppressed
class the champions of parliamentarism had to rack their brains
for extremely subtle proofs, which they set down in theses. The
establishment of these proofs was the historical lot of the Communist International, in its various sections.

The world stands in an epoch of advanced revolutions, a process
from which the little parties were to be excluded. Their belief in social
impossibility of a compromise between the ruling and the suppressed
class the champions of parliamentarism had to rack their brains
for extremely subtle proofs, which they set down in theses. The
establishment of these proofs was the historical lot of the Communist International, in its various sections.

The world stands in an epoch of advanced revolutions, a process
from which the little parties were to be excluded. Their belief in social
impossibility of a compromise between the ruling and the suppressed
class the champions of parliamentarism had to rack their brains
for extremely subtle proofs, which they set down in theses. The
establishment of these proofs was the historical lot of the Communist International, in its various sections.

The world stands in an epoch of advanced revolutions, a process
from which the little parties were to be excluded. Their belief in social
the illusions", expect of a "revolutionary" party to which they have given their votes? They expect from it that it will do what other parties have not as yet been able to bring about; namely: the liberation from all ills. Its following consists therefore of people who expect salvation except perhaps from anywhere except themselves. And this circumstance is not altered by the fact that the communist sections have stumped their voters as "professed revolutionists". In order to cover up the fact that the leading "revolutionists", the functionaries of the communist sections, have been transformed into philistines; the philistine voters were transformed with a shout in the communist press into revolutionists. And if the philistine voter could thus become so quickly and cheaply a revolutionist, why could the revolutionist, the ordinary worker, not also be a philistine voter? He had, of course, the guarantee that his enthusiasm was not for parliamentarism without circumspection, but for revolutionary parliamentarism. And so, from one "ballot battle" to the next, the membership of the communist sections was and is being educated to the conception that one may embrace both revolution and parliamentarism. Matters went still farther, however, so that quite soon the adherents of the communist sections no longer embraced the one as well as the other, but came to look upon "revolutionary parliamentarism" as the solution. "Without revolutionary parliamentarism no revolution! That wonder that the communist section of Germany, for example, fell down so miserable: Hitler had actually, with a single stroke, torn away the basis of its revolution-parliamentarism. But before the good old institution had suffered this fate, it had plenty of time to vent its fury, it was able to disintegrate the ideologically best part of the working class and to defame individual revolutionists. But it increased in the same measure in which the communists unscrupulously took over unto themselves all those election baits which had proved themselves highly effective when employed by the other parties. Until they finally came to the contest with Hitler: a contest which turned on the point as to which of the two parties was the real and only representative of "national" interests. The one side gladly admitted that the rabbi stank, while the other side was equally willing to recognize that the monk stank. It appears, alas, that Heine's assertion of more than a hundred years ago, that they both stank, was all in vain.

Now it is extremely difficult to determine factually, on the basis of certain particulars, in what the difference consists between theory and practice in the case of "revolutionary" parliamentarism, because, of course, the theory was an absurdity in itself, -- as absurd as dry water or cold fire or, as previously defined: revolutionary parliamentarism. One revolutionist was able to do to the communist press into revolutionists. And if the philistine voter had no particular belief about anything, and he voted for the catholic Center and still another time, that it would be a good thing if the german Kaiser came back, -- for which he had been losing his following, -- for which he settled in full with a ballot for the Conservatives -- at another time, that it would be a good thing if a little more thought were again directed to god, in the confusion of revolutionary events had been losing his following, -- for which he settled in full with a ballot for the catholic Center -- and still another time the voter had no particular belief about anything, and he voted for the strategists of "revolutionary" parliamentarism. Naturally, he had previously, for the sake of caution, "thoroughly tasted" all the other promises put forth by the odd dozen political parties, and for this he had been given plenty of opportunity by the thirty or so parliamentary elections of the post-war period. The difference between the theories espoused in the elections and the practice followed in the parliament was in 999 out of a thousand cases explained in vulgar manner as being the result of the unwillingness of the parties to keep their promises. That the promises could not be redeemed, that the whole parliamentary business rested upon an objective and not upon a subjective swindle -- such a realization could not be expected from a person who had no confidence in himself, hence also no confidence in his critical capacity.

He voted therefore -- before in final despair he landed with the Nazis -- "revolutionary". And the number of those was not small who explained the commission to disrupt from their seats in Parliament the present world economic and social order, the number, the number of the "revolutionary" parliamentarians, did not, to be sure, increase with the growing uncompromisingness of the communists toward the capitalist world, but it increased in the same measure in which the communists unscrupulously took over unto themselves all those election baits which had proved themselves highly effective when employed by the other parties. Until they finally came to the contest with Hitler: a contest which turned on the point as to which of the two parties was the real and only representative of "national" interests. The one side gladly admitted that the rabbi stank, while the other side was equally willing to recognize that the monk stank. It appears, alas, that Heine's assertion of more than a hundred years ago, that they both stank, was all in vain.
That the success of the exposing was much slighter for the communists than for the Nazis has already been mentioned. But of course, this is still not to say how slight it was. Very probably, it was equal to zero. The alternating successes which the communists saw in the increase of the number of seats they occupied in the various Parliaments were certainly attained by way of enormous amount of individual propagandizing on the part of the army of nameless proletarians in the shops and relief stations. But that could not be confessed at any price; otherwise the bureaucracy, sitting furtive eyes on seats in Parliament would have lost every plausible ground on which to stand for election.

But apart from such a question, which can not be answered in a manner which is wholly satisfactory, there yet still remains a very essential question, namely: the cost of the questionable success of the exposing. It is well known that the communists in their heyday -- that is, shortly before they gave over the field without a struggle to Hitler -- had nearly a hundred seats in the Reichstag. Hence from all parts of the country there came together in Berlin the communist forces most highly trained in agitation and propaganda, in order to witness in Parliament the flat, stale and unprofitable harangues of other parties. When things were running high, there was occasion once a week for a communist, in a three-quarter-hour speech to conduct communist exposing. The number of times that the communists took the floor and the length of their speaking time was accordingly not left to their own discretion, but was governed in painfully exact manner in accordance with the order of business, which was loyally adhered to by the communists as well. In case, someone got away in disregarding that order, he could be excluded for one or more sittings. In and of itself, that would have been no misfortune, if his pay had not been correspondingly cut.

In order to deliver one three-quarter-hour exposing speech per week, there assembled in Berlin alone -- not to speak of the odd dozen provincial Parliaments, which likewise swallowed a large number of good agitators -- some hundred party functionaries (mainly secretaries and editors), who were therefore made unavailable for any real party activity. If such of these functionaries had held only one meeting each week and if each of these meetings had been attended by only a hundred people -- certainly a modest figure for Germany -- the whole exposing activity would have become unprofitable even though ten thousand attentive listeners in speeches extending over one hour and thirty minutes. That is, the performance of each functionary would have been double that of the ordinary communist fraction in the Reichstag. In other words: the functionaries of the Reichstag fraction could have conducted two hundred times the amount of exposing if they had shifted their field of action from the Reichstag into the country. This numerical example may be applied also, if one likes, to the other Parliaments. It would then be seen how much time was squandered by the parliament-thirsty communist bureaucracy; time which might have been employed in providing a systematic revolutionary education of the working class.

It may be objected that certain exposures were in violation of law and that the exposing conducted in Parliament was often quite without significance; for precisely during the time in which the communists were preaching the necessity of revolutionizing Parliament, and from the end of the First World War to Hitler, the propagandistic opportunities in Germany were ample. In those, however, a decisive exposing speech had once really been made, then the bourgeoisie had only to clamp down on the newspapers in order to deprive it of any effect beyond the few listeners in parliament.

As a matter of fact, in the history of the german Reichstag there was only one solitary exposing speech to which success was generally attributed. It was the speech of Karl Liebknecht (1912) against the corruption which had arisen in the business connection between the army and its cannon-furnisher Krupp. To this example of exposing there might possibly be added the nicely memorized phrases that Philipp Scheidemann delivered in the Zabern military scandal; but this exhausts the list of all the exposures with the bourgeoisie found painful. And the success? The officers involved were pensioned at the cost of the tax-payers or "fell up the steps". And yet it was precisely in the year 1913, hence in the midst of the exposing campaign, that the Social Democracy, by which this later exposure was conducted, for the first time granted financial means to prussian-german militarism. But of course, one may say, the communists are not social-democrats. And that is correct. For while the social-democrats still for a time shamelessly opposed the war, among the communists this false shame has already quite vanished. In proof of this, there is no need to go back to the offer which Clara Zetkin at that time made in the Reichstag to the german Reichswehr, "We have only to refer to the statement of the german delegate "Wilhelm Pick some weeks ago under the heading of the world war on the part of the world. He said, verbally, "A war conducted by a country with democratic government against a country with fascist government is a noble war, and the communists should take part in it. " Perhaps the communist leaders have the opportunity, in the midst of connection in capitalist wars, to expose the bad and unpatriotic conduct of war on the part of the bourgeoisie. In the case of the commintern, one must of course be prepared for every thing.

We might show, further, by way of a very pertinent example, that the communists in the parliaments by no means constantly conducted that sort of exposing that borders on lese majesty or high treason, and which might have been dangerous to the press or to ordinary speakers at meetings. During the Ruhr occupation in 1923 a high official of the Ministry of Communications came to the Communist Reichstag fraction and produced the most detailed data regarding instructions of the government for blowing up blast furnaces, flooding shafts, disrupting canals and sluices -- in short, for carrying out in the Ruhr district a "Hindenburg program". Various dynamitings had already taken place on a number of transport routes by the workers there employed, on instruction from "above". The conference at which the "Hindenburg program" was decided upon was held in the rooms of a ministry of the Reich and was attended, through delegates, by the following organizations: Ministry of the Interior, Ministry of Communications, Social Democratic Party, Democratic Park Federation, Center, General-German Trade-Union League, Hirsch-Dünker Trade Unions, Christian Trade-Union League and the legal shop councils concerned. All the data were
first brought together in an article by a Reichstag member and offered to the Rote Fahne for publication. The paper declined publication on the ground that it would be prosecuted for high treason. As a result of a Reichstag member to treason and the responsibility for the Rote Fahne, the day on which the "exposure" was to appear was likewise declined, without any reason being given. Thereupon an attempt was made to lay bare the criminal beginning of the circular government by way of a "Little Inquiry" addressed to the Reichstag. The communit fraction, however, forbade the member in question to present the "Little Inquiry". A few days later came one of the "circumstances" frequent at the first session of the fraction and of the central committee of the Communist Party preceding this discussion it was decided, in spite of the pressure of two deputies and against their votes, that the fraction speaker was not to mention the "Hindenburg program". And so it was done. All which we feel in duty bound to expose in order not only to show how little effective parliamentary exposures are, but also how little subjective will is involved behind the objective pallidness. But, then, still remains over of the bombastic theory of exposing? Nothing but a wall behind which those parliamentary bourgeois conceal themselves who need the votes of anti-capitalist but still innocent prolet, or else the votes of those who had already tried all the other parties and been disappointed. This latter sort, which unquestionably made up the majority of the communist votes for parliament, finally landed with Hitler.

Let us now turn to the cases of "parliamentary support of extra-parliamentary actions", which by the side of the exposures are to furnish the justification for the entrance of communists into bourgeois Parliaments. For this purpose, let us imagine that a communist group, which was not represented in parliament, decided to come into actions. It is not to be assumed that this happened because a parliamentarian made a speech. Actions of the workers have more material basis than the mere effect of a speech. The reason, however, which led to the action determines also its direction and its fate. Actions in connection with a strike, for example, proceed in the direction of winning the strike. They pass beyond their initial character when the ruling class, through economic or political repressions, has thrown upon them other means of attack or defense. If in a strike the situation for the workers is favorable—that is, if they have a good prospect of attaining the immediate goal—they will leave off with a mere strike, and the best parliamentary speech ever delivered will not result in so much as the stirring of a mouse. On the other hand, when the prospects were bad, there has never been a case in which the parliamentary speeches of the communists were able to convert such unpromising undertakings into promising ones. Here also let us take an example from the more recent history of the labor movement. When in March 1921 the uprising which goes by the name of the "March action" took place in Central Germany, it was in far "supported" by the communist Reichstag faction as one of its speakers called on the workers to "seize arms wherever they can be found". New it is well known that this central-german uprising was strictly an armed affair, and logically the workers took not only arms where they could find them, but also from things which were necessary to the struggle with the white guards. Naturally, the workers had the arming action already long behind them at the time the call for it came from the parliamentary field. Scope, course and fate of the uprising remained also absolutely unaffected by communist speeches, which receive their most attentive reading from the German workers. The nature of the uprising made it a sort of class struggle, and this in turn determined its scope and course. The struggle to bring forth leaders, who, thrown entirely upon their own resources, could not pay the slightest attention to communist speeches in the Reichstag. And because they could not, and therefore quite reasonably did not, they were dubbed "bandit ringleaders in the party press". Such the nature of parliamentary support of extra-parliamentary actions. It reveals itself, exactly like the exposing, as a bluff, the disingenuous nature of which is not perceived by the uncritical worker and for which he therefore falls.

The working class must learn to ask: "What is the parliament (or congress)?" and not as hitherto: "Who represents my interests in the Parliament (or Congress)?" At best, the Parliament is the means with which there can be undertaken a suitable distribution of the sphere of power and interests between the individual capitalist and its rival parties. In effect, then, an instrument for settling the conflicts of interests within the ruling class itself, and hence a means of strengthening the ruling class. To grant to the suppressed class, by way of parliament, any political or economic advantage whatsoever, would merely mean to give back to the working class, without a struggle, what the exploiting class daily pillages from it. There will be no pains and no little danger. Anyone who considers the ruling class and especially its parliamentary acolytes to be so "soft", let him calmly keep on voting. Anyone, however, who has illusions regarding the essence of capitalism, leaves the babbling bourgeois to themselves and forms with his class comrades an army which doesn't treat with the bourgeoisie but brings it low.

---

\textbf{ANTI-PARLIAMENTARISM AND COUNCIL COMMUNISM}

For many years the left communist groups have been referred to as the anti-parliamentaries because they were opposed to parliamentary participation and parliamentary activity. They are still referred to by that name and even refer to themselves as the Anti-parliamentary movement. During the reformist era of capitalism this was correct as it differentiated them from the parliamentary socialists in the labor movement. The controversy between these two sections raged about the question as to which was most effective in getting reforms—legislative action in parliaments or direct action and strikes on the economic field. The struggle between the opposing ideas and tactics dates back to the first international, and even before.

During the upswing period of capitalism, when it was expanding and developing, it was possible to grant concessions to the working-
class because of the increase in productivity and the resulting increase in profits. These reforms, however, were seldom granted without much struggle. There were victories and defeats in both wings of the movement and the economic and political organizations grew and developed with capitalism. The controversy as to which was most effective of these activities continued.

The present period of capitalist decline, however, is one in which generally no concessions are possible for the working-class. Further, we have definitely left the era of democracy, the era of free competition. This democracy which served the conflicting interests of small capitalists during the developing stage of capitalism, is now no longer compatible. Monopoly capitalism in a period of permanent crisis, where the short waves of upsising and "prosperity" are the exception and where capitalist crisis is the general rule, finds dictatorship and organized terror the only means to insure it a tranquil proletariat. Democracy, parliamentarism and the parliamentary organizations become obsolete and in fact cannot be tolerated. Where parliamentarism still remains, it only indicates that the general world crisis has not attained sufficient depth. The unquestionable tendency throughout the capitalist world is toward fascism and the dictatorship of the monopoly capitalist class.

This development also renders the controversy of the parliamentarians in the movement with the left communist groups obsolete as well. The name "anti-parliamentary" therefore is historically outworn and should be discarded. In its place the better title, council communism should be adopted as it designates as a name the most essential difference between the old and the new labor movement. This difference on the role that organization plays in the class-struggle and in the proletarian revolution is of increasing importance, while the question of parliamentary activity is of decreasing secondary importance throughout the world movement.

The name council communism has been adopted by some groups and is used extensively in our literature. It should be used by all left communists who adhere to the international council communist movement. This new movement growing up in the new historical period in which we live, holds that the proletarian revolution is a class question and it devotes its efforts to aiding the working-class to carry through its historical revolutionary role, a task in which the old labor movement failed.

In contra-distinction to the old party form of organization, universally common to the parliamentary politicians in the old labor movement, the new labor movement holds that the soviets, the workers' councils are the real fighting organizations of the working class.

---------------

READ:

Ratskorrespondenz, (theoretisches- und Diskussionsorgan fuer die Ratsbewegung), herausgegeben von der Gruppe Internationaler Kommunisten - Holland

Einzelnummer 107 · Order from: United Workers Party
1604 N. California Ave. - Chicago, Ill.

- 10 -

REPORT FROM DENMARK

22d Congress of the D.S.P.

The 22d congress of the danish Social Democracy was held in Aalborg, beginning June 23 and ending June 26. According to the report of the central organ, the "Social-Demokraten" of June 30, the congress was opened with pompous ceremonies and the whole of Laboring Denmark was represented. That is, 500 Delegats represented, according to the report of party secretary Nodstort-Hansen.1807 unions with a total of 192,000 members. The guest was the president of the Second International, de Brouckere, together with general secretary de Block (Belgium), Bueckmann (Holland), party secretary Anders Nilson and treasurer Wallin (Sweden). That exhausts the list on non-danish representatives. The ordinary worker wonders: "Where, then, are all the heroes of the Second International? Where are the representatives of the german, austrian, english, french and all the other social-democratic parties of the many nations?" It would seem that there are only two alternatives: Either the pompous congress was regarded as not so very important, so that many refrained from putting in an appearance; or else they preferred to keep silent about the world political-situation, which of course rests on the altered economic situation. Or did a representative of the german Social Democracy not venture to make his appearance and speak because he would have had to confess that its "democracy" had been given up without a struggle; or that the german S.P. had indeed made bold to proceed in strength with police and the military against the german working-class, but cowardly backed down when the question was one of defending the most elementary basic rights of the proletariat? Or did a representative of the austrian Social Democracy not venture to make his appearance and speak because he would have had to confess that it is impossible to arrive at socialism by way of formal democracy, even with a 51-percent majority (Vienna had even a 70-percent majority)? And the danish worker might then have recognized clearly that the central point of Marxism, namely, "that the working-class in its struggle for socialism cannot simply take possession of the existing capitalist state machinery until it has overthrown the same", is an incontestable historical truth which contains theoretical and organizational consequences.

Anyhow, lets make an attempt to understand the congress in its significance to the danish working class. The central problem was posed by the leader of the danish party, Prime Minister STAUNING. His disquisitions, which are embodied in the "Manifesto to the Danish People", culminated in the following ideas:

"The crisis of capitalism is a world crisis. It is not, as some may believe, of a transitory nature, but is a permanent phenomenon. Various great nations are going over, in no far as they are in a position to do so, to autarchy. Denmark is in the main dependent on export. She can in future only have regard for her purchasers. Her heaviest purchaser is England; consequently we must buy from England as much as England buys from us. But beyond that, we too must try to go over to autarchy as much as possible. The main department in the danish economy is agriculture. On it our strength must be concentrated; it must be aided, if necessary thru state intervention. This
planned-economic aid, which may also be denoted as adaptation economy, has nothing to do with Marxism or Socialism. The nationalization of the land is to be understood as a national defense against alien capital. Because I realize this, I am ready to make theoretical and economic sacrifices. The national sentiment and the national interests are of themselves realities of which one speaks not only on formal occasions. Nor are we justified in overlooking the fact that the spread between the selling prices of our agricultural products and the prices which we pay on the world market is too great. The agricultural products have increased in price on the world market by approximately 25 percent, while the purchasing prices for metal wares, machines, lime, building stone, fuel, oil, clothing and textiles have increased by 24 to 25 percent. Agriculture is in need of constant help. The trade unions must comprehend also their new tasks in the new epoch. To be sure, the workers shall not be deprived of their right to strike, but it has to be considered whether a strike may endanger the whole nation, as was the case with the meat-market workers' strike of last year. At that time we stood the first test and then simply ended the strike. We must find new forms, in order that the economy as such may be preserved in the present situation from useless struggles.

...In the concert of nations we blow the old shahm of peace. It is true that our faith in enduring peace, in disarmament and in the power of the League of Nations, etc., has been disappointed. Nevertheless, we hope that the great countries will recognize our will to neutrality and will not deny us the right to live. We want with all our united strength to develop and strengthen the productive forces in the country and the people, to draw the whole people with us into labor and to have Denmark for the people.

Thus we have sought to reproduce the confession of a beautiful soul. What is now to be said of it from the standpoint of the revolutionary worker? The world crisis did not begin just in the last few years, it has been clearly recognizable at least since the year 1918. The capitalist parties in all countries have failed in this recognition and set about to heal the numerous wounds of world capitalism. Pacifist slogans -- "No More War," "United States of Europe," by way of Democracy to Socialism, -- were the ideologically false guide-posts which diverted the proletariat from its historically necessary task, overthrow of the profit order, and set it upon false paths. Since capitalism must ever seek for new and higher forms of its concentration, it showed aside the stage-dressing of formal democracy wherever it felt ideologically and organizationally strong enough, in order with new organizations to put thru its necessary new forms -- state capitalism. "Planned economy" and "self-sufficiency" are the watchwords of this epoch on the one hand, and on the other the sentiment of nationality as a duty of the worker together with simultaneous setlaw of the strike. In Denmark the prohibition of striking is designed to bring about that in the coming equalization of purchase and sale prices the wage out occurring thru increase of the prices of means of subsistence shall be accepted by the workers without a struggle. Now if the proletariat as a class is not to be thoroughly pauperized, it too must seek for new forms in its struggle for emancipation. It must realize that any joint action with its bourgeoisie is simply bound to worsen its situation, and that it, the proletariat, will always have to pay the expenses of the reconstruction.

On Monday, July 29, 1935, Copenhagen witnessed a great demonstration (banding together of the country population) in front of the royal castle Amalienborg. There were approximately 35,000 people assembled, who demonstrated to the royal family and to the government their "distress." The King spoke to the demonstration and set it upon false paths. The delegation presented to the government various demands, the fulfillment of which was awaited within two weeks. There was demanded a guarantee of the prices, adapted to the conditions of production, for agricultural products; abolition of certain taxes, and abolition of all distraint. If these demands should not be met, the agriculturists would have recourse to counter-measures for obtaining their rights. The demonstration in its various phases was broadcasted, and a great number of anti-capitalist words fell upon the ether.

Now what is the L.S. movement, and what does it want? In the year 1930, the big land-owner Knud Bach, the leader of the movement, gathered about him a number of his compatriots, and together they started this danish peasant organization in which, so perfectly after the german model of the Nazi movement, everything is combined in perfect harmony: by the side of the count, the ordinary country worker; by the side of the larger or smaller peasant, the director of the corporation. According to its literature, the L.S. aims to be a pure "trade-union" movement. This literature gives as the reason for organizing the working class, that by this class, that by this political party it has also the trade unions which hold in check the "hundred-percent" politicians. All the peasant politicians have betrayed the peasants; the peasants must therefore have a trade organization of their own and also venture to make use of the same means of struggle as the working class; and it would surely be a paradox if Minister Stauning, who came up out of the trade movement, should venture to take action against a production strike on the part of the peasants, the big land-owners, who refrain from coming forth openly as Nazis, are enabled to represent their standpoint in three weekly periodicals. The movement itself has a so-called council of 21, in which are seven representatives of the meat-markets, seven of the dairy farms and seven of the inner direction of the L.S. In one of their programmatic leaflets they come out for autarchy in so far as possible, a fair wage for good work, together with a wage determined by the economic conditions and also a flexible currency, in the main a depreciation of the kroner.

They demand also the setting aside of the class state created by Marxism and Liberalism. The main idea which hovers before the directors of the L.S. movement is an agricultural cartel over the whole of Denmark, in order in the first place to be able to fly the prices within the country and then for products going abroad, whenever there is an opportunity to deliver enormous quantities of butter, cheese, bacon, and dairy products to foreign countries. We say it is neutral -- of course, to the full extent possible. Besides, it is clear to the L.S. that it is only by way of a national revolution, that the setting aside of the class state which has created egoism, that the condition sought for a turn for the better in the present situation, and countries like Italy and Germany are path-breakers for the new
The Danish working class under-estimates this new movement, and comfort is found in the circumstance that after all only 35,000 people were present, whose votes are not decisive. It is also said that the farmers were given double pay for taking part in the demonstration, the privately they favor democracy. In reality, this is a camouflaged Nazi movement in which the Danish National Socialist Labor Party is working with a view to the goal.

The parliamentary parties have treated this movement and taken a stand with regard to its demands. The demands have been rejected, but the negotiation itself was no sign of strength on the part of the parliamentary parties and the rejection merely helps the L.S. in its propaganda. The L.S. has now proceeded to the so-called valuta strike; that is, the goods delivered to the members are not to be paid for until later, even though they may have received money which might be used for that purpose. From the purely democratic point of view, all this is illegal, to be sure, but the government doesn't dare to proceed against the movement. The motto of the Social Democracy -- "Democracy, lay on!" -- is put into practice only against the proletarians who once ventured to go their own ways in the class struggle. As regards the goal, moreover, Stauning and Knudskjær are at one. Both want the autarchy policy to the full extent in which this is possible in the age of world monopoly and so far as permitted by the country's scant raw materials. And because of his realization of this situation, Stauning is willing to make economic and theoretical sacrifices, as he said at the last party congress; that is, the sacrifices are to be made by the workers, and prelude to the salvation of a suffering farm economy. The only point of difference concerns the methods.

L.

The Third International in the Opinion of the Bourgeoisie

The bourgeois-liberal Manchester Guardian (August 2, 1935) writes:

"What Karl Marx said of the Communists in his day is true of the Communists in our own day - that they emerge from the most shameful defeat with looks of triumph on their faces. The Communists who make up the Third International tried to capture the trade unions in various European countries, but they failed miserably. Then they tried to set up rival trade unions, but they failed again. They talked much about direct action and armed rebellion, but in all the big historic battles on behalf of the working class, the general strike that repelled the German counter-revolution in 1920, the Austrian and Spanish insurrections last year - the Communists were hardly to be seen. When direct action was altogether senseless did the Communists take it, as in the futile German insurrections of 1921 and 1923 and the mad Estonian revolt of 1924. Even when in Germany they had a large following, thanks to the masses. Their entry into the trade unions bought by Roosevelt -- such things, among others, are after all a socially very effectual, tho to us extremely uncomfortable bit of "activity". The workers accomplish in this way, however badly, a bit of reformist class action, and make for their (generally ever smaller) share of the product which they themselves create. This "activity" has a quite determinate, even the conservative, effect in capitalist reality. A revolutionary passive class is not a "lifeless thing"; Nazis in the assault on democratic institutions. One might have thought this week's congress of the Third International in Moscow would take some stock of the ruin it has brought about, but not at all; the congress explains amid much cheering that despite minor errors there must, of course, be some "Leninist self-criticism" - the Communists were always fundamentally right and everybody else always fundamentally wrong. Perhaps the future will be of a form with some form of Communism, but that it will never be with the Communism of the Third International is made much more certain by that International itself and its congresses in Moscow than it would ever be made either by Hitler or by Mussolini."

Critical Remarks Concerning "The Rise of a New Labor Movement"

The article which appeared in the C.C. (August 1935) under the above title was an attempt to bring before the revolutionary workers the essential features of the new labor movement now in process of development. The C.C. stands open for all expressions of opinion which may be regarded as serving to clarify the question thus broached. We begin by presenting some critical remarks which seem to us worthy of consideration.

I find passages in your work that strikes me as well thought out and correct; particularly the disquisitions concerning the mass uprising, which in virtue of its inner tendencies and the conduct of the bourgeoisie passes beyond itself. Nevertheless, on this point also I wish to present a few observations; but I will follow your own exposition.

On the whole, it seems to me that your work, in spite of various good features, is written too far aloof from any real and concrete movement of the working masses on the actual present-day field of struggle, and that its results have been arrived at more through speculative, so-to-say "philosophizing" instead of through serious analyses of the present class situation in the various countries, or investigation of the given state of capitalist economy and politics on the national and international fields. This becomes clear as early as where you speak of the working class as a "lifeless thing". Such a statement is simply false. For the working class, even today is a quite "active" force in the social development.
the it is true that its activity is, in the first place, relatively weak and, secondly, goes in a direction which does not consciously lead to communist struggle. Unconsciously, however, even a reformist policy in which class interests are represented contributes a certain social propulsion and drives things forward. Fascism, as Silone describes it, as the germ of a crisis, is not the blow directed against a class standing at the threshold of revolution, but precisely against its reformist activity, which at a certain stage of monopoly capital and in connection with a certain sharpening of the crisis becomes intolerable to the bourgeoisie, already struggling for its economic existence and which sees itself attacked in its substance by reason of its own economic contradictions, while it may be true that reformism—which, nevertheless, has been carried on and tolerated by an entire class—has at a certain level a capitalistic function, it still at the same time forms an inner contradiction of capitalism, somewhat in the same way as does the competitive struggle between agrarian capital and expert industry. And it is quite possible that capitalism in various countries will go to pieces precisely by reason of these manifold inner contradictions. Thus it is much more probable that German fascism will collapse than that it will be overthrown by a revolution. The revolutionary struggle will probably not occur until after the collapse (cf. also the Russian revolution).

What you say about the necessity and the course of the proletariat's action and its council form is in many respects correct, but not sufficiently concrete. How does the development look from this point of view? You speak of a "leap in the unfolding of the process", but the phrase stands there as it stands, without you joining it to a Hegelian belief in miracles. For after all, "leaps" in the historical development have always been the result of the most manifold molecular processes. It would be our task to investigate the general social conditions as given by capitalism, especially the governmental forms relating more particularly to the proletariat as a class and which are effective in this respect in the present-day situation in the various countries.

You make your exposition still more obscure with something to the effect that a revolutionary mass thrust will not bring forth a "new organizational apparatus" but a "vital principle". In the first place, I fail to understand what this "vital principle" is supposed to be, and secondly, how such a concept can be set in the place of organization. When you reject the hitherto existing "organizational apparatus" of the capitalist state, of the fascist and bolshevist organizations, you are on good ground. And when you grant that, on the other hand, the mere organizational form of the councils is still far from guaranteeing any class-conscious action, you are again right: any belief to the contrary would be council mysticism. You can hardly deny, however, that without suitable organizations any class struggle and any mastery of society is impossible. When the fighting proletariat in the course of its experiences on the field prescribed for it by the class enemy, processes against socialistic directions to which it is opposed, it is compelled to set up new organizations, which we call "councils". It must even develop out of the council form a "State", in so far as it has to bring down and hold down its class enemy and ward off the attack of possible capitalist armies from the outside. The proletariat can...

...absolutely not dispense with a machinery of suppression in this sense, as you may be convinced by going back to Engels.

I agree that "it is class power that we need". However, we are not satisfied with that power in order to skip over the question of the middle class, for as the germ of a crisis, fascism is not the blow directed against a class standing at the threshold of revolution, but precisely against its reformist activity, which at a certain stage of monopoly capital and in connection with a certain sharpening of the crisis becomes intolerable to the bourgeoisie, already struggling for its economic existence and which sees itself attacked in its substance by reason of its own economic contradictions, while it may be true that reformism—which, nevertheless, has been carried on and tolerated by an entire class—has at a certain level a capitalistic function, it still at the same time forms an inner contradiction of capitalism, somewhat in the same way as does the competitive struggle between agrarian capital and expert industry. And it is quite possible that capitalism in various countries will go to pieces precisely by reason of these manifold inner contradictions. Thus it is much more probable that German fascism will collapse than that it will be overthrown by a revolution. The revolutionary struggle will probably not occur until after the collapse (cf. also the Russian revolution).

How to the most important question, that of the "new organization". We are on no doubt on the point that a political organization can not replace the independent action of the class, and therefore that reformist, centrist and bolshevist, i.e. bourgeois forms of leadership organizations must be thrown out of commission. It appears, however, that we are not agreed as to the role to be played by the "new organization" in the proletarian struggle. As you expound it, the role of communist organization in the development of the proletariat is a quite subordinate one. So I infer at least from the circumstance that in the sense as given by capitalism, especially the governmental forms relating more particularly to the proletariat as a class and which are effective in this respect in the present-day situation in the various countries.

You have resorted to undue simplification by saying that the class is at present a "lifeless thing" and will all of a sudden "leap" to class consciousness. But don't think that by so doing you only pass over the difficult but pressing task of investigating everything exactly and without which you can not take a single step forward? For in reality the working class in the various countries is not an unwritten page; it is riddled with problems and plagued with a long past. You think that now Fascism has destroyed the old organizations they are out of the way and that the workers begin all over again to construct in proper class manner. The old, however, is still far from being out of the way. Remains still exist, for the present, even where Fascism prevails, remains which are much greater than what is painfully struggling thru anew. There are still in existence great social centers for the old; bolshevist Russia and the American trade unions. These latter, in spite of all the savageness of the workers' struggles there (even with violations of the principle of private property, such as you describe) and a socially tense situation, are for the present giving a firm footing to what in Europe is becoming under. As to how long that is possible, that is a question which is unsettled: one reason for following matters...
there objectively and accurately. The old continues to live on in people's minds. I am thinking of a collapse of German Fascism, and certainly then that there is a dozen or so parties trying to sweep down on the workers: bolshevist and centrist and reformist currents of divers hue, and by the side of them various groupings which want to begin from the ground up and which can still not by a long shot be clear regarding everything essential. Now it appears to me that your attitude makes it impossible to exert the highest degree of influence upon this chaotic situation, or at least makes such action much more difficult. Communists need an organization (they need, as I think, even a second, analogous organization of an industrial cast!), an organization which, to be sure, on the inside makes impossible all steam-roller methods and leadership rule, but which as a strictly coherent instrument can become effective. Such an organization can not only act stimulatingly, because it quite fails to conform to the monopoly capitalist situation in which the proletariat finds itself. It would be still a step backward behind the old movement, instead of a step beyond it.

Unless you aim for that, and not only nationally but on an internationally scale, then in the first place you leave the field uncontested to the other organizations which for the present are still capable of action and which want to divert the proletariat, a second time into the swamp. And secondly, you form in substance only locally limited centers of experience for which it becomes much more difficult to rise to general class experience. For the unifying and internationalizing of all experience relevant to one of the central tasks of a communist organization. Thirdly, however, you treat of the "new organization" not at all as if it consisted of workers, but as if it existed beside the workers. It is perfectly clear that the elements which the communist organization together in the groups are likewise parts of the class, the most advanced portions. Their organization will accordingly seek to take an active part, in whatever concrete forms, in all mass struggles. It can hardly take a position to one side, in order afterwards to draw theoretical conclusions.

Committees of action, councils, etc. are the most general forms of the class organs. The ripeness of the struggling masses, which have to obtain these organs by great exertion, is manifested not in the lack of parties etc., but in the circumstance that in their struggles, they try themselves out and finally thrust upon the political line which the most advanced of these organizations embodies. This organization, which must certainly not be called by the name "party" and will also be fundamentally different from what is now called, can enormously accelerate the maturing process of the masses, in that it impels to the maximal unfolding of forces. But during and even after a seizure of power there will still be backward elements leaning to other parties of the same backward character, parties with which we shall accordingly have to settle accounts. You will perhaps say: in that case we shall form, in addition to the dozen, the thirteenth party. But such a viewpoint is false. For we embody other principles, other conceptions of organization, and our work will have a different aspect. But our struggle as to which the working class has no choice. Not only in the case that you make no attempt to sketch out the manifold and enormously contradictory picture of present-day capitalism, but also in the sense that of all the general and fundamental matters you emphasize only one thing: the capitalist struggle for profit. That this struggle has, however, in the first place, a definite, varying economic structure of capitalism as its basis, and a greater still more quickly changing field of political guarantees as its second sphere of action, — all that falls to enter your range of vision. And yet the whole development of capitalism proceeds in the interaction and in the antagonism of economy and politics.

The proletariat is stationed on both fields, on both it must fight the enemy, must accordingly break up a power apparatus and win a productive apparatus, and this production apparatus must be fundamentally transformed and secured politically anew. The proletariat can therefore not keep out of this interaction and this antagonism, must organizationally master both of these apparatuses in the stages of its revolution (for I speak here of the stages of the perhaps long continuing decisive struggle, not of what will come later). That is to say: Political councils as instruments of proletarian class power, economic councils as organs for the taking over of the seats of production and for bringing these into action not alone with a view to so-called work of construction, but also adapted to the conditions of the continuing class war, with the proletarian movement which we are in reality. Or in other words: Communist organization on the line of socialization and on the line of the conquest of power (industrial organization and political organization).

That appears to me necessary as a basic orientation, and from it now follow the further questions of the momentary beginning, of the momentary working methods, of the momentarily possible cooperation etc. etc. etc. In this sense I am interested merely in ideas, and in the discussion of the questions of further organizational construction, of tactics, etc. Our knowledge of the enemy we want to overcome is of course quite inadequate, so that he surprises us again and again. These things appear to me, therefore, not only the most important at present, but also those regarding which an understanding is first possible.

H.W.

---

Please Notice

In a forthcoming issue of the C.C. we will publish an answer to the above criticism. We also will publish a critique on the Theses which were adapted by the Brussels Conference as reported on in #11 of the C.C. Don't miss reading this discussion.
The intellectual middle class, the engineers, scientists, technical employees, etc. are a necessary part of industrial production, quite as indispensable as the workers themselves. Technical progress, in replacing worker by machine, tends to increase their number. Therefore their class interests and their class character must be of increasing importance in the social struggles.

Their growing numbers reflect the growing importance of science and theory in the production of life necessities. In a communist society all will partake of scientific knowledge. In capitalist society it is the privilege and the speciality of a separate class, the intellectual middle class.

The members of this class, contrary to the old independent middle class of small business men, live by selling their labor power to the capitalists. Their salaries indicate a higher cost of living and a more expensive education than that of the common workers. In the socialist press they are called proletarians; (indeed, they are not owners of instruments of production) who need must join the workers. But it is only their lower ranks that merge gradually into skilled labor; the higher ranks, by origin and standard of living, by relationship, social standing and culture, feel themselves middle class men, who can rise even to the position of a director, and thus be ranked with the big capitalists. Some of them sympathized with social democracy, but the bulk was filled with the capitalist spirit of striving for a better position for themselves only. In Italy and Germany they form the intellectual backbone of fascism.

What are the social ideals of this class?

They realize that capitalism is not eternal; they already perceive the signs of its decline: in economic crisis, in political revolts and revolutions, in social struggles, in world war. It is not the abolition of labor that annoys them, it is the disorder in capitalism, the anarchy in production that provokes their criticism. Where they rule in the factory, the efficiency of labor by means of strict order and conscious regulation is raised to the highest degree. But outside the factory, in society, where capitalists, stock gamblers and politicians rule, they see the worst disorder and inefficiency, a scandalous waste of human labor, and the inevitable consequence: poverty and ruin for the whole of society.

What they want, therefore, is organization of production, conscious regulation of labor over the whole of society. They feel themselves the spiritual leaders, the class of intellect and knowledge, destined to take over the lead from the incapable hands of the present rulers. In America the ideas of "technocracy" are the first tokens of such a mode of thinking. By a scientific management of the whole of production under a central direction which does away with competition and which divests the individual capitalists from their arbitrary power, the amount of product can be raised to such a height, that there will be abundance for everybody.

This social ideal of the intellectual middle class is a kind of socialism, but it is not necessarily directed against the capitalist class. It does not mean to expropriate them or to take their profits away from them. On the contrary, in depriving them of their arbitrary power to damage one another, in abolishing the enormous waste, it will raise the productivity of labor to such a degree, that the profits will increase considerably. And at the same time it renders possible an increase and securing of the workers' portion, so that all reason for revolt or revolution is taken away.

It is not a socialism of the workers, but a socialism for the workers; a socialism made by others, also for the benefit of the workers. The exploitation of the workers will not cease, it will be made more rational. With equal justice this social system may be called "organized capitalism".

There is, of course, no place for democracy in this system. Democracy means, at least formally, rule of the mass, of the whole people. But this socialism is founded upon the rule, the leadership of the few, of the intellectual minority. In present-day capitalism the technical middle class are leaders and directors of the labor process; they command the workers. They can imagine an ideal society only with this leading and commanding function preserved and extended. The intellectual class does not admit differences founded on noble birth or riches; but it admits differences in brains, in mental capacity and it considers itself as the class of men with the best brains, selected to lead the great masses of the ungifted common people, destined to be common workers.

Hence the political system belonging to this middle class socialism can never be democracy; it must be the dictatorship of a leading bureaucracy. The socialism once proclaimed as their social goal by the vanguard of the working class, was international. Because they saw production as a worldwide unit process and the class struggle of the workers as the common cause of the workers of the whole world. They abandoned socialism, owing to its middle class origin to the close connection with the capitalist class, has a strong national feeling. Moreover, the instrument necessary for the regulation of production exists as power organ of the state. Its socialist goal therefore means a national state socialism. Its rule is the rule of a state bureaucracy, its system of production is state capitalism. International world unity is a far-away dream to them, not a matter of practical ideals.

Some characteristics of the social ideals of the intellectual class are found in social-democracy, especially in its state-socialist program, though its relation of leaders to masses has a more democratic stamp. In German National Socialism some others of these characteristics are perceptible. The tendencies of a class are never reproduced purely in a political party or a political movement. They are the underlying basis, the underground system of values, the principle of action, of a people. So far as the intellectual class, by the deepest subconscious feelings which the social conditions produce in a class. They are not
adequately represented in the surface phenomena, in the political events, in the government's platforms, the intellectuals, in all these: the traditions, the existing power factors, the relative force of contesting or co-operating classes, groups, parties, play a role. But there is the reality hidden beneath the surface break through, upset the old and determine the new ideas and political events. So we have to look into these events for the class forces at work in them, just as for the forces of nature we look into the natural phenomena.

Fascism and national socialism the class spirit of the intellectual middle classes appears in its first germ. We see yet only a common revolt against democracy, with only a faint and vague desire for an economically constructive policy. Nevertheless, the spiritual force of the national-socialist slogans of the intellectual class was strong enough to carry away numbers of workers, who saw in it an organizing power against capitalist disorder.

It is possible that these parties will fail, or try to realize the class ideals of the intellectual class? This class is - weighty powerless against the capitalist class. The social power of the intellectuals, measured by their number, their class consciousness, their social feeling, is still far below the power which the working class had long ago already attained. The capitalist class in Europe and America is so powerful that it does not need to tolerate any organization or regulation of production beyond its own interests. It is only when capitalism feels itself extremely weakened and endangered, by hard and long crisis, by worker's revolts, by world war, that conditions are different. Then the intellectuals, together with part of the workers, may be called upon to introduce constructive policy, tending towards state capitalistic experiments.

Then, however, the working class, rising against the unbearable oppression of monopolistic capitalism, by means of revolutionary movements, should succeed in bastion down capitalist power, what will the intellectual class do? Then the political position will be reversed; the working class, by its mighty fighting power, carries the other discontented classes along with it, in a common assault on capitalism. Then great parts of the intellectual class will join them, won over by the great socialist and communist ideas, and will consider them as their common cause. In every revolutionary movement in history we see great numbers joining it in a common enthusiasm for aims more radical than their own ideals, then the making victory more easy. But afterwards it appeared that each of the allies interpreted the slogans and aims in his own way, thus causing dissensions and new fights between the former comrades. The same will doubtlessly be the case in future revolutionary movements.

The slogans: against capitalism, for socialism or communism, will be - common to the revolutionary classes. But for each they take the form of social organization, of political parties. The working class has to build up production from below, by their direct hold over the factories, and to organize them by means of their workers' councils into a democratic commonwealth. The intellectual class will try to install a centrally organized state socialism, directed by a leading bureaucracy.

Is not the intellectual class right in this? Is it not necessary that in these most difficult times of fighting and social reconstruction the ignorant masses should be directed by those who have the best brains? Is it not true, that for that period this selected minority class, trained in science, in technical and special knowledge, are the natural leaders, till up to the time when new generations have been born?

No, this is not true. The organization of society is not a matter of techniques, of scientific knowledge. The techniques of production are excellent already. Capitalism has developed the science of the forces of nature and the application to a high level. This is the domain of the superior knowledge of the intellectuals. As technical experts in the process of production they may apply their brains for the benefit of the community.

But social organization has to deal with other things: with social forces and with the knowledge of social forces. It is an organization of men. And here the intellectuals have no special capacities. What they bring along is only the haughty prejudices of the capitalist class. In social insight, in knowledge of the real class relations of society the intellectuals stand below the working class. Because their mind clings to ideas belonging to a passing period. Because outside of their physical machines, in matters of human relationship, they are wont to deal not with the realities of social life itself, but with their spiritual images, conceptions, theories, abstractions.

Social organization does not depend on qualities of the intellect of a minority. It depends on qualities of character of the whole working people. It is the consolidation of the workers into one unity, through strong moral and economic forces, which can not be commanded by leaders but must grow up in the masses in their fight for freedom.

Thus the social ideals and aims of the intellectuals and of the working class oppose one another. The intellectual class, when it should try to establish some social order, must call upon old instincts of obedience, upon the slave feeling of a bygone humanity. For its socialist ideals it will find allies in socialdemocratic and party-communist platforms, in union leaders, in the capitalistic ideals of timid and backward workers, who think communist freedom too high for them, and in the beaten remnants of the capitalistic force. Then the working class, finding itself opposed by this block, trying under the banner of "socialism against anarchy" to preserve the domination of a ruling class over the working class, will need all its wisdom and all its unity to find and to fight its way to freedom.
To Readers of Council Correspondence

The Council-Communist Press of Chicago will publish a series of important pamphlets in the next six months. Some money is available, but more is needed. You are asked to help in this work by buying a subscription for some of these pamphlets in advance. A few of the manuscripts we are planning to publish are:

Structure of Marx's Capital
50 Years of Marxism
The Workers' Way to Freedom
Outline of Production & Distribution in Communism

In November and December we expect to publish one pamphlet which will sell for 10¢ per copy, and one which will sell for 25¢. You can help by sending in one or two dollars now, for which a bundle of these pamphlets will be sent you as soon as they are off the press.

MAIL IN YOUR SUBSCRIPTION TODAY

Your attention is called to the fact that the U.W.P. has, in the past year, published a series of pamphlets and the monthly organ 'Council Correspondence'. This work has been carried on by the small groups of Council Communists with very little means at their disposal. The appeal above for your help in getting out more literature warrants your consideration, as this organization is the only one in which there are no paid officials or job-holders who consume the income. Every dollar is used in producing literature of the standard maintained by the party up to now.

With the next issue of the C.C. we will bring into effect the long promised improvements of the C.C., regarding appearance and contents. All improvements depend to a great extent on an increase in circulation. If you wish to see the C.C. continually improving, help to find subscribers and sell it at all workers' meetings. Also send in for the Press Fund.

The Council Correspondence will accept for publication articles containing material, which should be brought to the attention of workers, by writers who are not affiliated with the U.W.P. These articles are signed (initials or full name) to denote that we do not necessarily endorse the views of the writer entirely. All material presented without signature is to be considered as in agreement with the viewpoint of the U.W.P., and, should be taken as the collective work of the members of this organization. We will appreciate suggestions or criticism on any material printed in the Council Correspondence.

Pamphlets:

"World-Wide Fascism or World Revolution" 10¢
"Bolshevism or Communism" 5¢
"What Next for the American Worker?" 10¢
"The Bourgeois Role of Bolshevism" 10¢
"Marxism or Leninism" By Rosa Luxemburg 10¢
"The Inevitability of Communism" 5¢
"Revolutionary Marxism" 5¢

Back numbers of Council Correspondence 10¢


International Council Correspondence; published by United Workers Party. 1604 N. California Ave. Chicago, Ill. 10¢ a copy; $1.00 a year.