

Communism in One Country?

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EDITORS: BRIAN PEARCE, CLIFF SLAUGHTER · NEW PARK PUBLICATIONS LTD., 186 CLAPHAM HIGH STREET, LONDON S.W.4 · PHONE: MAC 7029

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WE publish in this number of the Labour Review an important article by Frank Girling. It contrasts refreshingly with the great number of writers and speakers on the Left who confine themselves to an extended commentary on the theme, 'History is on our side'. This becomes a substitute for a probing analysis of the actual forces in the world class struggle, their objective interests and their political programmes. Its political outcome is a departure from the Marxist principle that only the organized force of the working class itself can carry through the abolition of capitalism and the construction of socialism.

Foremost among the modern revisionists are the leaders of the Communist Party of the Soviet Union. They are followed in this country and elsewhere by the Communist Party and fellow travellers who hasten to assure us that Stalinism has been eliminated, democracy restored, and so the construction of 'the higher phase of communism' now proceeds apace. Certainly the magnificent achievements of Soviet technology in the field of space exploration and associated problems have demonstrated the superiority of planned production without private profit, but what should Marxists say about this prospect of building communism in the USSR? Surely we should only judge the persistence or disappearance of Stalinism by asking if its basic features have been removed or not.

KHRUSHCHEV AND STALINISM

The forced confessions, rigged trials and physical tortures of Stalin's day sprang from specific social and economic sources. In conditions of isolation, backwardness, fatigue, and the defeat of several revolutions in the outside world, there arose in the Soviet Union a privileged apparatus of political and administrative authority. This bureaucracy found in Stalin with his theory of Socialism in One Country an ideal representative. This theory was well adapted too to the exhausted and even disintegrated

Russian proletariat. But socialism in one country was in essence a Utopia. Russia's peasant backwardness, and the need for socialism to be based upon the great technical advances and international division of labour created by capitalism itself, brought enormous contradictions into Soviet life. The forced march to industrialization was carried through by centralizing all authority and control in the higher organs of party and state, and eventually in the person of Stalin personally. This could only be done if every vestige of real Bolshevism was crushed. The trials and 'liquidations' of the thirties were the means for this end. Only by demolishing Trotsky and all other oppositionists could Stalinism clear the decks for its policy of accommodation to imperialism, the purpose of which was to achieve relative international stability in which Soviet socialism could be built even if the rest of the world's workers remained under the rule of capital.

Khrushchev represents the bureaucratic ruling caste in the USSR no less than did Stalin. Opposing groups in the Party are defeated, expelled and condemned as 'enemies of the party and the people' without reference or explanation to the ranks, just as they always were. Had Molotov's 'anti-Party group' won out, then Khrushchev would have received the same 'unanimous' condemnation as did Molotov. Soviet democracy has not returned to political life or to the industrial sector in the USSR. The continued degeneration and technique of the big lie is shown by the latest version of the 'History of the CPSU', meant to replace the earlier version said to have been written largely by Stalin. It is no improvement, persisting in tortuous distortions of the history of the Party and the Revolution, and providing extra references to Khrushchev himself, perhaps to make up for the removal of many of the more laudatory references to Stalin.

In the sphere of foreign policy it is difficult to see any basis for the argument that Khrushchev has forsaken Stalinism. Superficial commentators contrast his trips to the West and appearances at the UN

with the 'hard' line of Stalin supposedly carried on by the Chinese. But Stalin, like Khrushchev, veered from left to right and back again in his dealings with the imperialists. What they have in common is this: the policies of Communist Parties throughout the world are determined by whatever Stalin or Khrushchev takes to be the interest of the Soviet bureaucracy. That is why the Communist Party of Britain, for example, supported Bevan in his betrayal of the struggle against the H-bomb at Brighton in 1957; the assumption, after Bevan's visit to Khrushchev, was that Bevan would be the next Foreign Minister and would be more partial to Russia than were the Tories. As Bevan put it, he must not go 'naked into the conference chamber'. For similar reasons, the staking of hopes upon corrupt bourgeois politicians, the opposition to the Algerian war has been consistently betrayed by the Communist Party of France. In no capitalist country can the Communist Party carry out the real 'defence of the Soviet Union', the consistent pursuit of revolutionary policies.

SOCIALISM AND THE BOURGEOIS NATIONALISTS

The latest declaration of the 81 Communist Parties from Moscow, together with several other official Russian publications, tries to provide 'theoretical' justification for a line of compromise with the imperialists. Thus the recent textbook, 'Fundamentals of Marxism-Leninism' avers that 'state capitalism' (the rule of the national bourgeoisie in the newly independent nations) in backward economies can play 'a progressive role'. Not satisfied with 'Socialism in One Country' they want to foist upon the movement the concept of independent progressive state capitalism in one country in the epoch of decay of imperialism! This breaks away completely from Marxist method in failing to take into account first and foremost the international network of finance capital and the monopolies, the countless ties of the bourgeois nationalist leaders with international capital, and the paramount need to create independent working-class parties in those countries. Instead, a contributor to the Moscow **International Affairs** (June 1960) argues that the struggle in the backward countries will 'not be solely, or chiefly, a struggle of the proletarians in each country against the bourgeoisie', and the declaration of the 81 Parties finds a new socio-economic category of 'national democracies' with a progressive role in world affairs.

All this is a 'theoretical' smokescreen, a deception to cover up the abandonment of any perspective of socialist revolution. The fulsome praise of Nasser

only two years ago, when he was banqueted and toasted as a 'national hero', has finally give place to protests against the jailing and murdering of Communists in Nasser's Egyptian and Syrian jails. The Stalinist adaptation to the national bourgeoisie pursued by Khrushchev is not just a doctrinal mistake, but a betrayal of the lives of tens of thousands of fighters in the class struggle. Meanwhile here in Britain the *Daily Worker's* Walter Holmes faithfully echoes the Moscow line with his comment on the 40th anniversary of *Labour Monthly*: 'Both President Nkrumah and Governor-General Azikiwe of Nigeria sent messages which were read to the assembly and heartily received. Rising Africa extends a hand to old but ever-growing British Socialism. This is our road.' No attempt to distinguish in any way the African workers and peasants from the agents of imperialism. No distinction between the capitalist present and the socialist future of Africa.

BUILDING COMMUNISM?

The same *Daily Worker* gives us a ludicrous feature article on the courtship of Yuri Gagarin as part of its picture of the construction of Communism in the U.S.S.R. But this is an even greater travesty of the facts than was Stalin's claim of Socialism. The Soviet press is filled with reports of the constant growth of racketeering, embezzlement of state funds, and even 'private businesses' which grow up in the gaps created by bureaucratic mismanagement. The sphere of consumption, which is distorted by the privileges of the bureaucracy, constantly creates tendencies and opportunities which threaten to disrupt the planned basis of production itself. What a 'transition to Communism' which reintroduces the death penalty for 'offenders against state property'! Is it no longer true then that crime springs from the character of the social order? Is Communism compatible with the power of physical extinction vested in State officials for economic offences? It remains true as ever it was that the 'withering away of the state' to a position where men in association administer the economy in their own interest, is Communism, a society that can only be based on abundance and all its cultural and moral consequences. The 'theory' of constructing Communism, like the theories of peaceful co-existence and national democracy, is a deception and a lie to cover up the real privileges of the bureaucracy.

A recent report in the British Press commented on a meeting of the first all-Union meeting of scientific workers in Moscow. Now Khrushchev had already repeated more than once the emphasis placed by

Stalin upon 'material incentives'. In a speech last December to the Party organization of the Higher Party School and others, he said:

'Our Party devotes much attention to the correct application of the Socialist principle of distribution and the transition in the future to the communist principle of distribution. It has shown the economic failure and harmfulness of all manifestations of levelling and weakening of the principle of material incentive. As is well known, in the past we had cases of deviation from the principle of material incentive, particularly in agriculture, which caused serious damage to agricultural production and the kolkhoz system. Contempt for the material requirements of the working people and the concentration of emphasis on enthusiasm and awareness, on social and moral forms of incentive and reward, hampered development of production and the raising of the living standards of the working people.'

But it is especially interesting that even science is brought under this rule. *The Times* reported on June 15: 'the President of the Academy suggested that thought should be given to stimulating the solution of the most important (scientific) problems by the introduction of premiums and advertizing competitions for the solution of the problems.' Is this the transition to Communism? The same Conference was specially concerned with the lack of co-ordination of the research going on in over 3,800 different establishments. The 354,000 scientific workers in these institutes 'were divided among some 170 Union and republican ministries and authorities, each of which has been concerned with its own sphere of activity.' These bureaucratic distortions led to grave problems of overlapping, duplication and consequent waste. Thus 'some 100 different organizations were working on the subject of the direct conversion of heat energy into electricity, and 150 different institutions were conducting research on the automatic control of machine tools.'

A recent issue of *Kommunist*, journal of the

Central Committee of the Soviet Communist Party, carried an article entitled, 'An Important Aspect of Life', which was devoted to the persistence in Soviet life of religious ritual and ceremony. Instead of following out the Marxist method of analyzing the social roots of the persistence of this ritual, which would of course lead to a criticism of Soviet society itself, the article in fact suggests that the remedy is to substitute 'bright and impressive ceremonies of a Communist (!) type.' It goes on to recommend more 'Komsomol weddings', harvest festivals and celebrations of the seasons as suitable for this treatment. Other occasions for ritualization are birth, the first day at school, joining the Komsomol, getting a passport, the first pay-day, call-up and demobilization, graduation, marriage, silver wedding, decoration, qualification for pension, and death. All modern techniques of tape recording, TV and film should be used in this macabre modern version of the old Egyptian and Chinese philosopher-priests who devised religious ceremonies to keep the masses contented with their lot.

In understanding the planned economy and abolition of capitalist property relations which have made possible the great economic advances of the U S S R, Marxists have at the same time the duty of explaining the persistent and deepening contradiction between that planned economy and the power of the parasitic bureaucracy which dominates the economy and the State in that country as well as the Communist Parties throughout the world. The creation of revolutionary Marxist parties in the advanced and the underdeveloped countries for a consistent struggle to overthrown imperialism is the greatest contribution we can make to the restoration of workers' democracy in the U S S R. Only when the Soviet workers overthrow their bureaucratic masters will that be achieved.

Opportunism in 1961.

F. K. Girling

'... The international ideological trend represented in all countries of the world by "the most prominent theoreticians" and leaders of the Second International (Otto Bauer and Co. in Austria, Ramsay Macdonald and others in England, Albert Thomas in France, etc., etc.) and a multitude of Socialists, reformists, pacifists, bourgeois democrats and parsons.'

(V. I. Lenin, Preface to the French and German Editions, July 6, 1920, of *Imperialism, the Highest Stage of Capitalism*, Foreign Languages Publishing House, Moscow, p. 13.)

The vocabulary of politics has been debased. Terms which once stood for definite scientific concepts have become used as words of mere abuse. 'Opportunism' is one such term.

For Lenin opportunists were those who acted as 'the real agents of the bourgeoisie in the working-class movement'. They were those who spread illusions about reforms, peace, democracy, etc., being possible within the framework of the modern monopoly capitalist system which, already in Lenin's day, had embraced the whole world. They were distinguished by their methods of investigation and analysis. Instead of starting from world monopoly capitalism as a whole economic system, they isolated particular aspects of it, and proceeded from there to confirm their own *a priori* assumptions.

The opportunists listed in the above quotation from Lenin are, of course, still with us. And the need to expose them is as urgent as ever. In this article, however, I shall try to distinguish three additional categories of opportunists, to identify their 'theories', and to explain the social conditions in which they have developed.

They are:

1. **The 'bureaucratic' opportunists:** the representatives of the bureaucratic caste who have secured control of political power in the states where the bourgeoisie has already been overthrown. These include the officials of the Russian and Chinese Communist Parties, and of other Communist Parties throughout the world.

2. **The 'nationalist' opportunists:** the representatives of the national petty-bourgeoisie who have been installed in positions of local authority in some of the backward countries still under imperialist domination.
3. **The 'internationalist' opportunists:** the bureaucracy made up of the petty-bourgeoisie of all nationalities who staff the financial, military, administrative, cultural and other organizations organized round the UN General Assembly, the World Bank, the World Health Organization, UNESCO, etc.

These categories collaborate with one another closely and in some respects they tend to coincide. Nevertheless they can, I believe, be distinguished by the separate 'theories' which they profess and by the different courses they follow. It is clearly not fortuitous that they should have appeared at this period or that they should behave in this way. I shall try to explain what are the economic bases of their appearance and behaviour.

Imperialism's Main Features:

An analysis of the economic, political and social system known as imperialism, and of the means by which this system will be overthrown, are contained respectively in Lenin's book with that title, and in the *Theses on the National and Colonial Question*¹

¹ In Jane Degras (ed.) *The Communist International, 1919-1943*, Vol. 1, pp. 138-144.

drafted by Lenin and adopted by the Second Congress of the Communist International on July 28, 1920 (just after he had completed the Preface to the French and German editions of *Imperialism*). It is necessary to read these two texts in conjunction: one is not complete without the other. The book was completed in 1916 while Lenin was still in exile in Zurich. It was based on a detailed study of diplomatic history, economics and politics which he had carried out over a period of nearly two years. It contains no more than a bare outline of the more important facts and a summary of Lenin's conclusions.² Moreover these conclusions are stated in a highly abstract form; in addition the book is written in 'allegorical', 'Aesopian' language in order to deceive the Tsarist censor. For all of these reasons *Imperialism* is not an easy book to understand, and this might, perhaps, excuse some of the 'bureaucratic' opportunists for their departures from its theories. However, the practical tasks are set out in the *Theses* in such clear and unequivocal terms that any deviations from these policies could hardly be due to misunderstanding.

It is not mere chance but specific economic reasons which lead a whole section of society to take up a consistently counter-revolutionary position over a long period.

It is necessary to state the main points, both of the theoretical analysis and of the practical tasks, before discussing the 'theories' and activities of the opportunists which deviate from these.

According to Lenin, imperialism was the 'highest' and 'last' stage of capitalism; already within imperialism itself certain of capitalism's fundamental characteristics had begun to change into their opposites (free competition had given way to monopoly). The productive forces of society had reached a high stage of development and their further development was prevented by the capitalist social system. 'Imperialism is the eve of the social revolution of the proletariat' and the establishment of socialism. Lenin gave several short definitions of imperialism but he was not completely satisfied with any. None included all the characteristic features of the phenomenon and thus some of the most important remained to be deduced by the reader. The briefest possible definition was: 'imperialism is the monopoly stage of capitalism'. But this left too much to be deduced and he set out a more extensive definition which listed seven of the **basic** features of the system. These were:

'1. The concentration of production and capital has developed to such a high stage that it has

created monopolies which play a decisive role in economic life.

2. The merging of bank capital with industrial capital, and the creation on the basis of this "finance capital" of a financial oligarchy.
3. The export of capital as distinguished from the export of commodities acquired exceptional importance.
4. the formation of international monopolist capitalist combines which share the world among themselves, and
5. the territorial division of the whole world among the biggest capitalist powers is completed.³

These five are the basic '**purely economic**' concepts; it was necessary also to take into account the **historical** relations of this stage of capitalism to capitalism in general, and also the **political** relation between imperialism and the two main trends in the working-class movement of that day (i.e., Bolshevism and Menshevism, or Marxism and reformism).

6. On the historical aspect, Lenin wrote that imperialism was 'parasitic or decaying capitalism' which in the future would be more and more uneven in its growth. Some areas of the world would grow more rapidly, others would remain backward and stagnant.
7. On the political aspect, Lenin traces the connection between imperialism and opportunism or 'Kautskyism'. All forms of opportunism were in fact summed up in Kautsky's approach. Objectively the 'theories' of Kautsky were an attempt to preserve imperialism by consoling the masses with hopes of permanent peace being possible under capitalism, 'by distracting attention from present conflicts to benefits which the masses would enjoy under an imaginary future "ultra-imperialism".' This was quite unrealistic and amounted to no more than 'deception of the masses'.⁴

To turn to the practical tasks outlined in the *Theses*. National freedom for the proletariat and the peasants could only be achieved through revolutionary struggles. There was no other way. The ideas that it was possible for nations to be equal under capitalism or that there was any possibility of permanent peaceful co-existence between socialist and capitalist states are described as petty-bourgeois illusions. 'There is no salvation', he wrote, 'for dependent and weak nations except as an alliance of Soviet republics'. In the same year, 1920, Lenin declared to the Central E.C. of the Communist Party, 'We have now passed from war to peace, but we

² The complete data used by Lenin are contained in *Notebooks on Imperialism* published in Moscow in 1939. (See Note 1 to *Imperialism* F L P H edition).

³ *Ibid.*

⁴ *Ibid.*, p. 191.

have not forgotten that war will come again. So long as both capitalism and socialism remain, we cannot live in peace. Either the one or the other in the long run will conquer. There will be a funeral chant either for the Soviet Republic or for world capitalism. This is a moratorium in a war.⁵

With regard to the form of assistance to be given to the national liberation movements the *Theses* are no less explicit. The purpose of the Communists' supporting these movements was not in order to win national independence under bourgeois governments—this was quite impossible. 'The Communist International has the duty of supporting the revolutionary movement in the colonies and backward countries **only with the object** (my emphasis F K G) of rallying the constituent elements of the future proletarian parties . . . (They) must consistently maintain the independence of the proletarian movement even if it is only in an embryonic stage.' There could be no question of 'democratic roads' to socialism being found or of different countries aiming at socialism 'by different means'. The entire policy of the Communist International must be based 'on bringing together the proletariat and working classes of all nations and all countries for the common revolutionary struggle for the overthrow of the landowners and the bourgeoisie.' Neither could there be any question of non-interference in the affairs of so-called sovereign states. The Communist International would use all possible means to give direct support to the revolutionary movements among the dependent nations and to oppressed minorities such as the Negroes in the U.S. It would be the duty of those nations which were the first to overthrow their own bourgeoisie to make sacrifices in order to overthrow international capitalism. Until this was done there could be no question of socialism being established. Socialism, wrote Lenin in the *Theses*, required for its basis 'a world economy on a common plan controlled by the proletariat of all nations.'

The policies of the bureaucratic opportunists diverge from those of Lenin and the C.I. in every respect. They do not differ only in matters of emphasis or timing, or on minor issues of tactics.

Are There New Features in Imperialism?

A basic divergence of this kind from the policies of Lenin would impose on the leaders of a serious revolutionary party certain clear obligations. They would have to establish that their policies were based on the recognition of certain definite 'new' features in imperialism. It would be necessary to show first, either that Lenin had not recognized these 'new'

features or that they had emerged since 1920, and, second, that these were essential to an analysis of modern politics. This would require a detailed study of modern society in which full consideration was given to the new economic basis and to the effect of the 'new' features on all of the five economic basic concepts mentioned by Lenin. In fact no such study is available. The modern bureaucratic 'opportunists' revise Lenin's theories out of all recognition while claiming to remain faithful to Leninism. They use Marxism-Leninism not as a tool of scientific analysis but as a holy icon to deceive the masses.

The latest official exposition of 'bureaucratic' opportunism is contained in the statement issued in Moscow in November last year.⁶ Here it is stated that one new feature of our epoch is 'the world socialist system' which is 'becoming the decisive factor in the development of society. . . .' It is claimed that this will have become the decisive feature when the production of the 'socialist system' exceeds that of the 'capitalist system'. Then 'capitalism will be defeated in the decisive sphere of human endeavour, the sphere of material production.'⁷ If this means anything at all it means that the bourgeois will surrender power to the proletariat in the imperialist countries when the 'socialist system's' share of the world industrial product reaches 51 per cent. In other words technical efficiency, not conscious revolutionary activity, has become the decisive force in history; bureaucratic planning replaces class struggle. This goes beyond even a revision of Leninism, to a questioning of the whole basis of Marxism.

It seems that the bureaucratic opportunists have been making an intensive study of Dale Carnegie's theories on 'how to win friends and influence people'. They believe that the policy which they advocate, that of peaceful co-existence, has the support of a 'definite section of the bourgeoisie of the developed capitalist countries.'⁸ Then there is the 'national bourgeoisie of the colonial and dependent countries' which is unconnected with imperialist circles. Not forgetting of course the working classes and the peasants, who can be brought together with these two to fight for peace. The policy statement is like a bran tub at a Christmas bazaar, there is something in it for everybody.

With typical scholastic zeal the bureaucratic opportunists devote some space to an analysis of the different stages of development of the component parts of the 'world socialist system'. In Russia they are 'successfully carrying on the full-scale construction of a communist society.' In

⁵ Cited in L. D. Trotsky, *History of the Russian Revolution*, Vol. III, Appendix 2, p. 386.

⁶ 36 Million Communists say . . . , Communist Party, 1960.

⁷ *Ibid*, p. 4.

⁸ *Ibid*, p. 17.

China they are 'successfully laying the foundations of socialism' and in the People's Democracies they have 'already entered the period of construction of a developed socialist society.' Perhaps the extension of the death penalty to counterfeiters, those who damage state property, which was announced on May 6, is part of the construction of communism! Can the setting up of concentration camps for idlers be regarded as a sign of the 'moral and political unity of society' which the bureaucratic opportunists claim in the same document?

The document proclaims that national liberation movements 'have triumphed in the vast areas of the world.' The sign of this is seen in the setting up of 40 new 'sovereign states' in Asia and Africa. There is no mention here of the limitations on independence imposed by imperialism; nor is there any suggestion that proletarian dictatorship is a necessary condition for the carrying out of agrarian reforms, developing industry or introducing democracy. The alliance of the working class, peasantry and national bourgeoisie in a broad national front is the means suggested of 'ensuring social progress'. ('Socialism' is not mentioned in this connection, only 'non-capitalism'.)

In some capitalist countries (according to the document) the working class has the opportunity of winning state power without civil war by securing majorities in parliaments. And only in the event of the capitalists' actually beginning to take violent measures should the possibility of 'non-peaceful' transition be considered. (The world 'revolution' has apparently been taken out of the dictionary together with 'socialism' and other such terms, while words such as 'peace', 'democracy', 'freedom', 'independence' occur in every other line.)

Socialism in One Country

It is clear that the dogma of 'socialism in one country', invented by Stalin in order to defeat his opponents in the Soviet Union, lies somewhere at the bottom of this pile of specious nonsense. The bureaucrats are determined to cling to political power and they will hold back the process of the world revolution to do so. They will make use of the bureaucratic machinery of the Communist Parties for this end both in the Soviet Union and other countries. They will use the 'nationalist' and the 'internationalist' opportunists for this purpose too. In the blind fashion of office worms they ignore the forces making for socialism in the world, the international working class.

They are concerned only with their own survival and for this they rely on alliances with the enemies of the working class and of socialism, the national

petty-bourgeoisie, and also on what *The Economist* calls 'tacit negotiation' with the chosen representatives of imperialism.⁹ Since they have expunged the word 'revolution' from their vocabulary, no doubt they think they have exorcised the reality. But the revolutionary upsurge of the world working class cannot be banished by such magical procedures.

Clearly the statements of the bureaucratic opportunists can have no consistent theoretical content. They reflect merely the stages in the process leading to their downfall and in the temporary patchwork of alliances brought into being by all kinds of blandishments. The blandishments addressed to the different elements in the alliances are dignified with the name of theory and sanctified by repetition of the names of Marx and Lenin. Stalin's name is absent but his voice speaks from every page.

In fact none of these 'theories' are new; they all appear in a book which was written before Stalin's death. It seems clear that Khrushchev is no more than the spokesman of the bureaucratic caste, for A. I. Sobolev's book *People's Democracy: a new Form of Political Organization of Society*, which has been widely accepted both in the Soviet Union and in the other 'socialist' countries, contains an authoritative statement of all the present doctrines. Khrushchev's speeches and those of the Communist Parties do no more than elaborate on Sobolev. Like the book they make continuous use of abstract verbal formulae in order to avoid the concrete posing of awkward political problems. And as one writer has expressed it, all of these writings constitute an unavowed debate with the ghost of Leon Trotsky and the theory of 'permanent revolution'.¹⁰

The 'nationalist' opportunists

The policies of the 'bureaucratic' opportunists encourage and actually assist the development of the 'nationalist' opportunists. Some of these latter claim to be Marxists themselves. Nkrumah in Ghana, on his release from prison in 1951 declared to a press conference with a fine inclusiveness: 'I am a Marxian socialist and a non-denominational

⁹ 'The two leaders (Khrushchev and Kennedy) cannot set down the details of such a rule on a piece of paper. They will have to be worked out by the process known in the current jargon as tacit negotiation . . . Russia and the United States will have to find out by cautious trial and error . . . where and by what means it is safe to play this game . . . (of encouraging revolution and counter-revolution).' *The Economist*, May 6, 1961, p. 324.

¹⁰ L. G. Churchward, 'Contemporary Theory of the Soviet State', *Soviet Studies*, Vol. XII, April 1961, No. 4, p. 423.

Christian'.¹¹ He went on to make it clear that he was not a Communist and never had been one. He was, perhaps, a little dazzled by the prospects which were just opening before him. Touré spoke in a similar way to an invited audience in London. 'We are Marxists', he said, 'but in the Guinean Democratic Party, the national political front, we do not discuss Marxism, but whether to build a bridge or a school. Our peasants and workers are practical people.' But it does not really matter whether the 'nationalist' opportunists claim to be Marxists, neutralists, Pan-Africanists, Pan-Arabists, liberals, democrats or Islamic socialists, they all have characteristics which justify their being included within the same category.

They all believe that it is possible to win independence and freedom for their own particular nation, continent, race, clan, tribe or religious sect, within the framework of imperialism. They will enter into agreements with any other forces which seem to support this view. In general the nationalist opportunists belong to the petty-bourgeoisie, the army or the intelligentsia of backward countries. As a consequence of the policy and theories of the 'bureaucratic' opportunists represented by the Communist Parties, the working class in these countries is unable to assume the leadership of the national liberation movements. Or perhaps in some cases it is too weak numerically to be able to do so. The policy of the nationalist opportunists is marked by violent oscillations between right and left. They assume the leadership of the movements for national liberation at a stage when open conflict with the forces of imperialism is taking place, or about to do so. They are able to rely on support in the form of arms, technical advisers, credits, etc., from the 'socialist' countries. This support further reinforces their own position with regard to their working class, and peasants, who conveniently still regard the Soviet Union and China as the countries of the Revolution. In this first stage the nationalist opportunists may announce the setting up of a new Constitution, the formation of a Republic, the carrying through of land reform policies, etc. This stage will continue until some kind of a 'victory' over the forces of imperialism has been won. Since defeat of the national independence forces by military means is impossible while the Soviet Union can threaten to use nuclear weapons, imperialism is compelled sooner or later to negotiate with the nationalists. The longer warfare continues the greater is the power which the working class and peasants achieve within the movement, and therefore it is in the interest of imperialism to avoid or at least limit any conflict. At this stage the imperialists too will offer concessions, credits for the building

of new industries, equipment for the armies, etc. They will seek at all costs to establish some form of social equilibrium.

In consequence the 'nationalist' opportunists will begin to acquire imperialist ambitions of their own. They will create new Federations in which they seek to dominate other nations, and they will begin a policy of repression with regard to their working class and peasants. They will ban all political parties, restrict the activities of the trade unions and—at the same time organize demonstrations for Pan-Continental freedom.

There is no space here for a detailed consideration of the separate nationalist movements. Each has its own peculiar features and in subsequent articles I will try to examine these. All that I have tried to do is to explain the main lines of their development and to show their inevitability in the present situation.

The line of the 'bureaucratic' opportunists is to maintain that the swings to the right in the backward countries are 'negative' features which are not 'characteristic' of the whole process. The main direction of the movement is to the left, they claim, just as the disappearance of imperialism is something inevitable. Thus the fact that Nasser has filled the jails of Egypt with Marxists and trade union leaders is an anomaly to be explained only as a 'hangover from the colonialist past'! (It is interesting that this is the same explanation which is offered for the appearance of antagonistic features in Soviet society.) If we take Nasser as an example of a 'nationalist' opportunist, however, we see that his policy of repression is not an anomaly but a necessary consequence of the relationship of the Egyptian petty-bourgeoisie to imperialism. From 1955 to 1959 they had made use of the Egyptian working class and peasants in order to establish a favourable bargaining position with regard to imperialism. During this time the Left wing in Egypt did not organize a campaign of opposition to Nasser—instead they made moderate and 'constructive' criticisms of his policies. Nor did they organize an independent working-class movement. They attempted to 'preserve national unity' to safeguard the gains of the 'national liberation struggle', they were committed to the Bandung policy of 'positive neutralism'.¹² Nasser's policy, however, was determined by the interests of the

¹² See N. Numade, 'The Choice before New Africa', *The African Communist*, No. 5, May 1961. 'Nasser's cruel jails are crammed with patriotic Communists, trade unionists, Syrian and Egyptian democrats. . . . But such negative factors are not characteristic of the new Africa that is being born. The main direction of the national liberation movement in Africa is—decidedly and increasingly—democratic, anti-imperialist and anti-capitalist.' (p. 19)

¹¹ Quoted by Bankole Timothy in Kwame Nkrumah, 1955.

Egyptian petty-bourgeoisie, who were seeking to expand and to control the markets of the whole Arab world; and who hoped to gain control of the oil wells in the neighbouring Arab countries. In 1960 Nasser became the champion of anti-Communism, and re-established relations with Britain and the USA. He negotiated loans from America, Germany, Italy and Japan. He sent trade unionists, writers, students and intellectuals to concentration camps. There he 'organized' the deaths of many of the leaders of the working class and trade unions. There was nothing 'accidental' or 'uncharacteristic' about these developments, they cannot be explained as resulting from the 'negative' effects of the features left over from the colonialist past. They are the direct consequences of the features in Nasser's regime which belong to the imperialist present.¹³

There is, however, a sense in which the policies of the 'nationalist' opportunists: Pan-Africanism, Pan-Arabism, etc.—can be traced to roots which lie in the past, although not in the way that the 'bureaucrats' claim. They stem from the dogma of 'socialism in one country', first invented by the bureaucrats under Stalin's leadership to defeat their enemies in the Soviet Union, Trotsky and the Left Opposition. The theory of 'permanent revolution' advanced by Marx, Trotsky and Lenin was condemned as 'heresy' at the same time; and in its place there was substituted the out-dated theory of the universal 'two stages' of the revolution. This led in turn to the subordination of the proletariat to the bourgeoisie in the national liberation movements. These policies enforced by the Comintern from 1926 onwards and more recently by the national Communist Parties under the direction of the bureaucracy have cost the working class dear and have retarded the growth of the revolution immensely. This is indeed a 'hangover' from the imperialist past still nursed by the bureaucracy.

The tragic defeat of the Chinese Communists at the hands of Chiang Kai-shek's forces in 1927 was one result. In 1936 the Comintern suddenly proclaimed a 'Black Republic' policy for the Negro minority in the Union of South Africa. This was an attempt—in accordance with the 'two stage' theory—to win the support of the small petty-bourgeoisie in both the US and South Africa for national liberation struggles in which the workers would play a secondary role. It had the effect of completely disrupting the Communist Parties in both countries

and of driving the intelligentsia away from Communism. They saw that Stalin used the Comintern as an instrument of the policy of Russia, as they thought, and sacrificed the interests of the African and Negro masses.¹⁴ Thenceforward they regarded Communism as a 'white man's creed', they turned their attention to their own masses, both in Africa and in the US, under such slogans as 'négritude', 'African personality', 'the revival of African culture', etc., which in fact constitute a surrender to imperialism. The consequences of Stalin's policies have still to be overcome if a genuine revolutionary movement is to be built in the backward countries.

The 'Internationalist' opportunists

We come now to the last category of opportunists with which this article deals. This includes bankers, administrators, technical experts of all kinds, journalists, economists, sociologists and other academics. The development of this new category has occurred with great rapidity since the setting up of U N O and its various Commissions and Agencies in 1946. These people perform many different functions, and serve imperialism in many different ways. I shall deal only with their relationship to the backward countries.

In a report published in 1950 one of the U N O Commissions listed 12 conditions which would have to be present in any country before private investors would sink their capital there. They were:

- 1) Political stability and freedom from external aggression.
- 2) Security for life and property.
- 3) Availability of opportunities for earning profits.
- 4) Prompt payment of fair compensation and its remittance to the country of origin in the event of compulsory acquisition of a foreign enterprise.
- 5) Facilities for the remittance of profits, dividends, interest, etc.
- 6) Facilities for the immigration and employment of foreign technical and administrative personnel.
- 7) A system of taxation that does not impose a crushing burden on private enterprise.
- 8) Freedom from double taxation.
- 9) Absence of vexatious controls.
- 10) Non-discriminatory treatment of foreigners in the administration of controls.
- 11) Absence of competition of state-owned enterprises and private capital.

¹⁴ George Padmore. **Pan-Africanism or Communism** 1956, particularly the Preface by Richard Wright.

¹³ There is a useful account of developments in Egypt from 1955 onwards in an article by Adel Montarser, 'La Répression en Egypte', **Les Temps Modernes**. Nos. 173-174, Aug.-Sept. 1960, pp. 418-441. This appeared long before the article in **World Marxist Review** which drew attention to the position in Egypt.

12) A general spirit of friendliness to the foreign investor.¹⁵

The fact is that in recent years there have been few backward countries in which these conditions have prevailed. I shall examine the reasons for this situation later, but the consequence has been a breakdown of the system in many areas of the world. And in consequence UNO and its agencies have been engaged in a salvage operation. They are attempting to create the conditions required in these countries so that private capital will once more flow into them as it did formerly. This is probably impossible; imperialism has reached a stage in its development when the breakdown of the system has gone too far to be arrested by such small-scale reforms. The United Nations Special Fund, the World Bank, the International Monetary Fund and other organizations have all been set up in an attempt to deal with this problem.

The plan is that there should be three stages in the economic development of a backward country. In the first of these the UN Special Fund should organize a number of projects to be financed partly by the Fund and partly by the recipient country. It is not expected that these projects should be profitable. They include the detailed investigation of the country's resources, minerals, oil, water, power, etc., and also the training of certain categories of skilled manpower. In the second stage the World Bank should be responsible for providing capital, from its own resources and from private sources for 'sound investment projects', that is for schemes which will provide profits for the investors.¹⁶ So far only India, Brazil and Mexico have reached even this second stage. In the third stage it is hoped that private capital will begin to flow into the backward countries without any assistance from the UN agencies.

These plans involve the intervention of the agents of imperialism in the domestic affairs of all the backward countries. They can do so much more effectively as representatives of the UNO organizations than as direct agents of private monopoly capital. In some countries they prop up corrupt feudal regimes with loans and military equipment. In others they help to instal representatives of the local petty bourgeoisie: Sekou Touré, Nyerere, etc. In all of them they are engaged in the training of a new 'middle class' made up of teachers, doctors, engineers, lawyers, factory managers, skilled technicians, etc. They hope that these people will provide the basis for a government acceptable to the local population and to whom administrative responsibility

can be given, while capitalism gets on with the real job—making profits. It is significant that the bureaucratic opportunists are following the same policy: they, too, are engaged in the training of technicians, etc., who will form a 'reliable' political element in the backward countries.¹⁷

There are many examples of the way in which UNO agencies have provided a disguise for the operations of private monopoly capitalism. In 1959 the World Bank financed a loan to Japan, ostensibly for certain development projects within the country, but actually in order to improve the financial status of the banking institutions so that private capital could be invested more plentifully in Japanese industry. After a small World Bank loan, commercial banks in the US and Germany came in as partners in loan issues. In 1960 the World Bank organized a loan for the development of the manganese deposits in Gabon, West Africa. Important US steel companies were interested in these and as soon as the loan was issued half of it was taken up by US insurance companies on their behalf. In Bolivia after the Revolution, in Guinea after the departure of the French, in Laos and in the Congo, the UN agencies have stepped in to 'save' dangerous situations, i.e., to prevent the workers and peasants from taking control of their economies.

The ILO is another UN agency which has helped capitalism to sustain itself over a difficult period.

¹⁷ Both the imperialist powers and also the communist states lay stress on the importance of 'educating' the teachers, technicians, scientists and administrators required in the backward countries. There are, for example, thousands of students from the backward countries of Africa, Asia and South America in Moscow as well as in New York. It is of interest in this connection to recall Lenin's views on education.

In *The Revolution of 1905* he wrote: 'When the bourgeois gentry and that uncritical chorus of satellites and social reformists talk priggishly about the "education" of the masses they mean usually something school-masterly, pedantic, something which demoralises the masses and imbues them with bourgeois principles.

'The real education of the masses can never be separated from the independent political, and particularly the revolutionary struggle of the masses themselves. Only the struggle educates the exploited class. Only the struggle discloses to it the magnitude of its own power, widens its horizons, enhances its abilities, clarifies its mind, forges its will . . . the economic struggle, the struggle for immediate and direct improvement of conditions, is alone capable of rousing the backward strata of the exploited masses, gives them a real education and transforms them during a revolutionary epoch—into an army of political fighters within the space of a few months. . . .

For ordinary formal academic education Lenin had a profound contempt. In peacetime, he wrote 'universities and lecture halls . . . are used to befuddle youthful heads with pedantic professorial wisdom and turn them into docile servants of the bourgeoisie and Tsarism' pp. 42-48.

¹⁵ UN Economic Commission for Asia and the Far East, *Foreign Investment Laws and Legislation in the E C A E F Region*, Bangkok, March 1950, pp. 4-5.

¹⁶ Andrew Shonfield, *The Attack on World Poverty* 1960, p. 21.

Ostensibly concerned with workers' wages and conditions, the ILO experts have actually helped employers to depress both. In the initial stages of the development of an industry, they claim, it is more important that the employer should receive high profits than that the workers should receive high wages or good conditions. In the backward countries they 'advised' against granting wage increases. And since the capital was coming from UNO sources the government was in no position to resist.

The strategy of this intervention by the agents of imperialism has been worked out in some detail by economists and sociologists. The participation of the economists Berle and Schlesinger in the plans for the invasion of Cuba is a recent notorious example.¹⁸ At a more abstract academic level the sociologist Talcott Parsons is, however, equally as much an 'interventionist'. The problem in the backward countries is one, he maintains, of promoting economic development in these countries in order to hold back the advance of Communism. This can be done by 'locating the centre of developmental initiative in the bureaucratic component of the political structure'. In simple terms the UN agencies should set up health services, hospitals and schools in the backward countries, because there is less likelihood of opposition to such activities, and also because this is the way in which a non-communist, pro-imperialist leadership can be created. For the same reason 'democratic socialists' in the backward countries should receive the maximum possible support. The main alternative to the control of economic development by communists is a development 'which for the time being is one in the direction of "democratic socialism" in which intellectuals with contacts in Western culture will play a prominent part'.¹⁹

Imperialism in 1961

An up-to-date analysis of the economic situation in the present-day world is urgently needed. Without such an analysis the bases of the existence of the new opportunists cannot be properly examined. There is an abundance of statistical and economic data. The co-operation of a team of Marxist scholars is needed to bring order into this material and trace the processes which are at work. Meanwhile I shall try to make a few tentative suggestions.

In the first place I believe that none of the five

basic economic features of imperialism listed by Lenin have disappeared. The sixth feature, the historical, is still present, too. All of these processes have, however, reached a higher stage of development since 1916, and in particular the decay of the system has proceeded much further. One symptom of this decay is the overthrow of the bourgeois state in wide areas of the world. Another symptom is the economic stagnation which is affecting the backward countries. While the productive forces in the advanced countries are still developing, the backward countries are falling further away.

A number of different factors are responsible for this situation. The increased technical efficiency of agriculture in North America, Western Europe, Australia and New Zealand has enabled fewer people to produce more food and thus to restrict the markets for the sale of the agricultural commodities of the backward areas. At the same time the advance of science in industry has developed synthetic materials to take the place of natural products such as jute, rubber, cotton, diamonds, wood, etc., all raw materials produced by the backward countries. There is still a market in the advanced countries for the natural oils, tea, coffee, cocoa, sugar, etc., produced in the backward areas but the market for these cannot expand indefinitely, while the demand for manufactured products in these countries is almost inexhaustible.

Further there has been a large increase in the population of the backward countries, while that of the advanced countries has either declined or increased much more gradually. For this reason the standard of life of the populations of the backward countries is declining. Imperialism dragged them out of their self-contained natural economies but has not provided the means by which they can develop their own resources. Tables 1 and 2 illustrate the position. The first shows that the advanced countries contain 22 per cent of the world's population, while the backward countries have 71 per cent of this population. The level of industrial development in different countries, as measured by the per capita net national product, is shown in the second table. The lowest figures are those for Uganda, Burma and India. The highest are those for the United States and Canada followed by Switzerland, Sweden, New Zealand and the European countries. There is an intermediate group of countries with a range in their per capita national product of 250-200 dollars, which includes a number of South American, Asian and European countries. It should be noted that a country like the Union of South Africa (with a per capita figure of 300) contains a large number of Africans earning low wages and a small number of Europeans earning high wages; this raises the per capita figure and thus gives a

¹⁸ Cf. *Time* magazine, April 28, 1961, p. 24.

¹⁹ Talcott Parsons, 'Some Reflections on the Institutional Framework of Economic Development', in *The Challenge of Development*, Jerusalem, 1958.

misleading idea of the economic position of the country.

After 15 years of United Nations efforts the industrialization of the backward countries has still not begun. Conditions in these countries have become progressively more unfavourable for private investment and more capital is now being invested in the more backward areas of the advanced countries themselves, i.e., Greece, Spain, Italy.

The increased investment in the advanced countries is bringing about the intensification of competition and rivalry between monopolist countries. New struggles for markets, sources of raw material and areas for investment are developing. The concentration of production and capital is reaching an even higher level. New crises are likely to occur at any time.

The key to the situation lies in Lenin's seventh feature of imperialism—the political. The theories of the 'bureaucratic' opportunists are the main means by which imperialism is enabled to survive. They claim that a peaceful transition to socialism is possible through an increase in the level of production in the 'socialist system'. They constitute a counter-revolutionary force and present the main obstacle to the creation of an international revolutionary party with sections in all countries. They do so because of their privileged position in Soviet society. Like the 'nationalist' and the 'internationalist' opportunists they have a stake in the survival of imperialism.

But the interests of the working class in the advanced and in the backward countries demand the overthrow of the system.

Table 1

ESTIMATES OF PER-CAPITA NET NATIONAL PRODUCT OF 55 COUNTRIES EXPRESSED IN US DOLLARS:
ANNUAL AVERAGE 1952-54
(At factor cost)

Range in Dollars	AFRICA		AMERICA		ASIA		EUROPE		OCEANIA				
	Country	Per capita	Country	Per capita	Country	Per capita	Country	Per capita	Country	Per capita			
Advanced Countries	Over 1000		United States	1870			Switzerland	1010					
	500-1000		Canada	1310			Sweden	950	New Zealand	1000			
							Luxembourg	890	Australia	950			
							Belgium	800					
Backward Countries	250-499	Union of South Africa	300					United Kingdom	780				
								Iceland	760				
								Denmark	750				
	Under 250				Venezuela*	540			France	740			
					Argentina	460	Israel	470	Norway	740			
					Puerto Rico	430	Malaya†	310	Finland	670			
					Chile	360	Lebanon	260	W. Germany	510			
					Cuba	310			Netherlands	500			
					Colombia	250							
					Panama	250							
					Brazil	230							
					Mexico	220	Turkey	210					
					Jamaica†	180	Japan	190			Greece	220	
					Dominican Republic	160	Philippines	150			Portugal	200	
					Guatemala	160							
Ecuador	150												
Honduras	150												
Paraguay	140												
Peru	120												
Egypt	120												
Rhodesia and Nyasaland	100												
Belgian Congo	70												
Kenya	60												
Uganda	50												

*1952 and 1953

†1952

Source: United Nations, Per-capita National Product of Fifty-five Countries 1952-54. Statistical Papers Series E. No. 4 (New York, 1957)

Table II
PERCENTAGE OF THE WORLD'S
POPULATION IN DIFFERENT AREAS

Advanced Countries	Millions	%
Europe	420	(15)
North America	193	(7)
Oceania	16	—
	629	22
USSR	206	7
Backward Countries		
Asia	1591	(56)
Africa	231	(8)
South America	134	(5)
Mid-America	63	(2)
	2019	71
Total World Population	2854	100

Source: United Nations Demographic Year Book 1959, p. 127.

In the course of the next year, Labour Review will carry a number of articles on general aspects of the international situation, with a view to contributing to the understanding of the present phase of the decline of capitalism and the struggle for Socialism. We begin with this article by Tom Kemp. It is an evaluation in Marxist terms of modern capitalist development, and lays the basis for refuting the many revisionist theories. Such theories have claimed that capitalism has fundamentally changed its nature since the days of Marx, and that its economic contradictions have disappeared. All of them tend to see the capitalist system in unhistorical and partial terms, rather than as a developing whole. The editors hope that this and subsequent articles will provoke written discussion from our readers.

The Course of Capitalist Development: An Outline Analysis

Tom Kemp

THE generally ascending curve of capitalist development since the end of the Second World War has provided many economists with easily-accepted evidence that Marxism has failed, that capitalism has changed and that the system has won a more or less permanent new lease of life. On the other hand, not a few Marxists, or those claiming to be such, have manifestly failed to account for the new phase of capitalist development and to rid themselves of the type of characterization of the 'general crisis of capitalism' which did service in the 1930s. However, the fault has lain, not in the theories of Marx, but in the unwillingness or inability of many of those who claim to be his followers to do for their day what Marx did for his, to track the working out of the 'laws of motion' of the capitalist mode of production in its latest phase. Without claiming that this can be done within the confines of a single article, at least some attempt can be made here to re-state some leading principles in the light of contemporary developments, and perhaps to indicate some future lines of work.

MARX'S MODEL

The forward movement of the capitalist economy as a whole is kept going by the ability of capitalist enterprises ('firms') to **extract** surplus value from the working class and to **realise** it (according to the

process which Marx called 'extended reproduction'). Unless surplus value can be realised practically in its entirety then the rate of advance slackens. In the absence of outlets for the profitable re-investment of a sufficient part of the proceeds of the past exploitation of labour, all the surplus value which it is possible to extract cannot be realised, and if it cannot be realised it will not pay capitalists to extract it. The system will adjust itself to this situation by a slowing down and generally by a positive contraction; in the latter case we have the basis for the familiar trade cycle; however, a more or less protracted period, spanning over several trade cycles, in which the conditions for realization become unusually difficult, is also possible and has been a feature of capitalist development.¹ The individual capitalist enterprise ('firm') is geared essentially to accumulation, which proceeds normally as long as surplus value can be realised and money capital thus becomes available for expansion. What happens in

¹ Upon these observed historical facts a number of theories of the long cycle have been built, following the analogy of the (ordinary) trade cycle. These theories have in common a mechanical approach, which artificially separates the economic forces from the whole historical process and is foreign to Marxism. They may be studied in the writings of Kondratieff, Schumpeter, Rostow and others. Trotsky's short and concentrated comment on Kondratieff's theories (see, e.g., **Readings in Business Cycle Theory**) states the Marxist position: it will be found in 'Fourth International', May 1941.

the system as a whole ('macro-economics') is the aggregate of the results of the component 'firms', some of which, therefore, may be behaving in a way different from the system as a whole.

If the workings of the capitalist mode of production are reduced to their elements and a 'model' is made from them, not one but an infinite variety of possibilities could emerge. At best a theoretical model is an imperfect replica of the real world, more or less adequately representing a small part of it while holding constant other operative components. As soon as the model is made more realistic by adding to the number of variables, the whole picture becomes increasingly complex. Since values and weights have to be more or less arbitrarily given to each new factor the more complex picture does not cease to be abstract or necessarily approach more closely to the real world. Indeed it may well become no more than a theorist's toy, helping, perhaps, to perfect certain tools of analysis but offering no formula for a clearer understanding of the real world. These limitations of the economic model, in which aggregates are the resultant of numerous interactions by separate profit-oriented enterprises, as is the case under capitalist conditions, apply to Marxist as well as orthodox economics. In fact, confusion between simplified models as used by Marx, e.g., the reproduction schema, and the real operation of the capitalist economy, has been a ready source of confusion.² Of course, Marx's political economy permits of the construction of different models, which behave differently, according to what is built into them at the start. From simple models, used by Marx for a limited and specific purpose, it is therefore illegitimate to make deductions applicable to capitalism as a whole under all conditions. It is typical of Marx's method that he abstracts from the whole complex functioning of the living world the narrow segment which he wishes to subject to detailed investigation in order to bring out a relationship, to suggest what tendency will operate if the surrounding conditions are given—as they seldom are in practice. In fact, the several laws which Marx discerned in the capitalist mode of production have at one or another time been sufficiently strongly marked to enable it to be said that they received practical verification. At other times, to a superficial view, they have not been in evidence at all: they have not been in evidence because counter-tendencies have prevented their appearance. Indeed 'laws' which on the basis of an abstract model stand out powerfully may in the history of capitalism have been almost always counteracted by other forces within the system.

² It is the source, for example, of the errors—brilliant as they are—of Rosa Luxemburg's *The Accumulation of Capital*.

Raising these questions does not mean that the laws are not laws or that the method is a wrong one. Rather it means caution in using the tools which Marx provided when probing into the secrets of capitalist development over the past century. There was not, in Marx's writing, a ready-made model for the future working-out of the laws of capitalist development or a kind of advance programme to which he expected it to adhere. When Marx did permit himself a prediction—and for him predictions included expectations about what men would do to bring about the situation which he hoped would ensue—he was often wrong. But then he was not a prophet, least of all in 'Capital', and it is pointless to argue whether he was right about this single point or wrong about any other. Marx showed the conformity of capitalist development to laws, and that development has taken place according to those laws, but in combinations and under given conditions which were the creation of living forces giving patterns of infinite variety and richness impossible to contain in any model. The model is a necessary methodological device, as long as its limitations are recognized.

WORLD CAPITALISM

When considering the history of capitalism since Marx's day the question is not to compare actual developments with one or another statement made by Marx in the course of his many-sided abstractions from the whole, but to see how, in combination, the different laws to which he gave prominence throw light on the system as a whole in movement. In his day capitalism was still a youthful system, it existed in only a small part of the globe and it was an all-conquering system. Capitalism spread out from two or three areas to become a world system centred on a few advanced countries with their less developed tributaries throughout the world. This geographical extension, spread out over a whole historical period—the epoch of imperialism—facilitated, at the same time, the intensive development of the capitalist mode of production in the advanced countries and revealed the unevenness of the whole development.

To connect this with our starting-point, this extension of capitalism on a world scale provided vast new possibilities for the extraction and realization of surplus value, enabled the process of accumulation to proceed without pressure on the rate of profit, and kept up the real standard of living in the countries of advanced capitalism. This, of course, is to take the broad sweep with the emphasis on only one side of reality. The very conditions which assisted the capitalist mode of production to

grow at the same time brought world wars, subjugation of colonial peoples, crises and mass insecurity. Capitalism did not collapse, despite these paroxysms, for the simple reason that as long as the capitalist ruling class retained power it was able to keep the system in being, at a price. The survival of capitalism arises not from the vitality of the system itself, but from the weakness of the working-class movement. But for present purposes we can leave this aside: capitalism has survived—more than that, it has been able to expand, and grow. It has been able to do so even though, for some decades now, it has not been the only system and its undisputed world domination is now past history.

We are not concerned here with capitalism in any one country in particular. Capitalism is essentially a world system, to which the different national capitalisms stand in definite historically-given relations marked out in the world market. The health of the world system conditions the prospects of the individual capitalist countries and reflects the relationship between the parts. A healthy and expanding world market is, in all but the rarest circumstances, the necessary basis for national economic growth; this relationship helps to explain why the maladies of capitalism are international in scope.

CAPITALISM'S THREE PHASES

The history of capitalism can be handled schematically in a number of long period trends, the last three of which particularly concern us, namely 1873-1914, 1914-39 and 1939 to date.

(1) In the last quarter of the nineteenth century Britain's undisputed supremacy in the world market came to an end and a new phase of international competition began. This competition for trade reflected the need to realise surplus value and in turn led to the geographical expansion of capitalism and especially the export of capital. Every growth of capital meant new sources of accumulation and thus the need for new outlets. As long as these could be found continued expansion was possible; but it was expansion which was accompanied by increased rivalry between the capitalist states, especially as the undeveloped areas were divided out—and without any relation to needs. The first part of the twentieth century was, however, generally favourable to expanded reproduction. The major capitalist countries grew and provided markets for each other's products at the same time as they competed more intensively for a position in the other areas. The flow of investment abroad kept up the rate of profit in the advanced countries at the same time as it

opened up a ready-made market for industrial products. This took place within a framework of stable currencies, the international gold standard and multilateral trade: in fact, the world market functioned effectively as such and was able to expand fairly evenly. Even the capitalist countries without colonies (or only insignificant ones) benefited from the colonies of the others—though that did not make the struggle for a colonial re-division any the less acute.³ The growing international tension itself contributed to expansion through the pull of increased arms production; i.e., this opened up further possibilities for the realization of surplus value. This period before the First World War, shot through with contradictions, but permitting extended reproduction and, looking only at the economic indices, what looked like indefinite expansion, was the background for 'revisionism' in the German Social-Democratic Party. It was likewise the period in which monopoly trends became marked.⁴ The capitalist enterprise itself was changing along lines which Marx had foreseen.

(2) The First World War was the outcome and fulfilment of the preceding period of capitalist development, not an accidental or external event. The major political-economic consequences of the war are well known. The United States took the place of Britain as the dominant world power. The October Revolution laid the foundations for a rival system. Instability and crises dominated the new period. The most significant outcome for the inter-war years was the disruption of the capitalist world market as it had existed prior to 1914: currency disorder, protectionism and chronic imbalance became the overt signs of this. The different

³ This is frequently forgotten by those who see economic development primarily in national terms. Britain's colonies provided income which could be used for the purchase of commodities from, e.g., Germany, a country whose own direct stake in colonial exploitation was, before 1914, still small. It is sometimes pointed out that Britain and Germany were among each other's best customers and that, therefore, the war of 1914 could not have had an economic root. In fact, though Germany benefited from Britain's colonies, via direct trade with Britain, this was not sufficient. The struggle was only focused the more intensively on the markets and areas without which expanded reproduction would be checked. Though Rosa Luxemburg's explanation of this process is flawed, her description is accurate when she writes of the 'contradictory phenomena that the old capitalist countries provide ever larger markets for, and become increasingly dependent upon, one another, yet on the other hand compete all the more ruthlessly for trade relations with non-capitalist countries.' See *The Accumulation of Capital*, pp. 366-7.

⁴ These trends were examined by such Marxists as Hilferding, Bauer, Bukharin and Lenin while most other economists for long continued to assume 'perfect competition' as the general case.

countries were affected by this disruption more or less in proportion to their dependence upon the international economy of the pre-war type. The deteriorating position of Britain in the 1920's contrasted with the relative prosperity which prevailed in the United States and Germany until the great crash of 1929 when depression became deep and general throughout the capitalist world.

The failure of the world market to grow at its previous rate cumulated with other historically rooted problems of the British economy to produce the characteristic troubles of the twenties and thirties. But Britain shared with the older capitalist countries of Europe an incapacity to grow as rapidly and smoothly as before and to adopt the newer techniques of the twentieth century. For enterprises in the older industries it was no longer possible to extract and realise surplus value on an expanding scale, largely owing to the 'abnormalities' of international economic relations, the breakdown of the world market. However, such conditions did not prevail throughout the economy: in fact some sectors showed signs of vigorous growth in the twenties and hardly flagged even in the worst years of the depression, thus providing a sustaining force for the economy as a whole. Not only were there still opportunities here for new and profitable investment, but the advanced countries continued to benefit from the flow of tribute from past investment abroad, and especially in the colonies and semi-colonies. Once again, the advantages of this inflow were not confined to countries such as Britain and France who were the main recipients; it was a vital link in the chain of multilateral payments which was impaired, but not entirely destroyed, in this period.⁵

If these factors cushioned the shock of the depression, nonetheless the main characteristic of the 1930s remained the general narrowing of opportunities for the realization of surplus value, and thence a relatively low rate of accumulation reflected in the chronic excess capacity in the industries producing means of production. At the same time there was necessarily a high rate of unemployment, greatly exceeding, in fact, the 'normal' requirements of a reserve army and a witness to the fact that the particular combination of forces in the depression had produced a chronic crisis of a quite exceptional kind. In the nature of things a period in which values were destroyed and investment fell below replacement needs opened up the conditions for revival, but revival which, even with new artificial stimuli, remained partial and precarious. In a number of countries political

changes took place which safeguarded capitalist property relations by measures of repression.⁶ The arms programme put in hand by some of these countries, while enabling surplus value to be realised more adequately—and thus promoting 'recovery'—opened the way for the next international struggle.

Despite some technical change and the rise of new industries, despite public policies designed to supplement market forces, there was never a sign, before 1939, of a real and permanent rebuilding of the world market. Indeed national recoveries largely took place on the basis of some degree of turning away from the world market, of insulation from it; if for no other reason this made it likely that such recovery could not be permanent. In any event it was accompanied by bitter struggles for markets waged with bilateral agreements, exchange controls, currency depreciation and allied weapons of economic warfare. The task of the various governments was to open up for the firms in their own territory the possibility of realising surplus value, to which the bringing in of valued strategic raw materials was subordinate, if necessary at the expense of firms in other countries. But the possibility of opening up new outlets in this way was strictly limited, and one's gain was often another's loss.

The all-round response to international dislocation consisted of measures which made it more certain and more prolonged, and which provided the conditions for a new conflict.

(3) War economy took the capitalist economies into a phase of expansion which has not yet come to an end. With production geared to the needs of the war machine by an intricate system of controls all the surplus value which could be extracted could be realized, at a profit. Since a major part of the production did not appear on the normal market the realization problem was ideally 'solved': the problem shifted to getting the right product mix in terms of the logistics of war strategy to which the civilian market was (partly) subordinated. This meant curtailment of the discretionary powers of the individual enterprise in order to secure the right aggregate pattern—by measures, of course, which were tender of established property rights and entirely consistent with capitalism.⁷ In any case, the survival of the system was in question—or so it was believed on both sides—and warranted some inconveniences.

The transition to peace-time economy took place

⁶ As in the countries mentioned in the previous note, where the working-class movement was smashed, parliamentary government discarded and fascist-type dictatorships installed.

⁷ This kind of pseudo-planning outlived the war and is, in fact, what right-wing Labour policy amounts to.

⁵ See note 3. Meanwhile, of course, the strain on the less favourably placed capitalist countries, notably Germany, Italy and Japan, became especially acute—with well-known consequences.

Book Reviews

Six Books on China

Agrarian Policy of the Chinese Communist Party. By Chao Kuo-chun, Indian School of International Studies and The Institute of Pacific Relations, Asia Publishing House, 1960, 55s.

China Crosses the Yalu—The Decision to Enter the Korean War. By Allen S. Whiting, The Rand Corporation, Macmillan and Co., N.Y., \$7.50 (52s.).

The Red Barbarians—The Life and Times of Mao Tse-tung. By Roy Macgregor-Hastie, T. V. Boardman, London, 18s.

China and her Shadow. By Tibor Mende, Thames and Hudson, 1960, 35s.

Sun Yat-Sen and Communism. By Shao Chuan-leng and Norman D. Palmer, Foreign Policy Research Institute, University of Pennsylvania, Thames and Hudson, London, 30s.

Russia and China—From the Huns to Mao Tse-tung. By J. V. Davidson-Houston, Robert Hale Ltd., London, 21s.

There is at the moment what might be called a boom in books on China. The market for this type of book has increased in both America and the U.K. Also several translations from French works on China are being made and find a big market abroad. The quality of the books varies from the authors sponsored by grants from foundations (particularly in America) to the travelogues that are sweeping the market. It is interesting that the books written by authors outside China are of a higher standard generally than those written as a result of a visit.

Dr. Chao, in his study of the agrarian programmes of the Chinese

Communist Party, has contributed an excellent work to the 1960 Chinese library. His historical material from the 1927 period, the Soviet decade (1930s), and the programme of the Party after the Revolution is well documented and factual, without imposing anywhere the author's own opinions.

The most informative section is on current agrarian policy, with some real meat on the communes. Most of Dr. Chao's material is drawn from official sources but is presented self-critically. He confirms the viewpoint that the communes in their present form are only an administrative structure imposed on the countryside and in no way represent a 'leap' from primitive agricultural methods to mechanized farming.

For instance, the lowest organ of the commune, i.e., the 'production team', corresponds to the early mutual aid team, the next level, i.e., the 'production brigade', likewise is only a disguised form of Agricultural Producers' Co-operative, while the commune itself replaces the State Administrative Unit.

The book is completed with a good appendix giving translations of important documents on agrarian matters. Verdict: recommended.

Another excellent study is Allen Whiting on China's role in the Korean war. What is interesting for socialists is the place that the United Nations had in the military and diplomatic actions of the imperialists and the Soviet Union and China.

The United Nations Organization is exposed as a agency of the foreign policy of US imperialism. The fact that a war was waged to 'defend Freedom's frontier' (as Dulles put it), with the Labour bureaucrats of this country jumping on the anti-North

Korean wagon as devotedly as anybody else, and the recent overthrow of Syngman Rhee which exposed him for what he was—a corrupt oppressor of even basic human rights, should show every socialist just what sort of 'world government' U.N.O. is. Unfortunately the role of U.N.O. is still not understood by all socialists.

Korea was important for US imperialism as a military base on the Asian continent. The Soviet Union is only 100 miles from the North Korean border and the road from Japan through Korea to the rich industrial province of Manchuria was of strategic value to the Pentagon. For North Korea, with US forces so close to the borders and the possibility of armed intervention from reactionaries in South Korea, the control of the Korean peninsula was of strategic importance also.

One thing that Whiting brings out is the comic-opera diplomacy at U.N.O., of which both the Soviet Union and China were guilty. Because US imperialism 'recognized' only Chiang Kai-shek's regime on Formosa and dutifully accorded Chiang a seat in U.N.O.'s security council, the Soviet Union boycotted the Council for months. In their absence the US delegate pushed through the O.K. for intervention in Korea at the start of hostilities, thus covering up for the military actions of the US. This confused the issue all over the world.

After the UN entry into the Korean war, Malik, the Soviet Union's delegate, returned to the Security Council, with nothing gained! Meanwhile China was trying its best to get into U.N.O. The early advances of the North Korean armies were halted at Pusan by lack of military material to give the final push to the port itself. Thus US

imperialism held the port and spent some months building up troops, etc. With the Inchon landings and a drive from Pusan the North Korean offensive was broken.

Near the Yalu, China entered the war in defence of its borders. But again the war materials were not forthcoming from the Soviet Union, which had them. Heroic actions by the People's Liberation Army and the North Koreans could not compensate for a lack of heavy artillery and bomber aircraft. Also, China maintained its best amphibious troops opposite Formosa, troops which could have been decisive in landings behind the US lines. The conclusion from the book is that some heavy artillery at Pusan would have decided the issue in the first year, or a combination of artillery and bomber aircraft in the second year. The Soviet Union could have supplied this; instead, nearly four years of bloody indecisive war at great cost to China and North Korea, four years of diplomatic 'warfare' at U.N.O., and an eventual conclusion substantially the same as the situation in 1950 when it began.

Two books for lighter reading, but still informative, are *The Red Barbarians and China and Her Shadow*. Hastie's biography of Mao Tse-tung does not bring any new material, except an insight into Peng Teh-huai's sacking in 1959 as defence minister (he is now accused of 'sectarianism in 1933'). The book is a good 'quickie', i.e., for those in a hurry for background material. Tibor Mende's work is another travel-cum-commentary book. This type of book is becoming common in the 'China Book Market', among books with such illuminating titles as 'Red Giant' or 'Blue Ants', etc. It is surprisingly well documented.

The study of Sun Yet-sen should be of interest only to serious students of Chinese modern history. The book presumes a knowledge by the reader of the period (1880-1927), and indeed cannot be read critically if the reader is not familiar with this period. Most interesting sections for readers not really interested in Sun's theories by themselves, are perhaps those showing how both Chiang Kai-shek and Mao Tse-tung claim to be following Sun's famous 'Three People's Principles'. As even Sun himself never said the same thing

about his 'Three People's Principles' more than twice it is not difficult for this to be done; but how Marxism can be reconciled with Sun Yat-senism, a reactionary ideology in any language, is a mystery to me.

The historical part of the book on Sun's early ideas and particularly the alliance with the Soviet Union up to his death is remarkably like the conditions leading up to the present entente of Castro with the present-day Soviet Union. The tragedy of the Chinese Communist Party was that illusions about Sun and later Chiang were fostered because they made Left speeches and allowed the Communist Party for a certain time to organize the workers and peasants. Illusions about Chiang (who even sat in the Executive Committee of the Communist International for a time—he has not been formally expelled even yet) led to terrible consequences in 1927, when over 60,000 Communists died in the 'Summer Reaction'.

On the purely historical plane Davidson-Houston's history of Russia and China is all right for a brief look at the subject. If his historical material is as shallow as his last two chapters on modern Chinese history it would not be wise for readers to rely too much on the early chapters. Verdict: to be read if loaned to you but to be followed up with other works.

G.K

Peaceful Co-existence

Between War and Peace: The Potsdam Conference. By Herbert Feis. Princeton University Press. London, O.U.P.. 36s.

This book shows 'peaceful co-existence' in action. For instance, the Americans were very concerned about Manchuria and the maintenance of the Chiang Kai-shek regime in China. Stalin reassured them. Asked about Chiang Kai-shek he replied: 'He knew little about any Chinese leader, but he felt that Chiang was the best of the lot and would be the one to undertake the reunification of China. He said that he saw no other possible leader and that for example he did not believe that the Chinese Communist leaders were as good.'

Manchuria?

'In Manchuria, as in any part of

China where Soviet troops went, the Chinese administration could be set up by Chiang Kai-shek.'

It is clear that the Chinese Revolution and the upsurge of the Colonial Revolution in the Far East was against the plans and wishes of the Russian leaders. They were far more concerned to remain on good terms with the American government.

In Europe, the thorny problem was the future of Germany and the East European states. Churchill was pressing for the Western armies to go as far into Europe as possible and stay there. The Americans were not so keen (they had the atom bomb up their sleeves). It is rather strange today to read that the Russian diplomats regarded the Americans as a help in restraining the war-mongering British Government!

Stalin's aim was to create a set of buffer states in Eastern Europe—that meant governments which would be friendly to the Kremlin. If this could be assured, and the West agreed, then Stalin was not concerned about changing the social system.

There is no room in a short review to go into detail about the numerous diplomatic squabbles and agreements. Enough to say it was all in the field of diplomacy. The class struggle was kept outside. When it did break through it was against the wishes of the degenerate, cynical usurpers of the Russian Revolution. G.G.

Road to Hiroshima

The Birth of the Bomb. By R. W. Clark. Phoenix House, 16s.

Clark traces the evolution of the atomic bomb from the discovery by Dr. Otto Hahn of nuclear fission in 1938, to the bomb's manufacture and explosion in August 1945.

Writing in easily understood terms, Clark demonstrates that the British government had already agreed to research on a new weapon before the 1939 war broke out, and that scientists were in the first instance prodding Government figures as to the practicability of a completely new type of weapon—1,000-fold greater in explosive power than all existing weapons. Some of these scientists were refugees from Nazi Germany or Italy, who feared that the Nazi Government

would get such a weapon and use it.

The book traces the main theoretical and technical problems that the scientists overcame in Britain from 1939 to the end of 1941 before they were able to show conclusively that this new bomb could be manufactured, provided the industrial plant was there to produce enough of the isotope Uranium 235—a certain 'critical mass' being necessary to produce the rapid 'chain-reaction', that is, a nuclear explosion.

But here the industrial strain and the difficulties of supplies made it impossible for the Churchill government to continue—at least with any hope of turning out a weapon by the end of the war.

The British Government turned to the American imperialists, who were not yet at war. They agreed to provide all the industrial and further technical equipment. Within a few months, with their entry into the war, all further atomic information was shut off from the British government! Such was the price that subordinate British imperialism had to pay, in spite of Churchill's later protests.

Clark concludes his book by describing the apprehension many of the scientists felt as the day drew nigh. Many must have pictured themselves as atomic Frankensteins, unable to check the monster. Too late—American imperialism was determined to show its might both to Japan and to Russia—by the cold experiment in mass murder that has never been forgotten.

Clark, in his introduction, repeats the myth that the bomb dropped on Hiroshima, was 'an instrument for circumventing the agony of an allied invasion of Japan . . .' in spite of repeated proofs that the Japanese were suing with America for peace terms before August 1945.

But even Clark, war correspondent and supporter of the last imperialist war, cannot explain away the second atomic bomb, for he says: 'Even to the most devoted experimenter, the death throes of Nagasaki seem a high price to pay for proving that plutonium, which here formed the explosive, as it had in the test weapon, did its task as adequately as Uranium 235 which formed the heart of the first bomb. . . .'

H.F.

Diplomats at Work

Survey of International Affairs: 1955-1956. By Geoffrey Barraclough and Rachel F. Wall. Oxford University Press, 50s.

Documents on International Affairs, 1957. Selected and edited by Noble Frankland. Oxford University Press, 70s.

These substantial volumes might be called 'Studies in competitive window-dressing'.

The Survey covers the public diplomatic activity of the powers from the Bandung Conference, through the Summit Conference at Geneva and the Baghdad and Warsaw Pacts to the opening moves in the Anglo-Franco-Israeli aggression in Egypt.

The Documents deal especially with the intrigues in the Middle East after Suez.

There is a running record of more or less peaceful co-existence. The wiseacres intone; 'While they are talking, they are not fighting'. More important it is to establish what else they are doing. Here they are: the Cold War diplomats who yearn for peace by agreement, who can never reach a stable formula. They make agreements on the basis of a momentary balance of forces. When either side wants to break an agreement, it represents its aims and interests (and its bad faith) as necessary for maintaining peace, 'unmasking' its adversaries as warmongers.

This display of literary ingenuity takes places in the early Lonsdale and middle Blake periods, with who knows what CIA and MI5 agents across the curtain?

None of these documents points a way to removing the underlying causes of world tension, the necessity of US imperialism to move against the smaller imperialists and to check the rising power of the colonial peoples and the Soviet bloc. They all accept an uneasy peace as the setting in which new wars are prepared and unrest within each sphere of influence is dealt with. This is the reality in which anyone who relies on peaceful co-existence by negotiations is placing his faith—wishful thoughts apart.

J.A.

Hushed Up

The Fall of Singapore. By Frank Owen. Michael Joseph, 21s.

When British troops reoccupied Singapore in 1945 one of the first orders of the command was for the blowing-up of the memorial to Subhas Chandra Bose, the Indian nationalist who had raised an army from among Indian Army prisoners-of-war to fight alongside the Japanese against the British. The morning after the blowing-up the memorial's ruins were covered with flowers. A few months later, the sentencing by a British military court of an officer of Bose's 'Indian National Army' sparked off the mutiny of the Royal Indian Navy in Bombay harbour, which led to the British withdrawal from India.

These memories are recalled by reading Frank Owen's book about the overthrow of British power in Malaya at the end of 1941 and beginning of 1942. He has drawn upon a great deal of material, both published and unpublished, for this detailed account of the operations, and among his quotations is one from the Australian official history of the war in the Far East which includes the following passage: 'About half the force at [General] Percival's disposal comprised Asian soldiers. These, in the main poorly trained and inexperienced, and with many officers who were more or less strangers to their units, were pitted against other Asians who had become veterans of campaigns in China and were fighting ardently for their country instead of as subject people.'

Owen tells the story of a military disaster even more disgraceful and shattering than Dunkirk and he notes that although Churchill wrote in 1951 that there ought to be an inquiry into responsibilities ('This, however, has not been instituted by the Government of the day'): 'Now, nine more years have gone by (including four under a Churchill Tory Government and five more under other Tory Governments), but no Royal Commission has even yet been set up to sift the mystery of the Fall of Singapore, and maybe it is now too late, since many of the leading personalities of the first bomb. . . .'

H.F.

Background to Tito

Yugoslavia. By Muriel Heppell and F. B. Singleton. Benn, 27s.

This short history of Yugoslavia is divided into two parts—the first attempts to give an outline of the history of those lands which went to make up present-day Yugoslavia, from the time of the Roman empire up to the outbreak of the First World War; the second part deals with the ensuing period up to and including the Tito regime.

The author of the first part faces an almost impossible task, that of compressing the narrative of nearly two thousand turbulent years, in an area where new kingdoms were constantly arising, founding transient empires, only to break down into minute units under the impact of first barbarian and Turkish invaders, than events in Western Europe—all this into 130 pages.

No clear picture emerges, and one is left dazed from the account of the rise and fall of dynasties and empires, the recital of names of rulers, so many and various that the story dissolves into a meaningless blur.

Little attention is given to the economic and social aspects of Balkan society in this period, which might have provided some clue to the restless political life in the area.

The second part of the book, on the Second World War and coming to power of Tito especially, is disappointing, to say the least. The narrative of events during the war is superficial, in that although the author sympathetically describes the sufferings of the Yugoslav people under the fascists, he does little to explain why Tito should have come to power.

The author congratulates Tito for putting an end to faction fights in the Communist Party and suppressing all opposition, thereby unifying and strengthening the organization. He sees the Communist Party as a vehicle of social reform. Pointing out that in Yugoslavia the one-party system and a certain amount of coercion on measures such as nationalization and agrarian reform are necessary, because of the backward nature of the country and its turbulent history, he concludes smugly that in England we are lucky to have a centuries-old tradition of democracy, with two

parties now peacefully contending for power within parliament, while basically accepting the status quo. With good fortune, Yugoslavia might even attain this ideal in the future.

The meagre political understanding of the author is further demonstrated by his view of the disputes between Yugoslavia and the USSR as misunderstandings on the Russian side; Tito's accommodations with imperialism are seen as an advance, all part of the steady progress towards the ultimate ideal of Western democracy.

The authors fail completely to understand the nature of present-day Yugoslavia. Given this, and the fact that they admire the country from the disinterested point of view of the tourist and visitor, this book is of little use to either serious history students or socialists wishing to understand the nature of Yugoslavia today.

P.B.

Black Demagogy

Christian Democracy in Italy. By Richard Webster. Hollis and Carter, 30s.

Although the tactics and strategy of the Roman Catholic Church in politics have varied with changing circumstances, its fundamental role has remained the same—that of the staunchest and most outspoken defender of the existing social order. When Mazzini, Garibaldi and Cavour 'launched the Risorgimento, which transformed Italy into a modern bourgeois state, the Vatican put up a last-ditch resistance. It excommunicated all the leaders of the Risorgimento and was not finally reconciled with the Italian State till it concluded the Concordat with the Fascist regime in 1929.

This study of the Vatican in Italian politics provides the interested student with a wealth of facts and background material and is very ably presented. It presents the great change in the attitude of the Church—from Francis I to Mussolini it sought to exercise influence through alliances with the rulers; since the end of World War II it has come to recognize the power of the masses and has tried to give a 'liberal' and 'democratic' form to its appeal. It has to compete with a Communist and Socialist movement which has the support of great

sections of the Italian working class.

The Church actually began to feel its way toward a friendlier attitude with the State at one of the most shameful periods in Italian history, the conquest of Libya (1911-12). 'Much of the Catholic hierarchy and press', writes Webster, 'did more than support the war as a patriotic duty: from pulpits and in public meetings the Libyan conflict was actually declared to be a "holy war"'. This period also saw the coming together of important Catholic factions and Italian nationalist movements—the precursor of the future happy co-operation under fascism.

The Lateran Concordat signed by Pope Pius XI and Mussolini achieved two objects. It made the Church and the Fascist State virtual partners, each supporting the other. More important still, in the light of later events, it provided the Church with the opportunity to build up an alternative political force ready to take over on the day Fascism should fall, and thus forestall a possible social revolution.

When the Italian ruling class needed it most, Christian Democracy, under De Gasperi, arose after the war to play the role required of it—the preservation of the capitalist social order.

The author notes that with the decline of Stalinist influence in the Italian Socialist Party, there is a marked move away from Christian Democracy. Despite all the efforts of the Church, Italy's workers persist in thinking along class lines.

C.V.G.

The Missing Secret

The Politics of Soviet Education. Edited by George Z. F. Bereday and Joan Pennar. Stevens and Sons Ltd., £2 5s.

The tremendous success of Russian science, culminating in Gagarin's space flight, has got the rulers of the capitalist world seriously worried. This book is one of many attempts to find the 'secret'.

A series of essays on different aspects of Soviet education by a group of pro-American scholars, it starts with a built-in anti-Russian bias. This leads to a number of ludicrous comments as when, after admitting

the superiority of Russian education in maths, physics, chemistry, geology, biology, and geography, one writer says that 'some of these disciplines are subjected to atheistic or materialistic interpretations.'

The desire to prove that Russian success is due to 'authoritarianism' and that the West lags behind only because it is 'free', prevents a real examination of the structure of Russian education, of its strength and weaknesses. There is, for instance, a hysterical essay on 'The Anti-Religious Education of Soviet Youth', which carries hatred in every line.

G.G.

New Left's Ancestor

To the Finland Station. By Edmund Wilson. Fontana, 7s. 6d.

Amid all the boring and respectable paper-back reprints, here is an old acquaintance from the 1930s.

Edmund Wilson is a distinguished American literary critic of that generation which was young just after the First World War and which went along with the Socialist movement for a short spell. Like so many others, he withdrew to his ivory tower in the black period after the Popular Fronts had led to defeats and opened the road to World War Two.

The book is an attempt to put readably between covers the historical development of ideas which led to Marxism and culminated in the arrival of Lenin in Petrograd (at the 'Finland Station' terminus) in April 1917 to make his decisive intervention in history.

There is more to the task than Wilson realized. The book is a mixture of interesting facts with crass but nowadays popular misconceptions about Marxism. The facts come from Wilson's wide reading. The misunderstandings came from more complex origins, from having no deep personal experience of the Marxist movement and of class struggle, and from accepting as good coin much of the base stuff that university hacks trot out against Marxism every successive generation.

Wilson is in fact in the position of using the ideas of Marx and Lenin to explain what happened, and then repudiating the foundations of Marxism. If, as he says, dialectical

materialism is no more than a religious dogma, not only must the whole business have been an accident, but, even worse for Wilson, his whole book is nonsense!

He is an ancestor of our late-lamented 'New Left'. Like Laski and G. D. H. Cole, he wanted to leave out the 'dogmatic' parts of Marxism like dialectical materialism and surplus value, which pronounce the doom of reformism and offer a planned strategy of struggle for power.

Sure enough, a post-face dated 1940 draws the conclusion that the disaster of Stalinism was all the fault of the Bolshevik form of organization and the proletarian dictatorship. Could anything be more banal, or less help to workers in struggle? Anyone who goes this road must conclude that the Soviet Union is not worth defending, that the October Revolution was not worth the trouble, and socialism is impossible.

Wilson shows great human sympathy with the struggles of Marx, Lenin and Trotsky, and could pose as a progressive as long as this went no further than drawing-room discussion. And he can write well. But all that is good in this book you can find better in Mehring's *Karl Marx: His Life and Work*; in the essay on 'Marxism and History' in *Marxism and Modern Thought* (ed. Bukharin, 1935); and in Deutscher's *The Prophet Armed*. The 'analysis you can make up for yourself by a random combination of the words 'dogmatism', 'dictatorship' and 'new thinking'.

J.A.

Bloodbath

The Big Push. By Brian Gardner. Cassell & Co., Ltd., 21s.

On neither side of World War I were generals or politicians prepared for the problems of imperialist war. They doomed to ghastly suffering millions among the lower ranks of all the armies, as well as their civilian fellows in factories and on farms at home.

So much the historians and novelists explained in the 1920s. Mr Gardner has reproduced so much, attractively, with apt irony as well as spine-chilling detail.

But perhaps just because this book comes out in 1961 and not in 1928, it

seems to harp nauseatingly on the corruption of corpses in France and careerists in Whitehall.

For when the workers and soldiers saw no useful purpose in the slaughter, they began to lose confidence in their rulers. The writers of 35 years ago could not forbear to underline the positive reactions of the soldiers and workers, their war-weariness, their search for explanations and solutions, their radicalization and efforts at meeting and fraternization. All this was clearly seen as the forerunner of working-class political progress in the 1920s.

But today far from explaining more consistently the political processes of World War I (which after all did bear fruit in the Russian Revolution, the Weimar Republic, the League of Nations and the first Labour Government), such writers as Mr. Gardner do not yet stand even on the level of the last generation but one.

In the 1920s Lenin's writings on the war were still being read. Trotsky's 'The Bolsheviks and World Peace' was widely sold among Left-wingers, because it explained not merely the corruption but the class-character of the war and the leaders.

For the Gaitskell of 1916 (Arthur Henderson) used the mass agony in a reformist way, to call for a more efficient war, and for more efficient war propaganda. In Berlin the German equivalent of our Fabians, the Right wing of Social Democracy, humbly offered the same advice to the war lords.

But where did 'more efficient methods of defence' lead us in 1939-45? To the Labour-supported coalition which let Bomber Harris undertake the total destruction of German working-class housing, to Hiroshima and Nagasaki. And how much more efficient have the generals and Fabians made us? We now have napalm bombs and Polaris.

The Bolsheviks, on the other hand, saw in war weariness and in class struggle behind the lines, not a sabotage of a national war effort but the practical working out of a solution of the mass agony, recognizing that the main enemy is in our own country and that the imperialist war must be turned into civil war.

What a fine thing it is that people today want to study these experiences! When you return 'The Big Push' to the library, make them get you

Arnold Zweig's great German war novels, 'The Case of Sergeant Grisca' and 'The Crowning of a King'. J.A.

'Jingo' Marxist

H. M. Hyndman and British Socialism. By Chushichi Tsuzuki, edited by Henry Pelling. Oxford University Press, 35s.

Bertrand Russell once wrote, in an essay 'On Catholic and Protestant Sceptics', about the differences to be observed between freethinkers of Catholic and Protestant origin, reflecting the theology they were taught in their youth. 'The difference between Protestant and Catholic is just as marked among freethinkers as it is among believers; indeed, the essential differences are perhaps easier to discover, since they are not hidden behind the ostensible divergences of dogma.' It is interesting to trace the corresponding differences of outlook to be found among those who came into the British socialist movement from Tory and Liberal backgrounds respectively.

The majority of the men who joined one or other socialist group in Britain at the end of the nineteenth and the beginning of the twentieth century, insofar as they were not political virgins, had Liberalism for their previous association; but there were some ex-Tories too, including important individuals like H. H. Champion, Hubert Bland and the subject of Professor Tsuzuki's biography, H. M. Hyndman, who was for so long Britain's 'Mr. Marxism'. Hyndman's Tory heritage showed itself above all in jingoism.

He convinced himself that the dawn of socialism was nearest in Britain, where capitalism was most highly developed, and from this deduced that the cause of British imperialism in conflict with German, from about 1900 onwards, was the cause of Socialism. From opposing agitation in defence of the Boers, on the grounds that, after all, South Africa 'belongs neither to Boer nor to Briton', Hyndman evolved to his position during the First World War, when he promoted witch-hunting of socialists who followed an internationalist line.

This aspect, among others, of the Hyndman story is well set out in Professor Tsuzuki's book (which clearly owes a good deal to Pelling's editing), and it fills a real gap in the literature of British labour history. It is extraordinary that Hyndman should have had to wait so long for a scholarly biography, and significant of the interest in Marxism in Japan that it should be a Japanese who has undertaken it. B.P.

Radical Pioneer

Edith Simcox and George Eliot. By K. A. McKenzie. Oxford University Press, 18s

Edith Simcox was a repressed Victorian spinster who combined altruism and intellectual penetration to an unusual degree. At the age of 28 she fell in love with George Eliot—by no means the only woman to do so—and remained a life-long devotee. Her twisted, sad and in many ways noble life has been reconstructed by Professor McKenzie, largely from her unpublished autobiography.

Politically, Edith Simcox was a radical, tinged with the Positivism prevalent in George Eliot's circle. She fought for the emancipation of women and for the abolition of poverty, particularly in the sweated trades. Indeed, she identified the two causes. She had the insight to attribute both sex inequality and working class poverty to the institutions of class society. 'The first thinkers of the first ages', she wrote in *The Nineteenth Century* (Sept. 1887), 'were taken from the class of gentlemen of leisure, rulers of men, possessed of whatever experience life then could teach; their leisure was secured by the industry of wives and slaves, and any latent aptitude their sisters may have had for religion or philosophy was sacrificed to the necessity for grinding corn or looking after the maids.'

Edith's life was neither secluded nor entirely academic. She organized the tailoresses of Westminster and Pimlico. She ran, for nine years, a shirtmakers' co-operative society. She and Emma Paterson were the first two women to be admitted as delegates to the T U C, at its eighth Congress in

1875. In 1877 she joined with Hermann Jung and Harriet Law, who had served on Marx's General Council, in an attempt to revive the First International. It was largely for her internationalist sympathies and activities that Broadhurst secured her exclusion from the T U C.

Edith Simcox's major work, *Primitive Civilizations, or outlines of the history of ownership in archaic communities*, was at once a work of scholarship and a powerful denunciation of class exploitation. Her analysis of society, however, just stopped short of socialism. She sought the humanization of class relations rather than the abolition of classes. In this, however, she reflected fairly accurately the prevailing view among workers as well as among the radical bourgeoisie. Shy, selfless and incorruptible, she made her contribution. Her memory has been revived in this conscientious, if rather unimaginative, monograph. H.C.

Three-Cornered Fight

The Workshop of the World. By J. D. Chambers. Oxford University Press, 8s. 6d.

We are told by the blurb that this book provides a vivid and authoritative account of Britain's economic life between 1820 and 1880.

The Industrial Revolution, according to Chambers, '... placed new strains on a social and political system which had to reconcile the demand for increased output with the dawning awareness on the part of labour that industrialization held the key to economic advance for all and not only for the privileged few.' As for labour, it bettered its conditions over the years because of benefactors like the Duke of Devonshire whose 'forward-looking vision' planned Barrow-in-Furness or the 'Benthamites' radicalism and evangelical Toryism' which produced the Mines Act of 1842 and Factory Act of 1844.

Although the trade union movement is briefly referred to, its growth is shown as due to benevolent outsiders rather than its own inner strength. Again, the Benthamite radicals are given all the credit for the removal of the legal ban on the unions. There

is no indication that working-class pressure, even though inarticulate, caused the reformers to press for reforms.

The book is useful, however, in showing the incursion into power of the bourgeoisie and the lessening of the influence of the landed classes. It underlines the clash of interests of these classes and discusses at length the Anti-Corn Law movement, on the one hand, of which the new industrialist class were the prime movers, and the repressive legislation enacted with the aim of greater exploitation of labour on the other.

The passing of the Corn Laws had, as Chambers puts it 'signalized the beginning of the struggle between the landed interest and the commercial interest which opened the door to a working alliance between industrialists and working men.' It was not the first time that the workers were to be used by their overlords. But for the opening up of the markets of the world to Britain, the abolition of the Corn Laws was an indispensable step. Conversely, there sometimes emerged from the ranks of the landed aristocrats philanthropists who supported the workers in the demand for better conditions, and this was a testimony to the rivalry of the two classes.

The emergence of the new bourgeoisie was relentless, and its apparatus, banking, credit, joint stock companies, is described with clarity. It is interesting to see that the demand for joint stock companies was made in the name of the working class, who, it was declared, should have the right to a properly safeguarded medium of investment for their savings.

If one is not irritated by the naïveté of ideas and ideals possessed by the author, this book is worth reading if only to throw an interesting light on why Britain was destined to be, at least for six decades, the Workshop of the World.

C.C.

Big Blind Spot

A Short History of the Labour Party. By Henry Pelling. Macmillan, 21s.

Any history of the Labour Party should essentially include an examination of the activities and ideas of its rank and file as well as its leadership. Henry Pelling's 'A Short

History of the Labour Party' is concerned mainly with its leadership.

The first and best section of the book includes the major relevant events of the late nineteenth and early twentieth century, and correctly underlines the Liberal-Radical influences which indelibly marked the Labour Party from its formation and which have still not been eradicated.

Students seeking a Marxist interpretation of Labour history will not find it in this book. To compress over 60 years of Labour history into 134 pages which also include sources of reference, further reading, and some very useful tables on the fluctuations of Labour Party membership, is no mean task. There are, however, many serious omissions—particularly in the section dealing with the post-Second World War period.

It is puzzling, in view of the history of the League of Nations and the advent of the 1939-45 war, that the author can describe Labour's 1917 Memorandum of War Aims, inspired by Henderson, as 'far-sighted recommendations'. References to Henderson's work as Foreign Secretary in the 1929 Government indicate that Mr. Pelling does not appreciate that 'effective international agreements' (my emphasis) could never be reached between capitalist states precisely because such agreements are subject to the vicissitudes of the capitalist economic system.

The book suffers from its lack of political analysis of the recorded events. There is no examination of the disaffiliation of the ILP, its political role or that of the Socialist League inside the Labour Party. If the author understands the historical significance of centrism he does not attempt to explain it. The social-chauvinism of the Labour leaders is ignored.

The reader will gain the impression that the passage of the 1945 Labour Government was much smoother than was really the case. Discontent in the ranks on the housing question, the un-socialist nationalization measures, the fuel crisis, Cripps' austerity programme, foreign policy and the continuation of colonial exploitation, gave rise to the formation of the Socialist Fellowship, of which no mention is made. No mention either of the weekly paper 'Socialist Outlook' which pursued a

Marxist policy and stood alone in its opposition to military intervention in Korea and policy for the victory of the North Koreans.

The failure of Bevan and the Labour centrists to support the road haulage men in their opposition to denationalization, which, if developed could have brought down the Tory Government, is not deemed worthy of attention. Referring to Bevan's famous Brighton (1957) speech the author has seemingly forgotten that this was provoked by the equally famous Norwood resolution, which three years later was endorsed at Scarborough.

The bans, proscriptions and expulsions of the Left since 1945 receive no attention. Labour's youth, the most active, socialist, revolutionary wing of the party and inseparable from its history, does not exist in the pages of Dr. Pelling's book.

Whilst the author may be unaware of the influence of the Socialist Labour League inside the Labour Party, future histories, however short, will be unable honestly to ignore it. As a chronicle of events, for quick reference, the book is a useful buy.

M.S.

Alienated

The Writer's Dilemma. Essays first published in 'The Times Literary Supplement'. Introduction by Stephen Spender. Oxford University Press, 12s. 6d.

'What are the limits beyond his own control that threaten the modern writer?' The Editor of 'The Times Literary Supplement' put the question to ten authors and the book consists of their replies. The question was vague and slovenly, and the answers are little better.

Arnold Toynbee is pompous and pontificating, Lawrence Durrell condescendingly pessimistic, Gerald Heard mystical. William Golding is afraid that 'the supply of teachable material is as limited as the supply of people who can teach.'

Saul Bellow's essay deserves to be taken more seriously. He is impressed by the uniformity, monotony and emptiness of life for millions of Americans who enjoy material comfort. While many of them read with taste and discrimination, they

do not communicate. Culture is consumed by individuals in solitude. It plays little part in a social life built around barbecues, baseball and poker. This is reflected in American writing, where 'disappointment with its human material is built into the contemporary novel.'

At moments Saul Bellow seems almost to approach the Marxist concept of alienation. Marx showed that in capitalist society man is set against man by conflicting class interests. Men are degraded as their labour-power—their vitality and creativity—is turned into a commodity. Work is not a part of life, an expression of community, but something sacrificed from life to secure the means of survival. But for Bellow it is not the structure of society but only the techniques of production and the accompanying growth of population which have 'dwarfed the individual'.

Alan Sillitoe approaches the core of the problem from another angle. Rejecting Marxism he nonetheless sees the reflection of capitalism in the contemporary novel, with its overwhelmingly middle-class preoccupations. 'Working men and women who read', he points out, 'do not have the privilege of seeing themselves honestly and realistically portrayed in novels.'

In an oblique way Richard Wollheim comes closest of all to an accurate assessment. While making no serious attempt to see the situation whole he does recognize one facet. The division of labour, with its fragmentation of industrial operations, has destroyed the link between art and production. In these conditions art becomes 'irrational', 'arbitrary' and esoteric.

The book is about the sickness of bourgeois culture. It expresses the patchiness and superficiality of bourgeois ideas.

H.C.

Consumer Exploited

The Waste Makers. By Vance Packard. Longmans, 21s.

Superabundance of goods might be thought the pleasant state of some future Utopia. In fact, according to

Vance Packard, it is the major problem of contemporary American society. Rapidly rising productivity means that unless an ever-increasing quantity of goods is consumed, production will be reduced and many workers unemployed. But people's most urgent needs are already fulfilled. So new wants and desires have to be created to persuade them to consume. A major part of the book is devoted to the techniques used in doing this.

The consumer is induced to buy more of an article and to throw it away sooner. A minor and extreme, but illuminating example, is the potato peeler deliberately coloured like the peelings so that it will be thrown away with them by mistake. Some goods are planned to wear out after a short period, and others restyled annually so that older goods are discounted as unfashionable. Better-quality products are priced lower than poor quality ones and some are never sold at their 'regular' price. In the resulting state of chaos the bewildered consumer buys more than if he were allowed a rational choice. Credit is made easier and prejudice against it overcome, self-indulgence and buying on impulse encouraged.

This all leads to America's resources being used up at a tremendous rate. It means that advertising pursues the American citizen everywhere. Emphasis on consumption makes him self-centred and materialistic.

The weakness of the whole book is seen in Packard's solution to the problems. He suggests that the individual consumer can combat the sales technique by insisting on being treated on a rational basis, by sending criticisms to manufacturers, buying products that concentrate on function, and by other such measures. He thinks that consumer-testing organizations can play a large part. His main idea, however, is that the priorities of American society are wrong. More economic energies should be spent on improving metropolitan areas, education, old age, rainmaking and helping friendly nations, and less on producing consumer goods. The emphasis on continually improving technology must be altered and people

shown that happiness does not depend on material goods. He sees signs of this attitude appearing in America.

But Packard has really got the whole problem out of proportion. Although overabundance of goods is a problem to some people in America, to the majority of the world's population there are still far too few goods. A few people with too much and the vast majority with too little is part of the irrationality of the capitalist mode of production. The only solution to both problems is a planned economy based on the common ownership of the means of production. Consumer goods rather than a better environment are produced under capitalism, not just because a few people have not, as yet, the right values, but because the most profitable goods are produced. This, not improved technology, is the cause of the problem. With a planned economy the world's resources could be used rationally, and not wasted as they are now.

The solution needed, therefore, is a political one and not just individual protests and changes in values. The book shows strikingly, though, that as Marx said, under capitalism goods control man rather than man the goods. It also quashes the myth that production depends on the consumers' demands by showing that these demands are, in fact, created by the producers. How much they can persuade the consumer to spend must, however, depend on their consumers' incomes, a problem Packard doesn't discuss.

The idea that technology may be improving too fast is a dangerous one. It is only by a vast increase in productivity that man can be released from drudgery and have time to develop himself as an individual. But technology must be used rationally. With the abolition of capitalism, and sufficient goods for everyone, ideas of individual competition and constant striving for unimportant consumer goods, will also vanish. But without a high material standard of living, madrigal singing and high ideals are not a sufficient foundation for human happiness

D. A.

under varied conditions mainly dependent upon whether the country concerned had been on the winning side or not, the extent of wartime destruction, preferred policies and so on. The overall picture of world capitalism was dominated by its continued decline relative to the non-capitalist states with the breaking away of Eastern Europe and the Chinese Revolution of 1949 and by the spreading national revolutions in the colonies. Equally, the disproportionate development of American capitalism had produced an even more glaring imbalance than that which appeared between the wars, reflected notably in the dollar problem. In face of the former threat, the United States had to shoulder the 'burden' of restoring world capitalism with loans and aid of various kinds, merging into the military aid programmes and Point Four-type aid with the subsequent development of the Cold War. These factors, together with the even more disrupted state of the capitalist world economy after 1945 as compared with the twenties, had the paradoxical result of contributing to a much more rapid recovery of world trade in the later period. Thus, although post-war capitalism emerged on a geographically narrower basis, and in a globally more precarious position—since it had to face the challenge from the Sino-Soviet states—within its own sphere it was more closely knit, its different sectors were more harmoniously related than before 1939. Trade barriers though still high were more rational and attempts were made to reduce them. Though currency convertibility and flexible exchange rates remained the dreams of theorists, the establishment of the International Monetary Fund contributed to placing the monetary system on a sounder basis than before 1939. The fundamental disequilibrium of the immediate post-war years—which appeared as the 'dollar problem'—did not prevent development and, more recently, has changed its aspect.

It is not necessary to decide whether the restoration of the international market was cause or result of the general expansion of the post-war period; the two were inseparably related. The renewed growth of world trade and a more effective international division of labour—shown by the increased volume of trade between the advanced countries themselves—have facilitated expansion within the participating countries. Behind such organizations as the European Common Market has been a clear grasp of the fact that modern productive powers cannot be developed within the confines of national states.⁸

⁸ 'The twentieth century, with its technical potential, has developed a dynamic which was bound, sooner or later, to burst the constricting historic framework of European national economies. In the age of rationalized mass production only investments in large economic areas can result in the optimum use of resources and the highest possible level of production. Besides this, the

Within larger market areas the possibilities of expansion are, given the necessary conditions, greater than within national states or the kind of international disintegration which prevailed between the wars in the capitalist economy. World capitalism is still divided into national states and rivalries between them continue to be prominent. The significant fact is that the world market is a more unified whole than before the war and that development within the national states can go further than would otherwise be possible.

What, then, are the 'necessary conditions' which have at once given some semblance of harmony to international relations between the capitalist economies and been permitted to work themselves out more fully because of this? The question can be posed in another way: why has there been no general crisis of overproduction in the capitalist countries? True, the cyclical pattern has been renewed, most markedly in the U.S.A., but, especially since the recession of 1957, throughout the capitalist world. But there has been no deep and prolonged depression, industrial production and world trade have continued to increase and the long-term trend over this period can correctly be spoken of as one of expansion or prosperity. There is nothing in Marx to say that such a process of expansion is impossible; it does not, therefore, disprove Marxism. In fact, providing that continually greater amounts of surplus value can be realized in a process of extended reproduction the system can expand. How this has been happening can be demonstrated, at least in outline.

EXPANSION AFTER 1945

The reasons for the boom of the early post-war years are not far to seek. The long period of relative stagnation of the thirties, followed by the wartime running down of much basic equipment, opened up favourable conditions for increased investment. The needs of reconstruction and reconversion, the backlog of civilian demand and the cash balances in the hands of business provided further investment opportunities and means to finance expansion. In a sense the war had accelerated, and done more fully, what the depression had begun; the way had been prepared for a new long-term

West can only meet the attack on our social structure from the East by the concentration and optimum utilization of productive forces.' Dr. Wilhelm Beutler, Executive Member of the Federation of German Industry, 'The Financial Times', West German supplement, 28/3/60. However, the capitalist ruling classes are by no means able to harmonize their economic policies or check the competitive forces bound up with the national states even under pressure from Washington, as well as Moscow. Economic imperatives are stronger than formulas.

up-turn, not merely a post-war boom of a few years duration. However, a succession of new and unexpected factors came along to make this possibility a reality.

A notable feature of the new period was technological innovation. The post-war investment took place on a new technical base and on a higher level than before. War had stimulated technical advance; some wartime discoveries could be put to peace-time use; techniques which had previously been bottled up could be developed. New investment, embodying new techniques, was qualitatively different from old plant; new products entered the general run of consumption, often spreading from the USA to Europe and other countries and providing continuing bases for new industrial investment.

This technological factor did not act alone, but it was clearly a vital component of the whole upsurge. How much drive it could impart to the system without the powerful stimulus of re-armament is an unknown. In any event, the new expansion of world capitalism took place against a background of unprecedented outlays on armaments from the time of the Korean War. In the early fifties the rising level of arms expenditure within capitalism as a world system was undoubtedly the major factor making for expansion, and even for the elimination of some of the disproportions which earlier threatened to limit the expansibility of the system. By offering an ideal means for the realization of surplus value, arms-contracts kept up the profit rate in the whole economy and offered the non-arms industries markets which they might not otherwise have had. However, taking off from the level reached in the arms boom, the expansion continued mainly in response to market forces. That is, there was an ordinary capitalist expansion, surplus value being realized in the increased build up of the producer goods industries and the growing civilian market. Note that this was an international process, but the actual rates of growth achieved by the individual capitalist countries varied a good deal according to a host of specific conditions into which it is not possible to go. The more autonomous character of the expansion in the latter part of the fifties meant that it was also more susceptible to fluctuations, as the US recessions of 1957-58 and 1960-61 showed. Outside the USA, however, these recessions remained comparatively mild in their effects, largely because in the other capitalist countries opportunities for the extraction and realization of surplus value exist to a greater extent (this attracts American investment into those countries and actually helps to keep up the rate of profit there).

If we consider world capitalism as a whole—and as has been seen it is now more closely integrated as a world system than before—it has been in a phase

of expansion, supported successively or together by a number of factors enabling the realization of surplus value to be successfully carried through. It is important to emphasize the international aspects. For example, not all capitalist countries have had heavy arms programmes, but these programmes have nonetheless contributed to the (favourable) economic environment through its effects on world market demand and primary producers and, e.g., Western Germany in the fifties benefited from these. The high level of activity in the advanced countries has also been related to development in the less developed countries through the demand for primary products and the new forms of investment being undertaken in the latter. The export of capital from the advanced countries, whether as private investment or development 'aid' (to strengthen capitalism as a world system and counter Soviet influence in these areas), has continued to offer possibilities for the realization of surplus value by capitalist enterprises. Moreover, the role of the less developed countries as fields for exploitation by capitalist enterprises from the advanced countries continues, despite 'decolonization', i.e., the political adaptation to rising national feeling in the colonies.

CRISIS AND PROSPERITY

Those for whom the depression of the 1930s was a consequence of underconsumption are prone to see the post-war expansion of capitalism as wholly or partly a direct consequence of rising consumption levels. This, in brief, is the position of the followers of Keynes. Orthodox Soviet political economy, as well as Communist Party economists in other countries, continue to maintain that there has been continued 'pauperization' of the working people in the capitalist world since the war. On the one hand the contradiction between production and

⁹ The works in question are **Contemporary Capitalism** and **The End of Empire**. The quotations are from the latter work, which merits a fuller discussion than can be attempted here.

Many of Strachey's arguments are, perhaps unwittingly, a plagiarism of those used by the revisionists earlier in the century. Thus, the central idea of a peaceful, non-imperialist capitalism had been put forward by Kautsky. In refuting this idea Bukharin sketches out the formal answer—and thus the basis for an answer to Strachey—in the following passage: 'It is known that capitalism implies the acquisition of surplus value by the capitalists; all the new value n is divided into two parts $n = v + s$;^{*} this distribution, looked upon from its quantitative side, depends upon the interrelation of social forces (the antagonism of interests was early formulated by Ricardo—to be abandoned by Strachey, T.K.). With the growth of resistance on the part of the working class it is perfectly thinkable that v will increase at the expense of s and

consumption is held to have disappeared, or to have been brought under control, for the others it has become more acute than ever. Let us examine some representative arguments on both sides.

Prominent among those who have taken the former point of view is the erstwhile Marxist, John Strachey. Assuming (by a careful selection of quotations) that the theory of 'immiseration', as he calls it, is central to Marx's political economy, he claims that this has been disproved by actual developments. Indeed he goes further: in a recent book he sees in the rising standard of living of wage earners and farmers in the capitalist countries, made possible by 'an all-pervasive democratic political environment', a reason making imperialist expansion no longer necessary. Instead of imperialist expansion being necessary for capitalist reproduction, this has now been possible through 'a redistribution of the national income making possible much increased home investment at a lower rate of return.' Hobson's alternative to imperialism — rising domestic consumption — which Lenin stated was impossible of achievement under capitalism, has now become, according to Strachey, a reality. In fact Strachey not only does not provide factual backing for his assertions, he does not try to demonstrate seriously that the reproduction problem of capitalism has been solved in the way he suggests. He does not enquire at all closely into the reasons for the increased home investment in countries like

that n will be distributed in a proportion more favourable for the workers. Since, however, the gradual increase of the proletariat's share is determined by the interrelationship of forces, and since there is no limit set for the increase, the working class, having reduced the share of the capitalist to the size of mere salaries, peacefully "drains" capitalism in turning the capitalists into mere employees or—at worst—into pensioners of the collective social body. This idyllic picture is obviously a reformist Utopia.† And such, no less, is the false picture of contemporary capitalism given by Strachey, Crosland and others. The possibilities for the growth of v —provided not by all-pervading democratic forces but by the conditions of class struggle and the relationship of forces—are strictly limited within the framework of capitalism. Thus, though Marx saw the most favourable situation for wage increases as one in which capital is growing rapidly (see *Wage-Labour and Capital*) he stressed that 'the rise in wages . . . is confined within limits that not only leave intact the foundations of the capitalist system, but also secure its reproduction on a progressive scale' (*Capital*, vol. 1, p. 634). And Marx goes on to state that 'the very nature of accumulation excludes every diminution in the degree of exploitation of labour, and every rise in the price of labour which could seriously imperil the continual reproduction, on an ever enlarging scale, of the capitalist relation' (*ibid*).

*i.e., v = variable capital, or wages. s = surplus value.

†Bukharin: *Imperialism and World Economy*, p. 134—first published in 1917 with an introduction by Lenin, whose own *Imperialism* it supplements on a number of points.

Britain in recent years; he omits to bring into the same discussion the role of armaments; he omits, too, the fact that foreign investment has resumed an important role in the major capitalist countries despite the relaxation of political control over colonies.

Strachey's argument has the cunning and deceit of a debater who wishes to score points; it has nothing in common with scientific method.

For example, having assumed that capitalism has an alternative to the export of capital in one period (post-1945) he is quite ready to use arguments which imply that it might have had such an alternative at a previous time. Thus he says, that British workers would have been much better off if more capital had been invested at home and less abroad before 1919, but this means that he has assumed there were profitable outlets for capital at home, indeed that the same amount of capital would have been available for investment if there had been no foreign investment going on. His view that British workers made no gains out of imperialism before 1914 has also not been established by argument.

The really essential point of Strachey's argument is the assumption that the realization problem of capitalism can be solved through a raising of living standards and the acceptance of a lower rate of profit. As he does not use Marxist categories to reach such a conclusion there is in one sense no common ground for argument. As he thinks along Keynesian lines of a deficiency of demand and the appropriate State measures to prevent its appearance, his whole view of capitalism is in fact entirely different from that presented here. However, he is largely right about the raising of living standards, and also that in the latest period the capitalist countries have had less, but not no, need for external outlets in which to realize surplus value. The outlets which have been conserved are no less indispensable and provide support for the whole expansion which has made possible such increase in living standards as has taken place. Actually the problem of capitalism has not been solved by raising of living standards, which in itself does not contradict Marx. One has only to consider why, when the expansion has flagged, it has been not less, but more, difficult to increase living standards by winning wage increases. The much-vaunted redistribution of income in favour of wage earners is slight or non-existent. Proof of a lower profit rate in contemporary capitalism is not offered. When extended reproduction takes place the real wage rises, as Marx expected that it would. Wage earners have reacted to the tendency of capitalism to lower their wages by trade union action, as Marx expected they would. But precisely the same limits to further improvements exist as Marx had theoretically shown.

As for Strachey's discussion of Lenin's *Imperialism* it can be admitted that there are weaknesses in Lenin's exposition without surrendering the central point. It is true that the standard of living of the masses in the advanced countries is higher than in Lenin's day; but surplus capital was not used deliberately to bring about this improvement. One would have to ask about the 'surplus capital' which has been absorbed in arms production and enquire whether the continued export of capital is not a result of the failure of this capital to find profitable outlets at home. No capitalist class has yet been found able and willing to devote surplus capital, at a philanthropic rate of profit, purely to the raising of living standards. States, it is true, are now obliged to do this in order to preserve the system itself, though not without complaint and criticism from those members of the capitalist class who take a narrow and short-term view of their interests. Moreover, such state action is more likely to sustain than to lower the profit rate in the system as a whole.

In contrast with Strachey's views we may examine those of a Soviet economist whose work, entitled *The General Crisis of Capitalism*, was published in French translation in 1960.¹⁰ This economist, Dragulev, devotes a chapter to the aggravation of the contradictions of capitalism in the present phase. In the section of this chapter devoted to peculiarities of capitalist reproduction in the present period, while making some valid points he is unable to square these peculiarities with the other supposed attributes of capitalist crisis in a satisfactory way. Thus, though admitting that capitalism has been able to embark upon a renewed process of extended reproduction and that there has been no general crisis of overproduction, he insists repeatedly that this has been accompanied by increased exploitation of the working class and by the lowering of its standard of living. According to him both 'militarization', i.e., the arms economy, and the renewal of fixed capital—the two main components of the expansion—have been made possible by an intense pauperization of the workers. He leaves no doubt that he means by 'pauperization' a lowering of consumption standards and a deterioration in the quality of the commodities consumed—both being below the pre-war standard on his showing. At the same time, he states, the working class has received a smaller proportion of the total social product. Far from rising consumption having made possible the realization of capitalist surplus, as Strachey asserts, extended reproduction has been accompanied, according to Dragulev, by an actual reduction in the absolute consumption of the working class. Here we have, in fact, diametrically opposed positions, both of which are distortions

based on bias and special pleading.

We will not attempt here to provide factual verification for the main points at issue. It will, in fact, be taken that as regards working-class living standards Strachey is nearer the truth than Dragulev. However, the defect of the latter arises from the fact that he dare not admit that the other phenomena which he describes are not only perfectly compatible with a rising working-class standard of living but, under modern conditions, are inseparable from it. Indeed we find in his pages a kind of dialogue which his scientific self carries on with the necessities of dogma. Side-by-side with statements about the 'intense pauperization of the workers' go others which show a recognition that this has not been entirely borne out by facts. Thus he says, 'if in one or another capitalist country, in one period or another a certain increase in the real wage is observed (so there have been such cases!—T.K.), that does not signify that the pauperization of the working class has ceased. The tactics of the capitalists consist of acting in such a way that if they are obliged to give way in certain circumstances, they re-enforce exploitation elsewhere.'¹¹ The treatment of unemployment is equally disingenuous. There is no attempt to compare the post-war with the pre-war situation of the working class as a whole in this respect.

If Strachey is plainly wrong in assuming that a large part of post-war capitalist expansion can be explained by rising consumption, this has undoubtedly been an accompaniment of extended reproduction to an extent which Dragulev fails to recognize. In fact on the latter's showing the increased volume of surplus value resulting from extended reproduction and increased production has been realized entirely in militarization and new means of production. It would be extremely difficult for this to take place without an increase in the amount of variable capital, and therefore in money available for spending by the working class, even allowing for depreciation of the money unit. It would involve the smashing of trade unions and the virtual elimination of wage

¹¹ op. cit., p. 294. He goes on to say, 'even when the real wage goes up, it remains below the value of the labour-power and is not enough for the normal reproduction of labour power!' (p. 295). On the following page he states 'Far from increasing, the consumption of the workers has, on the contrary, diminished.' He gives figures to 'prove' it for the period 1938 to 1953 for Germany, Holland, Denmark and Britain! According to Dragulev the calorific intake of the American worker is less than in the Depression, and margarine has taken the place of butter. In the capitalist countries, he insists (p. 297), 'even the averages leave no doubt about the fact that the consumption of the worker in the capitalist countries has noticeably diminished by comparison with the pre-war level'. American workers, no longer able to afford clothes of wool or silk, have taken to wearing overalls and sports suits (same page).

¹⁰ Dragulev, M., *La Crise Générale du Capitalisme*, Moscow, 1960.

incentives. Even German fascism did not bring about such a reduction in real wages in the period 1933 to 1939. Although surplus value in the system as a whole cannot be realized through the consumption of wage earners being raised, there is no doubt that in the course of extended reproduction industries producing means of consumption (Dept. II) are enabled to expand because of the increase in wages being paid out as a consequence of the (more rapid) expansion of Dept. I. Likewise, 'militarization' raises the same problem and plunges Draguilev into the same dilemma. At one point he concludes that militarization 'brings about a diminution of the volume of production' and 'provokes on an enlarged scale the pauperization of the working population.' At the same time he sees that 'militarization brings about a certain increase in the production of means of production. As that leads to the employment of additional workers, a certain increase in the demand for consumption goods is observed.' But, he says, that is temporary (how long?) and pauperization soon re-asserts itself.

Part of the problem for Draguilev lies in a fundamental misunderstanding of capitalism. According to him extended reproduction can only take place where there is 'in value and in kind' 'a permanent reconstitution of the means of production used up plus a certain increase in these means.' He argues that since 'militarization' involves the using up of part of the social product by their withdrawal from the process of circulation, this 'denatures' the process of extended reproduction. That is true as far as it goes, but it does not prevent the process from going on; indeed it may favour it. While for a socialist economy arms production is a complete loss, under capitalism, with its chronic realization problem, this outlet for the surplus can be a boon. Draguilev quotes Marx as saying that 'war in the economic sense is as though the nation threw in the sea a part of its capital.' Precisely; so much embarrassing capital is cleared away thus enabling the production of more to go on. It is true, as Draguilev points out, that this—like other government spending not entirely covered by taxation—multiplies the quantity of fictitious capital in the form of titles to debt. The staving off of crisis is bought at a price which stores up future problems, which contains the risk of runaway inflation or exchange depreciation. However, it is clearly possible to underestimate the length of time over which such problems can be bottled up, and this Draguilev seems to have done. The outcome is a distorted picture of the 'general crisis of capitalism'. The system is made to appear nearer to imminent breakdown than it is in reality and a false picture is given of the process of extended repro-

duction and especially of its effects on the working class. The course of this crisis is more involved than Draguilev allows for. Its symptoms are no longer the straightforward ones of mass unemployment and impoverishment as in the 1930s. The absence of these symptoms has misled Strachey into thinking that it no longer exists; Draguilev has simply projected into the fifties the conditions of the thirties and exaggerated or distorted even those facts which do run in his direction.

SEEDS OF NEW CRISIS

In the post-war upswing the crisis of capitalism takes on new forms. The obvious manifestations of overproduction disappear from view. Unemployment falls and indeed in some countries long periods of relative labour-scarcity occur. State spending, especially on armaments, but partly on other projects, acts as an artificial stimulant to the economy, which, nevertheless, remains geared to the market. The widening state sphere, the prevailing 'prosperity' and low levels of unemployment maintained over a relatively long period lead to various deductions being made about changes in the nature of capitalism, or even of its transformation into something else. If, for the period since 1945, capitalism has been able to find a renewed vigour, why should it not be able to go on more or less indefinitely upon its present track, at the most with gradual reforms and steered by the State to avoid a repetition of the depression of the dimensions of the 1930s?

It is pertinent, but by no means a complete answer, to point to the actual experience of the American economy since 1957. There we can discern the symptoms of crisis, but not, as yet, the crisis manifest and irrevocable. In diagnosing a deep-seated complaint which as yet has not reached the killer stage it is necessary to study the symptoms, however small they may as yet be, and to make hypotheses on the basis of the life history of the sufferer. The appearance of health may itself be deceptive.

A closer look at the main features of the expansion will show that there is no inherent reason why they should continue indefinitely in a way favourable to the solution of the realization problem of capitalist economy; rather the contrary, since they tend to work themselves out and to offer scope for the operation of other laws of capitalism which make for crisis. Since these factors operate in a close and mutually reinforcing combination, to separate out one at a time is clearly an abstract, if necessary, procedure.

Let us take, first of all, the technological question. The development of new products and processes, the renovation of equipment at a higher technical level, in short the further development of the productive

¹² op. cit., p. 296, quoting the Marx-Engels Archives.

forces, have been major sustaining forces in post-war capitalism. This key role of technique has, of course, been clearly recognized inside industry, as well as among specialists outside. Given the favourable market conditions, continuous research with a view to innovation has been a condition for the grasping of investment opportunities; indeed research and innovation have, in a sense, become more fully industrialized and themselves direct fields for investment. However, the result of such activity, especially in the field covered by the term 'automation', has been overall to substitute constant for variable capital. As long as the mass of capital has been growing and the whole proportionate expansion of the capitalist system has permitted, this has not brought about either a fall in the demand for labour or a fall in the rate of profit. Over a great part of the capitalist world such conditions still persist: technical change has been absorbed without the appearance of unemployment and even with partial labour scarcities. However, the same amount of labour puts into operation a larger mass of constant capital than in the past, production has increased considerably more than employment. But these countries are in the favourable position of still having an expanding market, at home, for each other's production, and elsewhere in the world market. Where these conditions have not been fulfilled, e.g., in the motor car industry in the latter part of 1960, serious problems of redundancy have emerged. In the United States, however, the number of production workers has actually been falling and the problem of technological unemployment has once again become chronic. At the same time industrial production as a whole tends towards stagnation despite the continued high level of armament production. The shot in the arm from the technological revolution seems to have worked itself out; revivals are shorter and more difficult to get going, recessions become more frequent and leave a higher unemployment percentage in the next revival. However, it should be remembered that this takes place in the richest and most productive economy in the world in which the momentum of the expansion is far from having been spent.

The expansion has been bound up with a high and rising volume of trade in the capitalist world market. Even comparatively slight checks to this expansion now produce wide-reaching tremors in the main trading countries and especially in the primary producing countries. Continuous expansion is really a fundamental condition for balanced economic growth in the individual countries and the only guarantee against a reversion to those monetary and tariff policies which dislocated the world market in the inter-war years. At the same time the growth of the world market depends upon continued growth within

the component countries; the two are bound together and neither can be counted upon. Slackening in the home market leads capitalist enterprises to redoubled efforts abroad, often backed by direct or indirect government aid, to press into the foreign markets. Likewise a falling off in exports, even a failure of exports to expand in line with anticipations upon which preceding investment has been based, can react calamitously upon the internal situation. The international economic relations of the trading countries are rendered even more delicate by capital movements, speculation and the desire to defend exchange rates. For one thing, as the recent experience of the United States shows, the external situation—in this case the pressure on the dollar—can greatly restrict the possibility of taking action against incipient depression at home. Similar dilemmas have faced, and will continue to face, other major countries. Both an intensive struggle for a contracting, or only slowly increasing, volume of world trade, and a crisis of international liquidity are inherent in the present position. The results of either would precipitate internal crises of a serious nature.

Let us return to that major segment of world capitalism, the United States economy, with which the ultimate fate of the system is inseparably bound up. While capable of high absolute levels of production and of productivity—is not this the 'affluent society'?—its recent state can hardly be described as healthy. For example, for some years now it has not had a 'full employment' economy and its rate of growth compares most unfavourably with most other capitalist countries, not to speak of those in the Sino-Soviet bloc. As the stronghold of world capitalism it had, in the immediate post-war years, to shoulder the task of restoring the war-shattered economies of the capitalist world and shoring up regimes threatened by the spreading tide of revolution. This task, accompanied by a high level of arms spending, onerous as it may have appeared, constituted, in reality a rare and necessary opportunity for the realization of surplus value and the maintenance of the rate of profit which, in turn, opened the way for others. Post-war prosperity, as in the twenties, produced illusions of indefinite expansion as well as a real increase in material standards for the main sections of American labour. The kind of technological progress discussed above went on apace and many encomiums to its virtues and potentialities are to be found in the writings of American economists. From the latter half of the fifties, however, it has become apparent that the American economy is in the grip of a deep malaise. The reserve army of labour has become a permanent reality. Technical change does not advance sufficiently to relieve pressure on the profit rate. Investment opportunities at home are contracting, while a steadily increasing volume of

capital seeks profits abroad.

The economic counsellors of American capitalism no longer speak with the optimistic tones of a decade ago. If they have not lost faith in the system—which, after all, still yields a massive output of goods and a high standard of living for the majority—though they do not employ the language of Marxism it is clear that they increasingly have to admit the existence of a chronic 'realization problem'. Their hopes for the future are based less upon the essential dynamism of the system than upon secondary aids. For example, a favourite hope is that (middle-class) consumers will spend more of their income and save less. The irrationality of the conspicuous waste economy had become an irrevocable necessity if surplus value is to be realised and accumulation to proceed. Another is that there will be continuous increase in public expenditures; but such expenditures spell debt and there is a reluctance, especially at the local level, to play the deficit finance game to the point of insolvency. The change in the world position of the dollar, but also these internal economic difficulties, lead to more emphasis being placed on exports—where the competition of the other capitalist countries has to be encountered. No one expects that the large increases recorded in 1960 will be maintained, so yet another possible avenue for the realization of surplus value is bound to be narrowed.

The relative stagnation of the United States economy means that the full potentialities of the increase in productive forces made possible by the techniques of the twentieth century cannot be realized owing to the nature of capitalist relations. The President's Council of Economic Advisers in a Report made to Congress in March, 1961 reported a widening gap between actual and potential output equal to \$500 of lost production for each American household, or twice the amount spent on education. The waste of resources under capitalist conditions is considerably less than the increase which could be obtained by planning under socialist relations of production. But the President's advisers naturally do not advise socialism: in fact they advise precious

little when it comes to ways and means of overcoming the chronic under-capacity working of the American economy. When all the schemes for cheaper credit, tax cuts, stimulus to business investment, support to consumer incomes, higher unemployment relief, etc., are added up they only amount to palliatives—and even these palliatives have not yet been brought into action despite all Kennedy's big talk.

American capitalism remains rich and powerful, it continues to grow, if at a rate which disappoints its friends, its vast working class is not politically conscious or organized. At the same time, despite its high level of arms spending, it is increasingly difficult for new outlets to be found for the capitalization of surplus value upon which the health and buoyancy of the system depends. It suffers, in fact, from the classic contradictions of capitalist economy.

The permanent challenge from the Sino-Soviet bloc and the threat of an unmanageable extension of the colonial revolution mean that world capitalism, despite its present 'prosperity', faces a highly uncertain future. Capitalist development itself now takes place under conditions where it is confronted by a rival system which imposes a cracking pace, probes inevitably into its weak points on the globe and necessitates the continuance of inordinately high arms expenditures. It is true that for the present this world division has had the paradoxical effect of contributing to the expansion—US aid to Europe and other areas, military outlays and aid to underdeveloped countries—and to changes in capitalism itself in the direction of greater state intervention and control. This alters the conditions under which the crisis of capitalism ripens, but, in the hydrogen bomb age it also sharpens the dangers of this crisis. The geographical extent of capitalism on the globe is now narrowly circumscribed. There can hardly be any question of extending the market area; but it will also be increasingly difficult to accept any further reduction in the area open to world capitalism without intervention bringing the risk of limited or even general war. It is this danger which makes the socialist task especially urgent today.

China's Communes

George Kane

FOR all the spoken and written comment on the Chinese Communes, few politically informed people can answer the simple question: What is a 'People's Commune'? The woolly fantasies of the capitalist press are only to be expected. Official Peking sources give us no clearer a picture of the lives of 500 million people despite the glossiness of the pictorials. The present ideological dispute between Moscow and Peking makes it all the more important that socialists be clear on the significance of the 'People's Communes' and the Chinese Communist Party's agrarian policy. What is the attitude of Marxists to the communes; what are the general principles of Socialist agrarian policy?

TWO TRADITIONS

Engels wrote towards the end of the nineteenth century: '... the peasant question has now suddenly been placed on the order of the day.'¹ This was because 'the peasant is a very essential factor of the population, production and political power.' If that was true for France and Germany 70 years ago it is certainly true for Asia and Africa today where 70 per cent and 74 per cent respectively of the population is engaged in agriculture.²

The predominant features of the peasantry (using the term in a very general sense) are deep-rooted associations with individual property in land, limited political and social horizons, and consequent difficulty in achieving lasting class consciousness. The objectives of the Socialist revolution seem to be totally incompatible with the immediate interests of the peasantry, even of the poor and landless sections. Communism is the abolition of private property.

Engels makes the point that 'no lasting revolutionary transformation is possible in France against the will of the small peasant.' Surely 'no lasting revolutionary transformation' is possible in any

country predominantly populated by peasants if the regime rides roughshod over the interests of the small peasants? Must the revolutionary power give guarantees which it will not and cannot keep? Must the workers' parties **forcibly** impose **their** will upon the peasant masses and risk an explosion? The platform presented by Engels in his article for the European Social Democratic Parties is highly relevant for a socialist approach to modern agrarian problems. His pamphlet should be read by all socialists; meanwhile a few lengthy quotations are in order for our immediate purposes. Engels says:

'... we foresee the inevitable doom of the small peasant but that it is not our mission to hasten it by any interference on our part. . . . When we are in possession of state power we shall not even think of forcibly expropriating the small peasants (regardless of whether with or without compensation), as we shall have to do in the case of the big landowners. Our task relative to the small peasant consists in the first place in effecting a transition of his private enterprise and private possessions to co-operative ones, **not forcibly but, by dint of example**, and the proffer of social assistance for this purpose. And then of course we shall have ample means of showing to the small peasant prospective advantages that must be obvious to him even today.'³ (my emphasis, G.K.) 'The main point is and will be to make the peasants understand that we can save, preserve their houses and fields for them only by transforming them into co-operative property operated co-operatively. It is precisely the individual farming conditioned by individual ownership that drives the peasants to their doom. If they insist on individual operation they will inevitably be driven from house and home and their antiquated mode of production superseded by capitalist large-scale production.'⁴

'Neither now or at any time in the future can we promise the small-holding peasants to preserve their individual property and individual enterprise against the overwhelming power of CAPITALIST PRODUCTION. We can only promise them that we shall not interfere in their property relations by force, against their will: . . . We of course are decidedly on the side of the small peasant; we shall do everything at all permissible to make his lot more bearable, to facilitate his transition to the co-operative should he decide to do so, and even make it possible for him to remain on his small holding for a protracted length of time to think the matter over, should he still be unable to bring himself TO THIS DECISION.'⁵ (my emphasis, G.K.)

¹ Engels, F. *The Peasant Question in France and Germany*, Foreign Languages Publishing House, p. 5.

² Hugh Seton-Watson, *Neither War nor Peace*, Methuen & Co., 1960. He quotes the proportion on a world scale as 1,285 million out of 2,177 million engaged in agriculture (from a report of the UN Department of Economic Affairs, New York, 1951).

³ Engels, F. op. cit. p. 28. ⁴ Engels, F. op. cit. p. 30.

⁵ Engels, F. op. cit. pp. 31-2.

The peasant economy is 'doomed' under 'the overwhelming power of capitalist production.' The socialist revolution will not seek to 'hasten' this process 'by force against the will' of the peasant but will try 'by dint of example and the proffer of assistance' to persuade the peasant of the benefits of co-operation, making concessions to those not convinced. Thus Engels underlines the general principles of marxism towards this surviving mode of production. 'Voluntary co-operation' is as much a part of socialist production relations as is co-operative large-scale farming.

It would of course be a mistake for us to mechanically regard China as if it was a European-style medieval feudalism emerging into the capitalist world in the nineteenth and twentieth centuries. To use the words 'feudal' and 'semi-feudal' carelessly is as incorrect as to elevate China's historical peculiarities to the level of an absolute exception in historical development.

In analysing China's development it must be constantly borne in mind that the major conflict in China was not that of 'feudal' or 'semi-feudal' forces against 'democracy' and a 'national capitalist development' but between imperialism and the socialist revolution. The only 'national capitalist' development possible in China was that experienced from the abortive 1911 revolution to the fall of Chiang Kai-shek in 1949. But the problem remains for the Chinese Republic—having 'leapt' over a capitalist course of development how can the property relations and productive forces be brought into line with the political relations without endangering the basis of the revolution? The 'leap' to the socialist revolution does not mean that what is done is automatically socialist in character; it means that the historical tasks of capitalism (industrialization, distribution, etc.) have to be carried out by the régime of the workers and peasants.

The history of the political relations of the village in the epoch of socialist revolution shows that the peasantry either marches with the reaction or under the banner of the proletariat. A victory for the reaction means a strangling of the revolution and the perpetuation of the very conditions driving the poor and middle peasants to their doom (e.g. China after the victory of Chiang Kai-shek in 1927). The alliance of the workers and peasants was a major theoretical preoccupation of Russian Marxists up to 1917. The revolution itself settled the discussion heavily on the side of the theory of the permanent revolution advanced by Trotsky and confirmed the correctness of the formulation of these relations between the two classes as expressed in the slogan, the dictatorship of the proletariat supported by the peasantry. When the revolutionary wave receded in Europe

following the German defeat of 1918-23, Trotsky and the Left Opposition advanced a programme of industrialization of Russia and the beginning of co-operation in agriculture. At the end of the decades, with the heavy defeat in China and the great internal difficulties flowing from the bureaucracy's course towards the rich peasants, Stalin rushed through collectivization, ramming down the throats of the peasantry the 'benefits' of 'large scale farming'. Trotsky opposed these methods on the grounds that, far from cementing the alliance of the workers and the peasants, they only assisted the counter-revolution and led to either violent resistance or silent sabotage.

Trotsky based his earlier demand for industrialization combined with collectivization upon the need to strengthen the base of the workers' state. He opposed the direct attack of Stalin upon the peasantry in 1929 because this weakened and endangered the isolated Soviet Union, consolidating the bureaucracy's break from the international strategy of Bolshevism. He wrote in 1930:

'The collectivization of peasant holdings is, it is understood, the most necessary and fundamental part of the socialist transformation of society. The volume and tempo of collectivization, however, are **not determined by the government's will** (my emphasis, G.K.) but, in the final analysis, by the economic factors: by the height of the country's economic level, the relationship between industry and agriculture and consequently the technical resources of agriculture itself. . . .

'Industrialization is the motive force of the whole new culture, and by that, the only conceivable basis of socialism. In the conditions of the Soviet Union, industrialization means first of all the strengthening of the base of the proletariat as a ruling class. Simultaneously it creates the material and technical premises for the collectivization of agriculture. The tempos of both these processes are interdependent. The proletariat is interested in the highest tempos for these processes in so far as the new society that is to be created is thus best protected from external danger, and at the same time creates a source for systematically improving the material level of the toiling masses.

'However the tempo that can be accomplished is limited by the whole material and cultural position of the country, by the mutual relationship between city and village and by the most urgent needs of the masses, who can sacrifice their today for the sake of tomorrow **only up to a certain point.**' (emphasis in original)⁶

Trotsky concludes from the above, two variants are possible for the party and state leadership to follow: 'a) the course described above towards the economic entrenchment of the proletarian dictatorship in one country until further victories of the international proletarian revolution (the viewpoint of the Left Opposition); b) the course towards the construction

⁶ Trotsky, L. D. *The Permanent Revolution*, Preface to the American edition, 1930.

of an isolated national socialist society and "in the shortest historical time" (the official viewpoint).⁷

If Stalin was judged in this light, how does Mao stand up? 'Socialism in one country' was the seal of Soviet Stalinism; 'Ownership by all the people' (i.e., communism) is the declared aim of the Chinese Stalinists, and in 'a few decades'. Stalin's non-Marxist attitude to the peasantry was demonstrated tragically in China in 1926-27, when in the upsurge of the revolution, soviets were banned in the countryside (this becoming a feature of the campaign against Trotskyism); when the high tide had passed and the summer reaction was in full swing, the calls for insurrection and soviets were advanced simultaneously (this again becoming a weapon against the 'over-cautious' Trotskyists). These 'mistakes' meant a long and twisted road to power for the Chinese Communist Party; a continuation of the Stalinist **method** can again bring serious reversals for the revolution in China and Asia generally.

THE COMMUNES

'In 1958, a new social organization appeared fresh as the morning sun above the broad horizon of Asia.'⁸ The mass movement to form 'People's Communes' out of the Agricultural Producer Co-operatives began and was completed in a few months.

Peking claimed that the People's Communes represented 'the desire of hundreds of millions of peasants', and that they were 'an inevitable product of historical development.' The CCP agreed to them because 'the peasants demanded a more rational and efficient organization of labour.'⁹ The truth or otherwise of these claims will be examined in a moment. First, we should see briefly what the CCP considered to be the role of agriculture only a few months before the rise of 'the morning sun'.

Tan Chen-lin reported, on behalf of the Central Committee to the Eighth National Congress of the CCP in May 1958, on the National Programme for Agricultural Development. He disclosed that 'certain persons' (this category is almost a national figure in modern Chinese politics!) in the winter of 1956-57 had opposed the official line for agriculture as a 'reckless advance'; consequently the 'labour enthusiasm' of the masses was dampened and in 1957 progress on the production and construction fronts, and on the agricultural front in particular,

were retarded.¹⁰ Whether it was the lack of enthusiasm on the part of the peasants that inspired the 'certain persons' or the reverse, as Tan Chen-lin insists, is open to question. The Chinese Communist Party, however, undeterred by 'lack of enthusiasm', campaigned against 'rightism' in the masses up to its third plenary session in September 1957, where it combined a reaffirmation of the line of achieving 'greater, faster, better and more economic results' with a retreat on the National Programme for Agricultural Development. Apparently this retreat did not convince everybody for 'some of them' were waiting to see the Autumn harvest first (i.e., Autumn 1958).¹¹

The revised Draft Plan published in October 1957 and submitted for discussion to the Agricultural Co-operatives (A P Cs) was presented as the plan in May. Over 1,891 suggestions had been submitted from 'various areas, circles, units and individuals' which were composited into 337 items.¹² Party Committees from the 'provinces, municipalities and autonomous regions' submitted 293 items. Out of all these suggestions coming from the countryside there is no mention of even one which calls for the merging of the co-operatives to form Communes! Yet we know that the Central Committee was discussing the idea with local Party chiefs as early as March 1958, i.e., two months before Tan Chen-lin, on behalf of the CC, submitted the National Programme for Agricultural Development, which called for the 'consolidation of the A P Cs in the period of the second Five Year Plan or a longer period',¹³ i.e., to at least 1967.

The Party gave no outward sign that it was considering an amalgamation of the A P Cs into Communes in the early months of 1958. In Tan Chen-lin's report in May, '**consolidation**' of the A P Cs was all that was envisaged for the next 10 years. While his report was being made, the first experiments in Commune-type organization were already a month old. Thus there is no foundation for the claim that the Communes were the logical outcome of the agrarian reform, or that the Party was forced 'under pressure from the peasants' to agree to them. Taking into account the state of agriculture and the failings of the A P Cs to keep up with the industrialization requirements (capital

¹⁰ 'Explanation on the Second Revised Draft of the National Programme for Agricultural Development (1956-67)' Tan Chen-lin, May 17, 1958. Published in English in **Second Session of the 8th National Congress of the CCP**, FLPH 1958, pp. 80-94.

¹¹ *Ibid.*, p. 82.

¹² *Ibid.*, p. 90.

¹³ 'Revised Draft Programme on Agricultural Development of the Nation, 1956-67', October 25, 1957. Published as an appendix to **Agrarian Policy of the CCP**, Chai Kuo-chun.

⁷ *Ibid.*

⁸ 'Resolution on Some Questions Concerning the People's Communes'. Adopted by the Eighth Central Committee of the CCP, Sixth Plenary Session, December 10, 1958. In English in **The Agrarian Policy of the CCP**, appendix.

⁹ Editorial in *People's Daily* (Renmin Ribao) 'Long Live the People's Communes!' August 29, 1959.

construction is paid for by the agricultural surplus) once the order was given for amalgamation in a desperate bid to balance the economy, the Commune movement can be seen for what it was—a movement of tremendous convulsion in the countryside, a forced march against economic backwardness on a scale hitherto unknown in any society.

It is now known that the first experiments in large-scale co-operative farming were made in April 1958. In Suiping County, Honan Province, 27 A P C s were merged into what was called a Joint Co-operative.¹⁴ Several other experiments were made in other areas. No such amalgamation could have taken place except on the highest authority, i.e., that of the Central Committee. The early experiments were very large, containing some 10,000 households each, with populations of about 44,000 people.¹⁵

At Peitaiho in August 1958, the Central Committee discussed the continued struggle against 'right deviationism'. In May, Tan Chen-lin had warned of the possibilities of 'unfavourable factors in the objective conditions' and consequent failures in agriculture. By the autumn it was obvious that the harvest was going to be a good one. The resolutions from the Peitaiho meeting called for the merging of the A P C s and the doubling of steel output over 1957. It was decided to take advantage of the bumper harvest to push through the merging of the A P C s (in much the same way as the A P C s themselves had been formed in 1955). It was easy to claim that the harvest was a result of the 'correct line of the Central Committee guided by Mao.' The 'rightist deviation' would be most isolated in a good harvest year and opportunities to strengthen the C C P over the masses could not be missed. There is no doubt that the motive was 'a more rational, efficient organization of labour'; whether in fact peasants 'warmly applauded' this move is another matter. The need to reorganize the A P C s which were not responding to the National Programme for Agricultural Development is an indication of the increasing difficulties that the government's agrarian policy was encountering. Further agricultural shortcomings (as experienced in 1957) could become the focal point for increased resistance among the masses. Impressive successes were desperately needed by the régime. The all-out drive to 'catch up with Britain in 15 years' is China's 'socialism in one country'.

The evidence does not point to 500 million peasants demanding Communes and threatening to revolt if they did not get them. Nor does it mean that the peasants were opposed to the Communes, at least at first. Enterprising cadres could paint a

picture of paradise under the Communes, as they did for the A P C s in 1955. The promise of 'free' medical service, other 'free benefits', as much to eat as they wanted in the community dining halls, real money wages, freedom from household drudgery, proper schooling for everybody, care for the sick and the aged, etc., amounted to a very attractive prospect.

The merged communes did not make much difference to the relationship between the individual peasant and his implements of production. The A P C already owned the means of production,¹⁶ which the peasants donated on joining. The 'level of ownership' in the communes is at 'production brigade level', which roughly corresponds to the same level as the old A P C.

STRUCTURE OF THE COMMUNES

The average commune has about 5,000 households, but with total populations varying from 25,000 to 50,000 persons.¹⁷ The original structure of the A P C s was that several A P C s would be formed in a **Hsiang** (village committee) and the **Hsiang** would be formed into a **Hsien** (county committee). The state machinery (Hsiang and Hsien) would be separate from and above the A P C s. The People's Communes were formed by merging all the A P C s in each Hsiang. (In the first case comprising 27 A P C s.) The previous A P C s would be designated 'Administrative Districts' or 'Production Brigades', under which would be the 'production teams'.¹⁸ The Commune is run by an Administrative Committee, elected in the usual Stalinist fashion, i.e., from nominations from the local Party organs, 'endorsed' by the peasants.

The Commune 'combines industry, agriculture, trade, education and military affairs in which the **government administration and commune management are integrated**.'¹⁹ This last is the most significant feature of the communes and is, of course, completely absent from the reactionary fantasies of 'barrack slavery' and the rest. The Administrative Committee replaced the Hsiang District Committee and the county committees (Hsien) are composed of federations of communes. The communes then take on the functions of both producer, buyer and deliverer to the state of agricultural products.

The various departments of the commune (welfare, militia, finance, etc.) function under the control of

¹⁶ See 'Model Regulation for Advanced Agricultural Producers' Co-operatives', June 30, 1956. Article 2. Published as an appendix in Chao Kuo-chun, op. cit.

¹⁷ Chou En-lai, **A Great Decade**, 1960, F L P H, p. 23.

¹⁸ Chao Kuo-chun, op. cit. p. 165.

¹⁹ 'Resolution on Some Questions Concerning the People's Communes'.

¹⁴ Chao Kuo-chun, op. cit. p. 161 (**Red Flag-Hongqi**, No. 8, 1958).

¹⁵ Hughes. **The Chinese Communes**, 1960. Bodley Head, p. 77. Chao Kuo-chun, op. cit.

the Administrative Committee. Each Production Brigade is responsible for the departments under its jurisdiction (i.e., each Production Brigade has its own welfare, finance and militia departments). The accounting is calculated individually for the Production Brigades so that they can be classified into 'inferior', 'ordinary' and 'better' production brigades. The Administrative Committee levies a percentage from each production brigade calculated on the basis of their results (at first as A P Cs). The division of function between the committee and the brigade varies considerably, but little detailed information is available.

An analysis given in Ta Kung Bao²⁰ gives the following information:

Type of Production Brigade	Donation to Communal Reserve Fund	Kept by Production Brigade	Kept by Production Team
Ordinary	14%	3%	1%
Better	17%	3%	1%
Poor	11%	3%	1%

A Communal Welfare Fund covers the costs of the commune's hospitals, schools, 'care of the aged and sick' services, etc. The production brigade has to provide the local 'free' services: kindergartens, communal kitchens, etc. The process of making the commune more and more important in its role towards the production brigades, in making decisions for the whole commune, and in gradually developing resources from its funds (thereby owning them), is recognized by the regime as the best way to make the ownership at production brigade level less and less important and state ownership more important (by virtue of the fact that the Administrative Committee is identical with the state organs).

The wilder claims of the regime on the varied functions of the communes disguise the fact that these are as yet mere improvisations. For instance, the New China News Agency declared that the Liupu Commune in Shantung had 'nine small factories (which can mean virtually anything from a corner of a yard to a tin shack—G.K.) for making farm implements (hoes, trowels, spades, spikes, etc.), cement, pottery and for processing food.'²¹ Another report boasted a commune with a 'tractor station and a network of workshops.'²² The tractor station here cannot mean much more than a parking area with simple garage facilities (the first tractor plant went into operation in China in 1959). NCNA claims for the Chanshih

Commune '24 workshops' that have 'produced several thousand harvesting and threshing implements',²³ which again can mean anything or nothing. Mechanized implements are outside the scope of present-day agricultural resources in China (they require technicians, heavy equipment, welding, drilling, machining apparatus, electricity plants, designing skill and so on). This does not of course belittle the tremendous improvement over capitalist China.

THE CENTRAL COMMITTEE DIRECTS THE PEOPLE'S COMMUNES

Following on the August Central Committee meeting at Peitaiho came the first Chengchow conference in November. The People's Communes were definitely on the agenda of the Central Committee meeting but no indication is yet available of what was decided in that respect. The situation in the countryside and the differences within the Party leadership, called for a top level meeting and, judging from what came out of the meetings, the situation must have been alarming, more so than the crisis that called for the retreat in 1957.

The December Wuchang meeting of the Central Committee was attended by the full Central Committee and 166 delegates. This meeting was the most important of the series called to discuss the communes. The famous resolution of the meeting: 'Some Questions Concerning the People's Communes', is worth some study.²⁴ The opposition to the communes extended right into the Central Committee itself. It was by no means a solid opposition current. The city delegates opposed an extension of the commune system into the urban districts, the principle of which was conceded to them. A section of the army was undermined by permanent 'manual work' and the formation of the multi-millioned militia. (The response to this was the establishment of a post above Lin Pao, marshal of the Army, a post which was staffed by head of security.)²⁵ Other leading figures opposed the communes because the extent of unrest in the countryside was dangerous.

Mao Tse-tung, Liu Shao-chi and Teng Hsiao-ping are known as the foremost advocates of 'People's Communes'. In fact, Mao is credited with

²³ NCNA, August 1960.

²⁴ 'Resolution on Some Questions Concerning the People's Communes'.

²⁵ The extent of the differences between the army and the Party leaders on the communes and the 'great leap forward' (it should be remembered that the army consists of peasants) can be measured by the sacking of Peng Teh-huai, People's Liberation Army Marshal and Defence Minister up to 1959, and his replacement by

²⁰ Ta Kung Bao, Peking daily. In English, as an appendix to Hughes, op. cit. p. 84.

²¹ New China News Agency (issued daily in London) August 1, 1960.

²² Hsinhua People's Commune, NCNA, August 28, 1960.

originating the idea.²⁶ It is interesting to note that Liu Shao-chi and Teng Hsiao-ping were the heads of the Chinese delegation to the recent Stalinist 'summit' in Moscow and launched the CCP attack on the Soviet Party. Chou En-lai, called the 'elastic bolshevik' because of his capacity to survive all purges although he has frequently been on the 'wrong' side, made the speech in August 1958 which revised the planned targets and criticized the earlier estimates as resulting from 'lack of experience'.

The Wuchang conference met to 'clear up misunderstandings' on the communes among the Party and the masses. The 'socialist principle of to each according to his work' was upheld as the banner of the communes and the 'communist principle of to each according to his need' was held up as the object of the distant future. The picture of paradise that local cadres had painted—with strong emphasis on the 'free' services—had obviously led to many excesses and waste of resources. The resolution was a blow at those in the Central Committee who saw the communes as institutions of the immediate transition to communism. Ownership at brigade level was confirmed and ownership by the whole people was delayed until the future. Local cadres who were forcing the pace were reprimanded. The peasants were obviously resisting the hectic march. The whole emphasis of the resolution is on time. A 'certain time' must elapse before 'communism is established'. The resolution says that this 'certain time' is '15 to 20 years', 'gradually' worked towards by consolidating the Federations of Communes (at Hsien level) and the transference of ownership of the means of production from the production brigades to the communes and thence

Lin Pao. In the latest Party history books, Peng Teh-huai is castigated for 'sectarianism' in 1933, when he is alleged to have persuaded the Red Army to fight a 'positional warfare' against Chiang Kai-shek, which resulted in big losses.

In former Party histories Peng was not mentioned in this connection. Mao has previously blamed anonymous 'sectarians' and 'lefts' (usually Wang Ming, one of Stalin's personal nominees in the CCP at the time). It is also noticeable that Peng was in charge of the North West Military area of China, which covers the most backward part of China and a large number of national minorities, who would be the most difficult to assimilate into communes. Their resistance may have prompted Peng to stand up and advise caution on the Big Leap Forward. This 'resistance' of a veteran Red Army leader must have more than encouraged the Party to place General Lo Tui-ching of the security department over the new Defence Minister, Lin Pao (a close friend and colleague of Peng since the late 1920s). See *Thirty Years of the C P A*, by Hu Chiao-mu, and *Red Star Over China*, by E. Snow, for previous accounts of the 'mistakes' of 1933. A quotation from the new official history is in *Red Barbarians—The Life and Times of Mao Tse-tung*, by R. Macgregor-Hastie, p. 123 (Boardman, 1961).

²⁶ People's Daily (Renmin Ribao) August 29, 1959.

eventually to the Federations and the 'whole people'.

The speed of this transformation 'depends upon the level of development of production and the level of people's understanding',²⁷ a recognition of the low level of economic development of China and the consequent political level of the masses. The economic level of China is not yet sufficient for an 'abundance of social products', the only possible basis of 'ownership by the whole people'. The previous emphasis on 'free' services was reversed in favour of more emphasis on money wages. This emphasis would 'occupy a major position for a certain period of time' and a 'long time to come'.²⁸ For instance in the Ch'ayashan Commune²⁹ the relationship between 'free' services and money before the Wuchang meeting was 70 per cent and 30 per cent respectively. After Wuchang it became 38 per cent and 62 per cent.

The Peitaiho resolution forming the communes set the pace in this way: 'the transition from collective ownership to ownership by the whole people is a process, the completion of which may take less time—three to four years—in some places, and longer—five to six years or even longer—elsewhere'.³⁰ In December the CCP decided that even if this did happen it would not yet be socialism, and the principle of 'to each according to his work' must prevail. The question of ownership is then really artificial. The state owning all means of production but unable to produce an abundance of the social product still must distribute according to a system that is not advanced beyond that of capitalism. The myth of the establishment of 'socialism in one country' or the Communist principle of 'to each according to his needs' is a reactionary utopia within the national boundaries, and is only realistic on a world scale.

But does this slacken the pace? Decidedly not, for 'three years of hard battle plus several years of energetic work are needed to change the economic face of the country'.³¹ The CCP tries to solve the economic backwardness of the country by edict and the regimentation of production. 'Thrift' in the use of resources becomes the watchword of the Party, and this is to be repeated constantly to the peasants. The resolution adds: 'Extravagance and waste among some functionaries of the communes following a bumper harvest should be prevented and opposed.' This may be more of a blind attack on 'some people' while the real 'extravagance and waste' is on a grand scale due to silent

²⁷ 'Some Questions . . .'

²⁸ Hughes. Appendix, p. 86. 'Some Questions . . .'

²⁹ *Ibid.*, p. 86.

³⁰ 'Some Questions . . .'

³¹ *Ibid.*

sabotage or low political consciousness.

To organize production 'along military lines, working as if fighting in a battle and living the collective way' is advanced as a method of organization of labour in an economy that is at a very low level of development, where methods are primitive and basic necessities are scarce. The material prerequisites for communal living do not exist, and the Party has had to constantly retreat and revise its methods, on meeting the opposition of the masses.

Wuchang relaxed many of the early irritations and conceded to the peasants 'rights' denied them by zealous local cadres. Food could be cooked in the homes and the dining halls had to be improved. On paper the working hours were eased, with 12 hours per day being guaranteed to everyone for rest and recreation, but with the saving clause that 'during the busy farm season, or when other work in the rural areas is particularly heavy, working hours may be appropriately extended.'³² As the local cadre and not the peasants decide working hours, inefficiency, bad planning, natural calamities or impossible norms will be made up for by extending the working hours 'appropriately'.

From December to August the Party conducted another vigorous dog-fight with the 'right opportunists'. Five months were allotted to the Party organizations to carry out the 'tidying up' of the communes (from December to April) and at the second Chenchow Central Committee meeting the Wuchang declarations were confirmed and the results reviewed.

The new handful of 'right opportunists' were active, it seems, in the Party itself. They were accused of 'exaggerating shortcomings', of 'dubbing the vigorous mass movements petit-bourgeois fanaticism', and the big leap forward 'left adventurism'. They claimed that the People's Communes were 'founded too early' and were 'in a mess', that the making of iron and steel in a big way had resulted in 'more loss than gain'; panic-stricken and nonplussed in the face of certain local and temporary imbalances which could hardly be avoided in the big leap forward, they labelled such imbalances 'disproportions' in the national economy as a whole.³³

The Lushan meeting of the Central Committee in August 1959 'utterly smashed' the right opportunists, we are informed. Another struggle against 'right opportunism' was launched throughout the party and another 'mass movement' was launched to assist this. The struggle against 'right oppor-

tunism' has been an almost permanent feature of Chinese Party life since 1955 (i.e., since the formation of the APCs). And still the struggle goes on in 1961! The Central Committee meeting in Peking, January 1961, announced that '90 per cent' of the Party work 'faithfully and conscientiously', leaving 10 per cent as 'bad elements' who 'break laws and violate discipline in the villages and the cities to the detriment of the interests of the people.'³⁴

Marxists must differentiate between the remnants of the old regime who exist in substantial numbers (the revolution is only just over a decade old) and the resistance of the workers and peasants to bureaucracy, inefficiency, and 'irrational and inefficient' methods of production arising out of the empiricism of the regime.

THE ADJUSTMENTS

Chou En-lai, on behalf of the Central Committee, announced big cuts in the targets of the 1959 economic plan in August of the same year.³⁵ The inevitable strains produced in the economy (on Peking's own admission) by the all-out effort caused serious dislocation of distribution and production. Most industrial units suffered from shortage of raw materials, indeed there is some evidence that China's transport system almost broke down towards the end of 1959.

The 'repeated check-ups' showed that assessments of agricultural produce were too high. This was blamed on 'lack of experience' and the natural calamities that affected 510 million mou of farmland, or nearly 'one third of the total cultivated area'. The Central Committee ordered a 're-adjustment', which Chou obligingly delivered. In industry, steel was cut back from a target of 18 million tons ('including steel produced by indigenous methods') to 12 million tons ('not including steel produced by indigenous methods, which will be produced and used locally'). This local steel was obviously of very low quality. Coal was cut from a target of 380 million tons to 335 million. The 'total value of industrial output was adjusted from the original 165,000 million yuan to 147,000 million yuan.'³⁶ The most startling adjustment came in agriculture

³⁴ 'Communique of the Ninth Plenary Session of the Eighth Central Committee', N C N A, January, 1961.

³⁵ Chou En-lai, 'Report on Adjusting the Major Targets of the National Economic Plan and Further Development of the Campaign for Increasing Production and Practising Economy', delivered at the fifth meeting of the Standing Committee of the National People's Congress, August 26, 1959.

³⁶ Ibid.

³² Ibid.

³³ Li Fu-chun, 'Raise High the Red Flag of the General Line and Continue to March Forward', F L P H, 1960, p. 4.

where the target of 1,050,000 million catties³⁷ was slashed by **half** to 550,000 million catties. The 'rising sun' was in danger of setting!

In order to supply raw materials to existing capital construction, 'above norm' projects, i.e., those in excess of plan, were slashed from 1,092 to 788. Capital investment was cut by 2,200 million yuan.³⁸

'When there are still very few farm machines and very little chemical fertilizer' an increase in production of 10-20 per cent is a 'leap forward' says Chou. With only 55,000 tractors in China in 1959 (when it is estimated that 400,000 are needed) it is obvious that what increases in production are gained will in the main have to come from greater efforts by the peasants and more efficient means of utilizing existing techniques. Chou endorses this: 'As we all know, the bigger the base figure, the bigger is the increase required for every 1 per cent rise, and **the greater are the efforts needed to achieve this.**'³⁹ But the natural calamities of 1959 were followed by the 'worst ones of the century' in 1960. 1961 is the last year of the 'three years' hard effort to 'change the economic face of the country'...

CONCLUSIONS

It is of course possible to consider the People's Communes in pure isolation and from the point of view of abstract principle: e.g., whether one supports 'large-scale' farming and the 'liberation of women' or whether one is a 'right opportunist', etc. 'Support' for the People's Communes by socialists on such isolated criteria is questionable.

The real issue is **not** 'communes or no communes'. It is a question rather of the whole historical course of the Chinese revolution. Either the internationalist course of Lenin and Trotsky or the national-socialist course of Stalin.

The problem of China (its economic and therefore cultural backwardness) cannot be solved **within** the boundaries of China by the efforts of China alone, except at tremendous and unprecedented sacrifices by the masses over a prolonged period of many decades. The risks of this policy involve the survival of the Chinese Republic itself. This is based on the assumption that the status quo with world imperialism can be maintained over this period, that the colonial revolution with all its problems will pause for decades, that the working class of the metropolitan countries will prove unable to take power and overthrow capitalism, and, most important, that the Chinese masses themselves will not become totally exhausted, demoralized and reach

'that certain point' where 'the sacrifices of today' seem too great for the socialist tomorrow.

Surely these conditions are unlikely to be fulfilled? Is this one of the reasons for the present ideological dispute between Peking and Moscow? 'Peaceful co-existence' is the policy of the Soviet bureaucracy, which is more than ready to sacrifice the world revolution for an understanding with world imperialism. The pressures of economic development in China, felt acutely by the Chinese leaders (the perennial struggle against 'right opportunism'), make the prospect of continued isolation of great importance to China. China, a poor and backward country, feels that her more prosperous and developed neighbour, the Soviet Union, might do its deal with imperialism at China's expense (they demand to be in on any summit between K and K). China's connections with the rapidly developing colonial revolution in face of the direct threat from imperialism, make a 'left Stalinist' course inevitable for the moment. The call for a more truly communist struggle against imperialism and the offer of material aid to the colonial struggle are weapons against the 'right opportunists'.

The agrarian policy of the Stalinists is not based upon the interests of the peasantry or of the workers' state, but upon the interests and conceptions of the bureaucracy. Marxists oppose the agrarian policy of the Stalinists and fight to eradicate the influence of Stalinism in the Labour movement. Marxists also support the principle of collectivization. The problem facing the Marxists in the nineteenth century was how to overcome the contradiction between the peasantry and the interests of the revolution. This was solved theoretically by Engels and practically in the October Revolution of 1917.

To justify Stalinist agrarian measures with the slogan, 'large-scale farming is the basis of socialism', is to justify Stalinism on the vague principle of necessity. The liberation of the Chinese women from household drudgery is another claim of the advocates of the communes. But to liberate women from the sink and chain them to a plough is a peculiar form of liberty. The Stalinist measures against the patriarchal family system of old China are supported by Marxists. Bourgeois protests about the liquidation of the family in China are sheer nonsense and hypocritical into the bargain.

In explaining their agrarian reform programme, the Chinese Stalinists often use the phrase '**uninterrupted revolution**'. This of course is a phrase derived from Marx and used often by Trotsky; it has been pointed out by some as an indication of how the C C P, in their opinion, is almost 'Trotskyist' in tendency! Fortunately, Trotskyism is more than a propensity to use phrases associated with Trotsky.

The 'uninterrupted revolution' in the Chinese

³⁷ Ibid (one catty equals 1.1 lb.).

³⁸ Ibid.

³⁹ Ibid.

countryside is unfortunately being interrupted constantly by one thing—the technical backwardness of the countryside. Each paper advance from individual plots to ‘higher’ forms of ownership—mutual, collective, commune and ‘by all the people’ is done on the same technological basis. Therefore there is no real advance, no ‘uninterrupted revolution’. The nationalization of a factory represents a genuine change by bringing the mode of ownership into line with the socialized mode of production. In an economy of small peasant farms, socialization of primitive farm implements and human labour does not represent such a new stage, since there does not exist the same contradiction between the forces and relations of production.

To leave the peasant holdings as they are would mean the eventual death of individual ownership by the process of the strangulation of individual peasant economy by the capitalist market.⁴⁰ As a capitalist line of development is not possible in China, what is the historical alternative? The task for the Chinese government is to raise the technical basis of agriculture (fertilizer, machinery, seeding, buildings, transport, increased living standards, etc.) to prepare for a genuine transformation into socialized property. There is all the difference in the world between a large-scale farm in the USA, a banana plantation in Jamaica, or a sugar cane plantation in Cuba, and several hundred plots of land each just one-sixth of an acre, with mainly wooden implements, primitive dykes and a low level of culture. This in no way belittles the revolutionary nature of the Chinese peasantry—it only indicates the immense problems they face, problems which are not helped by the acceptance of illusory gains and imaginary ‘stages’.

Has there been any advance then in the countryside since Liberation? The answer must be yes. The fact is that the landlords, usurers and all petty exploiters were cleared out. This clearing away of the reactionary village classes was a tremendous step forward. But it did not clear away these classes to prepare the countryside for socialist or communist relations. Mao himself said it ‘requires a long time and careful work to attain the socialization of

agriculture’ and that for this to be done in China ‘a powerful industry with state-owned enterprises as the main component must be developed.’ This problem, he went on, must be solved ‘step by step’.⁴¹

Marxists support in principle the collectivization of agriculture; they also insist on the principle of **voluntary** participation in a collective by the peasants. People’s Communes or APCs based upon force can become points of support for the counter-revolution.

China has a great need to develop economically if working-class rule is to be strengthened. This can be done in the ‘shortest possible’ time with the least risk of internal exhaustion by the full and free participation of the masses in all decisions and in the drawing-up of plans. The establishment of socialist democracy in the countryside and the cities is of great importance to the revolution. The peasants should be given the right to withdraw from the communes if they so desire. The state should set up collective farms as models for the peasants who remain unconvinced, even after 11 years of liberation.

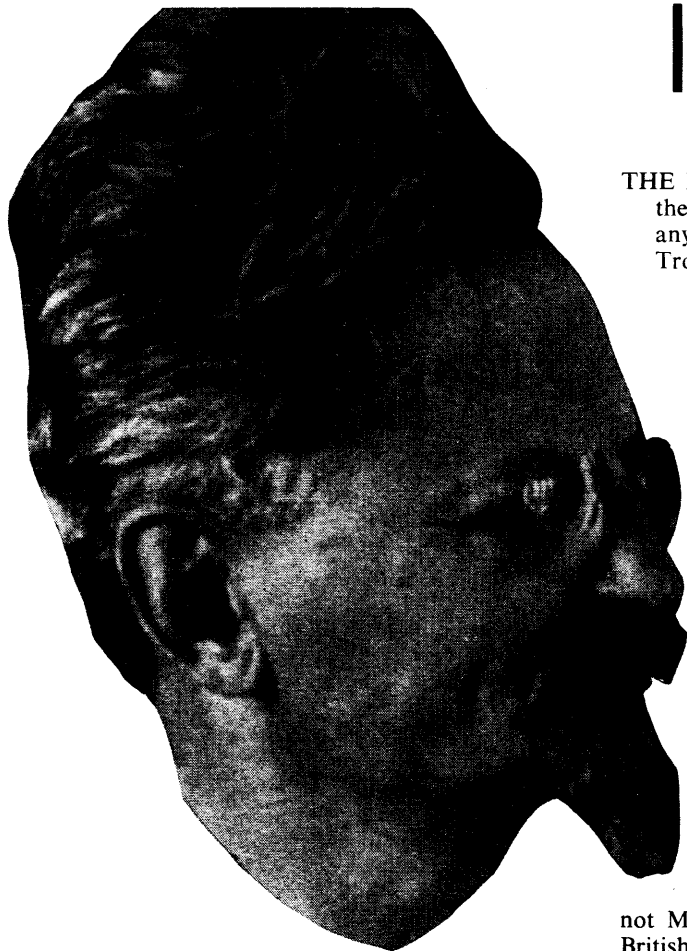
Objections to this can only come from those Stalinists who are fearful of the free decision of the masses. If a secret ballot is likely to result in a mass exodus of the peasantry from the communes then the revolution is in great danger. Another bad year for agriculture, for whatever reason, can bring a crisis of the most serious dimensions for the regime. To ensure the solidarity of the workers’ state requires that the obstacles to a real development of the economy are removed. The national-socialist policy of the Stalinists must be defeated by a working-class party with an internationalist strategy.

For socialists in the capitalist countries our internationalism must not be confined to giving advice to the Chinese masses (they have, after all, overthrown capitalism) but consists in overthrowing capitalism in the advanced countries, ‘**in the shortest possible time**’, and so coming to the material and political assistance of the Chinese masses. Our obligations in this respect must never be lost sight of, otherwise the alternative for the Chinese worker and peasant is the 12-hour day and the ‘big leap’.

⁴⁰ For a detailed Marxist study of the process of the disintegration of the peasantry by the capitalist market, see Lenin, *The Development of Capitalism in Russia* FLPH.

⁴¹ Mao Tse-tung, ‘On the Peoples’ Democratic Dictatorship’, 1949 (quoted in *China and Her Shadow*, p. 45 by Tibor Mende, Thames and Hudson, 1961).

LEON TROTSKY writes on the British labour movement



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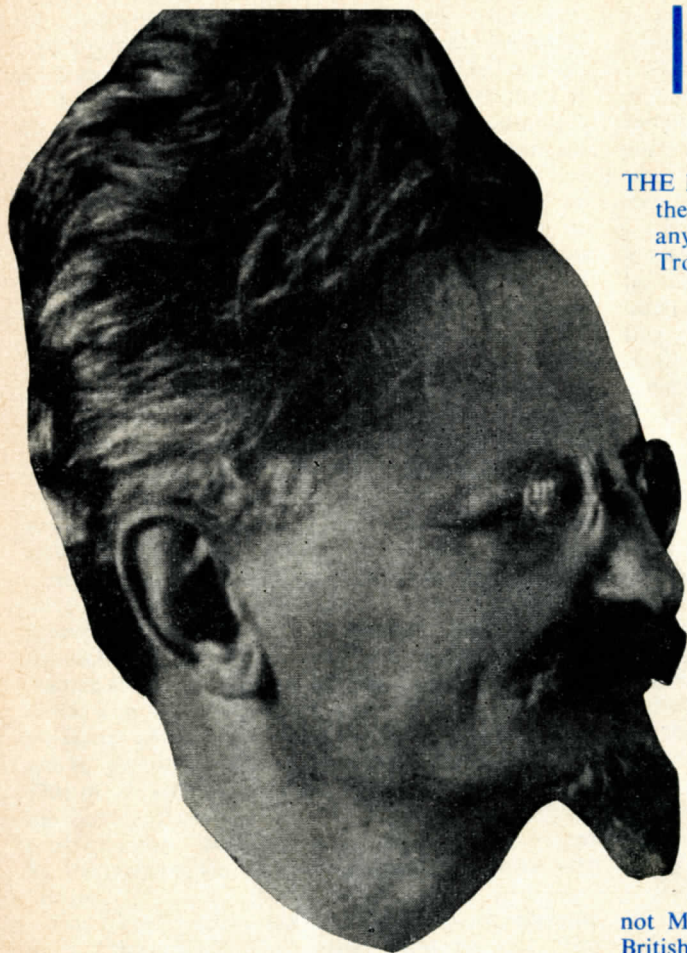
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