

November, 1941

# THE NEW INTERNATIONAL

*A Monthly Organ of Revolutionary Marxism*

---

*NOTES OF THE MONTH*

*War in the Pacific*

*The Aftermath of the Miners Strike*

THE DILEMMAS OF DAI NIPPON . . . . . *By Henry Judd*

FRANCE AFTER THE DEFEAT . . . . . *By Eugene Wolf*

MODERN WAR AND ECONOMY . . . . . *By Albert Gates*

*By Leon Trotsky*

**Stalin As A Theoretician – II**

Review of Books by

DOUGLAS MILLER

RICHARD WRIGHT

CARLETON J. H. HAYES

BERNARD BARUCH

---

Twenty Cents Single Copy . . . . . Subscription Per Year \$1.50

## The Minneapolis Verdict

A jury verdict in the Minneapolis trial (see the article in this issue of THE NEW INTERNATIONAL) arrived immediately before we went to press. After two days of deliberation, the jury found 18 members of the Socialist Workers Party and the CIO guilty of the charge of inciting insubordination in the Army. Five other defendants were acquitted, making a total of ten defendants acquitted of the original 28. (Grant Dunne, the 29th defendant, committed suicide on the eve of the trial).

The jury dismissed the indictments charging sedition (the Sedition Act of 1861, adopted during the Civil War days), and the seditious sections of the Smith Act adopted in 1940. It did turn in a verdict of guilty on the charge which the government itself admitted it had no real evidence to sustain a conviction.

At this writing, sentence by the judge on the jury verdict has not been announced. But the defense has already declared its intention of appealing the verdict.

### JACK McDONALD

We have just learned of the sudden death of Comrade Jack McDonald, one of the leaders of the Canadian Trotskyist movement. The loss of Jack is a severe blow to the international revolutionary socialist movement of which he was one of the founders and active participants for more than 20 years.

McDonald helped to found the Canadian Communist Party, acted as its first secretary and represented it many times at international congresses. He was expelled from the party as a Trotskyist and thereafter was active in the Canadian Communist League.

He began his activity in the labor movement while a youth in Scotland, having entered the Labor Party. Always an active unionist, he was reported still a member of the executive board of his union at the time of his death and a delegate to the Toronto District Trades and Labor Council.

His death is mourned throughout the revolutionary socialist movement.

### A 32-Page New International

*The Finest Marxist Theoretical Organ*

**SUBSCRIBE NOW!**

**\$1.50 PER YEAR**

Name .....

Address .....

City ..... State .....

I also wish to contribute .....

## THE NEW INTERNATIONAL

*A Monthly Organ of Revolutionary Marxism*

Vol. VII November, 1941 No. 10, Whole No. 58

Published monthly by NEW INTERNATIONAL Publishing Company, 114 West 14th Street, New York, N. Y. Telephone: CHelsea 2-9681. Subscription rates: \$1.50 per year; bundles, 14c for 5 copies and up. Canada and foreign: \$1.75 per year; bundles, 16c for 5 and up. Entered as second-class matter July 10, 1940, at the post office at New York, N. Y., under the act of March 3, 1879.

*Editor:* ALBERT GATES

*Editorial Board*

ALBERT GATES

MAX SHACHTMAN

PAUL HARRIS

JOSEPH CARTER

*Business Manager:* HELEN BRIGHT

### TABLE OF CONTENTS

#### NOTES OF THE MONTH

|  |     |
|--|-----|
| War in the Pacific .....                 | 259 |
| The Aftermath of the Miners' Strike..... | 260 |
| OPM and the Dollar-a-Year Men.....       | 263 |
| A Corpse Attempts to Rise.....           | 264 |

#### THE DILEMMAS OF DAI NIPPON

|                            |     |
|----------------------------|-----|
| <i>By Henry Judd</i> ..... | 265 |
|----------------------------|-----|

#### A MINNESOTA WITCH HUNT

|                             |     |
|-----------------------------|-----|
| <i>By Irving Howe</i> ..... | 267 |
|-----------------------------|-----|

#### FRANCE AFTER THE DEFEAT

|                             |     |
|-----------------------------|-----|
| <i>By Eugene Wolf</i> ..... | 269 |
|-----------------------------|-----|

#### MODERN WAR AND ECONOMY

|                              |     |
|------------------------------|-----|
| <i>By Albert Gates</i> ..... | 274 |
|------------------------------|-----|

#### BIG BUSINESS IN BRITAIN

|                             |     |
|-----------------------------|-----|
| <i>By Bob Edwards</i> ..... | 278 |
|-----------------------------|-----|

#### ARCHIVES OF THE REVOLUTION:

##### STALIN AS A THEORETICIAN—II

|                              |     |
|------------------------------|-----|
| <i>By Leon Trotsky</i> ..... | 280 |
|------------------------------|-----|

#### BOOKS:

|   |     |
|---|-----|
| A CAPITALIST LOOKS AT THE ECONOMICS OF WAR, <i>By Frank Demby</i> ..... | 283 |
|---|-----|

#### A TELESCOPIC HISTORY

|                              |     |
|------------------------------|-----|
| <i>By Albert Gates</i> ..... | 285 |
|------------------------------|-----|

#### THE HAPPY HYPOCRITE

|                                  |     |
|----------------------------------|-----|
| <i>By James M. Fenwick</i> ..... | 286 |
|----------------------------------|-----|

#### THE VOICE OF RICHARD WRIGHT

|                                  |     |
|----------------------------------|-----|
| <i>By James M. Fenwick</i> ..... | 287 |
|----------------------------------|-----|

# THE NEW INTERNATIONAL

*A Monthly Organ of Revolutionary Marxism*

VOLUME VII

NOVEMBER, 1941

NUMBER 10

## *Notes of the Month*

### War in the Pacific

**A**T THE MOMENT of our going to press the air was filled with the news of the Japanese attack on the Hawaiian and Philippine Islands, possessions of the United States, and the subsequent declarations of war by Japan, America, a series of Central American and South American countries, Canada, Australia and Great Britain. Thus, in one full sweep, the tinder-box that is the world today gave forth a tremendous blaze that now engulfs every continent. There is hardly a nation which does not feel the weight of war. Europe and Africa, Asia and Australia, North America and South America—all of them have mobilized the full measure of their economic wealth and manpower in a common effort at collective destruction.

What is the significance of this new phase of the war? It demonstratively illustrates the impossibility of quarantining war and limiting it to one section of the world. For it is most obvious that the war in the Pacific is the direct and inevitable product of the war in Europe. It is in truth the full blossoming of the war between two main camps of imperialists: those who now control the great trade routes, the markets of the world, the areas of raw materials and those who would seize them. Nothing so expresses the economic, political and moral decay of modern capitalism as that the economic prosperity and security of one nation or group of nations is dependent upon the prevention of another nation or group of nations from equally sharing in the material resources of the earth. Conversely, any nation or set of nations seeking a re-division of the existing world relationships must resort to war.

To say that this is a war between democratic and fascist nations has no fundamental significance other than to hang a veil over the real issues of conflict. It does indicate, however, the character of the territorial and therefore the economic division of the world between the military powers. When we state that the Axis forces are driven to their suicidal program (for the masses) of a reconquest of the world, we make not a single excuse for the war; we only illustrate that the nature of their capitalist economic system, the ever-present hunt for profit and need for capital expansion, drives them willy-nilly into war. The so-called democratic nations rise in defense of what? Their deepest economic interests, their sources of material wealth, their right to exploit the backward peoples and the resources of the great colonial and agrarian areas of the world.

So acute is this struggle between the great powers that the Roosevelt Administration, in the period during which American-Japanese relations were experiencing their most acute diplomatic anguish, made clear that the dispute between America and Japan had nothing at all to do with moral issues

or matters of political régime, but were entirely confined to a struggle over "interests," the conflict between the imperialist interests of this country and the imperialist interests of Japan.

That is the real stake in the Pacific. It is rubber, it is mineral ores, it is tungsten, oil, and the hundreds of raw materials necessary for the maintenance, operation and extension of the privately-owned, profit-producing industrial organizations in both countries.

It is for these things that the American people are propelled into the war. Yes, it is true the Japanese fired the first shots. It is true that Japan wantonly attacked American possessions and have taken American lives. But, every member of the Roosevelt cabinet, every government official, every intelligent observer knows that this is the result not of inherent, natural malice of the Japanese people (who had nothing and now have nothing to say about the war into which they are driven by the decrepit military clique and industrialists-financiers who control that nation). The perilous condition of Japanese capitalism has compelled them to take this step—to seize the advantage in what was regarded by both sides as an inevitable war over who should dominate in the Far East.

It is this kind of a war that the American people are asked to underwrite. It is this kind of a war that will take American soldiers and sailors to far-away areas to give their lives—in vain. In vain for the best interests of the masses who must toil for their very existence.

At home, these masses will now face the necessity of paying for this gigantic conflict with their sweat and blood, will be forced to undergo a drastic reduction in their living standards, will be compelled to work long hours, and have their democratic liberties taken away.

And what of the future? It remains as bleak as the present. A post-war period of industrial chaos, economic insecurity, totalitarian rule.

No other world situation has made it so clear that the only alternative to the vicious circle of recurrent capitalist economic crises, of constant war, mass world unemployment, brutal totalitarian rule, general overall suffering of the great and overwhelming majority of the people of the world, is socialism—a social order which is the antithesis of capitalism and under which the era of war could not possibly exist. It is this kind of society we stand for. It is this society that is the only hope for humanity. The longer the establishment of this kind of society is prolonged the greater will be the suffering of the mass of humanity of the world.

Only socialism can save the world from utter destruction. Its realization is on the order of the day!

## The Aftermath of the Miners' Strike

**T**HE SINGLE, MOST IMPORTANT labor event to occur since the outbreak of the war was the strike of the coal miners employed in the captive mines owned by the steel industry. It is true, there has been no lack of strikes in the past two years. They were generated by the rise in the economic curve, which, in turn, was caused by continuing transition from normal economic activity to a war economy. The weight of war production has made many demands on the American working class. It is asked to work long hours, to suffer a halt in the improvement of their working conditions, to sacrifice, sacrifice and sacrifice, so that this country may truly become "the arsenal of democracy" in this gigantic total war and be thoroughly prepared for its own military entrance into the conflict.

Characteristically enough, big business is enriching itself through the avenue of the all-out defense program. Despite large increases in taxation, the bourgeoisie earns fabulous profits and is determined that nothing shall interfere with its "earnings." Every demand of labor to share in the new prosperity created by the war is resisted to the bitter end by a grasping and vicious ruling class. But the working class instinctively senses that, unless it wages the struggle now for an improvement of its lot, to pull up the slack of a ten-year depression and to prepare for a post-war crisis, it will be hopelessly lost. Here again we have the sharpest expression of the irreconcilable contradiction between the interests of the ruling class and the masses. In this highly accented situation, the rôle of the Roosevelt Administration as a war régime becomes daily clearer.

It is necessary to bear in mind several important objective factors which control the situation in order to intelligently understand the character of current labor struggles, especially the all-embracing implications involved in the coal strike. The transition to a complete war economy in the United States threatens disaster for the bulk of the American working class.

Several things follow from the main economic and political trend of American society. A war economy cannot be successfully realized unless it is accompanied by a deterioration in the living standards of the masses. War economy, whether the country is actually at war or preparing for it, necessitates an enormous increase in the production of the implements of warfare and a corresponding decline in the production of consumers' goods. It requires along with this all-important change in the character of economic activity, complete sacrifice on the part of labor: longer working hours, cessation of the struggle for an improvement of working conditions, halt the fight for wage increases (especially when rising prices, increasing national income and the decline of consumer goods acutely hasten the dangers of inflation), maintain the status quo in capital-labor relations, i.e., relinquish the struggle for unionism. For all of these things, if resisted, would inevitably mean a reduction of the profits of the financial and industrial ruling class.

The state has no choice in this irreconcilable conflict between the capitalist class and the workers. In the last analysis, as a bourgeois state, it stands at the side of the ruling class. The reformist period of New Dealism is ended; it has definitely given way to the War Deal and is destined to remain with us for an extended period of years.

### The Nature of the Strike

The miners' strike can be understood only against the background of this objective situation—the preparation for war. The struggle of the United Mine Workers was not just another strike to organize some open shop mines, although all the issues of unionism were involved. The labor movement stands at the fork of the road: it will either succumb to the war machine and surrender all its interests to the demands of "the war for democracy" or else it will retain its independence, muster its great strength and continue to defend and extend the vital gains won by its great sacrifices and heroism. Half-way measures, conciliationism, will avail the labor movement next to nothing, for, in the context of the war economy, they are only measures of capitulation.

How did this particular strike arise and what relation did it bear to the aforementioned matters? The United Mine Workers of America had organized 97 per cent of the captive coal miners—almost 53,000 men. Under the terms of the Wagner Act, the union had a legal right to establish a union shop and thus make the steel corporation mines correspond to all other coal mines in the country. The resistance of the steel barons to this demand for the union shop was based not only upon its principled opposition to unionism, but in fear that the recognition of the union shop in its captive mines would lay the ground for a union shop drive in the steel industry by the Steel Workers Organizing Committee. To allay this possibility, the bloated steel magnates determined to reject the demand of the UMWA. They invoked the war program as a means of creating a hysteria of "public opinion" against the miners and organized labor. In this they were ably abetted by the President. A strike would close their mines and halt steel production, they said. With only enough coal for several days, this strike would cripple steel production and cause an all-around stoppage of the defense program.

From the moment that Lewis announced his intention to fight for the union shop and if necessary to invoke the strike weapon in order to force the steel barons to their knees, the whole bourgeois press poured down a concerted torrent of abuse upon the heads of the union leaders as part of a general attack on organized labor. The President issued statement upon statement declaring an emergency situation in the country and through the medium of a pronouncement denounced the strike as intolerable. All the forces of reaction allied themselves with the official New Deal administration in their condemnation of Lewis and, through him, against the trade union movement.

### Heads I Win—Tails You Lose

With this background, the National Defense Mediation Board was called into session. Composed of representatives of the bosses, the AFL, the CIO and the "impartials," it was believed that the Mediation Board could hand down no other decision but one of recognition of the union shop. But exactly the contrary happened. The Mediation Board, in an extremely contradictory and stupid decision, stated that while it recognized the right of the UMWA to a closed shop in this particular sphere of the mining industry, the union did not require such a decision from the Mediation Board since it already had 97 per cent of the miners in the union. In other words, we recognize your right to a union shop but since you

already have almost all the miners in the union you do not really need a union shop. What undoubtedly happened at the board hearing was that the bosses, together with the AFL representatives, who found this a propitious moment to stab the CIO in the back, and the "impartials," joined hands to deliver this blow to the miners' union.

The reaction of the CIO was one of militant defiance. It could not be otherwise, since the abject acceptance of this blatantly reactionary decision against the miners would have immediately redounded against the most elementary interests of the labor movement. The CIO representatives and alternates to the Board, almost to a man, resigned from the body in protest against this vile decision. The whole country looked up to see what Lewis and the Policy Committee of the UMWA would do in face of this decision. They had not long to wait for their answer. Lewis called the captive miners out on strike and threatened a general strike of the entire mining industry.

It was at this point that the Roosevelt Administration went into action. The President, uncertain of his course, greatly disturbed by the implications of his previous declarations and fearful of what the consequences of any action that he might take would be on the labor movement, at one and the same time threatened the use of the army—to force the workers to work at the point of a bayonet—and made conciliatory gestures to the rank and file miners over the head of Lewis. This was an extremely crucial point in the strike. Would the miners heed Roosevelt's plea to go back to work in face of a union call to strike? Could the use of troops, even to the tune of 50,000, make possible the production of coal, when the miners refused to work?

### Varied Responses to the Strike

The answers were immediately forthcoming. The miners, even the most hesitant, understood that there was no backsliding in this situation. To retreat now would mean to surrender to the demands of the steel industry. Nay, it might mean the beginning of the end of the miners' union. Lewis invoked the argument of the inviolable character of a contract; that he could not by the terms of the miners' constitution and the contracts signed with the commercial coal operators sign an open shop agreement. The miners understood that if this were done it would free the way for a non-union onslaught by the entire mining industry against the coal union. So far as the troops were concerned, Lewis made it sufficiently clear that no soldiers were going to dig coal with their bayonets or would even deign to go down into the pit.

The first skirmishes took place and the miners fared well. The strike was solid! The CIO convention in Detroit, meeting concurrently with the strike, could take no other stand but to support the miners' strike. And here the matter stood for some days. On the miners' side of the battle lines were arrayed the miners' union, the CIO and other sections of the labor movement. Against them, likewise in battle formation, were the steel industry, the Chamber of Commerce, the National Association of Manufacturers, the Roosevelt Administration, the Senate and the House, the War and Navy Departments, and the unified, corrupt and yellow press, all of them howling for their pound of labor's flesh.

The Stalinist Party, now one of the leading strike-breaking organizations in the country, once more raised its dastardly voice to the detriment of labor's best interests. The *Daily Worker*, while declaring its support to issues of unionism involved in the dispute between the steel barons and the UMWA, nevertheless carried on a vicious campaign against

Lewis on the ground that the "superior" issues of the great war of democracy required a rapid settlement of the strike. The Stalinist leaders in the CIO, Quill and Merrill, arose in the convention to point out that the war was more important than all the issues involved in the strike. Quill proposed that the CIO representatives return to the Mediation Board and seek a settlement. This is the same Quill who remained so adamant in the Transport Workers' struggle with LaGuardia (but then, it must be remembered, Stalin was still allied with Hitler and hindering the "democratic" war effort was an essential policy of the Stalinists). Quill now proposed that the miners crawl on their bellies to beg a crumb from the bosses and the AFL fakers. He was roundly disabused of this proposal by Murray.

At the same time, the war mongering *New Leader* also contributed its trickle of reactionary abuse on Lewis, the CIO and the miners' union. Socialist renegades, neo-democrats, the Stalinist periphery and the anti-Stalinist Rooseveltians, all joined hands. The issue of the war, in its great confusion, cuts across all labor and political formations.

### The Miners Accept Arbitration

In the Senate and the House, pro-war senators and congressmen, the anti-labor bloc and the isolationist reactionaries, asserted their unity and announced their determination to force labor to its knees. A plethora of bills was introduced to curb the trade union movement, halt strikes, set up enormous penalties against any action taken by labor to improve its condition and to subject organized labor to government control. At this point the arbitration scheme was proposed.

In his personal response to the presidential proposal that he arbitrate the issues in dispute, Lewis rejected it out of hand. It was not until the Policy Committee of the United Mine Workers of America convened and discussed Roosevelt's personal plea that the union accepted arbitration as a means of solving the struggle between the miners and the steel barons. Whatever the circumstances were which compelled the union to accede to the presidential demand, the arbitration scheme bodes ill for the future, not only for the miners' union, but for the entire labor movement. The arbitration scheme, accompanied as it is with a "no-strike" clause, is only one of the many sought by the anti-labor forces to bind the hands of the workers. The action of Lewis and the Policy Committee, faced as it was with an alarming "public" pressure, has set a specific tone to all other disputes, namely, subjects all the struggles of the working class to pressure for arbitration by the miners' example, and thus allows the most elementary interests of their class to be decided, what in most cases is a preordained victory for the bosses. The "impartials" are usually interested in "public order" and "public opinion" as it is formed and constituted by the reactionary press. Thus, in a majority of cases, labor gains a concession, but is forced to surrender its most urgent demands.

In this particular case, it is bruited about that the arbitration committee will grant Lewis' demand for the recognition of the union shop—the right of the union in this instance is unquestioned. But will this gain, on one sector of the labor front, be worth the harm in store for the labor movement as a whole? We believe that it sets a dangerous precedent, for arbitration accompanied with a "no-strike" clause signifies the entrance of labor into negotiations with the loss of the sole weapon it can employ to defend itself. Obviously, the bosses give up nothing in such a situation. They retain their property, they continue to earn their fabulous profits. They have

conceded nothing at this point. But labor marches into such meetings without a single one of its demands granted, with the sole possible exception that the union men will not be deprived of their jobs during the period of arbitration. It is in this sense that labor is the loser before the battle is fought.

### A Reactionary Field Day in Congress

At the time of this writing, the congressional battle is on. The representatives and the senators are impeded by only one consideration in the adoption of their anti-labor bills: the effects which their actions may have on the congressional elections and the concurrent fear that labor will take its revenge upon any scurrilous acts committed by them. Naturally this does not hold true for all the congressional gentry. Too many of them come from districts where there is a small labor movement. But these labor haters, representing small or no industrial areas, unhampered by the considerations of the "labor vote," are the most rabid and reactionary members of the House and the Senate. They—and most of them are from the deep South—are the most dangerous. They speak frankly and avowedly as labor haters. Some, isolationists, avowedly opposed to Roosevelt's war program, nevertheless take advantage of this situation as the means of promoting their sole goal in life, that of destroying the labor movement or, at least, reducing its effectiveness and ability to struggle.

Observe for a moment the measures now pending in the House. There are five bills, presently under discussion. All of them proceed from a single point of departure: prevention of strikes and control of the trade union movement.

1. The Ramspeck Bill, which is now known as the House Labor Committee Bill, introduced by Representative Ramspeck of Georgia, calls for a compulsory 60-day "cooling off" period in defense labor disputes. During this 60-day period, settlement of the labor dispute would be sought through the National Defense Mediation Board. As a last resort, in the absence of settlement, it authorizes the government "to seize and operate" the plant. This bill originally called for compulsory arbitration, which was eliminated from it because of the opposition voiced by the National Association of Manufacturers, the AFL and the CIO. It is conceded by most Washington observers as having the most favorable chances of acceptance in view of the large bloc of compromisers.

2. The Vinson Bill, introduced by Representative Vinson, also of Georgia, calls for all-out compulsory arbitration and the most stringent measures to enforce it. This was introduced last May by the House Naval Affairs Committee, and while it has been considerably modified, represents the official Navy views on the labor question.

3. The Smith Bill, sponsored by Representative Smith of Virginia, the most rabid anti-labor man in the House, calls for the outlawing of jurisdictional, sympathetic and boycott strikes, abolition of mass picketing, freezing of the open or closed shop, whichever may exist at the time of the outbreak of a labor dispute and, finally, would require a majority vote by a secret ballot before a strike could be called. He would also require unions to register and account for their funds to the government.

4. The Walter measure, proposed by Representative Walter of Pennsylvania, through the House Judiciary Committee, calls for the application of anti-trust laws against labor in accordance with the Supreme Court decision in the Hutcheson (Carpenters' Union of the AFL) case.

5. The bills of Senators Connally of Texas and Ball of

Minnesota also ask for the freezing of the union or open shops in defense production, and authorize the government to seize plants when strikes cause a halt in production. It is Senator Ball's proposal that the Labor Committee set up a voluntary mediation and conciliation machinery and forbid the recognition, by an employer, of a union shop where a strike is called for this purpose.

### "Impartial" Speeches and Anti-Labor Actions

In each instance, the congressional spokesmen endeavor to create the impression that these measures are directed against both capital and labor. But their comments on their respective bills clearly indicate the venomous anti-labor atmosphere that pervades the senatorial chambers.

Expressive of the attitude in the House, Representative Ramspeck stated that he found himself "in the middle of a cat and dog fight." Describing how his "good friends" are convinced of the need of legislation to halt labor, Ramspeck said: "Others want to perform a major operation on organized labor."

So far as he himself is concerned, the Georgia representative declared:

Previously I have opposed all legislation along this line (anti-labor legislation). But when John L. Lewis rejected all the President's patience, tact and diplomacy in seeking a peaceful settlement of the captive mines dispute, I decided it was time to find out whether the people or Mr. Lewis are running the United States.

In his criticism of the Ramspeck Bill, Representative Smith stated that it only:

... legalizes what has generally been going on—a process of seeking to settle defense strikes which has been a failure for more than a year. Mine would get at the place where the trouble starts instead of attacking the disease after it develops.

In explanation of his bill, he adds:

It carries no criminal punishment for lawful (1) strikes, but in cases of strikes made illegal under it the strikers would lose their rights under the National Labor Relations and Norris-LaGuardia Anti-Injunction Acts.

Representative Vinson is even more outspoken. In a statement presumably representative of "public opinion" but in reality calculated to create a certain type of public opinion, this Navy man bases his bill on the fact that "the public is demanding anti-strike legislation." In furtherance of his anti-labor aims, the leading member of the House Naval Affairs Committee, who works in closest harmony with the Navy Department, added:

The people are not going to tolerate any further appeasement. This issue is clear and the hour has come to meet it. It is a question of national safety as against the selfish interests of labor organizations. No group, whether it be labor or capital, can be allowed to imperil this country.

Add to these statements that of Rear Admiral Blandy, who, speaking in Georgia, urged the use of violence against labor organizers, suggesting to the workers in his audience the hope that "you will ride them out of town on a rail as if they were wearing swastikas on their sleeves," and the support given to this statement by that arch-reactionary, Secretary of the Navy Knox, and it will be observed that all the measures discussed in Washington are directed first and foremost against the elementary democratic rights of the labor movement. While it is true that capital is sometimes joined to labor in the denunciatory declarations, all the measures are frankly directed against the workers.



## The New York Post Disguises a Danger

In contrast to the anti-labor bloc in Congress we have the "liberal" proposal as personified by the *New York Post*, which has issued the call for a labor-management-government conference where all the problems existing in the present war period may be resolved around the discussion table and voluntary measures adopted by capital, labor and the government, to insure no further interruptions to the defense program.

In support of its contention the *Post* points to England and the surrender of the labor officials to the government as the example which should be followed in the United States. This liberal war-mongering daily is in agreement with the content of some of the House bills. But it opposes legislation to carry them into effect because it would then taint the legislation with a compulsory character and thus only intensify the the conflicts between an industrial and financial ruling class growing daily more bloated with war profits, and a working class faced with a deterioration of its standard of living. In typical liberal fashion the *Post* proposes that all the rights of labor be formally and legally retained. It says in its editorial of December 1:

There is only one way to put rights on ice, preserving them without using them and that is through voluntary agreement.

In other words, if labor wants to retain its legal and moral rights, if it desires to thwart the aims of reactionaries in and out of government, it should "evolve a code of conduct for the duration of the emergency" that would lead to no strikes, though it "preserve its right to strike." You can have your rights, but you must not use them. This reads like the usual liberal double-talk. But it would be a mistake to regard these thoughts complacently. Elsewhere in its editorial, the *Post* editor says:

FOUR. The public, and its Congress, must of course reserve the right to use ultimate force, if necessary, to preserve the nation. There can be no two ways about that. We are not going to see this Republic fall because of any one interest. But to use force before it becomes necessary merely sets the style of using force, ushers in a new climate, changes every vital process of democracy.

It is clear from this statement that the admonition is directed to the labor movement. It must not resist! It must "freeze" all its interests! Otherwise the waves of reaction will engulf and destroy it. And this (the use of state force) will be necessary in the interests of "the Republic."

The interesting feature of the *Post* plan is that it approximates the Murray plan of labor-management-government cooperation. While we reserve comment and a thorough analysis of the Murray plan for another time, the similarity of the two proposals is indicated to show that the dangers inherent in the *Post* plan are the same as those which would follow the application of the Murray plan.

## Green Again Is Against the CIO

How is the labor movement reacting to this perilous situation? The CIO gives every indication that it will resist the congressional drive against every right of the organized trade unions and the working class in general. The AFL, however, through the vapid mutterings of William Green, qualifiedly resists the proposed measures. In an extremely petty and shortsighted manner it calls attention to the fact that the AFL is loyal to the defense program—implying that the CIO is disloyal—and has adopted a "no-strike" policy in defense indus-

tries. Citing the additional fact that strikes by AFL members were "inconsequential," the president of that organization declared:

It seems inconceivable that Congress would take such action. Imagine, if you please, the state of mind which will be created among these loyal, devoted workers identified with the American Federation of Labor when they realize they have become the victims of anti-labor legislation!

*Why should Congress penalize millions of workers whose services have measured up to the highest government requirements because of the indefensible acts of some irresponsible leaders of a labor organization unaffiliated with the American Federation of Labor?*

The remedy for the cause which it is alleged underlies the action contemplated by Congress cannot be found through the enactment of anti-labor legislation. Available remedies should be applied, rather than to seek a new one through the enactment of anti-labor legislation.

Three things are to be observed from the characteristic obsequiousness expressed by Green: 1. The AFL is a loyal and patriotic organization, outside the group which should be the object of the anti-labor legislation; 2. The real culprit in the present situation is the CIO and all congressional shafts should be directed against it; and 3. There is enough legislation on the books now to provide Congress, in the interests of the bosses and the war, to take action against . . . the CIO.

## The Labor Movement Must Be on Guard

If this kind of situation continues within the house of labor it will find itself at the mercy of the American ruling class and a Congress which does the latter's bidding. The trade unionists in the AFL and the CIO must repudiate Green and replace his policy with a militant defense of all the rights of labor. The slightest hesitation by labor, its slightest capitulation, can have no other result but a complete destruction of the great organizations built up in the past ten years. Labor can have only one policy: rejection of all legislation, all proposals, no matter what their quarter, which would disarm it, reduce it to impotence. It must counter these measures with an even greater drive to organize all the workers in this country, to defend and extend its wage gains, to fight the high cost of living, to resist a reduction of its standard of living, to compel the bourgeoisie to disgorge itself of the enormous riches it is accumulating as a result of the defense program and the preparation of the Roosevelt Administration for war.

Labor will observe the increasing defection of its fair-weather friends as they jump on the war-mongers' bandwagon. It will find that its greatest strength lies in its own united power and clear resolve to fight for its deepest interests.

• • •

## OPM and the Dollar-a-Year Men

CONTRASTED TO THE NEW determination of the Roosevelt Administration to ban strikes, control labor and compel increasingly greater sacrifices from the trade unions and the workers, is the manner in which big business dominates the defense program and assures the giant corporations of a steady stream of war profits. As in England and Germany, the war program rests in the hands of the upper stratum of the big bourgeoisie. How can it be otherwise? Modern total war is completely dependent upon the giant industrial combines and defense production means subordination of and correlation to the requirements and productive capacities of these capitalist organizations. For all the denunciations of war profiteering, the issuance of increased taxation programs, the inauguration of plans to curb price elevations,

and similar measures to neutralize the feelings of the masses, the truth is that big business profits mightily from the war effort in all the belligerent and semi-belligerent nations.

The vast defense program in the United States can have only one result for American big business: enrich its coffers manifold. This is guaranteed by the manner in which big business, through its dollar-a-year men, controls the issuance of contracts to itself.

A short while ago, the People's Lobby, Inc., issued a bulletin describing the situation in Washington. It pointed out that in the month of June almost \$2,000,000,000 in war contracts were issued to corporations whose controlling officers were in the government supervising the issuance of these same contracts. The following large corporations, which received enormous contracts, were directly represented in the Office of Production Management: General Motors Corp., General Electric Co., Bethlehem Steel Co., Chrysler Corp., United Aircraft & Transportation, Western Electric, Westinghouse Electric & Mfg. Co., American Brass Co., etc.

The bulletin, which was introduced into the *Congressional Record* by Representative John M. Coffee, goes on to recite that:

A number of men from the ranks of big business are today the most important administrators of the defense program; William S. Knudsen, president of General Motors Corporation since 1937, now in charge of the Office of Production Management; Edward S. Stettinius, Jr., chairman of the board of the U.S. Steel Corp. (since then he has resigned his post) and an old associate of Mr. Knudsen in General Motors, now director, Priorities Division of OPM; John David Biggers, president, Libby-Owens-Ford Glass Co., another experienced automobile man, now director of production of OPM; Roy Jackson, formerly associated with Ford Motor Co., 1928-31, General Motors Export Co., 1931-34, and United States Steel Export Co., 1938 to date, now administrative officer of the OPM; Ralph Budd, president, Chicago, Burlington & Quincy Railroad Co., now commissioner of the Office of Transportation of the OPM.

Having thoroughly penetrated the chief agency controlling the defense production program, the big business men, serving the government at a dollar a year (whilst they draw their fat salaries from their companies) have also entrenched themselves in all other defense agencies. This guarantees them an overall control of the present war economy. People's Lobby, Inc., says that there are more than 250 dollar-a-year men serving the various defense bodies. It recites that:

Of this number, at least 42 are presidents of corporations. The majority of these are major corporations such as General Motors, Dravo Corporation, Atlantic Greyhound Corp., American Airlines, Inc., American Coffee Corporation, Carnegie Corp., Libby-Owens-Ford Glass Co., Procter & Gamble Co., etc.

The function of these big business men who control the defense program and all defense agencies is a simple one: they insure the continued flow of contracts to their respective corporations and thereby the large profits accruing from the war boom. A casual perusal of the financial pages of the leading papers in the country or the Federal Reserve Bank and National City Bank reports will show that, despite new rises in taxation, profits of all the large corporations engaged in war production have risen enormously. These men are in Washington to prevent the enactment of measures limiting profits, to insure the retention of their contracts and to control the business arising out of American efforts to become the "arsenal of democracy."

Thus, monopoly capitalism also retains its death-like grip on economy. It is estimated that, out of more than 180,000 manufacturing firms in the country, only a little more than 6,000 are participating in the war boom. One therefore can

readily understand the rising paternal attitude toward the small business man by sections of the Administration, backwoods congressmen and a portion of the bourgeois press. They foresee trouble ahead as a result of the great economic dislocation which accompanies the defense program.

Reformists and "socialist" well-wishers of the Roosevelt Administration may, at one and the same time, denounce big business and plead extenuating circumstances surrounding the President, but they cannot alter this condition.

It is impossible for a bourgeois state, preparing for war, to conduct itself in any other way. The era of Rooseveltian reformism is over. Today we are living in the first stages of a war economy.

. . .

## A Corpse Attempts to Rise

THE FIRST CONFERENCE of the International Labor Organization of the League of Nations held since the outbreak of the war was recently concluded at Columbia University in the City of New York. Meeting in the United States, under the conditions created by the war, the ILO, in furtherance of the general rôle it has played since 1919, has been made an appendage to the current war aims of Anglo-American imperialism.

The American delegation was the vital ideological leader of the conference whose purpose, expressed in the resolution of the American delegation headed by Mme. Perkins, was to work out a plan for world rehabilitation "upon the basis of improved labor standards, economic adjustments and social security."

"The close of the war," the resolution continues, "must be followed by immediate action, previously planned and arranged, for the feeding of peoples in need, for the provision and transportation of raw materials and capital equipment necessary for the restoration of economic activity, for the reopening of trade outlets, for the resettlement of workers and their families under circumstances in which they can work in freedom and security and hope, for the changing over of industry to the needs of peace, for the maintenance of employment, and for the raising of standards of living throughout the world."

The only method proposed by the resolution to accomplish these "spiritual" aims of the reformist ILO is to have ". . . the fullest collaboration between all nations in the economic field." The collaboration "will set tasks of organization and administration calling for the highest ability and for the most sympathetic understanding of the needs of the people."

Concretely, these aims are not fundamentally different from the initial objective set for it, when the ILO was organized at the close of the World War. In a period of more than 20 years, through crisis after crisis, in face of a world refugee problem of mammoth proportions, with mass world unemployment, world hunger, continuous and unremitting war in one part of the globe after another, a deteriorating international standard of living for the masses, increasing nationalism in economy and the raising of tariff barriers by all countries, the ILO has contributed less than nothing to their solution.

## How the ILO Was Founded

The ILO, born out of the League of Nations, was, like its parent body, an agent of the then dominant powers in Europe, Anglo-French imperialism. The "idealistic" program which it advocated was merely the veneer it used to gather a mass labor support to the League of Nations and the policies



advocated by the controlling powers in the League. It was not the withdrawal of Germany, Italy and Japan which had a denigrating effect upon the ILO. It was doomed from the very start. It floundered all the more helplessly when the League permitted the membership of the fascist nations which had enslaved their masses and destroyed the living labor movement. With the rise of fascism, the ILO became an instrument of agitation for the "democratic" imperialists. But no matter what its efforts were, the ILO could gain little from its activities because a serious attempt at realizing its program would have brought it into an irreconcilable clash with its sponsors, for every demand in its program was in contradiction to the existence of the bourgeois social order. It could not appreciably help refugees; it could provide no real economic aid to the masses; it was unavailing in its effort to bring about what it called a "more equitable division of the world's raw materials" in the rising tide of economic nationalism; it could not abridge the actions of rabid protectionism—in a word, it could solve no problem because it proceeded from the fundamental position that capitalism must be maintained and that these objectives were to be solved through the avenue of bourgeois economy.

### A Will-o'-the-Wisp Program

If it was impossible for the ILO to wage an effective struggle for its demands during the Twenties, how much more difficult will it be to realize them now, in a distintegrating capitalism. The effects of this war on the world will be far more debilitating than the last war. Under such conditions, the program of the ILO appears all the more ludicrous.

Finally, the ILO is a class collaborationist body seeking to establish class peace as a permanent policy in a solution of the burning world problems. It desires to preclude in ad-

vance all class struggle which will inevitably follow the present holocaust.

All who spoke at the conference, the largest in the history of the League of Nations, made this their theme: support the war efforts of the democratic nations; workers of all countries, cease your demands in favor of the war effort; sacrifice in order that you may be free—no strikes, no wage struggles, no fight against the new slavery in the factories engaged in defense production. Accept a "democratic" totalitarianism to fight Hitlerism. This was the special plea of President Roosevelt and it was re-echoed by all the delegates in the conference.

All other actions of the conference, the setting up of an Eastern European entente for post-war economic and political collaboration, the working out of a reconstruction program, the promise of equality in access to raw materials, fall to the ground in face of the main aim of the conference: class collaboration in order that the democratic imperialists may win the war. No admonitions about the abolition of war profits; no condemnation of capitalism as the fundamental cause for social disintegration; no condemnation of the war as a product of imperialist relationships. Instead, we have a unanimous affirmation of the "principles" of the Atlantic Charter which embodies the aims of the Anglo-American war camp.

Like the programs adopted at preceding conferences, this program too, is doomed to immediate failure. The ILO is a glaring expression of the total bankruptcy of bourgeois society. There is not a breath of daring concealed in its deliberation. There is not a fresh thought to relieve the monotony of its many-times unanimously passed resolutions. There is only the dead hand of ideological bankruptcy and moral decay seeking to uphold the worn banner of class collaboration for the purpose of continuing the existence of a decaying social order.

# The Dilemmas of Dai Nippon

**N**O COUNTRY in the modern imperialist world is beset by so many difficulties and dilemmas as Dai Nippon, the Japanese Empire of the Far East. No imperialist power is driven to so many deceitful extremes; no bourgeoisie is so tormented and tortured as that of Japan. Things that came with relative ease to young, ambitious imperialisms in bygone days are either denied to the Japanese, or are obtained only after back-breaking efforts. Furthermore, the broad horizon of the empire—represented at its extreme by the Tanaka program—constantly narrows as immediate aims and objectives become slimmer and fewer. The Japanese Empire is decidedly an empire that remains on the defense when confronted by its rivals.

On September 27, 1940, Japan formally joined the Axis partnership, thus creating a new "Triple Alliance." This was barely a year ago. With boastful flourishes, the signatories to the Triple Pact proclaimed that this union of the principal "have-nut, proletarian" powers sounded the death knell of the "plutocratic imperialisms"; that theirs was an aggressive, militant alliance aiming at a redivision of the earth—Europe, Africa and Asia.

But one year later, as the press of Dai Nippon prepared the world for a special session of the Diet (held on Novem-

ber 15) we find major emphasis laid on the following two characteristics of the pact: (1) That it contained an oral "escape" clause, applying to the Pacific area, which meant that Japan was not obliged to assume any responsibilities or obligations for events occurring in the Pacific that involved the other Axis partners; and (2) Clause III of the pact—obligating Japan to give military aid to Germany if the latter was "aggrieved"—could be interpreted broadly to suit the national needs of Japan. *In a word, the Triple Alliance was a scrap of paper!*

It is our objective in this article to review briefly some of the important events that have occurred in Japanese history during the first year of the "Triple Alliance"—events that have largely nullified this branch of the Axis and have brought Japan to the most crucial stage of its permanent dilemma.

\* \* \*

Premier Tojo, current leader of Japan's military ruling circles, has given an excellent formulation and description of the generalized dilemma that constantly eats away at the core of the empire. In a speech he stated, "Japan must either fulfill its mission of organizing a co-Asiatic prosperity sphere or become a second rate power." This is simply the Nipponese

translation of the famous dictum uttered by Mussolini with respect to Italy: "Expand or die."

In more concrete forms, this dilemma is expressed by (a) the constant drive to get raw materials which brings Japan smack up against its imperialist rivals (England and America); (b) the constant drive to get foreign currencies, through export trade, to bolster the yen or else submit to still further inflation at home; (c) the constant drive to supply and replenish the armies in the field and the navy or else automatically lose every territorial gain since the war of 1905 and (d) the constant drive to find surplus exportable capital so that some profit may result from exploiting the conquered territories.

The net effect of these dilemmas and contradictions is to keep Japanese imperialism in a state of turmoil bordering on panic, in which political crisis and cabinet crisis follow on the heels of one another. The current crisis of Dai Nippon is expressed more specifically in the negotiations and discussions with the United States which have gone on for almost a year—that is, since Japan joined the supposedly all-powerful Axis.

To say that Japan is "stalling for time" in these negotiations is to say a half-truth. It does not explain two essential points: (1) Why the Japanese are stalling; (2) Beyond the most successful "stalling period" lies nothing but the same dilemmas and insoluble problems. What reason is there to believe that a long drawn-out "stall" will better the empire's position *vis-à-vis* America and its allies?

*Japan stalls because it dares not face the possibility of a war with America; a war which every sane Japanese imperialist knows can only end in defeat and disaster; a war in which Japan is doomed from the first shot.* Herein is expressed the historic dilemma of the empire in its most acute form. Shall it be reduced to a miniature imperial power by the strangulation process of the ABCD powers (American, British, Chinese and Dutch), or shall it attempt to burst out of its steel encirclement by major military action?

In the current negotiations—the "successful" or "unsuccessful" conclusion of which will solve nothing for the Japanese ruling clique—Japan seeks (a) To gain time in which to breathe and further explore its situation in the world; (b) To lift the freezing order clamped down by the United States and the British and Dutch empires; (c) To make further preparations if a major war becomes unavoidable; (d) To regain some foreign trade concessions and (e) To salvage something from the wrecks of the Manchurian and Chinese adventures. Naturally, a further stiffening of the home front by new autarchic and militarist measures is being attempted in preparation for the worst possibilities. Indeed, there is little genuine confidence or hope in any strata of the Japanese ruling class!

## On the Home Front

(1) *Politics—Blunder After Blunder:* As Japan's position worsens her ridiculous bourgeois politicians grow more boastful and pretentious. They announce the projection of a railroad running from Berlin to Tokyo! They urge a bond issue to float its initial capital! Theoretically, bourgeois parliamentary parties have been disbanded and their functions replaced by *Shintaisei*—the "New Structure" organized by ex-Premier Konoye. But this new structure has as much reality as Hitler's "New Order." Divisions, confusions and conflicts within the ruling class have simply been transferred to wran-

gling cliques and intriguing groups that revolve around the Emperor's palace in Tokyo.

One of the important "New Structure" creations—the Throne Aid League—openly criticizes the entire Konoye program as a failure and went so far as to advocate its own disbanding! The Japanese Diet serves no function beyond that of supplying a battleground for the warring factions of the military, naval and capitalist cliques. Thus, it meets for three days, adopts ready-made tax bills and adjourns! As cabinet succeeds cabinet it is frankly acknowledged that each fresh successor is but a "temporary" expedient.

(2) *Social and Economic Conditions.* These may be considered under two separate headings: (1) Situation of the general population; (2) Situation with regard to preparations for waging a major war against the "democratic" war camp.

Naturally, Japan's imperialists place the burden of the crisis they have brought about on the shoulders of the long-suffering masses. The living standards decline toward a dead level of semi-starvation. Finance Minister Koya announces, "to lower the standard of living of the people as much as possible so as to divert surplus capital to industrial (war) production"—that is the aim of his department. These gentlemen are amazingly candid.

Today the Japanese people lack adequate rice rations, sugar, cooking-oil, fish, matches and a dozen and one daily commodities. In truest totalitarian fashion, each individual has been mobilized into one or more of the various national "fronts." Little recreation is permitted—not even the pleasure of a cigarette or smoking tobacco (there is none), or a moving picture after 9 p.m. Of course, the food situation is most crucial of all. Premier Tojo admits that Japan will have sufficient rice *only if* the exports from Thailand, Indo-China, China and Korea continue—a dubious *if* when placed against the background of the current situation. A makeshift plan introduced by his cabinet to plant cereal crops to replace the mulberry groves of the silk industry will not suffice to make up for shortages. Japan fears starvation in naval warfare far more than Britain does because Japan has no American Navy to convoy for it.

The recent session of the Diet imposed new taxes, ordered by the new cabinet of Premier Tojo. These include:

Increases ranging from a 40 per cent minimum to 100 per cent maximum on native-grown tobaccos, movies, drinks, sugar, luxuries of all types, mahjong games and hundreds of other articles.

A net increase of two billion yen (\$500,000,000) in the total direct and indirect tax burden.

These additional taxes—like all taxes promulgated by the reactionary capitalist régimes—affect the Japanese workers, peasants and middle class professionals.

Japan, perhaps more than any other important power in the world, depends on its export trade and commerce. The economic blockades of the ABCD powers have been almost fatal blows to the two principal export industries, *silks* and *textiles*. No figures on unemployment have been released, but it is known that approximately 6,000,000 Japanese families (peasants and workers) were engaged in one or another aspect of the silk industry. America bought 90 per cent of Japan's raw silk in 1940! In addition, America bought huge quantities of printed textiles and fabrics. It is not difficult to imagine the dislocation that a brusque cutting off of this trade has had upon Japanese economy. In the city of Osaka (3,500,000 population), hundreds of thousands of women

and children labor in the textile mills. What has happened to them since the wiping out of Japan's export trade?

As for the war economy of Dai Nippon and preparations for major warfare, the situation is simple and precise. *Japan is living on accumulated stocks and reserves.*

"Planning fresh adventures . . . (Japan) must store up huge supplies of basic materials (coal, iron ore, oil, gasoline, armaments)." (THE NEW INTERNATIONAL, January, 1941.) Has Japan succeeded in this task? *Absolutely not!* She has been cut off from access to all raw materials and metal ores with the exception of those flowing in from Korea and Manchukuo. Take, for example, the question of oil—a material without which the Japanese Navy cannot budge. The empire itself produces (northern Sakhalin island) in one year the amount of oil it uses up in one month. (The balance (92 per cent) has to come from outside sources. No oil has been exported from the United States or the Dutch East Indies (previous principal sources) for the past four months. The same crisis with regard to dwindling reserves holds true for every basic material utilized in modern warfare.

Yet we find *Nichi Nichi*—a leading organ of the imperialists—offering the following statement—half bluff, half threat. "If the United States means to avoid war in the Pacific and maintain her supply of rubber, tin, etc., now is the time for the United States to give serious consideration to Japan's determination." Naval warfare in the Pacific would have a far more serious effect upon Japanese supply lines than upon American.

### On the International Front

With one exception, mentioned below, Japan has had a series of unbroken defeats in the field of political and economic maneuvering on the international front.

(1) The military offensive in China launched against Changsha resulted in a miserable withdrawal and abandonment of the campaign. In the past year no serious advance or dent has been made on the "frozen" military fronts in China. The Burma Road remains untouched.

(2) As already explained, formal membership in the Axis has had no concrete benefit upon Japan's position.

(3) A "basic treaty" has been signed with the Wang Ching-wei puppet government of Nanking, granting Japan full economic rights over its own creation. But the Nanking "government" is an international scandal and farce—even failing to attain the stature of the Vichy-Pétain régime. At the moment, according to the reliable *China Weekly Review*, it is paralyzed by an internal clique struggle over funds and revenues accruing from gambling houses maintained by this "government." Even the Japanese press now largely ignores this chimera of the Japanese imagination. The "basic treaty" has failed to erect any stable régime in the occupied areas of China.

(4) THE NEW INTERNATIONAL previously listed five territorial points that constituted concrete objectives in various "imperialist adventures planned by the high command" in its southward expansion drive. What has happened to this plan during the course of the last year? (a) The situation in *Shanghai* remains basically the same. A simple "mopping-up" operation and the city becomes a complete Japanese possession—yet caution is still exercised. (b) In *Hongkong*—British gateway to its sphere of influence—the *status quo* has been maintained. (c) Only in *French Indo-China* can the Japanese imperialists record a limited success. This former French colony has been large occupied and its economy has

been fitted—in the form of economic treaties—into the war machine of the empire. The foothold in Indo-China is still tenuous and shaky, but it represents the one solid success of the past year. (d) *Singapore-Malaya* still remains as a formidable obstacle to the Japanese and it is decidedly stronger today than last year, thanks to American material aid. (e) The *Dutch East Indies* are as desirable—and remote—as they were one year ago. The sole difference is that today no supplies, not even those exchanged under more normal conditions (oil, rubber, rice, quinine, etc.) come from these islands. (f) With regard to *Thailand* (Siam), this prolongation of French Indo-China has passed out of Japanese influence and fallen into the Anglo-American-Malayan orbit, where—in the manner of the small nations of Europe—it will be torn to bits if a general Pacific war comes about.

\* \* \*

This, in brief, is the unfavorable position of Dai Nippon on the home and international front. In ordinary, "normal" circumstances it would dictate the pursuit of a slow, hesitant policy of skillful caution—one at which the diplomats and politicians of Japan are adept. But the Second World War for world re-division and world re-mastery do not encourage policies of hesitancy and retreat. Encircled by the steel arms of its rivals, Japanese imperialism may shortly be forced to strike out in sheer desperation. *Certainly the capitalist-militarist cliques which control the nation will not hesitate about such a step—even though they understand what its sole result can be—if the only other alternative is Japan's reduction to a second-rate power, while the empire decomposes at a rapid pace. And this other alternative is all that is "offered" to them by the Anglo-American imperialists.*

Under present circumstances, a major struggle in the Pacific is inevitable—and that in the near future! It will be a clear struggle for imperialist hegemony over the waters of the vast Pacific, China, the raw materials of the South Pacific and control of the China Seas. The defeat of Japan in such a war would, regardless of and despite the will of the "victorious" imperialisms, set loose elementary revolutionary forces within Japan itself. In a war between the Empire of Japan and the Anglo-American powers, the final word would belong to the defeated soldiers, the farmers and the working masses of Dai Nippon.

HENRY JUDD.

December 1, 1941.

---

*Subscribe to*

*Labor Action*  
and  
*The New International*

---

# A Minnesota Witch Hunt

SO POWERFUL is the democratic myth in this country and so comparatively attractive are the conditions of functioning in it, especially in relation to the fascist nations, that it is easy to understand why sections of the revolutionary movement may be subject to the influence of *perpetual legalism and democratism*. What is often understood only abstractly—that American capitalism is also subject to the laws of capitalist decline, one of whose results is the growth of totalitarianism or fascism—is often ignored in actual practice, in preparation for real-life perspectives.

The result of such a situation is, naturally enough, that once a sharp crisis comes, the revolutionary party receives a shock and requires a re-awakening, a political re-armament which prepares it for this new and unusual state of affairs—what the bourgeois press calls the “emergency.” It is precisely in such a state of affairs that the revolutionary movement of this country finds itself today. The nation moves toward a war economy, a war status (both in reality and formally) and a totalitarian or at least a semi-totalitarian régime. Quite inevitably the revolution parties must react quickly and sharply to the dangers of state persecution and suppression.

No more significant example of this can be given than the now famous “sedition” trial being held in Minneapolis in which 23 (originally 28; five have been freed) leaders of the Socialist Workers Party (Cannonites) and Local 544-CIO Teamsters Union are being accused of having conspired to overthrow the U.S. Government and having advocated its overthrow. This first, frontal attack of the government against a section of the Trotskyists—and a union in which they play an influential rôle—helped awaken the revolutionary movement to the intensity of the critical situation in which it finds itself. This, we believe, is true of all revolutionary groups in the country, not to mention their sympathizers, who are, of course, even more subject to bourgeois ideological pressures.

The realization that the prosecution of these Trotskyists in Minneapolis is a signal indication of the drive towards totalitarianization of our social life, and the extraordinarily sharp nature of this realization because the movement effected is also a Trotskyist tendency, is only enhanced when one is actually present at the trial. There is no teacher like experience. You may talk about the iniquities of capitalist injustice *ad infinitum* and *ad nauseam*, but when you actually come up against them in a political case of historic importance, as this one is, then your words take on a significance and a burning relevance they have never before had!

It is not our purpose to re-examine the details of the testimony and legal aspects of the trial here; that we have done at some length in dispatches to *Labor Action*, the weekly newspaper of the Workers Party. We should here like to note, however, a few of the highlights and conclusions of the trial.

## One Hundred and Forty Years Apart

The U.S. Government is clearly treading on completely new and (for the labor movement) dangerous ground in this prosecution. This is the first peacetime sedition prosecution since the régime of John Adams; the two laws which the defendants are alleged to have violated have never been applied to a case of this kind before. From a legal standpoint—and

the working class has every need to pay the closest attention to the capitalist laws!—the case is without precedent. As a matter of fact, I. F. Stone in a report to *The Nation*, informs us that the Department of Justice itself is doubtful of the constitutionality of one of the laws on which the prosecution is based—the totalitarian Smith Act, which violates the First Amendment to the Constitution by outlawing expressions of opinion as to the advisability or “propriety” of overthrowing the U.S. Government. As far as the second count is concerned, even the prosecution has been forced to admit the absence of any overt act on the part of the defendants to conspire to overthrow the government, which the courts have ruled is necessary in order to constitute a violation of Article 6 of the Criminal Code.

Clearly then, there must be some pressing goal which the government feels necessary to reach in order to essay a prosecution on such flimsy grounds. It is not for the mere sport of it that the Roosevelt Administration has so desperately “gone after” the SWP and Local 544.

The answer is of course immediately found in the trade union situation existing among the Northwest truckdrivers. The conflict between the anti-war and militant leadership of Local 544-CIO and the AFL Teamsters (led by a Roosevelt favorite, Dan Tobin) is no mere local jurisdictional dispute. It eventually involves the future character of the entire truckmen’s union—a victory for the CIO forces in Minnesota would spell the beginning of a similar process nationally. The Roosevelt régime, however, which is extraordinarily sensitive to such matters, does not relish the idea of the crucial truck drivers’ union—or even its Northwest section—being led by anti-war militants. It has therefore interceded to crush this movement while it is still young, just as it ached to crush the “obnoxious” miners but could not do so because of their strength.

## Part of War Preparations

It is not merely a political debt that FDR is paying off to a faithful servant such as Tobin is; it is one of the most significant moves to crush oppositionist sections of the trade union movement that Roosevelt has yet taken. And the tragedy of the situation is that so many unions have failed to recognize that!

But while the above is undoubtedly the major, immediate reason for the prosecution, there is still another—potentially more important. We cannot take seriously the pretensions of the SWP that the government is cracking down on it because of the threat which it represents to American capitalism and the war plans of the Roosevelt government. At present, the SWP amounts to little more than the proverbial hill of beans; if such a tiny political sect could at present really represent a serious threat to American capitalism, then we might actually prepare immediately to celebrate its demise.

But when the SWP says that the trial is intended to set a precedent for future persecution of dissident groups, especially those opposed to the war from a left point of view, then it is obviously correct. The Roosevelt régime which more sharply reacts to the affairs of the labor, and even of the radical, movement than the ordinary dull, conservative and plodding capitalist administration (if only because so many of its

bright lads have "graduated" from them), has the ability of preparing for the future. Thus it kills several birds with one stone: it smashes a dissident trade union that can potentially be very "troublesome"; it sets legal precedents for future and perhaps even more important prosecutions; and perhaps it throws a bit of a scare and gives a bit of a warning (it thinks to itself) to other dissidents.

These, we believe, are the essential reasons for this fantastic trial, in which perjurer after perjurer is paraded up to the witness stand by the government in order to tell how V. R. Dunne or some other defendant told him—always, to be sure, in private conversations at indefinite occasions (which cannot be checked!)—that the SWP advocated violent overthrow of the government. It is for these reasons that the government indulges in such a weak case that it must rest its proof on the testimony of witnesses who are, without exception, known as the bitterest inter-union enemies of Local 544-CIO, all of them being AFL leaders and on the Tobin payroll. It is for these reasons that the government continues vigorously to press a case in which the only overt act it can produce to substantiate its case is the organization of a Union Defense Guard several years ago by 544. And it is again for these reasons that the government, for the first time in American history, introduces the 93 year old *Communist Manifesto* as evidence and contends that its circularization proves intent to overthrow the government!

### Protectors of Civil Liberties!

How typical it is of the entire political evolution of the Roosevelt Administration and of its present status, that the special prosecutor sent from the Department of Justice, Henry Schweinhaut, was formerly in charge of a newly created section of the Department of Justice organized to protect . . . civil liberties! Besides the obvious irony, there are also political implications.

There is no one so adept at destroying civil liberties as their former protector. (Not, of course, that Schweinhaut was ever too zealous in their protection!) From the head of a government bureau especially designed to impress labor and the liberals with the government's interest in their civil rights, to the chief inquisitor of the first Roosevelt political lynching bee! And Schweinhaut, who of course is merely the representative of Attorney General Biddle, in turn the representative of Number 1, has proved himself very adept at the job.

With the aid of an extremely cooperative judge, legal precedents have been set at this trial, which, if sustained, represent a grave threat to labor's civil rights. Witnesses are allowed to sit in court and listen to the testimony of previous witnesses, so that they can check their testimony and impress consistency into their perjury. The prosecution plays with two theories of conspiracy—neither of which attempt to prove its actual existence, but both assume it. One of them assumes the conspiracy to be a secret group within the SWP, in which case the government has failed to prove its *secret* existence nor the connection to it of a group of the defendants who lived 1,300 miles away from the alleged scene of the conspiracy; the second theory assumes the SWP itself to be the conspiracy, in which case the very right of existence of a revolutionary party is threatened. Evidence is introduced by the government, and admitted by the judge, on the ground that it "indicates the state of mind of the defendants," in relation to one of the counts (the Smith Act of June, 1940) on events which took place *before* the passage of the act! Evidence considered by the government sufficient to convict the defendants of advocating the violent overthrow of the government is also presented as sufficient to prove an actual conspiracy to do so.

Perjury, flagrant contradictions, *ex post facto* rulings, confusion and deliberate contradiction of the very definition of the alleged crime of conspiracy, the use of commonly-known Marxist classics as evidence—the prosecution stops at nothing; everything goes.

In the midst of all this, the conduct of the defendants leaves little to be desired. They stood up firmly and defended their principles; they did not compromise any of their basic beliefs. If they will be convicted, it is clear that their only crime was an intransigent belief in their ideas.

The political lessons to be drawn from this trial in terms of the development of American politics are fairly obvious. We wish only to stress one of them here, which so many of the intellectual friends of the revolutionary movement constantly minimize. And that is the need for a stable, strong and steered revolutionary party. It is only with such a party that the revolutionary and militant workers will be able to meet similar crises of an even more severe nature in the future. And it is only with such a party—which provides the necessary backbone and rallying center and ideological support—that the intellectual friends of the revolutionary workers will be able to maintain their balance and allegiances. The strengthening and building of that party remains the need of the hour.

IRVING HOWE.

# France After the Defeat

(NOTE: The following article sent from France was in transit for a number of weeks. The author, as is evident from the contents, is a revolutionary socialist. He is not, we understand, at present a member of any organization. We print his article because we believe it to be a thoughtful and interesting contribution to an understanding of the current situation in France, and though we may not agree with every sentence written, we feel certain that it will enhance the reader's knowledge of the present French labor movement.—Ed.)

**D**URING the months which followed the defeat, French society presented a picture of dissolution and collapse. This was reflected within the working class by the complete absence of any desire to resist. The workers were apathetic, beyond despair, and entirely without initiative. The French workers were glad, on the one hand, to come back alive from the front and, on the other, completely disillusioned with every form of political activity, which had only led it from defeat to defeat. To a small degree, this hatred

of "politics" led to a revival of anarchist tendencies, but for the most part the result was a "reprivatization" of the worker.

Whatever political thinking existed was completely without direction.

The thousands of channels through which the opinions of the workers could ordinarily be influenced and by means of which they had been able, in the past, to form some comprehensive world picture, were suddenly destroyed. No more meetings, no workers' press, no leaflets. The Socialist Party



had completely disappeared from the scene. Here and there a local group attempted some loose form of organization and contact with its members. The CP, too, showed little activity during the first few months after the defeat. It required some time before it could reassemble its active cadres (which it had never lost) and reorganize its activities on the basis of the new situation. The fundamental characteristic of this new situation was that the responsiveness of the working class to any kind of slogan had almost entirely disappeared. The trade unions, which during the war, with the help of the SFIO, had been transformed into loyal servants of the régime and whose independent existence had virtually been destroyed, showed few signs of life.

The magnificent quality, particularly of the French working class, to react spontaneously to events, a quality which made possible a June, 1936, which made it possible for the French workers, in spite of the tremendous influence that the two great working class parties had exerted upon them for years, to break through from time to time and exert their own will against their leaders, this quality the French workers seemed to have lost completely in the months following the defeat.

They had not only lost confidence in their leaders, but, what was much worse, confidence in themselves. During the course of the war, the French working class had already been reduced to a mere pawn of history, had not been able to play a constructive rôle. This fundamental weakness determined the whole character of the early post-war period. Like the bourgeoisie and the petty bourgeoisie, the French working class adopted goals and directions which were not based upon its own interests, but were taken over from outside. One was instinctively for the victory of Britain, or for Moscow, or (a small minority) for an understanding with Berlin, but practically nowhere did it occur to anyone that the independent action of the working class could in any way alter events. The feeling of impotence, born and nourished by the many defeats and disillusionments of the last few years was too strongly rooted. Everyone hoped for and expected a saviour. No one thought that victory could come from within.

In addition to this there was another and even more decisive factor which must be added. There were more than one million unemployed in the Paris area alone. The majority of the workers were outside the industries. Production was practically at a standstill. It is a fundamental error to assume that misery, as such, is a revolutionizing element. On the contrary. In the factory the worker feels the firm ground of solidarity under his feet. He can draw strength and initiative from it. Once he has been pushed out of production he is helplessly alone and loses all his feeling of strength. He no longer thinks of helping himself by class means as a part of a class, but as an individual in struggle against all other individuals.

### The Effects of the Fall of France

Thus the reaction to the first few months of unemployment and misery was not fighting spirit but apathy. And those primitive bonds of solidarity, which mark the first step in the development of class consciousness, were threatening to dissolve and to transform the working class into a mass of isolated individuals.

It would be a mistake to suppose that terror played a rôle worth mentioning in this entire development. On the contrary, police pressure, which had been terrific during the war, was greatly relaxed. The Nazis had released many political

prisoners who had declared themselves against the war and the French police was much too weak to make itself felt. The causes for the terrific demoralization of the workers during this period are to be found only within the working class itself, not outside it.

This feeling of impotence held sway from September until the end of the year. But then, in May-June, 1941, there was a general strike of French miners in northern France involving about 40,000 workers. The strike lasted three weeks. This event, and not the Nazi campaign against Russia, seems to me to mark the beginning of a new period in the development of the situation of the working class. Here for the first time is a revival of the spontaneity of the workers, activity which indicates that the feeling of powerlessness and helplessness is giving way to a feeling of renewed strength. This new period is the one which I propose to discuss in the following sections.

The Pétain régime has not succeeded in organizing any kind of mass base. It relies almost completely upon the police, the army and a section of the Catholic Church. And not even the police is a really firm support. A policeman who arrested a friend of mine at a demonstration at Marseille said to him: "I am sorry to do this, but if I do not arrest somebody once in a while I shall lose my job." Every attempt, and there have been many, to gain support among the workers has had lamentable results. The socialist and reformist trade union renegades have lost all contact with the masses. Lacking cadres of any sort, it has been impossible for Pétain to reorganize the trade unions along the lines of the Labor Front in Germany. Although the central organizations of the trade unions were dissolved by the government, the industrial and regional units were left intact. Only during the short period after the expulsion of Laval can there be said to have existed a vague feeling of sympathy among the middle classes and even partly among the working class. Then a post office employee told me: "We have to give him a chance. Perhaps he can make something out of this mess. After all, he's in a tight spot." But this feeling was only temporary and can be said to have completely disappeared in the last few months.

### French Fascism Organized with the "Tops"

Nor has a fascistic movement been able to develop. For such a movement a mass base is necessary. But no movement today can find mass support on the basis of collaboration with the Nazis. For this reason the Doriot-Deat movement in the occupied territory cannot be considered as anything but a "German" organization, which has been unable to take root in any stratum of the French population. Only in certain sections of the bourgeoisie (and by no means the entire bourgeoisie, as a simplified propaganda would have it) have the advances of the Nazis met with a response. Specifically involved here are the industrialists who work for the Germans, or who expect to sell their factories to Germany at a handsome profit and continue their comfortable existence as coupon clippers. To this group must be added certain trade union and working class "leaders," of whom more will be said later. All these movements stand and fall with the German occupation. They can have no direct influence on events in France. They can only attempt to influence them from outside. They are more or less German auxiliary troops.

Unemployment has dropped considerably since the beginning of the year in Paris, to about one-fourth of the level of October-December. The largest section of French industry is working for Germany. This is especially true of the metal industry. Apparently the Nazis, faced with the necessity of



immediately exploiting to the full France's industrial capacity, have decided to postpone their plans for the re-agrarianization of that country until after the war. Although it looked at first as if they would try to transfer the most important factories to Germany and import French skilled workers, they seem, for the present, to have abandoned this scheme. They are themselves creating, by this means, a powerful potential danger.

The German occupation authorities tried for months to carry out a policy of leniency. In factories which were working for Germany, higher wages were obtained, working conditions improved somewhat, hygienic improvements were made. The French workers were wooed in every possible manner. A group of former working class leaders were bought directly by the Germans and another group, composed mainly of former pacifist elements in the SP and the trade unions, voluntarily placed themselves at the services of the Nazis, partly for the sake of bread and partly in order to hold on to their little "jobs" and graft possibilities, and partly for "ideological" reasons. Typical of the state of mind of the "pacifists," who are now employed in German offices or write for German newspapers, is what a former high official of the Teachers Union said in a conversation."

Now it is possible for us to be real representatives of this point of view. . . . State capitalism is the form of economic organization which will rule the world in the next period. . . . Why fight against it? Let's accept the fact and adjust ourselves accordingly. . . . Germany is stronger than we are. There is no getting away from that. . . . We, as pacifists, are for a speedy ending of the war . . . therefore for a German victory and a unified Europe. . . . The working class movement has failed . . . it is dead . . . we must look for new forces . . . why fight for a lost cause? . . . let's try to help carry out the state capitalism as humanely as possible . . . etc.

But all the attempts of the Germans and their collaborators to win over the working class did not bring any real results. The French worker sees his material circumstances daily worsened by the Nazi plunder. Food becomes scarcer every day, and the winter threatens to bring actual starvation. All this is not helped by lengthy discourses on the new "united" Europe of the future, which, under German leadership, will presumably blossom and thrive.

### The Drop in the Living Standards

The food situation has become critical since the beginning of this year. According to a statistical survey carried on by the trade unions, the standard of living of the workers in April was 50 per cent lower than before the war. Since then conditions have become even worse. Even the meager rations which one is entitled to obtain in return for food cards are not obtainable for the most part. In the large cities in the last few months only about half the meat and cheese rations were actually available. The "black market" has become one of the most important institutions in France. Whoever today is unable to provide for himself through the black market, at prices four times higher than the official price, finds himself close to starvation. French society today is graft ridden as never before. One needs only to open a newspaper to find announcements of from ten to twenty trials and police actions daily on account of crimes with regard to the black market. As far as the bourgeoisie is concerned, it is not much worse off today than in normal times, but the condition of the petty bourgeoisie and the working class is catastrophic. During the first few months everyone tried with more or less success to obtain provisions for himself. One went to the country and bought food from the peasants, used up the reserves which

one had stored up, tried to get forged food cards, in which there was a wide traffic, etc. When you came unexpectedly to see somebody you found him very often just hiding something in a secret drawer. And it was precisely the fact that it was possible to pull through somehow, on this individual basis, which led to the "reprivatization" of the French worker mentioned above. But, by now most of these sources of supply are about dried up. The reserves have been used up and whatever food finds its way illegally from the farms to the city usually goes by way of the black market, that is to say, it can be obtained only at the most fantastic price. With great display the Germans announced that they would send potatoes and other food supplies, but the few measly trainloads which they sent did not even make a dent in the food situation. All this will tend to force the workers into the realization that there is no individual solution to these problems and will serve to repoliticize them.

Once the general feeling of apathy and abandonment has been overcome, a tremendous wave of nationalism set in among the middle classes and the working class, especially in the occupied zone. At first this reaction to the German occupation was entirely spontaneous. The German was hated as the symbol of misery and oppression.

The French did what damage they could to the Germans in France. Girls who were seen on the street with German soldiers were spat upon; anyone who was co-operative or even spoke about contact with the Germans was shunned. In the face of the tremendous and violent experience of foreign oppression, the "normal" native capitalist exploitation seemed to be completely secondary. "They are also 'des salauds' but they are French at least," said a taxi driver to me then. Thus the pro-English sentiment which was widespread in this period was an instinctive reaction to the German occupation. During this period one could hear many workers argue: "Of course, the English are just another imperialist power, and besides, they left us in a hole—but anyway, they're fighting the Germans, and the most important thing is to get rid of the latter first."

### The Dangers of the de Gaulle Movement

This feeling was slowly organized, at least in part, by the de Gaulle movement. This movement at first relied almost entirely on the intellectuals for support, and still finds its most active supporters in this circle but it also succeeded in winning over a number of former socialist officials. Their attitude is also: First get rid of the Germans and then we'll see.

The de Gaullistes concern themselves primarily with enlisting recruits for de Gaulle's army, and only secondarily with a political program. During the entire time I was in France I could not succeed in getting a single de Gaulle paper, whereas it was a simple matter to get regular literature from the CP. The only de Gaulle leaflets I ever saw contained some feeble verses and jokes about the Germans. How far the de Gaulle movement was responsible for organizing the recent sabotage activities is hard to say, but in my opinion, they rather represent (in so far as they were not organized by the CP, of which more will be said later) unorganized actions which were undertaken by individuals, entirely on their own, influenced though they may have been by de Gaullist propaganda.

Within the de Gaulle movement itself, the most varied tendencies are to be found, from young Catholic groups to former revolutionary workers. They have only one common

basis—hatred of the Germans. But this is enough to assure them of deep sympathy and response from the general population. They certainly do not have any clear conception of what will happen should Hitler be defeated, but probably most of them think that things will continue where they left off in June, 1940. Their influence on the working class movement is not negligible, but one feels that it will not lead to anything progressive but will, in the last analysis, hinder the working class from developing the will to take independent action. Of course, in the meantime this movement is helping to free the workers somewhat from the isolation which they have been thrown into and politicalizing them to a certain degree. But its main emphasis is not on political initiative but on aid from "outside."

It is for this reason that I feel that the miners' strike in the north, previously mentioned, is a thousand times more heartening than all the sabotage action and de Gaullist activities put together. The latter are, after all, only signs of individual desperation and do not show any possibility of leading to collective action, whereas a strike is an action of workers who are seeking to deal a blow as a class. The nationalistic agitation of the de Gaulle followers must remain blurred and unclear, for that is the only way the many elements which compose this group and which are all straining in different directions, can be held together.

### How the Stalinists Carry On

We come now to the most decisive influence within the French working class: the Stalinist Party. All the predictions that this time, following the 100 per cent turnabout from the line formulated after the Hitler-Stalin pact, the workers would desert the party en masse, have turned out to be false. The Stalinist Party has today by far the largest working class following in France. It is the only party which maintains an organized net of contacts in the factories, and it is the party with which the masses of workers sympathize. The party brings its paper out regularly, usually printed on tissue paper. In addition, it publishes district papers and even in some cases factory papers. It has thousands of active members in the factories. It has such large and extensive cadres that even the wave of raids and arrests recently hardly made a dent in its organization. All in all, one can say that after the last great turn a part of the petty bourgeois following left the party, but that the best section of the workers remained faithful throughout the war, the invasion and up to the present.

I think the decisive factor in explanation of why the workers stick to the CP is the following: The average worker belongs to the CP not because it has this or that political line, but because it is THE Party. For the French worker it is still the party of the October Revolution and an expression of everything which is against reformism. Furthermore, it is the only opposition party whose present is felt, the only active force, the only organization which, in words at least, in spite of all its changes, constantly seems to give expression to the interests of the worker in his daily struggles. The belief in the authority of the party has in no way been shaken. This belief will only be shattered when the workers regain confidence in their ability to act as a class, on their own initiative and in their own interests. The support which the Stalinists obtain from the French workers is a sign of the weakness of the French working class, still looking for salvation from the outside, and consoling themselves for the present with a faith which is based on a quasi-religious fanaticism.

The Stalinists were active enough before the German-

Russian war, but since then their activities have multiplied. They can now rely on the sympathy of the entire population who, even if not at all Stalinist, hopes that Stalin with "lick Hitler." The two days when I saw the highest temper and best spirits among people in the streets were the day of the German declaration of war on Russia and the day when Laval and Deat were shot. The members of the CP work with unbelievable courage and sacrifice, undeterred by terror or the death penalty. It is necessary to emphasize this, and to make plain that even in its subordinate cadres there is no demoralization to be noticed. Since the Russian war they have carried out a series of railroad sabotage acts, obviously on orders from above, and in the factories working for Germany have had considerable success with the propaganda for slow-downs. Their material gets wide circulation, their slogans are chalked on many house fronts. In spite of the terror of the last few months, there have been large demonstrations with red banners in several sections of Paris. One can imagine the extent of their influence when one considers what it must take to bring masses into the street in a Nazi-occupied city, where the death penalty has been decreed for demonstrations of any kind.

But in spite of all this heroism it must be said that this agitation cannot lead to the reactivation of the working class in a positive manner. Here again the workers are shaken out of their apathy, but their new-found militancy is made use of in the service of forces which are diametrically opposed to their own interests. It must also be said that the new wave of activity which has been organized by the Communist Party and has brought such response from the masses has followed largely as a result of Russian resistance and may be expected to collapse as soon as this resistance breaks down. If there were nothing but this to point to, then the situation of the French working class would appear hopeless, indeed. For what is needed today is rebirth of revolutionary initiative, based on new revolutionary-democratic concepts of socialism, whose principles will have to be crystallized in the course of the struggle in the next period.

### Is the French Working Class Reawakening?

We have examined the reasons which led, in the first place, to a depoliticalization of the workers, and the factors which are present today in activating them anew. But these factors alone do not point to a development of class struggle and revolutionary political initiative. Where, then, are the forces which have led us to assert that a new stage has been reached in France today in the struggle against fascism, that a turning point has been reached in the situation of the French working class? In the first months after the defeat the French working class was leaderless, and if one discounts the leadership of the Stalinists as a positive factor, it is still leaderless today. In spite of this, it was possible to conduct a strike in a key industry in the occupied section which could last for weeks, and this in the section most strictly policed and controlled by the Nazi authorities. Obviously an important change took place in the attitude of the workers which can only be explained on the basis of a re-awakening of the feeling of class solidarity and confidence. How was this strike organized, and by whom? We do not know exactly, except that it was not by the Stalinists. But in France we had the general impression that in the factories something is taking place which is similar to what happened in Germany in the first few years, that is, slowly, a small layer of class conscious workers is forming in the factories which enjoys the confidence of the rest of the

workers, which is looked up to and followed. Sometimes this layer consists of former trade union functionaries or active trade unionists, sometimes ordinary workers who never played any active part in the movement before. They are well known in their factories and their personal lives are such that they inspire confidence and trust. They do not represent any clear political concepts, but they are like many little threads which hold the class together; they nurture the bonds of solidarity by helping comrades who have been arrested or are in danger and do a thousand other things which reawaken a feeling that all is not lost. Of course these workers do not represent the new movement, nor even the foundations of the new movement, but they are perhaps the first seeds out of which it may grow and develop. It is this small layer of workers, no doubt, who played a large rôle in organizing the mine strike in the North.

The situation in the trade unions is extremely varied. There are trade unions like the Union of Railway Workers, which still has a membership of around 50,000, and there are others like the Union of the Metal Workers, which once had a membership of 100,000, and has gone down to only about 8,000 members. Those which try to carry on some form of opposition, be it ever so small and concealed, have retained their members. On the other hand, those which openly capitulated exist today only as skeletons, with an apparatus and no members. Will the trade unions play any decisive rôle in events in the future? I believe that, by and large, they will not. Factory counsels, organized by the rank and file on the spot, will be much more important than such bureaucratic organizations. Of great importance, it appears to me, is the indication that in the last few months there has been a considerable shake-up among the various political groups and individuals. More and more it is apparent that a new generation of young workers is replacing the old generation which has dragged with it all the traditions, defeats and disillusionment of the last ten years.

### What the Trotskyists Are Doing

One has only to examine the lists of prisoners who have been condemned for political activity to see that the majority are young workers between the ages of 19 and 25. It is true that most of them are members of the CP, but these young Stalinists do not have the same snobbishly dogmatic attitude which characterizes the older workers who have gone through the Stalinist school. It is in their ranks that one finds the most heroic and self-sacrificing individuals, but at the same time those upon whom the instructors of the CP have relatively the least influence. These young Stalinists, upon whom the whole burden of the illegal struggle falls, are slowly developing a morality and general attitude which is bound to come in conflict with the morality of the GPU.

The revolutionary minority in the French working class movement is very weak and can in no way compare its influence with that of the CP. In spite of this it has been possible for at least one of the groups to build up an organization and maintain its contacts throughout France. This is the Trotskyist organization. In Paris this organization has about 300 members and in the provinces about half as many. There is regular communication between the various groups, a mimeographed newspaper and theoretical organ appear regularly and from time to time mimeographed leaflets are distributed.

Recently this group even succeeded in bringing out several printed leaflets on tissue paper in very small type. This is a considerable achievement for such a small group working

under illegal conditions. The group is very active and is composed mainly of young working class and intellectual elements. From the point of view of theory this group is also very much alive. There are regular discussions in which the problems arising out of this new situation and general theoretical problems of socialism are discussed. It is especially to be remarked that this group is characterized by an absence of "orthodoxy," and is attempting to arrive at evaluation of modern problems which will not be hampered by outworn clichés. This group seems to me to form a concentration center for a certain young revolutionary elite, where ideas will be fought out and organization may be built which will perhaps be a bridge from the old movement to the new. The greatest shortcoming of this group is unfortunately that its main influence is felt among teachers, students, government employees, draftsmen, etc., rather than in the factories, where its influence is relatively unimportant. Nevertheless the material put out by this group reaches about a thousand readers in Paris regularly.

As far as I know, the activity of the other groups which existed before the war, such as the PSOP, consists simply of private meetings occasionally of some of the members. Today all these groups together do not have any influence to speak of on the general development of events, even though they sometimes labor under the illusion that they could influence them if they wished. They will only be able to enter actively into the general struggle when the spontaneity of the masses has been reawakened and a new wave of activity sets in.

### The Relations to the German Army

An important question in a consideration of the future is the attitude toward the German soldiers. Any revolutionary development in France will be practically impossible unless at least a section of the German occupation troops can be neutralized or brought over to the side of the revolution. This can never be achieved through the pure nationalistic anti-German de Gaulle propaganda. On the contrary, this propaganda only throws the German soldiers back into the hands of fascism. The change in attitude of the French workers toward the occupation troops in recent months is very significant. In the first period there was general hatred and revulsion against the Germans. No distinction was made between soldiers and officers, no one spoke to a German unless he was forced to. Now, however, there has been a thoroughgoing change, not based on any "solution" brought about by anyone, but on the simple fact that French and German workers have gotten to know one another in the factories. In every factory which is working for Germany there is a group of German foremen, sometimes soldiers but also civilians, which is in constant contact with the French workers. There have been many instances where it has been obvious that class solidarity has pushed its way through and cut across national differences.

I know of a garage, for example, not far from Paris, where French mechanics are working under the supervision of German officers who are themselves metal workers from Westphalia. German military cars constantly stop at this garage for repairs. In the beginning there was absolutely no conversation between the French and the Germans. They carried on their work in complete silence. Then, one day when one of the French workers couldn't get a car into running order, one of the Germans took off his military jacket, crawled under the car and began to play around with it. From that day on the ice was broken. Now there is constant activity at the ga-

rage, enthusiastic conversation carried on with the aid of many gestures and few words. A farewell celebration is held when one of the German soldiers is transferred, they drink together, give one another tips on where to get a bargain on the "black market," etc. Once in a while the wives of the French workers sew a button on or mend a tear in the uniforms of the German soldiers, and so on. A few weeks before I left, when one of the better-liked Germans was transferred to the Russian front, he was warmly embraced by the French workers at his departure. Similar things are happening elsewhere. The contact is getting closer and closer. Slowly even political discussions are beginning to take place. The Nazi officers and party bureaucrats are denounced by French and Germans alike. Of course, the significance of this situation should not be overestimated. The German soldiers are war-weary. They want to go home and have peace and quiet. One of them said to me: "I'm not a soldier, I'm a tailor." In spite of this it would be a mistake to think that the German soldiers are prepared to take any action against their leaders. In spite of their disappointment that the war is not yet over one can say that the general feeling among most of them is still: "We must win this war, not because we are Nazis, but because we don't want to go through the misery of another Versailles treaty."

### Signs of New Beginnings

The French working class has recovered somewhat from the deep despair into which it fell in the first few months following the defeat. The French worker is becoming repoliticized, aware of his own strength; he is coming out of the

apathy from which he has been suffering. In spite of this, one should suffer no illusions on the basis of what has been said here. It is still a long way from a new working class movement. Not only are the masses not yet prepared to accept it, the theories which must form the basis of this new movement have not yet been elaborated. In the meantime there is the great danger that the movement into which the workers are being led today is not *their* movement, that their courage and sacrifices are being used for purposes which are inimical to their own interests. In this respect, one can say that in France today as well as in all of Europe the working class is faced with a task which at least in Europe it had considered solved for many years. This task is to redefine, out of all the failures, betrayals and disappointments, the true goal of the working class and to reconstruct a movement which will be orientated along class lines toward its class aims, for revolutionary objectives.

I have tried to show that in France today the first signs of such a reformation of the movement are beginning to show, or at least the basis for such a reformation is present. I only wish to emphasize that these signs are not to be sought in acts of terror and sabotage. These are symptoms of an awakening of revolutionary spirit. Of course, these actions help to weaken German fascism and as such may be welcomed; but the new working class movement will be constructed out of the anonymous work of thousands of its members, not out of the heroic deeds of a few individuals. The way is still a long and hard one and all those who think that the period of great mass uprisings has come are very much mistaken. But the organization of this new movement is the only hope of conquering fascism and imperialism of every stamp.

EUGENE WOLFT.

# Modern War and Economy

**T**HE CHARACTER of the current World War was already foreseen in 1918. The stalemate of machine-gun warfare was suddenly overcome by the introduction of the steel tank and the improvement of the offensive power of the airplane. They were an omen of the future. The growth of modern science, particularly in the fields of chemistry and physics, prepared the ground for an unprecedented development of enormous and variegated instruments of destruction, which, in their mass, was destined to make unparalleled demands upon the industrial capacities of all nations.

How shall a nation prepare itself for war? What are the industrial requirements of modern armies and how do these requirements affect normal peacetime economy? What principal changes occur in the productive character of industry, what economic laws are violated? This is the subject of a new study by the eminent Czechoslovak economist, the former director of Research of the Czechoslovak National Bank and representative at Geneva conferences, Dr. Antonin Basch.\*

A great deal of political and economic theorizing is woven through the book, much of it undiluted nonsense, but the author has really contributed something positive to the question of how capitalist nations reorganize their economies to fit the needs of modern imperialist war. In establishing his main thesis, Dr. Basch directs attention to three obviously im-

portant facts: 1. Modern war represents a harmonious balance between the home industrial front and the battlefield. 2. The industrial requirements of the war machine make unavoidable a complete reorganization of the national economy. 3. The economic struggle between nations is not suspended in the course of the war, but is, on the contrary, intensified because the industrial requirements of the Army and Navy one-sidedly accentuate the problems of an all-embracing peacetime economy.

The salient point to be remembered in this sphere is that the national economic plant must be *entirely* subordinated to the needs of war. No half-way measures are permissible, lest the war effort suffer from lack of its basic material requirements. Munitions and food, once the primary need of an army, no longer suffice. Mechanized and motorized warfare, the organization of armored and semi-armored divisions, the employment of vast armadas of gigantic planes, heavily equipped for fire power, massed artillery boasting an infinite variety of guns, and augmented sea weapons, place a terrifying load upon the home economic front.

### Prerequisites for Arming a Nation

In their *Handbook of the War*, John C. DeWilde, David H. Popper and Eunice Clark write:

Some notion of the burden of supplying an attritional war can be gathered from the fact that the United States Army spent four billion

\*"The New Economic Warfare," by Dr. Antonin Basch, Columbia University Press, 190 pp., \$1.75.

dollars for ordnance alone in the last war. One hundred and fifty thousand soldiers can fire away two or three million dollars' worth of ammunition in one day's battle . . . even guns must be replaced at rate of five to twenty-five per cent a month. A sixteen-inch gun is good for only one hundred accurate shots. No one can predict how much material will be consumed in a long war. During the last war the United States used up more men and material in one month than it had in ten years for the construction of the Panama Canal.

These are facts gleaned from the experiences of the last war. They no longer serve as a measuring-rod for war production and expenditure of materials in the present. Manpower, urgently required, is, nevertheless, in the terms of present-day needs, a secondary quantity in the assessment of a nation's strength (England). The authors of the *Handbook of the War*, are correct in all respects when they say:

What constitutes the economic strength of a country? First, industrial capacity. No belligerent can survive long unless it possesses heavy industries capable of turning out large quantities of iron and steel. Well developed engineering, automotive and chemical industries are essential for the production of arms and ammunition. . . . Industry cannot live without a continuous supply of raw materials. Man cannot live without food. These are the real sinews of war.

Several important problems are indicated in these quotations and they will be dealt with in connection with Dr. Basch's book.

Dr. Basch's thesis is a simple one: the requirements of modern war urge deep-going economic changes in the national industrial organization in order to fuse the home and war fronts. Without this reorganization, the prosecution of a modern war is impossible. He writes:

The economic impact of total war between the great nations with a developed national economy is of such proportions and intensity as to interfere with all items of economic life."

This holds true for all the warring countries. In his elaboration of the methods employed by belligerents to realize this projected reorganization of their economies, he proves that they are similar, proceeding from an identical point of departure. "*The essential structure of war economy is the same in totalitarian and in democratic countries, and inherent in all are certain common principles of function.*"

### Conflict between Production and Consumption

The following visible changes are inherent in the transformation of the economy of a nation from peacetime production to war economy:

- a. Augmented production of heavy goods of war.
- b. Reduction of consumer goods and the consequent reduction of the national consumption.
- c. Reduction in the investment of new capital.
- d. Depletion of the existing capital.

In the conflict between war production and mass consumption, one or the other must give way. The struggle between these two aspects of capitalist production can be and is resolved only by a severe decline in the production of consumer goods. This decline in the production of articles of consumption, food, clothing, shelter, luxuries, etc., cannot be long postponed. In the warring countries it began instantly with the outbreak of hostilities—even long before the war. The problem is being resolved already in the United States, even though it is not a belligerent in the old sense of the term. In each country the process undergoes different forms, all dependent upon a variety of national factors, but the basic orientation is the same. In describing this primary step essential for all countries, Dr. Basch explains:

The demands of total war are of such dimensions that, in my opinion, they cannot be satisfied for a longer period of time from increased production alone. This means that the other items in the economic balance must be altered and adjusted and that consumption in the largest sense must be reduced."

There is current a belief that this unavoidable development in national economy holds true only for a country with limited resources, limited industrial capacity, and narrow participation in the field of world trade. It is this belief which permits of a degree of complacency—the hope that the United States will develop a complete war economy without necessarily reducing the ratio of consumption to the total production and without appreciably depressing the standard of living of the masses which inescapably accompanies augmented production of war goods (a complete absorption of the producing powers of all heavy industries guaranteed by the manner in which priorities in raw materials renders helpless the efforts of such consumer industries to remain in business).

Dr. Basch writes:

The opinion has been expressed that it may be possible to satisfy war demands by increased production without curtailing existing consumption. Quite apart from technical difficulties I find this view unacceptable. War requirements are too urgent and too vast to be thus satisfied, even in an economy with large resources."

Thus the initial step in the transition to a complete war economy strikes first and foremost against the masses. It means less of everything required to maintain the pre-war average standard of living. What does this imply for them? The author frankly points out that:

They involve a profound adjustment of the civilian population. In other words, a great total war tends inherently to depress the level of living of the fighting nations. . . . *The standard of living can be raised only at the expense of armament production; it is impossible to have both more guns and more butter.*" (Emphasis mine—A. G.)

Consequently, bourgeois society must seek the ultimate depth to which civilian consumption can be reduced without a physical and moral deterioration of the population. No one country has established such a gauge, for it is clear that "the point at which exhaustion (of the masses) begins and makes itself felt differs according to national customs and endurance (tradition, standard of living over a period of years, revolutionary capacity of the proletariat, etc.)."

### The Rôle of the State in the War Economy

The rôle of the state as the instrument of bourgeois social rule is nowhere so extravagantly evident as in a war period or in the preparatory stage immediately preceding it. The goal of production has been altered. The market no longer plays a dominant rôle because the all-consuming national and international market is the state, which now directs the entire economic activity. How can it be otherwise when production occurs solely for the benefit of the war machine? All industrial efforts, therefore, become extraordinary.

In addition to directing production toward this one goal, the state is confronted with manifold economic problems. Since it is the sole overseer of production, it must solve the acute dislocations which result from war economy. Among these problems are the maintenance of an adequate labor supply for war industries; the prevention of inflation arising from the contradiction in the rise of war production and the decline in consumption, accompanied by increasing employment and a larger total wage bill; bearing down upon the increasing class tension produced by the new economy; controlling, but not altering, the profit character of production;



directing the flow of capital; deciding the character of priorities and maintaining, if possible, a favorable balance of foreign trade. In confirmation of this, Dr. Basch writes:

The main task of any war economy consists in organizing production and labor to provide the maximum supply of goods and services and in adjusting civilian consumption to war necessities and priorities on a large scale. But at the same time attempts have been made to avoid some of the mistakes and failures of the last war: inflation, war profiteering and great social changes.

It is not difficult to see what all this means for the great mass of the people. Where the initial war effort depends upon the reduction of the standard of living, government measures for alleviating national distress merely signifies the fear of the government that the profound dislocations created by the war will induce a serious conflict between the classes and render the new economy helpless. Thus, measures of "alleviation" are sought primarily for the purpose of blunting the extremes of war economy, to force the adoption of "class peace" for the duration—class peace as the only method by which the war program can be realized.

But at this point the state can finally resolve its problems in only one way: take the road of totalitarian political and economic rule. The "democratic" road is employable only for an historically brief period. Where totalitarianism was already in existence before the outbreak of the war, as in Germany, the swift transformation demanded of the democracies is not required. Since 1933 Germany has lived under a war economy. Then, what appears to be a fundamental divergence of methods between the fascist and democratic states is merely the difference between an already existent totalitarian state and one that is marching inexorably in that direction—it becomes quantitative.

Dr. Basch's book is an important contribution to this phase of *capitalist economy*, for he illustrates concretely how every sector of the war economy is organized on the basis of an intensification of the exploitation of the proletariat.

### The First Steps of the Belligerent States

Each of the warring states, and the United States, proceeded fundamentally in the same way to organize their economies for war. It is extremely illusory to attribute to totalitarian Germany an inherent economic superiority over the democratic nations because its preparations for war were further advanced than that of any other country. The explanation for this illusion lies in another field and does not concern the subject of this review. What is important for us to understand, however, is that all the belligerents, totalitarian and democratic, employ the same principle methods. One would err to say that the United States, for example, need not duplicate the German methods, nor that it will not be necessary for the American people to experience the same problems as the European peoples. As indicated above, such thoughts confuse the degree and intensity of an act with the act itself.

The central thesis of Dr. Basch's book is to prove precisely the similarity in basic methods employed by all the governments, with this one difference—Germany began at least five years earlier than anyone else to prepare for the war which broke out in 1939 and had, with the triumph of Hitler, solved the "class" problem through the destruction of the proletarian organizations.

In Germany, *Wehrwirtschaft* (national defense economy) began officially with the consolidation of the fascist victory. The preparation of industry, the problems of labor, the organ-

ization of war production, and the development of new materials of warfare arising from the necessity caused by the peculiar position which Germany occupied in world economy (isolation from the world market and the international sources of raw materials), were supervised by the state. The state controlled the whole life of the nation.

From the very birth of the Third Reich, Germany set itself one goal: complete destruction of the Versailles Treaty and a complete imperialist redivision of the earth. The failures of the democratic nations to keep pace with Germany were, in the last analysis, political. They had hoped to utilize German rearmament (which they alone made possible) for their own interests. To explain in detail the origins of the democratic policies and their significance would take us far afield. It is necessary, however, to add a word here. If the democracies had so desired, the German military "renaissance" would never have taken place.

Unimpeded by the other powers, Germany proceeded to complete a total war economy. *Wehrwirtschaft* was completely in the hands of the state. The Four-Year Plan was initiated solely as a war measure. So thorough were these preparations that the German Reichsbank reported in 1939:

"The transition to wartime activity, thanks to the work of organization accomplished in the preceding years, has been rapidly and smoothly completed, enabling the economy to achieve the expansion of its productive capacity necessary to meet the wartime needs." (Quoted by Basch.)

The German leaders understood exactly what they wanted and how they were to achieve it. Thus State Secretary Koerner had declared that:

"We are far ahead of our enemies, whose economic organization remains still extremely hesitant and incomplete." (Quoted by Basch for the article by H. W. Singer, *The German War Effort in the Light of Economic Periodicals*.)

What is it that the German state did? Basch again reiterates that it is identical with the activities of the other countries. He writes:

The purpose in actual war is the same as that of any other country—to increase production for war as much as possible and to mobilize all economic resources even more completely than under the defense economy (prior to the outbreak of actual war—A.G.). The general methods were: complete conscription of labor, extending rationing of civilian consumption and curtailing of non-defense production, centralized commanding and gear of production by allocation of raw materials and labor, stabilization of the general price and wage level, and control of foreign trade and foreign exchange. Consumption was curtailed as far as possible in order to make any recourse to inflationary methods unnecessary. *In other words, the state sought through a wholesale economic regimentation to achieve the maximum efficiency indispensable to the conduct of the war.* (Emphasis mine—A.G.)

### Lethargic Britain Finally Adopts A Full War Economy

After a belated start, the result of her political aims prior to the war, Great Britain has moved fast in the direction of Germany's war economy. The Emergency Powers Act, passed on August 24, 1939, "authorized the government to take over or control any property or enterprise, but directly forbade industrial conscription." Great Britain still attempted, in the beginning, to reconcile "business as usual" with the organization of its war production. But she has moved steadily away from that position since 1939. The Ministry of Food (a state institution) assumed complete control over food. The Ministry of Supply (a state institution) "became the sole importer and buyer of aluminum, copper, lead, zinc, sulphur, wolfram,



pyrites, flax, wool, timber, molasses and other important materials." The state assumed complete control of foreign exchange, foreign investments, and all finance.

What is it that held Great Britain back from pushing this "transition from peace to a war economy"? This subject of the relation of the "rich" democratic nations to the fascist has been repeatedly discussed in the columns of this magazine. Dr. Basch fortifies our thesis when he says:

Great Britain's wealth in resources has tended to make her underestimate the magnitude of the economic effort involved in total war.

But with the fall of France, a marked change took place in British policy. In May, 1940, a new emergency bill granted immense authority to the state to control the person and property of the entire population. Dr. Basch points out that:

... it was intended to empower the government to direct any person to perform any service required, to fix wage rates, hours and conditions of employment, and to inspect the premises and employers' records. Munitions production was put directly under government control. Superfluous concerns might be ordered to shut down, subject to reasonable compensation. A special department to stimulate aircraft production was created. The government was thus granted power to institute a totally administered economy for the duration of the emergency and, especially, also to regulate production, distribution or consumption of any commodity and to control prices.

The manner in which the British state employs its powers is entirely dependent upon the course of the war and the state of its material resources. The course of the war up to the present moment has demonstrated that Great Britain approaches not a diminution of the war effort but, on the contrary, its intensification. The longer the war continues, the greater will be the similarity of its war economy to that of Germany.

### The United States Has Also Joined the Pack

With increasing speed, American economy is traveling away from peacetime functions. Ruled by an interventionist government, it proceeded to march in the direction of a war economy with the onset of the European conflict. The adoption of the policy to make of America "the arsenal of democracy" and the passage of the Lease-Lend Bill presaged the new turn in the national industrial organization. The Battle of the Atlantic and acute developments in American-Japanese relations have hastened the process of economic reorganization.

The United States is the richest country in the world. The significance of this richness is brought home especially in this war. Possessing the greatest industrial plant in the world, buttressed with an enormous reservoir of native raw materials and geographically situated to obtain other indispensable raw materials, she is potentially the military giant of the world. Despite these favorable circumstances, the transition to a war economy in this country has been extremely halting because the Administration endeavored to accomplish the turn on the basis of peacetime methods. Roosevelt has hesitated to use his governmental powers in the same way that the British and the Germans employ theirs. But this situation cannot and is not being prolonged. In the United States, too, the government is rapidly assuming greater and greater control over the economic life of the nation. Entry into war would witness the complete passage to an overall war economy.

But it is interesting to observe, nevertheless, that for all of America's richness, it must tread the path of the other bourgeois states. The installation of the Office of Production

Management, with presumed powers of economic control, the efforts to pass measures of price control, the bills to control labor, the setting up of a priorities division, the increase of the national debt and the expenditure of an increasingly larger share of the national income for military purposes, all spell out the conscious movement along the European pattern. As a matter of fact, plans for economic reorganization on a war basis was originally further advanced in the United States than in any other country. It is conceded that the "German plan" found its main inspiration in post-World War American preparations for a future war.

### A Comparison in Effort

Dr. Basch summarizes the paths of development in the two main belligerent powers, England and Germany, in the following pertinent manner:

If we compare the German and the British war economy, we find indeed a great similarity, despite a different degree of regimentation and commandeering; in both countries there is the policy of financing the war without inflationary effects, with taxation absorbing a great portion of national income; in Germany, a general freezing of prices and wages, in Great Britain a steadily expanding control of prices supported by various indirect devices. In both countries we see reduction of non-defense production in order to release labor for war production, lack of skilled labor and also conscription-registration of workers (which, of course, was initiated in Germany long ago). Further, there is rationing of consumption in both countries; in Germany this is comprehensive, in Great Britain more elastic and also working by indirect controls; in both there is great liquidity on the money and capital markets.

The United States follows closely upon the heels of the other two powers. The immensity of the war, the material requirements of the powers is so great, that the war economy dominates the whole of world economy. Thus, we observe a pyramid, the point of which is presently occupied by the United States, Great Britain, Germany and the Soviet Union. This sector rests upon the broader base of the British Empire, the Axis, Germany's European conquests and the colonial possessions of all countries. Economic activity occurs for the sole purpose of providing the material prerequisites for continuing the war.

We have omitted a discussion of the Soviet Union in this review for several reasons. Dr. Basch, except for a brief statement declaring the identity of German and Russian economy, a theory which he forthwith ignores and disproves, does not deal with Stalin's state. More important than that, however, is the fact that the Soviet Union stands outside the orbit of capitalist economy. Property relations are different, class relations are different. Consequently, its methods are at great variance with those employed in the capitalist states. As an important aside, however, it is necessary to state that little or no information is available on the economic war problems of the Soviet Union. Stalin has surrounded the country with an impenetrable veil of secrecy.

### In Partial Summary

The victim of bourgeois war economy is the proletariat. Control of labor, i.e., wage ceilings, longer working hours, inability to change jobs, loss of democratic rights, suspension of its basic interests, are followed up by a reduction in the consumer goods. The transfer of the economic life of a nation to a war economy affects the proletariat in the first place. The bourgeoisie, by virtue of its wealth and the specific place it occupies in society, may also suffer inconveniences as a result of the new order of things, but their inconveniences

are as nothing compared to the great masses. The standard of living of the two classes is incomparable, for a reduction in the standard of the bourgeoisie is, for all practical purposes, indiscernible, while a reduction of the already low living standards of the proletariat subjects it to increasing misery and physical strain.

The proletariat is not alone in this new milieu. War economy destroys the economic base of the petty bourgeoisie. Priorities make impossible their continuation in business. The development of a one-sided war economy, the reduction of consumer goods to the lowest possible level, eliminates their economic basis of existence. War production is impossible without complete subordination of the national economy to the power of monopoly capitalism, the big combines, the enormous mass production industries. No matter what efforts are attempted to "save the small business man," they

are doomed in advance. The bankruptcy of social reformists and the champions of the petty bourgeoisie is nowhere so evident as in their efforts to reconcile what is irreconcilable, especially in a period of war: monopoly capitalism and free enterprise.

\* \* \*

The material discussed in this review is the most significant portion of *The New Economic Warfare*. There are other chapters in this simply written study which contain many figures illustrating and proving the fundamental theories involved. For those who wish to implement their economic studies of the present period of bourgeois economy, Dr. Basch's work is an excellent source book.

But we have only scratched the surface of the problem. We hope to continue where we left off in this review, in forthcoming issues of THE NEW INTERNATIONAL.

ALBERT GATES.

# Big Business in England

(NOTE: The following article is taken from the British *New Leader*, and is a selection from a forthcoming book by the author.—Ed.)

AT THE COMMENCEMENT of the present war the Trade Union Congress and its affiliated unions repeated the same mistakes as in 1914-18. The right to strike has again been surrendered in favor of compulsory arbitration. The Emergency Powers Act has been put into operation with the sanction and support of the trade union movement, and, if the active trade unionists in the workshops allow the policy of subordination to the capitalist state to be persisted in, the trade unions will cease to exist as organs of struggle and become auxiliaries of the capitalist state.

The general political dangers arising from this policy of class collaboration can be seen by the proposed policies of so-called economic reconstruction—the structure of which has already been established on the plea of war emergency. Innumerable committees, boards and controls have been established, manned and dominated by leading captains of industry. Shareholders have been guaranteed their dividends, but

the workers, whose labor power and industrial intelligence produce all wealth, remain a subject class without voice or vote in the control of industry.

## How Big Business Rules

The following list shows the former business connections of some of the present and past members of the government. It will be seen that capitalist representatives still hold all the key positions controlling the economic and financial policy of the nation.

**Lord President of the Council: Sir John Anderson (Vickers, Ltd., Imperial Chemical Industries, Midland Bank).**

**Board of Trade: Sir Andrew Duncan (British Iron and Steel Federation, Bank of England).**

**Ministry of Supply: Lord Beaverbrook (London Express and allied newspapers, family link with Canadian aircraft industry).**

**Ministry of Agriculture: Mr. R. S. Hudson (family link with Unilever Combine).**

| INDUSTRY                                   | CONTROLLER             | WHO HE IS   |
|--|------------------------|---|
| Chrome Ore, Magnesite and Wolfram          | W. T. V. Harmer        | Technical Assistant to the Managing Director of United Steel Companies, Ltd.  |
| Cotton                                     | Sir Percy Ashley       | Member of the Import Duties Advisory Committee.   |
| Fertilizers                                | H. V. Cunningham       | Managing Director, Scottish Agricultural Industries, Ltd.   |
| Flax                                       | Earl de la Warr        | Director, W. F. Malcolm & Co., Ltd.   |
| Hemp                                       | A. M. Landauer         | Senior Partner in Landauer & Co.  |
| Industrial Ammonia                         | F. C. O. Speyer        | Delegate Director at I. C. I. (Fertilizer and Synthetic Products, Ltd.) and Gen. Mgr. British Sulphate of Ammonia Federation. |
| Iron and Steel                             | Col. Sir W. C. Wright  | Chairman, Baldwins, Ltd., and Guest, Keen & Baldwins Iron and Steel Co., Director of Public Companies.                        |
| Jute                                       | G. Malcolm             | Director, Ralli Bros., Ltd.   |
| Leather                                    | Dr. E. C. Snow         | Manager United Tanners' Federation.   |
| Molasses, Industrial Alcohol and Plastics  | A. V. Broad            | Director-Chairman, The Distillers Co., Ltd., British Industrial Solvents and Commercial Solvents, Ltd.                        |
| Non-Ferrous Metals, Brass and Diamond Dyes | J. C. Budd and W. Mure | Managing Directors British Metal Corporation, Ltd.  |
| Paper                                      | A. Ralph Reed          | Chairman, A. E. Reed & Co., Ltd.  |
| Silk and Rayon                             | H. O. Hambleton        | One-time Director of T. H. Hambleton, Ltd.  |
| Sulphuric Acid                             | H. Garrold Thomas      | Gen. Mgr. and Secretary, National Sulphuric Acid Assn.  |
| Timber                                     | Major A. I. Harris     | Partner in I. Bamberger & Sons.   |
| Wool                                       | Sir Harry Shackleton   | Chairman, Wool Textile Delegation; President, Woollen & Worsted Trades Fed.; Director, Taylor Shackleton & Co.                |

**Special Mission Abroad:** Capt. C. Lyttelton (British Metal Corp., London Tin Corp.).

**Secretary for India:** Hon. L. S. Amery (Cammell Lairds, S.W. Africa Co., Southern Railways, Marks & Spencers).

**Colonial Ministry:** Lord Lloyd (British South Africa Co., Rhodesian Railways).

**Ministry of Transport:** Baron Leather (Shipping, Inchcape Lines; coal; power, Duffryn; cement, Tunnell Portland).

**Ministry of Food:** Lord Woolton (Lewis', Ltd.).

At the foot of this page (see box) are particulars of the owning class representatives whom the government has placed in charge of industry. They are placed in charge of the economic life of the nation. Not a single workers' representative is to be found among them.

### Measures Against the Proletariat

Even more dangerous to the workers' movement is the recent war legislation which delegates parliamentary authority to "Orders in Council" and transforms the British Houses of Parliament into a Reichstag, giving special powers to the ruling class and taking away from the workers rights, liberties and privileges as if they never existed.

Consider well, for example, the powers assumed by the War Cabinet under the Emergency Powers Act, which powers it can pass on to the police or to any regional commissioner.

**A worker can be arrested and imprisoned for speaking or writing that which the authorities consider calculated to influence public opinion against the efficient prosecution of the war.**

**A person can be arrested on suspicion, without charge, and detained in prison indefinitely, without trial.**

**The police have power to arrest and search without warrant.**

**Meetings can be banned on the grounds that they hinder the successful conduct of the war.**

**Socialist, trade union and workers' papers and publications can be confiscated, banned or suppressed on the plea that they militate against the success of the war effort.**

Consider also the Control of Employment Act and the Essential Works Order which are the new feudalism in industry. These acts empower the Ministry of Labor to prevent a worker from changing his or her occupation. It prevents employers from engaging workers without the permission of the Ministry of Labor, but workers can and are being compulsorily transferred to other localities at the behest of an employer or a Ministry of Labor department. Thousands of workers who had found new and more profitable employment have been forced back to their old jobs by means of these acts.

### Profit and Dividends

Examine the facts below. Do they or do they not prove beyond doubt that the owning class is profiteering out of this war at a rate that overshadows a thousand times the few shillings of wage increases that the workers have been able to win?

**Fact No. 1. Rent, interest and profit for 1938**

amounted to 1,530,000,000 pounds (approximately \$6,327,100,000).

**Fact No. 2. Rent, interest and profit for 1940** amounted to 1,884,000,000 pounds (approximately \$7,667,880,000).

**Fact No. 3** Rent, interest and profit thus took 354,000,000 more out of the national income in 1940 than it did in 1938 (approximately \$1,340,780,000).

The following examples show how the industrialists have fared. In 1940, Associated Portland Cement made over 1,200,000 pounds of profit and declared a dividend of 10 per cent. (Figure the pound at approximately \$4.05—Ed.) British Portland Cement profits were 734,826 pounds. Alpha Cement made 315,683 pounds, with a dividend of 8¾ per cent. Rugby Portland Cement made 123,675 pounds, with a dividend of 7½ per cent.

The Bishop of Birmingham was fined 1,600 pounds damages because Britain's "class" law held that he had charged the "Cement Ring" with acting against the nation's interests. So now the workers know that the nation's interests coincide with the interests of profiteering cement magnates. (Special reference to the cement industry and its great profits arises from the enormous governmental expenditures for municipal repairs and the erection of gigantic fortification projects in anticipation of a Nazi invasion—Ed.)

Imperial Chemical Industries (I.C.I.), Britain's largest industrial concern, made record profits last year of 6,756,000 pounds. This represents an increase on the previous year of 250,000 pounds.

I.C.I. is the world's largest munitions trust. It manufactures every kind of known explosive and poison gas. Among its many subsidiary companies were plants in Germany, Italy, Scandinavia, France and Belgium, presumably still producing explosive and poison gases. Its shareholders include Sir Eldon Bankes (chairman of the Government Commission of Inquiry on Arms), Barrow Cadbury, the Bishop of St. Andrews and Sir John Anderson, M.P. (Lord President of the Council).

Reckit & Coleman: profit 8,411,288 pounds; dividend, 20 per cent (increase of 4 per cent over 1939).

Boots' Pure Drug Co., net profit, 629,111; dividend, 24 per cent.

Fairey Aviation has liquidated its losses on its Belgian subsidiary company, placed 100,000 pounds to general reserve, carried forward a balance of nearly 50,000 pounds, besides which it has been able to return a tax-free dividend of 10 per cent.

British Electric Co. allocated 100,000 pounds to meet heavier taxation, put another 25,000 pounds to meet depreciation and still reports an increase in net profit of 8,000 pounds over the previous year.

Imperial Steel Corporation: Last year's profits of 268,465 pounds were more than double the profit of the previous year. Today it sells its entire production to the Ministry of Supply at guaranteed profits.

Vickers: Profits, 1,119,000 pounds; dividends, 10½ per cent.

Vickers Armstrong: profits, 1,965,000 pounds; dividends, 7 per cent (an increase of 185,000 pounds over 1939). The shareholders in the Vickers concerns include Prince Arthur of Connaught, who also gets a pension from the state of 25,000 pounds a year; the Earl of Dysart; Sir John Gimour, M.P.; and Sir John Anderson, M.P.

English Steel Corp.: Dividend, 20 per cent.

Hadfields: dividend, 22½ per cent.

British Oxygen Co.: profit, 1,897,000 pounds; dividend, 15 per cent (increase of 510,000 pounds on 1939).

Tate & Lyle paid 18 per cent dividend.

Lever Bros. and Unilever returned a 1940 profit of 6,600,000 pounds net after paying taxation.

Cable & Wireless Co. reports record profits for this year, viz., 2,375,771 pounds. Profits for 1939 were 1,610,369 pounds.

Dunlop Rubber Co. reports a profit of 3,002,000 pounds,

compared with 2,853,000 for the previous year, with a dividend of 8 per cent and an extra bonus of 2 per cent on all cash shares.

Out of these facts emerges the true situation, namely, that a few people, the owning class, who represent the entire body of the British governing class, are enriching themselves again at a time when the whole machinery of the state is being used to keep wages down to a low level.

BOB EDWARDS.

# Archives of the Revolution

Documents Relating to the History and Doctrine of Revolutionary Marxism

## Stalin As A Theoretician--II

### The Formulae of Marx and the Audacity of Ignorance

**B**ETWEEN THE FIRST and third volumes of *Capital* there is a second. Our theoretician considers it his duty to commit an administrative abuse of the second volume, too. Stalin has to cover up quickly from criticism the present policy of compulsory collectivization. Since there are no necessary arguments in the material conditions of economy he looks for them in authoritative books with the result that he inevitably looks for them every time on the wrong page.

The advantages of large-scale economy over small, agriculture included, are proved by all capitalistic experiences. The possible advantages of large-scale *collective* economy over dispersed, small economy were established even before Marx by the Utopian socialists, and their arguments remain basically sound. In this sphere, the Utopians were great realists. Their Utopia began with the question of the historical road of collectivization. Here the direction was indicated by the Marxian theory of the class struggle in connection with the criticism of capitalist economy.

*Capital* gives an analysis and a synthesis of the processes of capitalist economy. The second volume examines the imminent mechanism of the *growth* of capitalist economy. The algebraic formulae of this volume prove how, from one and the same creative protoplasm—abstract human labor—the means of production are crystalized in the form of constant capital, wages—in the form of variable capital, and surplus value, which is afterward transformed into a source of additional constant and variable capital. This in turn permits the acquisition of greater surplus value. Such is the spiral of extended reproduction in its most general and abstract form.

In order to prove by what process the different material elements of the economic process, commodities, find each other inside of this unregulated whole, or more precisely, by what process constant and variable capital accomplish the necessary balance in the different branches of industry with the general growth of production and on the other—enterprises producing articles of consumption. The enterprises of the first category have to supply machines, raw materials and auxiliary materials to themselves as well as to the enterprises of the second category. In turn, the enterprises of the second category have

to cover their own needs, as well as the needs of the enterprises of the first category with articles of consumption. Marx reveals the general mechanism of the accomplishment of this proportionality which creates the basis of the dynamic balance under capitalism. The question of agriculture in its mutual relation to industry therefore rests on an altogether different plane. Stalin evidently simply confused the production of articles of consumption with agriculture. With Marx, however, enterprises of capitalist agriculture (only *capitalist*) producing raw materials enter automatically into the first category. In so far as agricultural production has peculiarities that contrast it to industry as a whole, the analysis of these peculiarities begins in the third volume.

### The Process of Extended Reproduction

Extended reproduction occurs in reality not only at the expense of surplus value created by the workers of industry itself and capitalist agriculture but also by the influx of fresh means from the outside: from the pre-capitalist village of backward countries, colonies, etc. The acquisition of surplus values from the village and colonies is conceivable once more, either in the form of unequal exchange or compulsory expropriation (primarily through taxes, or finally, in the credit form savings bank, loans, etc.) Historically, all these forms of exploitation combine in different proportions and play a no lesser rôle than the extortion of surplus value in its "pure" form; the deepening of capitalist exploitation always goes hand in hand with its broadening. But the formulae of Marx that interest us very carefully dissect the live process of economic development, clearing capitalist reproduction from all pre-capitalist elements and transitional forms which accompany it and which feed it, and at the expense of which it develops. Marx's formulae dealt with a chemically pure capitalism which never existed and does not exist anywhere now. Precisely because of this, they revealed the basic tendencies of *every* capitalism, but precisely of *capitalism* and *only* capitalism.

To anybody having an understanding of *Capital*, it is ob-

vious that neither in the first, second nor third volumes can an answer be found to the question of the tempo the dictatorship of the proletariat should adopt in collectivizing peasant economy. All these questions, as well as scores of others, were not solved in any books and could not be solved because of their very essence. In essence, Stalin in no way differs from the merchant who would seek guidance in Marx's simplest formula M-C-M (money-commodity-money), as to what and when to buy and sell to obtain a bigger profit. Stalin simply confuses theoretical generalization with practical prescription, not to speak of the fact that the theoretical generalization itself is related by Marx to a completely different problem.

### Stalin Refers to Marx

Why, then, did Stalin have to refer to the formulae of extended reproduction which he evidently does not understand? The explanations of Stalin himself in regard to this are so inimitable that we are compelled to quote them literally: "The Marxist theory of reproduction teaches that contemporary (?) society cannot develop without annual accumulations, and it is impossible to accumulate without extended reproduction year in and year out. This is clear and evident." It cannot be clearer. But this is not taught by Marxist theory, for it is the general property of bourgeois political economy, its quintessence. "Accumulation" as a condition of development "of contemporary society" is precisely the great idea which vulgar political economy cleared of the elements of the labor theory of value which had their foundation in classical political economy. The theory which Stalin so bombastically proposes "to draw out of the treasure of Marxism" is a commonplace, uniting not only Adam Smith and Bastiat but also the latter with the American President Hoover. "Contemporary society"—not capitalist but "contemporary"—is used with the object of extending Marxist formulae also to "contemporary" socialist society. "This is clear and evident." Right here Stalin continues: "Our large-scale centralized socialist industry develops according to the Marxist theory of extended reproduction (!) because (!!) it grows yearly in scale, has its accumulations and advances with seven league boots." Industry develops according to the Marxist theory—an immortal formula—in absolutely the same way as oats grow dialectically, according to Hegel. To a bureaucrat, theory is the formula of administration. But the immediate essence of the matter does not lie in this. "The Marxist theory of reproduction" refers to the *capitalist* mode of production. But Stalin speaks of Soviet industry, which he considers socialist *without any reservations*. In this manner, according to Stalin, "socialist industry" develops according to the theory of *capitalist* reproduction. We see how incautiously Stalin slipped his hand into the "treasure of Marxism." If two economic processes, anarchical and planned, are covered by one and the same theory of reproduction, which is built up on the laws of anarchical production, then this itself reduces to zero the planned, that is, the socialist beginning. However, these two are only the blossoms—the berries are still ahead.

The best gem extracted by Stalin from the treasure is the above-underlined (italicized) little word "because": socialist industry develops according to the theory of capitalist industry, "because it grows yearly in scale, has its accumulations and advances with seven league boots." Poor theory! Unfortunate treasure! Wretched Marx! Does it mean that the Marxian theory was created especially as a basis for the necessity of yearly advances and, at that, with seven league boots?

But what about periods when capitalist industry develops at a "snail's pace"? For those instances, apparently, Marx's theory is rejected. But all capitalist production extends cyclically through prosperity and crises; it means that it not only does not advance with seven league or any other boots, but marks time and retreats. It appears that Marx's schema is not suited to *capitalist* development, for the explanation of which it was created, but for that it completely answers the nature of the "seven league" advances of *socialist* industry. Aren't these miracles? Not limiting himself to the teachings of angels with regard to the nationalization of land, and occupying himself at the same time with the basic correction of Marx, Stalin at any rate marches with . . . seven league boots. In the meantime, the formulae or "capital" crack under his hands like nuts.

But why did Stalin need all this? the puzzled reader will ask. Alas! We cannot jump over stages, especially when we can hardly keep up with our theoretician. A little patience and all will be revealed. Immediately after the point analyzed here, Stalin continues: "But our large-scale industry does not exhaust all of our national economy. On the contrary, in our national economy, small peasant holdings are still predominant. Can it be said that our small peasant holdings develop according to the principle (!) of extended reproduction? No, it cannot be said. Our small peasant holdings . . . do not always have the possibility of realizing even simple reproduction. Can we move forward with an accelerated tempo our socialized industry, having such peasant economy as a basis? No, we cannot." Further on, the conclusion follows: complete collectivization is necessary.

### Stalin Discloses the Un-Marxian Village!

This point is still better than the preceding one. From the somnolent banality of exposition every now and then rockets of audacious ignorance explode. Does the peasant, that is, *simple commodity* economy, develop according to the laws of *capitalist* economy? No, our theoretician replies in terror. It is clear: the village does not live according to Marx. This matter must be corrected. Stalin attempts, in his report, to reject the petty bourgeois theories on the stability of peasant economy. However, becoming entangled in the net of Marxian formulae, he gives this theory a most generalized expression. In reality, the theory of extended reproduction, according to the idea of Marx, embraces capitalist economy *as a whole*, not only industry but agriculture as well, only in its pure form, that is, without its pre-capitalist remnants. But Stalin, leaving aside, for some reason, handicraft and guild occupations, poses the question: "Can it be said that our small peasant holdings develop according to the principle (!) of extended reproduction?" "No," he replies, "it cannot be said." In other words, Stalin, in the most generalized form, repeats the assertions of the bourgeois economists that agriculture does not develop according to the "principle" of the Marxian theory of capitalist production. Wouldn't it be better, after this, to keep still? After all, the Marxian agronomists kept still listening to his shameful abuse of the teachings of Marx. Yet, the softest of answers should have sounded thus: Get off the tribune immediately, and do not dare to deliberate on problems about which you know nothing!

But we shall not follow the example of the Marxian agronomists and keep still. Ignorance armed with power is just as dangerous as insanity armed with a razor.

The formulae of the second volume of Marx do not repre-

sent guiding "principles" of socialist construction, but objective generalizations of capitalist processes. These formulae, abstracted from the peculiarities of agriculture, not only do not contradict its development, but fully embrace it as *capitalist* agriculture.

The only thing that can be said about agriculture in the framework of the formulae of the second volume is that the latter pre-suppose the existence of a sufficient quantity of agricultural raw materials and agricultural products for consumption, for insuring extended reproduction. But what should be the correlation between agriculture and industry: as in England? or as in America? Both these types conform equally to Marxist formulae. England imports articles for consumption and raw materials. America exports them. There is no contradiction here with the formulae of extended reproduction, which are in no way limited by national boundaries, and are not adapted either to national capitalism or, even less, to socialism in one country.

If people should arrive at synthetic feeding, and at synthetic forms of raw material, agriculture would be completely reduced to nothing, being substituted by new branches of the chemical industry. What would then become of the formulae of extended reproduction? They would retain all their validity to the extent that the capitalist form of production and distribution would remain.

Agricultural bourgeois Russia, with the tremendous predominance of the peasantry, not only covered the demands of the growing industries, but also created the possibility of large exports.

The processes were accompanied by the strengthening of the kulak top and the weakening of the peasant bottom, their growing proletarianization. In this manner, in spite of all its peculiarities, agriculture on *capitalistic* foundations developed within the framework of those very formulae with which Marx embraced the whole capitalist economy—and only *capitalist* economy.

### Peasant Economy and "Socialist" Industry

Stalin wants to come to the conclusion that this is impossible "to base . . . socialist construction on two different foundations: on the foundation of the greatest and most consolidated socialist industry and on the foundation of the most dispersed and backward small commodity peasant economy." In reality, he proves something directly contrary. If the formulae of extended reproduction are equally applicable to capitalist and socialist economy—to "contemporary society" generally—then it is absolutely incomprehensible why it is impossible to continue the further development of economy on the very foundation of the contradictions between city and village, upon which capitalism reached an immeasurably higher level. In America, gigantic industrial trusts develop even today, side by side with the farmer régime in agriculture. The farmer economy created the foundation of American industry. It is precisely on the American type, by the way, that our bureaucrats, with Stalin at their head, orientated themselves openly until yesterday: the powerful farmer at the bottom, centralized industry at the top.

The ideal equivalent of exchange is the basic premise of the abstract formulae of the second volume. Nevertheless, planned economy of the transition period, even though based upon the law of value, violates it at every step and creates mutual relations between different branches of industry and primarily between industry and agriculture on the basis of

unequal exchange. The decisive lever of compulsory accumulation and planned distribution is the *government budget*. With a further development, its rôle will have to grow. *Financial credits* regulate the mutual relations between compulsory accumulation of the budget and the processes of the market in so far as they retain their force. Not only the budgetary, but also the planned or semi-planned credit financing which insures the extension of reproduction in the USSR, can in no way be summed up in the formulae of the second volume, the whole force of which lies in the fact that they ignore budgets or plans or tariffs, and in general, all forms of governmentally planned influence that establish the necessary regulations over the play of blind forces of the market, which are disciplined by the law of value. No sooner would we "free" the internal Soviet market and abolish the monopoly of foreign trade than the exchange between the city and village would become incomparably more equalized, accumulation in the village—it is understood kulak, farmer-capitalist accumulation—would take its course and it would soon reveal that Marx's formulae apply also to agriculture. On this road, Russia would in a brief period be transformed into a colony upon which the industrial development of other countries would be based.

In order to motivate this same complete collectivization, the school of Stalin (there is such a thing) has made use of the stark comparisons between the tempo of development in industry and agriculture. Crudest of all, this operation is performed, as usual, by Molotov. In February, 1929, Molotov spoke at the Moscow district conference of the party: "Agriculture in recent years has noticeably lagged behind industry in the tempo of development. . . . For the last three years, industrial production increased in value by more than 50 per cent and the products of agriculture—all in all—by 7 per cent." The comparison of these two tempos is economic illiteracy. By peasant economy they include, in reality, all branches of economy. The development of industry has always, and in all branches, taken place at the expense of the reduction of the specific gravity of agriculture. It is sufficient to recall that metallurgical production in the United States is almost equal to the production of farmer economy at a time when with us, it is one-eighteenth of agricultural production. This shows that in spite of the high tempos of recent years, our industry has not yet emerged from the period of infancy. In order to eliminate the contradictions between city and villages created by bourgeois development, Soviet industry must first surpass the village to an incomparably greater degree than bourgeois Russia did. The present breach between state industry and peasant economy did not proceed from the fact that industry surpassed agriculture too greatly—the advanced position of industry is an internationally historical fact and a necessary condition for progress—but from the fact that our industry is too weak, that is, it has gone ahead too little to have the possibility to raise agriculture to the necessary level. The aim, of course, is the elimination of the contradictions between the city and the village. But the roads and methods of this elimination have nothing in common with the equalization of tempos of agriculture and industry. The mechanization of agriculture and the industrialization of a series of its branches will be accompanied, on the contrary, by the reduction of the specific gravity of agriculture as such. The tempo of the mechanization we can accomplish is determined by the productive power of industry. What is decisive for collectivization is not the fact that metallurgy rose in recent years by a few score per cent, but the fact that our metal per capita is negligible. The growth of collectivization is only



of equal significance to the growth of agriculture itself in so far as the first is based on the technical revolution of agricultural production. But the tempo of such a revolution is limited by the per cent specific gravity of industry. The tempo of collectivization must be combined with the material resources of the latter and not at all with abstract statistical tempos.

### "Capital" and Socialist Reproduction

In the interests of theoretical clarity, it should be added to what has been said, that the elimination of the contradictions between city and village, that is, the raising of agricultural production to a scientific-industrial level, will mean the triumph not of Marx's formulae in agriculture, as Stalin imagines, but, on the contrary, the elimination of their triumph in industry. Because socialist extended reproduction will not at all take place according to the formulae of *Capital*, the central point of which is the pursuit of profits. But all of this is too complicated for Stalin and Molotov.

Let us repeat in the conclusion of this chapter that collectivization is the practical task of eliminating capitalism and not the theoretical task of its development. That is why the Marxian formulae are not applicable here from any point of view. The practical possibilities of collectivization are determined by the productive-technical resources at hand for large-scale agriculture and the degree of readiness of the peasantry to pass from individual to collective economy. In the long run, this subjective analysis is determined by the very same material-productive factor: the peasant can be attracted to socialism only by the advantage of collective economy, supported by advanced technique. But instead of a tractor, Stalin wants to present the peasant with the formulae of the second volume. But the peasant is honest and does not want to deliberate over what he does not understand.

LEON TROTSKY.

Prinkipo, Turkey, March, 1930.

## + BOOKS +

### A Capitalist Looks at the Economics of War

AMERICAN INDUSTRY IN THE WAR, by Bernard M. Baruch, New York, Prentice-Hall, Inc., 1941. 498 pp.

**A**T LONG LAST, Mr. Baruch, Wall Street speculator, big business man, financial advisor to the de Ponts, formulator of the "M-Day" plans and one of the outstanding representatives of the American bourgeoisie, has set forth his views on war economics. It is not a book intended for mass consumption. The circulation of *American Industry in the War* will undoubtedly be limited to libraries, serious economists, a few Washington bureaucrats and perhaps a handful of Marxists. This is not to say that Mr. Baruch's book is not deserving of wider circulation. It is. First of all, it is a useful reference book concerning some phases of America's economic mobilization during World War I. Secondly, and above all, it contains Mr. Baruch's program for the ad-

ministration of the American war economy during World War II.

The book is invaluable as a class-conscious presentation of the point of view of the bourgeoisie. Just how representative of the opinion of the big bourgeoisie Mr. Baruch is, is difficult to say. But it is not without significance that the newspapers continue to report Baruch's visits to Roosevelt, that the Canadian plan for preventing inflation, involving the freezing of all prices, including wages, is openly referred to in the American press as an experiment to determine the validity of Baruch's ideas, and that Representative Gore's plan, which also involves an overall ceiling on prices (wages included), is admittedly inspired by Baruch.

Baruch starts with the assumption that war, especially modern war, is a very serious business. He says in his foreword:

Total defense must plan to fight, to win and above all to survive war. This means some plan along lines similar to the experience tested by the United States War Industries Board of 1917 and 1918. It must mobilize men, money, materials, morale—all resources—to give to the war-making agencies and those allied with them, such as shipping and blockade, what they want when they want it, without unnecessary deprivation or exploitation of civilians.

Thus Baruch knows, and the experiences of the last war and of this one to date confirm him, that capitalist imperialist war in the epoch of the decline of capitalism necessarily involves totalitarian economic and political forms—that is, if the war is to be prosecuted successfully. Everything must be at the service of the state. The employment of all resources, material as well as human, must be planned. "Business as usual" must give way to "all-out" defense. To be sure, exploitation as usual will remain, but it must not be insensate and too grasping. Moderation, centralized direction, efficiency—that is the only way to preserve capitalism.

This thesis runs through the book from the very first page to the last. That it involves a lower standard of living for the masses, increased power for monopoly capital, and complete control of all aspects of life in the hands of an all-powerful administration in Washington is perhaps regrettable. But, and Mr. Baruch is 100 per cent correct, reasoning from the basic premise of preserving capitalism, this is inevitable. Mr. Baruch does not use the famous phrase adopted by Marxists from the German general, von Clausewitz: "War is a continuation of politics by other means." However, he clearly understands the content of this expressive sentence. He is trying to convey its meaning to his fellow-capitalists, to persuade them, in other words, to continue their politics, their exploitation of the workers, by methods adapted to the war.

### "Taking Profit Out of War"—A Deception

Baruch calls his plan, written in magazine form as long ago as 1931: "A plan to mobilize effectively the resources of the nation for war which shall eliminate war profiteering, prevent wartime inflation, and equalize wartime burdens." To mobilize the country's resources, Baruch would extend and improve upon the methods used in the last war. On the subject of eliminating war profiteering—that is, on *how* to accomplish it—he is delightfully vague. But we shouldn't be too harsh. After all, it sounds nice. In fact, Mr. Baruch originally entitled his plan: "Taking the Profit Out of War." It is enough that a representative of finance capital realizes the necessity for keeping profits down to a respectable level. On page 380, for example, he says: "The inflationary process affords opportunity to individuals and corporations to reap

profits so large as to raise the suggestion (sic!) of complacency if not of actual hospitality toward the idea of war."

We shouldn't expect him to propose a practical plan (like a 100 per cent excess profits tax, or government ownership of all war industries) for achieving this admittedly desirable aim. Nor should we be surprised that Mr. Baruch didn't find his conscience plaguing him when he advised the du Ponts to take their millions of dollars of war profits and buy 10,000,000 shares of General Motors common stock. In other words, for purposes of preserving popular morale, the bourgeoisie should not be too greedy. Otherwise, the masses may begin to suspect the truth. "*These people actually favor war because they profit from it,*" the workers will be saying to themselves; and such thoughts are what the Japanese would characterize as "dangerous" thoughts. Says Baruch:

Our plans should eliminate war profiteering and they ought to provide that each man, thing and dollar shall bear its just proportion of the burden. They should be designed to avoid the prostrating economic and social aftermath of war and, finally, they should be laid with full recognition that modern war is a death grapple between peoples and economic systems rather than a conflict of armies alone, and to that end we should merit for industrial America something of what Field Marshal von Hindenburg in his retrospect of the World War had to say of its efforts in 1918: "Her brilliant, if pitiless, war industry had entered the service of patriotism and had not failed it. Under the compulsion of military necessity a ruthless autocracy was at work (my italics—F. D.) and rightly, even in this land at the portals of which the Statue of Liberty flashes its blinding light across the seas. *They understood war.*" (Page 377.)

The purposes and methods of capitalist war are clearly understood by the bourgeoisie, German as well as American. Would that they were as clearly understood by the workers! That would truly succeed in abolishing war.

### The Nazis Adopt American Plan

This profound respect and admiration that Baruch has for German bourgeois and military opinion is seen in another connection, which is more revealing of what the American war economy has in store for us this time than any other single sentence from anyone's pen. In his foreword, after pointing out that France fell because she lacked real economic mobilization, and that England is having difficulties because she is only partially mobilized, the author says with considerable triumph: "German military experts have said, 'Except for a few minor changes, *the German economic mobilization system was conscientiously built in imitation of the similar American system.*'" (My italics—F. D.) What happened, apparently, was that the lectures that Baruch and others gave to the American War College in the period around 1931 were later formulated as the "M-Day" plans and published for the edification of American bourgeois and military opinion. The Nazis, never loathe to borrow an idea which they could use to advantage, borrow the American mobilization plans *in toto*. Perhaps this explains the eager, and yet wishful, manner in which the American General Staff follows the progress of the German armies. One begins to suspect that is more a matter of the author's pride than of advancing American military science. Be that as it may, *a system which is good for the Nazis cannot be very good for the preservation of the democratic way of life!*

"War is economically the greatest and most scandalous of spendthrifts" (p. 74). "This sapping of economic strength will, in future wars, be the determining cause of defeat" (p. 380). "In modern war, administrative control *must* replace the law of supply and demand" (p. 382). Here, in three brief sentences, is expressed all the wisdom of the bourgeoisie

and, at the same time, their complete bankruptcy in the face of social problems that have outgrown the confines of private ownership of property and production for profit. The capitalist class, in the interests of its own self-preservation, is compelled to waste the "blood, sweat and toil" of the masses. It dooms humanity to incalculable exhaustion. No one can predict how many years it will take to recover from the devastation wrought by World War II. One thing is certain, however: the law of supply and demand (free, competitive capitalism and its political superstructure, bourgeois democracy) is doomed. It is not merely a question of its temporary suspension during the war. The World War, which is now threatening to make the last war appear as a localized incident, will bring in its wake proletarian revolution on an international scale and the tremendous leap forward toward socialism, or totalitarian state monopoly capitalism (fascism).

Mr. Baruch has a premonition of this, although, of course, he cannot bring himself to say it clearly and openly, when he says (on page 104): "*This legislation (anti-trust legislation—F. D.), while valuable for immediate purposes, represents little more than a moderately ambitious effort to reduce by government interference the processes of business so as to make them conform to the simpler principles sufficient for the conditions of a bygone day.*" (My italics—F. D.)

### Inflation and the War Economy

As for preventing inflation, all that can be said for Mr. Baruch is that he at least recognizes it as an inevitable accompaniment of capitalist war. His plan to prevent it is thoroughly reactionary and, in the long run, will not succeed in preventing inflation. The Baruch plan, known as the over-all price ceiling, would simply freeze all prices as of a certain day and use the government's powers of compulsion to enforce this 100 per cent totalitarian idea. In his own words (page 473): "When industry has reached full capacity and price-fixing is admittedly necessary, this ceiling should be clamped down, and all prices, wages, rents and other forms of remuneration limited to the highest levels obtaining on a certain specific day. This, of course, involves freezing existing inequalities, accepting the capitalist concept of full capacity as the most effective economic organization possible, and instituting such far-reaching totalitarian controls as to make present-day Germany look like a democracy. But it will not prevent inflation. It will create a huge governmental bureaucracy and possibly slow down the rapid drive toward inflation, but as long as private appropriation of the fruits of other people's labor remains (that is, while the capitalist system remains), it can only result in a *concealed inflation*, as Germany has discovered. Rapidly rising prices will give way to rapidly deteriorating quality in merchandise, to vast (and, unofficially, government-organized) "black bourses" or bootleg markets, where capitalists and government bureaucrats, who have the fat pocketbooks, can still live off the fat of the land. It will mean widespread corruption, such as to make the carpet bag era following the Civil War a model of virtue and restraint.

As for equalizing wartime burdens, Mr. Baruch expresses an admirable sentiment when, in the only place where he expatiates on this point, he says (page 469): "The need for preserving civilian morale forbids that necessities should be given only to those with the longest pocketbook. For this reason, food, clothing and all other vital elements that go to make up the cost of living, if they become scarce, must be rationed equitably among all consumers. The most satisfactory method is a system of ration cards together with the

licensing of wholesale and retail distributors." True, but you can't make capitalism equitable, by decree or otherwise. However, Mr. Baruch is not particularly serious about this, or, if he is, he has his own, or capitalist, concept of social justice. For the major part of his book is devoted to a report of the War Industries Board, submitted in 1921, where Baruch cites with approval virtually all the experiences, dealing with virtually every commodity, of the Board, of which he was chairman. And, as every schoolchild knows, the conduct of the American war economy in World War I by the War Industries Board was hardly distinguished by its fairness and equal distribution of wartime burdens.

### The Warning to Labor

It is when he comes to labor that Baruch, the industrialist, loses some of his objective pose. The mailed fist inches out of the white kid glove. Strikes, of course, are taboo, but the capitalists "shouldn't take advantage of labor." (That is, they should stop being capitalists.) Conscripted labor is not to be countenanced (Messrs. Bevin and Hillman, please take note!). The argument is rather interesting. "As long as our present industrial organization maintains, industry is in the hands of millions of private employers. It is operated for profit to them. The employee therefore serves in private industry operating for gain. Enforced and involuntary service for a private master is and has been clearly and repeatedly defined by our Supreme Court as slavery inhibited by the Thirteenth Amendment to the Constitution of the United States" (page 471). But, if the capitalist state drafts industry, as it has the power to do, and as is proposed in the "M-Day" plans, which Mr. Baruch inspired, won't the state then have the "right" to conscript labor?

Mr. Baruch can never forget that he is a class-conscious bourgeois. Time and again it creeps out and destroys his "impartial, patriotic" approach. No better illustration is needed than the following: "The war had scarcely begun when the IWW, *stimulated no doubt by the enemy*, appeared as a menacing factor, particularly in the mountain regions and on the Pacific Coast" (page 88—my italics—F. D.). How long will it be before government officials openly substitute the letters CIO for IWW?

*American Industry in the War* will be studied carefully by those who wish some factual information concerning the last war (the book, incidentally, has some valuable appendices) and by those who want to obtain first-hand the mature opinion of the most advanced sections of the American capitalist class. It will be ignored by those who wish to preserve their illusions concerning the "democratic" organization of a capitalist war economy.

FRANK DEMBY.

## A Telescopic History

A GENERATION OF MATERIALISM, 1811-1900, by Carlton J. H. Hayes, 390 pp., Harper & Brothers, \$3.75

HARPER & BROTHERS is now sponsoring a historical series entitled, "The Rise of Modern Europe," which is being edited by Professor William L. Langer, of Harvard University. When completed, the series will consist of about 20 volumes recording the history of Europe from 1250 A.D. to and including the present epoch. It is the intention of the publishing company merely to "set forth in broad lines the leading currents in the political, social, economic,

military, religious, intellectual, scientific and artistic history of Europe"! In such an event, the books may become, if the present volume is followed, summarizations of the various historical periods to be treated.

The instant volume by Professor Hayes, an experienced and authoritative writer in European history, is such a summarization of the latter period of the 19th century. The author of "The Political and Social History of Modern Europe" and "The Political and Cultural History of Modern Europe" has sought, within the covers of a volume consisting of 390 pages, to describe the dawn of modern imperialism emerging from the rise in the European industrial curve, the effect of Darwinism upon the philosophical, political and economic questions of the day, the significance of liberalism in a consolidating bourgeois order, mechanization and trustification in industry and the natural consequences of this development, the process of urbanization, the triumph of science, the struggle for universal education, the appearance of the labor and socialist (Marxian) movements, and, finally, the crowning of "nationalist" imperialism, the national state in the "Victorian Age," and the seeds of modern totalitarianism!

Having described the main content of the volume, one will no doubt wonder about its title. "A Generation of Materialism" is obviously a misleading cognomen, since the book has nothing essentially to do with the philosophical disputes of the 19th century. Professor Hayes makes his meaning partially clear when he says: "I seldom use it in the strict philosophical sense. Generally I use it in what I conceive to be the popular, common-sense way, as denoting a marked interest in, and devotion to, material concerns and material things." The great material development of a rising capitalism is the main theme of the book.

### The "Victorian Age"

The author begins his volume with the Franco-Prussian war of 1870 and its aftermath, the defeat of the Paris Commune. There follows a graphic description of the diplomatic intrigue and struggle accompanying the imperialist urge which dominated the leading European nations. Stated briefly and succinctly, the reader cannot help but grasp the future explosions inherent in the contending alliances which were passing through their preliminary stages: Germany, Russia and Austria; Germany, Austria and Rumania; Germany, Austria and Italy; France and Russia; and always the crafty British hovering around, pitting one nation against the other, bearing always in mind her main objective—maintaining a balance of power upon the continent. All the alliances were secret! This did not prevent, however, their being the common property of all the rival powers.

What is striking in Hayes' review of this particular aspect of European history is its similarity to the diplomatic struggle attendant upon World War I and World War II. The problem, except that it has grown in magnitude, is the same: how to overcome the contradictions of capitalist production in a world divided by national boundaries. Just as now, war was the inescapable measure of "relief" adopted by all the countries. With few exceptions, universal compulsory military training and the permanent army became the vogue. For "arms in preparation" was the means of maintaining bourgeois state relations. The author is at his best in this section of the book, for he describes the permanently perilous conditions under which capitalism exists.

Hayes errs in attributing to Marxism a narrow, economic

determinist, analysis of modern imperialism. His failure to properly assess the nature of the Marxist movement and its theories becomes at once obvious by the fact that he does not understand the place of historical materialism in Marxist doctrine. Marxists are not economic determinists, nor does the true Marxian movement approach social, economic and political problems from the point of view of the "self-interest" of the classes. What the Marxists do say about imperialism is that it results from the economic character of modern capitalism; that imperialism is not merely the seizure of territories, i.e., a policy of conquest, but, above all, economic, political and military measures by which one nation dominates another. Modern imperialism is a specific type of imperialism. It is marked by the export of capital (something quite impossible in pre-capitalist or industrial capitalist society), distinct and apart from the export of commodities; it is marked by a struggle for raw materials, for cheap labor, for control of the world markets, and finally, for divisions and redivisions of the world among the great powers. This struggle grows more fierce with the decay of the social order. But to do as the professor does, deny the Marxist concept simply because imperialism existed before the era of finance capital, is to prevent a fundamental understanding of this stage of capitalism.

### Too Much and Yet Too Little

The other sections of the book, as outlined above, are treated in such a manner that the problem of mechanization, trustification and cartelization in modern industry, receive the same attention as the place of religion in modern society, and the role of the arts. Yet, the specific gravity of the structural changes which occurred in bourgeois society is so overwhelmingly preponderant in influencing the course of the twentieth century that they are in truth not to be discussed simultaneously. As is clear in this book, it leads neither to clarity in understanding capitalism, nor allows for a correct understanding of superstructural phenomenon.

The book is especially weak in its analysis of the trade unions and socialist movements. Through implication, at least, Hayes records the progressive character of the Marxist movement and Marxist theory as the inspirer of that movement, but his treatment of the place which this movement occupies in society is extremely superficial and indicates not merely a lack of intrinsic knowledge as to its real history, but an unmistakable prejudice which disallows him to make an objective appraisal of its true role and strength. He dismisses the Marxist movement as never really having any strength; that its reputation was primarily the result of claims made for it by Marx and Engels and the great, but natural, fear of the bourgeoisie in observing the character of the socialist aim. Thus, the rise of the socialist movement is explained by the fact that it was "timely," coinciding with the rise of liberalism and occupying an extremist position in the general liberal movement. The key to the author's understanding of the most significant world movement under capitalism, is his declaration that "self-interest (is the) . . . essence . . . of Marxism."

Finally, the professor poses the thesis that "national imperialism" is the forerunner to totalitarianism. Unquestionably the current world situation greatly influenced him in the development of what is by and large an obvious thesis. Capitalism is, despite its economic interdependence and world character, composed of national states; the states are in sharp

conflict with each other; such a condition in the midst of recurrent crises gives rise to blatant nationalism and war. These, in turn, give rise to dictators, a more rabid nationalism, anti-Semitism, racialism, and totalitarianism. But we need not have awaited Hayes's simple thesis. The Marxists described the real process of imperialist capitalism many years ago and forecast the development of totalitarianism and fascist rule.

The value of this book lies in its aid to a study of European history. In many parts there is brilliant writing. But the author attempted too much with the result that important phases of social development have been sketchily presented, and in a manner which prevents genuine historical clarification.

ALBERT GATES.

## The Happy Hypocrite

YOU CAN'T DO BUSINESS WITH HITLER, by Douglas Miller. Little, Brown & Co., Boston, 1941. 229 pp., \$1.50.

THIS IS THE BOOK that has been causing such a flutter in the bourgeois literary dovecotes. Writing recently in the dreary and reactionary *Saturday Review of Literature*, William L. Shirer solemnly said: "It's a book that ought to be on the desk of every business man in the country." Even Roosevelt has recommended the book—a form of criticism in itself.

The author explicitly directs the book at American business men, stating that they are—surprise!—"one group in America which has not been adequately brought face to face with the facts. Having spent fifteen years as a commercial attaché at the United States embassy in Berlin, Miller comes well equipped with first-hand data on the Nazi régime. The book serves as an economic rationale for the holy onslaught against German capitalism which American capitalism is preparing.

In order to prove his complete competency to prescribe to the American capitalist class, Miller hurriedly establishes in the very first of the book the moral basis for his judgments on the present world crisis. "I confess," he says—in sharp contrast, we assume, to the amorality of the Bolsheviks, which we hear so much about nowadays—"a preference for a little civilized hypocrisy once in a while, to conceal some of the ugliness of the world. If we cannot always act according to the highest standards of ethics, the least we can do is to be ashamed of ourselves and conceal our shortcomings as much as possible. Such hypocrisy is much better than openly wallowing in evil and claiming that this is an honest and natural way to live."

Having established his moral authority to speak on the issues of the day, Miller hastens to prove in a hundred and one ways the hypocrisy of the war "for democracy against fascism." The whole burden of his complaint can be summed up in a sentence: Hitlerism prevents the United States from exploiting Germany and it will shortly prevent the United States from exploiting the rest of the globe; therefore, the sooner that Germany is destroyed the better.

The chapter headings give an idea of the field covered: "Nazi Aims and Methods"; "Nazi Plans" for World Expansion"; "The New Order in Europe"; "Hitler Reaches Out for a New World"; and "The United States Under Nazi Pressure."

## A Primer for Innocents

Even as a capitalist analysis of German fascism the book is a superficial job. It was apparently dashed off as a fitting addition to the reading of those persons whose political education has been gained from a year's subscription to *Reader's Digest*. The book contains the standard bourgeois analysis of Nazi racial theories, the leadership principle, Hitler's treaty-breaking and lying, religious persecution, etc. In these there is nothing more than the standard newspaper treatment.

The most usable sections of the book are those describing fascist economic life. How Germany acquired raw materials necessary for the creation of her war machine through exchange control, manipulation of clearing agreements, the use of the blocked mark, price fixing, job freezing, dumping, wage fixing and export subsidizing is briefly shown. These sections demonstrate very clearly that Hitler's "planning," which seems to charm certain "left" liberals as a snake does a bird, is the crudest sort of improvisation based upon severe exploitation at home and the baldest sort of racketeering on the international economic arena.

These sections of the book, however, are inferior even to those contained in such a study as *The Vampire Economy* by Guenter Reimann, whose contribution to the anti-fascist struggle consists in solicitously warning American capitalists against supporting a fascist movement in this country in view of the simply terrible things that the Nazis are doing to German capitalists. Daniel Guerin's *Fascism and Big Business*, despite certain defects, such as a failure to analyze the rôle of the Social Democrats and the Communist Party in the rise of Hitler to power, remains head and shoulders above the rest of the books in the field.

Miller's book contains an adequate account of the economic consequences to Europe, Africa, South America and the United States of a Hitler victory over Britain. He shows the economic necessity for world domination which inevitably brought Germany and the United States into mortal struggle. His argumentation, incidentally, effectively destroys the case of the isolationists, if only from a capitalist point of view.

It is a simple matter to snap the backbone of Miller's reasoning. Miller becomes righteously indignant at the brutality of Hitler's rule, present and future. But in condemning Hitler for certain practices he blithely overlooks these same practices when indulged in by Britain and the United States. Miller condemns Hitler's barbaric racial methods; he has not a word to say about the treatment of the Negro in the United States. He recoils in horror before Hitler's future treatment of the colonial population in Africa; he is silent on "democratic" England's bloody subjection of 400,000,000 people in India. He is shocked by Germany's economic penetration of South America; he is clamorously silent on the unsavory record of the United States in that sphere. This smug hypocrisy permeates the book.

## Remedies Worse Than the Disease

Since the origins of Hitlerism are not approached from a Marxist point of view, Miller cannot show its rise as an inevitable necessity for the preservation of German capitalism. Neither dare he show as it was an inevitable consequence of the struggle for the colonial markets of the world, if German, British, or American capitalism is to survive at home. Having only a capitalist perspective, he can promise nothing following the current war but that a "continuance of economic nationalism, reinforced by the new high-pressure

tactics which the totalitarian states have worked out, is very possible. It is too likely to happen to suit me. The passions unleashed by war, the hatreds and fears of a hungry, disillusioned world, create national antagonism and national barriers. It must be plain that after this war there will be more hate, less trust and confidence and more suspicion, less friendship. After this war it will not be a case of getting the lions and the lambs to lie down together. The lambs will be mostly all devoured. There will only be well-armed but torn and angry lions left." This is all he can promise—plus a dubious hope that "a decent measure of international co-operation" will be established.

And what changes does Miller propose which will have to be made in this country in order to achieve this new barbarism? "I feel that it would prove necessary for us to abandon at least for a time many of the liberties to which we have become accustomed. . . . This involves the censorship in our own country of activities which have been guaranteed under our Bill of Rights. We should have to suspend or amend our Constitution, creating a new system of bureaucratic control over the individual. We should undoubtedly be forced to have a federal police force, fingerprinting everyone. We might even have to extend police power, requiring that every citizen report his movements, that every arrival and departure at hotels be reported to the nearest police station, and that an American equivalent of the Gestapo or OGPU be called into existence to combat actual or potential fifth-column activities. We should have to sacrifice a goodly portion of our treasured liberties in order to preserve a certain remnant of them. This is not a pretty picture."

Quite true; it is not a pretty picture.

It is the face of FASCISM!

JAMES M. FENWICK.

## The Voice of Richard Wright

BRIGHT AND MORNING STAR, by Richard Wright.  
International Publishers, New York City. 48 pages,  
15 cents.

**A**MONG ALL THE THOUSANDS of authors turning out short stories and novels today, Richard Wright is one of the few who stir the depths of one's pity and anger.

Wright's stories shoulder their way through the aimless mass of current fiction fundamentally because he works with a great theme. His tragedies are not the personal tragedies of a white novelist like, say, Thomas Wolfe. Nor are they the basically personal, if more complex, tragedies of Langston Hughes' Negro bohemians, in which the race questions adds a certain piquancy but does not become the fiery question of all questions that it does in Wright's novels and stories.

Wright's characters come from the ranks of that poverty-cursed nine-tenths of the Negro population that lives below the "talented tenth" which has managed to elevate itself a rung on the lowest levels of the social ladder. His stories portray the oppression, and the struggle against oppression, of an entire race. His stories therefore achieve a scope and an intensity and hence a universality impossible in stories whose tragedy is *only* a personal one.

Wright's tragedies, however, are not those of meek submission before overwhelming injustice. His characters are of heroic, Promethean stature. His men and women go down, but they go down *fighting back*. This revolutionary morale, consciously or unconsciously expressed by the characters, in-



fuses all of Wright's stories. It prefigures the heroic rôle that the Negro masses will play in the social struggles of the future.

Given the knowledge of the Negro possessed by the average white party member and sympathizer of our movement, Wright's stories take on an added interest. Here is a Negro telling of the thousand and one ways the Negro is discriminated against in daily life; showing how the Negro's psychological pattern is socially determined; exposing the defense mechanisms the Negro adopts; revealing the lynch mentality of the rabid Southern Negro-haters; showing the hatred and courage that simmers in the Negro, waiting only to be tapped.

Part of the impact created by Wright's stories comes from his almost complete lack of compromise in attacking the race problem. He takes the worst possible situations for the presentation of the case of the Negro: the murder of a white man, a rape, a love affair with a white woman. Using these events—which bring into play all that codified prejudice which is so omnipresent in bourgeois society that most whites think of it as a moral absolute—Wright, in the course of the development of his stories, captures the sympathy and understanding of his readers despite these very same prejudices.

The force of this impact is heightened by Wright's unwavering path to the logical but unpleasant end of most of his stories. He makes few concessions to that inner censor of ours which would like the story to end . . . well, not quite that way. He recognizes in that censor an unconscious instrument (compounded of bourgeois prejudice and the common human frailty of substituting hope for practically any type of thought process) for the maintenance of racial oppression. To give in to it would destroy the whole point of his writing. He writes of things as they are, not as we might like them to be.

### Qualified Bourgeois Appreciation

That is why the success of *Native Son*, for instance, was in part a *succès de scandale*. Bourgeois readers enjoyed the book in the same way that they enjoyed the assault on their nerves committed in the shocker, *The Postman Always Rings Twice*. At the same time, because Wright hews to the class line, the average bourgeois reader was, in addition, left with a somewhat queasy feeling after having finished the book. He has seen the smouldering volcano.

Wright's style is lean—excellent in conveying the unadorned reality of his stories. There is little lyricism. There are few descriptive passages. His Negro and Southern white dialect are accurate transcriptions. He understands white psychology very well. Nowhere does Wright moralize; the point is conveyed in the action of the characters.

Some critics have found Wright's stories melodramatic. It is true; they are melodramatic. And it is also true that his stories are melodramatic because the reality he portrays is surcharged with melodrama, as is all reality when social tensions are high. What, for instance, is more melodramatic than the social revolution itself?

### Art Versus Propaganda

Wright's stories are an excellent refutation of the scholasticism of bourgeois critics who pose the conception of art and propaganda as mutually exclusive opposites. All literature is propaganda for *some* idea, political or otherwise. That a great idea such as the struggle for power by the working class (in all its political and personal aspects) should not form the structural basis for a great novel is comprehensible only as an expression of the literary struggle against the working class on the part of the bourgeois literary critics. Wright's stories

dramatizing the struggles of the Negro masses are just as much art, if on a smaller scale, as Aristophanes' plays championing the cause of the Greek landowning aristocracy.

A good example of Wright's artistry is the short story, *Bright and Morning Star*. It is an excellent pamphlet to put in the hands of people moving toward the Workers Party. The central characters in the story are communist party members, but the form the story takes casts them in the rôle not of Stalinist followers but of genuine revolutionists locked in a struggle with the worst elements of the bourgeoisie. The Stalinist political line is a completely unimportant factor.

### "Bright and Morning Star"

The story of *Bright and Morning Star* is a simple one. The following synopsis, however, can give but little indication of its power:

Aunt Sue, an old, Southern, Negro woman, has recently joined the Communist Party. One of her sons, Sug, has already been jailed for revolutionary activity. As the story opens, her other son, Johnny-Boy, is out organizing a meeting to be held the next day. Late in the evening, as Aunt Sue is waiting for him to come home, Johnny-Boy's white girl friend, Reva, comes to Aunt Sue's house and tells her that the meeting has to be called off because a stoolpigeon has informed the sheriff of its being called. Johnny-Boy returns but goes out again to warn the comrades to stay away from the meeting.

While he is gone the sheriff and a lynch gang come looking for him. They beat up Aunt Sue and leave. When she comes to, Booker, a new white recruit to the party, is bending over her. He tells her that the sheriff's men have caught Johnny-Boy in the woods. Then Booker forces her to tell him the names of the other party members in order, he says, that he can warn the comrades. He leaves. Reva returns with the news that Booker is the stoolpigeon.

Fortified by her belief in the revolutionary movement, which has replaced her old, compensatory, religious exaltation, Aunt Sue hides Johnny-Boy's revolver beneath a sheet which the sheriff had previously tauntingly advised her to bring for the body of her son. Taking a short cut through the field, she finds the lynch gang before Booker can arrive. The sheriff demands that she ask her son to give the names. She refuses. They break both of Johnny-Boy's legs with a crowbar in an effort to make Aune Sue beg the information from her son. She says nothing. Then they break his kneecaps. They break both his eardrums . . . Booker arrives. Before he can reveal anything, she shoots him and tries to shoot her son, who is in agony. The lynch gang shoot her son, then her. She dies, defiant: they didn't get what they wanted!

\* \* \*

Writing from London in a recent issue of *The New Republic*, George Orwell notes in the younger English writers "the absence of any feeling of purpose," and states that there "seems no chance of any major literary work appearing until the future is more predictable and thinking people have less feeling of helplessness." George Marion O'Donnell in an anthology of poetry published by *New Directions* expresses this same feeling of helplessness in American writers with the question: "What action now means act as a man should?"

In these comments Orwell and O'Donnell reflect very well the bankruptcy of bourgeois literature, which, confronted with the greatest crisis in world history, has nothing to say.

Let those who can, learn the meaning of Richard Wright's stories: only the revolutionary word has significance today.

JAMES M. FENWICK.