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THE COMMUNIST PARTY AND THE WAR

The leaders of the Communist Party of whom Palme Dutt is the outstanding example, are pretending to stand on the intransigent revolutionary position occupied by Lenin in the last imperialist war. Utilising the horror of their former petty-bourgeois allies the Gollanczes, the Stracheys and the former Left of the Labour Party Bevan, Strauss etc. who have remained on the full *social-patriotic* position occupied by the Communist Party even a few weeks after the outbreak of the war, they have attempted by a wrapping of phrases to picture themselves to the advanced workers, in particular their own rank and file as carrying on their policy in the spirit of Lenin. Palme Dutt has attempted, by an obvious trick to conceal the essence of Lenin's policy by "mysterious" references to the danger of police persecution. In this way he avoids facing up to the issues posed by the war and covers up any possible turn which the Communist Party might have to face in advance.

He answers the accusations of his erstwhile allies, by blandly challenging them "to produce a single reference of Lenin to 'revolutionary defeatism'." Lenin's theories on imperialist war, on the revolutionary working class struggle in imperialist war, on its transformation, on the question of defeat of one's own government etc., are crystal clear . . . It is as if they (traducers) were to write of Lenin's theory of 'bloodshed at all costs' . . . " (*Labour Monthly*, April 1941).

The treacherous position of the Communist

Party before the war, which Palme Dutt still attempts to defend, is sufficiently well known. *It was an abandonment of the class struggle*, an attempt to fool the masses, with unfortunately a large amount of success. It claimed the struggle against war could be conducted through a fight against the "aggressor" through "collective security" etc., etc. instead of the clear Leninist line that only the overthrow of capitalism could end the danger of war. The support for the war in the first weeks was no accident. The change of line was not accidental either, the "new" policy developed now also has a logic of its own; the interests of the diplomacy of the Kremlin bureaucracy. All changes in the compass of the Communist Party line find their direct inspiration in the varying needs of Moscow, which forms the magnetic needle to which all the zig-zag oscillations can be traced. But leaving aside for the moment the past policy of the Communist Party criticism of which can be referred to in previous pages of *Workers' International News*, all that revolutionary policy in war means, as explained by Lenin, is the continuation of the class struggle in war time as in peace. To carry the class struggle to a finish. There is no need for the mystification indulged in by Palme Dutt. The whole content of Lenin's struggle in the first period of the last war was a struggle against the social-patriotic traitors who betrayed the masses by a support of their own imperialist bourgeoisie. The criticism which can be levelled at the past policy of the Communist Party as well

as the policy to which the "Two-Fronters" are committed today. Under no conditions and no circumstances can we be in favour of the class-collaboration tactics of the Popular Front period or coalitionism of the Bevan-Strauss-Morrison-Bevin variety. That is all that the line of Lenin implies, an uncompromising struggle against chauvinism and the interests of the imperialist bourgeoisie of the different countries, a struggle for the international interests of the working class, for the overthrow of the bourgeoisie and the conquest of power by the workers.

But let us see the programme which is being put forward by the Communist Party today. Palme Dutt leader and foremost theoretician of the Communist Party depicts fairly accurately the mortal crisis of British imperialism "*The conviction begins to spread among wide numbers that the ruling class of no side and no country can offer any hope of a solution of the problems which world development has placed on the order of the day; that they can offer only extending crisis, savagery and servitude, whether through endlessly prolonged war (Lord Halifax speaks now of 20 years), or through a false and temporary peace of the oppressors . . . Today the wave of anger goes deeper, as the issues go deeper. If the Churchill mascot fails, if the same disasters, corruption, profiteering, incompetence and mismanagement go forward under the new regime as the old, then it becomes no longer so easy for the ruling class to find a new alibi, or hide behind another mask; it begins to become clear, to wide sections of thinking people that the sickness goes deeper and requires more drastic remedies. Today the anger of the people begins to be directed more and more clearly against the whole class which Churchill represents, whose rule is destroying the standards, rights and existence of the people. The anger is no longer only the reflection of a temporary situation or temporary reverses; it is interwoven with the deep social and economic discontent against the regime of class oppression, against the inequalities of sacrifice, the scandal of the food situation, the unjust taxation, the neglect of the needs of the people, the crushing of small business by the combines, the conscription of labour and not of wealth, the destruction of popular rights, the betrayal of the aims of the labour movement . . . Within the circles of the British ruling class there is no less controversy and division of opinion, which is only held back from public expression for fear of the masses and of unloosing full and open political crisis. At the heart of such controversy lies inevitably the dilemma of imperialist peace or war, which now confronts British imperialism in a sharp form and presents either way the sharpest problems. Either way reveals the bankruptcy of the present position of the ruling class . . .*"

The whole of this article in the May issue of *Labour Monthly* is devoted to the correct and Marxian idea that British imperialism (as is all world capitalism) is in an impasse and has

brought the British people to the verge of a catastrophe; to the no less important and profound fact that the crisis of British capitalism is manifesting itself in the increasing disgust and lack of confidence in the ruling class to solve the crisis among the broad masses of the "people".

That same crisis which led to the tremendous movement of the Spanish and French regime is now on the order of the day in Britain. But under conditions far more favourable—objectively at any rate—the war, the complete ruin of the middle class, the patent bankruptcy of the bourgeoisie, the freshness of the British workers who have not suffered a major defeat since 1926, or perhaps if one wishes the debacle of the Labour Government in 1931; the overwhelming power and strength of the British workers once they become conscious of it with a nation overwhelmingly proletarian in its composition. All these factors lead inevitably in the direction of the Socialist revolution and towards the working class conquest of power.

Palme Dutt, like all the other miserable flunkies and servants of the Kremlin cannot and dare not deduce the inevitable conclusions which arise inexorably even out of his cautious and equivocal analysis of the crisis of the regime. He is like a man sounding the tocsin at the danger arising from a dragon and then offering a popgun in order to slay the monster.

The crisis of British imperialism leads inevitably to terrific social explosions within these isles. Says Palme Dutt

The first task before the working people of this country is the organisation of their own common front of struggle in order to defend their vital interests, win back the democratic rights which have been taken from them and advance to win the direction of affairs from the reactionaries and corrupt class forces whose condemnation stands written in the records of these past decades and in the present crisis. The breaking of the policy of coalition with the enemies of the people, the independence of the working class organisations, the fulfilment of the role of working class leadership for all sections of the people against the big propertied and financial interests, and the winning of power into the hands of the people—these are the tasks to-day. Only so can the reactionary imperialist aims and oppression of other peoples, which only serve to prolong the war, be ended. Only so can the disorganisation, inequalities, corruption and profiteering, which prevent the real defence of the people, begin to be tackled. Only so can the defence of the people be organised on a through-and-through democratic basis, enlisting the enthusiasm and active participation of the masses. Only so can the appeal of the people reach out with an honest and trusted voice to the rising movement of the peoples in the other countries and win them as allies in the common cause.

The significance of the present stirring of the people in this country, the beginnings of questioning and criticism of the Churchill Coalition Government, and the discontent with the reactionary class policies pursued against the people, lies precisely in the fact that it begins to make it possible to mobilise the struggle of the people in their own cause; to organise the common front in the elementary struggle against the big propertied interests which exploit and oppress them; to tear down the illusions which still tie the workers to the Government and the Coalition Labour leaders; and to raise sharply the cardinal question before the people of this country, the question of Government and of the class forces which must constitute a real Government of the people.

These deliberately unclear, rather skilfully vague phrases conceal the essence of the crisis of British imperialism and the tasks of the working class. Palme Dutt deliberately evading the position of Lenin in the last war, cannot and will not face the revolutionary implications of Lenin's position developed so clearly in 1917 when faced with a crisis of the regime and "raise sharply the cardinal question before the people of this country, the question of Government and of the class forces which must constitute a real Government of the people." The issue could not have been put more clearly. There is no middle way. The Popular Front coalition policy in France and Spain led inevitably to the victory of fascism. Either the conquest of power by the workers and the establishment of a Socialist Government or the victory of reaction. What is the class content of this so-called "Peoples Government"? It is but yesterday that this was a Government of Churchill-Attlee-Sinclair according to the spokesmen of the Communist Party including the venerable Palme Dutt himself. Only last month in the April issue of *Labour Monthly*, Dutt cast out feelers to attempt to entice the petit-bourgeois J. B. Priestley into the fold of the Peoples Convention. So on this issue alone Dutt is preparing a like fate for the workers of Britain as for the workers of France and Spain. The policies of Popular Front coalitionism if anything are even more pernicious and disastrous than that of the classic reformism of the present coalition type because it can only arise in an epoch of crisis when the bankruptcy of the bourgeois regime is patent to all. If Dutt's analysis is correct, and it is more or less correct, then the job of the vanguard is systematically to prepare the mass consciousness in their day to day propaganda for the overthrow of the bourgeois regime and the conquest of power by the *working class* as the sole solution of the crisis.

The major problem to which all other problems are subordinated in the eyes of the masses is the problem of the war. For years

the Communist Party stock-in-trade was the alliance of all the progressive forces to "stand up to Hitler." This was abandoned with the Stalin-Hitler pact and a pseudo-pacifist programme of "Stop-the-War" substituted. This could not but lead to the complete isolation of the Communist Party from the masses. With the precarious equilibrium established by the Soviet Union between the two warring camps, the Communist Party could allow themselves the luxury of impartially thundering against both sets of belligerents for their mercenary and imperialist aims, and to pretend to don the mantle of Lenin too, forsooth. But even they were compelled to take account of the feeling among the workers, (because it would not affect the needs of the Kremlin) and give it a caricatured and reactionary direction. This is the meaning of Palme Dutt's references to the "first task before the working people of this country . . . to win the direction of affairs . . . only so can the real defence of the people . . . Only so can the defence of the people" . . . (be organised).

It is in this way that the Communist Party by the sheer pressure of the masses is compelled to give some answer to the problem of the war. This is not our war! It is a war for profits and is being fought in the interests of the ruling class. We revolutionary socialists are against this imperialist war! But it is futile to stop there. For years the Communist Party together with the Labour Party leaders utilised the progressive if confused hatred of the masses for fascism to shout for the "Peace Front" etc. This is now the exclusive prerogative of the Labour leaders, in fact almost their only defence against the criticism of their reactionary policies by the workers, is the "need to destroy Hitlerism". All their betrayals they attempt to justify by the needs of the war. Despite the bitter feeling among the workers, so skilfully depicted by Palme Dutt, they do not see a way out of their impasse. Especially the organised workers, are critical of the actions of the Labour leaders but cannot see an alternative. Whatever else they want, they do not desire the fate of the masses in Poland, France etc., and no matter the horrors and privations which the war has meant they do not want the victory of Hitler. Choosing between peace with a victory for Hitler and a continuance of the war, the overwhelming majority of the masses, especially those who support the Trade Union and Labour Party are for a continuance of the war. The instinct of the masses is correct. But boldly, squarely and without the slightest equivocation the vanguard must face up to this issue. We too are against the victory of the Nazis. But the alternative is not at all victory for Hitler or continuance of the war under the leadership of Churchill and the ruling class. On the contrary. We must explain to the workers that victory for British imperialism

cannot but lead to the victory of fascism; continuance of the war under the leadership of Churchill cannot but lead the masses of Britain and Europe to disaster. For victory over fascism, the German variety or the inevitable British one, the masses must take power, the war must be transformed into a genuine revolutionary war in the interests of the British, German and world working class. It is no use having this as an incidental part of our policy, on the contrary it must be the theme running through our propaganda. World imperialism led to this war, it can only be ended by the destruction of world imperialism. There is no easy way out for any country. But the only method of destroying Nazism is the conquest of power by the working class. Palme Dutt's recognition of this fact is shown by his demagogic and Jesuitical reference to the "conditions of such a ("Peoples") peace is the victory of the people within each country." The whole revolutionary content of Leninism is eliminated by this meaningless and intentional verbiage. *The condition for a peace in the interests of the masses is the overthrow of the ruling class.*

But meanwhile the masses do not desire peace, except through the destruction of Hitler. The workers do not want a programme for peace but a programme for war. Throughout the article Palme Dutt uses phrases which skim on the surface of this problem. The fiery warriors of yesterday have become semi-pacifist apostles of peace today. The pseudo-pacifist attitude which runs through the whole article is a reflection of this. Tomorrow, if Stalin makes an agreement with the democracies, Dutt would once again outstrip his friends of yesterday in denunciation of the barbarities of German fascism. That this is so is proved by his references to Yugoslavia and Greece. Stalin's pact (Dutt could not be expected to keep up with the swift changes in the Soviet Union's foreign policy) with the Jugoslavian ruling class transformed the war of Greece and Jugoslavia, the ruling class of which is no whit better than the ruling class of any other of the belligerents; into a just "war of liberation". In fact the Jugoslavian and Greek regimes, were dictatorships not much better than the dictatorships of Hitler and Mussolini.

Here is the heart of the problem which the masses require a clear and honest answer. It is necessary to face up to the problem of the war against Hitler. What we have to explain to the "people" is that they cannot fight Hitlerism under the control and leadership of the ruling class. That only the conquest of power by the workers could shorten the war by destroying the base on which Hitler rests and transform the war from a predatory war of conquest into a just war of liberation. Palme Dutt as usual ambiguously talks about the defence of the people "with a Peoples Government" because it is impossible under present conditions to ignore this feeling of the workers. But he does it in order to blur the class issues, in as evasive a way as possible. Instead of

replying to the questions of the workers "Are you in favour of allowing Hitler to march into Britain?" And when the inevitable reply in the negative is given "How do you propose to destroy Hitler?" by a clear and categorical answer: Yes we are in favour of the destruction of Hitlerism, but this cannot be done while the ruling class is in power. The ruling class is not fighting fascism but for their own imperialist ends and nothing else. They will inevitably betray the workers as the bourgeoisie did in France. Even victory under these auspices would only lead to the victory of fascism. But having explained that only the victory of the working class can solve the crisis of British capitalism, including the major question of the war we cannot stop there. We must have a programme which while catering step by step for the immediate interests of the masses will link these needs with the necessity for the Socialist revolution.

Palme Dutt links up his analysis of the crisis with the Peoples Convention and its demands. Demands which have no relation to the consciousness of the masses. The demand which is being put forward by the Communist Party that the Labour Leaders should break with the Churchill Government is correct. But by itself it is meaningless. We must have an answer to the retort of the Labour leaders "What then?" The slogan of a "Peoples Government" cannot have any attraction—apart from its ambiguity and reactionary content—for the masses. But taking the Labour leaders at their word the demand they take power in order to prove their genuineness in their vociferous desire to "fight Nazism and fascism to the end" can heighten the consciousness of the workers as to the real treacherous role of the Labour leaders. A programme which would include the following:

Arming and organising of the workers under their own control.

Election of officers by the soldiers.

The establishment of special officers' training camps, financed by the government and controlled by the trade unions, to train workers to become officers.

Expropriation of the arms industries, mines, banks, land and heavy industry.

Workers control of production.

Freedom for India and the Colonies.

Socialist appeal to the workers of Germany and Europe for the Socialist struggle against Hitler.

What is the difference between this and the programme of the Convention? The demands in neither can be carried out while capitalism continues to exist. But our programme is a fighting programme for the workers and soldiers. One which immediately brings the class issues to the fore. One which cannot but bring the masses to the realisation that the crisis can only be solved by workers power. The programme of Dutt and Co. is a trap for the masses. It cannot in the least convince those workers who are supporting the war and the Labour leaders. It is through and through

saturated with esuivocation, ambiguity and deliberate evasion of the real issues involved by a struggle against the bourgeoisie.

The crisis of British capitalism is on the order of the day. That Dutt recognises this clearly is shown by the very title of his article. "A new political situation" is certainly developing in Britain. A revolutionary wave of unprecedented proportions will sweep through the masses in the eriod which is opening out in front of us today. The ruling class is dis-oriented and divided and will be split even more sharply into hostile factions under the impact of events. The middle class in nearly all its strata is discontented; and with the further destruction of its positions will become even more so. Priestley and Acland are symptomatic of the mood which is beginning to develop among them against the further domination and increase in power of finance capital. The workers are critical and resentful at the muddle, mismanagement, profiteering and open greed of the ruling class. It is necessary to expose to the full the blind greed of the decaying ruling class the example of which Palme Dutt quotes himself. Lloyd George is more far-sighted than other representatives of the ruling class and warns them because of the fear he feels that the consequences of their attitude will lead to terrible repercussions among the masses. "It is no Marxist, but the foremost elder statesman of the bourgeoisie, Lloyd George, who now declares, in April, 1941, of the propertied interests of this country (he was speaking of the great landlords, but the landowning, financial, and big capitalist interests in this country are now, in fact, completely interlocked) that "these reactionaries would rather run the risk of starvation—which means defeat—than surrender their privileges." No longer under the slow decay of the first decades of the imperialist era, no longer under the scourge of the world

economic crisis, but in the harsh school of war, in which American and German imperialism are mercilessly squeezing between them the weaker British rival, these issues are advancing to their climax."

Palme Dutt himself correctly quotes Engels "Starve or Rebel" as the "concrete" alternative before the British masses—above all the working class. But such a prospect leads straight to the Socialist revolution. All the objective conditions for the victory of the workers revolution are speedily ripening. But this in itself is not enough. The programme of the Communist Party is so drawn that it cannot but lead to disaster.

The danger is that a big section of the masses will be deceived by the equivocal phrasemongering in which the Communist Party indulges into support for the Communist Party. The inevitable anger of the masses will certainly sweep a big section of the workers behind the Communist Party. In it they will see the banner bearer of the October revolution. For this reason the programme of the Communist Party is even more dangerous than the open social-patriotism and bourgeois coalitionism of the Labour Party.

Only if the vanguard rallies round the programme and organisation of the Fourth International in Britain will the movement of the masses be consciously led to the conquest of power and Socialism. The crisis of capitalism is just beginning. Either the greatest of historic victories which would lead to a Socialist Europe and a Socialist world, will be achieved by the British workers, who with the last organised workers movement in Europe, stand in the forefront of the struggle for emancipation, or the most horrible catastrophe which the world has yet witnessed. Starve or rebel; workers power or fascism; that is how the question will be posed in Britain tomorrow.

Why Hitler's 'New Order' Won't Work

By FELIX MORROW

The latest news from Holland and Norway leaves no room for doubt: Hitler's grand plan for ruling Europe has already broken down. The direct collisions which have now taken place in those countries between the working class and the Nazi forces are what Hitler sought to avoid by plans worked out in great detail long before the occupation of those countries.

It should be noted that all news dispatches from Holland and Norway pass through the German censors, and are likely, therefore, to greatly minimize rather than exaggerate the collisions which are taking place. Even more significant, perhaps, than any details, is the attempt of a German spokesman, last Thursday, to blame "British agents landed by parachutes

or speedboats" for the wave of strikes in Holland. Matters must be extremely serious when the Nazis (like all capitalists in clashes with the workers) resort to explaining them away by blaming "outside agitators"!

HITLER'S ORIGINAL PLAN FOR EUROPE

To understand the dynamics of the European situation at all, it is necessary to understand that it was not by force of arms alone that Hitler had hoped to rule the continent. Hitler knew better than that. He knew what disaster had met the attempts of the German imperial armies in the last war, when they attempted to secure production from the workers in occupied countries at the point of the bayonet. Hitler knew how that method of production

had failed in occupied Belgium and French territory; above all, he knew how it had destroyed the morale of the German troops in the Ukraine in 1918. Troops surrounded by a universally hostile population inevitably succumb to revolutionary propaganda.

Hence Hitler sought to avoid the errors of 1914-18. This time there would be no arrogant officers who would antagonize the population of the occupied territories. Nor would the German armies set up military rule. The necessary concessions would be made in order to find a wide stratum in the occupied lands that would come to amicable terms with Germany and govern as "independent" nations.

Above all in Norway and Holland this plan was attempted. The occupying troops carried explicit—printed—instructions strictly governing their contacts with subjugated peoples. There were demonstrative punishments—including some executions—carried out on troops who were charged with not maintaining a correct attitude toward the Norwegian, Dutch and French people. The Nazis sought to prove that the standard of living in Norway and Holland remained higher than in Germany—this as a proof that the occupied countries were not being ruthlessly stripped by the conqueror. The occupying forces, it was insisted, would not interfere with the native government, both national and municipal, or with the courts, the press, etc. By and large, the Nazi leadership made no great blunders; everything they could do to carry out their plan, they did.

HITLER'S PLAN PROVES IMPOSSIBLE

It turned out, however, that what Hitler considered to be the "errors" of 1914-18 were not errors at all, but basic aspects of the relation between conqueror and the subjugated peoples. It proved impossible to find the strata of collaborators that Hitler was seeking.

In Norway, the Nazis were quickly compelled to resort to the ridiculous expedient of the puppet government of Quisling's fascists, representing nobody except the German troops. In Holland, the first attempts to use the "freedom" permitted the courts and the municipal governments led to their liquidation; and now the German commander-in-chief in Holland has declared martial law over North Holland, including Amsterdam, and over Rotterdam. The semblance of any autonomous government is thus ended in Holland, too.

In Norway, for a short time, thanks to the invaluable aid of the Stalinists, the Nazis were able to say that they had not touched the labour movement. The Stalinists denounced the official trade union leadership for "fleeing," took over the offices of the trade unions, continued to publish their daily paper, and sought a *modus vivendi* with the Nazi invaders. This, however, lasted but a few months, at the end of which the Nazis outlawed the Communist Party, seized and executed or imprisoned its leaders (who had been ordered to stay in public

by the Comintern). The ridiculous attempt of the Quislingites to take over the offices of the unions and run them has now been answered by riots, murders of Quisling officials, and a complete defiance of the puppet government by the official trade union leadership of Norway.

In Holland, likewise, the semblance of collaboration between the trade union leaders and the Nazis quickly collapsed. The Nazis moved their native agents into the trade union offices, but to no effect. The great wave of strikes last week demonstrated the impotence of the native Nazi agents. Not they but bayonets finally drove the workers back to work under threat of fifteen years' imprisonment or the death penalty for those who continued to strike.

In a word, the Nazi rule in Holland and Norway has been reduced to rule by naked bayonets. All Hitler's desperate attempts to avoid this outcome have failed.

In "free" France the same fundamental process is unfolding. There, too, Hitler sought a wide stratum of collaborators in order to decrease the problems of the invasion. He secured the collaboration of the major section of the French bourgeoisie. But the Petain regime rests on nothing below except its military police. Far from being the fascist regime which panic-stricken democrats label it, the government has no mass base underneath it, fascist or otherwise. The French fascists, like the Dutch, Belgian and Norwegian fascists, quickly discredited themselves by their friendliness to the invader; thereafter they were branded in the eyes of the French masses as agents of the victorious enemy. The Petain government is a police dictatorship.

But even this government will not remain. The clash with the Nazis over Laval's dismissal shows that, in the end, the Nazis will be forced to dispense with Petain and take over nakedly the direct rulership. Nazi invasions destroy the mass base of native fascism!

WHY HITLER BLAMES "OUTSIDE AGITATORS"

It is especially important to understand why the Nazis resort to such a thread-bare alibi as blaming "British agents" for the latest clashes in Holland. The same formula appears in the trial before a German court at the Hague of a number of Dutch, who are called "terrorists." They are accused of committing "acts of sabotage and terror" against the German army—and then there is added that they "reported information to the enemy." It is safe to predict that in every critical development the Nazis will similarly attempt to label those Norwegian, Dutch, Belgians, French, etc., who are involved, as "British agents." Why?

This formula aims primarily at bolstering morale in the German army and in German civilian society. The idea that German military victories have produced irreconcilable

hostile populations everywhere—this idea is deadly to the morale of both troops and civilians. For it opens up an endless perspective of armed struggle and repressions. Nothing can so demoralize even those sections of the German population which are closest to the Nazi hierarchy, as the prospect that military victories lead only to a new epoch of bloody conflicts with the subjugated peoples. Nothing can so inspire the thirteen million men and women who voted Socialist and Communist in the last election in Germany (1932) as the news that the masses of Europe are not submitting to Hitler's rule.

These profoundly important consequences would not follow, however, if Hitler could successfully depict the collisions in the occupied countries as merely instigated by Britain. If the soldiers and civilian masses of Germany could be sold on the idea that these collisions are but part of Britain's war against Germany, Hitler could easily weather them. No appreciable section of the German people—and this includes the thirteen million Communists and Socialists—want a British victory over Germany. For everyone remembers or knows what the last British victory meant—hunger and blockade long after cessation of hostilities, the vengeful Versailles Treaty, etc.

Hitler's attempt to impute the latest collisions in Holland to "British agents" should serve as an index to the worthlessness of the "revolutionary" propaganda being waged by the pro-British refugee Social Democrats, the De Gaullists, etc. The activities of these agents of Britain merely help Hitler to depict all revolt and struggle in Germany and the occupied countries as the product of British instigation.

The only really effective struggles against the Nazis, both in Germany and in the invaded countries, are those which have genuine roots where they take place and have no connection with Germany's imperialist enemies. It is clear that the latest events in Holland belong to this category. Hence the desperate measures taken by Hitler's lieutenants to suppress them.

TROTSKY PREDICTED HITLER'S FATAL WEAKNESS

Although the strikes and fatal clashes in the Netherlands are a clear indication of the fatal weakness within Hitler's "new order," the "democratic" press has not rushed to point this out. Why?

The fact is, these latest developments in Norway and Holland run counter to the line of argumentation pursued by the "democratic" war mongers, who argue that nothing could be hoped for in the occupied countries or in Germany so long as Hitler was not defeated by the "democracies." There will be no revolutionary movement developing in continental Europe, they say, until the military defeat of Germany. Therefore, nothing remains except

to aid England and the United States in war against Germany. We could quote many a Social Democrat who has argued along this line. The great developments in Norway and Holland do not fit into their picture!

These developments, however, follow the prognosis which our movement made immediately after the Battle of France.

Leon Trotsky then wrote:

"In order to create a revolutionary situation, say the sophists of social patriotism, it is necessary to support the imperialist democracies . . . They interpret Hitler's victory not as a relative but as an absolute obstacle in the way of a revolution in Germany. They lie in both instances.

"In the defeated countries the position of the masses will immediately become worsened in the extreme. Added to social oppression is national oppression, the main burden of which is likewise borne by the workers. Of all the forms of dictatorship, the totalitarian dictatorship of a foreign conqueror is the most intolerable. At the same time, to the extent that the Nazis will try to utilize the natural resources and the industrial machinery of the nations defeated by them, the Nazis will themselves become inevitably dependent upon the native peasants and workers. Only after the victory, do economic difficulties always begin. It is impossible to attach a soldier with a rifle to each Polish, Norwegian, Danish, Dutch, Belgian, French worker and peasant. National-socialism is without any prescription for transforming defeated peoples from foes into friends.

"The experience of the Germans in the Ukraine (in 1918) has demonstrated how difficult it is to utilize through military methods the natural wealth and labour power of a defeated people; and how swiftly an army of occupation is demoralized in an atmosphere of universal hostility. These very same processes will develop on a far vaster scale in the European continent under Nazi occupation. One can expect with assurance the rapid transformation of all the conquered countries into powder magazines. The danger is rather this, that the explosions may occur too soon without sufficient preparation and lead to isolated defeats. It is in general impossible, however, to speak of the European and the world revolution without taking into account partial defeats . . .

"Consequently the task of the revolutionary proletariat does not consist of helping the imperialist armies create a 'revolutionary situation' but of preparing, fusing and tempering its international ranks for revolutionary situations of which there will be no lack." (*Socialist Appeal*, July 6, 1940.)

Not as tools of the imperialist democracies but as independent revolutionary movements will the peoples of Europe free themselves from Hitler and fascism. That is the meaning of the latest developments in Norway and Holland.

TRADE UNIONS and the STATE

A vast wave of uneasiness is spreading throughout the Trade Union movement at the new measures of compulsion recently introduced by the Government. This applies in particular to the "Essential Work order" which places the employees in scheduled industries under the complete control of a National Service officer who supervises their conduct. Absence or late arrival at work without a reasonable excuse can be reported by the employer to the National Service officer who may give the worker concerned directions under Defence Regulation 58A to perform his work and regarding the times at which he is available for it. A worker who failed to comply would be liable to prosecution and a maximum penalty of £100 and (or) 3 months imprisonment. In the words of the "Manchester Guardian" 7/3/'41 this is "the most serious interference with the liberty of the subject the war has yet produced".

So deep-rooted has been the reaction amongst rank and file trade unionists that pressure has already forced the following comments from leading Trade Union bodies and officials. An article in the monthly journal of the A.E.U. reads as follows: "Frankly we are perturbed at this sort of thing. We fear the spread of the infection of coercive methods . . . Has not the time come for another conference of Trade Union executives to consider the whole situation afresh and to invite a full explanation from the movement's representatives in the government . . . We want to know where we are going and how this sort of thing will end." Mr. John Marchbank, General Secretary of the N.U.R. comments in the "Railway Review" 11/4/'41 "We have considered the matter from the standpoint of the Railway service. In our view this provision cuts right across the union management machinery we have in the service for dealing with disciplinary cases . . . We insist that grievances and complaints affecting the Railway workers' observance of rules and the way they do their work shall continue to be dealt with by our disciplinary scheme and not by any outside authority." "Labour", the official magazine of the TUC states: "It is quite easy to talk about compulsion, but compulsion itself will not solve any existing problems, and may well give rise to a large number of new ones".

No one for a moment imagines that the AEU, NUR and TUC hierarchy have "seen the light"; on the contrary, the lip-service of these gentlemen is designed solely to sidetrack the fears of their memberships. What does emerge from these utterances is that discontent is growing, and the union bureaucrats are getting

worried. Haunted by the experience of their French counterparts they dread the day when they should be of no further use to the British capitalists, so in order to justify compulsion they mildly "deplore" the use of such methods. Mr. George Gibson, chairman of the TUC, speaking at the Scottish congress remarked that no less than 9,000 trade union practices had been relinquished since the outbreak of war, but that a bill would be introduced into parliament pledging their restoration "after" it was over. Mr. Churchill in a recent luncheon speech declared: "It is a matter of honour for the whole country that these privileges shall be restored and resumed when this crisis has passed away, unless some better arrangement can be made."

No trade unionist, however, who remembers the role of Mr. Churchill during the General Strike can accept the "honour" of one who is the most stalwart defender of class privileges and the most ruthless opponent of organised labour. His remarks about "some better arrangement after the war" show that contrary to the pious outbursts of Mr. Gibson, the capitalist class and Mr. Churchill are thinking about "arrangements" which will suit *their* interests and not those of the trade union movement.

The "Essential Work order" and the industrial regimentation of wide sections of the community is the direct result of large scale monopoly capitalism and the growth of trusts and combines. The war has greatly accelerated this development. Long before it started the joint stock companies and the banks had complete control of the armament and heavy industry. Immediately after the outbreak of war, control passed into the hands of the State and the numerous committees which were set up to aid prosecution. One by one the Government transferred prominent company directors on to these committees and naturally their activity was concentrated in those spheres which coincided most with their private interests. By this means the State assumed the role of a giant combine. When Captain Lyttleton, the President of the Board of Trade, announced in Parliament that he was going to concentrate production in certain industries "in order to facilitate the fullest possible transfer of resources to war production" he was merely pursuing a policy of naked trustification long inherent in the present system. The "Financial News" 12/3/'41 traces this development as follows: "The last war changed a predominately competitive industrial structure in Britain to one in which cartels and monopolies were of great importance. In the period between the two wars (and especially after 1932) the influence of these

cartels extended fast . . . and now the development of monopoly is pressing ahead so fast that by the end of the war it looks as though the structure is going to be predominately monopolist . . .

"When we return to peace conditions . . . the industrial structure will consist predominately of trade associations and monopolies, affected but not seriously hampered by the activities of the government . . . The result of present trends may well be to establish forms of organisation in these industries far removed from the public interest. Such organisations indeed, are likely to concern themselves largely with price maintainance (i.e. restriction of production) the prevention of entry of newcomers to the trade . . . there will be . . . a general tendency to restrict production in order to maintain the profit per unit of production".

What is the meaning of this change? Put briefly it means that formally there is now only one trust (the state) to employ the workers. It means that the "freedom" which the worker formerly possessed to choose between one employer and another and the right to bargain for the price of his labour has gone forever. The State legally is now in complete control and therefore cannot tolerate the pretence of freedom or choice. The workers must either obey or be disciplined, hence the "Essential Work Order", industrial regimentation and the abrogation of trade union rights.

This development marks the close of an epoch and the beginning of a new one for trade unionism. Whereas in the period of capitalist expansion; the growth and development of the productive forces; it was possible for the union to utilise the competition between small scale enterprises to wrest concessions for their members; to-day this is but a dream of the past. Monopoly has killed competition and with it the bargaining power of the unions. It is impossible for them to serve the working class and the capitalist state at the same time. They must sever their connections with the state and take the road of independent class action or become governmental institutions. Either the Trade Unions take the revolutionary road or they will be crushed. To accomplish this is the foremost task of the revolutionary wing of the trade union movement.

At the same time the trustification and concentration of the productive forces under the control and direction of the state, not only strips naked the organised class forces, but it brings the era of classical reformism to a close. Reformists have always pictured the state as a body existing independently of classes. This idea has been popularised for decades by the Fabians and other such schools of "peaceful evolution" both here and on the continent. They see in the State a "third power" which is impartial to the struggle between classes. The illusion is fostered that it is possible to win it from the influence of the capitalists if only sufficient positions can be captured. The wrangling that goes on can be understood from the following quotation taken from an article by Mr. Bevin in the October issue of the

"Transport Record". "The assumption that the only brains in the country are in the hands of the Federation of British Industries is one which has got to be corrected, for as matter of fact, most of the delays and unpreparedness so apparent today are due to the reliance of departments of state upon the very limited advice of people, who, after all live in a very narrow world indeed". Here is the gist of reformism. Bevin and Co. hawl from the housetops, "that they are reliable fellows" and can operate capitalism very effectively if *only* they are given a share of the jobs and not the company directors etc.

The state is an organ of class domination which exists solely in the interests of the exploiters. The entry of the Labour leaders into the cabinet; like the spoonful of honey in the barrel of tar, changes nothing. They simply become the administrators of bourgeois law and order. Their sole use insofar as the capitalists are concerned, is that by blindfolding the workers with socialist phraseology, they temporarily keep them in check. Churchill and Co. do not employ them for their qualities of statesmanship. When they need "statesmen" they comb the "Directory of directors" and the more recent issues of Debretts. In fact the Liberal "Manchester Guardian" is very outspoken regarding the capabilities of the Labour leaders as statesmen. In its issue 2/5/41 commenting on the entry of Lord Beaverbrook into the cabinet, it remarks: "This upsets the coalition hierarchy, but that has become very shaky since the Labour ministers have so conspicuously failed to shine in qualities of leadership in war." It is clear that the main use of these gentlemen to the capitalists is for policing the labour movement.

In this connection, however, they become enmeshed in an insoluble contradiction. It is impossible for them to administer capitalism and at the same time remain at peace with the working class. The irreconcilable laws of the class struggle inevitably force a conflict. In an attempt to maintain their positions on the state and leadership of the trade unions they are forced to prepare for such an emergency: and start off by stifling all opposition inside the organised labour movement. They do not argue with left-wingers. All talk about democracy is brushed aside. Heresy hunting and expulsions are on the order of the day. Trades Councils and Labour Party branches are disbanded overnight without a word of explanation. In collaboration with the employers, militant rank and filers are weeded out under the "Transfer of Labour Scheme" and the "Military Training Act". Morrison suppresses working-class newspapers, whilst Bevin prosecutes strikers. If the trade unions are to survive this onslaught, and even maintain themselves as industrial organisations, the struggle for internal democracy becomes an imperative necessity.

At the present time the brunt of the struggle is being borne by the Shop Stewards movement. Assailed from all sides by the trade union leaders and the capitalist state,

daily gaining ground because it represents the revolutionary elements inside the unions. As yet it is seriously handicapped by inadequate perspectives and the lack of a marxist policy. This to a large extent is due to Stalinist influence and the necessity for them to comply with the twists and turns of Moscow foreign policy. The "New Propellor"—a Communist Party controlled organ carefully refrains month after month from giving a concrete analysis of the new situation which confronts the unions in relation to the struggle against the capitalist State. At the National meeting of Area Shop Stewards held in Manchester on April 20th, very descriptive accounts of the opposition to the reactionary legislation being introduced by the government, were presented by the delegates. One by one they gave proof of how the union leaders were co-operating wholeheartedly with the employers in suppressing the activity of leading shop stewards. Yet, when it came to evaluating the trend of future developments which will undoubtedly arise out of this struggle, none was forthcoming. The remarks of the secretary that "the question of the fight for increased basic rates would become the central issue" together "with the fight against the tax on wages" whilst correct insofar as immediate problems are concerned, nevertheless, are not by themselves preparations for the future.

The tasks of revolutionary leadership is to prepare the working-class for the coming conflict with the capitalist regime. It is not sufficient to formulate a programme of demands which meet with the needs of the workers from time to time. These are absolutely necessary, but if they are to be successfully utilised in

harnessing the workers to the struggle for socialism, then they must be accompanied with concrete directives which will outline the next stages of the fight against the repressive forces of the capitalists. It is such directives which are lacking in all Communist Party material dealing with the trade unions. Apart from advocating certain demands, the whole question of future developments is left suspended in thin air.

The monopolisation of capitalism in the hands of the State means that all struggles in the coming period will throw the organised workers into direct conflict with the State. Struggles which formerly used to be confined mainly to industries in which they had broken out, now become national issues involving hundreds of thousands of workers. All distinction between economic and political issues are broken down, and the working-class are confronted with a situation in which the overthrow of the capitalist state is the only solution to their problems.

If the Shop Stewards movement does not prepare now for such a solution it will be taken by surprise and ruthlessly crushed. To measure up to the tasks of the period, the minimum demands to which its present programme is limited must be linked to a programme of struggle which have the following aims:

1. Break the Trade Unions away from official collaboration with the State.
2. The fight against expulsions, victimisation of trade union militants, by trade union officialdom and the restoration of democracy within the trade unions.
3. Workers' control of production through the trade union and Shop Stewards movement.

G. H.

Fourth International Unites In Chile

CONGRESS WILL LAUNCH UNITED PARTY IN JUNE

SANTIAGO, Chile (By Mail)

A great step forward for the Fourth International is the Congress, to be held the first week in June, unifying in one organization the Revolutionary Workers Party and the Internationalist Workers Party.

The two parties are uniting as the Chilean section of the Fourth International, on the basis of acceptance of the resolutions of the (1938) Founding Congress of the Fourth International.

The Internationalist Workers Party was formed over a year ago by the proletarian left

wing of the Socialist Party, which was expelled from that reformist organization because of the left wing's struggle against the Peoples Front policy. In developing a consistent class-struggle policy this left wing found its way to a thoroughgoing Trotskyist program.

The Revolutionary Workers Party had been, up to that time, the Trotskyist organization in Chile.

Unification makes the Chilean Trotskyists the strongest Fourth International movement in South America.

Stalin Introduces Inflation

By JOHN C. WRIGHT

Stalin is resorting for a second time in fifteen years to the policy of inflation which took such a terrible toll among the Soviet masses during the First Five Year Plan.

Incontrovertible proof that Soviet currency is again being recklessly inflated is to be found in the budget adopted by the Supreme Council of the USSR.

Generally speaking, statistics are not very inspiring. Stalinist-falsified statistics are most wearisome of all. But the data relating to Stalin's 1941 budget is of such great importance, and bears so directly on Soviet developments, that every thinking worker, every real defender of the Soviet Union, is duty bound to acquaint himself with and to verify for himself the facts presented in this article.

The 1941 budget originally called for a natural income of 216,000,000,000 rubles and a total outlay of 215,000,000,000 rubles. "The anticipated revenue," explained Moscow, "will exceed expenditures by 788 million rubles." (*Daily Worker* (American), February 26).

The national income for 1940 was "estimated" at 179-billion rubles. The 1941 budget, therefore, proposed to spend 36.4-billion rubles more than the income of the year before! Where would this enormous increase come from? From increased production? Not even Stalin's boasters dared claim that production for 1941 would be expanded at such a tempo over the production of the previous year. Then the additional spending could come, logically, only from the hides of the Soviet workers and peasants.

But the budget finally adopted by the Supreme Council—one of Stalin's aliases—surpasses even these staggering figures. The "estimate" now officially fixed for income is no more and no less than 222,375,000,000 rubles, while the expenditures are fixed at 216,052,000,000 rubles (*New York Times*, March 2). Thus without a word of explanation the expenditures were boosted by almost a billion, while the revenues were made to exceed the expenditures—on paper—by more than six billion.

When the budget was first announced, the *Daily Worker* (American) asked pertinently enough: "Where are the revenues of the state budget drawn from?" The answer reads: "The bulk of the revenues is drawn from the Socialist industry." (*Daily Worker* (American) February 27).

This answer is quite true in this sense, that state budgets in recent years have been actually based on two primary sources of revenue: turnover taxes and profits from industry. These two sources did provide from 35 to 90 per cent of all revenue in recent years.

But these two sources cannot supply amounts

even closely approximating the astronomic sums required by the 1941 budget. To prove this, we shall use only official Stalinist figures.

PRINTING-PRESS "PROFITS"

According to Voznessensky, Chairman of the State Planning Commission, Soviet industry showed last year a profit of less than 14 billion rubles. "In 1940," he said, addressing the Eighteenth Party Conference, "the profits already amounted to nearly 14,000,000,000 rubles." (*Daily Worker* (American), February 23).

The highest increase in profits envisaged by Moscow for 1941 was 40 per cent, which would make a total 1941 profits of not more than 20-billion rubles.

But according to the budget, Soviet industry must provide not less than 31 billion rubles in profits. "The profits tax," lied Moscow, "will bring in 31,000,000,000 rubles, that is it will be 40 per cent more than last year." (*Daily Worker* (American) February 27). The brazen fraud is self-evident. 31-billion is an increase of almost 125 per cent over the 1940 profit of 14 billion, and not 40 per cent as is falsely asserted.

The new figure for "profits" can be realized, therefore, in only one way: Stalin will have to print billions of paper rubles. There is no possible source for the billions which constitute the "extra" 85 per cent profit other than Moscow's printing presses.

The second major source of state revenue is the turnover tax, which is essentially an indirect tax on consumers' goods.

"In 1941," asserts the Kremlin, "turnover taxes . . . are planned to yield 124.5-billion rubles." (*Daily Worker* (American) February 27.) Yet, according to Voznessensky, who presented the official estimate of the State Planning Commission three days before, "turnover of state and comparative trade in 1941 . . . will amount to nearly 197-billion rubles." (*Daily Worker* (American) February 23). Taxes on this turnover, according to the figures given three days later, amount to more than 65 per cent of the total turnover for 1941.

Stalin is not a fool. But only a fool could seriously expect to divert into the state treasury 124.5-billion out of a total trade turnover of 197-billion. Stalin has, in reality, a different plan: the printing presses will work overtime to produce paper rubles by means of which the needed sums can be extorted from the population.

The extent of the currency inflation to which Stalin is resorting can best be gauged by comparing the *total* income from these two primary sources with the entire budget. Even by Stalin's figures, "profits" of 31-billion and "taxes"

of 124.5-billion add up to only 155.5-billion rubles. But the budget calls for expenditures of 216.05-billion. This leaves the enormous sum of 60.45-billion still to be accounted for.

WHERE WILL STALIN FIND THIS MONEY

Could 60.45-billion conceivably be obtained through direct taxation? The standard of living of the masses would have to be very, very high indeed to make such a course feasible. The Kremlin, however, does not even pretend that this amount can be obtained through direct taxation.

Direct taxes—income tax paid by the workers and office employees, by collective farm household, by collective farmers, and by individual peasant households, and also the agricultural tax—never played a major role in state budgets; in all previous budgets direct taxes amounted to 7 per cent of the total. Not that Stalin has neglected this means for further degrading the masses. Far from it. By taxing the wages of workers who make as little as 150 rubles a month, by levying an even stiffer tax on peasants earning as little as 100 rubles a month, and through all other channels of direct taxation, 9.7 billion rubles were squeezed out for the treasury in 1940. But that amounted to less than 6 per cent of the total budget.

For 1941, direct taxes have been *doubled*, which means a new deduction from the pay envelopes. The *Daily Worker* (American) was the only newspaper which did not carry the dispatches from Moscow reporting this increased taxation. The big metropolitan dailies reported the Stalinist-censored version which made the income tax apply only to peasants. The truth is that it also applies to the workers. The only ones exempt from direct taxes are the privileged bureaucrats, those who have been decorated, etc.

Yet the Kremlin is forced to admit that it will be able to squeeze out not more than 12.5-billion rubles from direct taxes. (*Daily Worker* (American), February 27).

There remains for Stalin the notorious method of state loans, subscription to which is in effect obligatory. The loans for 1941 have been fixed at an unprecedented figure of 13-billion rubles.

But, even so, direct taxes and forced loans will bring less than half of the 60.55-billion rubles still to be found for expenditures. Again, the only possible way in which this shortage of scores of billions can be covered is—the printing press.

It is hardly necessary to explain what inflation means to the masses. The prices of commodities are already sky-high. The shortage of goods is already acute. Inflation, in the Soviet Union as in the capitalist world, will mean still higher prices, even less goods.

Mr. Walter Duranty, whose dispatches are invariably hailed by the *Daily Worker* (Amer-

ican), gives the lie direct to the brazen claims of Minor-Browder and Co. that the Soviet masses are constantly receiving more and more consumers' goods. "Mr. Voznessensky," reports Duranty, "frankly admitted that the production of consumers' goods must still take a secondary place." (*N.Y. Times*, February 25).

Let every Communist Party member, who tries to solace himself with the illusion that Stalin is draining the masses for the sake of strengthening the Soviet Union, ask himself these questions:

Why does Stalin resort to deliberate inflation at the "threshold of communism"? Why, if the masses love his regime, does he not openly call upon them to make voluntarily the sacrifices which he, instead, is deceitfully extorting from them through the inflationary process?

Why is the bureaucracy exempted from taxes and any and all sacrifices? Isn't it an established fact that planned economy is gravely disrupted if there is no stable currency?

Isn't it a fact that any regime in history which has deliberately resorted to inflation has thereby demonstrated the desperate crisis of that regime?

How can such a regime really defend the Soviet Union?

STALIN'S ARITHMETIC IN ONE COUNTRY

Voznessensky, Chairman of the State Planning Commission announced to the Eighteenth Party Conference recently held in Moscow, that Stalin's 1941 plan called for raising "the gross output of USSR industry to 162,000,000,000 rubles." The same Voznessensky then went on to boast that the total wage bill of the USSR for 1941 "will amount to over 175,000,000,000 rubles." (*Daily Worker* (American), February 23).

On February 27 the *Daily Worker* (American) was proud to announce that the profit tax on the revenues of Soviet industry would also provide unprecedented billions. "The profits tax," it was stated in a Moscow dispatch, "will bring in 31,000,000,000 rubles." (*Daily Worker* (American), February 27).

Now, 31-billion rubles profit on a gross output of 162-billion is by itself breathtaking. But just how can Soviet industry make that much profit and at the same time foot a bill in wages some 13-billion rubles higher than the total amount of its gross output?

Minor-Browder and Co., who advertised Voznessensky's speech as a "Special Treat," owe their readers accordisg to Stalin's figures, an accounting for 44-billion rubles, or one-fifth of the total "estimated" Soviet national income for the year 1941. Needless to say, these liars will simply refrain from explaining just how a gross output of 162 billion can be made to cover 175-billion rubles in wages and yet show a 'profit' of 31-billion rubles. After all, what are a few score billion rubles among friends?