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### Five Years of Russian Revolution and the Prospects of the World Revolution Supplementary Report by Comrade Trotzky

Comrades, the conquest of political power is the chief political aim of every revolutionary Party. To use philosophical terminology, in the Second International this aim was a "regulative idea", which means an unsubstantial entity having little relation to practice. It is only within the last few years that in the intellectual sense, we have been learning to make the conquest of political power a practical aim. The extent to which that aim has passed beyond the realm of philosophical regulative ideas, the extent to which it has become practical, is proved by the fact that in Russia on a definite date, November 7th, 1917 we, as a Communist Party leading the working class, conquered the political powers of the State.

The history of our conquest of power could be recapitulated in a few hours, but I do not propose to do this to-night. The history of the events shows, however, that we were not concerned with automatic happenings, but with the achievement of practical political aims. In the moment of the conquest of political power, our political tactics rose to the level of revolutionary strategy in the concrete sense of the term. On November 7th, in virtue of concrete revolutionary strategy (which was in a sense the climax of all our antecedent policy) our Party seized the supreme power in the State. As the course of events was to show clearly later, this did not signify the end of the civil war. On the contrary, it was not until after the conquest of political power that the civil war assumed extensive proportions. This is not merely a fact of historical interest, but it is one from which deductions can be drawn that may prove instructive to the Western European Parties and to the International at large.

Why was it that in Russia the civil war did not begin to rage with all its intensity until after November 7th, so that subsequently in the north, the south, the east, the west, we had to wage civil war for nearly five years without intermission? The reason was that we had conquered power so easily. It has often been said that we have overcome our possessing classes. Politically speaking, Russia had but just emerged from Tsarist barbarism. The peasantry had no political experience; the petty bourgeoisie had very little; thanks to the Dumas, the middle bourgeoisie was somewhat better instructed in political matters; the nobility had organized its forces to some extent in the zemstvos. Thus the great reserves of the counter-revolution—the rich peasants; for certain groups, the middle peasants as well; the middle bourgeoisie; the intellectuals; and the petty bourgeoisie as a whole—the reserves were practically intact. As soon as the bourgeoisie began to understand what it had lost through the loss of political power, it endeavoured to mobilize the potential reserves

of the counter-revolution, and naturally turned in the first instance to the nobility, to the army officers of noble birth, etc. . . . Thus it came to pass that the long-drawn-out civil war was the historical penalty for the ease with which we had conquered power.

All's well that ends well. We have been able to maintain power during these five years. But as far as the Western European Parties are concerned, as far as concerns the labor movement of the whole world, we can now decide with fair confidence that the Communist Parties in other lands will have a far more difficult time of it before the conquest of power and a far easier time of it afterwards. In Germany all possible forces will be mobilized against the proletariat. It is almost superfluous to mention Italy, where to-day we see a complete counter-revolution before a complete revolution has been achieved. Mussolini and his Fascisti owe their present position of power to the fiasco of the Italian revolution, to which nothing was lacking, except a revolutionary party. That is why the Fascisti have gained influence throughout the country, why they are seizing power, and why the bourgeoisie consents to this seizure. Mussolini represents the organization of all the forces opposed to the revolution, plus many of the forces which are still to be won over to the side of the revolution.

I will not probe the matter more deeply, for it is beyond my present scope. In France, in Britain, everywhere we see that the bourgeoisie, put on the alert by the Russian example and by all the historical experience of the lands of capitalist democracy, is arming, organizing, and mobilizing everything that can be mobilized. This proves that all the before-mentioned forces now block the advance of the proletariat, and that, in order to seize power, the proletariat, with the scanty means at its disposal, must neutralize, paralyse, fight, and conquer them. But as soon as the proletariat has conquered power, the bourgeoisie will have no reserves left. In western Europe and elsewhere in the world, after the conquest of power the proletariat will have far more elbow room for its creative work than we in Russia.

In Russia the civil war was something more than a military phenomenon. The pacifists must forgive me for saying that it was a military phenomenon! Of course it was that, but it was something more. Fundamentally it was a political phenomenon. It was the struggle for the political reserves, and in the main it was the struggle for the peasantry. The proletariat won the game thanks to its determined tactics in the civil war, thanks to the logical and resolute revolutionary strategy which made the peasants understand that there was only one choice open to them—the choice between the nobility and the proletariat. After long



vacillation between the bourgeoisie, the democracy, and the proletariat, at the last moment, when no alternative remained, the peasants cast in their lot with the proletariat, defending it, not with democratic votes, but by force of arms.

The democratic ties, and also the socialist parties, have (and I think you will have the same experience in Western Europe) always been the henchmen of the feudalist counter-revolution. You know, Comrades, that a few days ago our Red Army occupied Vladivostok. This occupation has made an end of the last of the fronts of the civil war. Miliukov, the well-known leader of the Liberal Party, writes apropos in his Paris journal a few lines which I may term classical. He sketches the role of the democratic party. This sad history—it always has been a sad history—begins with the proclamation (the article is dated November 7th) of the unanimity of the anti-bolshevik front. Merkuloff, the chief of the counter-revolution in the Far East, recognized that the non-socialists, i. e., the right wing elements, owed their victory in great measure to the democratic elements. But the support of the democracy was only used by Merkuloff as a tool for the overthrow of the Bolcheviks. When that had been achieved, the right wing elements, who regarded the democrats as nothing better than masked Bolsheviks, seized power.

The passage which I refer to may seem somewhat trite, but it is important to remember that such incidents are continually recurring. This is what happened in the case of Koltchak, then in that of Denikin, then in that of Yudenich, then in connection with the British and French occupations, then in the Petlura affair, in the Urals—all along our frontiers the same thing recurred with wearisome iteration. The peasants advance under the banner of democracy, and are then thrust aside by the democrats; the peasants repent their action, and the Bolcheviks are victorious. This sequence of events is then resumed in some other arena of the civil war. Yet, however simple and familiar the mechanism, we can be sure that the process will be repeated by the socialist elements in all countries whenever the civil war grows fierce.

We have made a great many mistakes, as Comrade Lenin pointed out yesterday. I believe, however, that during the civil war we did pretty well, for we were ruthless. I think that a book upon our revolutionary policy throughout these years of civil war, treating of that policy from the outlook of the civil war, will be instructive to the international proletariat.

After the conquest of political power there comes, not only defence by the methods of civil war, but also the upbuilding of the New State and (still more difficult) the new economic system. Much that I had intended to say about this matter has been rendered superfluous by the admirable speech Comrade Zetkin delivered yesterday and to-day, and I shall content myself with a few necessary elaborations.

The possibilities of the upbuilding of a socialist economic system, when the essential conquest of political power has been achieved, are limited by various factors: by the degree to which the productive forces have been developed; by the general cultural level of the proletariat; and by the political situation upon a national and upon an international scale. I have enumerated the three factors in the order of their importance. The Soviet Government, however, considered as a subjective historical factor, was concerned with them in the reverse order: first with the political situation; then with the cultural level of the proletariat; and lastly with the degree of development of the forces of production. This is self-evident. We had to carry on our economic activities upon lines and at the speed dictated to us by the circumstances of the civil war, and of course economic expediency and political necessity do not always harmonize. The essential point is, that those who wish to understand the history of what have been termed the zigzags of our policy, should realize that the dictates of political necessity often run athwart those of economic expediency. We have learned in the elementary school of Marxism that there is no possibility of making one leap from a capitalist society to a socialist one. Nor did any one of us believe that it would be possible with one leap to move from the realm of necessity into the realm of freedom. Not one of us ever believed that a new society could be built between night and morning.

Engels was thinking of a great epoch, which from his outlook signified a leap. Well, we have made something like a leap in the way of our attempts at socialization. I have already pointed out that our actions had to be mainly determined by the necessities of the civil war inasmuch as the petty bourgeoisie and the middle bourgeoisie were not conquered simply in virtue of the fact that we had seized political power. I mean that the various sections of the bourgeoisie could not as yet have been convinced that we, the working class, represented an invincible historical power, and that they had no choice but to bow their necks

beneath the yoke of the proletariat. On November 7th, it was not yet possible for them to have learned this lesson. We had to bring it home to them after the initial conquest of power. What proof is there of this assertion? Here is the proof: that every factory, the branches of all the banks, every lawyer's office and every doctor's consulting room (I refer, of course, to the rich members of these professions, to those who had clients or patients), became, immediately after the conquest of power, a focus of the counter-revolution.

In order that, after the conquest of political power, the smaller factories and workshops might remain for a time in the hands of the private owners, it would have been necessary to come to terms with them, and to expect them to submit to the laws of the new power. There was no possibility of anything of the kind. None of these folks would take us seriously. That was the universal story; no one would take us seriously. We had to engage in the somewhat difficult task of teaching them that we must be taken seriously. The only way of doing this was to confiscate, to take into the hands of the State, all that was the basis of the State, all that was the basis of their power. Some of them drove the workers out of their factories and closed down the enterprises; some made their private dwellings places of refuge for counter-revolutionists, and so on. In these circumstances it was natural that the exigencies of the civil war should demand more attention than considerations of economic expediency.

The result was that the bourgeoisie was expropriated not systematically and gradually, in proportion to the degree we were in a position to organize and use bourgeois property; but in proportion to the extent to which it was necessary to smite to the ground an enemy threatening us with immediate death. This is a most important consideration. Obviously, in so far as the Western European Parties have an easier time after the conquest of power they will find it possible to engage in the work of expropriation more systematically and more cautiously. They will expropriate to that extent only to which, from the economic and organizational point of view, they are in a position to make use of what they expropriate, even if the exercise of this caution could mean that for the time being they are merely weakening and not destroying their enemy.

Of course political and military considerations must always take precedence of economic expediency. In our own case, after we had expropriated a great deal more than we were able to turn to useful account, and after all the institutions of capitalist society had been destroyed as enemy strongholds, we were faced with the necessity for organizing as best we could this great and considerably disorganized legacy. The civil war continued its slow course, and the organization of economic life proceeded under the pressure of the military-economic needs imposed by the war. That was the origin of our war-communism. First of all it signified the satisfaction of the demand that the State and the army should be provided with bread, by any and every means, and above all by armed force. In the second place it signified the need that we should extract from this disorganized industrial system (which had been sabotaged by the bourgeoisie and its skilled managerial staff) the indispensable requisites for the army and the civil war. Inasmuch as the entire apparatus of production that had functioned under the old regime had now been shattered to fragments, our only resource lay in the attempt to replace it by a centralized State apparatus. But the new structure was nothing better than a substitute apparatus brought into existence to meet the necessities of the war.

You will ask whether we had no expectation of transcending this stage without any extensive rearward movement, whether we did not think it would be possible to advance from this stage more or less directly towards communism. I have to admit that at this period we really did hope that revolutionary developments in Western Europe were going to move more swiftly. Even today, we are entitled to say with confidence that if the proletariat in Germany, France, and elsewhere in Europe, had seized power in 1919, the whole course of events would have assumed a different complexion.

In 1883, Karl Marx, writing to one of the Narodniks (the Russian Populists), declared that should the proletariat seize power in Europe before the Russian *Obshchina* (village community) had been completely abolished in the process of historical evolution, then even the Russian village community might become one of the instruments working for communism. He was absolutely right. We have even more reason to assume that if the European proletariat had seized power in 1919, it could have taken our backward country in tow, could have come to Russia's aid with its superior economic resources. In that event, we might indeed have moved straight forward towards communism, although the measures of our primitive war communism would doubtless have required extensive modification.

Such were our hopes, but no one can tell whether this development would have proceeded quickly or slowly. Even the Two and a Half International, in the year 1919, recognized the need for the dictatorship of the proletariat. Our hopes were not entirely utopian, regarded from the standpoint of the actual epoch. Let us forget for a moment that we made a leap forward, to be followed by a leap backward. Let us suppose ourselves to be reporting events to an International Congress. We should do so in the following fashion. In March, 1917, Tsarism was overthrown; in October, 1917, the proletariat seized power; then it began to defend its power, and at the same time to organize its State and its economic system; in the course of these five years the land, the most important industrial undertakings, all the railways and other means of transport, became State property; only the enterprises of minor importance (of these I shall speak in fuller detail presently) have been left in the hands of the bourgeoisie. The State controls commerce, and has the decisive voice in all commercial transactions. From the peasants, who cultivate the State-owned land, the State receives a tax in kind, and uses the proceeds of this tax in order to develop industry at the cost of the State and for State purposes.

On hearing such a report, everyone would say: for a backward country there has been a notable advance.

The trouble is that this advance has not been a steady forward movement. It has been effected in leaps, with zigzag recurrences. Our enemies declare that the backward movements in the zigzag mark the beginnings of a capitulation.

Why have we been compelled to draw back? Because the most important task was the distribution of the productive energies and of labor power among the various branches of national industry, and especially among agricultural and rural industries. It consisted in the organization of these forces. Here methods are requisite which, in their socialist and communist perfection, a victorious proletariat in the most advanced countries of the world would only be able to evolve in the course of years and decades. The substitutes we were able to devise were adequate solely for the purposes of war industry. Why? Consider the situation. Under capitalism, the distribution of productive energies is effected in accordance with the laws of free competition, the law of supply and demand. Wars and periods of prosperity first bring about a certain balance of forces and then disturb the balance. So things went down to the year 1914. Then came the great war. In the economic domain it entailed profound modification—intensive economic disorganization. There followed, in Russia, the two revolutions which gravely impaired the whole machinery of production. We were confronted with this chaos, with the reverberations of the capitalist harmony—which we have been prone to term, "capitalist anarchy"; but which nevertheless, was in some sense a harmony inasmuch as it represented a certain socially necessary relationship between the different branches of production. These reverberations, then, confused by the effects of the war, and complicated by the sabotage practiced by the skilled managerial staffs, were what confronted us. Simultaneously we had to deal with the question, how to feed the army and how to provide the workers with a modicum of bread.

Our centralist method sufficed for these aims. But it is absolutely erroneous to suppose that a socialist economy can be inaugurated in accordance with a priori statistics, that we can simply blue-pencil capitalist methods and then juggle socialism into the world upon a calculus of the needs to be satisfied and the material elements available for the purpose. No such procedure is admissible. We have then to avail ourselves of the capitalist methods, the material apparatus of production that already exists, the existing organization of economic life, distribution of products, and assignments of labor power. Of course, as soon as we have seized power, the next thing is to make certain adjustments, which must be effected in accordance with two considerations: first, that of the material possibilities available; and, second, that of the modified requirements of the new order. Through these adjustments we shall continually approximate more closely to a state of affairs in which economic life can be conducted in accordance with a centralized design, one based upon previous experience and upon accumulated wealth, and sufficiently elastic to permit of the necessary adaptation to local needs.

We see, therefore, that between capitalist anarchy and such a state of affairs as I have just been outlining, lies the phase wherein an incipient socialist economy has to work with capitalist means. Such is our present situation. I am not inclined to describe it by the term "State capitalism". Lenin has said that we ought only to employ this term under certain reservations, for obviously there is a great difference between the existing phase of our economic life and what is properly known as State capitalism. The reformists have always declared that socialism

will be realized through a progressive nationalization (i. e. State socialization). In France, this was Jaures' program. Our view on the other hand, has always been that by this route we can never get beyond State capitalism, for so long as the bourgeoisie remains in power, State capitalism, as the collective instrument of the bourgeoisie, will continue to serve for the oppression and exploitation of the working class.

In Russia to-day, the position is very difficult. Here the workers' State has gained control of industry, and is carrying on this industry by the methods of the capitalist market, of capitalist calculation. There was an epoch in Russian social evolution (I think that parallels for it can be found in the social evolution of other lands) when while serfdom still existed, the Russian bourgeoisie was running factories with the aid of the labor power of the serfs. There was manifest the development of modern production under the legal and social relationships of an earlier system, when the Tsar and the feudal nobility were still supreme. In contemporary Russia we are engaged in a great experiment, dictated by historical necessity. A new class building up a new economic system, and is doing so by old methods—for the new methods, which can only develop out of the old ones, have not yet come into being.

We began applying the new policy in the case of the peasants. The political reasons for the N.E.P. have been explained by Lenin. But we are here concerned with something which is only a part of the general task of applying labor power and the forces of production within the framework of a national economic system. Precisely because the problem of the peasants was especially difficult owing to the economic dismemberment of the peasant population, and owing to the peasants' low cultural level, we found it necessary to apply our new economic policy first in this field.

Let me give you an example to show that we are not only concerned with a concession to the peasantry, but that what we witness is a necessary phase in the socialist development of the proletariat. I am thinking of the railways. The Russian railway system was already to a great extent nationalized under capitalism, and technical conditions prevailing in this industry, already to a considerable degree normalized and centralized. We therefore took over the larger portion from the capitalist State and the lesser portion from the private companies, and we are now in possession of the whole system. The socialist administration has, of course, to contemplate this system as a whole; not from the outlook of this or that railway being private property, but from the outlook of the transport interests of the country as a whole. It has to distribute the locomotives, the carriages, and the trucks, among the railways in accordance with the general interests of the economic life of the country. We find that the locomotives are of various types having been built at different times, by different companies in different factories. They have, therefore, to be sorted according to type, and allotted to the different railways in a way that will make the repair in the various workshops a simpler matter. But as far as may be, we have to aim at bringing about uniformity of type. Capitalist society wastes an enormous amount of labor power through the multiplicity of the elements of its productive apparatus. We have to make a beginning in the direction of uniformity in these matters by remodeling railway transport, for it is easiest to begin here.

This remodeling in accordance with standard types has been justly termed the socialization of technique. Such a process is quite as important as the electrification of industry. Without it, the forces of production will never work to their full capacity.

Well, we tried to make a beginning with the railways; but the fact that some of the railways had been private companies involved that each railway line had kept its separate accounts. Economically this was essential, but from the point of view of efficient technique it was injurious. Under the old conditions, I say, it was inevitable, for whether a line is to be kept working or not depends upon how far it is economically necessary. Whether a particular line actually does socially useful work can be ascertained, either by the market, or by the general statistical calculations of a socialized economy. These latter methods are not yet available; they have still to be developed. Consequently, while the old methods had been destroyed by the war and the revolution, the new methods were not yet in being. We could indeed systematize the railway system if we pleased, could introduce a uniformity of type in accordance with the principles of a socialist reconstruction, but in that case we should lose contact between the individual railway line and the system as a whole. We have nothing at present but capitalist calculations to guide us in the distribution of railway carriages, trucks, labor power, etc. Only by having every journey, every act of freightage paid for, only by keeping a profit and loss account,



can we be informed concerning each individual railway line and the transport system as a whole, which is subsequently to be centralized. In these respects therefore, we have had, in a sense to beat a retreat, and to deal with individual railway lines or groups of railway lines for the present as more or less independent entities.

The foregoing considerations show that we cannot transcend certain economic stages in the evolution from capitalism to socialism simply because we have abstract technical aims and needs, though these are in themselves thoroughly justified.

To many other industrial enterprises this applies yet more closely. For example, let us suppose that there is a machine factory in the Urals, in the south, in Briansk province, or elsewhere; and that coal, raw materials, etc., have to be supplied to it in accordance with book entries in a central book-keeping establishment in Moscow. This involves a complete loss of touch with reality. No one knows whether the factory is working well or not, whether it makes an adequate or an inadequate use of the coal, and so on. We are dependent upon the dubious statistics of a central office; we have no commercial balance sheet for each specific enterprise, as one which has to function as a cell in the social organism proving its utility to the workers' State, and not existing as an independent economic entity.

The new economic policy makes it possible for us to carry on calculations of this kind, for the new economic policy is nothing else than a slower upbuilding of the socialist economy by the workers' State with the aid of the book-keeping methods and the ways of adjusting the suitability of an undertaking that has been created in the course of capitalist development. This is the manner in which we have been led to reestablish the market.

But for the market there must be a general equivalent. In our case this equivalent is a somewhat unfortunate one. Comrade Lenin has spoken in considerable detail to show that the stability of the rouble must be secured, and that our attempts in this direction have met with a fair measure of success. Our industry is now continually complaining of the lack of industrial capital, and the complaints have in them an echo of capitalist fetishism, although capitalism no longer exists, for even if we speak of our present economic system as State capitalism, the term is employed in an extremely conventional sense; and, as I said above, I prefer not to use it. But capitalist fetishism has been handed down to us from the old system, and a good many comrades have been unable to shake it off. This is the spectre we have raised.

Complaints are voiced that our Commissariat for Finance does not supply enough money. We are told that if we only had a few paltry roubles for our factories, we could produce plenty more goods. In return for these wretched roubles we could at once have linen, shoes, or other necessities. We suffer, then, from a crisis dependent on a lack of industrial capital. What does this really mean? Inasmuch as we are now allotting our productive energies in accordance with capitalist methods, it is obvious that all our difficulties must tend to assume the aspect to which our experience of capitalist society has accustomed us. Metallurgical enterprises, for example, lack industrial capital. What does this mean? It means, above all, that we are exceedingly poor, and that in the process of reviving industry we must begin by applying our technical and financial energies where they are most urgently needed. Now the most urgent need is where consumption begins—among the workers, the peasants, and the Red soldiers. It is clear that such means as we possess must find their first use there. Not until industry has been further developed will there be a possibility for a satisfactory development of heavy industry. Light industry is now working for the market. This means that it has entered the arena of competition among the various State and private undertakings. Only in this way will people become accustomed to work well. Such an end cannot be secured by moral education or sermonizing; it cannot be secured merely by a centralized economic system; it can only be secured through every manager of a factory being controlled, not only from above, by the State, but also from below, by the consumer; by the question whether the products of the factory find a market, whether people are willing to pay for them, whether the wares are good. This constitutes the best check upon the conduct of the entrepreneur and upon his methods of management. In proportion as light industry makes it possible for us to produce real wealth in the country, in proportion as it proves profitable, we shall acquire a basis for heavy industry.

We perceive, then, that the financial crisis of manufacturing industry, is the outcome of the whole development of our economic life. Of course, it is impossible for our financial

commissariat to support by the issue of notes every enterprise that professes itself competent to do good work with its industrial capital. What would this signify? First of all that these superfluous note issues would pass into circulation, and that a catastrophic fall in the rouble would take place, so that the total purchasing power of all the issues would be less than that of the extant issues. Secondly, it would mean that the issue of notes would become a factor tending to the disorganization of economic life—for if we are applying capitalist methods, we must adjust and control them with extreme care; we must not flood the market with notes, and reduce our economic life to chaos.

No one can deny that the N. E. P. (new economic policy) involves great dangers, for if you give the devil an inch he will take a mile. The market, competition, free trade in grain—what is the upshot of all these? First of all, a revival of the importance of trading capital, a continuous accumulation of trading capital. As soon as trading capital comes into existence, it worms its way into productive life, into manufacturing industry. It leases industrial enterprises from the State. As a sequel of this, the accumulation of capital now goes on in manufacturing industry as well as in commerce.

Consequently, real capitalism (for the speculators, the middlemen, the lessees of enterprises, etc., are the real capitalists in the Workers' State) grows continually stronger, gains control of an ever larger part of the national economic system, destroys the beginnings of socialism, and will in the long run be enabled to control the State power. We know quite as well as Otto Bauer that economics are the foundation of reconstruction. Inasmuch as the new economic policy gives free play to the forces of capitalism (whose malign tendency it is to grow continually in virtue of the accumulation of capital) we run a permanent risk of being completely conquered by capitalism. — Bauer tells us that this is the only saving prospect, the only way of avoiding ruin.

Considered in the abstract there was a possibility that Koltchak or Denikin might conquer Moscow. We were at war, and when we were asked whether there was not a danger that Koltchak might enter Moscow, or at an earlier date that the Hohenzollern regiments might enter Moscow, we answered: "Of course, there is a possibility that our troops may be defeated. But our aim is victory, not defeat." What is the position to-day? Once again we are at war. But agriculture is the battleground. Whereas in the civil war there was a struggle for the soul of the peasantry, a fight between the Red Army on the one side and the nobles and the bourgeoisie on the other, to win over the peasants, so now the struggle between the Workers' State and capitalism is in the main, not indeed for the soul, but for the market of the peasants. In a fight it is always important to form a just estimate of the means at our own disposal and the means at the disposal of the enemy. What are our own means? The most important of all is the State power, which is an admirable weapon in the economic struggle. The whole history of capitalism and our own brief history combine to prove this. Additional means are: the ownership of the most important means of production, including land and the means of transport, the former making it possible for us to impose upon the peasants a tax in kind. Then we have the army and various other things. These are our credit entries.

When the so-called State capitalism undergoes a progressive development, it is not in the form of a true capitalism but in the form of a trend towards socialism. The better the so-called State capitalism thrives, the more closely does it grow akin to socialism. This does not involve any danger for us; what threatens us, is the development of private capitalism, to which free play has been given. This real capitalism will compete with our State economic system, and with our State manufactures. The question arises, what means are at the disposal of private capitalism? It cannot dispose of the powers of the State, nor is the State power sympathetic towards it. Indeed, the State power will do its best to prevent the young plant of private capitalism from thriving so abundantly. The Workers' State will always possess a pruning knife to deal with too luxuriant a growth. Taxation, for instance, is the first defensive weapon in the hands of the Workers' State. Furthermore, the State has control over the leased industrial enterprises.

It is especially in connection with the matter of the leased enterprises that we are supposed to have made a capitulation. That matter, therefore, demands careful consideration. Never mind the transport system (which employs in all 956,952 persons), since this is wholly in the hands of the State. Let us consider the industrial undertakings that are carried on as trusts. In these, despite the poor development of our industrial system, the

State now employs one million workers. On the other hand, in factories that have been leased to private capitalists 80,000 workers are employed. But there is another point of decisive importance besides the relative numbers of the workers in State enterprise and private enterprise—I mean the level of technical development in the respective enterprises. You will have a basis for comparison when I tell you that in the leased enterprises the average number of workers per enterprise is 18, whereas in the State enterprises the average number is 250. Thus the most important enterprises, those which are best equipped from the technical point of view, are in the hands of the State. I said that one million workers were employed in State undertakings, and that 80,000 were employed in leased enterprises. But even these 80,000 are not all in private enterprises, for half of the leased enterprises are run by distributive cooperative societies or by commissariats which have leased the enterprises from the State and run them on their own account. It follows that in the enterprises leased by the State to private capitalists only 40,000 to 45,000 workers are employed, as against the million employed in State enterprises. The whole affair of these leased undertakings is of recent growth. Pending the day when capitalism in Russia bulks as largely as State capitalism, there will be plenty of time to think things over, and if need be to make changes. My own opinion is that even if the revolution in the West should not occur within the next few years, it will be a long while before the development of private capitalism in Russia will reach an extent that can even remotely be compared with that of State capitalism.

In the domain of commerce, private capitalism is already playing a more extensive role, but to give precise figures is by no means easy. Our experts (who are not always so expert as they claim to be,—not so much from lack of good will, but simply for objective reasons) declare that private trading capital comprises about 30 per cent of all trading capital in the country, the remaining 70 per cent belonging to State institutions or to the distributive cooperative societies that are subsidized by the State and are really under State management.

These two processes thus run their opposed courses concurrently. Nevertheless, they reinforce one another. Private capitalism groups itself around our State trusts, competes with, and yet is nourished by them. Conversely, our State enterprises would not be able to continue at work in default of the supplies with which they are furnished by certain comparatively small private enterprises. Our State enterprises are now passing through the period of primitive socialist accumulation. If we do not secure any loans, we shall have to develop our economic system as an isolated national State inasmuch as we shall accumulate in a socialist and not in a capitalist fashion. On the other hand, there is also in progress among us a revival of primitive capitalist accumulation, and we must leave the future to decide which of these two processes will proceed more rapidly. The Workers' State holds the trump cards. Of course it may lose them. But when we analyse the existing situation, we see that all the advantages are on our side, all at least, with one exception. Private capitalism, which in Russia is now for the second time passing through the phase of primitive accumulation, is backed up by world capitalism. We are still encircled by capitalism. The question therefore arises whether our incipient socialism, which still has to work by capitalist methods, may not in the end be bought up by real capital.

There are always two parties to a transaction of that kind, the buyer and the seller. Power in Russia is in the hands of the Workers' State. The chief industries and foreign trade are State monopolies, this matter of monopoly is of fundamental importance to us. It is our safeguard against the attempts of capitalism to buy up our incipient socialism. As far as the concessions are concerned, Comrade Lenin has remarked "Much cry and little wool".

It is often contended that world capitalism, is in an extremely critical condition, and has need of Soviet Russia—that Britain urgently requires the Russian market for her manufactures, that Germany wants grain, and so on. Abstractly considered, this seems quite true, if the world be contemplated from the pacifist standpoint, from the outlook of the healthy human understanding which is of course always pacifist. One would think then, the British capitalists would hasten to begin the economic invasion of Russia, and that the Germans would limp along in the Britishers' rear. But we see nothing of the sort. Why not? Because we live in a critical epoch when the economic balance has been upset, and because capital is not in a position to form and to realize great economic designs. Unquestionably Russia represents for Britain a gigantic reservoir for trade. But it is not a reservoir that can be tapped, to-day or tomorrow. A day will come when the Russian market will be competent to provide work for Britain's army of unemployed numbering

now a million or more. Perhaps this will be possible in three, five or ten years. In the latter event, calculations would have to be based upon a ten years perspective, but this is impracticable, for everything is now so uncertain in our shattered world.

Because of the uncertainty of the future, the economic policy of the capitalist governments can look no further than one day ahead. This fact dominates the world situation. Inasmuch as the capitalist powers are aware that Russia cannot bring them salvation to-morrow, they are perpetually postponing the promised concessions, loans, etc. There is absolutely no reason to suppose that these concessions could bring ruin to Russia. You will have noted that the central organ of our Party is now publishing a series of lengthy articles upon one of the most important of these concessions, the Urquhart concession. The articles contain (and, I must admit, a number of errors of calculation) a dispassionate consideration of the pros and cons. Now what is the noteworthy point here? It is this, that the matter is in the hands of the Workers' State, which is deliberating whether to make or withhold this and other concessions.

In one word, the danger that real capitalism, whose development is inevitable if a free market is conceded, will grow too strong for the workers' State, is much less imminent than the possibility that the working class in Central and Western Europe will conquer the power of the State. Russian policy must be one of patient endurance until the working class of Europe and the world conquers the State power.

In some such fashion, I think, must be phrased the answer to the wiseacres of the moribund Two and a Half International. Otto Bauer devoted a pamphlet to our anniversary. In this document he recapitulated in a quiet, logical way all that our enemies in the social democratic camp have been accustomed to say concerning the new economic policy. In the first place he tells us, of course, that the new economic policy is a capitulation, but he adds that it is a good capitulation. He goes on to declare that the ultimate upshot of the Russian Revolution could not possibly be anything else than the establishment of a bourgeois democratic republic, and he tells us that this is what he prophesied in the year 1917. Yet he seems to remember that in the year 1919 the prophesies of these gentry, of Otto Bauer and his fellows of the Two and a Half International, were in a different vein. At that time, they told us that we were at the opening of a social revolutionary epoch. No one will believe that when capitalism is hastening to its fall the world over, its blossoming time is at hand in revolutionary Russia under working class rule!

However, in 1918, when he still retained his virgin faith in the durability of capitalism, Otto Bauer wrote that the Russian Revolution must end in the establishment of a bourgeois State. A socialist opportunist is always an impressionist in politics. In 1919, startled by the rise of the revolutionary flood, he proclaimed that the social revolutionary epoch was at hand. Now, God be praised, the tide of revolution is ebbing, so Bauer hastens to fall back upon his prophesy of 1917. He always has two kinds of prophesies on tap, and can turn on whichever seems to suit the occasion.

He continues as follows: "What we see being reestablished in Russia is a capitalist economy, dominated by the bourgeoisie, based upon the millions of peasant farms—a capitalist economy to which legislation and administration are compelled to a 'not themselves'. A year ago he proclaimed that the Russian economic system and the Russian State were dominated by the new bourgeoisie. It is quite in keeping with this that he should describe the leasing of certain enterprises (you will remember I told you that these are petty enterprises, ill-managed, employing 40,000 workers as against the million workers in the best State enterprises) as being also "a capitulation of the Soviet Power to industrial capital". To round the matter off nicely, he adds: "after prolonged hesitation, the Soviet Government has at length (!) decided to recognize the Tsarist foreign debts."

Since many of the comrades will not unnaturally be hazy as to the details of our history, let me remind you that in a wireless message issued on February 4, 1919, Soviet Russia made the following proposals to all the capitalist governments:

- recognition of the foreign debts incurred by earlier Russian Governments;
- the pledging of our raw materials as guarantees for the payment of debts and interest;
- the granting of concessions—ad libitum;
- territorial concessions, in the form of military occupation of certain districts by Entente forces.

In April of the same year, we repeated these proposals, with fuller and more precise details, through the unofficial



Amsterdam plenipotentiary—what was the fellow's name? Yes Bullitt, that was the man. Well, of course, if you compare these proposals with those which our representatives at Genoa and at the Hague made (or rather rejected), you will see that our trend has not been one of enlarging concessions, but rather one of more firmly maintaining our own claims.

Still, who can doubt that this course of evolution leads towards "democracy"? Otto Bauer and Martoff made up their minds about that long ago. Bauer tells us that events are once more confirming Marx's doctrine, that the revolutionizing of the economic basis must precede the revolutionizing of the whole political super-structure. It is perfectly true that when the economic basis is altered, the political super-structure changes also. But, first of all, the economic basis cannot be altered simply at the dictates of Otto Bauer, or even of Mr. Urquhart, who might perhaps have a little more influence in the matter than Bauer. Secondly, in so far as the economic basis is really changing in Russia this is occurring at so slow a tempo and upon so small a scale that there is no likelihood of our political control being shaken during the process.

Moreover, the bourgeoisie has granted many reforms to the workers, has made many concessions to the working class. Let us not forget this, nor that many of the experiments were venturesome—universal suffrage, for instance. Marx described the legal limitation of the working day in Britain as the victory of a new principle. But a long historical period has intervened between the partial victory of this principle and the conquest of political power by the British working class. For our part, we do not need so long a moratorium. We must not hesitate to admit that if concessions to capitalist methods on the one hand and to the capitalist world on the other should, accumulate, multiply, and grow more formidable in quality, then a time would inevitably come when the foundations would have been so seriously undermined that the superstructure of the Workers' State would collapse. But it lies within the logic of the events we are considering first, that the superstructure, once it has been erected, becomes one of the factors influencing the foundation, and that the foundation is rendered more secure by the existence of the superstructure; and secondly, that we are not reckoning for eternity, but for a definite historical period; until the great Western reserves, which have to form the vanguard, enter the field.

If you propose to measure historical happenings, not quantitatively but qualitatively (and you know as logicians that quantitative differences become qualitative in time); if moreover, you liberate historical development from the time factor, even in the relative sense of Einstein; if you regard history as timeless, as eternal,—then, unquestionably, the new economic policy must prove fatal to us.

If capitalism is everlasting, then the triumph of socialism will never come. This sums up all the wisdom of Mr. Otto Bauer. But, to conclude, he expresses the opinion that we must hasten the modification of the superstructure. He writes: "The reconstruction of a capitalist economy cannot be effected under the dictatorship of a communist party. The new course in economics demands a new course in politics".

Thus the man who has worked such wonders in Austria solemnly declares: "take notice, capitalism cannot flourish under the dictatorship of your party". Just so: That is why we maintain the dictatorship of our party!

There remains, however, one important problem which I have not yet considered. I refer to the problem of productivity, the field of labor.

Socialism is one kind of economic system, capitalism is another. The advantages of socialism are not to be proved by talking about them, but by the increased field of labor. Just as the capitalist economic system had the advantage over the feudal system of making human labor more efficient, socialism possesses the corresponding advantage over capitalism. We are now exceedingly poor; that is a positive fact, and if attention be concentrated upon it, our enemies can find plenty of arguments against us. Both agricultural and industrial production in Russia are considerably less now than they were before the war. The agricultural produce of the last year was about 1/4 of the yield of an average pre-war year; industrial products last year totalled about 1/4 of the yield of the pre-war period. At the first glance this suggests that our position is a dangerous one. Manufacturing industry must be our main support, seeing that agriculture provides the basis for the accumulation of private capital. Now we must not forget that the peasant carries on production mainly for himself, produces mainly for his own needs. Since the peasants this year produced a harvest equal to only 1/4 of a pre-war harvest, the best they could do,

after paying the tax in kind, of 314,000,000 puds, was to supply about 100,000,000 puds for the market. Both for private capital, and for such trading capital as is in the hands of the State, we are concerned only with that amount of agricultural produce which comes upon the market. The amount is comparatively small, and is not likely to expand more quickly than industrial development advances.

Still, we have not yet proved by facts that socialism is a better economic method than capitalism, for Russia is poorer than before the war and even than before the revolution. This is a fact. It is explicable by another fact, namely, that revolution as a method of economic transformation, is a costly affair. All revolutions have taught this. Consider for instance, the Great French Revolution. At the Genoa Conference the French expert Colletat (now French Minister of Justice) said to comrade Litvinoff or to comrade Tchitcherin: "You really have no right to say a word about economic affairs. Just compare the condition of your country with the condition of ours". Now the condition of modern France, on a capitalist basis is the outcome of the Great French Revolution. France, as we see her to-day, with her wealth, her civilisation, and her corruption, would be unthinkable were it not for the Great French Revolution. At the 14th of July celebrations, Colletat of course, speaks of the Great French Revolution as the mother of modern democracy. In this connection I have been looking up a few historical works, such as Taine's writings and Jaures, *History of Socialism*, and have ascertained the following facts. The impoverishment of France began to become serious after the ninth of Thermidor, i.e. after the beginning of the counter revolutionary era. Ten years after the opening of the revolution, when Bonaparte was First Consul, Paris received a daily supply of flour ranging from 300 to 500 sacks, whereas the minimum normal requirement of the city was 1500 sacks. Thus Paris, having at that time a population of 1/2 million, was able in the tenth year of the bourgeois revolution to secure only from 1/3 to 2/3 of the most important of the necessities of life.

There is another example. At the same epoch, in the ninth and tenth years of the French revolution, there was a decline in population in 37 out of the 38 departments, the decline being due to famine, epidemic disease, etc.

In ten years please note. We are just at the beginning of the sixth year. Russia's position at the present time is not wholly enviable, but it is far more favorable than was the position of France ten years after the beginning of the bourgeois democratic revolution. We have to realize; that history pursuing her aim of intensifying the capacity of human labor, sometimes works with the method of devastation. Such disharmonies are the fault of history; we are not responsible for them. Quite recently I read a speech to which I should like to direct the attention of the French comrades in particular. It was delivered by the French chemist Berthelot (the son of the more celebrated Berthelot) speaking as a delegate of the Academie des Sciences. I translate it from the "Temps":

"In all epochs of history, alike in the domain of science, in that of politics, and in that of social phenomena, it has been the splendid and terrible privilege of armed conflicts to speed with blood and iron the birth of new times".

Of course Berthelot was thinking mainly of war. He was right; for wars, and especially such wars as defend a new historical principle, convey great impulsive energy. But he was also referring to armed conflicts in general. The revolutionary conflicts that entail devastation, simultaneously entail the birth of new epochs. From these considerations we can infer that the costs of revolution are not fruitless expenditure. We have to ask our friends (and they will grant it) to give us another five years. Then in the tenth year of the revolution, we shall be in a position to prove the superiority of socialism to capitalism in the economic field, not by speculations merely, but by hard facts.

If however, the capitalist world is going to endure for several decades, then this would signify a death sentence for Soviet Russia. But in this respect there is no need to distrust or to modify the views, demonstrations, and theses of our Third Congress. Lord Curzon, British Minister for Foreign Affairs, speaking on November 9th, the birthday of the German Republic, gave an excellent summary of the world situation. Many of you may not have noticed it so I propose to read you a few sentences. Curzon said:

"All the Powers have emerged from the war with weakened and broken energies. We ourselves are suffering from a heavy burden of taxation which weighs upon the industry of our country. We have a great number of unemployed in all branches of work. As regards France, her indebtedness is

immense, and she is not able to secure the payment of the war indemnities. Germany is in a condition of political instability, and her economic life is paralysed by an appalling currency crisis. Russia still remains outside the family of European nations. It is still under the communist flag". — The noble lord differs, apparently from Otto Bauer—"and continues to carry on constant propaganda all over the world"—of course this is untrue:—"Italy has traversed a number of shocks and governmental crises"—has traversed! I should say, is still traversing—"The Near East is in a condition of absolute chaos. The situation is a terrible one".

Even the Russian communists would be hard put to it to conduct better propaganda upon a world wide scale. One of the best known representatives of the strongest realm in Europe assures us on the fifth anniversary of the Soviet Republic that "the situation is a terrible one".

An Italian newspaper correspondent recently asked me for my estimate of the present world situation. In somewhat hazy phraseology I replied: "Capitalism has become incapable of ruling, and the working class is not yet competent to rule. These are the characteristics of our epoch". You note that Lord Curzon quite confirms the first part of my summary. Three or four days ago a friend sent me from Berlin a cutting from a recent issue of the "Freiheit". The heading is "Kautsky's Victory over Trotzky". Herein I read that the "Rote Fahne" is loath to make too much of my capitulation to Kautsky—although the "Rote Fahne" has not usually been backward in attacking me, even when I was right. Still, that story belongs to the Third Congress, not to the Fourth.

I had said: "Capitalism has become incapable of ruling and the working class is not yet competent to rule. These are the characteristics of our epoch." The worthy "Freiheit" comments: "What Trotzky advances as his view is the opinion earlier expressed by Kautsky". In fact, "Freiheit" accuses me of plagiarism! You know, of course, that being interviewed is no joke, and that here in Russia we are never interviewed of our own free will but always upon the orders of friend Tchitcherin. A good deal is still centralized in Russia, and the interviews are arranged by the Commissariat for Foreign Affairs. When one has to put up with an interview one naturally trots out one's choicest stock of commonplaces! I never supposed the assertion that capitalism had become incompetent, to be an original discovery of my own. Now I learn that Kautsky was the spiritual father of the formula!

But I have sincerely tried to discover wherein I have "capitulated". The reason why the proletariat is not yet competent to rule is to be found precisely in this, that the traditions and influences of Kautskysm have still so strong a hold on the workers. That is why the working class is not ready to seize power, and I passed on the idea to the Italian interviewer without troubling to mention Kautsky, since it was but an obvious platitude.

Capitalism is in a historical crisis. The working class is not yet ready to end this crisis by seizing political power. Let me remind you that at the Third Congress we endeavoured, both in our speeches and in our theses, to draw a sharp distinction between the historical crisis of capitalism and a casual crisis. You will remember the discussions on this topic, some in the commissions and some in the plenum. There are strong practical reasons why we ought to confirm the theses on this particular point. It would seem that a good many of the comrades, when this idea of the historical crisis, of capitalism was invoked, represented it to themselves as meaning that the crisis, automatically undergoing intensification would revolutionise the proletariat by rendering its methods of attack more vigorous and by inciting it to make a direct onslaught. We insisted that cyclical waves, casual oscillations, inevitably occur within the limits of the historical crisis of capitalism. We said that the acute casual crisis which began in the year 1920, though it made the situation of capitalism worse for the time being would certainly be followed by a partial recovery, by more or less improvement from the capitalist point of view. Some of the comrades seemed to think that when we said this we were leaning towards opportunism, that we were attempting to find excuses for postponing the revolution.

Let us try to realize where we would be to-day had we accepted this mechanical theory, the theory of a crisis growing continually worse—when to-day we have to face the fact that in the most important capitalist lands the crisis has given place to improvement, or to stability which is tantamount to improvement when compared to the crisis. In the U.S.A., the most powerful of all capitalist countries, there is prosperity. How long it will last, and whether it has the roots that will ensure its continuance, is

another question. The state of Europe admits the general decomposition of the world system. These are facts, and they testify to the existence of the great historical crisis. Nevertheless, the casual improvement is likewise a fact. We have to-day to modify, to revise, our conception as to the revolutionary character of our epoch. We have to subject the matter to a theoretical re-examination. We should have made a great mistake had we been guided by those comrades who wanted us to recognize the principle that a crisis is always a more revolutionary factor than prosperity; who wanted us to admit in our theses that there was no reason for anticipating the possibility of an improvement in the economic position of capitalism. We were right, and we stand armed against our opponents of the Second and Third and a Half Internationals. When we adjudged the epoch to be revolutionary, it was not because a casual crisis in 1920 had swept away the fallacious prosperity of the year 1919, but because our general view of the world situation led us to our outlook. It seems to me that many of the comrades will have to take note of these facts. I think we have strong reasons for confirming the Theses of the Third Congress.

In so far as in our theses and speeches we proclaimed the opening of a new epoch, I think we were right, although some of the comrades thought that we were taking too long views. I remember that Comrade Lenin, in one of his speeches at the Third Congress, or perhaps in one of the commissions said: "Of course it is of the greatest importance to us that the pace of the revolution should be quickened, but even if the world revolution should not come in one year or in two, in Russia we shall know how to wait and how to endure. The last thing we want is to urge you to take any premature steps." A good many of Lenin's hearers looked round dolefully, thinking: Two years! It was a terrible thought to some of them. Fifteen months have passed since then. We are nearer the revolution, but not yet close to it. Nevertheless, Russia can say to-day with much more confidence than fifteen months ago: "Should the coming of the world revolution be delayed for a year or for two, when it does come, it will find Soviet Russia even more firmly established than to-day".

The prospect we now have to face is the outcome of the fact that in the year 1919 we did not accomplish the International overthrow of the bourgeoisie. It was in this situation that we had to develop our campaign for the conquest of the great masses of the proletariat and for the development of our organization and methods; here too we had to inscribe upon our banners the partial demands of the working class, and in this likewise to lead the workers. What is the difference between ourselves and the social democrats of the old type, inasmuch as we too advocate partial demands? The difference consists in our respective estimates of the character of the epoch. Before the war, the bourgeoisie, as a dominant class, was able to make concessions. The XIXth Century, considered as a whole, may be regarded as an epoch in which the bourgeoisie made concessions to the working class, or to special strata of the working class. These concessions were always such as could be made with an eye to bourgeois advantage, nothing must be conceded that would threaten bourgeois domination.

The new epoch, we can now say with confidence, does not date its beginning from the end of the war; it began in the years 1913-14. The crisis of the year 1913, was not one of the casual crises, with which we are familiar, following upon a period of prosperity; it was the opening of a new epoch of capitalism, in which the productive forces had outgrown the old framework. The bourgeoisie was no longer in a position to make concessions. The war has accentuated the tension of the situation. Still, this does not give us the right to conceive that our progress will be automatic, or to take a fatalistic view of the future. Even in the new revolutionary epoch, one party or another may pass into a state of stagnation and a campaign for partial demands may well be regarded as tending towards stagnation.

At the Third Congress, the majority, called to order those elements of the International whose behaviour made the danger imminent that the vanguard of our movement, advancing prematurely, would encounter the passivity or immaturity of the great masses of the workers, and would be broken against the still firm forces of the capitalist State. Fifteen months ago, that was our greatest danger, and the Third Congress issued a warning against it.

In so far as this involved any retreat, that retreat ran parallel with the economic retreat of Russia. Some of the comrades interpreted the warning as implying that the whole attitude of the Communist International was concentrated upon the avoidance of the left-wing danger. Of course this is an utterly



erroneous view. What has been termed the left-wing danger, is merely the danger of mistakes that we are all liable to make. The danger of the right wing, on the other hand, was and is the danger that the Communist Parties may be rendered stagnant owing to the influence of the whole of bourgeois society, and influence which can be understood in the light of our characterization of the preparatory epoch. In the year 1919, when great waves of dissatisfaction were rising in all lands, and when the whole of political life was a reflection of this revolutionary movement, the bourgeoisie was in a state of political disorganization. To-day, in comparatively tranquil times, when we have to strive to enlist the sympathy of the workers even by putting forward partial demands, there has arisen a situation in which the capitalist world has once more great opportunities for establishing its agencies even within the framework of our own world-wide revolutionary Party. It is therefore, not merely our right to appeal to the revolutionary character of the epoch, but it is also our duty to quicken up the pace. This will be done by a thorough purging of the Communist International, so that when the great moment of struggle comes our organization may be perfectly equipped and ready for battle.

The difficulties which the Western European Parties have to overcome are incomparably greater than those which we had to overcome in the Russian revolution. For instance, pacifist and reformist illusions are far from being dispelled. In France a blossoming period of pacifism and reformism is inevitable, unless the revolution should come sooner than now seems possible, thanks to a concatenation of circumstances which at present elude our ken. After the illusions of the war and of the intoxication of victory, the petty-bourgeois illusions of pacifism and reformism will win to power in the form of a coalition of the parties of the left. To-day, too, there is considerable likelihood of large sections of the working class becoming infected with the same illusions. It is, therefore, of the utmost importance that the French Communist Party should promptly rid itself of all those who might act as the introducers of pacifist and reformist illusions into our own ranks.

Similar considerations apply to Britain. I do not know what the result of the British elections is going to be. But if the conservatives and the national liberals should return to power, their reign will be short. England will inevitably experience the substitution of a pacifist democratic trend for a conservative trend. Get this picture into your minds. Suppose that in France there is "le bloc des gauches", a coalition of the left, forming a pacifist democratic government, and suppose that in Britain there is a Labor Government allied with the independent liberals. What will happen in Germany in that case? There the social democrats will draw a deep breath. We shall see a revival of Wilsonism on a broader basis.

There is absolutely no safeguard against the coming of a new period, wherein the working class will be stupefied and benumbed by pacifist and reformist trends. Since the era is revolutionary, since the oppositions are irreconcilable, and since the internal contradictions of capitalism are so extensive, this epoch can be nothing more than the last flickers of a candle that is burning itself out. Imagine the revolution postponed until this pacifist tide has risen to its height; will not the French and British workers, in the throes of an intense psychological crisis, look around for a political party which has never tried to deceive them? They will look for a party which has continued to tell the truth, the naked, brutal truth throughout this period of pacifist mendacity. The Communist Party must be able to answer to this description.

That is why, to-day more than ever, it behoves us to inspect our ranks with the utmost care. Comrade Frossard said once: "Le Parti c'est la grande amitié" (The Party is a great friendship). The phrase has been often repeated. It is a pretty formula, and in a strictly limited sense I am prepared to accept it. But we must never forget that the Party can only become a great friendship after a thorough weeding out. The purgation must be sedulous, and if necessary even drastic. In other words, only after a thorough purgation, can the Party become "a great friendship".

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## Comrade Bordiga's Report on Fascism

I will deal with the question raised by Comrade Radek yesterday as to the attitude of the Communist Party towards fascism.

Our comrade criticized the attitude of our Party on the question of Fascism, which is the dominant political question in Italy. He criticized our point of view—our alleged point of view—which is supposed to consist of a desire to have a small party and to limit the consideration of all questions solely to the aspect of Party organization and their immediate importance, without going any farther into the larger questions at issue.

I will try to be brief, on account of the time limit, with these few remarks I will start my report.

### The Origin of the Fascist Movement.

The origin of the Fascist movement may be traced back to the years 1914—1915, to the period which preceded the intervention of Italy in the world war, when the foundation for this movement was laid down by the groups which supported intervention. From a political point of view, these groups were made up of several tendencies. There was a group of the right, led by Salandra and the big industrialists, which were interested in the war and which had even supported the war against the Entente before the decision to fight on the side of the Entente. On the other hand, there are also the tendencies of the left wing of the bourgeoisie, the Italian radicals, i. e., the democrats of the left, the republicans who had been by tradition in favour of liberating Trieste and Trento. Finally, the interventionist movement included also certain elements of the proletarian movement: revolutionary syndicalists and anarchists. From a point of view of personalities, it is worth mentioning that the movement was joined by the leader of the Left Wing of the Socialist Party, Mussolini—the manager of "Avanti".

It may be stated approximately, that the Centre groups did not participate in the formation of the fascist movement, but returned to their traditional bourgeois political parties. The only groups which remained were those of the extreme Right and those of the extreme Left, i. e., the ex-anarchists, the ex-syndicalists and former revolutionary syndicalists.

These political groups which in May 1915 scored a big victory in forcing Italy into the war, against the will of the majority of the country and even of parliament lost their influence when the war was brought to a close. Already during the war one could foresee the inevitable waning of the influence of the interventionists.

They had represented the war as a very easy enterprise, and when the war became prolonged, they lost their popularity. Indeed, one might doubt whether they were ever popular.

In the period that followed immediately after the war, we saw the influence of these groups reduced to a minimum.

From the end of 1918 to the first half of 1920, the period of demobilization and slump, this political tendency was completely defeated owing to discontent caused by the consequences of the war.

Nevertheless, from the viewpoint of political organization, we may connect the origin of the movement which seemed so insignificant at first with the formidable movement which we see to-day.

The "fasci di combattimento", did not disband. Mussolini remained the leader of the fascist movement, and their paper "Il Popolo d'Italia", continued to be published.

At the elections in Milan in October 1919, the Fascists were completely defeated, in spite of having their daily newspaper and their political chief. They obtained a ridiculously low number of votes; nevertheless, they continued their activities.

The proletarian revolutionary and socialist movement which was considerably strengthened by the revolutionary enthusiasm of the masses after the war, did not make full use of the favourable situation, for reasons I need not go into now.

The revolutionary tendencies lacked the backing of a revolutionary organization and of a party that would lend them permanence and stability, and thus the favourable psychological and objective circumstances were not utilized. I do not assert—as Comrade Zinoviev accused me of saying—that the Socialist Party could bring about the revolution in Italy, but at least it ought to have been capable of solidly organizing the revolutionary forces of the working masses. It proved unequal to the task.

We have seen how the anti-war Socialist tendency has lost the popularity which it enjoyed in Italy.

To the extent that the Socialist movement failed to take advantage of the situation and the crisis in social life in Italy, the opposite movement of fascism began to grow.

Fascism benefited above all by the crisis which ensued in the economic situation and the influence of which was begun to be felt in the labor organizations.

Thus the fascist movement at a most trying period found support in the D'Annunzio expedition to Fiume. The Fiume expedition in a sense gave to fascism its moral support, and even the backing of its organization and its armed forces, although the D'Annunzio movement and the fascist movement were not the same thing.

We have spoken of the attitude of the proletarian socialist movement; the International has repeatedly criticized its mistakes. The consequence of these mistakes was a complete change in the state of mind of the bourgeoisie and the other classes. The proletariat became disorganized and demoralized. In view of the failure to win the victory that was within its grasp, the state of mind of the working class changed considerably. One might say that in 1919 and in the first half of 1920 the Italian bourgeoisie to a certain extent became resigned to the idea of having to see the triumph of the revolution. The middle class and the petty bourgeoisie were ready to play a passive part, not in the wake of the big bourgeoisie, but in the wake of the proletariat which was to march on to victory.