

- INTERNATIONAL - PRESS CORRESPONDENCE

Vol. 7. No. 70

12th December 1927

Editorial Offices and Central Despatching Department: Berggasse 31, Vienna IX. — Postal Address, to which all remittances should be sent by registered mail: Postamt 66, Schliesstach 213, Vienna IX. Telegraphic Address: Inprekorr, Vienna.

Russian Party Discussion.

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(FULL TEXT.)

A Necessary Preliminary Remark.

Under normal conditions of Party development the theses and the various documents of the Party minority would be published before the discussion preceding the official opening of the Party Congress. And the discussion should precede all elections in the Party through which the choice of delegates to the Party Congress is determined or influenced. It need not be said that the discussion should take place under conditions securing for the members of the Party the opportunity of discussing the points in dispute from every aspect. Not one of these conditions has been observed in the smallest degree.

a) The elections to the nucleus bureaux, to the district conferences and to the Gouvernement conferences, have been and are being carried out before the discussion.

b) The coming Party Congress has thus been isolated in advance from the influence of the conflict of opinions within the Party. The discussion is condemned to futility. It can exercise no influence on the Party Congress. This means that the mass of the Party members plays not a legislative, but merely an advisory part.

c) Even this discussion is carried on under conditions aggravating to an unexampled degree the external forms of dis-

ussion (railing, whistling, breaking up of meetings, etc.), but at the same time reducing its positive (that is, educational) results to a minimum. This applies in every way to the question of the theses.

The theses of the C.C. were published on the 25th October of this year. We, the Leninist-Bolsheviks (the Opposition) were forbidden to oppose our platform to these theses of the C.C., and at the last joint Plenum of the C.C. and the C.C.C. permission was refused to us at least to publish, as counter-thesis, that part of our platform dealing with the questions dealt with in the theses of the C.C. The result is that the counter-theses of the Opposition do not appear until three weeks before the Party Congress, and until the sub-conferences of the Party have been proceeding for some time all over the country. In the remoter parts of the Union the counter-theses of the Opposition will not appear until the delegates have left for the Congress. This fact is the clearest and most characteristic expression of the purely bureaucratic method of preparation for the XV. Party Congress.

The chief questions of Socialist construction remain, however, their whole relevancy, independent of the methods employed in the preparation of the Party Congress. It has never yet

occurred in history that an empty, organisatory mechanism has vanquished the correct political line. This breaks its way through all obstacles. Since we have been robbed, against all the statutes and traditions of our Party, of the possibility of preparing as the minority for the XV. Party Congress, or of influencing the choice of delegates and the eventual decisions, we turn with our theses to the public opinion of the Party, and appeal in particular to the proletarian core of the Party.

1. The Chief Sins of the Theses of the C. C.

Every communist worker expected from the theses of the C. C., in the question of the Five Years' Plan of Economics, something very different from the purport of the theses presented by Comrades Rykov and Kshishanovsky.

Every communist asks himself anxiously: What about unemployment? Is no ray of light to be seen? What have the figures of the existing "Five Years' Plan" to say on this subject, and what do the theses of the C. C. say to this Plan? The theses of the C. C. give no reply to these questions.

Every communist will put another and not less important question: What developments will result from the shortage of goods during the next few years? Even at the beginning of this year we were categorically assured by Comrades Mikoyan, Rykov, Bukharin, and others, in the course of a dispute with the Opposition, that the shortage of goods is rapidly diminishing. What have the workers and peasants to expect in this respect during the next few years? Will the shortage of goods be "overcome" only in the speeches of Comrades Mikoyan, Bukharin, etc., or will the supply of goods really begin to cover the demand? What have the three existing Five Years' Plans of the State Planning Commission and the People's Supreme Economic Council to say to this, and what have the theses of the C. C. to say to these Five Years' Plans? Where will the shortage of goods lead in these five years? To this question, again, we find no answer in the theses and directions of the C. C. The same applies to a number of other vital questions, thus for instance, the question of the incontestably rising grain prices, of the difficulty in obtaining grain supplies, the restrictions on export, the endangered purchasing powers of the rouble, etc.

The theses of the C. C. refer to the necessity of "providing the working population to a greater extent with dwelling-houses", but they do not state to what extent. The October subsidy of 50 million roubles for house-building is entirely insufficient in comparison with the shortage of dwelling-houses, and increases but very little the grants which would have been accorded in any case, even without the manifesto, in accordance with the general growth of economy.

The theses make general reference to the necessity of combating intemperance, but do not contain the shadow of a definite proposal to this end: Reduction of revenues from the sale of spirits in this and next year's budgets, and a corresponding restriction on the programme of alcohol production. On the contrary, the economic plans, and the annual and five years' plans, are based entirely on the assumption of an increased average consumption of spirits per head.

It will be seen that the first chief sin of the theses of the C. C. is that they undertake no responsibility, either to the Party or to the working class, for any one of the drafts of Five Years' Plans, and that they do not accord one single word to the main ideas upon which these Five Years' Plans are built up, but at the same time issue no directions as to how these Plans should be amended. And yet all the drafts of Five Years' Plan hitherto published by the authorities, and drawn up under the guidance of members of the C. C., Comrade Rykov, Kchichanovsky, Kuibischev, Mikoyan, etc., are glaring contradictions of the pious wishes contained in the Party Congress theses of the C. C. There will therefore be no cause to wonder if the new Five Years' Plans elaborated by the authorities suddenly prove to be "over-industrialistic", and are found to have as little connection with the present situation, as little substantiation and reality, as many other anniversary celebration "surprises".

The theses in their totality represent a compilation of vague wishes on various questions of the economic plan and economic policy, but fail to give the faintest indication to either the Party or the working class as to the methods of fulfilling these wishes in actual practice. The foggy and vagueness of these

theses and directions are the more unpardonable in that the C. C., which leads the whole economic apparatus of the country, is perfectly able to fulfil the duty which it has undertaken — that of issuing clear and definite instructions, comprehensible to the Party and to the broad masses of the workers, and not liable to false interpretation on the part of the economic organs. This nebulosity and indefiniteness are, however, not accidental. They are intended to cloak the practice of continuous vacillation and zig-zag, the incapacity to lay down and defend a proletarian policy against petty bourgeois pressure, and — as an inevitable consequence — the continuous slipping downwards, the constant retreat before the non-proletarian classes.

2. The Economic Plans and the Class Struggle in the Soviet Union.

The second sin of the theses consists of the fact that their authors have omitted the most important and essential point, and that is, that at the present stage of the development of the NEP, every question of any economic importance, and therefore especially a Five Years' Plan covering our whole economics, is a question of the class struggle. It is not difficult to issue a slogan of: "Enrich yourselves!" to people who are taking care to enrich themselves in any case. Such a slogan will always be seized upon and carried out to hundred per cent by the representatives of the new bourgeoisie in town and country. It is a very different matter when the C. C. at last — after more than two years delay — proclaims in the manifesto and in the theses the slogan of pressure on the NEP-man and the kulak. If this slogan is taken seriously, it assumes a change in our whole policy, a fresh regrouping of forces, a new orientation of all State organs. This must be stated clearly and definitely. Neither the kulak nor the poor peasant is likely to forget that the C. C. has conducted a very different policy for two years. It is plain that the authors of the theses, whilst preserving silence on their former attitude, imagine that it suffices for them to issue a new "command" when they want to change their policy. But a new slogan cannot get beyond mere words and hope for realisation, until the desperate resistance of one class has been overcome and the mobilisation of the other accomplished.

During the last few years the kulak has been exerting an increasing pressure on the village poor and on the State power, and has forced the latter to alter its economic plans and calculations.

The merging of the kulak, the private capitalist, and the bourgeois intellectual, with numerous members of both State and Party bureaucracy is the most indisputable and at the same time the most disquieting process in our public life. Here the germs of a double power arise, endangering the dictatorship of the proletariat.

In order to overcome this danger, to enable severe pressure to be put on the kulak, the NEP-man, and the bureaucrats, and above all to impose serious additional taxation upon the kulak, it is first necessary to drag the kulak to the light of day, and then to expose his concealed and steadily growing income.

It is impossible to adopt measures for safeguarding the agricultural labourer and the village poor from the exploitation of the kulak without the active help of the agricultural labourer and the village poor themselves. But if the agricultural labourer and the poor peasant are to raise their voices, and to help to throw off the pressure of the kulak, they must first cease to be afraid of him. They must not be forced into the position of saying: I drew attention to the kulak, but the Soviet power took no notice; I stood face to face with the kulak, and now I am at his mercy. I have no one to turn to, for there is unemployment everywhere. If this is to be avoided, the class struggle of the village poor against the kulak must be taken up in all seriousness. Those who cannot make up their minds to organise this struggle, those who have not thought out the consequences of such a struggle and have not worked out real plans for it, are futilely playing with the slogan of "pressure on the kulak". It remains a demagogic phrase and nothing more.

The same applies to the pressure to be put on the NEP-man in the city. During the last few years the NEP-man's rouble has already exercised a noticeable pressure on the

workman's copeck. This is apparent both in the housing problem and in the State apparatus, both in the market and in the school, in the theatre, etc., etc. Here a radical change cannot be brought about by simply issuing fresh instructions to the taxation officials of the Finance Commissariat. Only a dull-minded bureaucrat can suppose this. Real pressure on the NEP-man is unthinkable unless the city workers are awakened, unless there is a rebirth of workers' democracy in the Soviets, and unless all Soviet organs are made really (and not only apparently) responsible to their proletarian electors. The same applies to the trade unions, and above all to the Party. Of all these highly important questions in the class struggle, without the solution of which no satisfactory execution of any Five Years' Plan can be thought of, the theses of the C. C. contains not a single word.

The question of "Who — whom?" is decided by the uninterrupted class struggle in every department of economic, political, and cultural activity; the decision falls to the socialist or to the capitalist direction of development, to one or the other of the two corresponding methods of distributing our national income, in favour of the exclusive power of the proletariat or in favour of sharing this power with the new bourgeoisie. In a country with an overwhelming majority of small-holders and dwarf peasant farms, the most important processes go forward unnoticed and disunited up to a certain point, and then appear suddenly and "unexpectedly" on the surface.

The capitalist element finds expression above all in the growing differentiation of the village and the increase of private capital. The uppermost stratum of the village and the bourgeois elements of the city amalgamate more and more closely with various constituents of the State and economic apparatus. This apparatus not infrequently helps the new bourgeoisie to conceal its successful struggle for an increased share in the national income with a statistic fog.

The trade apparatus, as well as the State and co-operative apparatus and the private organisations, swallow up an enormous slice of our national income — considerably more than one tenth of the gross production. Private capital, on the other hand, controls of late years in retail trade considerably more than one fifth of the total sales, in absolute figures more than 5 milliard roubles yearly. Up to the present time the consumer receives more than 50% of the goods which he requires through the hands of the private retailer. Here lies the main source of the profit and accumulation of the private retailer. The disparity between agricultural and industrial prices, between wholesale and retail prices, the so-called "tension" between prices at different seasons, the disproportion between home and world market prices (smuggling), — all this supplies a constant source of enrichment.

Private capital pockets usurious interest on loans, and enriches itself from State loans.

The rôle played by private capital in industry is equally considerable. Although this has declined relatively of late, it has grown absolutely. Private capitalist census industry (over 16 workers in machine equipped undertakings and over 30 workers by manual labour) produces a gross output of 400 million roubles yearly. Small trades and home workers yield more than 1,800,000. The production of non-State industry amounts to more than one-fifth of the total industrial production, and yields about 40% of the goods supplied to the mass market. The overwhelming mass of this industry is connected in one way or another with private capital. The various open and concealed forms of exploitation of the masses of small handicraft trades by the home industries capitalist is an extremely important and increasing source of the accumulation of the new bourgeoisie. The influence of the State apparatus grows, and with it the bureaucratisation of the Workers' State. The absolute and relative growth of capitalism in the village, and its absolute growth in the city, are beginning to awaken the political self-consciousness of the bourgeois elements in our country. These elements are striving — often not without success — to demoralise even a part of the communists with whom they come in contact in their work and daily life. The slogan of "Fire against the Left", proclaimed by Stalin at the XIV. Party Congress has necessarily promoted the concentration of the Right elements in the Party and of the bourgeois Ustryalovian elements in the country.

The theses of the C. C. continue the agitation against the Opposition, that is, against those communists who have fought obstinately for years for pressure on the kulak, the NEP-man and the bureaucrats, and at the same time for that fresh distribution of national income without which it is impossible to dream of rapid industrialisation, of a rapid reduction of unemployment and the abolition of the goods dealer. No sensible person can believe that the best means of pressure against the kulak, NEP-MAN, and bureaucrat, is that of pressure on that wing of the Party which has been fighting for this programme of action the whole time, against the present majority of the C. C. On the contrary, the growth of the kulak and the NEP-man is urging the present Party leaders to a settlement of accounts with the Opposition. The bureaucracy which has crept into our State and economic apparatus enables the kulak and the NEP-man to exert pressure on the Party. The "third force" — the bourgeois capitalist element awaits impatiently the annihilation of the Leninist Opposition in order to realise more easily its own economic programme of a free hand for the kulak and the NEP-man, collaboration with foreign capital by means of the abolition of the foreign trade monopoly, etc.

Our general political course must be given a very decided turn if we are to organise a proper distribution of our national income, to furnish the basis for the rapid development of productive forces, to establish more firmly the proletarian dictatorship, and to accelerate the building up of Socialism.

3. Bureaucratic Optimism is an Aid to the Enemy.

The general estimate of comparative class forces given in the theses is wrong, the real state of affairs being glossed over in the style customary of late years. In the theses of the C. C. we read:

"Seen from the standpoint of the class struggle and of the competing class forces, the characteristic feature of the period on which we are now entering consists of the growing class power of the proletariat, in the firmer establishment of the alliance between the proletariat and the poor and middle peasantry, accompanied by a comparative decline in the private capitalist elements in town and country, though these may increase numerically."

This "jubilee estimation" of the situation is wrong. It underrates the existing dangers, and can do much damage by lulling the proletariat into false security.

When a communist worker reads the lines here quoted, he must ask himself in amazement: If the powers of the kulak, the NEP-man and the bureaucrat are thus "relatively declining", and the powers of the proletariat are growing, then wherefore the necessity of altering the course, why issue a new slogan of pressure on the bourgeois strata, indeed of forced pressure? Does it not show the contrary to be the case? That is, is not this pressure (so far on paper) on the kulak necessary precisely because his power and his pressure on the proletariat have increased?

Matters do not by any means stand as they are depicted in the Directions of the C. C.

In the first place the theses of the C. C. make the mistake of lumping city capitalism and village capitalism together and maintain that agrarian capitalism, too, is only growing numerically. In reality capitalism in the village is growing both relatively and absolutely; it is growing with great rapidity; the dependence of the Soviet State and its industries on the raw material and export resources of the well-to-do kulak section of the village increases from day to day.

In the second place, it should not be forgotten for a moment that the growing pressure of the bourgeois elements on the proletariat does not by any means change in arithmetical ratio to economic statistics. The development of agrarian capitalism, which supports the active city capitalism, has proved sufficient to awaken the consciousness of their own power among all the bourgeois elements of the country, elements further backed up by the great reserves of world capitalism.

In the third place, the forces of international capitalist encirclement must be taken into account. The growing pressure of world capitalism on the Soviet Union imparts more courage to our bourgeoisie at home, and our various defeats in foreign policy (China, etc.), caused to a great extent by the opportunist policy of the C. C., worsen still further the relation of

forces of our working class and its enemies at home and abroad. The inland bourgeoisie is naturally no so open and insolent in its pressure on the proletarian dictatorship as is the world bourgeoisie. But the pressure exercised is in two directions and is applied simultaneously.

The pressure of the non-proletarian forces on the working class, intensified by the incorrect policy of the C. C., has thus not diminished, but increased. But to admit this fact would mean for the present majority of the C. C. an acknowledgment that the Opposition has been entirely in the right in all the disputes on the inner development of the Soviet Union. Shaken by the pointed criticism of the Opposition, a criticism confirmed step by step by realities, the majority of the C. C. copies from the platform of the Opposition the slogan of pressure on the kulak and the NEP-man (cf. the platform of the Opposition and the "manifesto"). The C. C., being however anxious to conceal its ideological bankruptcy, becomes hopelessly confused. Every worker will comprehend that the only reasonable explanation for such an abrupt change of political front (though at present only on paper) is the recognition of the fact that the class forces hostile to the proletariat have become stronger. The majority of the C. C., however, persists in hopeless attempt to adduce the "weakening" of the kulak and NEP-man in comparison with the proletariat as a reason for the necessity of a "forced" pressure upon them. The C. C. therefore starts from a fundamentally wrong estimate of the class forces in the country, lulls into inactivity the energies of the proletariat, and undermines any confidence which might be felt in its change of policy, exposing it as being the zig zag line of the polifacaster.

But even under the present regime, which seeks to destroy the workers' democracy existing under Lenin, the pressure of the class enemy on the proletariat and its Party is beginning to arouse the activity of the most advanced strata of the working class. The Leningrad proletariat, in demonstrating its sympathy with the Opposition during the demonstrations on 17th October, showed that it already feels where the real danger threatens its class rule. Here ways and means have to be found to overcome the approaching political difficulties.

4. The "Starting-Point".

The next sin of the C. C. theses consists of their complete failure to elucidate the present economic situation. Without a proper survey of the results of the economic management of the last two years, and without an analysis of the deficiencies of this management, no economic substantiation of planned economic activity is possible.

In the resolution passed by the July Plenum in 1927 we read:

"...The general economic results of the current year, so far as these can be judged from the provisional data, appear to be favourable, and on the whole economic activity has developed during the current year without crises. This proves the considerable improvement that has taken place in planned economic management."

These assertions have been confuted by actual facts.

During the course of the past year, the whole official press has unanimously asserted that the goods shortage in our country has been considerably alleviated, if not entirely overcome.

This theory of the overcoming of the goods shortage was necessary for the purpose of refuting the theses of the Opposition on the failure of industry to keep pace with the growing needs of the population and of national economy.

As a matter of fact there has been no alleviation of the goods shortage, all that has been achieved is an apparent pacification of the goods market during the first half of the economic year 1926/27, brought about by measures **artificially limiting the demand**. The result has been that in the second half of the year the goods shortage revealed itself with full force.

The most striking proof of this goods shortage is the queues to be seen before the shops in the towns, and the entirely inadequate supply of industrial goods to the rural districts. The triumph of the People's Commissariat for Trade over the market, proclaimed by the bureaucratic optimists, has suffered complete shipwreck.

In 1925/26 584.4 million poods of grain were bought up by the State and co-operative grain supply organs. Besides this, the amount bought up by private and small co-operative buyers was about 300 million poods. In 1926/27 these same supply organisations brought in less grain than in the previous year.

Although 1927/28 is the third year in succession in which the harvest has been good, the situation in the grain market has begun to worsen since the end of September. The quantities bought up become less, and are at present 10 per cent below last year's level. When we take into account that the number of private and small purchases have also declined considerably in comparison with last year, the deficit in the supply becomes even greater. The decline of the total amount of grain products bought up is on the one hand a distinct sign of the profound chasm dividing the relations between town and country, and on the other a source of new and threatening dangers. The destruction of our export plans, and with this of our import plans, involving the retardation of industrialisation, is a self-evident result of this state of affairs (in the fourth quarter of 1926/27 the amount of grain exported was only 23 per cent of the export for the corresponding quarter of the previous year). To this must be added the unexampled disparity between the purchase and consumption prices.

"In 1927 the consumer pays for a pood of flour a price exceeding by 1.14 roubles the price paid by the buyer to the peasant for a pood of rye. In the case of wheat the difference is 2 roubles 57 copecks. This difference exceeds that of pre-war prices two and a half times." ("Pravda" July 1927.)

Do the present leaders of our economy understand the real import of this? No, they do not understand it. They say that in 1927 we began to "eat a great deal" (Rykov, in his report at the Proforov factory), that the war danger has upset economy (if that is the case, what will happen in time of war? But happily it is not so.), and that the apparatus is bad (which is true enough). These explanations do not rise beyond the level of ideas of a conventional minded farmer. Three facts alone serve to explain the difficulties in the grain market: the shortage of goods (backwardness of industry), the accumulation of reserves by the kulaks (differentiation of the village, and an imprudent policy in the sphere of money circulation (excessive issue of notes). If this is not grasped, the country will be inevitably plunged into an economic crisis.

With respect to the state of money circulation, the figures officially published, and therefore accessible to wide circles of the population (we are making use of such figures only) show the following:

According to the control figures of the State Planning Commission, it was intended to issue chervonetz to the total value of 150 million roubles for the whole year 1926/27. In reality notes were issued in this period to the value of 328 million roubles, the 75 millions laid down for the fourth quarter having swelled to 200 million.

The development of our trade credit has also taken an unfavourable turn. The resources of the credit system (note issues and current accounts) diminished in 1925/26 by about one third as compared with the previous year, and the year 1926/27 has witnessed a further falling off. The control figures of the State Planning Commission assumed an increase of savings investments by 250 million roubles for 1926/27. In actual fact the increase has been very much smaller, and this has led to a tightness of credit, to a frustration of credit plans, and to chaos in the granting of credits to the different branches of economy.

The budgets of the last few years have proved fictitious, and in actual fact they have resulted in a deficit. In 1925/26 the actual deficit in the budget revenues amounted to about 200 million roubles. The results up to the present of the 1926/27 budget show a considerable deficit in the income of the railway service. The consequence has been that a bank loan of about 100 million roubles has been required to cover the budget deficit for transport service. This was one of the reasons for the excessive issue of chervonetz notes in the third quarter. The excessively puffed up budget of 1926/27 led to the increase of indirect taxation and other taxes, and to the raising of the railway tariffs, causing, according to the

calculations of the People's Supreme Economic Council, a 2.5 per cent increase in costs of production.

The directions issued by the Party on the necessity of creating a budget reserve to the amount of 118 million roubles in 1925/26 and 100 million roubles in 1926/27, by means of increased revenues as compared with expenditure, have not been carried out in the least.

The Opposition foresaw that in spite of the good harvest, difficulties might increase.

"Practically speaking, the good crops may have the effect — since there is a shortage of industrial goods — of causing larger quantities of corn to be employed for the distilling of spirits, and the queues before the city shops to become longer. Politically, this would mean a struggle on the part of the peasantry against the foreign trade monopoly, that is, against socialist industry." (Stenographic minutes of the Plenary Session of the C. C., April 1926. Comrade Trotsky's amendments to Comrade Rykov's draft of the resolution, p. 124.)

Subsequent events have fully confirmed the fears of the Opposition. Comrade Stalin attempted to misrepresent the purport of these warnings, and to sweep them aside with a cheap sneer.

"Comrade Trotsky" said Comrade Stalin — "seems to believe that our industrialisation will be realised, in a manner of speaking, by some sort of 'failure of crops.'" (Stenographic report of the 15th National Conference of the C. P. S. U., p. 459.)

All these grave errors and miscalculations of our economic leaders have brought about a disorganisation of the goods and money markets, and threaten the stability of the chervonetz. The demand for gold is growing among the peasantry, and the village shows an increasing distrust of the chervonetz. As the peasant has no possibility of exchanging the chervonetz for goods, he prefers to sell less, and this leads to the falling off of the grain and raw material supplies, to increased prices, to the restriction of export, and to the disorganisation of the whole economic system.

Is it possible just to pass over such facts when estimating our economic situation, and when drawing up the Five Years' Plan? To hide these facts from the Party merely because they throw a too glaring light on the policy of the C. C. during the last few years would be more than an error, it would be a crime against the Party.

5. Consumption per Head and the Shortage of Goods.

Socialist production is production not for the sake of profit, but for the satisfaction of actual needs. This is the fundamental historical criterion by which our success is to be measured. What does the Five Years' Plan published by the State Planning Commission show us in this regard?

The personal consumption of industrial goods, though so extremely small at the present time, is to increase by only 12% during the next five years. The consumption of cotton fabrics in 1931 will amount to only 97 per cent of pre-war consumption, and no more than one-fifth of the consumption of the United States in 1923. The consumption of coal will amount to one seventh that of Germany in 1926 and one seventeenth that of the United States in 1923. The consumption of coast iron will amount to less than one quarter that of Germany in 1926 and 111.5 that of the United States in 1923. The production of electric energy is estimated at one third that of Germany in 1926, one seventh that of the United States in 1923. The consumption of paper will have risen by the end of the five years to 83 per cent of the pre-war level. The "optimistic" Five Years' Plan of the People's Supreme Economic Council alters nothing essential in the proportions adduced. Thus, for instance, the consumption of cotton per head is to rise by 1931/32 to only 106.8 per cent of pre-war consumption. All this 15 years after the October Revolution! To dish up such a parsimonious and utterly pessimistic plan as this, on the tenth anniversary of the October Revolution, is in actual practice to work against socialism.

These low standards of consumption per head go hand in hand with the growing goods shortage.

The Five Years' Plan of the State Planning Commission has calculated the goods deficit of 1930/31 at about 400 million roubles. This calculation has, however, proved erroneous, an under-estimate. Taking the figures of the State Planning Commission as a basis, the People's Supreme Economic Council estimates the goods deficit in 1930/31 at 1500 million roubles, the People's Commissariat of Trade at 1200 millions.

The latest variation of the Supreme Economic Council, adapting itself especially to the "optimist" demands from above, does its utmost to reduce the goods deficit artificially, but cannot estimate it at less than 800 million roubles. The disproportion is increasing only too plainly, and puts an end to all hopes of reduced prices.

According to the intentions of the State Planning Commission, the disproportion is to be removed by a two and a half times increase in the present rents for workers' dwellings, raising a sum of about 400 million roubles yearly. As the well-to-do population possesses surplus purchasing powers, the officials of the State Planning Commission, including many communists, seek to correct this state of affairs by cutting the wages of the workers. It is hard to believe that such a method of restoring the balance in the market can be proposed by the responsible organs of a workers' state!

We are, however, already aware that the actual goods deficit will not amount to 400 million roubles, but a very much greater sum: between 800 millions and one and a half milliards. It is clear that plans leading to such results cannot be designated as plans for the building up of Socialism, but as plans for an economic and political catastrophe.

The colossal deficit of industrial goods must unavoidably bring in its train: the increase of the dead reserves of grain in the hands of the upper strata of the village, the increased differentiation of the peasantry, increased difficulties, as regards food supplies and export, and, as the final result of all this, increased pressure on the foreign trade monopoly.

Is there any means of escape from all these impending difficulties? Certainly there is. Do the theses of the C. C. point out this means of escape? Not in the least. What have the theses of the C. C. to say to the most urgent and burning question of this disproportion? Only a few purportless platitudes. But behind the cover afforded by these platitudes, the tide of indirect taxation is rising higher and higher, especially the tax on spirits. This means that resort is being had to that method of alleviating the goods famine which is in the end the most injurious of all to national economy.

The indirect taxes form the main source of revenue for our budget (outside of transport, postal, and telegraph service). Their share in the total taxation revenues also increases systematically: from 55 per cent in 1924/25 to 64 per cent in 1925/26, and to 67 per cent in 1926/27. (These percentages have been calculated on the absolute figures published in "Oekonomitscheskaya Schisn" by M. Frunkin, deputy People's Commissary for Finance, 1st October, 1927; the sum total of the indirect taxes includes the customs duties.)

The greater part of the direct taxes are paid by the towns, and for the most part by the working class. This is sufficiently shown by the following figures on the distribution of the taxes on articles of consumption: in 1924/25 the agricultural population paid 1.46 roubles per head, in 1925/26 2.64 roubles. The non-agricultural population paid 12.93 roubles per head in 1924/25, 18.98 roubles in 1925/26. The percentual ratio of consumption taxation to income increased in 1925/26, as compared with 1924/25, by 0.8 per cent (from 5.0 to 5.8) in the case of the workers, by 1.3 per cent (from 5.4 to 6.7) for employees, and for the owners of commercial and industrial undertakings by 0.1 per cent (from 6.6 to 6.7 per cent). (Taken from the material supplied by the People's Commissariat for Finance: "An attempt at the computation of the taxation of the different social groups of the population in 1924/25 and 1925/26".) Here the distribution of national income between the classes is directed entirely against the working class. This means that the working class is burdened with a great part of the expenditure for the State apparatus, although this working class represents only one eighth of the total number of the population capable of work. It is high time to raise the question of the gradual systematic substitution of indirect taxes by direct taxes. But even on this fully matured problem the theses of the C. C. preserve the strictest silence.

Alcoholic liquors. The tax on spirits still continues to play an increasingly important rôle in indirect taxation. The theses of the C. C. proclaim an official campaign "against drunkenness". What effect have these new directions had upon the contemplated production of alcohol during the coming five years, as dealt with in the Five Years' Plan?

The Five Years Plan of the State Planning Commission provides for the increased production and consumption of the following articles as follows: fabrics 41 per cent, goloshes 88 per cent, glass 96 per cent, cast iron 113 per cent, soap 121 per cent, spirits 227 per cent. The production of the most necessary articles of daily use thus grows more slowly than that of spirits, which is more than tripled, although the consumption of spirits has already increased during the last few years from 0.6 bottles per year in 1924/25 to 2.9 bottles in 1925/26 and 0.6 bottles in 1926/27 (Five Years' Plan of the State Planning Commission, p. 73). We see that the Five Years' Plan admits the production of alcohol to be the "leading" branch of industry. The campaign against drunkenness proclaimed in the Theses is to be begun by tripling the standard of consumption of alcohol.

6. Capital Investments.

Should there be an unexampled aggravation of the goods shortage, as forecast by every Five Years Plan, this would certainly lead to a serious undermining of the economic system of the Soviet power — if this increased shortage is not prevented by a determined class policy on the part of the Soviet power. In view of this possibility, one would have supposed that even the C. C. would seek to find a way out by means of a firm and energetic policy in the systematic increase of the capital invested in industry.

The capital invested in industry remains, however, almost unchanged from year to year (1,142 mill. in 1927/28 and 1,205 mill. in 1930/31). The percentage ratio to the sum total invested in national economy falls, however, at the same time from 36.4 to 27.8 per cent (p.33). The net grants from State means for industrial purposes drop, according to the Five Years' Plan, during this period from 220 to 90 millions (p. 147). The new figures issued by the State Planning Commission provide for a more rapid growth of capital investment (1,250 millions in 1927/28 and 1,588 millions in 1930/31). Without dwelling on the fact that the Party is not informed as to the material foundations on which these calculations are built up, it must nevertheless be mentioned that even according to this variation of the Five Years' Plan the investments made in industrial undertakings from outside are to be increased only in a most inadequate manner (from 147 millions in 1927/28 to 201 millions in 1930/31).

These figures are actually lower than has hitherto been the case (cf. for instance the "Balance of accounts between industry and the budget for 1925/26" published in the "Comparative production-financial plan of the Supreme Economic Council of the U. S. S. R.", p. p. 224 to 229 and 381).

The Five Years' Plan published by the Supreme Economic Council offers no improvement on this. According to this investments in industry from outside are to fall from 285.3 million roubles in 1927/28 to 104.5 million roubles in 1930/32 (p. 125). The share of the means provided by industry itself, that is the profits and amortisation of the capital invested, will increase during this same period from 75 to 95.5 per cent. (p. 124.) This means that the budget is to serve less and less as an instrument for the acceleration of industrialisation and for the employment of means obtained from the kulak and the NEP-man in the service of industry.

What have the theses of the C. C. to say to this important question of the Five Years' Plan? What figures do they give for capital investment? What figures on the extent of financing of industry required to liquidate the goods shortage? None whatever! They confine themselves to the vague observation that:

"the growth of inner industrial accumulation permits of the investment of capital in industry to an extent securing the necessary increase of production and its rationalisation, assuming that the strictest economy is observed in expenditure, that building costs are cut down to a minimum, and the Plan followed with the utmost strictness."

The C. C. thus confesses its inability to give any concrete and definite answer to the fundamental question of socialist construction. But when industry is spoken of "as the leading principle", and the firmer establishment of the alliance between town and country is referred to, and still not one definite measure is brought forward for the prevention of a goods famine which is to swell to the enormous extent of between 1000 and 1500 million roubles, then this means that the Party is being led blindfold into economic chaos. It is true that this question is replied to by the State Planning Commission. In that Five Years' Plan in which the State Planning Commission foresees the above-mentioned growth of the goods famine, it states that this ailment can be cured **only at the expense of the working class.** The Five Years' Plan of the State Planning Commission places no hopes on the taxation of the incomes of the city bourgeoisie, for

—"in the first place this stratum of the NEP-bourgeoisie, newly arisen since the revolution, is very thin compared with our town population, and can for this reason alone scarcely serve as a source of budget revenue, and in the second place this is not an independent source, for in taxing the income of the capitalist section of our economy we cannot in any case get any more out of it than is produced by the work of the workers and peasants." (p. 28.)

The State Planning Commission is therefore of the opinion that it is an impossible and hopeless idea to try and obtain means from the income of the capitalists in aid of our industrialisation, firstly because there are too few capitalists, and secondly because they obtain their profits from the labour of the workers and peasants! And on the other hand the "village" (read: the kulak) cannot serve as a source of socialist accumulation — for this the productivity of labour and the consumption per head are too low. This leads to the natural conclusion that:

"the main source both for the budget revenues and for socialist accumulation in general, can be found only in productive non-agricultural labour (read: the working class").

The Five Years' Plan of the State Planning Commission has found no official confirmation. But the "sum total of ideas" contained in it is extremely characteristic of the present system of our economy. This Five Years' Plan is clear. It represents the substantiation of a system which dreams of smoothing out the inconsistencies of our development by an increased pressure on the muscles of the workers, and of preserving at the same time — on some pretext or other — the accumulation of the capitalist strata. And what do the theses of the C. C. oppose to this policy? Nothing. Do they emphatically reject these tendencies? No. Do they lay down an independent plan for the solution of the fundamental question of capital investment in industry? No. And in not doing any of these things they support a state of affairs in which in the main question of the relations between the socialist and capitalist elements of our economy, in actual practice, the anti-proletarian tendencies gain the upper hand.

7. The Position of the Workers and the Transition to the Seven-Hour Day.

Wages. With reference to the extent of the possible increase in wages during the next five years, and to the increased productivity of labour, the whole of the existing Five Years' Plans give varying replies. The theses of the C. C. do not give even an approximate statement of figures as a guide, and confine themselves to a few purportless, general phrases.

All the Five Years' Plans so far drafted have dealt in a highly unsatisfactory manner with labour questions.

The Five Years' Plan must provide for an increase in real wages ensuring a really systematic and (by the end of the five year) considerable improvement in the standard of living of the working class. The variation of the Five Years' Plan worked out by the State Planning Commission gives, however, no guarantee for a real improvement in the standard of living of the worker, to say nothing of the fact that the Five Years' Plan of the State Planning Commission maintains complete silence on a matter so important as the regulations safeguarding the health and safety of the workers. According to these

plans, the nominal working wage (first variation) is to increase by 33 per cent, the real wage by 50 per cent, or (second variation) by 26 and 40 per cent respectively. Even this extremely inadequate increase of wages is thus to be carried out to a great extent at the expense of reduced prices.

But the present policy — the policy of the goods shortage renders it extremely unlikely that prices can be reduced, and consequently real wages raised to any great extent. A proof of this is the obvious untenability of the calculations for the very first year of the five. In 1927/28 the nominal wage is to increase by 6.5 per cent, the real wage by 11 to 12 per cent. The recent development of prices deprives these assumptions on the rise of real wages of every foundation.

The considerable fall in wages which set in in 1926 was not made good again until the beginning of 1927. During the first two quarters of 1926/27 the average monthly wage in big industry was 30.67 roubles of 30.33 Moscow index roubles, as compared with 29.68 index roubles in the Autumn of 1925. In the third quarter wages were (provisional computation) 31.62 roubles. We see that real wages have reached a level this year but very slightly higher than that of Autumn 1925. It need not be said that the wages and the general material level have undoubtedly risen above the average level among certain categories of workers and in individual districts, especially in the capital cities Moscow and Leningrad. But on the other hand, the standard of living of broad masses of the workers has sunk even below these average figures. The increase in wages has not kept pace with the increased productivity of labour. The intensity of labour increases, the strain on the muscles of the workers is greater. The unemployed live directly or indirectly at the expense of the employed. The process of rationalisation now going on inevitably worsens the position of the working class, except where it is accompanied by such a raising of industry, transport service, etc. that the discharged workers are reabsorbed. The material position of the unskilled workers, the seasonal workers, and the women and juvenile workers, is particularly hard.

With regard to the housing conditions of the workers, at the present time 9 square archins of dwelling area fall to each member of the working population (see control figures of the State Planning Commission, 1926/27). In the cities the dwelling area allotted to each worker is smaller for the working class than for any other stratum of the population, and is steadily decreasing. This fact alone demonstrates the growing material pressure of the other classes upon the proletariat. But as if this were not enough, the Five Years' Plan published by the State Planning Commission, whilst providing for an outlay of about 700 million roubles for erecting dwelling houses, states that the average dwelling area per head will be less in 1931 than in 1926. An outlay of 1 milliard, as provided in the Five Years' Plan of the Supreme Economic Council, will in five years maintain the present area per head. Instead of accepting this preliminary estimate of the State Planning Commission, or of rejecting it as too pessimistic and issuing instructions as to the resources to be tapped for the building of dwelling houses on a larger scale, the theses of the C. C. content themselves by passing over this most serious question with a few general wishes for an enlarged dwelling area for the worker. How this is to be accomplished at the present rate of industrialisation is not mentioned.

The theses pass over the unemployment question even more unpardonably. The assumptions of the Five Years' Plan of the State Planning Commission on the unemployment question have already proved to be wrong for 1927. In place of the 1,131,000 unemployed assumed by the State Planning Commission, we had 1,478,000 registered unemployed in April of this year. The statements of the State Planning Commission give the total of all unemployed as 2,275,000, including 500,000 seasonal workers. (See the Five Years' Plan published by the Supreme Economic Council, p. 93). According to the Computations made by Comrade Strumilin in the first draft of the Five Years' Plan, the agrarian over population "at best will not increase beyond its present extent", assuming that agriculture will absorb another eight millions of workers, and three millions will come into the towns. (Five Years' Plan of the State Planning Commission, p. 16.) This means that even should the present level of unemployment continue in town and country, a much more rapid development of industrialisation is required than is provided by the programme of all existing Five Years' Plans.

The inadequacy of the insurance funds for the unemployed arouses much justifiable complaint. The average benefit is about 5 pre-war roubles, and this is paid to about only 20 per cent of the unemployed members of the trade unions.

Two million unemployed in the cities and a milliard poods of grain lying useless in the village — this is the most glaring and striking illustration of those anomalies existing in our economy, and increasing rapidly under the present management.

What does unemployment mean in a country in which the economy is in the hands of the State?

It means, first of all, a shortage of new means of production, of fresh capital in the hands of the State.

And what does a milliard poods of unutilised grain mean?

It means dead capital for the Soviet society, dead capital chiefly in the hands of the better situated and kulak strata of the village. 150 million poods out of the 500 still remaining after the safety reserves have been deducted would give us new means of production to the value of hundreds of millions of roubles. (These means of production calculated according to our inland prices.) This vast sum of fresh capital would enable us to give work to many thousands of unemployed, to throw surplus goods on to the market to the value of many hundred millions, and to give a tremendous impetus to the advancement of economy. The Opposition would not hesitate for one moment to undertake the obligation of carrying out this plan as one part of its general programme for overcoming the crisis. The majority of the C. C., on the other hand, has become hopelessly stuck in the mud, and is condemned to tramp round and round the same spot; it clings obstinately to its errors, and aggravates a situation already difficult enough in itself. A policy that designate a helpless wandering around one spot as the greatest "precaution", is worth nothing.

* * *

The platform of the Opposition proceeds from the conviction that the successful building up of Socialism requires that the working class should feel, in actual reality from month to month and from year to year, an improvement in its material and cultural position, and should participate to a steadily increasing extent in every sphere of constructive and creative work. For this reason the Opposition has protested against any attempt at realising rationalisation by means of pressure on the workers. And for this reason the Opposition demands a decided increase in the workers wages, as well as a number of other measures, as the first prerequisite for the growth of productive forces. The programme of practical measures for the improvement of the position of the workers is given in the platform of the Opposition.

Basing its suggestions on this programme, the Opposition proposed, during the discussion on the anniversary manifesto, that the section of this manifesto referring to the workers should contain the following practical propositions:

1. Every tendency towards lengthening working hours beyond eight hours must be frustrated from the beginning. No abuses must be permitted regarding the employment of temporary labour or the classification of permanent workers in the category of seasonal workers. Every lengthening of the working day in trades injurious to health is to be done away with, and all regulations annulling the former enactments in this regard are to be cancelled.
2. It must be recognised that the first of our tasks is to raise wages at least in proportion to the increased productivity of labour attained.
3. Abolition of bureaucratic abuses in the sphere of rationalisation. Rationalisation must be closely bound up with a corresponding development of industry, with a systematically planned distribution of labour, and with determined efforts against the waste of the productive forces of the working class, especially of the qualified workers.
4. A number of measures for the alleviation of unemployment, increased benefit rates for the unemployed, especially among the industrial workers; term of receipt of unemployed benefit to be extended from one year to a year and a half;

energetic measures against false economy in insurance; well thought out plans for public works extending over several years, etc.

5. The systematic improvement of the housing conditions of the workers, strict adherence to class policy with regard to rents. No eviction of discharged workers from their houses.

6. The collective agreements must be really discussed, not merely apparently, at the workers' meetings.

7. An end must be put to the constant alterations in tariffs and standards.

8. Increased grants must be made for the furtherance of the technics of workers' protection, and for the improvement of working conditions.

9. A revision of all elucidations of the labour code, and the annulment of regulations which have worsened working conditions.

10. With reference to women workers: Equal pay for equal work.

11. The introduction of unpaid overtime must be declared to be impermissible. The reduction of the wages of juvenile workers, already being practised, is also impermissible.

12. Measures of economy must on no account be undertaken at the expense of the vital interests of the workers. The "trifles" of which the workers have been deprived (creches, tramway tickets, lengthened annual leave, etc.) must be restored to them.

13. Medical assistance for the workers must be increased (Outdoor clinics, hospitals, etc.).

14. The number of schools for workers' children must be increased in the working class districts.

These proposals were brought forward by the Opposition at the meeting of the Communist Fraction, at the second Conference of the Central Executive Committee of the Soviet Union (15. October 1927), in Leningrad, on the occasion of the discussion on the manifesto.

Our proposals laid special emphasis on the following point:

"After all this, the question of practical measures for the reform of the working day is to be placed on the agenda, with the object of further reducing the working day to seven hours."

These are replies of the opposition to the question of what is to be done for the improvement of the position of the workers.

The majority of the C. C. found in these proposals mere demagogy, an attempt to defend the "exclusive" interests of the proletariat, and replied to everything with the same question: Where are the means to be obtained?

Of course every communist is in favour of shorter working hours. The socialist State can and must proceed from the eight-hour day to the seven and the six hour day. There can be no dispute about this. And if the question of the introduction of the seven-hour day had been put seriously and practically, then of course every one of us would have deemed it his duty to promote its realisation. But the manifesto puts the question in a most indefinite form. What does the manifesto actually say about it?

"For the industrial workers: In the course of the next few years the transition from the eight-hour to the seven-hour day, without reduction of wages, is to be secured. For this purpose the Presidium of the C. C. and the Council of the People's Commissaries of the Soviet Union are commissioned to begin, within one year at latest with the gradual execution of this measure in various branches of industry, in accordance with their fresh equipment, the rationalisation of the factories, and the increase of labour productivity."

We see that a "beginning" is to be "gradually" made within one year at latest (!), in various branches of industry (which is not stated); and all this is to be carried out in proportion to the degree of rationalisation attained, the improved

prospects and the increased productivity of labour. In general, however, the seven-hours day is to be secured "in the course of the next few (how many?) years. Here is nothing exact, clear and categorical.

The question has found no place in the Five Years' Plan of our economic organs. There was no previous discussion by the workers, either in the Party or the trade unions. Every worker, including all of us, is naturally in favour of the seven-hour day; but it must be more than an empty phrase, an "Easter egg" for exhibition at the Party Congress, it must not involve less wages, etc.

For two years there has been a loud outcry regarding our "demagogy", just because we have placed the wage question in the foreground. "Where are the means to be obtained?", we are asked in thunderous tones. But where are the means to be obtained for carrying out the seven hour day project?

If the seven-hour day is to be introduced without a reduction of wages, it will cost industry and the transport service 500 millions yearly. If we can raise these means, then the workers themselves are bound to ask: On what is it most important to expend these means? For raising wages, for building dwelling houses, or for the introduction of the seven-hour day? Why has the C. C. not asked the workers their opinion? Here there is no question of diplomatic secrets, nor of relations to foreign powers, in which the need of secrecy may be claimed. We are of the opinion that these means can be raised, if we pass from words to deeds and begin to exert real pressure on the kulak, the NEP.-man, and the bureaucrat, and if we make a serious effort to change the composition of the budget.

* * *

What conception of the seven-hour day had the leaders of the present majority a year ago? This is best shown in the speech delivered by Comrade Bukharin at the session of the XV. Party Congress held on 2nd Nov. 1926.

Comrade Bukharin represented the line of the Opposition as follows:

"A social democratic deviation prevails among us? Where? What we demand is higher wages for the workers, we demand the exemption from taxation of 50% of the village poor, and we do not want to join the Amsterdam International."

To this Comrade Bukharin replied:

"But I ask you... how would it be if we had a purely parliament-bourgeois fraction in the Soviet Congress? (Stalin: A "Menshevik" one.) I am not speaking of a Menshevik fraction. But if we actually had a bourgeois fraction? What do you think? Would it not express the greatest affection for the workers? Certainly it would pronounce itself in favour of the seven hour day... And why would it do this? Simply because it required the support of the masses for the purpose of overthrowing us. And then indeed it would show the workers this seven-hour day!

Comrade Trotzky says: (On the View of the Opposition) 'What is there social-democratic about this?' But this only means that you have not yet grasped the fundamental mechanism of the development of political forces." (Stenographic report pp. 592/93.)

These remarkable words appear to have been adduced for the special purpose of facilitating the efforts of the Party to grasp the "mechanism" of the political development of that fraction, of which Bukharin is the theoretician. It is only a year since Bukharin designated the seven-hour day slogan as the plainest and clearest proofs of social demagogy. He deemed not merely a Menshevik fraction to be capable of this slogan, but even a bourgeois fraction. According to Bukharin's idea, such an obvious adventure could only be pursued by this or that group as a means towards seizing (or perhaps of maintaining?) power, after which that group would show the workers plainly enough what they meant with the seven-hour day in reality. We see that Bukharin elucidated the mechanism of political demagogy with the utmost accuracy, one year before he was forced to resort to it himself.

In this case not even the customary Bukharinian reference to "changed conditions" can suffice to transform into a practi-

cal proposition something which was alleged a year ago to be oppositional demagogy. The seven-hour day is not being put into practice; it is going to be arranged within the "next few years". And if barely a year ago Bukharin designated the seven hour day as the extreme example of malicious demagogy, then we are left to infer that the situation has changed tremendously in the meantime not only economically, but Party-politically. The awakening of the proletarian vanguard and the growth of the Opposition have forced the Stalin fraction to supplement the policy of reprisals by the policy of irresponsible demagogy.

In any case, the Party has the right to say:

Either the C. C. was right yesterday in asserting that there are no means at our disposal for the rapid increase of the material well-being of the masses, in which case the proclamation of the seven-hour day is pure nonsense;

or the seven-hour day is possible, in which case it was fundamentally false to accuse the Opposition of demagogy because it demanded a more systematic and determined raising of the standard of living of the workers.

The acceleration of the rate of industrialisation, the improved standard of living of the workers, the preparation of the prerequisites for a red and not merely documentary transition to the seven-hour day — all this is only possible provided there is a correction of the whole line of the Party.

8. The Roots of our Difficulties.

The chief and general cause of our difficulties may be briefly formulated as follows:

Industry has developed too slowly during the last few years, and fails to keep pace with the general development of national economy. The town cannot supply sufficient goods in exchange for the products of the country. The incorrect political line adopted, especially the incorrect taxation policy, makes it easy for the kulak to concentrate the lion's share of grain and other reserves in his hands. This disproportion is a constant source of growth of the parasitic elements, the speculators and the gigantic profits of the capitalist strata.

At the same time there is a rapid growth of the capitalist elements among the small agricultural producers. This growth is caused by the dependence of state economy on the capitalist kulak elements as regards supplies of raw materials, food, and export.

The kulak elements, relying on their improved economic position and on their growing reserves, join their capitalist allies in the city to sweep aside the economic plans of the Soviet power, place restrictions on export and thereby on capital investment and on the rate of industrialisation, which actually retard the process of building up Socialism.

A further aspect of these fundamental phenomena is the weak development of export, the insufficient import of means of production, the lack of fresh capital for the erection of new factories and for the enlargement and reequipment of the old, the uninterrupted growth of unemployment in town and country. The result is that at the end of this decade we have not only economic successes to record, as for instance the uninterrupted growth of production in State industry; the increase of capital investment and of building activity; the growth of the traffic in goods between town and country, accompanied by the absolute and relative growth of the co-operatives and of State trade; and the improvement of the material position of the middle peasantry, but we have at the same time to record an indubitable growth of difficulties of a social and class character.

The Opposition demanded a more rapid development of industry by means of a more powerful and systematic taxation pressure on the kulak and Nepman, and by means of retrenchment in the enormous bureaucratic apparatus. The majority of the C. C. accused the Opposition of "super industrialism", and of "panic" over the kulak. The majority drifted along without sail or rudder, trusting to chance. The present difficulties are the penalty for the procrastinating policy of the leaders.

At the beginning of the present year 800 to 900 million poods of natural products lay accumulated in the village, mainly

in the hands of the kulaks and well-to-do peasantry. These reserves far exceed the security store required, are growing rapidly, and will increase by 200 to 300 million poods, reaching a milliard by the close of the present agricultural year. This fact is a threatening symptom of the stagnation of the circulation of goods in the village, and its end result is bound to be a hampering of the increase of the area under cultivation.

We have here a consequence of the inadequate development of industry which is not in a position to secure an exchange fund for these stocks in the village. The slow development of industry retards the development of agriculture.

This accumulation of agricultural products in the village is closely connected with the question of the inadequacy of our export, and the frustration of our export and import plans by the better situated or kulak strata. When Comrade Kamenev very rightly explained the non-execution of our grain export plan in 1925, by referring to the fact that the kulak was holding back his grain, thereby thwarting the plan, he was overwhelmed with an avalanche of attack and statistic tables intended to "refute" his statement. But the present accumulation of natural products in the village, inaccessible to our buyers, has reached a point rendering Comrade Kamenev's assertion a platitude recognised by every economist. And not only that; his successor, Comrade Mikoyan, will be faced this year by the frustration of the original grain export plan, and by the prospect of the failure of an import plan already considerably cut down. This second "miscalculation" is the more unpardonable in that it has been made two years after the first, that is, under conditions when the consequences of the differentiation of the village have become obvious to everyone. Comrade Mikoyan, in his article in No. 255 of the "Pravda", points out very rightly that "our foreign trade turnover is the boundary limiting the speed of our industrial development". But who establishes this boundary? The extent of our foreign trade, is determined to a certain degree by the extent of our industrial export (35.8 per cent in 1925/26), but chiefly by the extent of agricultural export, which comprised 64.2 per cent of our total exports in 1925/26. And since our supplies of grain and raw material surpluses for export are chiefly obtained from the better situated strata of the village, whilst precisely these strata are most determined to hold back their grain, the result is that we are being "regulated" by the kulak and well-to-do-peasant.

Foreign trade is rightly designated as one of the leading key positions of our State economy. The capitalist development of our village results in the passing of a certain and extremely important section of this key position (rendered important by the fact that ours is an agrarian country) into the hands of our class enemy. Here, there looms large before the working class one of the most dangerous results of that policy pursued by the C. C. since the XIV. Party Congress under the slogan of "fire against the Left". This crushing balance is comprehensible to the plainest worker. This balance signifies: Cutting down of export at a time when a milliard poods of grain reserves, are on hand; difficulties in the import of raw material necessary for the textile, wool, and leather industries and for the production of articles of mass consumption; difficulties in the import of the most necessary machinery; difficulties in the settlement of credit obligations abroad; growth of the goods shortage in town and country.

The objective import of the economic policy of the C. C. during the last two years has been the protection of the increased growth of the capitalist elements, especially in agriculture, now reaching a point at which these elements exert a noticeable pressure on the economic plans of the Soviet power, and even thwart these. Even the blindest can see this (cf. the above-quoted declaration of Comrade Mikoyan, and other passages from the same article).

But only those who will not see can fail to observe that the above-named difficulties all tend in one direction — the foreign trade monopoly.

There are only two means of escape from the situation thus created, and the situation as it stands cannot last.

The first way is that proposed by the Opposition, a compulsory grain loan from the 10 per cent richest kulak farms, totalling from 150 to 200 million poods. After the needs of the towns have been satisfied, the remainder of this grain is

to be exported, raw materials and machines bought with the proceeds, and in this way there can be produced, within the country itself the additional masses of goods required, to meet the goods shortage in the village and the lack of food supplies in the towns.

Those who reject this way are left with the sole alternative of abandoning the foreign trade monopoly, of resorting to foreign capital for export and import, and of importing foreign goods for the village in exchange for the export of the accumulated reserves of grain. The present majority of the C. C., with its policy of marking time on one spot, is organically incapable of making a timely choice, be it either to the Left or the Right. This irresolution leads to decisions being made at last moments in panicky haste, and then inevitably in the direction of a Right policy.

The Opposition has never at any time or place said that the C. C. has resolved to annul the foreign trade monopoly, to recognise all old debts, etc. The idea of the annulment or modification of the foreign trade monopoly has never been officially mooted, either in meetings or in the press. But in the offices of various authorities, and in narrower business circles, even among communists, a "reform" of the system of the foreign trade monopoly, a "modification" is being referred to with increasing frequency as a necessary prerequisite for the growth of agricultural export and the development of the productive forces of the country (it need not be said, on capitalist and not on socialist lines). The general policy of the C. C. and its objective consequences are stronger than all assurances on paper. The Opposition warns the Party against the impending turn to the Right in the question of the foreign trade monopoly.

What answer do the theses of the C. C. give to the fundamental questions of economy and socialist construction? None whatever. The theses of the C. C. reply to all difficulties as follows:

"The only correct method of removing the above mentioned disproportions is that of reducing the cost prices of industrial production by means of an energetically organised enlargement and rationalisation of industry, resulting in a reduction in the prices of industrial goods; by means of widespread intense methods of land cultivation and the industrialisation of agriculture (by the development, in the first place, of the industries engaged in the first process of working up agricultural products) by means of the greater participation of small savings (interior loans, savings-banks, investments in co-operatives, establishment of co-operative factories and their combination with the credit system)."

In how far does planned economy in practice, as expressed in the Five Years' Plans of the State Planning Commission and Supreme Economic Council, agree with these nebulous directions?

The Five Years' Plan published by the State Planning Commission proposes, for industry, a reduction of 16.8 per cent in the factory prices and an increase of 50.5 per cent in the productivity of labour. The Five Years' Plan published by the Supreme Economic Council proposes a 17.5 per cent reduction of industrial prices (p. 648) and a 50.7 per cent increase of productivity (p. 102). The new variation of the Five Years' Plan of the Supreme Economic Council, not yet published, proposes a 22 per cent reduction of factory prices and a 66 per cent increase of productivity.

Besides price reductions, the Five Years' Plans provide for the following reductions in costs of production: Five Years' Plan of the State Planning Commission 17.7 per cent (p. 155), that of the Supreme Economic Council 16.5 per cent (p. 407), that of the new variation of the Supreme Economic Council 24.4 per cent.

All these Five Years Plans assume that prices remain unchanged as regards agriculture but that the productivity of labour in agriculture increases to the extent of 15 per cent per head of the agricultural population. (Five Years' Plan of the State Planning Commission, p. 12.)

With regard to these proposals it must first of all be observed that the experience of reduced costs of production during the last two years does not justify the hope that this

can be accomplished — under present management. In 1925/26 a 5 to 7 per cent reduction of cost prices was planned, but in reality there was a 1.7 per cent increase.

The directions issued for a 5 per cent reduction of cost prices in 1926/27 remained unfulfilled.

During the first half of 1926/27 the costs of industrial production were not only not reduced, as assumed by the Plan, but they increased by 1.2 per cent. The results of the second half of the year will scarcely be much different. At best the year's reduction may be 1.5 to 2%.

Despite this failure, industry has been induced by the price reduction campaign to lower its prices by about 5 per cent. The result has been a considerable falling off in industrial accumulation. State and co-operative trade, too, have reduced prices, not however with the aid of saving methods and cheapening of the apparatus, but chiefly by means of diminished accumulation.

This means that the whole price reduction campaign is based on administrative pressure, and not on any well thought out system of economic measures. This is the reason why the prices formally fixed have been evaded to an enormous extent.

The official price index figures are an admission on the part of the State Planning Commission itself that:

"the prices of industrial products, fixed under the influence of the policy of price reduction, and of the prohibition against raising the prices of articles of which there is a shortage, do not express the full degree of the disparity between demand and supply in the industrial goods markets." ("Ekonomitscheskaya Shisn." 27th Oct. 1927.)

That is a bureaucratically veiled acknowledgment that in actual practice the mass consumer has not noticed a real price reduction.

At the same time the enormous difference between home prices and world trade prices has increased in 1927 as compared with 1926.

On 1st July, 1927, our wholesale trade prices were two and a half times higher than those of the world market, not to speak of our retail prices, where the difference is greater still. ("Finance and National Economy", No. 42.)

The policy of reduced costs of production and of lowered wholesale and retail prices, with simultaneous increase of labour productivity, is the only policy which can and must be pursued by the Soviet power. The theses of the C. C., however, forget one trifle: the inner contradictions of our economic development, the class situation of the Soviet Union, the conflict of interests between the socialist construction of the proletariat and the capitalist section of our economy.

It is perfectly clear that the prerequisite for the reduction of costs of production and prices must be the re-equipment and erection of factories. But the theses of the C. C. carefully ignore the obvious fact that this prerequisite demands a redistribution of national income, a transference of a considerable portion of this income from the capitalist section of our economy to the socialist, from kulak undertakings to State industry, from the accumulation of the Nepman to the improvement of the material position of the working-class, which is the first premise for increasing the productivity of labour. This has long since been demanded by the Opposition, but it is always postponed to an indefinite future on the pretext that any interference with the kulak and rich peasant will offend the middle peasant.

The theses, in preserving silence on this point, inevitably cast the whole burden of the task on to the shoulders of the working class.

As a matter of fact, the new variation of the Five Years' Plan of the Supreme Economic Council provides for a retrenchment in the costs of production mainly at the expense of stricter standards of output, the expense of lowered outlay on wages (release of employers from obligations for the maintenance of creches, convalescent homes, etc.), and at the expense of a reduction in the percentage of the contribution to social insurance.

But that is not all. The theses of the C. C. refuse to grasp (or at least they do not mention to the Party) that the policy of the reduction of the prices of industrial goods not only means the extension of goods traffic between town and

country and an alleviation of the goods shortage, a desirable and useful achievement, not only the firmer establishment of the alliance with the village poor and middle peasantry with resultant increase of their prosperity, another very great achievement, but at the same time the inevitable creation of more favourable conditions of accumulation for the uppermost kulak stratum of the village. The kulak will exchange his reserves for a larger quantity of industrial goods, and thereby increase his accumulation, that is, his weapons of pressure on the middle and poor peasantry will be reinforced and his importance increased. If the theses of the C. C. had taken this into account, then they should have accompanied their policy of reduced costs of production and prices by a number of measures ensuring that this policy, right in itself, is not exploited by the capitalist elements of our economy.

What is to be done to prevent this exploitation?

There can be no dispute whatever on the fundamental point: We must strive for the systematic reduction of costs of production in industry, and for a systematic reduction of the prices of industrial goods, agricultural prices remaining the same. But this alone does not solve the problem of disproportion. Every Five Years Plan must provide for the systematic and increased transference of hundreds of millions of roubles from the economically powerful agricultural undertakings, especially those of the kulaks, into the reserves of industrialisation, simultaneous pressure being put on the private owner and simultaneous limitations being placed on bureaucracy. If this is not done, then the whole burden of the advancement of industry, as far as the reduction of industrial prices is concerned, will fall upon the working class.

But not one of these Five Years' Plans, nor the theses of the C. C., even raise the question of what is to be done with the enormous accumulations of the rich peasantry, growing from year to year, and aided in its growth by the exchange of agricultural products for industrial products, which are steadily cheapening.

9. Where are the means to be obtained?

To the question of where the means are to be obtained for a courageous, revolutionary solution of the tasks of an actual industrialisation and for a more rapid uplift of the cultural level of the masses, that is, the means for the solution of those problems upon the solution of which the fate of the socialist dictatorship depends, the Opposition replies as follows:

The main source of these means is the redistribution of national income by the proper use of the budget, credit service, and prices. A further source must be opened up in the proper utilisation of connections with world economy.

1. The net grants from the budget for the needs of industrialisation can and must reach the sum of 500 to 1000 million roubles yearly during the next five years.

2. It is necessary that the taxation system should accomplish: a) a real taxation of every description of excess profit gained by private enterprise, bringing in at least 150 to 200 million roubles, and not 5 millions, as at present; b) an impetus to export by means of a loan of at least 150 million poods of corn from the reserves of the rich kulaks, that is, from about 10 per cent of all peasant farms. After the needs of the towns have been satisfied, this corn will render it possible to import additional raw materials and machinery from abroad for our industries.

3. The energetic policy of systematic and constant reduction of wholesale and retail prices, and the alleviation of the disparity between wholesale and retail prices, must be pursued in actual practice in such a manner that the reduction of prices applies in the first place to mass articles of consumption required by the workers and peasants (without the present usual deterioration of quality, already inferior enough), and that this reduction of prices does not rob State industry of its needful accumulation, but aims chiefly at increasing the output of goods and the reduction of the costs of production, the diminution of working expenses, retrenchment in the bureaucratic apparatus, etc.

A policy of factory prices better adapted to the conditions of the market, more elastic, more individualised, according more attention to the market value of separate articles, would enable State industry to retain vast sums now feeding private capital and encouraging commercial parasitism.

4. The economization measures following the appeal made last year by Stalin and Rykov should have yielded three to four hundred millions annually, but in reality it has brought in very little. Economization measures are a question of class struggle, and can only be carried out under the immediate pressure of the masses. And the workers must dare to exercise this pressure. It is quite possible to reduce unproductive expenditure by 400 million roubles yearly.

5. The skilful utilisation of such instruments as the foreign trade monopoly, foreign credits, concessions, agreements on technical assistance etc., can be made to yield additional means, and can at the same time promote the usefulness of our expenditure to an extraordinary degree, fertilise it by technical progress, and accelerate the whole course of our development. Our real socialist independence from our capitalist surroundings would be thereby ensured.

6. The question of the choice of persons — from the lowest to the highest positions — and of the incorrect relations between them, is not in the last resort a financial question. The worse the choice, the greater the expenditure. The right choice and the right relations are frustrated by the bureaucratic regime.

7. The policy of procrastination in our economic management means in actual practice the loss of many tens of millions of roubles; the penalty of lack of forethought, of lack of agreement, of parsimoniousness, of backwardness. For example the fluctuation in the number of workers employed in our industrial trade and other undertakings alone costs our state economy, as has been variously calculated, a half million roubles. (Trade and Industrial News", No. 173. 2nd August, 1927.)

8. The revenue obtained from taxation cannot cover the whole of the growing requirements of national economy. Our credit service must become a more powerful lever for the redistribution of the national income, furthering the building up of Socialism. This assumes, first of all, a stable currency and a sound money situation.

9. A more firm class economic policy, restricting speculation and usury, will facilitate the successful mobilisation of private accumulation in the service of State and credit institutions, and promote a much more effectual financing of industry by means of long term credits.

10. Further considerable means can be made available by the reduction of the enormous costs of circulation, which swallow up almost 19% of the national income as compared with 8.5% before the war, and by the increased circulation of State capital.

1. The sale of alcoholic liquors by the State was originally introduced with the proviso that the greater part of the proceeds was to be devoted to industrialisation, especially to the advancement of metallurgy. In reality the introduction of the State sale of alcoholic liquors has damaged industrialisation. This experiment must be regarded as a complete failure. The State sale of alcoholic liquors represents for the Soviet system not only a minus in private economy, as was the case under Tsarism, but mainly in State economy. The increase of wasted time, of negligent work, the production of inferior goods, the damage to machinery, the larger number of accidents, the fires, hooliganism, etc., cost hundreds of millions of roubles every year. The State industry loses as much through alcohol as the budget revenues gain from it. The cessation of the State sale of alcohol within the shortest possible time (two or three years), will automatically increase the material and intellectual resources of industrialisation.

This is the reply to the question of where the means are to be obtained. It is not true that the rate of industrialisation is being checked on account of lack of means. Means are scanty, but they exist. What is needed is the right policy.

The Five Years' Plans of the State Planning Commission and the Supreme Economic Council must be emphatically rejected and condemned, for they are fundamentally incompatible with the task of "transforming the Russia of NEP. into a socialist Russia".

The distribution of taxation among the different classes must be reorganised; the kulak and the NEP-man must be more heavily taxed, the workers and village poor more lightly. The specific weight of indirect taxation must be lessened. Our monetary unit must be made absolutely stable. The stabilisation of the chervonetz demands, on the one hand, the reduction of prices, on the other, a budget without deficit. The issue of notes to cover the budget deficit is unallowable.

We require a budget based on definite aims, a budget strict and without deficit, tolerating nothing superfluous or accidental.

The budget for 1927/28 must greatly increase the grants for defence (especially for war industry), for industry in general, for electrification, for transport, for house building, and for measures towards the collectivisation of agriculture.

All attacks upon the foreign trade monopoly must be determinedly repulsed. A straight course must be directed towards industrialisation, electrification, and a rationalisation based on the increased technical efficiency of our economy and the improved material situation of the masses!

10. Two Ways.

In our country there are two fundamental positions, one entirely excluding the other. The first is the position of the proletariat, building up Socialism, and the other the position of the bourgeoisie endeavouring to force economic development into capitalist channels.

The camp of the bourgeoisie, and of those strata of the petty bourgeoisie in sympathy with it, are setting all their hopes on the private initiative and personal interest of the producer of goods. This camp stakes its cards on the "powerful peasant", and strives to press into his service the co-operative, industry, and foreign trade. This camp is of the opinion that socialist industry must not calculate on the State budget, which must not be allowed to damage the interests and development of capitalist and kulak accumulation. The struggle for the increased productivity of labour signifies in the eyes of the growing petty bourgeoisie an increased pressure on the nerves and muscles of the workers. In their eyes the struggle for reduced prices means a restriction of the accumulation of socialist industry in favour of trade capital. In their eyes the struggle against bureaucracy means the splitting up of industry, the weakening of the planned economic basis, the setting aside of the interests of heavy industry; in other words, further adaptation in favour of the powerful peasant, with the liquidation of the foreign trade monopoly as an immediate prospect. This is the path of Ustryalovism. This tendency is fairly strong, and influences even some circles of our Party.

What programme would these circles be likely to draw up for the present day? We can say, without danger of being wrong, that this programme would include the following points:

1. Further limitation of the minimum plan of capital investment already resolved upon;
2. Redistribution of these already reduced investments between the production of means of production and the articles of consumption, in favour of the latter;
3. Import of manufactured goods;
4. Use of credit for exercising political pressure on industry;

5. Restriction of the grants from the State budget for industry.

This is the programme proposed by the Kondratyevs of every shade of opinion (Kondratyev is a non-Party economic specialist. Ed.). To them it contains more "vitality" than Bukharin's "forced offensive" against the kulaks and against the capitalist elements in general. The carrying out of this programme would mean the reproduction of the present difficulties on a higher scale, a fresh manoeuvre inclining even more to the Right, a fresh blow at the proletariat and socialist construction.

The second way, the proletarian, is expressed in the following words of Lenin:

"The victory of Socialism over capitalism, and the establishment of Socialism, can only be regarded as secure when the proletarian State power has finally crushed the resistance of the exploiters, and has ensured its own complete stability on the principle of collective wholesale production on the basis of the latest technical advance (the electrification of all economic undertakings). It is only in this way that the technical and social support given to the backward and differentiated village can be made so radical that the material basis for an immense increase in the productivity of land cultivation, and of agriculture in general, can be created and the small holders of land induced by the force of example, and by the advantage to themselves, to pass on to collective mechanised agriculture on a large scale." (Resolution passed at the 2nd Congress of the Comintern.)

This is the point of view upon which the whole policy of the Party must be built up (budget, taxation, industry, agriculture, home and foreign trade, etc.) This is the fundamental standpoint of the Opposition, and this is the way to Socialism.

It is between these two positions — but always approaching more closely to the first — that the line of the Party leaders has run during the last two years. There have been brief inclinations to the Left and lengthy ones to the Right. Neither the "sharp turn" announced by the newspapers nor the theses prepared by the C. C. for the Party Congress secure in the least a really Leninist policy for the Party. In spite of the "turn" promised on paper, fire continues to be directed more sharply against the Left, and not against the Right.

Nevertheless, although the situation is strained, and has been rendered more so by the grave errors of the present leaders, it is not irretrievable to save it. But the line taken by the Party leaders must be altered, and very definitely altered, along the lines laid down by Lenin.

In order to organise the correct distribution of national income in the interests of a more rapid development of the productive forces, in the interests of the proletarian dictatorship and in the interest of socialist construction there is necessary in the first place:

- a) that the slogan of "fire against the Left" be rejected;
- b) that the Party grasp and proclaim that the danger threatens from the Right, that is, from the growing bourgeois classes in town and country, and from the Ustryalovian and semi-Ustryalovian elements supporting these both inside and outside of the Party;
- c) that none of the threatening dangers be concealed from the Party;
- d) that the agitation against the Opposition, which Opposition calls upon the Party to organise the proletarian defence against the growing bourgeois and bureaucratic danger and to make known to the whole Party the platform of the Leninist-Bolshevik (Opposition), cease.

For the Leninist Line in Economic Policy.

The Strike-Breakers of Today and the "Counter-Theses".

By D. M a r e t z k y (Moscow).

1. Preliminary Remarks — Discussion — The "Discussion Supplement" — Secret Sins of Oppositional Strategy.

We have before us the Trotzkyist "counter-theses" to the Five Years' Plan of national economy. The Trotzkyist Opposition would have failed to be true to itself had it not taken this opportunity of "mentioning" that the defeat in China is to be attributed "to a very great extent" to the "opportunist policy of the C. C.", did it not attempt to discredit beforehand the selection of delegates to the 15th Party Congress, did it not remind us once more — how often has it reminded us already? of that "Enrich yourselves", and did it not adopt thereby the pose of misunderstood virtue, hunted and persecuted, not given space for its views in the "discussion supplement", unjustly treated in a "one-sided discussion", and so forth.

The Party, and the Opposition itself, are, however, very well aware that the documents of the Opposition have been given publicity to an extent out of all proportion to the actual importance of the Opposition in the Party (0.7%!) that the views of the Opposition have been printed in spite of the "heroic deeds" of the Moscow Technical College, despite the anti-Soviet street demonstrations of the Opposition, and despite the fact that the oppositional documents are invariably proclamations to the enemies of the Party, and as such are snapped up at once by the White-Guardist Press. And on the other hand the reason is very clear why the discussion before the Party Congress appears so "one-sided" to the Opposition. The "result" of the discussion is crushing for the Opposition. Out of 364,000 Party members, 2423 have voted for the Opposition, 360,784 for the Party (position on 16th Nov.) The defeat of the Opposition is especially crushing in the proletarian nuclei. The members of the Party in such large works as the "Krassniy Putilovetz" (the Red Putilov Works), and the "Krassniy Treugolik" (Red Rubber Works Treugolnik) received the oppositional strike-breakers "with bayonets". (Or will the Opposition perhaps declare that the Putilov Workers are followers of Ustryalov", "careerists", "cowards", who must go and take lessons from such October "heroes" as Zinoviev.)

Although the Trotzkyists are not badly informed on the actual situation, they take care, for comprehensible reasons, to avoid any statements regarding their "successes" in the workers nuclei. Precisely because the Opposition has encountered flat rejection in the workers nuclei, it is the more anxious to cover its tracks as diplomatically as possible in the "counter theses" (both in the question of agricultural policy and in the question of the Five Years' Plan). Therefore the oppositional counter-theses wisely gloss over the most important, severest, and most insolently Menshevist accusations which have been thrown in the face of the Party. What has become of those "peppery tit-bits" hitherto dished up by the Opposition — the charge of Thermidorian degeneration, the accusation that counter-revolutionary Thermidorian power reigns in the U. S. S. R.? Where are the "Bonapartist measures taken by the leaders?" (Trotzky's declaration at the Presidium of the E. C. C. I.), where the accusation that the members of the C. C. of the C. P. S. U. are infected with Fascism? What has become of the rationalisation as means of "casting overboard the workers?" (platform of the Opposition). Where is that libellous thesis: "the C. P. S. U. is being strangled", or that other example of oppositional jargon, "the C. P. S. U. is a prison?" Up to the present not one of these dirty accusations has been withdrawn by the Opposition! And when they are carefully left out of the theses, the object of this ambiguous strategy is as plain as twice two are four.

The official counter-theses submitted to the court of the indignant Party and the 15th Party Congress prefer to refrain from displaying all the oppositional menshevist wisdom. The

heavy artillery (Thermidorians, Bonapartists, Fascists) is reserved for the street, for attacks outside of the Party. The modest "plan" of the leaders of the Opposition is to polish down the "rough edges" as far as possible for the benefit of the Bolshevik workers, and even to adopt the pose of innocent martyrs ("we are persecuted"), in order to be able to bombard the C. P. S. U. the more severely with Menshevist shells from the street, from the non-Party direction.

2. Theses and counter-theses. — Some Methods of "criticism" — Everything is Admirable with the Bourgeoisie, Wretched with the Proletariat — The Consumption per head — The prices — The "Manifesto".

However much the Opposition evades clear and open formulations and prefers elastic phrases and insinuations, and however much it may endeavour to induce the reader to come to "sinister" conclusions, still it becomes self-evident to every attentive reader of these theses that they are, at bottom, nothing more nor less than an economic substantiation of the strike-breaking political attitude of the Trotzkyists of today.

It is only necessary to compare the theses and the counter-theses with one another, however superficially, to be convinced of this.

The theses on the reports of Comrades Rykov and Krshishanovsky at the 15th Party Congress (published in the "Pravda" of 25th October) lay down decisive directions for the draft of the Five Years' Plan of national economy. They contain the principles of the course of economic policy to be followed by the Party during the coming period. The concrete Five Years' Plan for the development of the economy of the U. S. S. R. will be worked out and elaborated in strict accordance with the principles of the C. C. — and of the Party Congress, should the lines laid down be confirmed by the latter. The lines here laid down by the C. C. in the form of theses are based on a perfectly definite estimate of the "results and prospects of the building up of Socialism", as judged by the special social and class content of our ruling economic key positions. In all important and fundamental questions of the economic plan the theses set the economic organs definite and exactly formulated tasks (in the question of the rate of development of economy in their totality, in the question of relations to the world market, in the question of the dynamics of the relations between town and country, in the question of industrialisation policy, of the policy of the systematic development of the heavy and manufactured goods industries, of the effect of capital investment on the price policy, in the question of credits and the redistribution of national income, of the overcoming of difficulties, of unemployment, of house building funds, etc. in the question of the policy of the class struggle against private capital and the kulak — big peasants — in the question of the rôle played by the mass organisations in solving the problems of socialist rationalisation, etc.).

No doubt the theses can be called in question, and each separate one of them can be made the subject of rational discussion. But this is not the method of the Trotzkyist Opposition. Its comprehensive "counter-theses" simply ignore the purport of the lines laid down by the C. C., and does not even consider it necessary to subject these to examination. The Opposition thinks that it has done its duty when it counters the theses of the C. C. with such rhetorical flourishes as: "Good resolutions before the Party Congress", "A collection of vague wishes", "Nebulous and indefinite directions in the form of theses", "Platitudes". The reproach of "demagogy" is even made with some frequency, and a variety of similar unsubstantiated accusations brought forward. But the Opposition

makes no effort to confute even one point of the theses of the C. C. It would seem that it has nothing whatever to say on the actual matter in hand.

In place of this, the Opposition exerts every effort to point out that water is wet, fire burns etc. It "investigates" the present economic situation with the utmost thoroughness (of course for the purpose of proving that it could not possibly be worse), and it tries to pull to pieces a definite Five Years Plan, although such a plan has not yet been finally decided upon by the C. C.

The Opposition expends much powder in "criticising" the existing Five Years Plans, picking out disconnected principles here and there ("as required"), and applying the following simple method: when this or that systematic calculation and direction appears to it to be "exaggerated", or this or that figure too high, it declares this to be "bureaucratic optimism — helping the enemy". If, on the other hand, this or that figure strikes it as "inadequate", as too low, then it flies to the opposite extreme of "miserliness". In a word, if we do not peg our claim far enough, this is inexcusable: "You are working against Socialism". If we peg out too much, this is again inexcusable: "Your are helping the enemy", "you are bureaucratic optimists", "demagogues". It is plain that it is impossible to please such "critics".

All these tricks are, however, of very secondary importance, though truly this evasion of the main point, this criticism of a plan not yet resolved upon, and this simultaneous accusation of "demagogy" and "miserliness", do not throw any very favourable light on the Opposition. But the political import, the "decisive sin" of the oppositional "counter-theses", and also of all the actions and the whole attitude of the Trotzkyist party, consists of the fact that it serves solely for the substantiation of ideological strike-breaking.

"With the bourgeoisie everything is excellent, with us everything is bad. With the capitalists everything is brilliantly prepared, with the workers everything is bad." (Lenin.)

The "blatant pessimism" of the strike-breakers exposed and ridiculed by Lenin, is transferred by them from the situation obtaining in October 1917 to the situation in 1927. On the former occasion they were the strike-breakers of the proletarian insurrection, and today they celebrate October as strike-breakers of socialist construction. Today again we hear the echo of the refrain: "With the bourgeoisie everything is excellent, with the workers everything is bad", and this refrain remains the leit motif of the oppositional music, whether in its theses, in its speeches, in the street, and in the nuclei.

Let us see how the chessmen are "arranged" on the chess-board of the Opposition: the international bourgeoisie is getting along excellently, but the U.S.S.R. very badly; the capitalist United States managed to generate more electric current by 1923 than the Soviet Union will have accomplished by 1931; in the U.S.S.R. the kulak and the NEP-man are swelling to an enormous size, they are advancing rapidly, the workers retreat before them; the "NEP-man's rouble" is routing the "proletarian copeck" (we recall, however, that Trotzky — once upon a time — uttered impressive sentences on the socialist rouble?); the pressure of the "non-proletarian classes increases", whilst the leaders of the proletarian dictatorship are leading us into the "greatest catastrophes" by their policy; "the dependence of State economy on the usurious peasant capitalist elements increases"; the growing "kulak elements combine with their capitalist complement in the towns to frustrate the economic plans of the Soviet power". The NEP-man, kulak, and bureaucrat, are successful; the proletariat has nothing but "losses" and "liabilities", both in international and internal affairs, everywhere, in the markets, the schools, the theatres. Even the manifesto of the C.E.C of the U.S.S.R. is no achievement, but merely an "anniversary celebration surprise", a red "Easter egg" for presentation to the Party Congress. How is it possible to do anything else than desert if one has such an opinion of the situation?

On the other hand, we must observe in what proportion and form the "successes" of the proletarian State are "recognised".

99.9 per cent of the oppositional "counter-theses" "show" that the NEP-man, the kulak, and the bourgeois are in cloyer, but with the worker everything is bad. In 0.1 per cent of the cases (a smaller percentage than that of the following of the Opposition in the nuclei) the "achievements" are reluctantly admitted. But in what a form! The admission is more a grudging grumble than anything else. We read for instance:

"As a result of the decade's work we have not only economic successes to record (as if these were people who were of the opinion that we should have only economic successes to record. D. M.) such as: the steady increase of the production of State industry, increase of amounts invested and of new industrial plant, extension of the exchange of goods between town and country, accompanied by the absolute and relative growth of the co-operatives and of State trade — but at the same time an undoubted increase of the difficulties of a socialist nature."

This is the only passage which admits success, and even from this it is impossible to say whether we are to conclude the balance to be favourable or adverse. Or the following play upon words:

"... More than one fifth of the total returns of trade and industry have fallen to private capital during the last few years. Up to the present the masses of the consumers have received more than 50 per cent (?) of necessary products through the hands of the private dealer."

(But what are the dynamics of development? How were matters formerly? Not a word is said regarding the fact that the share of the private dealer lessens from year to year. Even the class enemy Milyukov admits this, but the strike-breakers are ashamed to mention it. It would strike a discord in their pessimistic "harmony", interrupt their refrain of: With the bourgeoisie everything is excellent, with the proletariat everything is bad").

"The rôle played by private capital is equally great in industry. Even though (how delightful it sounds, this "even though". D. M.) it has decreased relatively, of late, absolutely it has increased."

Here again the emphasis is placed on the absolute growth ("everything is bad"), and not on the relative decrease, although it must be obvious to everyone that in this case the relative values, showing the comparative forces, are more important than the absolute.

The lack of political principles on the part of the Opposition is most clearly indicated in the question of the consumption per head, and of capital investment. The Opposition executes the wildest of demagogic dances on the "standards of consumption per head". We — please note — have scarcely attained the "tsarist" pre-war consumption. (This is again the typical strike-breaker move: the Opposition deliberately exaggerates the "tsarist" standards in its calculations, it subtracts from the present figures, passes over in silence the fact that the former standards per head cannot be blindly applied to present circumstances (the tsarist standards included the huge consumption of the large landowners and capitalists). In the United States — shrieks the Opposition with angry voice and multiple notes of exclamation — seven times more electric current was generated in 1923 than we shall generate by 1931. This heartrending "sensation" is again hurled at the C. C., although everybody knows that the Opposition does not possess the key to the secret of how with us seven times more current is to be generated in 1931 than in America, and although in 1925, at a time when we were consuming only one half of the amount of electric energy now produced, Trotzky was "listening to the music of growing socialism".

The dance of the Opposition around the "standards of consumption per head", and its play on the strings of consumer psychology, are, however, not its only weapons. The Opposition continue to boast with the utmost calmness of its very own patent "super-industrialism". It, the Opposition, stands for the highest standards of capital investment, for a maximum consumption ("Consumption per head"). It is further in favour of simultaneous maximum accumulation (the investment of real values in extensive equipments the profits of which are not immediately realised by the consumer). The theses of

the C. C. deal with this question and solve it on the optimal line of the proportionate development of the heavy and finished goods industries, by which the interests of growing industrialisation and the increased consumption of the workers and peasants are combined. The "counter-theses" of the Opposition palm us off with the "convenient" method of lying and unprincipled demagogy on both points (production and consumption). Altogether, the Opposition is thoroughly in favour (in words) of the "maximum". It stands for maximum consumption, for maximum accumulation, for maximum this and that, and so forth. In fact, it stands for the policy of all-round "soft-soap".

The hypocrisy and unallowableness of attempting to set up the standards of consumption per head as an immediate criterion of the success of socialist advancement is realised at once when this question is considered in its connection with that of the foreign trade monopoly. If we approach matters after the fashion of the Opposition, if we regard matters solely from the standpoint of the interests of consumption per head, then it is simplest to part with the foreign trade monopoly at once. This done, the standard of consumption per head will soar upwards for the time being (with the consequence that our country will fall immediately afterwards under the colonial yoke of the imperialists). In other words, the greater the zeal and demagogy with which the Opposition raises its outcry on the "low standards of consumption per head", the more it unfetters and aids those usurious instincts which are striving to undermine our foreign trade monopoly. And yet the Opposition has the impudence to insinuate that the "Party leaders" have the intention of liquidating the foreign trade monopoly!

The theses of the C. C. and numerous other official Party documents contain an analysis and valuation of the oppositional policy of raising factory prices. This policy was advocated by the Opposition until recently (up to the February Plenum of the C. C. in the present year, at which the Opposition executed various secret manoeuvres in regard to "changing opinions"). It has never renounced this policy, nor acknowledged any of its errors in the price question. The Opposition has never, in any document, renounced either the idea that the village is a "colony" to be "exploited" and "pumped out", nor the idea that "the policy of raised prices must be carried out with a determined hand" (W. W. Smirnov, personally and by proxy), nor the Trotzkyist price policy as such, a policy strengthening the class enemies of the proletariat and aggravating unemployment. On the contrary, the Opposition has systematically smeared over, cloaked and concealed these errors. Even in the "counter-theses" (when dealing with the "individualisation" of price policy) it leaves itself a back door for the policy of raised prices. The Opposition, whilst inscribing such a policy on its banner for the XV. Party Congress of the C. P. S. U., still imagines that a connection exists between it and the "proletarian core" of the Party.

Now a few words on the manifesto of the Central Executive Committee. Here the Opposition has disgraced itself more than ever. It voted against the manifesto — it is needful to recall this, since this "trifle" has been overlooked in the counter-theses — excusing itself for doing so by a variety of confused and contradictory arguments. Yevdokimov voted against the manifesto because it says nothing about events in China. Zinoviev voted against the manifesto because it is inadequate (it may be asked why this is a reason for voting against it). Trotzky voted against the manifesto because it is only a "manoeuvre" which he, Trotzky, does not care to support. He obviously prefers to execute manoeuvres of a different kind. And now the Opposition declares in the "counter-theses", as a supplementary objection, that the point of the manifesto with regard to the seven-hour day is unacceptable because it is not defined sufficiently "clearly, definitely, categorically". Truly! The indefiniteness of the manifesto consists of the fact that it states: the transition to the seven-hour day must take place "in a year at latest". What is really unclear is the standpoint of the Opposition. When are we to go over to the seven-hour day? At once, next year, in two or ten years, or not at all?

The Opposition cannot possibly excuse its disgraceful policy of vacillation in the seven-hour day question by a reference to Comrade Bukharin's declaration at the 15th Party Conference that the bourgeois Menshevik parties — were they to exist legally in the U. S. S. R. — would demand the introduction of

the seven-hour day for their own demagogic purposes. Had the bourgeois Menshevik parties demanded the immediate realisation of the seven-hour day a year ago, this would have been a counter-revolutionary manoeuvre on their part. But when the proletariat of the U. S. S. R., in its 11th year of the October Revolution, begins to go forward to the seven-hour day, this is a great revolutionary achievement. The cause of the Trotzkyists must have fallen into a sad condition if they have even forgotten how to make such distinctions. They must be already up to the neck in the Menshevik bog if they are capable of seizing this occasion of the manifesto — this greatest achievement of the proletarian dictatorship in 10 years — for joining in unison with the international bourgeoisie and the 2nd International in a chorus of derision. (Trotzky: "manoeuvre", "a tricky policy", "Counter-theses: A mere 'red Easter egg' for presentation to the Party Congress. Vorwärts: "A deception of the workers". English and French reactionary press, "Times" and "Temps": "Lamentable illusions", "empty promises").

3. Have we become stronger or weaker? Are we advancing towards Capitalism or Socialism? The Opposition in power. "Important conclusions".

The oppositional "counter-theses", whilst asserting persistently that the theses (directions) of the C. C. are "nebulous": systematically avoid (in spite of their, in a manner of speaking, solid "specific weight"): a direct reply to the question of our economic development, the one question decisive for every proletarian revolutionist: is the final result of these ten years, and of the last few years, of proletarian dictatorship, taken on the whole, the strengthening or weakening of this dictatorship? The "counter-theses" devote 99 per cent of their space to "proving" that it has become weaker.

"If the power of the kulak, the NEP-man, and the bureaucrat is really 'relatively decreasing', and the powers of the proletariat growing, then why is it necessary to alter the course, that is, to issue the new slogan of pressure, and even forced pressure, on the bourgeois strata? Is not the situation completely reversed?" ("Counter-theses".)

This "astonished" question once more shows the blind alley into which the Trotzky idea has landed. The Party is of the opinion that the free traffic in commodities, combined with the increased powers of the proletarian dictatorship, have reached a point rendering the forced class-conscious economic offensive against the bloc of NEP elements in town and country both possible and necessary, and that our socialist economy (developing more rapidly than private capitalist economy) have every chance of success and victory in the struggle against private capital. We are marching forward, and we must march forward, since we are stronger.

To the Trotzkyists the pressure on the kulaks and NEP-men appears as a convulsive gesture against those who "have the whip-hand" over the proletarian dictatorship (the Trotzkyist theses already contain insinuations on a "double power"), as a "superhuman" manoeuvre, as an adventurous offensive on the basis of growing "impotence". The Trotzkyists do not seem to be able to grasp that the proletariat, working confidently towards the realisation of Socialism in our country, can and must force the offensive now that its growing powers enable it to do so.

The root of the differences of opinion between the Trotzkyists and the Party, the root of the whole oppositional idea, is the supposition — if we follow to its logical conclusion the Trotzkyist estimate of our revolution and of the comparative class forces, — that we cannot but become weaker, that we are bound to "fall short" of our aims, that we are inevitably certain to tend towards capitalism, and not towards Socialism. It is impossible to build up Socialism "without the State assistance of the West European proletariat", in other words, victorious socialist construction is impossible for us. The whole dynamics of our revolution are bound to incline towards capitalism owing to the delayed victory of the world revolution. It is therefore inevitable — and solely a question of time — that the C. P. S. U. and the Soviet power should tread the notorious downward path towards "Thermidor", so that the "downfall", the "catastrophe" arises out of the inherent nature of the October Re-

volution itself. This closes the disastrous circle of Menshevist-Trotskyist logical premises and conclusions. "There is no salvation", "We are sinking", declare the Trotskyists, as a justification of their despicable strike-breaking, and, like rats "desert the sinking ship of proletarian revolution".

Logically considered, the "decline" of proletarian power is inevitable in any case according to Trotsky and Ustryalov, quite independent of the bearers of this power. Should that happen which not even Zinoviev has dreamed of, and the Opposition itself should come into power and take the rudder in its hand, then the very Opposition would just as inevitable undergo a transformation — what, yet another! — and become Thermidorians! Zinoviev would be as little able to master the kulak danger" sent by the devil himself, or to "give a horse to the peasant who has no horse". The most he could do would be to report "honestly" year by year to the Committee the extent to which the C. D. S. U. had fallen further into the hands of the kulaks, since this state of affairs is rendered inevitable by the NEP. Comrade Kamenev would dutifully retrace his steps along the track of the NEP. — for the NEP. is retreat. The "thorough" Comrade Smilga, with despair in his heart, would be logical enough to record the "dynamic curves" of our decay as rendered inevitable by our technical and economic backwardness. For this "decay" is unavoidable, if help does not arrive from outside. Even Trotsky would majestically lead our Party and its leaders through a "deviation" towards Thermidor, since this is our inevitable fate as the victory in other countries, is "delayed".

Happily, the proletarian revolution is strong enough to ensure the triumph of very different prospects than these. In reality we are becoming stronger, we are marching forward, not retreating; we are systematically securing the position of Socialism. We are building up Socialism, and shall build it up victoriously — in spite of the resistance of the NEP-men and the kulaks, and in spite of the desertion of the former "leaders". The course of the Bolshevist Party has been, is, and will remain the course of the policy of Socialism, no matter how many pails of dirty calumnies the Opposition may empty over it.

The authors of the "counter-theses" try to hide their heads in the same like ostriches, and to "tone down" the bad impression made by some of the more vile passages in the utterances of the Trotskyist leaders at the October Plenum of the C. C.:

"The Opposition has never, at any time or place, stated that the C. C. is resolved to abolish the foreign trade monopoly, to recognise the old debts, etc." If such tendencies have existed, then only, "in the offices of certain authorities, and in narrow business circles ..." (Counter-theses).

Let us examine into the matter more closely, and see if it is as idyllic as it has been described to us. Let us approach the "holy of holies", the great platform of the Opposition. Here we find, in the chapter on "The most important conclusions", the following passage:

"The circles around the leading majority, influenced by the Anglo-Russian rupture and other inner and international difficulties, are considering "plans" to somewhat the following effect:

1. Recognition of debts; 2. the liquidation of the foreign trade monopoly to a greater or lesser degree; 3. the abandonment of China, that is "temporary" renunciation of aid given to the Chinese revolution and to the national revolutionary movement in general; 4. the execution of a Right "manoeuvre" serving to extend the NEP., farther. At this price it is hoped to avoid the danger of war, to improve the international situation of the Soviet Union, and to remove (or weaken) the inner difficulties. This whole plan is based on the assumption that the stabilisation of capitalism is secured for decades ahead.

In actual practice this would mean more than a "manoeuvre"; in the present situation it would be tantamount to the complete capitulation of the Soviet Union; a retreat through the "political NEP.", the "Neo-NEP.", "back to capitalism".

Thus we observe that that which the "counter-theses" maintain the Opposition never stated, at any time or place, figures in the platform as the "most important conclusion". In the "Counter-theses" the idea of the "modification" of the foreign trade monopoly hides its head in obscure corners of office and business circles but in the platform the circles around the leading majority are full of the idea of liquidating the monopoly. More than this, in the platform the C. C. "abandons China"; recognises the "old debts", undertakes a "Right manoeuvre" (are we to understand under this the manifesto, the seven-hour day, the offensive against private capital?). It is of little use to mention that the authors of the platform do not themselves believe in these despicable calumnies. The Menshevist Opposition requires this boundless mendacity, for its aim is to throw mud at the C. C. at any price. The "most-important conclusions" are at the same time an unexampled scorning of the Bolshevist worker: "He will swallow anything", will doubtless believe some part of the calumny, will believe that the Party leaders intend to carry out the plan of "capitulation of the Soviet power".

And this is what the Opposition calls "being persecuted"!).

4. "Catastrophes" and Annihilating Results". — The "Third Power".

The Opposition has never been sparing with distant rumbles of thunder. The Five Years Plan of national economy, although not yet finally drafted, and confirmed neither by the C. C. nor the Party Congress, is already declared to be a "plan of the greatest catastrophes and convulsions". Utterly "destructive" and "annihilating" conclusions are drawn in advance. Zinoviev and Kamenev, when playing the part of strike-breakers in 1917, shrieked of "catastrophe". When Trotsky equipped himself in 1923 to "save the Party", he declared that the country was "going to ruin". When the new Opposition appeared on the scene it cried out with full force as to the "decline" under the blows of the kulak. And since that time the whole Opposition has spoken almost every month of the "Life and Death" of the Party; it announced the "ruin" of the Party, of the country and of the Revolution. When, on the 16th October, 1926, it made a false oath, it likewise crossed itself before the "catastrophe". Today the Trotskyist Opposition conceals its shameful flight from the Revolution with hysterical "cries of catastrophe". It believes that with such stale goods as these it will be able to make an impression on the workers!

The oppositional authors of the "counter-theses" strive in vain to deny all connection with that "third power" which the strike-breakers, in estranging themselves from the Party, are pressing more closely to their breasts. The "counter-theses" even try to create the impression that the "third power" fears the Opposition. But for this the Opposition of course brings no proofs, facts, or quotations, and cannot do so, for the plainest answers have already been given to the following questions:

Who was delighted at the attempt of the Opposition to arrange a street demonstration against the 7th November, and who is dissatisfied that this attempt failed?

On whom is the "Vorwärts" and the "Socialistischeski Vestnik, now lavishing extravagant praise?

Whose speeches are being published verbatim in Milyukov's "Possledniye Novosti"?

Who urges the Opposition into illegality and street action?

Whose judgment on the manifesto coincides with that of the Opposition?

*) After this how futile the oppositional demand for the publication of its platform appears. For the self same reason that it is published by the Mensheviks, it is not published by the Bolsheviks. For the same reasons that the oppositional platform is published in the "Vorwärts" with the pronouncing title of: "The truth about the workers in the U. S. S. R.", it does not appear in the Leninist "Pravda". The truth of the Opposition is the truth of the "Vorwärts". This is the touching sign of the times, the real "Easter egg" (but not tinted red!) which the Opposition has been hatching out during the last few months.

Alas! The replies to these questions are only too comprehensible. How could capitalist elements possibly be dissatisfied with the "activities" of the Opposition? Is the Opposition not shaking the pillars of the proletarian dictatorship? The "criticism" of the Opposition originates in the ideology of the bourgeoisie. Zinoviev bombards the Central Committee with Ustryalov's "guns", a fact which Ustryalov is kind enough to confirm personally. The bourgeoisie has been talking about the "catastrophe" long enough, and is glad to hear the Opposition join in. The bourgeoisie has always "laughed" at the idea that we could build up Socialism in our country — and the Opposition laughs too.

The differences of opinion between the Party and the Opposition have reached their culminating point. The "impossible" is happening before our eyes. At one time many other things appeared equally impossible. One would rather have expected the camel to go through the needle's eye as Zinoviev

to land in the lap of Trotzkyist Menshevism. But so it has happened. Zinoviev has squeezed through. Led by Trotzky, the oppositional sect now hastens into the camp of the enemies of the C. P. S. U. and of the proletarian dictatorship. The Trotzkyist leaders have formed a second party under the flag of the "Ustryalov Theory" and refuse to dissolve it. On the pretext of combating Purcell and Hicks, they range themselves along side of Abramovičsch. Under the mask of "true internationalism", they crown Maslov's international "August bloc". They swear by Lenin's "testament", the while they carry on their illegal machinations in the country of the proletarian dictatorship. They raise the alarm at the "Right manoeuvre", delighting the Philistines with comic opera counter-demonstrations. Thus Trotzkyism "withdraws" amid the crackling fireworks of hollow phrases, and thus the strike-breakers take their places on the "other side".

The "Starting Point".

By E. Goldenberg (Moscow).

I.

The estimation of the "starting point" of the Five Years' Plan is synonymous with the estimation of the results of the economic policy of the Party. The level of development of productive forces attained by national economy, and the extent to which these forces are included in our planned economics determine for a long time ahead the possibilities and degree of further advancement. What does the chapter of the oppositional counter-theses devoted to this estimation represent? For the moment we may lay aside the fact that the whole of the statistics employed have been falsified from top to bottom in the most unscrupulous manner, and that the whole argumentation of the Opposition consists of a mixture of deliberate misrepresentations and Menshevist demagogy. The whole method of approaching the question, the whole train of argument, bear eloquent witness of the ideological barrenness of the Opposition, of its utter incapability to conduct a fundamental and thus fruitful discussion.

The estimate formed of the starting point is above all synonymous with the estimate of the specific weight of the socialist elements in our national economy in general, with the estimate of the rôle of our key positions, with the estimate of the rate of industrialisation and its results, of capital investment and renewed building activity, and of the analysis of the class differentiations proceeding on this basis. The oppositional counter-theses contain nothing of this kind. The Opposition would like to replace discussion on fundamental questions of economic policy by cheap speculations on the fluctuations in economic prosperity, arising solely from such difficulties and hindrances as the change of the seasons bring with it. The Opposition erects its "economic platform" on the slippery floor of assumptions trumped up out of monthly, or at best quarterly, surveys. This it names a "far-seeing policy".

What is really the subject of that part of the "counter-theses" entitled the starting point? The "queues" before the shops in the towns, the course taken by the grain campaign (whereby special emphasis is, of course, laid on the buying operations in September), and finally the increased issue of notes in the fourth quarter of the past year. If we add a few amazing declarations on the "decrease of credit resources to almost one third", then we have exhausted the whole arsenal of oppositional argumentation with regard to the estimation of the initial situation, the "starting point".

There is but little powder left in the oppositional powder magazine. And even this miserable residue is extremely damp. It is true that only a few weeks ago "queues" stood before the shops in the large cities. But now they are to be seen no longer, and with their disappearance that which the counter-

theses adduce as the "most graphic sign of the collapse of the official optimism of the People's Commissariat of Trade" has lost both its graphicness and its actuality. The Opposition simply makes itself ridiculous by calculating on renewed interruptions of supplies in spheres where the difficulty in satisfying all demands has already been completely, or almost completely, overcome. To depend as evidence on "queues" which no longer exist is not only a foolish method, but bad luck.

And precisely these "queues" were indispensable for the authors of the counter-theses as proof that we have not yet satisfied the goods shortage, but are on the contrary letting it grow from year to year. The Opposition simply has to prove this, however much facts may contradict it. **Although** the production of means of production increases more rapidly than the production of articles of consumption, **although** milliards are expended in capital investment, **although** wages are being systematically increased, and **although** the prices of goods are being reduced, still we are able to diminish from year to year the "scissors" between effective demand and goods supplies. Last year (1926/27) the supply of industrial goods rose by 11.4%, whilst the purchasing capacity of the population rose by 7.3%. The "control figures" issued by the State Planning Commission for the current economic year (1927/28) provide for a further increase in the demand for industrial goods to the extent of 5.1%, accompanied by a 7.7% increase in supplies. (Control figures Russian edition, p. 234.)

The Opposition, when chattering about the "aggravation" of the goods shortage, makes no attempt to contest or refute these figures. It resorts to a cruder method of hiding the actual situation. The fact of the matter is this: the period of maximum demand (at the beginning of the sale of the new crops) does not coincide with the period of maximum supply. The sum total of purchasing operations is extremely unequal in the different quarters. According to the statements of the People's Commissariat of Trade the buying operations have been distributed as follows (in 1926/27) over the different quarters:

1st quarter	2nd quarter	3rd quarter	4th quarter	Whole year
29.4	22.9	21.9	25.8	100

This year the distribution will probably be somewhat similar. A certain increase in the demand for industrial goods in autumn is quite unavoidable, and has nothing catastrophic about it. To this must be added that this year the customary increased autumn demand has been further enhanced by the danger of war. The autumnal aggravation of the goods shortage does not go beyond the bounds of the general annual average, and affects still less the general annual result. It is

only deliberate and malicious falsification which can speculate on the increased autumn demand (increased more than ever this year by the war danger), and express their malicious joy on the "complete collapse of that triumph of the People's Commissariat of Trade which has been promised by the official optimists".

The next argument of the counter-theses deals with the grain campaign. Without giving any figures or sources of reference the theses simply assert that in the economic year 1926/27 less grain has been bought from the market than last (1925/26). This assertion is a flat untruth. During the first eleven months of the economic year 1926/27 22 per cent more of all grain sorts were bought up than during the first eleven months of the previous economic year, the increase for wheat being actually 37.7% and for rye 54.22%*).

The authors of the counter-theses, having little success with the results for the whole year, seek to plunge the "Thermidorians" of the C. C. into the deepest embarrassment by a comparison of monthly surveys. Pay proper attention, and you will observe that the complete collapse of the economic policy of the Party is proved by the fact that:

"since the beginning of September the situation in the grain market has worsened noticeably. The sum total of purchases is falling off, and is at the present time 10 per cent beneath the average for last year."

Here again the oppositional counter-theses falsify the figures in their usual manner. In the first place the quantity of grain purchased between the beginning of the campaign and the 21st October amounted to 3,153,000 tons as compared with 3,355,000 tons during the same period last year**) a decline of 6 per cent, not 10. In the second place the situation in the grain market can only be properly estimated if we take into consideration that despite a slight falling off in purchases the buying prices still sink. For wheat: from 665 copecks to 623 copecks per cwt., for rye from 456 to 443 copecks per cwt. In the third place the 6 per cent decline has been at the expense of only three districts: Siberia, Kasakstan, and North Caucasus. In the Ukraine the results surpass those of last year by 25 per cent, in the central Black Earth district by 53 per cent, in the Tartar republic by 350 per cent, etc. And finally, in the fourth place, the smaller quantities bought up from the districts of Siberia, Kasakstan, and North Caucasus is due to a certain extent to the irregularity of the crops in these districts, and even more to the bad roads, which last disadvantage will doubtless be overcome in the near future. In this case the Opposition is arguing against the C. C. with bad roads, and these will disappear as the queues have disappeared. And what will then remain of the arguments of the Opposition? The reference to the increased issue of notes in the fourth quarter of last year has as little validity as the first two "proofs". Let us suppose that this was overdone. What then? Then it must be corrected. The very next months will doubtless see this correction accomplished. But in what sense, from what aspect, and from what point of view can we conclude herefrom that the economic course of the Party is wrong? And what has the "starting point" for the Five Years' Plan to do with it?

These are the three fundamental "arguments" of the oppositional estimate of the starting point. We have no reason to devote more time to the analysis of the remaining arguments, or to deal in detail with such remarkable pearls of wisdom as the following:

"The resources of the credit system (note issues and current accounts) declined in 1925 to almost one third of those of the previous year, and in 1926/27 this decline increased."

In the first place, this assertion does not correspond with facts. Between 1st October 1924 and 1st October 1925 the total balance of the credit system rose from 2412 million roubles to 5343 million roubles; between 1st October 1925 and 1st Octo-

ber 1926 to 6412 million roubles; and finally between 1st October 1926 and 1st July 1927 to 8175 million roubles.

Thus the alleged falling off in the resources of our credit network, and that down to one third (!) is only one of the customary lies of the Opposition. The grain of truth contained in this falsehood is obviously the fact that the resources of the note issues for our credit network have diminished. But it is at this point that the authors of the oppositional theses have made a great blunder, for whilst on the one hand they raise a lamentation over the dangers alleged to threaten the chervonetz, and against the excessive issue of notes in the last quarter, on the other hand they reproach the C. C. in the same breath that the note issue of 1925/26 fell behind that of 1924/25 — the first year after the money reform. Can a more cynical or cruder piece of political trickery be imagined?

The oppositional counter-theses resurrect Trotzky' old theory of an alleged danger to industrialisation as a result of a good harvest. The actual course of events is stated to have confirmed this theory. How? By the non-existent "queues"? By the imaginary aggravation of the goods shortage? By the fancy picture of a collapse of the grain buying campaign? To each his own. Trotzky's "theory" is worthy of his "assertions".

II.

The Opposition, after having proved with the aid of non-existent queues, and of roads in North Caucasus, that the "starting point" of the five Years' Plan is the assumption of a catastrophe, and after performing an Indian dance around the "lightheadedness" and big mistakes of our economic leaders, starts out on a hunt for the "roots of our economic difficulties". To this question the counter-theses again accord a special chapter. This chapter (the eighth) proclaims:

"The general and fundamental cause of our economic difficulties can be formulated in a few words as follows: Industry has developed too slowly during the last few years, and fails to keep pace with the general development of economy... At the same time the capitalist elements in agriculture have been growing rapidly on the basis of the small production of goods. In consequence of this the dependence of State economics upon the capitalist kulak elements... is growing..."

Industry, we see, fails to keep pace with the general development of national economy. Why and wherefrom this results the counter-theses do not say. It is assumed that those same "queues" and that same 6% decline in the grain purchases in September suffice as substantiation for this thesis.

With the blindest obstinacy the Opposition here continues to persist in assertions flatly contradicting well known and indisputable facts. In which case could it be said that our industrial development falls behind that of our economy as a whole? If industry were to develop more slowly than the non-industrial branches of production. But precisely the reverse is the case. The rate of industrial development has occupied the leading place in our economics, not only during the years of restoration, but at the present time.

"The share of agriculture in the general sum total of the growing production of economy amounted in the economic year 1924/25 — 67.6%; 1925/26 — 64.1%; 1926/27 — 62%, and 1927/28 — 59.8%. The specific weight of industrial production has increased correspondingly: 32.4%, 35.9%, 38%, and 40.2%. Out of the general sum total of the growing amount of goods the participation of agriculture is as follows: 1924/25 — 46.8%; 1925/26 — 41.5%; 1926/27 — 40.4%; and 1927/28 — 39.3%. The specific weight of industrial goods has increased correspondingly: 53.2%, 58.5%, 59.6%, and 60.7%***.)"

It need not be said that a more rapid growth of industry than of any other branch of national economics does not mean

*) "Ekonomitscheskaya Shishn", 28th Oct. 1927.

**) Control figures of the State Planned Economic Commission, Russian edition, p. 241.

***) Control figures for the economic year 1927/28. Russian ed., p. 16.

that industry is already in a position to satisfy all the needs of national economy. Were our industry in this position, then ours were no agrarian country, and the slogan of industrialisation would be in itself an absurdity.

More than this: The satisfaction of the consumers' demands for industrial goods has not kept pace, and cannot keep pace, with the rate of development of industry. The reason why it cannot do this is that within our circle of production the production of means of production, that is, of such articles as are not placed immediately on the great market for articles of consumption, has advanced more in our country than the production of articles of consumption. But no industrialisation is possible unless production advances on these lines.

Against what does the Opposition go to battle? If we set aside all direct misrepresentations and falsifications, and all direct calumnies, and try to get at the real heart of its arguments, we find the following: The Opposition is trying to speculate on the natural "inequality" of our development. Regarded from the standpoint of the ultimate goal, the increased production of the means of production is a necessary prerequisite for increased consumption. But a number of years must pass before both the production of means of production and of articles of consumption can advance with equal rapidity, or great building activity can be developed simultaneously with overcoming the goods shortage. The means here employed by the Opposition are remarkably simple. In the economic year 1924-25, when our main task was to attain a certain supply of industrial goods for the market, if only a minimum one, and to ensure a minimum goods basis for the alliance with the village — at that time the Opposition burst into lamentations that the policy of the C. C. was driving us into a "catastrophe of fixed capital", and with this into a general economic catastrophe. Now that increased building activity is the main pivot on which our work swings, the Opposition suddenly reverses the steering gear, directs its fire to the opposite side and utilises the slowness with which the goods famine is being satisfied, and the insufficient speed at which the markets are being supplied with industrial goods, as a springboard for its attacks on the Party! Any pretext is good enough, any argument is seized upon, the main point is the fight against the Leninist Party.

The Opposition maintains that "the dependence of State economics on the kulak capitalist elements is increasing".

The "argumentation" here used is the following: One of the barriers of economic development is our foreign trade; our foreign trade is far below its pre-war level, because export has sunk; the export is so low because we export so little grain; we export little grain because the grain reserves (800-900 million poods) are in the hands of the kulaks, and the kulak accumulates the grain instead of throwing it on the market.

What does the Opposition propose? It proposes that we take away 150 million poods of these reserves. The fact that the C. C. has not already done this is in its eyes a mortal sin.

To what degree this proposal of the Opposition is meant seriously may be seen from the following: The counter-theses of the Opposition estimate these reserves at 800 to 900 million poods. A reference to the data of the Central Statistics Office shows that the Opposition again exaggerates. In reality the reserves do not amount to more than 700 million poods. If we make this "slight correction", and write 700 instead of 900, there is nothing left of the superfluity which we were to confiscate. The "slight correction" runs to 200 million poods, and swallows up the compulsory loan as proposed by the Opposition.

The Opposition maintains that the reserves in kind are the accumulation of the kulaks and the better situated peasant strata. We only need to make ourselves familiar with the geographical distribution of these reserves, and we see at once whether this assertion is to be taken seriously or not. In the autumn of this year the grain reserves in kind amounted per capita of the population, to: 12 poods in the central Volga district, 13.3 poods in the lower Volga district; 14 poods in North Caucasus; 13.9 in the Crimea; 7.5 in the Ukraine; 6.9 in Siberia; 4.5 poods in the central Black Earth district.

Were the Opposition right, and were reserves in kind the form and expression of kulak accumulation, then we should naturally assume that the sum total of these reserves must be the greatest where the specific weight of the kulak and the rate of differentiation is greatest. But what do we see in reality? The district occupying one of the first places in the process of differentiation, if not the very first, Siberia, is only second to last in the amount of reserves per head. The lowest amount of reserves per head is held by the central Black Earth district, where again the differentiation of the kulak has greatly advanced. The districts possessing the largest reserves in kind per head are the central and lower Volga districts.

The geographical distribution of the reserves in kind shows "most graphically" that these reserves are for the most part safety reserves, mainly stored up in districts subject to drought, and not only unavoidable, but necessary, at the present stage of development of our agricultural technics.

To what does all the oppositional "search for roots" come to in the end?

To a deliberately false assertion that industry has fallen behind the general rate of development of national economy.

To a petty bourgeois and Menshevik demagoguery on the falling behind of the rate at which the market for articles of consumption is being satisfied, in comparison with the rate of general industrialisation.

And finally to the "definite proposal" that 150 million poods should be taken from the peasantry, an amount which vanishes altogether by the simple correction of the real extent and nature of these grain reserves.

The Policy of the Party in the Labour Question, and the Demagoguery of the Opposition.

By Y. Kravaly (Moscow).

The improvement of the material position of the working class has always been, and must continue to be, one of the chief concerns of our Party and our government. But in this question, as in the questions bound up with the general rate of development of our national economy, our Party steers a course ensuring that the improved material position of the workers is not only as rapid as possible, but permanent. A hasty policy, with an insufficient economic basis, would not only destroy our possibilities of systematic increase in wages, but could lead to a general stagnation in the progress of socialist industry.

When we are forming a general estimation of the activities of the Central Committee in the period since the XIV. Party Congress, we must accord due consideration to the great importance of the policy which the C. C. has pursued for the improvement of the material and cultural position of the workers in our country. It is especially important to keep this in mind, in view of the demagogic accusations brought forward by the present Trotzkyist Opposition, which declares in its platform that the numerical strength of the working class and the improvement of its position has come practically to a standstill, whilst the anti-labour forces are growing, leading inevitably to worsened conditions for the workers, and to the lessened specific weight of the proletariat in the Soviet society. How far these accusations are in accordance with the facts may be judged from the following data on the numerical increase of the workers employed in State industry during the last two years:

Year	No. of workers in thousands	Increase in thousands	Increase-% in comparison with 1924/25
1924/25	1529.9		100
1925/26	1919.3	389.41	125
1926/27	2021.0	101.7	132

years the number of workers employed in big industry has increased by 491,100, or 32%. At the same time there has been

It will be seen from these figures that during the last two a systematic increase of the specific weight of the workers organised in trade unions, now comprising 94% of all wage-earners. Further, the number of building workers has greatly increased during this period, by 62% in the last two years.

With regard to the material situation of the working class, the calumnies against the policy of our Party are best refuted by the following facts: In the period between the last Party Congress up to the 4th quarter of last year, the real wage of the workers rose by 18.5%, whilst the nominal wage rose by 22.8%. At the present time wages maintain a level of 111.3% as compared with the wages paid in 1913, whilst working hours are 23% shorter than before the war. And this without reckoning the supplementary payments and extra allowances to be added to wages, and which exceed an average of 31% for the whole of our industry. When these are added, the average wage paid the industrial worker at the present time is about 134% of the standard of 1913. This will be seen from the following data:

Monthly wages in Moscow Conventional Roubles. In absolute figures.

Branch of industry	Average wage for 1926/7 without extras	4th Quarter of 1926/27 without extras	4th Quarter of 1926/27 with extras
All industries	31.90	33.92	44.74
Including:			
1. Metal industry	37.37	40.93	49.47
2. Textile industry	26.08	27.25	38.08
3. Chemical industry	31.87	33.51	44.00
4. Typographic industry	37.13	37.75	46.38
5. Paper industry	30.48	32.45	43.46
6. Wood working industry	29.90	32.48	41.30

In percentages comparing with 1913.

Branch of industry	Average wage for 1926/27 without extras	4th Quarter of 1926/27 without extras	4th Quarter of 1926/27 with extras
All industries	104.7	111.3	134.2
Including:			
1. Metal industry	86.7	94.9	112.5
2. Textile industry	126.4	133.1	171.9
3. Chemical industry	131.5	138.2	174.7
4. Typographic industry	104.4	106.2	129.9
5. Paper industry	133.8	141.4	186.6
6. Wood working industry	107.4	116.6	145.8

The current economic year will show a further increase of both nominal wages (by 6.5%) and, to a still greater extent, of real wages (11 to 12%). This increase will apply both to the wages of the most backward categories of workers, and to increased wages for piece-workers in accordance with the increased productivity of labour.

The continuation of the policy of increased wages is not the sole characteristic feature of this year's wage policy; a further feature is the decision to secure the increase of real wages to an extent exceeding that of the nominal wage, enabling the policy of further reduction in the cost of production to be pursued, and accompanied by a simultaneous improvement in the material situation of the worker. When we remember that in 1925 and 1926 wages in England only rose by 3%, in the United States by 0.8% in the course of two years, accompanied by longer working hours, and that in a number of countries wages have fallen, then it becomes clear to all who are not blinded by fraction conflicts against the policy of our Party, that we have attained great and indisputable achievements towards the improvement of the workers' position during the last few years.

All these facts are the best refutation of those calumnies which maintain that the upward trend of the working class has come to a standstill, and that in 1927 real wages are at best maintained at the level of the autumn of 1925. It is very characteristic of these slanderous accusations made by the Opposition against our Party that the calumnies agree, strangely

enough, with the assertions made by the "Sozialistischen Bote" No. 12. (See article by the Menshevist Schwarz), where we read that "the increase of the number of workers employed in industry stagnates", and the "last noteworthy rise in wages took place in the autumn of 1923... since that time wages have remained stationary or even dropped." The present Opposition, under Trotzky's leadership, surpasses even the most wretched of the Mensheviks in its policy of calumny. It is again characteristic that the Opposition, after having been convicted at workers' meetings of copying this part of its platform from the "Sozialistischen Bote", the organ of the C. C. of the Mensheviks, struck this part of its platform out of the counter-theses, whereby they openly admitted its Menshevist origin and its lack of correspondence with the truth. How much we are to believe of the declaration of the Opposition that the share of the working class in the total income of the country has diminished, whilst the share appropriated by the other classes has increased, may be seen from the fact that the specific weight of the income of the proletariat in the whole national income rose from 24.1 in 1924/25 to 29.4% during the past economic year, and that the specific weight of wages will this year exceed that of 1913 by 30%.

The fact that the wage funds increased in 1926/27 three times as fast in the socialised section of our economy (19.2%) as in the private section (6.3%), and that there has been at the same time a not only relative, but absolute, falling off in the income of the possessing groups in the towns, as well as a much more moderate increase in the income of the peasantry (8.2%), is the best proof of the considerable growth of the specific weight of the proletariat, the result of both the numerical increase of the workers employed in production, and of the betterment in the material circumstances of the workers.

The Opposition, playing up to the mood of the backward workers still under the influence of the village, declares that those who suffer most under the "pressure" of working conditions are the weakest groups: casual labourers, seasonal labourers, women and juvenile workers, and that the actually existing drop in the wages of juvenile workers is unallowable. Let us see how far this calumny will stand the test of facts. Our Party has accompanied the policy of higher wages by a systematic policy for the levelling up of wages in the different branches of industry, this including better wages for the worst paid categories of workers. This process of raising the wages of the worst paid workers may be followed in the following table, compiled from the annual inquiries made by the Central Trade Union Council and the People's Commissariat of Labour:

in Percentages:

	Up to 30 rbl.	10/50 rbl.	50/70 rbl.	70/100 rbl.	100/150 rbl.	Over 150 rbl.
March 1924 . . .	39.6	33.5	15.6	8.0	2.5	0.8
March 1925 . . .	29.8	37.4	18.3	9.7	3.7	1.1
March 1926 . . .	15.8	31.0	24.2	17.7	8.8	2.6
March 1927 . . .	9.4	28.3	27.5	22.2	10.6	20.0

It will be observed from this table that the number of workers earning less than 30 roubles monthly has sunk from 39.6% to 9.4%. At the same time the specific weight of the group earning between 30 and 50 roubles has fallen. The groups earning more than 70 roubles have decidedly increased, their specific weight has increased from 11.3 to 34.8%. The percentage of increase in the specific weight of the groups with higher wages is being brought about both by the rising wages of this group and by the even more rapid rise in the wage level of the worst paid workers, a result of the determined pursuance of the policy raising of the wages of the worst paid category. These data show an enormous drop in the specific weight of the workers with low wages under 50 roubles, and it is to this group that we must count the juvenile workers, casual workers, and the mass of unskilled women workers.

We see that the Opposition has once more turned facts upside down, hoping by this method to win over a certain section of those unskilled workers just coming from the villages and taking their place for the first time in the process of industrial production. Fresh confusion is again made by the

slogan of the Opposition with regard to female labour ("equal pay for equal work"), for even the most unenlightened worker among us knows that men and women workers with like qualifications, doing the same work, and producing the same output, receive the same wages. The average wages paid working women in the last two years, between March 1925 and March 1927 (annually controlled figures issued by the Central Statistic Administration and the Central Trade Union Council) rose from 32.6 roubles to 45.7 rbl., or 40 per cent.

The oppositional proposal that unpaid apprentice work should be prohibited has been copied directly from the decision of the Political Bureau. The assertion that the wages of juvenile workers are being reduced is a complete perversion of facts. Every juvenile worker among us knows very well that there has been no reduction in the wages of the juvenile workers, but on the contrary an upward movement. One result of this upward movement is the fact that the proportion of workers earning less than 30 roubles has fallen to almost one quarter.

An equally untrue assertion is that stating the economization regime to have been carried out at the expense of the vital interests of the workers. The fact that the expenditure incurred by industry for the supplementary support of the workers, and the municipal and State expenditure for social insurance, etc., exceed the sum of 500 million roubles during the current year, sufficiently proves the untruth of this statement.

All these facts furnish the best proof of the utter untenability of the "substantiation" offered for the statement that the standard of living of the worker is obviously falling.

These facts, refuting the calumnies hurled against our Party in the labour question, show only one part of the immense sum of work accomplished by our Party during the last few years for the improvement of the material situation of the working class.

The systematic improvement of the position of the workers in our Union is not only a question of increased nominal wages, but it is also connected with the improvement of the material and cultural level of the worker, and forms at the same time a constituent part of our other national economic tasks. From this standpoint the outlay for social insurance has been raised from 461.3 million roubles in 1924/25 to 933 million in the current economic year, so that it is now possible to expend about 300 million roubles yearly for securing the payment of full wages to workers when ill. Last year it was possible to send 513,000 workers to convalescent homes and sanatoria; 460,000 unemployed workers received benefit in 1926/27, this number rising to 725,000 in 1927/28, and at the same time about 700,000 war and work disabled are being supported. These facts speak for themselves, quite apart from the fact that no single one of the most advanced and richest capitalist States can boast of a system of social insurance comparable with that of our proletarian State.

The Opposition does not content itself with calumny, with deliberate suppression of facts, and with a dishonest substitution of other facts intended to place the past policy of the Party in an unfavourable light; the Opposition aims at calumniating in advance the line taken by the Party in the labour question during the coming Five Years period. It declares: 1. that the contemplated rise in wages is entirely inadequate; 2. that this rise is to be accomplished to a considerable extent at the expense of price reductions.

We reply to the first of these accusations by a comparison of the projected increase in real wages for the coming Five Years period with the development of real wages in tsarist Russia during the 13 years preceding the war. A 46 per cent increase of real wages is planned in the Soviet Union for the next five years, the nominal wage rising meanwhile by 24.6 per cent*), whilst in tsarist Russia the average yearly wage, according to the statements of the Gosplan, rose from 245.2 roubles in 1900 to 263.6 roubles in 1913, or by 3 per cent. We plan for the next five years an increase of wages exceeding by fifteen times that of the 13 years preceding the war. The

*) See control figures of the Five Years' Plan, on the development of the industry of the Soviet Union from 1927/28 to 1931/32.

comparison of the rates of increase speaks for itself and requires no commentary.

The course of the Party towards the increase of real wages, again in connection with the reduction of prices, is a part of the course of the Party towards the reduction of the costs of production, and towards increasing the purchasing powers of the chervonetz. At bottom the Opposition opposes this course, for there are two alternatives: either the costs of production are reduced, the purchasing powers of our rouble being enhanced (line of the C. C.), resulting in the increase of real wages, or we must renounce the reduction of prices (line of the Opposition), which then cannot result in any rise in wages. The assertion of the Opposition, that the contemplated increase of real wages by 11 to 12% (nominal wage increase 6.5%) in 1927/28 will "not be real", is equally untrue. The present State budget index figures show that the contemplated increase of wages by a 5 to 6 per cent price reduction has already been realised to the extent of 2 per cent; it remains for a further reduction of 3 to 4 per cent to be achieved in the current economic year.

Untrue again is the assertion that in 1926 we experienced "a considerable drop in real wages, not overcome until the beginning of 1927". The untruth of this statement may be seen from the fact that real daily wages increased by 18½% between December 1925 (XIV. Party Congress) and the fourth quarter of 1926/27. Certain fluctuations in monthly wages, resultant on the varying number of working days in the different months, are inevitable in the case of piece-work, and have nothing to do with the wage policy of the C. C. These fluctuations will continue to exist so long as piece-work exists, and of piece-work Lenin said that it is a necessary condition for the strengthening of industry. The fact of the increase of real wages between the autumn of 1925 and the fourth quarter of 1926/27 shows that this "inconsiderable" increase of 18.5 per cent in two years at least exceeds sixfold the increase accomplished in the 13 years preceding the war, quite apart from the circumstance that the ten years between 1903 and 1913 record an average decline of 1.5 per cent in the real wages of the Russian worker.

The assertion that "the productivity of labour is increased at the expense of greater strain on the muscles of the workers" is untrue.

The best proof of the falseness of this assertion is given by the almost 30 per cent increase in the fixed capital of our industry, the increased generation of electric current in the Soviet Union by 2.7 times as compared with pre-war production, the increased mechanisation of coal mining (14 times or, 21 per cent as compared with 1½ per cent before the war), the complete technical reorganisation of the naphtha industry and the enormous work being done for the advancement of the technics of production and for the introduction of perfected automatic machinery in a number of backward industries. These are facts proving that the muscles of the workers are being increasingly relieved of strain by the substitution of machinery. The line of the Party, aiming at a better and more complete utilisation of the working day, necessarily implies the organisation of a regime of work limiting unemployment to a minimum, and accelerating the speed of our development.

The period just past has witnessed a considerable improvement not only in the material position of the workers, but with regard to shorter working hours. Whilst in Western Europe the workers in the capitalist countries are being forced into a struggle against longer working hours, in the Soviet Union great progress has been made in the realisation of the shorter working day.

In the period before the revolution, the average working day in Russian industry was about ten hours. The Soviet power has not only secured the eight-hour day by law, but much more than this. The dynamics of the working day in the course of the last few years show definitely that the average duration of the working day (data of the Central Statistic Administration) in industry is sinking steadily from year to year. The working day was shortened from 7.8 hours in 1923 to 7.6 hours in 1925, and to 7.4 hours in the past year. At the

same time there has been a parallel reduction of overtime, which has lessened by 26 per cent in this period. Even the complete avoidance of overtime (9 minutes per worker) cannot shorten the working day by more than 2%. In the face of these facts, it may well be asked how much sense there is in the proposal of the Opposition to abolish all work beyond 8 hours, and to declare overtime to be unallowable.

The practical course pursued by us in the question of working hours is not a policy aiming at maintaining the working day at its present level, but a systematic struggle for the creation of material conditions securing a considerable and certain reduction of working hours, and guaranteeing the possibility of a complete transition to the seven-hour day during the next few years. As steps towards this goal we regard the employment of a greater number of workers in industry, a better utilisation of working time, a further advancement of the cultural level of the working class, and the increased participation of the workers in the immediate administration of production and of the country.

The fact that we have been successful at the present time in considerably shortening working hours in comparison with pre-war time, whilst at the same time increasing the output of the individual worker beyond that of the pre-war ten-hour day, makes it possible and economically practicable to pass from the eight-hour to the seven-hour day during the next few years. The achievements gained by the policy of the Party permit us to take this up as a practicable task. Whilst the eight-hour day is becoming more and more illusory in the richest capitalist countries of Western Europe and America, and is expanding into the nine and ten hour day, to say nothing of the colonies where fourteen and even sixteen hours are worked in some cases, we are achieving exactly the opposite, the shortening of the working day.

The practical realisation of the shorter working day means a further forcing of our work for the rationalisation of production and the better utilisation of labour by the introduction of an increased number of shifts in production. This will bring about an alleviation of unemployment, ensure a more rapid capital turnover, and thereby secure the possibility of a greater capital accumulation for pushing forward with the erection of new plant, etc. This further shortening of the working day will give fresh impetus to the cultural advancement of the working class, and increase its participation in the struggle for socialist industrialisation, for socialist construction.

We can record great achievements towards the material and cultural betterment of the position of the working class, but are still confronted with many difficulties upon which the Party must concentrate its attention. These difficulties arise in the housing and unemployment questions, and in the question of the necessity of devoting a much greater measure of attention to the rationalisation of production.

Between 1924/25 and the present economic year the expenditure of the socialised section of our economy on the erection of dwelling houses has more than tripled. This has enabled the dwelling area of our socialised section to be increased by 4.2 million square metres during the last three years. This means that the dwelling area has ceased to diminish, and that this difficult problem, too, is on the way to solution.

The attempts of the Opposition to speculate on the difficulties connected with the housing and unemployment questions have failed miserably. The oppositional counter-theses assert that "By the end of 1931 the average dwelling area per head will be smaller than in 1926". The control figures of the Five Years' Plan of industrial development in the Soviet Union*) show the following: Increased dwelling space for inhabitants of dwellings attached to industrial undertakings: up to 11.5 square arshins by 1931/32 in place of the present 10.2 square arshins. A further 300,000 workers are to be provided with dwellings by 1931/32. The expenditure for the five years, amounting to 1065 million roubles, must secure the increase of the dwelling area in the industrial districts to 9 million square metres as compared with the present 7,650,000. This means a total dwelling area 2.1 times the extent of the present area.

*) See control figures of the Five Years' Plan of industrial development 1927, p. 41.

The Opposition again swerves from the truth in its assertion that the dwelling area per head of the workers in the towns is steadily diminishing. As data are not available on the distribution of dwelling area among the various categories of workers in the towns, we must refer to the figures supplied by a number of great trusts, which refute this statement of the Opposition. Thus for instance the dwelling area per head of the workers employed by the trust "Asnett" has increased by 15% during the last two years, that of the "Donugol" workers by 19%, affording the possibility of providing 28,000 workers and over 50,000 members of their families with dwellings, and of raising somewhat the average area per head. The same is reported by a number of other trusts.

These facts show that, despite the difficulties, progress may be recorded, which may be expected to increase still further during the coming five years. (Doubling of the dwelling area of workers.)

If we omit the portions copied from the theses of the C. C., we find that the practical proposals of the Opposition on the systematic improvement of the housing condition of the workers, its proposals on the pursuance of a class policy in the rent question, already provided for in the practical directions issued by the Party, and its specific practical proposal in the housing question, consist solely of the suggestion that "discharged workers must not be obliged to vacate their dwellings". With this proposal the Opposition undermines the work being done by the Party and the economic organs for the systematic transference of workers from districts where there is superfluous labour to districts where it is scarce, a work including the exchange of workers possessing different qualifications, a most important factor for the carrying out of the mechanisation of production.

The Opposition demagoguery appears at its worst in the unemployment question. Here the attack begins with the assertion that "the figures of the Five Years' Plan state the number of unemployed at 1,131,000 whilst in reality the number of registered unemployed in April was 1,478,000". But the Opposition ought to know that by October the number of unemployed was 327,000 less than in April, that is, it had sunk to 1,150,000. In order to total up a still larger number of unemployed registered at the labour exchanges, which registration already includes the unemployed trade union members, the Opposition adds these trade union members again, and further swells the figure with the seasonal workers. This double calculation of one and the same category of unemployed enables the Opposition to arrive at the inaccurate figures given in its counter-theses. The Five Years' Plan, basing its estimates on the introduction of a larger number of working shifts and of a shorter working day, calculates on a 10 per cent reduction of the present number of unemployed.

Further, it is absolutely untrue when the Opposition asserts that "the average unemployed benefit is equal to about 5 pre-war roubles", and that only about 20 per cent of the out-of-work trade union members receive this. Unemployed benefit has increased from 8 roubles per month in 1924/25 to 11 roubles in 1925/26 and 15.1 roubles in 1926/27. This is a 90 per cent increase in two years, and is accompanied by a lengthened term of receipt of benefit, 9 instead of 6 months, and an increase of the general extra payments from the fund for the social insurance of the unemployed. This last sum has increased from 31.3 million roubles in 1924/25 to 125 million roubles in the current economic year (a more than quadruple increase). This secures support for more than one half of the registered unemployed, including those who are not members of trade unions. In the light of those facts everyone can judge for himself how much value can be attached to the declaration of the Opposition that only 20 per cent of the unemployed trade union members receive benefit.

The Opposition comes too late with its proposals on increased unemployment benefit and lengthened term of receipt, for this has all been carried out on the directions of the Party, long before the counter-theses were drawn up. The oppositional suggestion on increased grants for safeguards against accidents in factories, and for the improvement of working conditions, is again too late, for the directions issued by the Party during the last two years provide for a 59 per cent increase of expenditure for this purpose (from 27 million roubles in 1925/26 to 43 million in the current year).

Our present Trotzkyist Opposition seeks to discredit the Policy of our Party not only in questions connected with the material position of the working class, but in questions dealing with the rationalisation of production as the basis of the further development of our socialised industry. The whole of last year the Opposition shrieked about "decline", "crisis", "displacement of the proletariat", etc. etc. It has failed to observe any of our achievements, and remains consumed with anxiety about the difficulties which our State has still to overcome, and slander the policy of our Party even in questions relating to general rationalisation (the system of administration of industry, transport service, the whole State apparatus, circulation of goods, etc.), which, carried out on the directions of our Party, will enable us to overtake and pass the advanced capitalist countries with the utmost speed.

The Opposition says that our rationalisation consists of discharging one section of the working class, and lowering the standard of living of the other.

The data on the systematic increase in the number of workers and on the steady rise in wages, especially among the worst paid workers, have already shown us that these assertions are absolutely contrary to the facts.

From the standpoint of the practical realisation of the rationalisation of production, it is an absurdity for the Opposition to demand in its platform that the collective agreement should be made to contain a clause securing the existing staff of workers and employees from being discharged in the case of retrenchments. Whilst our Party is exerting every endeavour to retrench in both the administrative apparatus of the economic organs and in the administration (cf. directions on 20 per cent retrenchment), the Opposition, reckoning on little support for its practical proposals among the workers, appeals to those employees likely to suffer from the retrenchment to demand that nobody may be discharged during the whole duration of the collective agreement.

Rationalisation in the real sense of the word can only be accomplished by an improved administrative system, and by the replacement of manual labour by machinery, this involving a shifting of workers from one undertaking to another, and an exchange of workers skilled in certain manual manipulations for other skilled in running complicated automatic machines. Were a guarantee against retrenchment dismissals to be given, the practical result would be the inevitable stoppage of progress towards the rationalisation of production. This thesis on the impermissibility of discharging workers and employees during the time the collective agreement is in force is a thesis hostile to the proletariat; it is an attack on the work being accomplished by the proletarian State for retrenchment in the administrative apparatus.

The oppositional proposal not to revise the output standards again runs counter to the interests of the socialist rationalisation of production, to the acceleration of our speed of general development, and to the attainment of proper wage ratios among the different categories of workers. Since the mechanisation of our production, and the improvement of our technics of organisation cannot advance with uniform rapidity along the whole line of our economic front, not to revise the output standards and piecework rates during the duration of the collective agreement, taken in combination with the mechanisation of production and improved organisatory technics, would have the inevitable effect of raising the wages of workers employed in rationalised undertakings to an enormous extent. During this time the wages of workers employed in undertakings not yet rationalised through lack of technical means would have to remain stationary.

Our Party aims at raising the wages of every group of workers, above all those of the worst paid categories. The practical proposals of the Opposition aim at the formation of a labour aristocracy, which would find itself in a most advantageous position. This policy has nothing in common with socialist principles, and our Party rejects it as an obviously demagogic proposal.

Our Party is conducting a tremendously strenuous and difficult work for the reduction of the costs of production in every department of our economics and in our administrative apparatus. Our Party is striving for the systematic raising of

wages, not only in the form of raised nominal wages, but in the form of prices sinking systematically as a result of reduced cost prices. The real rationalisation of production means the erection of new plant, the re-equipment of that already existing, the introduction of organisational and technical improvements; it must inevitably result in a wage contributing a smaller share to the costs of production, and in a simultaneous improvement in the standard of living.

An obvious calumny is contained in the assertion of the Opposition that the "rises in wages lag behind the increase of labour productivity". We need not dwell on the analysis of the unfavourable circumstances influencing the dynamics of wages and labour productivity, resulting in that campaign undertaken by the Party in 1924/25 for the increased productivity of labour. The following data characterise the development of output per worker and of wages during the last two years:

	1924/25	1925/26	1926/27
1. Output per worker and day in pre-war roubles	5.65	6.32	6.94
The same in percentages in comparison with 1924/25 . . .	100	112.3	123
2. Output per worker and day in chervonetz roubles	12.43	13.91	15.58
The same in percentages in comparison with 1924/25 . . .	100	112.2	125.6
3. Daily wages in chervonetz copecks	192	243	264
The same in percentage in comparison with 1924/25 . . .	100	126	140
4. Daily wages in real copecks	110	129.8	143.0
The same in percentages in comparison with 1924/25 . . .	100	116	129

It will be seen from these data that whilst during the last two years the output per worker has risen by 23 per cent in pre-war roubles, by 25.6 per cent in chervonetz roubles, during this same period wages have increased by 40 per cent in chervonetz roubles, the rise in real wages being 29 per cent. When we compare this output per worker in chervonetz roubles with the expenditure incurred by the State on wages, then these data show that a not inconsiderable cause of the slow decrease in the costs of production during the last two years (in some branches of industry the cost prices have even remained unaltered) is to be found in the greater outlay per unit of production attributable to the payment of higher wages.

Those who try to form a counterweight to these facts by interpreting the actual state of affairs in an entirely false light,

without any substantiation of figures on expenditure, solely for the sake of a demagogic fight against the Party, are objectively carrying on precisely the same work as the enemies of the working class abroad, who are likewise doing their best to discredit the progress being made by our State towards the rationalisation of production, and the reduction of the costs of production, on lines ensuring a rate of economic development enabling us to overtake the most advanced capitalist countries.

How much value we are to place on the practical proposal of the Opposition that "we must regard it as our immediate task to increase wages to a considerable extent, in accordance with the degree of increased productivity of labour achieved", may be judged by the fact that the oppositional leaders, overburdened with illegal fractional work against the Party, have not even found time to discover that this proposal would mean in practice a reduction of wages; and this whether we base our calculation on the dynamics of the last two years, or on a comparison with 1913, for in a period of time in which we have barely succeeded in exceeding the pre-war level with regard to the productivity of labour, we have raised the level of real wages and extra allowances in our industry to an average of 134 per cent of the pre-war level.

Our achievements in the sphere of labour, accomplished under the firm and purposeful leadership of our Party, are the best proof of the correctness of the proletarian class policy of the Party in these questions.

The great October Revolution placed the key positions of economy the commanding positions which determine the whole course of national economy, on a fundamentally different class basis. The proletarian class line laid down by our C. C. and carried out in the sphere of economic policy, utilises the industrialisation of the country for the distribution of national income in such manner that the specific weight of the proletariat in the Soviet society increases steadily. At the same time the material and cultural level of the working class rises most rapidly (in comparison with other strata of the population, the peasantry, the small handicrafts, the bourgeoisie, etc.).

The line pursued has ensured the systematic strengthening of the rôle played by industry as the renovator of our whole economy on a higher socialist foundation. On this foundation all difficulties will be overcome, and the systematic and consistent realisation of Lenin's teachings on the building up of Socialism in our country secured. Our Party will hold fast to this line, and will not be led astray by any Menshevik attempts on the part of the Trotskyist Opposition to disorganise the creative labours of the proletariat.

Text of the Counter-Theses of the Trotzkyist Opposition on Work in the Village.

1. "The dictatorship of the proletariat in the Soviet Union changes fundamentally the conditions and therewith the course of development of agriculture, for it creates a fundamentally different type of development of agricultural relations, a new type of class stratification in the village, and a new direction for the development of economic forms." (Theses of the C. C. § 1.)

This assertion, in this absolute form, is wrong. The mere fact of the dictatorship of the proletariat does not yet transform capitalism into socialism. The dictatorship of the proletariat opens out a period of transition from capitalism to socialism. The best characterisation of this period is given by Lenin in his: "Taxation in kind". The characterisation here made by Lenin of this transition period, with its internal class struggle, with its competition between capitalist and socialist elements, with its question of "Who — whom?", is replaced in the theses of the C. C. by a vulgar opportunist declaration confusing the NEP. with socialism.

"So long as the private ownership of the means of production (for instance of agricultural implements and live stock, even when the private ownership of land has been abolished) and free trade continue to exist, so long does the economic foundation of capitalism also continue to exist." (Lenin. Vol. XVII., p. 387.)

"Small production produces capitalism and the bourgeoisie, constantly, daily, hourly, in an elementary manner and on a mass scale." (Lenin. 1926, Vol. XVII., p. 118.)

"In our programme every paragraph is something which every workman must know, understand, and digest. If he does not comprehend what capitalism is, if he does not understand that production is carried on by the small peasantry and home workers, constantly, unavoidably and inevitably produces this capitalism, if he does not grasp this, then he may declare himself a hundred times to be a communist, he may sparkle with the most radical communism, but this communism is not worth a farthing. We value only that communism that has an economic basis." (Lenin. Vol. XVI., p. 134.)

One of two things must result: either the proletarian State will find itself able, thanks to a highly developed and electrified industry, to overcome the technical backwardness of the millions of small economic undertakings, organising these on the basis of wholesale production and collectivisation, or capitalism, having recovered its strength in the village, will sap the foundations of socialism in the towns.

The difference between these two standpoints — that of Lenin and that of the theses of the C. C. — is self-evident. The Leninist question of: "Who — whom?" no longer exists for the C. C. The theses of the C. C. gloss over realities, weaken the attention given by the proletariat to the incipience of capitalism, and thereby promote the growth of capitalist relations in the village. The Opposition considers this question to be the essential question of the whole period of transition.

2. The Opposition sees and appreciates the tremendous changes which have been brought about by the October Revolution. The dictatorship of the proletariat, the nationalisation of industry, of the transport service, of credit, the socialisation of trade, the monopoly of foreign trade, all this creates the possibility of successful progress towards socialism. And much success can already be recorded in the building up of socialism. But the Opposition is opposed to **glossing over reality**, or to concealing the dangers, which are particularly great in our country.

*)The Trotzkyist writers call this document of theirs: "Theses of the Bolshevik-Leninist (Opposition) for the XV. Party Congress of the C. P. S. U."

The glossing over of the real state of affairs leads inevitably to opportunist errors. In the theses of the C. C. we read:

"The industry of the capitalist state of society depends during its development on conditions in the home market requiring as first premise the impoverishment of the main mass of the middle peasantry, the decline and proletarianisation of precisely the main group of the peasantry. As opposed to this, the process of the development of the home market under the dictatorship of the proletariat differs fundamentally from this process in the capitalist state of society. Here the growth of the market is not due to the proletarianisation of the main mass of the peasantry, but to the increased prosperity of the middle and poor peasantry." (Theses of the C. C. § 1.)

Further on the C. C. is obliged to admit that the "prosperity" of the kulak is increasing at the same time. The "prosperity" of the poor peasant increases, and with it the prosperity of the middle peasant and the kulak! This idyll has only one fault about it — it does not exist. In the village the class struggle is developing under the conditions given by the advancement of agriculture. At the same time the village is being proletarianised, the number of farms working without seed-corn is increasing. The C. C. fails to observe behind the enhanced productive forces of agriculture the growth and increasing acuteness of class antagonisms. Only under socialism, when there are no longer any classes, and agriculture is organised on the basis of socialised wholesale production, will it be possible to speak of a uniform growth in the prosperity of the whole mass of the population. That is how the question is defined in the Party programme written by Lenin, and that is how it is defined by the platform of the Bolshevik-Leninists (Opposition).

3. The economic key position, in the first place big industry, form the **decisive foundation for the whole development of national economy.**" (Theses of the C. C. § 2.)

This is correct. But the Party ought to know that this is the **thesis of the Opposition**, and that it was violently opposed at first by the C. C. Now the C. C. has appropriated this thesis. But the mere recognition of its correctness is not enough. If big industry is to form a decisive foundation in **actual practice**, a clear class policy is necessary, strengthening the economic and political positions of the proletariat. Without this, the thesis on the "decisive foundation, big industry" becomes an empty declamation. The question of the "decisive foundation" is the central question of the **class struggle**, in which the proletariat and the village poor join the middle peasantry against the kulak, against the NEP-man, and against bureaucracy. The policy pursued by the C. C. subsequent to the XIV. Party Congress has not furthered the "decisive foundation" of industry. Their policy has been expressed both in the systematic failure of industry to keep pace with the general development of economy, and in the fact that the C. C. has not been able to decide upon an energetic class policy of redistribution of the national income (against the NEP-man, kulak, bureaucrat) in favour of a more rapid industrialisation.

4. The theses of the C. C. deal quite inadequately with the main stages of our economic development after the introduction of the New Economic Policy. The **growth of the capitalist elements** in our economy is passed over. The tendentious elucidation of economic processes is an abomination to Leninism. ("Nauseus, tawdry, would-be communism." Lenin.) The proletariat must not only realise its own achievements (which are indisputable), but at the same time the forces of its allies and its class enemies. Only then can it evolve and carry out a correct policy.

5. Seen from the Leninist standpoint, the peasantry — that is, the main mass of the peasantry not exploiting the labour of others — is that ally upon the correct relations with whom depends the security of the proletarian dictatorship, and with this the fate of the socialist revolution. Our tasks with relation to the peasantry during the present stage have been most

accurately formulated by Lenin in the following words: "To be capable of coming to an understanding with the middle peasants without renouncing for one moment the fight against the kulaks, at the same time utilising to the utmost the help of the village poor." (Vol. XV., p. 564.) This is exactly the standpoint of the Opposition in the question of relations between the working class and the peasantry.

6. In 1925 a new tendency appeared in the Party, a trend towards revisionism. First the existence of the kulak is denied altogether:

"The kulak is a bogey from the old world. He is certainly not a stratum of society, nor yet a group, not even a clique, in fact, he is only represented by a few individuals already in process of extinction." (Bogushevsky: "Bolshevik." No. 9/10.)

We are further lulled by a theory that the kulak is growing into Socialism most satisfactorily. "In any case the kulak and the kulak organisation can find no other place, for the general lines of development in our country are laid down in advance by the proletarian dictatorship." (N. Bukharin: "The Way to Socialism", p. 49.)

"We lend him (the kulak) help, but he helps us too. In the end the grandson of the kulak will probably thank us for treating his grandfather as we have done." (N. Bukharin: "Bolshevik". No. 8. 1925.)

This "nauseous lying" (not would be communist lying, but bourgeois lying) about the kulak stands in flat contradiction to Lenin's fundamental teachings, and as early as April 1925 Comrade N. Krupskaya was obliged to write as follows regarding Bukharin's theory:

Comrade Bukharin is wrong on one other point. He says that he is not an advocate of class in the village. Advocate or not, the class struggle is none the less going on in the village, and is bound to go on."

We find an accurate and emphatic rejection of Bukharin's sugar coating of the kulak, capitalism and the class struggle under the dictatorship of the proletariat, in the following words of Lenin:

"The conquest of political power by the proletariat does not conclude its struggle against the bourgeoisie; on the contrary, it renders this struggle greater, acuter, more urgent and ruthless." (Theses of the II. Congress of the Comintern on our main tasks. Collected works, Vol. 17, p. 234.)

In the resolution passed on the agrarian question by the Second Congress of the Communist International, Lenin wrote as follows:

"The big peasants are the capitalist enterprisers in agriculture, they work as a rule with some wage workers, and their only connection with the "peasantry" is their low cultural level, their way of living, and their personal physical labour. This is the most numerous of those bourgeois strata forming an immediate and decided enemy of the revolutionary proletariat. The work of the Communist Parties in the villages must be directed to the fight against this stratum, and towards the emancipation of the exploited majority of the working population of the villages from the ideological and political influence of these exploiters."

"The kulaks", wrote Lenin, "have more than once in the course of the history of other countries restored the power of the large landowners, of the Tsars, of the priests, and the capitalists. Thus it has been in all former European revolutions, in which the kulaks have been enabled by the weakness of the workers to return from the republic to monarchy, from power in the hands of the workers to the almightiness of the exploiters, of the rich idlers . . . The kulak may be easily reconciliated with the large landowners, with the tsar, or with the priests, even if they have quarrelled, but NEVER with the working class." "Fellow workers, let us go forward to the last and decisive struggle." (Lenin Institute edition, pp. 1 and 2.)

Those who do not grasp this, but continue to believe that the kulak will "grow into Socialism" are only fit for one thing: to run the revolution onto a sandbank.

7. Hence in our national economy the card is staked on the so-called powerful peasant, that is, the essentially powerful peasant, the kulak.

"Our policy with regard to the village must advance along the line of removing and destroying the many restrictions hindering the growth of the undertakings of the well-to-do peasants and kulaks. We must say to the peasants, to all the peasants: Enrich yourselves, develop your undertakings, have no fear that you will be repressed." Thus Comrade Bukharin at the XIV. Party Conference.

This slogan, derived from the French bourgeoisie, and alleged to have been abandoned by Bukharin, was repeated at the Siberian District Conference in 1927 by Syrzov, member of the C. C.: "make hay while the sun shines!"

This is a repetition of the slogan of the Ustryalov set, that is, of the slogans of that new bourgeoisie which dreams of leaning on the kulak and the NEP-man, of deriving support from their economic growth, in order to exercise first an economic and then a political pressure upon the power in the hands of the workers.

Two years have passed, and now Comrade Bukharin declares, quite suddenly, as if nothing had happened, that it is now necessary to "take a line in the direction of exercising pressure on the kulaks, and on the bourgeois elements in general. This is the line to which we must now turn, and in this spirit we must carry on the preparatory work for the Party Congress. This same Comrade Bukharin now writes: "We must go over to a forced attack upon the capitalist elements, especially upon the kulaks." (Comrade Bukharin's report on: "The Tenth Anniversary of October.")

This is an example of how certain politicians without principles vacillate!

But it shows at the same time that the Opposition has not fought in vain, that it has been right, if it has been the means of extracting such declarations as this from Bukharin even before the Party Congress.

Why is that which was declared at the XIV. Party Congress to be a "panic" about the kulak, and a "pillaging of the peasantry", now designated on the eve of the XV. Party Congress as perfectly correct?

"At the XIV. Party Congress we executed a great manoeuvre" writes Bukharin. "We have freed the middle peasant from many fetters, and, by making concessions to the middle peasantry to a certain extent, we have created the possibility of the 'fall of the kulak'."

A manoeuvre has been executed! Lenin once wrote: "When a manoeuvre is executed after the manner of Bukharin, an excellent revolution can be ruined". (Vol. XV. p. 45.) We are involuntarily reminded of these words of Lenin. Bukharin's reference to a manoeuvre are an unsuccessful attempt to veil the fact that the policy of the C. C. since the XIV. Party Congress has been un-Leninist with respect to the village, and that this policy has had to be considerably readjusted under the sharp criticism of the Opposition. This abrupt change of front (though so far in words only) on the part of the C. C. in the direction of fighting the kulaks compels the present Party leaders to face two alternatives: Either Bukharin's theory of the peaceful absorption of the kulak into Socialism remains in force, in which case there appears to be no valid reason for declaring war on the kulak. Or this whole "theory" collapses in face of the mere fact of the proclamation of the new course. This would, however, have to be admitted straightforwardly.

8. The kowtowing before the kulak has inevitably entailed the setting aside of the agricultural labourer and the village poor from their place as social basis of the dictatorship of the proletariat in the village.

"Do you not even know that among the village poor there is a certain proportion of people who do not want to do anything at all, who may simply be designated as work-shys? It is these shirkers who cry loudest that we are pursuing a kulak policy". This was said at the XIV. Party Congress by one of the secretaries of the C. C., Comrade Kossior. (Stenographic minutes, p. 313.)

"This sacred truth" declares the bourgeois Professor Ustryalov in praise of Kossior, "proclaimed by the mouth

of a practical provincial functionary, is certainly not gratifying to the dignitaries of the Opposition." (Article by Prof. Ustryalov: "The XIV. Party Congress".)

"The poor in the rural districts where natural economy obtains consist of unhappy producing invalids", declares Comrade Kalinin. ("On the Village". Edition 1925, p. 61.)

"Just as our present village hates the kulak, so it despises the shirkers. Industrious and energetic workers can indeed have no other feeling towards a 'farmer', who, for instance, when field work is in full swing, instead of working like the others, 'sits fishing by the stream' or 'goes seeking mushrooms in the forest'... Such 'village poor' as these can naturally expect no support from the Soviet power" writes the People's Commissary for Agriculture, Comrade A. P. Smirnov. ("The policy of the Soviet power in the village". State publishing office. 1925, p. 42.)

To say that the main support of the proletariat in the village at the present time is the village poor is therefore equivalent to repeating by rote what we have learnt, as a dull scholar clings to the formulas he has heard somewhere. Of course it is true that the main support of communism in the village is the village poor. But is it therefore right to assert that the main support of the Soviet power can be nothing else than the village poor, or that the Soviet power, supported by the village poor alone, can retain power?... In times of peace, when no one wages war or makes attacks upon us, we can maintain our power, but in these circumstances we could maintain it without the village poor... Let us take for instance the recruiting for the peasants' army: It is among the village poor that we find the greatest number of illiterates, the greatest number of the unfit, but into the army there go the strongest, the best developed... And finally, who plays the leading rôle in the army? The physically strong, the most highly developed... And do you want us to be dependent solely on the village poor when faced by war, at a moment when the State is in the greatest danger?... (Kalinin's speech at the Party Conference at Tver, in the spring of 1927.)

"The village poor is still permeated with the passive methods of thought. It sets its hopes on the G. P. U., on the authorities, on everything imaginable, except on its own powers. This inertia and passive manner of thought must be removed from the mentality of the village poor." (Stalin, speech at the XIV. Party Congress.)

The declarations quoted above of the most prominent leaders of the C. C. are as far removed from what Lenin said about the village poor as Marxism is removed from the ideology of the S. R. This is no proletarian estimate of the village poor, but a kulakian estimate, an estimate from the standpoint of the landowning farmer.

It is only the kulak, the farmer, the petty bourgeois, who can look on at the process of proletarianisation among the village poor, inevitably accompanied by a weakening of its economic status, and declare the village poor to be "shirkers", "passive", and the like.

9. The abandonment of the position taken by Marxism and the adoption of the theories of the social revolutionaries is again apparent in the question of the petty bourgeois character of peasant property and of peasant economy.

Comrade Stalin, speaking on the capitalist development of agriculture in the West, writes as follows:

"Not so in Russia. Here agriculture cannot develop on these lines, if only for the reason that the existence of the Soviet power, and the nationalisation of the chief instruments and means of production, do not permit such a development." (Stalin: "The Principles of Leninism".)

"The peasantry is not socialistic by reason of its position. It must, however, tread the path of socialist development, and it will certainly tread this path, for there is no other way to save the peasantry from want and misery, and there can be no other way." (Stalin: "On the questions of Leninism", p. 56.)

Anyone who simply states this, without referring with a single word to the class struggle in the village, or on the necessity of an energetic fight against the kulak, merely repeats the old nonsense of the opportunists, the petty bourgeoisie, and

the Social Revolutionaries. And this is what the Party is giving out as Leninism! In actual fact it is a policy cloaking kulakism, a policy of concealing the kulak efforts to drive the village on to the path of capitalism. The capitalist elements of our economy are glossed over, covered up. It is not for nothing that the periodical "Rul", after reading Bukharin's and Stalin's speeches on the kulaks, wrote as follows:

"The Social Revolutionaries have now actually the right to fold their arms: Time and the Soviet power itself are working for them." (Leading article. 16th October, 1927.)

10. Revisionism abandons one of the main theses of Marxism, according to which only a powerful socialist industry can help the peasantry to reorganise agriculture on the basis of collectivism. Attempts are being made to oppose Lenin's co-operative plan to Lenin's electrification plan. As a matter of fact the electrification plan does not do away with or replace the co-operative plan, but supplements it.

Bukharin, however, writes as follows:

"When we went over to the New Economic Policy, Comrade Lenin had one strategic plan for the solution of this problem, but when he wrote his article on the co-operatives, that is, when he bequeathed us his last legacy on the principles of economic policy, he had another strategic plan." (Bolshevik, No. 8, 1925.)

This invention of Bukharin on the alleged two plans of Lenin is supported in the theses of the C. C. (§ 11.)

This misrepresentation of Lenin's idea is in full accordance with the course taken towards the "powerful middle peasant", with the outcry on "over industrialisation" on the part of the Opposition, and represents a direct concession to the petty bourgeois pressure on the Party. To oppose the "co-operative plan" to the electrification plan implies at the same time a denial of the "leading rôle" of big industry in economy and in the building up of Socialism.

"The actual and sole basis for consolidating the means for building up the socialist state of society is big industry alone, nothing else. Without the great factory, without highly developed large industries, there can be no thought of Socialism. We in Russia know this much more definitely than before, and we no longer speak in vague or abstract terms of the reconstruction of big industry; we speak of a definite and exactly calculated plan of electrification." (Lenin, Vol. XVIII, part I, p. 260.)

Forced by the criticism of the Opposition to beat a retreat, the C. C. seeks to take cheap revenge by means of an attack on the Opposition:

"It should be mentioned that a characteristic feature of the Opposition is its lack of faith in the possibility of guiding the main mass of the peasantry on to the paths of socialist construction through the agency of the co-operatives. This signifies a renoucement of Lenin's co-operative plan, and at the same time the abandonment of this Leninist position by the Opposition. This departure from Leninism is the inevitable result of the entire liquidatory attitude of the Opposition, which denies the possibility of building up socialism in our country."

A glance at the platform of the Bolshevik-Leninists suffices to show the absurdity of this assertion. It is as hopeless a slander as the endeavour here made to put into Lenin's mouth a typically S. R. conception of a united mass of peasantry, growing into Socialism without inner class conflicts. Here again we see the attempt to cloak the rôle of the kulak, to ignore the kulak's efforts to subordinate the co-operatives to himself, and to make them into instruments for his own enrichment. The liquidators of Leninism, both in theory and practice, are those who have carried on in the course of the two years since the XIV. Party Congress a policy actually covering the kulak, and waging bitter war on all who have drawn attention to the growth of the kulak, his accumulation, and his influence.

11. Relying on these revisionist tendencies in the official course, the representatives of the new bourgeoisie, who are interwoven with some of the threads of our state apparatus, are openly seeking to divert the policy with regard to the village into capitalist channels. In this way kulakism and its

ideologists conceal all their claims and demands behind a concern for the development of the productive forces, for the expansion of the traffic in commodities "in general" and the like. But in actual fact the kulakian development of productive forces and the development of the goods traffic conducted by the kulak undertakings, retard the development of the productive forces of the whole of the remaining mass of the peasantry.

The Central Committee must refute these accusations or condemn the revisionists. These accusations are based on facts and documents. They are incontestable. There remains only the second alternative.

12. In the question of the differentiation of the peasantry, the theses of the C. C. assume:

"That our type of development, as opposed to the capitalist type, which is expressed by a weakening ('washing away') of the middle peasantry, by which the extreme groups of the poor and rich peasantry increase, shows our type of development to consist of a process strengthening the middle peasant group, accompanied at the present time by a certain growth of the kulak group at the expense of the more prosperous section of the middle peasantry; one part of the poor peasantry is proletarianised, whilst the other and larger part rises gradually into the group of the middle peasantry."

"One of the most glaring errors of the Opposition is its mechanical transference of the laws ruling the development of peasant economics under capitalism, in their full extent, to the epoch of the dictatorship of the proletariat, thus following in the train to the bourgeois ideologists."

In order to settle the question of who is really "following in the train of the bourgeois ideologists", we quote a characterisation of the process of differentiation given by the Right social revolutionary Organovsky in one of his works:

"An analysis of the actual data from the beginning of the period of restoration up to 1926 shows that the process of differentiation, in the village has not been two-sided, but a one sided process of a 'general upward movement', in which the higher groups grow more rapidly than the others, but the middle peasantry grow at the same time, and the lowest groups decline."

Here we see the theses of the C. C. helplessly repeating the old bourgeois theories of the process of development in agriculture, theories which have invariably been defended by bourgeois national economists against the Marxists at all times, up to the war, up to the revolution, up to the Soviet power. The "Leninist" Molotov and the Right Social Revolutionary Organovsky (an irreconcilable opponent of Lenin), have found a basis of mutual agreement in their estimate of the chief question of the development of our village. Both deny: 1. the existence of a capitalist differentiation in the village; 2. the fact of the "washing away" of the middle peasantry; both underestimate the growth of the kulak; both shut their eyes to the proletarianisation of the village. This agreement is not accidental, for the principles held by the C. C. in the peasant question coincide fundamentally with the Social Revolutionary theories, that is, with the main theories of the bourgeoisie. The Party must call itself fully to account with respect to the dangers incurred by this change of ground, brought about by the pressure of petty bourgeois encirclement.

The actual facts, however, completely refute both the bourgeois ideologists and those communists who echo them through the mouth of Organovsky. During the last few years differentiation has advanced rapidly in the village, and has created the elements of capitalist development. The official statistical data on the differentiation of the village, despite their incompleteness and one-sidedness, still give a graphic idea of its speed and character.

13. In 1917 and 1918 the October Revolution was accompanied in the village by a levelling up process among the peasantry. Lenin drew attention to this when speaking of a merging of the different strata of the peasantry in the middle peasant class. The farms with large areas under cultivation and with large quantities of live stock had become considerably smaller, whilst the number of peasant-households without cultivated land and cattle diminished.

This process of equalisation continued until about 1922. Under the New Economic Policy the process of differentiation set in again. The appended data were compiled by the Communist Academy and the Central Control Commission from the state finance accounts for 1924/25. They show clearly the classification of the peasant farms in social groups. These data refer to those agricultural districts in social groups. These data refer to those agricultural districts playing a decisive rôle both in providing the towns with grain and furnishing supplies for export.

The whole of the peasant households are divided into five groups: I. the proletarian; II. the semi-proletarian, III. the middle peasant, IV. those resembling the capitalist type, and V. the small capitalist. The method of classification here employed with reference to the social groups of peasantry prevents an exact ascertainment of the extent and influence of the well-to-do undertakings. Any improvement of the method would not, however, alter the main conclusions to be drawn, since a considerable part of the peasant households under group IV. "merge into" group V., the capitalist.

Percentage share of the particular group in all economic spheres of the district	Specific weight of the value of the machines*)	Specific weight in the number of draught horses	Specific weight in the direct taxes	Average number of the dessyatines of the cultivated area in the particular group	Specific weight in the area under cultivation.
North Caucasus					
I. 19,3 } 36,1	1,7 }	1,7 }	2,8 }	2,3	7,8 }
II. 16,3 }	6,0 }	7,2 }	5,5 }	4,0	11,6 }
III. 40,3 }	34,0 }	43,2 }	35,3 }	5,7	39,2 }
IV. 18,3 }	40,8 }	33,3 }	40,6 }	9,1	29,1 }
V. 5,3 }	17,5 }	14,6 }	16,4 }	12,6	11,7 }
The Ukraine					
I. 16,5 } 38,2	5,3 }	4,3 }	8,7 }	4,1	8,3 }
II. 21,7 }	6,9 }	10,2 }	11,8 }	5,5	16,9 }
III. 45,8 }	47,0 }	57,1 }	51,4 }	8,3	49,2 }
IV. 10,3 }	22,1 }	19,7 }	17,4 }	10,7	17,2 }
V. 5,7 }	18,7 }	8,7 }	10,7 }	13,5	8,4 }
Ural					
I. 10,9 } 22,8	1,7 }	3,0 }	2,1 }	1,6	4,2 }
II. 11,9 }	1,8 }	4,6 }	3,9 }	2,4	6,8 }
III. 52,6 }	38,3 }	50,8 }	49,0 }	3,5	43,6 }
IV. 15,4 }	29,9 }	23,2 }	21,1 }	7,0	25,6 }
V. 9,3 }	29,1 }	18,4 }	23,9 }	9,0	19,8 }
District Novo-Sibirsk					
I. 15,5 } 33,2	2,3 }	9,2 }	7,2 }	3,0	9,4 }
II. 17,7 }	3,3 }	10,1 }	11,2 }	3,3	12,0 }
III. 51,6 }	51,6 }	56,8 }	55,6 }	6,0	5,2 }
IV. 7,5 }	20,4 }	12,6 }	14,2 }	8,2	12,7 }
V. 7,7 }	21,9 }	11,3 }	11,8 }	7,3	11,8 }

These figures must be accorded careful attention. Firstly, because they represent the first serious attempt at classifying the peasant undertakings in social groups, and secondly, because they have been compiled by authoritative institutions which cannot be suspected of any tendency to exaggerate the differentiation.

The proletarian and semi-proletarian undertakings combined by us in one single group, form approximately 25 to 40% of all undertakings in the districts dealt with. The middle peasant group forms 40 to 50%, that is, one half; in two districts (Caucasus and the Ukraine) less than one half. Finally, the well-to-do group, consisting of the small capitalist and capitalist type of undertaking, forms 15 to 25 per cent. of all undertakings.

The State Planning Commission, when issuing and commenting on this table (in "Control figures for 1927/28", pp. 353 to 355), observes:

"The top capitalist stratum controls a considerable portion of the total wealth of the village."

*) Including ploughs and iron harrows.

This admission is very important. It refutes the fable that the Opposition over-estimates the kulak. When the State Planning Commission, forced to confirm what the Opposition has been maintaining for two years, seeks consolation in the idea that "the main mass of wealth is, however, not in their (the capitalist top stratum) hands", then this is surely a very poor consolation. If not merely a considerable portion, but the whole of the wealth of the village were in the hands of the capitalist stratum, this would mean the triumph of capitalism in the village. It is not very wise to find consolation in the fact that this is not yet the case.

It is necessary 1. to recognise the correctness of the oppositional estimate of the influence of the kulak; 2. to inform the Party and the working masses on this point; 3. to draw the obvious practical and political conclusions, and not seek consolation in the idea that capitalism, whilst already controlling a considerable portion of the wealth of the village, has not yet seized upon the whole.

The economic and political specific weight of this or that group of peasant undertakings is determined not only by its specific weight in the economy itself, but by its specific weight in the control of the most important means of production.

Of the means of production, machinery is most unequally distributed. The poor peasant farms possess only a very small proportion of the total value of the machines in use; in the Ukraine 12%. The well-to-do peasant class possesses 40 to 60% of the total machinery. One half, or more than one half of the machinery in use in the above districts is concentrated in their hands.

The distribution of draft cattle is approximately the same as that of machinery, although here the specific weight of the poor peasant farms is somewhat greater in some districts than in the distribution of machines. It must be observed that the figures regarding draft cattle refer to the number and not the value, which is, by no means the same thing. The well-to-do farmer invariably possesses more valuable animals. If we calculate the distribution of draft cattle by its value and utility instead of by number, we find the specific weight of the richer peasant increasing, that of the poorer peasant declining.

The areas under cultivation are distributed in a somewhat similar manner, with a slight difference. 10 to 25 per cent. of the area cultivated belongs to the poor peasant group, almost one half belongs to the middle peasant in every district, and 25 to 45 per cent. to the rich peasant. The share of the poor group in the area cultivated is somewhat larger than its share of machines and horses. This is to be explained by the fact that a considerable part of the poorer undertakings, not possessing their own means of production, are obliged to till their ground with hired draught animals and machines, and to hire these from the kulaks on enslaving terms. In many cases, again the land belongs only nominally to the poor peasant, and is left nominally in his possession to avoid the payment of taxes, whilst in reality it is in the hands of the well-to-do peasant who has leased it. Statistics cannot control this state of affairs.

The main conclusion to be drawn from these figures is that the great mass of the most important means of production belongs to the well-to-do strata of the village. These means of production, in the hands of the well-to-do peasant, are a tool for the exploitation of the poor.

14. The graphic presentation of the direct taxes is of great interest. Direct taxation is one of the most effectual instruments for the regulation of social processes in the village. It must be used, above all, for restricting the exploiting tendencies of the topmost capitalist stratum of the peasantry. But when we compare the specific weight of the three groups in control of the means of production, and in the payment of taxes, we find that the poor peasant groups pay relatively no less, if not actually more, in direct taxes than the rich and middle peasantry.

The burden of taxation is imposed directly on the means of production, proportionately, without any progressive scale for the richer groups. The assessment imposed in 1925, and since then, slightly raise the rate of taxation for the richer groups, but since then the process of differentiation has made rapid strides.

Indirekt taxation has swelled to a considerable extent, increasing the relative burden of taxation on the poorest strata of the peasantry.

15. Exhaustive data on the course of the differentiation during the last two years and a half are not available. The above classification into groups is based on the statistical data of the economic year 1924/25. The only data at our disposal are those on the changing distribution of the area under cultivation in 1925 and 1926. The cultivated area groups do not coincide exactly with the social groups, but there is nevertheless an undoubted connection between the social groups and the extent of the cultivated area controlled by them.

The changes taking place in the cultivated area groups up to 1925 were characterised by the lessening of those groups of peasant undertakings possessing no or little cultivated land, and by the growth of farms with large cultivated areas. The growth of the groups with large cultivated areas has been much more rapid than the decline of those with little or no cultivated land. The groups with little or no cultivated land have diminished by 35 to 45 per cent. during the last four years; the group of those possessing 6 to 10 dessyatines has increased by 100 to 120 per cent in the same time. The group possessing 10 and more dessyatines has increased by 150 to 200 per cent.

The decline of the percentage of the groups with little or no cultivated land is caused to a great extent by liquidation and devastation. Thus in Siberia in one single year 15.8 per cent of the farms without cultivated land, and 3.8 per cent of the farms with cultivated land up to 2 dessyatines were liquidated, and in North Caucasus 14.1 per cent of the farms without cultivated land and 3.8 per cent of those with land up to 2 dessyatines.

In 1925 a growth of the group without cultivated land could be recorded for the first time. The specific weight of the groups without cultivated land was shown by the spring enquiries of 1924 and 1925 to have increased from 2.1% to 2.8% in the areas not producing sufficient grain for their own needs, and in the areas producing a surplus from 4.8% to 5.1%. 1926 shows a growth of the groups without cultivated land all over the R. S. F. S. R.

R. S. F. S. R.							
Years	Without cultivated	0-2 D.	2-4 D.	4-6 D.	6-8 D.	8-10	10 and more D.
1925	4.7	34.0	34.1	15.7	6.3	2.6	2.8
1926	5.0	33.1	32.4	16.3	7.1	3.2	3.9

Percentage of the growth or the diminution of the specific weight in 1926 as compared with 1925:

106.4	97.4	95.6	103.8	112.7	123.1	139.3
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We see from these figures that the specific weight of the outer groups grows at the cost of the middle groups.

That a certain degree of progress may be recorded for the groups with small areas of cultivated land does not prove their increasing economic independence. The data given above on the distribution of the means of production shows the specific weight of these groups to be exceedingly small. These groups possess the fewest horses the fewest agricultural implements. The overwhelming majority of these farms work their land with the aid of hired cattle and machines. This is the group which Lenin named agricultural labourers with a holding of land.

16. Land is being leased to an increasing extent from year to year. The statements referring to the areas producing a surplus of grain, from 1925 to 1926, show a general increase of tenant farms from 11.2% to 18.2%, the distribution among the cultivated land groups being as follows:

Economic Groups	Percentage of economies		Percentage of the area under lease		Percentage of land sub-leased	
	1925	1926	1925	1926	1925	1926
With cultivated areas up to 2 Dess.	31.1	29.6	4.1	3.4	42.5	44.4
With cultivated areas from 2-6 Dess	54.9	54.3	26.3	21.4	47.2	42.8
With cultivated areas of 6 and more Dessy	14.0	16.1	69.6	75.2	10.3	12.8

("Statistic Bulletin of the Central Statistic Administration" 1927.)

The rapid extension of tenant farming up to 1926 may be explained by the fact that the effect of the Third Soviet Congress, at which capitalist leases were legalised, made itself felt. Even in 1924/25, when leasing was semi-legal, the data, based on all too moderate estimate, show the area leased to have been 7.7 million dessyatines. To judge by the role at which land leases are increasing, the total area leased in 1927 must be approximately 15 million dessyatines.

The above facts indicate a rapid process of concentration in land leasing, for they show that more than three-quarters of the total area leased is concentrated in the hands of 16 per cent of the agricultural undertakings belonging to the highest group, 16 per cent of all farms, possessing 75.2 per cent of the land leased, lease to others only 12.8 per cent, whilst the groups possessing small cultivated areas — up to 2 dessyatines — sub-lease 44.4 per cent and lease for their own use only 3.4 per cent. The middle group, with 2 to 6 dessyatines, lets out on lease 42.8 per cent, and hires only 21.4 per cent.

These facts prove in an indisputable manner the direction of the capitalist process of differentiation, but not in the least a general growth of all groups of the peasantry. On the one hand we observe a process of concentration in the cultivation of land, and on the other an increase of economic dependence on the part of the lowest economic groups on the highest economic groups.

17. The concentration of land utilisation and of the means of production in the hands of the highest group is accompanied by the increased employment of wage labour. Again, both the lowest and the middle groups of the peasantry throw off an ever increasing number of superfluous workers, a result of either the complete liquidation and devastation of their undertakings, or of the lack of employment at home for various members of the families. This "surplus" labour supplies hands for the kulak or "powerful" middle peasant, drifts into the towns, or joins the army of the unemployed. This is not to be explained solely by the fact of agrarian over-population. It is closely bound up with the differentiation of the village.

The data on the employment of wage labour are unfortunately less accurate than those on land leasing. It has, however, been possible for statistics to follow the general tendency. The number of farms employing seasonal labour in the areas producing a surplus of grain has increased from 1.5% to 2.9%, and the number of farms employing day labourers from 2.8% to 8.4%. The distribution of wage labour, like that of leased land, is extremely unequal.

Economic Groups	Per cent of undertakings employing season or permanent workers	
	1925	1926
With cultivated areas up to 2 Dess.	9.6	7.5
With cultivated areas from 2—6 Dess.	42.9	39.1
With cultivated areas of 6 and more Dessy	47.5	53.4
	100.0	100.0

("Statistic Bulletin of the Central Statistic Administration", 1927.)

18. The inequality in the distribution of cultivated land and of the means of production is further confirmed by the inequality in the distribution of cultivated land and of grain reserves among the various groups of peasant farms. On 1st April, 1926, 58% of the total grain reserves of the village were in the hands of one-sixth of the farms. ("Statistic Review", No. 4. p. 15, 1927.)

The grain reserves on hand at the close of the supply year 1926/27 amounted to 800 to 900 million poods, reaching however one milliard poods by the end of the grain purchasing season of the current year. These reserves are much greater than those of pre-war years, and considerably larger than the necessary reserves against emergency. These reserves, in the hands of the well-to-do strata of the peasantry, are an instrument for the exploitation of the poor peasants, a means of frustrating our economic plans. In the hands of the kulak they are an effective weapon against the socialist elements of the economy of the Soviet Union.

This fact, which can now no longer be disputed by anyone, is a complete confirmation of the warnings uttered by the Opposition even before the XIV. Party Congress, and a com-

plete confirmation of the prospect to which the Opposition already at that time called the attention of the Party. And when now the slogan of a "forced", that is, an increased and accelerated "attack on the kulaks" is suddenly proclaimed (see "Pravda"), then this is nothing more nor less than an admission that the attack on the kulak is belated, and that the kulak has had leisure to strengthen his position during the time the leaders of the Party have been conducting a fierce fight against those who had warned of the increasing power of the kulak.

In actual fact, the slogan of "fire against the Left", the fight against the Opposition, and the accusation that the Opposition "forgets the middle peasant", have all been a screen behind which the process of the rise of the kulak, and the rise of his complement in the city, the NEP-man, has been able to proceed at a rapid rate. This is the objective result of the course pursued by the C. C. during the last two years.

19. The splitting up process going on among peasant farms does not weaken the course of differentiation, but strengthens it.

Machinery and credit, instead of serving to socialise agriculture, are falling completely into the hands of the kulaks and well-to-do peasants, and further the exploitation of the agricultural labourer, the poor peasantry, and the economically weak middle peasant.

Along with this form of exploitation usury is also increasing. An investigation of about one thousand cotton plantations in Central Asia*) showed that nearly 70 per cent of these undertakings are obliged to resort to the usurer. The extent of indebtedness to the usurer per dessjatine of area cultivated is greatest among the poor peasants. The extortionate character of the usury system is shown by a comparison of the amount of agricultural tax paid with the amount of abnormally high interest paid to the usurers. The poor peasantry paid in 1926 four times more to the usurers than their amount of agricultural tax, the middle peasants one and a half times as much, and the well-to-do peasantry one third.

20. The revolution brought about a great equalisation in the distribution of land. But it brought no equalisation in the distribution of the means of production. But Lenin wrote:

"It is clear that no equalisation of the ownership of land can remove the inequality of the actual utilisation of the land, so long as there exist differences among the property owned by the farmers, and a system of barter which aggravates these differences." Vol. IX. p. 676.)

It suffices to compare these words of Lenin with the theses of the C. C. to see how far the present majority of the C. C. is removed from Marxism and Leninism.

Despite the great advance made by all these processes leading to the diminution of the specific economic weight of the middle peasant, the middle peasant still remains the numerically strongest group in the village. The attraction of the middle peasant on to the side of socialist policy in agriculture is one of the most important tasks of the dictatorship of the proletariat. But the staking of our cards on the so-called "powerful peasant" is tantamount to staking them on the further decline of the middle peasant strata, and on the undermining of the nationalisation of the land.

4. Nationalisation of the Land.

21. The land leasing system developing in the village; the present position of soil utilisation, in which the guidance and control of the Soviets is accompanied by a control of the land by land societies falling more and more under the influence of the kulak; the decision of the IV. Soviet Congress on money payments for the transference of land — all this is undermining the foundations of the nationalisation of the land.

The extent of the land leased is already about 15 million dessyatines. Three quarters of this immense area are being cultivated by well-to-do farmers. In view of this fundamental fact, the measures proposed by the theses of the C. C. for the

*) See the periodical: "Agricultural Credit". December 1926.

firmer establishment of nationalisation are extremely inadequate, and are indeed in many cases calculated to deprive the village poor of land to an even greater extent. And on the other hand the limitations of the periods for which land may be leased, as proposed by the theses of the C. C., though in themselves correct, do not in the least solve the problem of the distortion of the nationalisation principle by the development of the leasing system.

22. The maintenance and firmer establishment of the nationalisation of the land are our most important tasks, for the nationalisation of the land, in the hands of the Soviet power, can and must be one of the most effective means of accomplishing the socialist transformation of the village, and of combating the above-named process of capitalist degeneration. The Party must already now draw up a comprehensive state plan containing measures for utilising the nationalisation of the land for the purpose of the socialist transformation of the village, and must submit this plan to the judgment of the Party and Soviet organs. The final settlement of the relations between the Soviet State — the controller and administrator of the nationalised land — and those who cultivate this land, will require a number of years, but the general direction of the work must be decided upon at once. The masses of the peasantry — the agricultural labourers, the poor peasants, the middle peasants, — must be given the possibility of participating in the preparation and discussion of these measures.

23. The totality of these measures must ensure:

1. The retention of land for the peasant strata with few possessions. The State must take up the organisation of comprehensive aid for these strata, enabling them to cultivate the land on a collective basis.

The restriction of the endeavours to exploit on the part of the kulak farms and of those farms tending to become kulak farms.

3. The raising of the technical basis of agricultural production and a comprehensive development of the social and co-operative forms of economic undertakings, accelerating the transition to the collective form.

The right of the Soviet power to control the land owned by the country must be realised, in order to secure the carrying out of our land policy, and to defeat the increasing efforts of the kulak to obtain control of the land of the country (by means of leases, etc.).

The existing land societies must be gradually transformed into land co-operatives, these cultivating the nationalised land collectively, and making it their task to carry out collectively a number of economic measures.

One of the most essential measures for the consolidating nationalisation must be the subordination of the land society to the organs of the local authorities, and the establishment of a sharp control over the distribution and utilisation of the land, this control to be exercised by the local Soviet, purged of kulak influence, and to protect the interests of the poor and middle peasantry against the violent attacks of the kulaks. The part played by the local organs of the Soviet power in the organisation of the whole economic life of the village must be greatly extended, especially with regard to the carrying out of the system of agrarian technical measures. The local Soviets must be the initiators of the organisation of peasant farmers, and the executive organs of social policy in the villages.

The realisation of this policy means that in the village the Soviet power must look for the all-round support of those strata of the rural population and of those economic forms which support the proletariat in the socialist reorganisation of agriculture. This system will give the Soviet power an effective and immediate weapon in the struggle against the capitalist elements and processes in the village.

The carrying out of the above programme for the security of the nationalisation of the land demands an exact ascertainment of the extent, quality, and estimated value of the land.

For this purpose the regulation of the land must be accelerated and a land register organised (quality and estimated value of land).

The work of regulating the land must be carried out entirely by the State, the utmost importance being attached to the regulation of the land of the collective undertakings and the poor peasantry and their interests being safeguarded.

In this connection it will be necessary to proceed to the abolition of the agricultural tax, for this tax hits external features of agricultural undertakings without consideration of their actual proceeds, and therefore falls most heavily upon the economically weak, evoking a justifiable dissatisfaction. This tax must be replaced by taxation in accordance with the quality of the soil and the distance from the market (taxation of proceeds), and all poor and economically weak undertakings should be entirely exempt. On the other hand, the capitalist topmost layer of kulaks is to be subjected to a progressive income tax.

The Party must energetically resist every attempt to destroy or undermine the nationalisation of the land, this main pillar of the dictatorship of the proletariat.

5. The Co-operatives.

24. The task of socialist construction in the village is the reorganisation of agriculture on a basis of big collective undertakings using machinery. For the main mass of the peasantry the most direct path to this goal is the co-operative, as shown by Lenin in "The Co-operative". Here the dictatorship of the proletariat and the whole Soviet structure can smooth the way for the peasantry. The growing industrialisation of agriculture is the sole basis possible for the extension of the foundations of the productive socialist co-operatives (collectivisation). Without a technical revolution in the methods of production themselves, that is, without machinery in agriculture, without the scientific rotation of crops, without fertilisers, and so forth, there is no possibility of comprehensive and successful work towards the collectivisation of agriculture.

25. The productive and selling co-operatives can prove a path to Socialism only if: 1. they are under the immediate economic and political influence of the socialist elements of our economy, above all of big industry and the trade unions; 2. the process of transition to co-operation in the trade with agricultural products is made to lead gradually to co-operation in production itself, and to its increased collectivisation.

The class character of the agricultural co-operatives is not determined by the comparative numbers of the different groups of peasants organised in the co-operatives, but mainly by their economic specific weight.

The data available at the present time on the spread of co-operation among the various social strata of the village show, however, a comparatively large participation of the well-to-do strata of the village in the whole work of the co-operatives. Thus the statements issued on the agricultural credit co-operatives of the R. S. F. S. R., which comprise two thirds of the members of all agricultural co-operatives, give the following picture:

Specific weight of groupings according to cultivation

Economic groups	In all undertakings	Among the cooperative members	Among the credit receivers	According to advances	Indebtedness of the credit receivers in Rouble
With cultivated areas up to 2 Dess.	36.6	30.9	31.6	28.9	37
from 2—6 Dess.	50.9	45.7	47.9	45.8	39
from 6 and more Dess.	12.5	23.4	20.5	26.3	57
	100.0	100.0	100.0	100.0	43

(Periodical: "Agricultural credit", August 1926 "The social composition of the co-operatives")

This table shows that the well-to-do peasants participate in the co-operatives to a greater extent than the poor and middle peasants, and receive comparatively more credit.

A comparison of the data of 1925 and 1926 shows an increased participation on the part of the well-to-do peasants, both with respect to numbers, and to the extent of the credits granted them.

With Cultivated land	Specif. weight in the agric. co-op.		Specif. weight among the credit receivers		Specif. weight in the total of advances		Average extent of the advances of the undertakings in Roubles	
	1925	1926	1925	1926	1925	1926	1925	1926
Up to 2 Dess.	35.0	31.0	30.6	29.3	32.8	27.4	33.9	39.8
from 2-8 Dess.	57.3	58.1	61.3	61.2	50.6	57.7	33.6	39.4
8 and more Dess.	7.7	10.9	8.1	9.5	10.6	14.9	46.8	68.1
	100.0	100.0	100.0	100.0	100.0	100.0		

The inclusion of farms of two to eight dessyatines in the middle group is tendentious, for it lowers the comparative weight of the well-to-do group. This table nevertheless again shows the growth of the kulak in the co-operatives. As matters stand, the richer a peasant is, the greater the means he receives from the present agricultural co-operatives, whose funds are supported to a great extent at the expense of the Soviet State.

We see therefore that the credit granted to agriculture, which could and should lend substantial assistance to the poor peasant, is in actual fact put at the disposal of the rich.

Agricultural credit grants must cease to be a privilege of the economically powerful and rich elements of the village. Under present conditions the funds of the village poor, small as they are, are not infrequently diverted from their original purpose to serve the interests of the rich and middle peasantry; this state of things must cease.

26. Not only must the grants to the poor peasants' funds be considerably increased, but the whole system of agricultural credit must be altered in favour of cheap long-term credits to the poor and small owning middle peasantry. The present system of guarantees and securities must also be altered. The increased specific weight of the rich peasantry in the co-operatives is especially noticeable in the special agricultural co-operatives. The data for the dairy co-operatives, comprising the whole of the dairy districts in the R. S. F. S. R., are as follows:

Groups according to possession of cows	Among the population	Among the members of the dairy co-op.	At the milk supply	In the administrative organs of the co-op.
Without cows . .	18.9	1.6	—	2.1
1-2 cows . . .	74.7	70.8	51.3	48.2
2 and more cows .	6.4	27.6	48.7	49.7
	100.0	100.0	100.0	100.0

(Periodical: "The Dairy". No. 19. 1926.)

Here again the better situated undertakings occupy a more leading position than is justified by their numbers. They have the management of one half of the dairy co-operatives in their hands, and supply one half of the milk to be worked up into dairy products. Similar data are supplied by other forms of special agricultural co-operatives. All prove that our agricultural co-operatives, where they do not socialise the process of production, are rather increasing than lessening the process of differentiation in the village. They promote the economic prosperity of the rich, uppermost stratum of the village rather than that of the poor rural population.

The concealment of the fact that our co-operatives have up to now greatly tended to combine and serve the rich strata of the village is diametrically opposed to Lenin's views. If the co-operatives are to fulfil the great socialist task set them by Lenin, the first necessity is the exposure of the defects of the present co-operatives, and there must be no misuse of Lenin's words on the "Real co-operation of the real masses of the population" for the purpose of cloaking the fact that the kulaks and the rich peasantry have hitherto exploited the co-operatives for their own organisation and accumulation.

It is the task of the Party to make of the agricultural co-operatives a real means for bringing together the poor and middle peasantry, enabling these to take up a successful struggle against the growing economic power of the kulak. It is necessary to induce the agricultural workers, systematically and energetically, to take part in the co-operative organisation of the village.

6. Soviet Undertakings and Collective Undertakings.

27. The rise of the individual farmer must be opposed by an even more rapid rise of the collective farms.

The standpoint of the author of the theses of the C. C., Comrade Molotov, is a grave error. On this most important point we find him recently making the following erroneous statement:

"It is impossible, under present conditions, to fall into the illusions of the poor peasantry on the collectivisation of the broad masses of the peasantry." (V. Molotov: "The policy of the Party in the village. State publishing office. pp. 64, 65.)

On the contrary, the best way to reorganise the millions of the smallest farming undertakings on the basis of socialised wholesale production is their collectivisation.

It is only when the poor peasantry are organised in collective undertakings that they can be helped economically to any adequate extent. The organisation of collectivisation among the poor peasantry must be made the chief task of our work in the village. This task cannot be successfully fulfilled unless both the Party organs and the village co-operatives and Soviets lend their aid, and unless the government grants sufficient means from the State budget to enable the collective undertakings being organised to be supplied with means of production on sufficiently favourable terms. The present grants made to the poor peasant funds, in themselves small, are split up among millions of small peasant farms, and utterly fail to render any real help.

Extensive grants must be made, systematically, from year to year for the purpose of giving economic aid to the poor peasantry organised in collective undertakings. A cadre must be formed of the organisers and leaders of the collectives, people from the village, and knowing the village thoroughly. Propaganda explaining the advantages of collective economy must be carried on in the village schools, and in the schools attended by the young peasants.

Considerable means must be expended on the organisation of Soviet farms.

At the same time the farms of those poor peasantry not brought within the sphere of collectivisation should be accorded systematic help by means of complete exemption from taxation, of a suitable policy regulating the distribution of land and the granting of credit for agricultural equipment, and by attracting them into the agricultural co-operatives, etc.

7. The Soviets.

28. The "instructions" of 1925, which gave the franchise to many of the exploiter elements in the village, were only a very crass expression of how much our bureaucratic apparatus, right up to its highest ranks, endeavours to satisfy the claims of the prosperous upper strata of the peasantry, which is accumulating wealth and enriching itself.

The cancelling of these instructions, which indeed violated the Soviet constitution, was the incontestable result of the criticism of the Opposition. But the first re-elections on the basis of these instructions showed very clearly the endeavour, assisted from above, to narrow down to the utmost the circle of those not entitled to the franchise among the better situated strata. However, the centre of gravity has since shifted from this point. The uninterrupted increase of the specific weight of the new bourgeoisie and the kulak, their rapprochement to our bureaucracy, and the false course steered all round, have given the kulak and the NEP-man sufficient opportunity, even without the franchise, to exert influence upon the composition and policy of at least the lower Soviet organs, whilst remaining themselves behind the scenes.

The penetration of the kulak elements, or of elements "dependent on the kulak" and of the city petty bourgeoisie into

the lower Soviets began in 1925. Thanks to the resistance of the Opposition, this penetration was partially retarded; it represents a political process of profound significance, and to ignore or conceal it is to expose the proletarian dictatorship to great dangers.

29. Resistance to these developments cannot consist merely of an administrative "revival" of the Soviets. What is required is a firm class policy, firm resistance against the new exploiters, increased activity and preponderance of the proletariat and peasant poor in all the institutions and organs of the Soviet State, without exception.

The "theory" expounded by the author of the theses of the C. C., Comrade Molotov, that it is impossible to promote the approachment of the workers to the State and of the State to the Workers, since our State is already a workers' State ("Pravda", 13th. December, 1925), is a very unhappy bureaucratic formula, sanctifying beforehand every imaginable bureaucratic distortion. The severest condemnation of this and similar "theories" is a necessary prerequisite for an effective struggle against bureaucratic distortions, and our whole State apparatus must be brought into closer touch, in the whole of its daily work, with the masses of the workers and peasants.

The present official fight against bureaucracy, not being based upon the class activity of the workers, but striving to enable the apparatus to clear itself of bureaucracy by its own efforts, has not brought about any tangible results, nor can it do so; indeed in many cases it is much more likely to increase bureaucratism.

It is necessary:

1. To steer a determined course towards the struggle against officialdom, in a Leninist manner, on the basis of a real fight to place restrictions on the endeavours to exploit made by the new bourgeoisie and the kulak, and by means of the consistent development of workers' democracy in the Party, in the trade unions, and in the Soviets.

2. To carry out the slogan of closer contact between the worker, the agricultural labourer, the poor and middle peasantry — against the kulak — and the State, the apparatus to be unconditionally subordinated to the essential needs of the working masses.

3. To base the revival of the Soviets on the increased class activity of the workers, the agricultural labourers, and the poor and middle peasantry.

4. To put a definite stop to the removal of elected functionaries from Soviet work, with the exception of cases of actual and absolute necessity, the meaning of which is perfectly clear to the electors.

5. To strive for conditions under which the most backward unskilled labourer and the most uneducated peasant woman may be able to convince themselves by experience that they will receive attention, advice, and all possible assistance from any and every State institution.

The formulation of the theses of the C. C. on the active participation of the peasantry has been borrowed entirely from the Opposition. In the platform of the Bolsheviki-Leninists it is stated:

"The slogan proposing the formation of a non-Party active combination of the peasantry by means of the revival of the Soviets (Stalin, Molotov), is a slogan entirely devoid of all class import, and must lead to the strengthening of the leading rôle of the upper strata of the village. It must be opposed by the slogan of a non-Party active combination of agricultural labourers, poor peasants, and the middle peasants in sympathy with these."

8. Taxes and Stores of Grain.

30. At the XIV. Party Congress the Opposition proposed to exempt 40 per cent of the peasantry from the agricultural tax. In April 1926 the Opposition repeated its demand that the "existing system of the agricultural uniform tax should be so altered that 40 to 50 per cent of the poorest and weakest peasant farms should be exempt from taxation without any additional taxation being imposed on the main mass of the middle peasants."

And as late as April 1926 Comrade Stalin combated the proposal of the Opposition for the exemption of 40 per cent of the peasantry from taxation, and expressed himself as follows:

"The only thing that it (the Opposition) has been able to think of is a proposal to exempt, not 25 per cent, but 40 per cent of the peasantry from the agricultural tax... Let us examine this proposal. I maintain that this measure, though apparently harmless and alleged to be directed against the kulak, is in reality a blow dealt to the middle peasant, a blow to the alliance between the working class and the poor and middle peasantry... Here Comrades Kamenev and Zinoviev commit the error of actually confusing the middle peasant with the kulak, and believe they are suppressing the kulak, whilst in reality it is the middle peasant whom they attack. For this reason, the proposal of Comrades Kamenev and Zinoviev is an anti-peasant proposal." (Speech delivered by Comrade Stalin at the Plenary Session of the C. C. of the C. P. S. U., April 1926. stenographic report, p. 112.)

Comrade Stalin failed to observe that here he merely repeated the words of the Menshevik Martov, who opposed Lenin at one time in the following words:

"This attempt to dig a chasm between the little group of kulaks and the rest of the peasantry is a Utopia; you will thereby deliver a blow to the middle peasants." (Minutes of the All-Russian Central Executive Committee, Fourth Session, p. 301.)

It is little more than a year since Comrade Stalin thus repeated the Menshevik assertion by maintaining that the oppositional proposal to exempt the poor peasantry from taxation was an "anti-peasant" proposition.

Now, on the eve of the Tenth Anniversary of October, the manifesto issued by the Central Executive Committee declares that a further 10 per cent of the poor peasants are to be exempt from taxation, beyond the 25 per cent already exempt. Thus the proposal of the Opposition, declared to be "anti-peasant", has now been taken over by the C. C. And every worker, every poor peasant sees plainly that this measure has been adopted very late, and on the pressure of the Opposition.

31. The C. C. is at the same time hesitating in an impermissible manner to carry another proposal made by the Opposition at the July Plenum.

Enormous reserves of grain have accumulated in the village. These reserves are in the hands of the well-to-do strata, and far exceed the necessary safety reserves. On the other hand, the town population is insufficiently supplied with grain, although we have had good crops three years running, and our grain export does not increase, but diminishes. Although this is the third good crop in succession, less grain has been bought up than last year, and the grain prices are already rising. The difference between the prices received by the peasant for his grain, and the prices paid by the grain consumer, has swelled to an enormous amount. This difference feeds the parasites of commerce. The hoarding up of grain by the kulaks is obviously retarding the economic progress of industry and of economy in general and destroy the plans of the Soviet power.

It is necessary to draw out a portion of this grain from the reserves of the kulaks in the form of a loan. This measure will only affect 10 per cent of the peasantry, and will yield no less than 150 million poods of grain, which could be employed in giving fresh impetus to the export of industrial and agricultural products. The interests of the whole working class are bound up with the unconditional carrying out of these measures.

If the working class, out of their low wages, can and do support the industrial loan, then their must be nothing to hinder that the upper strata of the village support the Soviet State, export and industry by means of a portion of their stores which entail a heavy burden on the national economy. For this purpose all that is necessary is, in attacking the Kulak, not to confine oneself to mere words but to proceed at once to deeds.

9. The Political Line must be Readjusted.

32. In spite of the comparative speed of the process of restoration in agriculture, the goods surplus of the peasant farms is very small: In 1925/26 the sales in the markets amounted to 64 per cent of pre-war sales, and exports in 1926/27 amounted to only 42 per cent of the export of 1913. The cause of this lies in the increased consumption of the

village itself (increase of population and splitting up of agricultural undertakings, causing 38 per cent of the peasant farms to buy grain in the surplus producing areas), in the disparity between the prices for industrial and agricultural products, and in the rapid accumulation of stocks by the kulaks. This leads to the predominance of barter in agriculture in general, and to a special growth of the accumulation of goods among the kulaks.

Even the Five Years' Plan drawn up by the State Planning Commission is obliged to recognise that the "general shortage of industrial goods places a certain limit to the equivalent exchange between town and country, since it reduces the possible extent of the sale of agricultural products on the market (page 177). This circumstance undermines the close connection between town and country, and accelerates the differentiation of the peasantry.

33. The theses of the C. C. declare:

"Although the general policy pursued is perfectly correct, and agriculture is being influenced to a steadily increasing extent by the Proletarian State, through its organs, through the co-operatives, etc., there are still a number of serious defects, mistakes, distortions, and sometimes unheard of violations of the political line of the Party."

Only the second half of this assertion is right. It is precisely the general policy of the C. C. which has been wrong. Hence the inevitableness of the "mistakes", the "distortions", and the glaring defects appearing in actual practice. It is the C. C. which determines our policy, and its attempts to cast the blame for its errors onto the State offices and organs is unworthy.

In enumerating those organs which have "distorted" the Party line (land organisations, co-operative organisations, agricultural credit organisations, People's Commissariat of Finance, State buyers, etc.) the C. C. condemns itself. Everybody is to blame except the C. C. The enumeration of the "guilty" and the character of the "distortions" fully confirm the correctness of the criticism by the Opposition of the whole line of policy adopted by the C. C. in the village. It is not a matter of single errors committed by this or that office, but of the general lines of guidance laid down, with all their vacillations, zig-zags, and deviations from the class line. It is not the errors of the offices alone which must be put right, but first of all the general line of the C. C.

The "concentrated fire" against the alleged anti-middle peasant deviation of the Opposition has in actual fact led to the unflinching of the economic power of the kulak, to the strengthening of his influence over a considerable section of the middle peasantry, and to the further enslavement of the village poor.

The incorrect policy of the Party in the village must be changed, and this cannot be done without a direct acknowledgment of the errors of the line pursued during the last two years, and a decided condemnation of these errors.

The C. C., in maintaining that it has always pursued the policy of "attack on the kulak", is asserting something obviously not in accordance with the facts, for its course has not only failed to restrict the rise of capitalism in the village, but has enabled it to rise. It is just for this reason that the slogan has now to be proclaimed unexpectedly for the Party — declaring at least in words that a "forced attack upon the capitalist elements, especially upon the kulaks, is necessary". This is the slogan of the Opposition, and this is the right slogan! But the C. C. takes it ever much too late, from the Opposition, and is not even sincere in taking it over! The Party cannot feel confident that the leaders who have carried on a diametrically opposite policy for two years, are now really able and willing to follow this oppositional slogan. The practical execution of this slogan involves the recognition of the proposals of the Opposition.

In the class struggle going on in the village, the Party must lead the way, not only in words, but in deeds, and must unite the agricultural labourers, the poor peasants, and the main mass of the middle peasantry, in organisations enabling them to fight against the attempts at exploitation by the kulak.

34. Out of a total number of 3½ million wage earners in the village, 1,600,000 are agricultural labourers, men and women. Only 20 per cent of the agricultural labourers are members of trade unions. There is scarcely any attempt at the

registration of the invariably enslaving wage agreements. The wages of the agricultural labourer are generally beneath the State minimum, even in some cases in the Soviet farms. The average real wage does not exceed 63 per cent of the pre-war wage. The working day is seldom shorter than 10 hours, and in most cases it is in reality unlimited. Wages are paid irregularly and after long delay.

The extremely hard position of the agricultural labourer is not merely the result of the difficulties of building up socialism in a backward agrarian country, but is at the same time due to the false line of policy which in actual practice, in deeds, in real life, favours the upper strata of the village and not its lowest. An all round systematic safeguard of the interests of the agricultural labourer is imperatively necessary, and not only against the kulaks, but against the so-called powerful middle peasants.

35. An urgent necessity is the systematic and efficient organisation everywhere of the poor peasantry, enabling them to take part in the most important political and economic tasks, such as the elections, taxation campaigns, influence on the distribution of credits, machines, etc., regulation and utilisation of the land, co-operation, realisation of the funds for establishing co-operatives among the village poor, etc.

The participation of the village poor in our endeavours will be an empty phrase until we have created a really powerful organisation of the poor peasantry, and have clearly defined their rights and duties.

The agricultural labourers must of course possess a completely independent class organisation (outside of the Soviets and the co-operatives). This is the trade union.

The main mass of the middle peasantry must be organised around the village Soviets and around the co-operatives.

But the village poor, precisely because they are the village poor, require a supplementary organisation (outside of the Soviets and the co-operatives).

All fundamental dealing with the regulation and utilisation of the land, or with taxation and the policy of the Party in the village must be submitted beforehand for discussion to the conferences and congresses of the village poor and agricultural labourers.

The conferences and congresses of the agricultural labourers and village poor are not to be convened merely occasionally, but systematically.

As a counter-active force against the endeavours of the uppermost stratum of the peasantry, the kulaks and the well-to-do farmers, towards the formation of a "Peasants' League", which can only play a counter-revolutionary rôle, these congresses and conferences of the village poor must lay the foundations for the organisation, under the leadership of our Party, of a "League of the Village Poor", in which proletarian influence is secured, and which must be a support for the dictatorship of the proletariat in carrying out its policy in the village.

In view of the increasing acuteness of the class struggle in the village between the poor and middle peasantry on the one hand and the kulak on the other, this league of the village poor must establish friendly relations with that main mass of the middle peasantry which is struggling against the kulak; the league of the village poor, in supporting the middle peasantry on all sides in this struggle (in the co-operatives, the Soviets, and the like), will create a centre for the concentration of that main mass of the peasantry which is ready to join the Soviet power in building up the socialist village, against the kulaks, against the speculators, and against the capitalist elements of the village.

36. The Party must promote the economic uplift of the middle peasant by a correct policy with regard to purchase prices, by the organisation of credit accessible to the middle peasant, and by means of co-operatives, at the same time guiding this numerically greatest stratum of the village systematically and gradually to the transition to mechanical collective wholesale economy.

37. The task facing the Party with regard to the growing kulak strata consists of putting a stop to attempted exploitation at every point. No deviation is permissible from those points of our constitution which deprive the exploiting strata of the village of the franchise. Urgently necessary are: sharply graduated progressive taxation; State legislative measures protecting wage earners and regulating the wages of agricultural

labourers; correct class policy in the sphere of land regulation and utilisation; safeguarding of the village poor against agreements reducing them to serfdom, and especially legislative protection in lease questions of peasants with little land. The whole policy of supplying the village with machines must be altered in such a manner that the village poor be better provided than has hitherto been the case.

38. The views of the Opposition on the disputed question of peasant policy have proved to be entirely correct. The partial improvements introduced into the general line under the influence of the severe criticism of the Opposition do not prevent the official policy from inclining towards the "powerful peasant". It suffices to mention that the Fourth Soviet Congress, after Kalinin's speech, did not refer with one word to the differentiation in the village or to the growth of the kulak.

This policy can only lead to one result: the poor peasant will be lost to us, the middle peasant will not be won.

The theses of the C. C., in spite of the outward "Leftness" of some formulations, bring no change in the policy of the C. C. The exemption of a further 10 per cent of the village poor from the agricultural tax has been taken over directly from

the platform of the Opposition. This measure is correct, but insufficient. The "attack" announced on the kulaks has again been borrowed from the arsenal of the Opposition. The fundamental standpoint of the C. C., which denies the fact of capitalist differentiation in the village, and throws a veil over the processes actually going on in the village, is, however, bound to lead in actual practice to false and opportunist steps. The Central Committee forms a false estimate of the village, and this deprives it of the possibility of pursuing a correct Leninist policy in the village.

Left phrases and Right actions have always been characteristic of all opportunists and centrists. The far-reaching exploitation of various points of the platform of the Opposition, whilst concealing this platform from the Party, and the simultaneous mass expulsion of Bolshevik-Leninists from the Party, this is a fundamental contradiction which not a single member of the Party can pass over.

Bakayev, Kamenev, Rakovsky, Yevdokimov, Muralov,
Smilga, Zinoviev, Peterson, Trotzky.

For the Leninist Line in the Question of our Policy in the Village.

Economic Perspectives in the Village.

(The first 11 Theses of the Opposition on the Peasant Question).

By N. Bukharin.

1. Dictatorship or Thermidor? — Achievements or Counter-Revolution? Where is the Right, and where the Left?

In the tenth year of the proletarian dictatorship in the Soviet Union paragraph 2 of the theses of the Opposition reads as follows:

"The Opposition sees and recognises all the vast changes which have taken place as a result of the October revolution. The dictatorship of the proletariat, the nationalisation of industry, of the transport service, of credit, the socialisation of trade, the foreign trade monopoly, the co-operatives — all this creates the possibility of the successful building up of socialism. This work of construction has already achieved considerable successes."

Thanks to this oppositional gentleman, we are found worthy to hear that the Opposition "sees", and even "recognises", the October revolution... Every credit is due to the opposition for noticing such a "trifle". It does, however, seem rather remarkable that the Opposition has been obliged to recognise and to "observe" the "vast changes which have taken place as a result of the October revolution". It must be admitted that the formulation itself ("sees" and "recognises") is somewhat unhappy. Truly, we cannot envy people who have to emphasise that they do not pass over the October revolution. We thank them kindly! And finally, we hear that we have a proletarian dictatorship, and even... that the building up of socialism has already met with "considerable success".

This is all very gratifying. But we hear at the same time something else. And this is very different indeed. We are told that Thermidor has been victorious with us. Apart from the lack of education evinced by this analogy, we gather rightly that what is meant is the victory of counter-revolution. We are told that our State, at its present stage, is a State of Alexinsky, of Kerensky, and Pereversev; that is, a bourgeois State oppressing the proletariat. We are told that people are better off under Hindenburg. We are told that the pre-war order has been restored in works and factories. We are told that the Party and the Soviet Power are degenerating at the hands of the kulak and the NEP-man. And we are told many other things in the same strain.

What does all this mean? What "achievements" are referred to? Is it not clearly comprehensible to everyone that, if we have to record the victory of counter-revolution ("Thermidor"), then the proletarian dictatorship has already ceased to exist?

Surely every Young Pioneer can see that if the pre-war order has been restored in our factories, and the government represents the policy of the kulak and the NEP-man, then we have neither a socialist industry nor a workers' government?

Surely everyone with a speck of intelligence must grasp that if it is preferable to live under Hindenburg, then it is impossible to speak of any "achievements" whatever?

We are confronted by two series of oppositional assertions; one in favour of the existence of the proletarian dictatorship being recognised as a fact and the other against such a recognition, and for Thermidor.

What then is the permanent opinion of the Opposition? The best criterion is its actions. The Opposition violates Soviet law; it organises street demonstrations (against the proletarian dictatorship), here using one of the "highest" forms of struggle; it does not shrink from slanderously denouncing the Soviet government to the foreign bourgeoisie; it flies from Soviet freedom of the press down into cellars, or abroad like the Mensheviks and the Social Revolutionaries. These are all facts. And facts, as Lenin liked to say, are obstinate things. And finally the Opposition builds up its second party. It is not clear that one can do this (assuming at least an elementary portion of political honesty) only if one has decided against recognising that we have a proletarian dictatorship in our country, and for "Thermidor?"

Here it is of no use to talk of mere "tendencies" (the usual line of retreat of the Opposition when it encounters the firmly serried ranks of the workers). Why not?

For the following reason: The Opposition maintains that degeneration permeates the whole of our social economic fabric. It is in the workshops and factories (directors and management), in the economic organs, in the Soviets, in the Party, in the C. C., in the government. More than this, the Opposition makes express mention of Thermidor, that is, of the victory of counter-revolution, of the shifting of classes, of the classes holding

power. But politics are "concentrated economics". If "Thermidor" has already been victorious in the question of power, this means that the quantitative processes of degeneration in the sphere of economics have reached such a point that "at the top", that is, at the seat of power, the victory of counter-revolution is obvious. Otherwise all talk about Thermidor (that is, about counter-revolutionary upheaval) is obvious nonsense.

And when we, that is, the whole Party, say that the assertions about Thermidor are a calumny of the Party, of the Soviet Union, and of the working class in our country, then we are accused of "glossing over actual facts". Truly, the Opposition has become entangled among the brambles; truly it has already sunk with one foot in the Menshevik swamp.

Even the social democrats cannot help admitting our successes "in general" (progress of productive forces, etc.). But the social democrats are of the opinion that our successes are at bottom the successes of a unique type of capitalism existing along with a power of rich peasants and NEP-man. In the capitalist countries (especially the richest) they reverse the process, and stick socialist labels to the powerful industrial trusts (Hilferding). Our Opposition joins in the same song on the Soviet Union, and so far degrades itself as to praise the bourgeois order. ("Better under Hindenburg.") Is it not time to call a halt before it is too late?

Such weighty assertions are not to be juggled with. Both the dictatorship and Thermidor cannot be referred to as co-existent. This vacillation to and fro between two fundamentally antagonistic standpoints is more worthy of drunken jesters. And such jests can lead to no good. It is necessary to stop this playing with the political "twilight of the gods".

II. Is it the same with us as with the Capitalists, or different? Leninism or Trotzkyism in the Agrarian Question?

The vacillations between dictatorship and Thermidor become equally apparent on other points.

The logic of things compels the Opposition to adopt an inevitably un-Leninist standpoint in the question of the course of development in the village. The theses of the C. C. is as follows:

"The dictatorship of the proletariat in the Soviet Union alters fundamentally the conditions, and with it the course of the development, of agriculture, for it creates a fundamentally new type of agricultural relations, a new type of class regrouping in the village, and a new direction for the development of economic forms." (Theses of the C. C. on the work in the village. § 1.)

To this Comrade Smilga declared at the Plenum of the C. C.:

"Instead of a Leninist standpoint we have a Bukharinian one, maintaining that within capitalism matters are this way or that, but among us it is fundamentally different..." Your theses again differ also in this respect that they contain no figures; a mere judgment is formed, and a wrong judgment according to which with us everything is 'fundamentally different' as compared with other countries."

The theses of the Opposition maintain, however, that paragraph 1 of the theses of the C. C. are untrue "in this absolute form". Further, the theses maintain, with a zeal worthy of more success, that the question of "Who whom?" has not been answered, that there is an obvious process of differentiation going on, etc. etc.

We must make the actual subject of the dispute perfectly clear, and not permit the Opposition to transform one question into another with its usual juggling.

Above all: What is there untrue in paragraph 1 of the theses of the C. C.? The Opposition declares:

"The fact of the proletarian dictatorship alone does not transform capitalism into socialism. The dictatorship of the proletariat opens up the period of transition from capitalism to socialism. This transition has been best characterised by Lenin in his 'Taxation in kind'. The Leninist characterisation of this period of transition, with its inner class struggle, with its interweaving of capitalist and socialist elements, with its question of 'Who whom?' — all this is transformed in the theses of the C. C. into a vulgar, opportunist declaration confounding the NEP. with Socialism."

We see that 1. The C. C. "confound the NEP. and socialism", and 2. "The fact of the dictatorship alone" is not yet socialism.

The first assertion is pure nonsense. The NEP. is the "new economic policy", and not a state of society. It corresponds to the period of transition which is not yet socialism, but comprehends in itself various stages of development. The second assertion is perfectly correct, but has nothing to do with the case. For the theses of the C. C. do not maintain that: "The dictatorship of the proletariat is socialism". The theses of the C. C. state that the dictatorship of the proletariat changes the conditions of development, the course of this development, its type, the type of regroupings, the direction of development. A moment's thought will show that the period of transition is referred to.

In paragraph 7 of the theses of the C. C. we read:

"7. Seen from the social class viewpoint, the process of agricultural development is characterised at present by the struggle between the socialist and capitalist tendencies. This struggle gives its special stamp to the process of differentiation in the village, which possesses under present conditions sharply accentuated characteristic features."

This struggle gives its special stamp to the process of differentiation and the question of whether a class struggle is going on in the village or not (these are elementary A. B. C. truths); nor has the dispute anything to do with the question of whether the dictatorship alone means socialism or not (another elementary A. B. C. truth). The subject of the contention is the question of whether the dictatorship of the proletariat and the socialisation of the key positions create other possibilities of development, another type of this development in the village, than exist under capitalism.

The negative reply to this question (Smilga: Theses of the opposition) is at the same time the crassest possible form of the negation of Leninism. Let us assume that with us the village develops precisely as under capitalism: The middle peasant is washed away, the kulak works his way to the surface, the middle peasantry is proletarianised and dissolved, the opposite poles are growing — and nothing more than this.

How would it be possible, in this case, to build up socialism jointly with the main mass of the peasantry, the majority of which are opposed to the immediate socialisation of their production? How can Lenin's co-operative plan be defended, which reckons on the transition "to the new order by the simplest, easiest, and (for the peasantry) most accessible means?" (Lenin). Does this not mean looking to the kulak for support? But the proletarians have no undertakings of their own. In so far as they are not already combined with the village poor in productive collectives, they can and must be protected from the employers, and their ranks must be organised. But their individual undertakings cannot be fitted into the structure of socialism, for no such undertakings exist. The middle peasant is becoming extinct, and no hopes can be set on him. What is left? Nothing whatever. Everything turns out to be a Utopia. Lenin's plan disappears along with the "central figure of agriculture".

The theses of the Opposition deliberately distort the views of the C. C. in their insistence that the C. C. believes in the "idyll" of a "uniform" (!) growth of prosperity among all the strata of the village. Such utterly nonsensical assertions can only be attributed to the complete irresponsibility of loud mouths who do not even want to reflect on the actual issue.

The same paragraph 7 of the theses of the C. C. contains the following on the differentiation in the village:

"The peculiarities of this class regrouping result from the altered social conditions. These peculiarities consist of the fact that our type of development, as opposed to the capitalist type, which is expressed by a weakening of the middle peasantry, whereby the extreme groups of the village poor and the rich peasantry increase, is characterised by a process of strengthening the middle peasant group, accompanied by a certain and at present still continuing growth of the kulak group at the expense of the better situated part of the middle peasantry, and by a decrease of the groups of the poor peasantry; one part of the poor peasantry is proletarianised, whilst the other and greater part rises gradually into the group of the middle peasantry."

These peculiarities are the inevitable result of the inner antagonisms of the economic development under the present conditions of the dictatorship of the proletariat."

Does this look like the uniform growth of prosperity among all groups, or like that "idyll" of which the Opposition speaks? Even mendacity must have its limits.

The fundamental difference of opinion between the Party and the Opposition (not the imaginary, but the real one), consists of the fact that the Opposition assumes that with us everything is going in the village, as under capitalism, whilst we state that this is not in the least the case (otherwise it would be nonsense to speak of the struggle between the socialist and capitalist elements in the village, for what socialist elements exist in the village under capitalism?). In the opinion of the Opposition the whole course and the whole type of the development of the Soviet Union is the same as in Germany, France, etc. By this the Opposition itself excludes the possibility of building up socialism in the village under the guidance of the town, and confines itself to protecting the interests of the village poor, at the same time opposing this protection to the building up of socialism.

III. Town and Country. Who Leads Whom?

The question dealt with has still another aspect.

Lenin wrote:

"However often the petty bourgeois democrats, calling themselves socialists and social democrats (Chernov, Martov, Kautsky, Longuet, MacDonald & Co.) may bend the knee before the goddesses of 'equality', of 'universal suffrage', of 'democracy', 'pure democracy', or 'consequent democracy', this will not cause the economic and political fact of the inequality between town and country to disappear.

It is a necessary fact in the capitalist society in general, and during the transition from capitalism to communism in particular.

Town and country cannot be equal. Under the historical conditions of the present epoch the village cannot be equal to the town. It is inevitable that the town leads the village. It is inevitable that the village follows the town. The sole question is, which of the classes in the town will be successful in gaining the leadership over the village, and what forms will this leadership take." (Complete works, Russian ed. Vol. XII. p. 442.) The emphasis is Lenin's.

This alone suffices to show that in our proletarian State we must expect the course and type of development of the town to differ sharply from that of the village. Those who assume (with Smilga and the oppositional theses), that in our State everything proceeds precisely as under capitalism, have not grasped the leading rôle of the proletarian town. (Only when "Thermidor" reigns among us, and only then, will the village develop "as under capitalism".)

The Opposition has never grasped this, and for this reason I wrote in my pamphlet against Ustryalov:

"It is much to be regretted that even Communists sometimes forget the fundamental methodology required in the analysis of the various most important spheres of economics, for instance agriculture. These people are of the opinion that it is possible to indicate the general lines of development without taking into account the village in its relation to the town, agriculture in its relation to industry, transport, and credit. They imagine some isolated village, standing alone like a sphinx, and subject to special laws of development of its own, without the slightest connection with the laws of the development of the whole national economy.

This paltry standpoint has been annihilated more than once by the inexorable blows of Marxist criticism but it springs up again like a stand-up doll, and continues to proclaim its 'immanent' absurdity in a persistent if thin voice. Even at its present reappearance it finds those who are willing to play its accompaniment. No other than Lenin himself demanded, in his commentary on Kautsky's book, that this analysis should be undertaken on the basis of 'general development'."

In writing this I had the Opposition in mind.

Before this, I had already dealt with this point in my pamphlet: "The Way to Socialism."

"It is impossible to imagine a state of things in which the village develops entirely independently of the town. We have already stated that as a result the growth of the productive forces of the country the influence of the town on the development of our agriculture is becoming more and more decisive. And the pulse of the city, its proletarian industry, its banking system, its legislation, etc., — all this turns more and more in the direction of the village, that is, all this serves as a powerful support for the middle and poor peasantry, a support against the strata of the rich peasantry."

This was written some years ago. And now when the theses of the C. C. say the same, the Opposition has the impudence to maintain:

"This is true. But the Party ought to know that this is a thesis of the Opposition, and that at first it encountered violent resistance on the part of the C. C. Now the C. C. has appropriated this thesis."

What have you to say to such "friends of truth" and to their "modesty"?

But the Opposition, having acknowledged the leading rôle of industry, has become involved in utter confusion. For either socialist industry leads the village, in which case the development of the village cannot be in principle the same as under capitalism. Or the reverse is the case: If our development is the same as the capitalistic, then we cannot speak of the leading rôle of the town.

Or perhaps Thermidor has decided these questions? If you think so, say so, but stop this foolish game.

With regard to the "backwardness of industry" and the like (paragraph 3, closing passage, theses of the Opposition), even the proverbial cat cannot but laugh, to say nothing of the adult workers.

IV. The Tactics of the Party. Manoeuvres. Who is Revising Lenin?

The following paragraphs of the oppositional theses are devoted to the tactics of the Party and the antagonisms arising from "Enrich yourselves". Here a surprising degree of intellectual poverty and futility comes to light.

Before dealing with the passages themselves, I should like to make a small observation. The authors of the theses, seeking to compromise the line of the Party, state:

"Lenin once wrote: 'Were we to manoeuvre on the Bukharin method, we might very well ruin a good revolution.' (Works. Vol. XV. p. 145.) At the present time we are involuntarily reminded of these words of Lenin."

Lenin was right here, as ever. But why do the authors forget that the Bukharin here spoken of was the Bukharin who at that time made common cause with Trotzky? Why do they conceal the fact that on this same page of Lenin's works, page 145 of the XV. volume, we read:

"Comrade Trotzky says that the peace (the Brest peace, N. B.) will signify betrayal in a new sense of the word. I maintain that resort to mere phrases is an entirely wrong method of argumentation." (Ibid. The emphasis is mine. N. B.)

Trotzky accuses Lenin of betrayal. In spite of this, Lenin only replies to the effect that he only finds phrases in Trotzky's arguments. From this time onward Bukharin rejected the phraseological policy of Trotzky. But Trotzky, even now, has still nothing to bring forward but mere phrases, and an accusation of betrayal brought against the whole Party and the C. C. In vain, completely in vain, you refer to the XV. volume!

The authors of the oppositional theses have spared no labour in quoting again and again Bogusheysky and all the other passage which they have already quoted hundreds of times. But they do not accord one word to Kamenev's "village enriching itself", to Zinoviev's readiness to "bend" before the economic needs of the peasantry, to the non-Party organs above and below, or to various other matters. The authors of the theses are obviously well aware that they lie when they almost

speak of the negation of the class struggle, etc. This has been proved dozens and hundreds of times, and such "arguments" are only laughed at.

There is however one "objection" to which we must devote some attention: Why were we told this at the XIV. Party Conference and at the XV. Party Congress, and now that? (We may remark in parentheses that the heroes of the Opposition voted for the decisions of the XIV. Party Conference.)

It is not so difficult to comprehend this if we approach the question in the right manner, and if we take as starting point certain elementary premises, especially that premise which points out that tactics must change according to changed objective conditions and class relations. The estimate made of these changes will be found in the following passage of the theses of the C. C.:

"Viewed from the class standpoint the Party is able to record a growth and consolidation of the proletariat, a consolidation of the alliance with the middle peasantry on the basis indicated by the XV. Party Conference and the XIV. Party Congress, and finally an increased offensive against private capital. This process has been accompanied by an increase of agricultural production, an organisatory growth of the agricultural labourers' unions, the organisation of poor peasant groups, and the revival of the Soviets. These prerequisites create the possibility of reaching wider strata of the poor and middle peasantry by means of the co-operatives, of further increasing the systematic influence exercised upon the peasantry, and of making a decisive attack on the kulak on the basis of the successes which have been attained towards the strengthening of the alliance between the proletariat and village poor on the one hand, and the middle peasant on the other."

The realisation of the decisions of the XIV. Party Congress consolidated the shaky alliance with the middle peasantry; this is a great achievement of proletarian policy. But precisely this has not been grasped by the Opposition (which saw in

the decisions of the Party Congress a policy favouring the kulak), and it does not grasp even yet that unless this task is accomplished we cannot go forward with perfect certainty, jointly with the middle peasantry and with increased support from the poor peasantry, against the rich peasantry. All who believe the decisions of the XIV. Party Congress to have favoured the kulak will be equally unable to grasp the import of the theses of the XV. Party Congress. This is perfectly natural. But why make a virtue of one's own blindness, and criticise from the standpoint of the blind those who see?

The Party, in reinforcing the economic key positions, in consolidating the alliance with the middle peasantry, and in thereby creating much wider possibilities for offering real aid to the village poor, is really marching forward, and will not concern itself about the outcries of "treason", Thermidor", and the like. The Party follows the progress of the rich peasantry with the most careful attention, but does not shriek that we are on the "decline" (only petty bourgeois can suppose that the rich peasant is now beginning to control our ever growing and consolidating socialist town); it rather creates the practical prerequisites for the actual struggle, and wastes no time on empty phrases no longer able to deceive anybody.

"The economic forces in the hands of the proletarian Russian State", wrote Lenin, "suffice completely to secure the transition to communism. What is lacking? It is obvious what is lacking. There is a lack of necessary culture in that stratum of communists who control the administration." (Compl. works, Russian ed. Vol. XVII. p. 43.)

This was said at the XI. Party Congress, almost six years ago. Today we are masters of much greater "economic forces" than at that time. If anybody is revising Leninism, it is the Opposition, for it is the Opposition which utterly confuses all relations, and crowns its opinion of the development of the Soviet Union by an absurd and calumnious outcry on "Thermidor". It is a dangerous game to replace real politics by such phrases.

Differentiation in the Village and the Co-operatives.

By Y. Yakovlev (Moscow).

The whole content of the oppositional counter-theses is built up on the direct denial of any essential difference in the process of differentiation in the village under the conditions given by the Soviet Union. According to the declarations of the Opposition, everything is reduced to the statement "the process of differentiation has made great advances in the village during the last few years". The discovery of anything in this process of differentiation peculiar to our conditions would be too great a deviation from bourgeois ideology.

The Opposition has had more than two years time for thinking out, elaborating, and preparing the material in defence of this assertion, and we accord the most careful attention to its substantiations, statistics, interpretations, and controversial methods.

I.

The analyses of class development in our village of today begin in the counter-theses with a model of downright unscrupulous polemics. It is simply assumed that we share the views of the Narodnik Professor Oganovsky, who maintains that neither now nor before the revolution has there ever been any process of differentiation in the village. Utterly disregarding the fact that the utterances quoted from Oganovsky's writings have nothing in common with the theses of the C. C., the Opposition declares them to be absolutely synonymous, proceeds to annihilate Oganovsky, and pretends that with this we are simultaneously crushed.

In actual fact:

1. Oganovsky declares that no "two-sided process of differentiation is going on in the village; the theses of the C. C.

confirm both the growth of the kulak and the existence of a certain degree of proletarianisation among the village poor.

2. Oganovsky regards the growth of the upper groups of the village merely as a part of "the general upward movement"; the C. C. confirms the fact of the growth of the kulak, and opposes this growth to that of the rest of the village as the comparative growth of antagonistic classes.

Oganovsky denies the process of differentiation in the village, for he recognises one movement in the village, that of the general upward trend; the C. C. characterises the process of development in peasant economics at the present time as a struggle between socialist and capitalist tendencies. It points out a number of self-evident features peculiar to that type of differentiation brought about by the conditions given by the Soviet Union, as compared with that type of differentiation taking place under capitalism.

The controversialists from the camp of the Opposition declare that the C. C. and Prof. Oganovsky "agree in their estimate of the central question of the development of our village".

The Opposition, having once attributed Oganovsky's views to the C. C., and proclaimed the complete identity of the standpoints of Oganovsky and the C. C., does not find it difficult to declare that "the principle proclaimed by the C. C." "deny the fact of capitalist differentiation in the village".

This is certainly the easiest way of conducting controversy with the C. C., but every class-conscious worker will confront these polemicists with the evidence furnished by a comparison of Oganovsky's declaration with the theses of the C. C.

Whilst on the subject of the Narodniki (Popularists): various passages of the counter-theses accuse us of slipping down to the popularists. It would be well if the Opposition would remember that, as early as the time of the acceptance of Lenin's co-operative plan, the Mensheviks raised the same accusation against us dozens of times. Lenin himself, in his most important article on Co-operation, said: "We were quite right in regarding co-operative socialism merely as a phantasm so long as we had not the political power in our hands. But the matter is entirely different since State power is in the hands of the working class". That which was merely a popular phantasm, or worse, a proclamation of reformism, now appears to Lenin as the main factor giving impetus to the village on the path to Socialism. Be a little more careful, comrades of the Opposition, with accusations of sinking into popularism! You aim your blow at the present C. C., but hit Lenin!

It would be interesting to learn from the comrades of the Opposition how it comes that they themselves figure in their platform in the rôle of "popularists"; they declare here that there is an "upward movement of the peasant farms without horses and equipment into the lower strata of the middle peasantry", though this movement is slow (the same peculiarity of differentiation ascertained by the C. C. of the Party). But in the counter-theses of three months later they declare this same declaration on the part of the C. C. as bourgeois popularism of the purest water. Is this not an almost too abrupt change of front, even for a Bolshevik-Leninist, an almost too rapid forgetfulness of what one said yesterday?

II.

We have read with special interest those passages of the oppositional theses which are devoted to the statistical demonstration, "the statistically detailed analysis of the process of differentiation. What do we find in the theses? The data obtained by inquiries into 1208 peasant undertakings are applied to 25 million.

It is a fact that the Opposition takes as the central point of its statistic analysis the 1208 peasant farms taken as basis of Comrade Gaister's compilation for the "Central Statistic Administration". These data were adduced in the control figures of the State Planning Commission as an illustration of the class differentiation in the village. (We take the opportunity of observing that Comrade Gaister's work cannot in the least be regarded as the work of the Central Commission and Workers' and Peasants' Inspection. The Workers' and Peasants' Inspection commissioned the agrarian section of the Communist Academy to inquire into the question of the differentiation of the village. The work of the agrarian section is not yet finished, nor examined by the Workers' and Peasants' Inspection.)

These data suffice for the Opposition to form a judgment on what is taking place in the agricultural districts "playing a decisive rôle both for home supplies and for export" (Thesis 13).

Let us see what data these actually are, where they come from, what they deal with, and what operations Comrade Smilga has accomplished with them. Comrade Gaister made use of the budgets of 1208 peasant farms. To a considerable extent these farms were selected at random, as is customary for such budget compilations. The budgets were divided into groups according to the number of draught cattle possessed by the farms. In this manner Comrade Gaister arrived at the comparative proportions of the social groups as classified according to the number of working animals. He then took the total of all peasant farms and divided these into groups according to the working cattle, and applied the result to the reciprocal ratios of the social groups as estimated from the 1208 budgets.

Comrade Gaister himself drew special attention in his work to the conditionality of even this method of classifying the farms into social groups. The method used enabled Comrade Gaister to determine the specific weight of various social groups within the whole total of farms. The Opposition extends the data hereby resulting for 1208 farms to the whole of the farms in the districts concerned, presents this work as the "last word" of Leninism, and determines on this basis the course of differentiation in the main districts of the country.

It was Comrade Gaister's task to follow the process of differentiation in those districts where it is most conspicuous. The Smilgists, although perfectly aware of this, omit to mention this. The State Planning Commission had obviously foreseen the possibility of the appearance of such "critics" in our sacred Russia, for it expressly stated, when adducing Comrade Gaister's data in the control figures, that these "can on no account be used for characterising the social conditions of the villages all over the Soviet Union". The Opposition has obviously taken note of this warning and applied these data to the main districts of the Soviet Union.

But the Opposition does not confine itself to this; it adduces Comrade Gaister's data in a falsified form. For its own tendentious ends the Opposition combines in one group two social groups differentiated by Comrade Gaister: group IV., mainly middle peasant, and group V., mainly kulak. The Opposition, in deliberately lumping two different class groups together in one category as "topmost strata of the village", made it very easy for itself to "prove" that a considerable proportion, in a number of districts even the greater proportion, of the means of production, cattle, and arable area, is in the hands of the kulaks.

Comrade Gaister's figures themselves count the economic group IV. to the middle peasantry. This may be seen from the following passage from his work*).

The first point engaging our attention in the table classifying the farms according to different types is the specific weight of the middle peasant farms. In the forest steppe and steppe districts of the Ukraine these count 56.1 per cent, in North Caucasus 58.6 per cent, in the Ural region 68 per cent, in the Novosibirsk district 59.1 per cent. Their numerical preponderance over the other groups is evident. It must be specially emphasised that in the districts here dealt with the production of goods has made and is making great advances, and with this the process of differentiation in the village. It need not be said that the preponderance of the specific weight of the middle peasant farms in the districts with the greatest goods production is a sign that there is an even greater number of middle peasant farms in the other districts of the Soviet Union...."

And further:

"The greatest proportion of the values represented by agricultural machinery and implements falls to the middle peasant farms. In the Ukraine 69.1 per cent of these values to the share of the middle peasants, in North Caucasus 74.8 per cent, in the Ural district 67.4 per cent, and in the Novosibirsk district 72 per cent. With respect to the distribution of working cattle, we find an even greater preponderance of the middle peasant farms.

The distribution of the whole arable area among the various groups of peasantry accentuates, even more than the distribution of the means of production, the fact that in spite of the process of differentiation in the village, the middle peasant still remains the "central figure of the village". The share of arable land falling to the middle and poor peasantry in the Ukraine is 91.6 per cent, in North Caucasus 88.3 per cent, in the Ural district 80.2 per cent (in the Ural district a tract of country employed for tillage by large farms was selected), in the Novosibirsk district 88.2 per cent.

The whole mass of goods placed on the market by the middle and poor peasantry greatly exceeds the quantities sent to the markets by the bourgeois strata of the peasantry. In the Ukraine the percentage of total sales falling to the kulak farms is 10.1, in North Caucasus 12.7, in the Novosibirsk district 13.1, whilst the share falling to the middle peasantry alone (without the poor peasantry) amounts to about one third both in the Ukraine and North Caucasus, and in the Ural and Novosibirsk districts.

*) It must be observed that Comrade Gaister included in group IV., those farms employing labour during 20 to 50 days in the year. It is obvious that the main mass of the farms of this group are middle peasant farms, although Comrade Gaister gives them the extremely unhappily chosen appellation of "employers' group".

The same applies to the purchases made by the various strata of the village. The purchases of the middle and poor peasantry far exceed those of the kulak. The participation of the kulak in purchases has been 6.8 per cent in the Ukraine, 8.6 in North Caucasus, 17.8 in the Ural district, 11.4 per cent in the Novosibirsk district. The middle and poor peasant strata obviously determine the extent of buying done in the markets...."

III.

The counter-theses adduce the declaration made by the State Planning Commission Gosplan that "the capitalist top stratum controls a considerable proportion of the total wealth of the village". (Thesis 13.)

At the same time the Opposition is compelled to agree with the statement of the State Planning Commission that the main proportion of wealth is not in the hands of the capitalist top stratum of the village. More than this it regards this fact as so elementary that it makes an ironical observation about the "unreasonableness of seeking consolation in such an undisputed fact. This means that from the standpoint of the Opposition it is "unreasonable" in any case to maintain that the upper stratum of the village combines the greater proportion of wealth in its hands, that is, it is a perfectly indisputable fact that the main mass of wealth does not belong to the kulak! But now, Comrade Kamenev do you remember who wrote the following:

"14%, who place somewhat less than two thirds on the market, reply to the question of who is in possession of this grain, and who receives enormous sums of money, the goods, machines, etc., which are given in exchange for the products of the village." (Kamenev: "Our achievements, difficulties, and perspectives", pag. 29.)

Who is unreasonable now, Comrade Kamenev. For whom are your theses intended?

IV.

Let us pass on to the treatment accorded by the Opposition to the dynamics of social differentiation.

The Opposition declares:

"The reduction of the proportion of the groups without arable land, or with very little, has been brought about to a great extent by devastation and liquidation. Thus in Siberia, in one single year, 15.8 per cent of the group without arable land, and 3.8 per cent of the group possessing up to 2 dessyatines, was liquidated; in North Caucasus 14.1 per cent of the group without land, and 3.8 per cent of the group up to 2 dessyatines." (Thesis 14.)

Here the Opposition utters one of those half truths which are worse than any lie.

That the Opposition deliberately falsifies the actual state of affairs, or fails to comprehend it or to follow the processes going on in the village, is proved by the fact alone that when adducing the data on the liquidation of farms in the group without arable land it does not adduce at the same time the percentage of farms providing themselves with arable land and rising into the higher groups; and yet it is precisely the comparison of these two antagonistic processes which defines the actual evolution of the group without arable land. This comparison can be made with the aid of the following table:

Percentage of farms in the group without arable land
From 1924 to 1925

	Liquidated and temporarily abandoned	Provided with arable land and rising into higher group
Grain deficit zone	13.6	20.2
Grain surplus zone	17.0	34.1
North Caucasus	16.4	30.8
Siberia	21.7	32.7
Ukraine	12.3	31.5
White Russia	9.3	38.5

The comparison of the two columns shows that the farms without arable land, although proletarianised in part, have shown a much greater tendency to rise into the higher group. The assertions of the Opposition therefore do not correspond with reality.

V.

The Opposition supports its thesis (that the differentiation of our village proceeds on ordinary capitalist lines) by a table given in the 15th thesis. But the "Smilgists" comrades cannot read correctly even this indisputable table.

What does this table prove? Firstly, that the proportion of farms with little arable land (farms without arable land or with such up to 2 dessyatines) has diminished. Secondly, that the proportion of farms with medium amounts of land (from 2 to 10 dessyatines) has increased. Thirdly, that the group with a large cultivated area has increased. Fourthly, that the group without cultivated land has increased.

In other words, the whole of the four main theses of the C. C.: The middle peasant is not being swept away; the village poor is partly rising into the higher group, partly sinking into proletarianisation; the kulak is growing — find complete confirmation (if only by means of the indirect evidence of this table). And the Opposition drags precisely this table to the light of day to prove that with us the progress of differentiation in the village is the same as before the revolution!

Besides this, the comrades of the Opposition, when characterising this process in its totality, should not have confined themselves to such a general characterisation (they have taken the country as a whole, but have used only one criterion).

It is difficult to comprehend why the Opposition, whilst grouping the peasantry according to land area, preserves silence on another point no less important, or possibly even more important, for the characterisation of the evolution of the village: The proportion of farms without horses or other working cattle was 31.6 per cent in 1925, 30.8 per cent in 1926 (this applies to the R.S.F.S.R.). In the Soviet Union the percentages were 34.5 in 1924, 33.7 in 1925 and 33.5% in 1926. In other words, the proportion of farms without working animals falls slowly but steadily.

The Opposition observes deliberate silence on these facts in its counter-theses.

It would take us too long to enumerate even the most important points entirely omitted from the counter-theses for one reason or another. We must, however, deal with a few points in order to give some slight conception of the creative imagination of the Opposition. First we must adduce the changes taking place in the economic power of the land cultivating groups, according to the data of the "Central Statistic Administration". (We must remember that the data of the "Central Statistic Administration" possess certain drawbacks and are better adapted to characterising the tendency of the process than to an exact estimate of absolute quantities.)

North Western District.

Groups according to arable land in 1925	Changes from 1925-26		in % of 1925 Completion of equipment
	Arable land	Working cattle	
Without arable land and up to 0.1 dess.	+ 377.6*	+ 4.2	+ 3.6
With arable land from			
0.1 to 1 dess.	+ 29.0	+ 1.0	+ 12.9
1.1 to 2 dess.	+ 15.5	+ 1.2	+ 13.9
2.1 to 3 dess.	+ 10.3	+ 0.9	+ 17.3
3.1 to 4 dess.	+ 6.0	+ 1.3	+ 18.1
4.1 to 6 dess.	+ 2.5	+ 3.0	+ 14.6
6.1 to 10 dess.	- 2.7	+ 0.5	+ 19.1
over 10 dessyatines	- 12.1	+ 9.6	+ 30.4
total	+ 11.2	+ 0.9	+ 16.3

*) The figures showing the increase of land area in the groups without land do not show so much the extent of the increase as the smallness of the initial area in the hands of this group.

Surplus district.

Groups according to arable land in 1925	Changes from 1925-26		in % of 1925
	Arable land	Working cattle	Completion of equipment
Without arable land and up to 0.1 dess.	+ 3121.8*	+ 20.2	+ 20.4
With arable land from			
0.1 to 1 dess.	+ 23.2	+ 9.0	+ 9.6
1.1 to 2 dess.	+ 12.6	+ 8.8	+ 7.5
2.1 to 4 dess.	+ 8.2	+ 7.6	+ 7.4
4.1 to 6 dess.	+ 5.2	+ 8.6	+ 4.5
6.1 to 10 dess.	+ 4.3	+ 11.4	+ 8.8
10.1 to 16 dess.	+ 8.3	+ 17.8	+ 6.2
over 16 dessyatines	+ 4.5	+ 13.3	+ 4.6
Total	+ 9.7	+ 8.8	+ 8.7

North Caucasus

Without arable land and up to 0.1 dess.	with arable land		
+ 31,912.5*	+ 69.3	+ 31.4	
0.1 to 2 dess.	+ 51.3	+ 32.0	+ 0.4
2.1 to 4 dess.	+ 28.8	+ 26.7	+ 4.8
4.1 to 6 dess.	+ 24.1	+ 21.9	+ 10.9
6.1 to 10 dess.	+ 21.7	+ 20.7	+ 9.9
10.1 to 16 dess.	+ 15.8	+ 20.0	+ 9.9
16.1 to 25 dess.	+ 4.7	+ 17.5	+ 11.5
over 25 dessyatines	- 10.9	+ 8.7	+ 5.5
Total	+ 20.2	+ 21.1	+ 9.4

Farms grouped according to live stock in 1923, 1924, 1925, and 1926, within the R. S. F. S. R.

Groups according to live stock	(in percentages)	
	1923/24	1925/26
Without cattle	17	15 (-)
Up to two head of cattle	63	60 (-)
2 to 4 head of cattle	18	22 (+)
over 4 head of cattle	2	3 (+)
Total	100	100

What do these data prove? Firstly, that the proportion of farms without live stock has diminished. This confirms the fact of the decrease of poverty in the village. Secondly, the middle group with up to 4 head of cattle (both draught and other cattle are included) has gained a somewhat stronger position. There is no thought of this group being swept away. And thirdly, the farms with more than 4 head of cattle have increased, showing the growth of the kulak.

People who cannot grasp figures are alarmed at this rise of the kulak. Only fancy, a 50 per cent increase. When drawing conclusions from figures referring to the upper stratum, the Opposition invariably applies this method, and points out the leaps taken by small figures. In reality the essential point here is that the sum total of the farms possessing more than 4 head of cattle has not increased to a point in the least altering the fundamental ratios of the classes in the village to one another.

Why has the Opposition passed over these data in silence in its counter-theses?

For the completion of the characterisation of the process we turn finally to the last year, the year 1927.

The "Central Statistic Administration" is at present engaged upon the figures obtained during the spring questionnaire of 1927. These data are especially valuable, showing the tendencies at work in 1926/27. Have the former tendencies, described by the C. C. of the Party, remained active, or has the direction of evolution changed for some reason or another? We give these data.

In the first place 1927 has really brought us something new. This is the falling off in the rate of development of the farms with large areas of arable land. In the Moscow industrial district there were in 1926 4.9 per cent farms possessing arable land of over 6 dessyatines, in 1927 there were 4.8 per cent. In the central Black Earth district the percentage of farms with over 8 dessyatines was 3.4 in 1926, 3.5 in 1927. And

finally, it is especially important to note that in North Caucasus we can record for the first time a retardation in the rate of development of the group with large areas under cultivation. Unfortunately, these data do not permit us to separate the farms with more than 16 dessyatines, which, under the conditions obtaining in the steppe districts of North Caucasus, are to be counted to the group possessing a large area. We therefore make separate statements of the development of the groups possessing arable land from 10 to 20 dessyatines, from 20 to 40, and over 40. The groups from 10 to 20 dessyatines has grown comparatively slowly. The group from 20 to 40 dessyatines has grown still less, and has come almost to a standstill; its percentage in 1926 was 3, in 1927 3.2. Finally, the group possessing over 40 dessyatines declined from 0.3 in 1924 to 0.2 per cent in 1927. Does this express, comrades of the Opposition, the aid given to the kulak by the proletarian State?

If there is anything new to be found in the data available at present for 1927 (for only three districts), with reference to the group possessing large tracts of arable land, it is that their speed of development has fallen off, and that we see again, in the lower group, a complete continuation of the old tendencies. The general proportion of farms with small areas has fallen in all three of the above named districts: in the Moscow industrial district from 49.1 to 46.2 per cent, in the steppe district of North Caucasus from 28.4 to 25.9 per cent, and has remained stationary only in the central Black Earth district. The middle group has grown in every district without exception. In the Moscow industrial district from 42.9 to 45 per cent; in the central Black Earth district from 71.5 to 71.6 per cent; in the steppe district of North Caucasus from 44 to 45.7 per cent.

It will be admitted that the middle land-cultivating group is not only not declining, but is growing.

At the same time, as has been pointed out in the theses of the C. C., as has been pointed out more than once by the C. C., and has been placed on record by the resolution of our last Party Conference, the group without arable land is also growing (Moscow industrial district 1926 3.1 per cent, 1927 4 per cent; central Black Earth district 1926, 2.5 per cent, 1927 2.2 per cent; steppe districts of North Caucasus 1926, 9 per cent, 1927 9.7 per cent).

We thus see that the Opposition, in order to refute the theses of the C. C. on the peculiarities of the process of differentiation in our village, has been to compelled, firstly, to generalise data referring to 1200 farms in such a manner that they have been made to apply to the differentiation in the most important districts of the country; secondly, completely to misrepresent the classification in accordance with the arable land possessed; thirdly, to preserve silence on the distribution of the means of production among the land cultivating groups; fourthly, to conceal the importance of stock of cattle in classifying groups; fifthly, to pass over in silence the data issued by the People's Commissary for Finance, which deal with the sum total of farms.

VI.

Leases. Nothing but complete fractional blindness, and a less than minimum proportion of scientific conscientiousness, can explain the assertion of the Opposition that "more than three quarters of all leased land is in the hands of the upper 16 per cent of the farms" (Thesis 16). (The emphasis is mine, Y. Y.) The "proof" is produced very simply: The Opposition takes the distribution of tenant farms in the surplus zone, according to the statistics issued by the "Central Statistic Administration" for 1927, mercilessly adds all groups together, as soon as these possess 6 dessyatines and upwards, and declares that this is the uppermost stratum of the village.

What is the actual state of affairs? The data given below of the "Central Statistic Administration", which have been distorted by the Opposition, as also the data of the Central Control Commission and of the Workers' and Peasants' Inspection, give the answer to this question.

The data based on the questionnaires of the Central Control Commission, and of the Workers' and Peasants' Inspection agree in all essentials with those of the "Central Statistic Administration", and show the composition of the farms holding

land on lease, and the distribution of the lease reserves among them, to be as follows:

District	Of the total no. of farms holding land on lease, the percentage falling to the:			Of the total area of land leased, the percentage taken on lease by the		
	Village poor	Middle peasant	Exploiters	Village poor	Middle peasant	Exploiters
R. S. F. S. R. . . .	18.8	70.3	10.9	8.2	61.0	30.8
Ukraine S. S. R. . .	32.5	57.3	10.2	22.0	56.5	21.5
Transc. Armenia . . .	5.6	51.5	39.9	1.4	63.5	35.1
West Georgia	52.4	41.0	6.6	47.0	43.0	10.0
East Georgia	7.6	58.7	33.7	9.0	47.0	44.0
Total	19.9	67.0	13.1	9.0	60.5	30.5

in the Soviet Union.

Proportion of leased farms and land held on lease according to land cultivating groups (data of the Central Statistic Administration for 1925/26*).

Grain deficit zone.

Land cultivating groups	Farms per group in percentages of total district		Leased land in percentages of total district	
	1925	1926	1925	1926
Small	48.9	48.3	41.3	34.5
Medium	48.4	48.5	51.7	55.7
Large	2.7	3.2	7.0	9.8
Total	100.0	100.0	100.0	100.0

Grain surplus zone.

Small	25.6	25.0	4.1	3.4
Medium	70.9	69.8	56.3	47.9
Large	3.5	5.2	39.6	48.7
Total	100.0	100.0	100.0	100.0

North Caucasus.

Small	—	50.4	—	4.3
Medium	—	43.6	—	43.0
Large	—	6.0	—	52.7
Total	—	100.0	—	100.0

It will be seen that the middle peasant farms represent the central group of land tenants. To these fall 67 per cent of all farms holding land on lease in the Soviet Union, and 60.5 per cent of the total lease reserves.

The Opposition closes its section on leases by a "discovery" which it was bound to make sooner or later — that a growth of capitalist tenancy is proceeding!!! At last we have hit upon a really indisputable fact. The only pity is that the Party had seen this for itself long since. The theses of the C. C. of the Party deal with this point one hundred times more ably than do the counter-theses of the Opposition. The theses of the C. C. formulate it as our immediate task to strive for the gradual lessening of the area held on lease in every district where land tenancy leads to the growth of the kulak.

The Central Control Commission, and the Workers' and Peasants' Inspection, in their report to the C. C. of the Party six months ago, laid special emphasis on the following:

"At the same time there is an increased concentration of leased land in the hands of the exploiting elements, which lease the land and employ labour on it, especially in those districts where land tenancy is most prevalent, for instance North Caucasus, the Socialist Soviet Republic of Azerbaijan, the German Volga Republic, etc. It must be specially emphasised that the leased land forms a considerable part of the land cultivated by the uppermost strata of the peasantry."

* The data for 1925 for North Caucasus and Siberia are lacking, for the surplus and deficit zones they are calculated on the dynamics of the grain situation, for Siberia and North Caucasus on the spring questionnaire.

Wage Labour.

The methods used by the Opposition for the analysis of the land leasing question are again applied to wage labour among the peasantry. It draws up the following table for the classification of farms employing temporary or permanent workers:

Farm groups	Percentage of Farms employing temporary or permanent labour	
	1925	1926
with arable land up to 2 dessyatines	9.6	7.5
with arable land 2 to 6 dessyatines	42.9	39.1
with arable land 6 dessyatines and upwards	47.5	53.4
	100.0	100.0

We shall not criticise this table here. This continual repetition of the same method is incredibly superficial. Again we see all farms with more than 6 dessyatines of land lumped together (including a very considerable number of middle peasants), and again we hear the triumphant: Just look at this capitalism!

The data of the Central Statistic Administration, as also those of the Central Control Commission and the Workers' and Peasants' Inspection, have enabled us to state the actual distribution of paid labour among the farms of various capacities.

We append the data for 1925 and 1926 (Central Statistic Administration):

Land cultivation group	Corn deficit zone				Corn surplus zone			
	Existing farms in % of total		Farms employing temp. or perm. labour in % of total per group		Existing farms in % of total		Farms employing temp. or perm. labour in % of total per group	
	1925	1926	1925	1926	1925	1926	1925	1926
Without land	—	—	0.6	—	—	—	0.5	—
Small area	48.9	48.3	36.5	33.6	60.0	55.9	32.7	26.8
Medium	48.4	48.5	57.6	58.5	36.4	38.9	47.2	46.4
Large	2.7	3.2	5.9	7.9	3.6	5.2	20.1	26.8

Ural district.

Existing farms in % of total		Distribution of paid labour in % of total no., per group	
1925	1926	1925	1926
68.6	65.4	31.3	20.5
27.3	29.8	47.6	52.5
4.1	4.8	21.1	27.3

German Volga Republic.

Existing farms in % of total		Distribution of paid labour in % of total no., per group	
1925	1926	1925	1926
59.0	54.0	21.6	4.8
35.0	24.3	36.7	40.2
6.0	11.7	41.7	55.0

Kursk Gouvernement.

Existing farms in % of total		Distribution of paid labour in % of total no., per group	
1925	1926	1925	1926
23.5	21.6	31.8	6.6
63.6	61.0	58.8	67.5
12.9	17.4	9.4	25.9

The inquiries instituted by the local organs of the Workers' and Peasants' Inspection show the distribution of day labourers among the classes employing this labour to be as follows:

Percentage of day labourers among			
Peasants	Middle peasants	Exploiters	Total
4.6	61.7	33.7	100

The Workers' and Peasants' Inspection assumes that the figure 33.7 is somewhat too low. In actual fact we may take it that about one half of all day labourers are in the employment of the kulak section of the village.

This is the actual truth, and not the nonsense offered for truth in the counter-theses of the Opposition.

Here again, as in the leasing question, the Opposition makes new "world-historical discoveries". It transpires that there is an increase of paid labour on the kulak farms.

The Opposition only fails to mention that the section on paid labour, in the theses of the C. C. to the XV. Party Congress, draws practical conclusions from the perfectly incontestable fact of the increase of paid labour in the kulak farms. The comrades responsible for the counter-theses have failed to mention (and it may easily be comprehended why, for it is not so simple to turn out brilliant commentary when there is nothing whatever to say) that six months ago the Central Control Commission and the Workers' and Peasants' Inspection reported with the utmost definiteness to the C. C. that:

"The increase of paid labour in agriculture during the last few years is indissolubly bound up with the exceedingly rapid increase of the employment of day labourers on large farms with much land, working on exploitative lines."

The results of this enquiry, and the essential contents of the report, were published some months ago in the "Pravda".

The Opposition imagines itself to be the sincere representative of the interests of the city and rural proletariat. But hear how the Opposition solves the problem of help for the rural proletariat. In its counter-theses the Opposition declares that "it is absolutely necessary to introduce state legislation for the protection of paid labour and for the regulation of the working wages of the agricultural labourer". What a wealth of liberal philanthropy is contained in these "generous" and "concrete" proposals of the Opposition!

The theses of the C. C. deal in detail with the carrying out of the labour laws, with the fight against infringements of these laws and of the "temporary enactments". The theses urge the strictest observation of the laws on social insurance, etc.

What can the Opposition offer in place of this, except liberal good wishes?

The Co-operatives.

What does the Opposition say to our co-operative policy in the village? Their basic theses on this subject may be reduced to the following:

1. That up to the present our co-operatives have contributed greatly to combining and serving the economically strong and well situated strata of the village;

2. That our agricultural co-operatives, where they have not socialised the process of production, do not diminish the differentiation of the village, but strengthen and promote the economic uplift of the propertied upper strata of the village as compared with the poorer strata."

Here, like everywhere else, the Opposition starts off at a pace which neither its forces, intellect, or knowledge permit it to keep up. The participation of the well-to-do peasantry in the co-operatives is undoubtedly greater than that of the poor and middle peasantry. This has been pointed out dozens of times by both the co-operatives themselves and by the C. C.

The two tables published by the Opposition in its theses are taken from the official data of the co-operatives themselves.

The above fact, long recognised, is seized upon in true oppositional manner as a new and gigantic discovery, enabling it to draw the conclusion that the co-operatives are becoming chiefly co-operatives serving the ends of the upper strata of the village, and likely to end in becoming organisations actually furthering differentiation. This is not merely a direct untruth, but a direct falsification of the actual facts.

These same data employed by the Opposition show that the agricultural co-operatives comprise 89.1 per cent of farms possessing up to 8 dessyatines of arable land, and only 10.9 per cent possessing more than 8 dessyatines. But since when has it been customary to count all the farms beyond 8 dessyatines, without exception, all over the Soviet Union, among the well-to-do and even kulak farms?

And is there anything surprising in the fact that farms with no cows are less represented in the dairy co-operatives than farms with one or two cows? The farms with no cows do not join the dairy co-operatives for the very simple reason

that they have no cows, since a dairy co-operative deals in milk and its products, and farms without cows have no milk. The farms owning two cows are represented in the dairy co-operatives to the extent of 27.6 per cent. This fact again causes the Opposition to edge in an assertion that the well-to-do and kulak farms receive preferential treatment. But it overlooks the fact that the dairy co-operatives comprise substantially the regions of Siberia and the Ural where farms with two cows are generally middle peasant farms. The false conclusions thus drawn from the dairy co-operatives are applied by the Opposition to every other description of specialised co-operative, but without any further figures being brought forward in substantiation.

We shall here ourselves add what the Opposition has omitted to state, that is, the data compiled by the Workers' and Peasants' Inspection, and throwing a very clear light on the rôle played by the agricultural co-operatives in the service of the farms of varying capacity. (Here we shall not dwell on the great advances made in the last few years by the simplest collective combines, whose membership consists mainly of poor and middle peasants, but shall deal with the buying and selling co-operatives, which offer the most favourable soil for the kulak). The degree of participation of the various strata of the peasantry in the selling activities of the agricultural co-operatives may be clearly seen from these data. A glance at the figures suffices to show that the agricultural co-operatives have already become a factor organising the undertakings of both the poor and the middle peasant strata, and that the extreme preponderance of these strata in the village is bound to give them an equally prominent place in the co-operatives.

In order to form a judgment on the question of the influence of the co-operatives on farms of varying economic capacities, we have drawn up a comparative table showing the progressive changes taking place in the various groups (classified according to the number of horses, from 1922 to 1926). The farms organised in co-operatives and not organised in co-operatives are tabulated separately. Here is the resulting table:

Per farm in percentages of 1922.

Farm group	Arable land dess.		Draught cattle no of		Other live-stock no. of	
	1924	1926	1924	1926	1924	1926
Without horses: Not org. in co-op	161.7	250.8	100.0	225.0	105.7	100.0
	221.5	313.1	100.0	225.0	162.7	125.0
With 1 horse: Not org. in co-op	138.4	166.0	121.7	145.1	141.7	129.0
	160.4	204.2	135.3	145.3	122.3	130.0
With 2 horses: Not org. in co-op	1357.7	177.8	95.5	100.0	101.0	110.0
	142.9	186.1	101.5	104.4	100.0	100.0
With 3 and more horses: Not org. in co-op.	131.2	174.9	94.6	92.0	105.0	107.0
	110.0	137.7	83.1	79.2	100.0	85.0
Total: Not org. in co-op.	136.9	177.0	103.9	113.2	106.4	113.0
	140.5	181.3	103.4	107.2	108.5	107.0

We see that the farms organised in co-operatives improve their economic capacity more rapidly than those not organised in co-operatives, and that the weak and middle peasant groups, forming the over-whelming majority of the members of the co-operatives, show a considerable upward trend. This suffices for the complete refutation of the oppositional assertions to the effect that our co-operatives serve chiefly the ends of the kulak and promote the differentiation of the village instead of hindering it. The fact that the co-operatives increase the economic capacity of the weak and middle peasant groups is in itself a proof that they retard the process of differentiation and do not promote it.

The co-operatives, in increasing the prosperity of the weak and middle peasant strata of the village, increase at the same time the economic independence of the poorer village groups and their powers of resistance against the exploitative tendencies of the kulak. This means, a weakening of class antagonism in the village, and not the strengthening asserted by the Opposition. A particularly striking proof of this is that the poor and middle groups of farms, when organised in co-operatives, are much less obliged to resort to hiring out their labour to other farms, or to letting their land and hiring out their implements, than the farms belonging to the same groups not organised in co-operatives.

Does all this entirely do away with all question of abuses having crept into our methods? No!

It is part of the correct line of the C. C. that it insists on the express acknowledgment of every error, the removal of every abuse which may have arisen. Under our present conditions, especially in view of the growth of the kulak, various sections of the State and co-operative apparatus will long evince a tendency to withdraw from the influence of the Party. The theses of the C. C., in the section dealing with abuses to be combated, makes special mention of the cases in which this or that part of the apparatus seeks to evade the control of the Party.

To the Opposition, the sole method of abolishing these abuses is to make fundamental changes in the Party line, which it regards as being to blame for the abuses. Here the Opposition breaks completely with Lein's words on the inadequacy of our State apparatus. Instead of combating energetically any distortions of the Party line, the Opposition forces us back to general formulations utterly void of experience in concrete struggle and replaces the fight against bureaucratic abuses in the State and co-operative apparatus by the fight against the Central Committee and against Lenin's co-operative plan. (How is it possible to speak of the "co-operative plan" if the Opposition breaks completely with Lenin's words on the inadequacy come an organisation of the bourgeois upper strata, furthering the differentiation of the village!)

The Questions of the Nationalisation of the Land and the "Practical" Proposals.

When reading the theses of the Opposition one expects that every sentence will bring us the really practical proposals justifying all the attacks being made on the Party by the Opposition. Expectations are worked up to the highest pitch when one arrives at that passage of the theses in which the Central Committee is charged with violating the principle of the nationalisation of the land. But when one comes to the practical part at last, it turns out that the comrades of the Opposition have already exhausted all their resources in the indictment.

One might imagine that nothing could be easier for the Trotskyists than to inform the Party of the practical pieces of advice and appropriate suggestions which they have at their disposal, enabling us to avoid breaking with the principle of nationalisation of the land, to avoid the seizure of the co-operatives by the kulak, the transformation of the co-operatives into an organisation promoting the differentiation of the village, that frightful advance of differentiation along the old pre-revolutionary lines.

But the further perusal of the counter-theses shows how much easier it is to flourish the sword of criticism than to advance one single practical suggestion.

In actual practice the "proposals" of the Opposition turn out to be either repetitions of the theses of the C. C. or a recirculation of those general phrases and general wishes of that very kind so severely censured by Lenin a few years ago, when "proposals" of the same vague nature were brought forward by Comrade J. Preobraschensky.

What are we to say, for instance, of the following proposal of the Opposition: "The State must undertake the organisation of extensive material aid for these strata (the weak peasantry) with respect to the cultivation of the land, organising this chiefly on a collective basis". (Thesis 23.) The theses of the C. C. deal with practical measures for the actual execution of this idea, but the Opposition has got no further; after ten years of proletarian power, than that general form of theses against which Lenin always warned us so emphatically (especially with respect to our policy in the village).

"The raising of the technical level of agricultural production, and the extensive development of co-operative forms of economic management to the end that we may pass rapidly to the collective forms." (Thesis 23.) Empty, and barren declamation! To look facts in the face is to recognise the necessity of looking back upon the work already done by the co-operatives, of gaining by the experience won, of recognising defects, of discovering the most effective means of developing the co-operatives from selling to production organisations. This is the question dealt with in the theses of the C. C., but the Opposition drags us back again along the road leading to that long past period in which we first heard the long-continued phrases of Comrade Preobraschensky.

And now to the kulak! The Opposition wastes a great deal of pathos and noble indignation in the effort to prove that the C. C. is slipping from the class line, that the C. C. is rushing at top speed into the arms of the kulak. The actual state of affairs in the village is ruthlessly misrepresented by the Opposition, and the legend of kulak degeneration is declaimed without end. But when the heroes of phrase and pose are called upon to solidify their ceaseless criticism into practical proposals there is nothing left but a few well gnawed bones. The result: Much ado about nothing. Instead of thunder and lightning, the mild observation that we must "dam back the exploitative endeavours of the kulak farms, and of those farms inclining to kulakism."

The Opposition has shrieked and shrieked, and yet confines itself to the conclusion that we must "dam back". The Opposition fails to observe that the "damming back of exploitative endeavours" is a stage already far behind.

The Opposition has not observed that at the present time there is no longer any question of damming back the exploitative tendencies of the kulak, and that the time has come to restrict the growth of the kulak. The theses of the C. C. aim at the practical solution of the problem of restricting the growth of the kulak.

We cannot but be reminded of what Lenin wrote on Comrade Preobraschensky's theses.

"The 'co-operation movement' is dealt with in a hollow and abstract manner, both in § 1 and in the other paragraphs. We have heard all this often enough and have had enough of it. This must be dealt with in a very different way, and not merely by the continual repetition of the hollow slogan of: Combine in co-operatives. It must be definitely pointed out where the practical results of co-operative experience lie, and what can be done to improve them. If the author does not possess this material, then the Party Congress must demand in a resolution the compilation of this material, and see that the use made of it is practical, and not academical. (All Comrade Preobraschensky's theses are super and arch-academic, intellectualism, coterie talk, literature, but not practical State and economic work).

How to dam back these (exploitative) endeavours, how the State must and can protect the village poor. That is the only real question. This we must study and persuade others to study practically; generalised phrases are futile.

Further. To tell the Party Congress of the R. C. P. that it is necessary to carry out the decisions of the IX. Party Congress is an arch-scandal. And to write theses about it!

The whole paragraph is worth nothing. Platitudes, wishes, of which we are all tired. Another example of the 'communist bureaucracy of today'."

Are the "scissors" between the far-reaching criticism and the miserable anti-climax of proposals not too great? Are the scissors between the illegal activities of the Opposition, attacking the foundations of Party organisation and Party discipline, and the vociferous phrases, which do not offer one single practical and sensible suggestion in any single department of our village policy, not too great?

If the Opposition really knows nothing more about the questions of work in the village than is contained in their counter-theses, if it has nothing more to offer in this vital question than the repetition of elementary political conceptions, dragged forth from the past and furnished up with miracles of misrepresentation of present realities, is it not taking too much upon itself when it presumes to carry on Party-disrupting activities on the basis of such a platform and such theses?

This is what be well thought over, not only by every opponent of the Opposition among the Party members, but by every worker inclined to side with the Opposition. We propose that every such adherent of the Opposition should examine the practical proposals of the Opposition point for point; compare point for point the oppositional conceptions of our Soviet Russia with the reality, and then decide the question of why the Opposition is trying to break down the walls of the Party. If even the fractionally blinded Opposition leaders themselves are not carrying on the conflict for the sake of their ideas — the theses prove that they have no ideas — then surely the followers of these leaders have the more reason to ask: For whose sake are these people collecting their illegal assets, establishing their illegal printing offices, and breaking with the Leninist traditions of the Party?