

Workers

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International

News



*Theoretical
Organ of the
Revolutionary
Communist
Party*

Contents

FOURTH INTERNATIONAL WORLD CONFERENCE DISCUSSION MATERIAL

The New Imperialist Peace and the Building
of the Parties of the Fourth International

PROPOSED LINES OF AMENDMENT OF THE
R.C.P. (British Section)

November
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WORKERS INTERNATIONAL NEWS

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The New Imperialist Peace and the Building of the Parties of the Fourth International

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THE initial months of the period following the second imperialist world war already clearly show that the profound changes brought about by the latter have far from eliminated the difficulties and the contradictions which have convulsed the capitalist world, especially since the war of 1914-18. Despite certain existing weaknesses of the revolutionary workers' movement, there is no reason whatever to assume that we are facing a new epoch of capitalist stabilization and development.

On the contrary, the war has acted only to aggravate the disproportion between the increased productivity of capitalist economy and the capacity of the world market to absorb it. The war has aggravated the disorganisation of capitalist economy and has destroyed the last possibilities of a relatively stable equilibrium in social and international relations.

By its total and world-wide character, by its duration, by the havoc it wrought owing to technical discoveries culminating in such a terrifying explosive force as that of atomic energy, this war has done more than any other historical event to wreck the economic and political structure of the entire planet. In the economic field, the impressive development of the productive forces of certain countries, first and foremost the US, stands in sharp contrast with the almost total destruction of the productive apparatus of other countries, and the stagnation and decay reigning on the world

market. On the social plane, the war has accelerated, on the one hand, the concentration of property in the hands of finance capital, and, on the other, the proletarianization of large layers of the petty bourgeoisie, either through the increased demand for factory workers, or through the economic ruination of these layers, resulting from famine and inflation.

Finally, on the plane of international relations, the war has brought about the collapse and the complete disintegration of German, Japanese, and Italian imperialisms, the weakening and serious decline of British imperialism.

Conversely, it has spurred the tremendous development of American imperialism and, on the other hand, the territorial expansion of the USSR and the growth of its effective influence over large sectors of Europe and Asia.

THE WORLD ECONOMIC SITUATION

The evolution of world economy during the war is characterized by two contradictory processes:

The productive apparatus has grown and has become concentrated in a number of countries, and new countries have undergone industrialization, while in other countries the economy has been weakened, disintegrated or destroyed.

The United States has profited the most from the role conferred upon it by the circumstances of the war as the creditor and supplier of all the "United Nations" and has thus developed its industrial apparatus, increased its productivity and **doubled its production**

in relation to 1939.

Canada, the major part of whose economy is integrally linked with America's, has made a similar leap forward, doubling her industrial production in relation to 1940 and becoming the third commercial nation in the world, next only to the United States and England.

The autarchy in which the South American countries, primarily Brazil and Argentina, were forced to live during the war impelled them to speed up their industrialization. The same more or less marked process is to be observed in South Africa, Australia, New Zealand, India, Egypt and to a lesser extent certain areas of China and Indo-China.

On the other hand, the war has led to the destruction of European economy, above all that of Germany, which constituted its main base.

The European industrial apparatus has been destroyed or remains paralyzed by lack of power (coal, electricity), lack of raw material and by the decline in the productivity of labour owing to the deterioration of industrial equipment.

A great number of ports lie in ruins, together with the bulk of the land and maritime system of transportation.

Despite an apparent enrichment of the peasantry, the condition of European agriculture has not improved.

Agricultural production is declining for lack of fertilizer, machinery and labour.

The middle and well-to-do peasantry, despite the hoarding of depreciated currency, has been unable either to improve or replace their equipment, their livestock or their buildings.

The utter financial ruin is illustrated by the colossal debts of all the European states, their unbalanced budgets and inflation. The colossal war expenditures were financed through the abnormal lowering of the living standards of the masses, subjected to hunger rations, and through the capitalist states' absorbing (through taxes, loans) the income of the petty-bourgeois rentiers, and through growing deficits.

The increasing disproportion between

the scarcity of mass consumption goods and unproductive expenditures for war needs, has culminated in a catastrophic depreciation of paper money and in a staggering rise in the cost of living in every European country.

Thus for Europe the balance sheet of the war adds up to unprecedented impoverishment, a colossal drop of her specific weight in world economy, which accentuates in the extreme her economic dependence upon other countries, America in particular.

Europe is not the lone sufferer from the war havoc and its consequences. The economies of Japan, Dutch East Indies and China have likewise suffered more or less profound shocks.

On the other hand, the disruption of trade relations during the war and the immense need for raw materials and capital, have resulted in super-exploitation and led to an abnormal decline in the living standard of the colonial masses through food scarcities, famine and inflation.

Thus, the war facilitated the development and the concentration of the productive apparatus of certain countries, and above all the United States, raising the productive capacity of world economy as a whole to levels above those of 1939, but simultaneously it created the universal impoverishment illustrated by the colossal national debts in all countries including the United States, by inflation, by the crisis of agricultural production, and the resulting drop in the absorptive capacity of the world market.

The war has not only failed to resolve the crisis of the markets but, on the contrary, has enormously aggravated it.

Before American imperialism can exploit the financial-industrial potential it accumulated during the war on the world market and before it can attenuate the dangers flowing from the crisis and its social struggles, it must first establish its domination over this market by placing all capitalist countries—not only in Europe, but throughout the world—on suitable rations.

Conversely the purchasing power of these countries already greatly reduced by unremitting wartime impoverishment cannot be restored without re-

constructing their economy and without their regaining at least their former markets.

Under these conditions the most probable perspectives of the evolution of world economy may be outlined as follows: The revival of economic activity in capitalist countries weakened by the war, and in particular continental European countries will be characterized by an especially slow tempo which will keep their economy at levels bordering on stagnation and slump.

American economy will soon experience a relative boom, since it is the only country capable of satisfying the immediate needs of the world market. This fact will facilitate the full functioning of its productive apparatus.

However, this increased production will in a short while run up against the limited capacities of the domestic and world markets.

The United States will then head for a new economic crisis which will be more deep-going and widespread than that of 1929-33, with far more devastating repercussions on world economy.

The relations between the USSR and the capitalist world are not such as to favour and promote an economic revival on a capitalist basis. By striving to build its own economic zones, embracing these countries which are at present under its control, the USSR aggravates the commercial crisis of imperialism.

INTERNATIONAL RELATIONS

The world situation is dominated by the power conferred by the war upon the United States and the USSR, and by their reciprocal relations.

The United States.

The unlimited expansion of Yankee imperialism lies at the root of the prevailing disequilibrium and its further inevitable aggravation. Thanks to the circumstances of the war, American imperialism has effected a penetration throughout the world on a scale never before attained by any other imperialism, and it has actually become the principal manufacturer and banker of the capitalist world.

The United States has left all its imperialist rivals far behind. Thanks

to the development and efficiency of its industrial apparatus, thanks to the monopoly of the principal raw materials, the means of transport and the abundance of capital at its command, it possesses an economic power which no capitalist market can long resist.

Moreover, the United States has become the world's foremost military power upon which crushing superiority is conferred by its new weapons, and especially those employing atomic explosives.

The pacifist and "liberal" mask perviously assumed by Yankee imperialism in order to accomplish and facilitate its economic expansion no longer corresponds to the conditions of its present world expansion. In order to achieve and consolidate its domination of the world market, Yankee imperialism will be more and more often obliged to resort to open force, either to overawe or, if need be, to attack and crush anyone opposing its plans. Toward rival bourgeoisie and toward the USSR, American imperialism pursues a policy combining economic blackmail and military pressure.

Furthermore, American imperialism has become the most conscious and formidable counter-revolutionary capitalist power and the main prop of political and social conservatism. The authoritarian and reactionary tendencies are taking shape and are being strengthened within the United States itself as well as in the rest of the world.

The ostensibly temporary anti-labour legislation enforced in the US during the war (anti-union and anti-strike laws, wage freeze) is tending to become entrenched as a permanent rule over the labour market.

In China, American imperialism supports militarily and openly the struggle of the reactionary government of Chungking to crush the revolutionary movement of the Chinese masses and to bring the whole country under its control.

In Japan and Germany, American imperialism manipulates the old reactionary and fascist apparatus as well as using the reactionary gangs of the centre and the right.

In Italy at the moment it supports the liberals and the Catholics, financing at the same time the neo-fascist movement of the "Common Man" (l'Uomo Qualunque).

In Spain it tries to retain Franco as long as possible while preparing for his eventual replacement by the monarchy or an "authoritarian" democracy.

In all South American countries it patronizes and lends its support for the most part to the military dictatorships and in general to Bonapartist regimes. It assumes a "liberal" mask only in those colonial countries where it is endeavouring to supplant its imperialist competitors.

The "peace" plans of American imperialism consist in the consummation and consolidation of its conquest of the world market.

The United States has already begun to imprison the world through a network of politico-economic organizations such as UNRRA, Food Agricultural Organization, the Stabilization Fund, the World Bank for Reconstruction, the UNO Economic Council set up at San Francisco with its auxiliaries, the Export and Import Bank and so on, backed by a permanent army and a system of land, naval and air bases, which wrest from every nation a part of its sovereignty and which has the long-range aim of establishing the world hegemony of Yankee imperialism.

Nevertheless this tendency to turn the world into an American colony runs up against obstacles, both at home and abroad.

At home, the reconversion from war to peacetime economy, accompanied by lay-offs and wage cuts, gives rise to social struggles which in their turn impede economic recovery.

Abroad, American pressure provokes more or less vigorous resistance from the other imperialisms and above all from British imperialism, impelling the latter to entrench themselves within autarchic blocs and to resume economic warfare.

Moreover the struggle of the proletariat in the metropolitan centres, the national liberation movements of the colonial peoples, the USSR and the

zone it controls, are additional factors thwarting the plans of the Yankee imperialists and contributing to the maturing of the crisis of American imperialism.

Thus the world expansion of the United States offers it only in the abstract the advantages of imperialist exploitation capable of unchecked and unlimited development. In reality it encompasses at the same time all of the contradictions characterizing the economic, social and political structure of world capitalism and all this serves to subject the United States to the gravest convulsions, and render it susceptible to every shock and crisis arising in any part of the world.

The Soviet Union.

Facing the United States stands the USSR, which has withstood the test of the war thanks to the inter-imperialist antagonisms and thanks to the superiorities of its social system.

In spite of the indirect aid given German imperialism in its open struggle against the USSR by the Anglo-American imperialists, the acuteness of the inter-imperialist antagonisms did not permit the establishment of an effective anti-Soviet united front by the world bourgeoisie. The USSR greatly profited from this division and, based on its nationalized economy and planned production, was able to win the war against the section of imperialism which constituted the Axis. But in the course of the development of the war and due to its consequences, the conditions have been created for a more unified opposition to the USSR on the part of the world bourgeoisie as a whole than ever before; this time, under the leadership of the United States and Great Britain. The actual present position of the USSR can be understood only in relation to the whole complex of changes caused by the war, internally as well as internationally.

Nevertheless, despite its territorial conquests, the war has brought the following consequences to the USSR:

1. The war has enormously weakened the country's economy by "checking its development" (Molotov's speech on the 26th Anniversary of the October

Revolution), by decimating the economy of the Ukraine, by wiping out one-sixth of the active population. At the same time, American economy doubled its production in comparison with 1940 and quadrupled it in comparison with that of the USSR. 2. The war has aggravated social differentiation by strengthening the bourgeoisified nationalist and reactionary elements, especially among the peasantry (millionaire peasants), the military caste, and the governmental summits of the bureaucracy.

On the other hand, the war (1) has facilitated the industrialization of other regions of the USSR; and (2) has roused broad layers of the population and lifted them from the rut of conservatism and passivity toward the bureaucracy and its regime, acquainting them with other ways of life and other ideas (Red Army fighters, war prisoners, soldiers in the armies of occupation in the different European countries) thus sharpening their critical faculties and stimulating tendencies toward self-assertion.

The war has marked for the USSR the abysmal debacle of the nationalist policy of self-sufficiency formulated by the theory of "socialism in one country," and at the same time it marks **the beginning of a period in which the fate of the regime established by the October Revolution will be definitely and finally decided.**

The Stalinist bureaucracy has sacrificed both the interests of the world revolution and the progressive improvement of the living standards of the Soviet proletariat for the sake of a policy which it presents to the masses as a **gradual and peaceful construction of a planned and state-ized economy in the midst of a capitalist world.** In reality, however, this policy corresponds only to the Kremlin's own interests as a privileged, bureaucratic caste.

The war has brought this disastrous experience to a close. The USSR was inflicted with the imperialist war despite the retreats, the concessions, and the betrayals of the revolution, whereby Stalin believed it possible to neutralize the world bourgeoisie.

The war has destroyed in large measure the gains so arduously achiev-

ed over a period of years by the Soviet masses in the economic construction of the USSR and has violently hurled back the latter.

In order that Soviet economy rise again, in order that this revival be accomplished without resorting to the exclusive or principal aid of American imperialism, which would take advantage of this opportunity to destroy the USSR's independence, in order that the USSR gain a certain protective cover against the pressure of world imperialism, the Soviet bureaucracy finds it necessary to extend its strategic zones and to draw on the economic resources of other countries, in Europe and Asia alike.

Inasmuch as imperialism has succeeded in maintaining a favourable relationship of forces throughout the whole war and up to the present time, the bureaucracy is seeking to counter-act this pressure as well as the reactionary attempts from within by the following means:

(a) By accelerating the reconstruction of Soviet planned economy (the new Five Year super-plan, 1946-50).

(b) By territorial expansion of the USSR.

(c) By bringing into its economic orbit a number of countries under its political and military control.

(d) By the activities of the Communist parties designed to neutralize the bourgeoisie of the capitalist countries and to prevent their being completely enslaved to American and British imperialism.

In its defence against both the external pressure of imperialism and of the internal reactionary elements, and in its effort to rapidly revive the Soviet economy, the bureaucracy's best chances for success lie in the economic contribution of the countries now under Soviet control.

The rapacious nature and the conservative, cowardly and reactionary policy of the Soviet bureaucracy were revealed from the first by its activity in these countries.

Instead of actively aiding the mass movement for the rapid accomplishment of the socialist revolution, the free unification of these countries with the USSR, the development and har-

monious collaboration of their economy with Soviet economy, the bureaucracy has utilised this mass movement only as a reserve threat against the bourgeoisie and the reactionary cliques to which it has, in the first place, entrusted power.

In its initial attempts to introduce its economic control—agrarian reform, expropriation of foreign capital, more or less extensive nationalization of industry, housebreaking capitalism bureaucratically from above, without calling for the conquest of power by the proletariat—in all this it has met with reverses.

The Soviet occupation and control have given an impetus, although in varying degrees, to civil war and the development of a regime of dual power.

Held in check on one side by the pressure of imperialism and by its own fear of the extension of the proletarian revolution, and driven by the necessities of the social regime upon which it rests, the Soviet bureaucracy pursues in the countries it controls an opportunist policy which, even while tending toward their structural assimilation, realizes the latter only slowly and partially, through a series of advances and retreats, hesitations and convulsions, and political and military crises, conditioned above all by the evolution of the relationship of forces between imperialism and itself.

Up to now the Soviet bureaucracy appears determined to defend in its own way its economic basis in the USSR and its maintenance of control over those countries which it regards as belonging to its own zone of influence. In the USSR itself this tendency is manifested in the strengthening of the dominant position of the centre, personified by Stalin-Molotov and the leading fraction of the Communist Party (Zhdanov, Andreyev, Malenkov, Voroshilov, Beria, etc.), through the latter's reinforcement of its control in the government, the administrative organs, and the army; it is also manifested in the attempt to renew its ties with the masses through the decoy of a new left turn directed against the right. In the countries under Soviet control, this tendency manifests itself

by the seizure of governmental levers by Communist Party leaders, independently of their real strength in the given country; in the elimination of oppositional elements, the expropriation of foreign concessions, the acceleration of economic reforms, and the promotion of organs of dual power (committees for the control of production and trade, committees of poor peasants to carry out the agrarian reforms).

Finally, on the international plane, the resistance of the Soviet bureaucracy is manifested in its unyielding attitude toward imperialist pressure, at the diplomatic meetings (London Conference, etc.) in a certain note of firmness in its press and in the speeches of its leaders [Molotov on the occasion of the 28th Anniversary of the October Revolution, Stalin's recent speech, and in the decoy of a slight left turn by some of the Communist parties (American, British, Greek and colonial parties)].

Meanwhile, this defence, as long as it devolves upon the bureaucracy, will remain deprived of the only force which can effectively thwart the designs of imperialism, counteract its anti-Soviet pressure, permit the reconstruction of the USSR, and banish the threat of the Third World War, namely: the active support of the world revolutionary movement and the conquest of power by the proletariat. The action of the bureaucracy in the USSR and in the zone under its control, like that of the Communist parties in capitalist countries, instead of advancing the revolutionary movement of the proletariat, only obstructs and demoralizes it and lays the ground everywhere for the counter-offensive of reaction. Thus the best defence of the USSR becomes more than ever a question of the struggle for the immediate overthrow of the Bonapartist Stalinist clique and the spread of the proletarian revolution.

Despite its territorial expansion, the economic retreat and, above all, the weakness of the labour movement demoralized by the policies of the Soviet bureaucracy, divest the USSR of its most effective weapons against the sustained pressure of imperialism. In the test of strength which characterizes the present relations between imperial-

ism and the USSR, only the intervention of the proletarian revolution can save the Soviet Union from an early and fatal end.

Behind the appearance of power never before attained, there lurks the reality that the USSR and the Soviet bureaucracy have entered the critical phase of their existence.

While explaining to the Soviet and world proletariat the dangers which the Stalinist bureaucracy holds in store for the world revolution by its reactionary policy, while calling for the immediate overthrow of the bureaucracy, the Fourth International does not revise its position on the character of the USSR as a degenerated workers' state. The Fourth International does not lose sight of the importance for the proletariat of defending against imperialist and reactionary attacks, the nationalized and planned economy of the USSR and the progressive economic reforms in the countries controlled by the USSR. All the sections of the Fourth International, and above all the British and American Trotskyists, are duty-bound to unmask and denounce systematically the anti-Soviet plans and preparations for the Third World War of the imperialists; to explain to the masses the social significance of the antagonism between imperialism and the USSR, as well as the class nature of the latter.

England.

British imperialism issues out of the war as the third strongest world power next to the USA and the USSR.

Nevertheless, its specific weight in the world has once again considerably diminished, and it has been so weakened by the war that it actually faces the most critical situation in its history.

The colossal unproductive expenditures of the war were met by indebtedness to the US and the colonies (India, Egypt) and the dominions, and the super-exploitation of the colonial masses.

England is today the greatest debtor country in the world. The equilibrium of its balance of payments has been definitively disrupted by the loss of a

large part of its foreign investments and by the maritime, commercial and financial supremacy of the US which has brought about the diminution of England's revenues from her fleet and from her former role as the world's broker. Moreover, the dislocation of the Empire has been accentuated by the war.

The industrial and financial development of the colonies (India, Egypt) and of the dominions (Canada, Australia, New Zealand, South Africa) has given rise to centrifugal tendencies, gravitating in large part to the United States.

In India, in Egypt, in the Near East, the powerful national liberating movements of the masses are shaking the hold of British imperialism on these countries and its economic structure as a whole.

To check its decline and to effect its recovery, British imperialism resorts to the brutal extension of its colonial rule at the expense of positions belonging to defeated imperialist countries (Japan, Italy) or those which have been greatly weakened (France, Holland); it resorts to the intensified exploitation of the metropolitan and colonial proletariat, and to economic warfare. The resource to economic warfare, the maintenance of the Empire preference system based on customs barriers and the Sterling Pool, the building of other autarchical blocs—these are the best weapons available to British imperialism for the purpose of making a stand against the pressure of the US and bargaining with the latter for a share, however sharply limited, in the exploitation of the world market. The policy of the "Western Bloc" is highly symptomatic of British imperialism's means of self-defence.

In order to resist both the economic pressure of American imperialism and the extension of the political and economic control of the USSR over a large part of Europe, England has outlined a blueprint to construct under its control a closed economic sphere, encompassing the countries of Western Europe, from Norway to Greece and including Germany. The conclusion of

the compromise with Washington can modify the anti-American economic orientation of the "Western Bloc" while leaving intact, above all, its anti-Soviet political character.

The Washington agreement, a veritable "economic Dunkirk" for British imperialism, has been accepted by the latter only in the hope of resuming at a later stage the struggle for the preservation of its positions in the world market.

However, American imperialism has so outstripped the British that the latter prefers at present to find a stable basis of compromise with Wall Street rather than conduct a consistent and decisive struggle against it. On the other hand, in all questions which bring it into conflict with the USSR, British imperialism counts on the direct support of Washington. In this sense, despite their internal frictions regarding the share of British imperialism in the exploitation of the world market, the entire immediate phase of the present international situation is dominated by the close cooperation of Anglo-American imperialism against the USSR, the liberating struggle in the colonies, and the revolutionary struggles of the people in Europe and the entire world.

France.

French imperialism, although listed among the "victors" of the war, no longer occupies any place in the international line-up beyond that of a second-rate power.

The war has consummated its definitive decay. The destruction it has suffered has enormously weakened the productive potential of the country.

Its unproductive expenditures, conjoined with the general impoverishment, the decline of production and the scarcity of commodities, have acted to unbalance the budget, to debase the currency, and to raise the cost of living. The economic revival proceeds only very sluggishly and without perspective, hindered by the lack of raw materials, capital and machinery.

The colonies which have not as yet fallen into the grip of English and American imperialism, far from contributing to the recovery of the metro-

polis, are at the height of a crisis of their own, and in the midst of convulsions brought about by the developing national liberation movements.

In order to escape, at least in part, the catastrophic consequence of its own balance sheet of the war, French imperialism attempts to play on the reciprocal antagonisms between the United States, England and the USSR. But its hopes have proved to be illusory of thus ultimately preserving the unity of its empire and its economic independence, and of wresting from conquered Germany a large part of the resources of the Saar and Ruhr territories. The needs of English and American imperialism for expansion leave no latitude for French imperialism. The settlement of accounts between the "Big Three" invariably operates, in the final analysis, at its expense, as well as at the expense of all other secondary powers.

French imperialism has entered into a long period of crisis full of great economic and political difficulties; a crisis, the development of which will influence the entire situation in Europe. France combines within it in a way the characteristics of the situation in Italy as well as in Germany after the First World War. It is passing through a period of "democratic" and parliamentary instability which can end only in a dictatorial regime or in revolution.

China.

China emerges from the war and the defeat of Japanese imperialism apparently as the fifth great world power. In reality, in its present economic, social and political structure, it is almost as incapable as ever of conquering genuine national independence and of playing an important independent role in world politics.

The Chinese bourgeoisie, constrained by its fear of the independent activity of the poor peasantry and the proletariat, and shackled by its economic ties with imperialism, concerns itself above all with consolidating its regime of exploitation against the attacks of the masses, by allying itself with the feudal elements and appealing to Yankee imperialism for material and military aid. The Chinese market, with

its 400 million inhabitants, its enormous natural resources, its unlimited supply of exceptionally cheap labour power, constitutes for the US one of the principal outlets for its over-abundant production, a source of raw materials and a market for the export of capital; and, in addition, provides the key to its hegemony over the whole of the Far East and the Pacific. The Chinese bourgeoisie is all the more disposed to favour the expansion of Yankee imperialism, since the latter provides it with substantial aid in its armed struggle against the masses, against the Yen'an regime, against the threat of the expanding influence of the USSR, while still leaving it the appearance of independence and national unity.

The completion of the bourgeois-democratic revolution in China, and the full development of its productive forces, are impossible without the struggle of the worker and peasant masses, led by the revolutionary party of the proletariat, for the regime of soviets, for the dictatorship of the proletariat.

The line of democratization of the Kuomintang recently adopted by the Stalinist leaders of Yen'an can end only in inevitable defeat and a new demoralization of the Chinese masses.

China is destined, moreover, to serve in Asia and in the Pacific as the principal arena for the conflict between Yankee imperialism and the USSR, and to become in case of open hostilities one of the most important anti-Soviet bulwarks. Any repetition of the Stalinist policy of 1925-27, the policy of liquidating the independent movement of the masses and subordinating it to the bourgeois leadership of the Kuomintang, will have the effect of destroying irretrievably the new Chinese revolution and of throwing away one of the best opportunities for the defence of the USSR.

On the other hand, a policy directed to the worker and peasant masses, based on a clear and courageous programme of transitional demands calling for agrarian reform, democratic rights, the election of a Constituent Assembly, etc., and penetrated with a socialist perspective, can harness all

the revolutionary dynamic of the Chinese masses which has been revived in the course of the war and victory, and once again bring to the fore the Chinese revolution. That is the task incumbent upon the Bolshevik-Leninists of China, who are fully aware of the tremendous influence which the Chinese movement can exercise on the international proletariat.

Germany—Italy—Japan.

The imperialist conflict has enormously reduced, and almost eliminated from the world market and from the international scene, three of the greatest powers: Germany, Italy and Japan.

German imperialism has suffered a debacle without precedent in the history of any capitalist nation.

Its productive apparatus has been largely reduced to ashes. Its biggest cities, its ports, its means of transportation, have been demolished. In addition to the enormous mortalities caused by the war, military defeat and the occupation have brought about the imprisonment of virtually the entire active male population. The pillage and destruction which the American, English, French and Russian occupying forces have carried on, have accentuated the economic disintegration of the country's economy. On the day after the military defeat, the material and human premises for all important revolutionary activities by the masses in Germany were already lacking.

The rebuilding of the German labour movement will henceforth reflect the progress of the revival of the country's economic life, of the integration of the proletariat into production, and the amelioration of the new repressive regime of the occupying forces.

The occupying powers, the USSR and the various imperialists, are each following with regard to Germany a policy conforming to their own interests.

The United States has sought and achieved through the war the elimination of German economy as a competitor on the world market. The occupation of Germany now serves the following two purposes:

First, to keep Germany's potential

at levels which permit a limited reconstruction of its economy, nurtured by American capital. Second, to exert by means of military occupation of Central Europe, constant pressure against the USSR and its zone, and to exercise an effective counter-revolutionary control over the rest of the continent.

These considerations will increase in the future the tendency of the United States to recreate Germany as a unified state, with a central government. In this respect, clashes with contrary plans (France) aiming at an impotent and dismembered Germany can be expected.

British imperialism has just as great an interest in the economic reconstruction of Germany and its unification under its control.

German economy, deprived of its power of expansion, represents the most important European market for London. Brought with other countries of Western Europe into a system of finance and customs preferences under England's aegis, Germany could contribute more than any other European nation to the formation of a bloc which would eventually be capable of resisting the economic pressure of the United States, and serving especially as an anti-Soviet bulwark. French imperialism follows in Germany a policy of pillage in order to make up for the deficiency in its own enaemic economy, and carries on intrigues aimed to prevent at any price the unification of the country and to accentuate and maintain its dismemberment.

Finally, the USSR veers between a policy tending to maintain and aggravate Germany's weakness, in dread lest it again become the principal anti-Soviet bulwark of imperialism in Europe; and a policy tending to win and include in its own zone of influence the greater part of Germany and Austria.

The campaign for a united party of Social Democrats and Stalinists, as well as the agrarian reform accomplished in the zone occupied by the USSR, are aimed at creating a mass base and at destroying or neutralizing the forces opposed to the Stalinist

bureaucracy. The agrarian reform in particular has been undertaken with the aim of shattering the power of the Prussian military and Junker caste and thus gaining the sympathy of the peasants who have acquired land. But this remains a vain hope as long as Soviet economy is incapable of furnishing the peasants abundant industrial products cheaply, of raising their material standards. On the other hand, these progressive economic measures can be correctly evaluated only in the framework of the general policy of the bureaucracy toward the masses—which strangles their democratic rights beginning with the right to self-determination, bureaucratizes the workers' movement, engages in brutal transfers of whole populations, dismantles whole factories, etc. This policy comprises the prestige of the USSR in the eyes of the masses as a workers' state and arouses them against the Stalinist bureaucracy as well as against the USSR.

Italian imperialism, already in the throes of a profound crisis before the war, has—as a result of the defeat, the virtual loss of her colonies, her financial ruin and material devastation—retrogressed to the rank of a second-rate power which is already decisively in the grip of British and American imperialism.

Japanese imperialism has suffered a disaster in many respects comparable to that of Hitler Germany.

Its economic potential has been seriously affected by the devastation, the loss of the colonies, by its reduction to strictly metropolitan territories and by the costs of the war and of the occupation.

Military defeat has shattered the social regime, dominated by the complex alliance of feudalists and capitalists, and characterized by class relations of great explosive force.

Despite the atomization of the masses by the terror exercised for several years by the possessing class against the proletariat and the peasantry, there is taking place since the defeat a slow but sure ripening of the revolution. Yankee imperialism, which has reserved exclusively for itself the actual control of Japan, with the object

of strengthening and consolidating its grip over the whole Far East and the Pacific, has maintained in power the old reactionary repressive apparatus beginning with the institution of the monarchy, the pillar of the social system.

Its intention is to retard, reduce, and finally stamp out any revolutionary explosion, and to make only secondary and unimportant concessions to the masses, while introducing changes which, although depriving the Japanese economy in the immediate future of its power of expansion, will not bring about any profound modification of the reactionary social structure.

In Japan the task of the bourgeois-democratic revolution, which has never taken place, devolves henceforth upon the proletariat. It alone will know how to combine the former with its own socialist aims under the regime of its dictatorship resting on workers' and peasants' soviets.

The general situation of world economy, the ruin of Europe, the exacerbation of all the inter-imperialist contradictions, the eruption of all the latent antagonisms partially camouflaged during the war by a facade of common struggle of "the United Nations against fascism," the tense relations between imperialism and the USSR—all these **determine a lengthy period of grave economic difficulties, convulsions, and partial and general crises.**

The boundless development of American imperialism, amid universal economic exhaustion, the weakening, the retreat and collapse of other imperialisms, has essentially modified the conditions for the reestablishment of the capitalist equilibrium, which can take no other form than that of an almost exclusive domination of the United States.

To the extent that the revolutionary movement of the masses fails to grow stronger, but on the contrary weakens or becomes demoralized, the contradictions of the international economic and political situation, and above all the antagonism between the United States and the USSR, will goad im-

perialism into once more attempting to bring, within a briefer interval than in the past, the issue to a head through the outbreak of a new world conflict.

The factor determining whether humanity will evolve toward barbarism and annihilation or toward its emancipation through socialism, is thus lodged in the development of revolutionary movements, which are in their turn conditioned by the consolidation of a genuine revolutionary leadership, in the course of that long series of social convulsions which must inevitably accompany the new imperialist "peace".

THE TENSION OF SOCIAL ANTAGONISMS AND REVOLUTIONARY PERSPECTIVES

The war, which exacted enormous sacrifices from the masses, and drove down their standard of living to new depths, has also placed a mortgage on the current period of "peace."

A tremendous creation of new capital is the essential prerequisite for restoring world economy, which has been paralyzed by the destruction of its productive apparatus, by colossal state debts, and by inflation.

This would be possible only if the proletariat were willing to continue to work under far worse living conditions than those existing before the war. That is precisely what the capitalists demand. The treacherous reformist leaders so advise the workers, as do, but even more vociferously, the Stalinists: First help to reestablish and strengthen capitalism, and then demand and fight for improving the lot of the workers and other toiling strata.

The war has brought to all countries an enormous growth of fictitious capital, in the form of paper money and state obligations (Treasury Bonds, etc.) while the productive capital has at the same time undergone a real decline.

The consequence of this are skyrocketing prices, unbalanced budgets and the breakdown of exchange. Inflation is wildly rampant in every country in Europe, and is also brewing although in more benign forms in England and the United States.

The bourgeoisie and the capitalist state attempt to meet this situation

by resorting to devaluation, increasing taxes, freezing wages and raising domestic prices, all of which add up to a reduction in the income of the workers and all other toiling strata. Involved here is a real attempt to proceed to a new redistribution of the national income, in which the regeneration of capital will be achieved by further driving down the living standards of the masses. This attempt of the bourgeoisie inevitably provokes violent reactions on the part of the masses, as can already be seen everywhere; it disturbs class equilibrium more and more every day; and it gives a powerful impetus to the workers' struggles. The problem of ascertaining whether capitalism can again achieve a relative stabilization cannot be resolved without taking into account this determining factor: **the resistance of the proletariat, demanding an improvement in its living conditions, an improvement which is incompatible with the possibility of reviving capitalism.**

If the war did not immediately create in Europe a revolutionary upsurge of the scope and tempo we anticipated, it is **nonetheless undeniable that it destroyed capitalist equilibrium on a world scale, thus opening up a long revolutionary period.** All self-criticism which we can and should make today on the perspectives which we developed during the war, wherein we foresaw mass activity, particularly in Europe, of far greater scope and depth than has been the case to this date, all such criticism limits itself essentially to the tempo and not to the **fundamental character of the period** which follows the imperialist war.

Only the superficial and cowardly petty-bourgeois mind can see a refutation of our revolutionary perspective in these facts: that war did not, either during its course or immediately thereafter, bring about the revolution in Europe; that the German revolution has not taken place; that the traditional organizations, and foremost among them the Stalinist parties, have experienced a new and powerful rise. While recognizing that all of these facts represent so many defeats for the revolutionary proletariat, the

Fourth International cannot for one moment forget that the mortal crisis of capitalism, the destruction of its equilibrium, the sharpening of all of its fundamental contradictions, constitute far more important facts, and upon them rest our revolutionary perspective and our vastly increased opportunities for building the revolutionary party.

The economic and political conditions under which capitalism is currently trying to achieve its revival presage a rising revolutionary curve, despite temporary declines and fluctuations **which can tend to disappear only in proportion as the new revolutionary leadership asserts itself in the course of struggle.**

Although we have, until now, witnessed only the first battles waged by the masses against the will of capitalism to restore its economic power by intensifying exploitation, these struggles already demonstrate clearly that the proletariat is far from having consumed its revolutionary potential.

In continental Europe, which is not under the control of the USSR, the economic conditions under which capitalism is compelled to undertake its reconstruction impel the worker and petty-bourgeois masses into action.

The curve of strikes, which have as their driving force the will of the workers to defend themselves against the increasing cost of living which is debasing their wages, is on the rise everywhere, despite the systematic opposition of the reformist and Stalinist leaderships. For the same reasons, petty officials and white collar workers often enter the struggle even before the workers. Other layers of the urban and peasant petty bourgeoisie, ruined by inflation and crushed by taxes, are becoming a revolutionary ferment which is destroying and intensifying the crisis of the régime.

Under these conditions a prolonged and relatively full and stable development of the forces of political democracy seems more problematical than ever.

The few democratic concessions which the bourgeoisie has granted since the end of the war are the result, on the one hand, of the pressure of

the masses, and on the other, of the conciliationist and capitulatory policy of the reformist and Stalinist parties.

When the German occupation apparatus collapsed, a first wave of revolution shook most of the countries of the European continent.

But this wave was of a fragmentary character. Organs of dual power arose only spontaneously. The absence of the German revolution prevented the extension and generalization of this revolutionary movement, permitted the Stalinist and reformist parties to retain exclusive control of the masses and thus facilitated the replacement of the German military administration by that of the Anglo-Americans. The native bourgeoisies thus obtained the breathing spell necessary to rebuild their own state apparatus, swiftly liquidate the elements of dual power and disarm the workers with the direct aid of the Stalinists (France, Italy) or by means of violence supported by the occupying forces (Greece, Belgium).

In order to halt the first revolutionary wave, the bourgeoisie had to pay the price of governing by means of the Stalinist and reformist parties, or of coalitions based on them in the main. This price implies: the maintenance of the broad political and trade union organizations of the proletariat, the retention to a certain degree of the possibility of mass action (right to strike), the preservation of the "democratic" apparatus of which the bourgeoisie is not entirely sure. But at the very moment when the bourgeoisie because of the pressure of the masses concedes a "democratic" government, it is forced by its material conditions, by the necessity of rebuilding its economic power at the expense of the working masses, to prepare its transition toward authoritarian forms of government. It has already succeeded, behind the smokescreen of "parliamentary legality" and "social peace" in reestablishing a military and police apparatus which it holds firmly in hand. Basing itself on this apparatus, as well as on all the traditional bastions of conservatism in society (church, nobility, monarchy, etc.) finance capital, which was permitted by

the war to increase its ever more complete hold on the state, prepares to go over to undisguised military or Bonapartist dictatorships. Only the pressure of the proletariat, which up to the present has not been decisively defeated in any country in the continent, prevents the bourgeoisie from abandoning what remains of classic "bourgeois democracy."

In varying degrees, according to the different countries, the governmental experience of the reformist and Stalinist "leaders" has been marked by a new disillusionment of the proletariat. As long as the revolutionary parties are still too weak to transform this disillusionment of the masses into a lever for a new offensive, it objectively strengthens the position of the bourgeoisies. In general, the present situation in most countries of the continent is characterized by this fact. On the other hand, although the pressure of the urban and rural petty-bourgeois strata is still canalized within the workers' parties and the parties of the democratic centre, the insoluble and prolonged crisis of capitalism, the economic ruin, proletarianization and pauperization of these strata cannot in the long run fail to produce anew the same causes which gave birth to the fascist movements. Thus, in Italy, the impotent and demoralizing politics of the official workers' parties has already caused the polarization of broad petty-bourgeois masses around "neofascist" leaders (l'Uomo Qualunque). These masses of the middle class in Belgium, not so long ago very partial to the Stalinist party, have reverted to the most reactionary bourgeois party. Similar processes are taking place in Greece, in France and elsewhere. But it must not be forgotten that the present slow pace of the workers' political movement in Europe is sketched against a background not only of a world revolutionary upsurge, but also of a radicalization of the toiling masses on the continent itself. Under these conditions partial defeats like those in Greece, temporary periods of retreat like those in France and Belgium, do not demoralize the proletariat. On the contrary, in the course of the coming economic struggles, the treacherous

character of its leaders is revealed anew by the experiences. The repeated demonstration by the bourgeoisie of its inability to reestablish an economic and political regime of the slightest stability offers the workers new opportunities to go over to ever higher stages of struggle. Only if the Fourth International proves in the long run unable to build strong and influential sections, only if the successive waves of workers' struggles end in defeat, will powerful fascist organizations appear everywhere and the present period of upsurge in which we live be brought to a close with a series of defeats in the principal countries of the continent.

In the part of Europe controlled by the USSR, the working class movement has in several places attained the level of dual power, but it has experienced at the same time the bureaucratic straitjacket and the demoralization which are provoked by the Stalinist bureaucracy.

In Germany, the disintegration of the working-class movement has reached upon its previous defeats, the atomization of the proletariat under the repressive Nazi regime, the chauvinist policy of the Stalinist bureaucracy during the war, the destruction of property, the loss of life, and the present imperialist and Soviet occupation. This fact already weighs heavily on the collective situation of the working-class movement in Europe; it conditions the slow tempo of the revolutionary movement, its irregular rhythm, the temporary restraint upon its dynamics. We cannot count on the revolutionary activity of the German proletariat until the material basis for its existence has been reorganized in Germany and until the millions of German war prisoners have been reintegrated into the economy of the country.

In the meantime, other revolutionary fires are growing in importance in continental Europe, in Italy and in France, as well as outside of the continent, in England, the United States, and in the colonies.

The accelerated decline of British imperialism, the contraction of its

economic base, its impoverishment, as well as its need for resisting the pressure of Yankee imperialism by concentration and modernization of its productive apparatus and the reduction of its net costs, are now inspiring a furious offensive by the bourgeoisie and the capitalist state against the standard of living of the English proletariat. The latter's reply is powerful. 1944 has already proved to be the year marked by the greatest number of strikes registered since the previous war, with the exception of the general strike of 1926. 1945 has seen the electoral victory of the Labour Party, which reflects the first stage of radicalization of the worker and petty-bourgeois masses. The strike movement, despite the temporary braking action of this victory, continues to manifest itself. Inherent in it is a direct conflict between the masses and the bureaucratic apparatus of the trade unions and the Labour Party (dock workers' strikes), and by virtue of this, serious perspectives for the building of the revolutionary party are opening up.

In the United States, reconversion which is accompanied by unemployment, by the reduction of workers' incomes due to the elimination of overtime, is unleashing the most powerful movement of workers' demands ever recorded in that country.

By becoming the best defender of the interests of the American proletariat, the revolutionary vanguard has the greatest possibilities of building a powerful revolutionary party in the course of the long crisis which faces American capitalism as a consequence of its expansion in the world market—a market which is more out of balance and more disorganized than it has ever been.

The movements for emancipation by the colonial peoples have now reached heights which have never been attained in the past.

This is the result of the growth in consciousness of the colonial masses and of the weakening of the imperialist rule resulting from war.

The development of imperialism determined by the industrialization of the colonies and the war accelerated

this trend, particularly in Egypt, in the Near East, in India, in certain parts of China and Indo-China, and the Netherlands Indies. The economic evolution has favoured the birth of an agricultural and industrial proletariat and certain urban petty-bourgeois strata, merchants, functionaries and intellectuals, together with a national bourgeoisie of varying importance.

On the other hand, the war intensified super-exploitation of the colonial masses and drove their living standard down to incredible depths. These facts, together with the weakening of all the imperialist powers as a result of their own struggles and antagonisms, have particularly on the morrow of the defeat of Japanese imperialism, accelerated the maturing of the national and revolutionary consciousness of the colonial masses and fortified their will to conquer their independence by force of arms.

The absence of a proletarian revolutionary party and the repetition by the Stalinists of the Menshevik policies applied to the Chinese Revolution of 1925-27 are the contributing factors for the predominance of nationalist and Stalinist petty-bourgeois intellectual elements in the leadership of these national movements of emancipation. Despite this fact and despite the real dangers which this leadership means for the development of the colonial revolution, these movements already constitute an integral part of the world revolutionary upsurge insofar as they aggravate the crisis of imperialism and give a mighty impetus to the proletariat in the metropolitan centres.

Especially in China and in India where we find a well developed bourgeoisie and consequently an advanced industrial proletariat as well, the joint exploitation of the masses by the national bourgeoisie, the feudal remnants and foreign imperialism, is already creating the conditions in which the revolutionary movement of the proletariat, drawing behind it the peasant masses, can surge to great heights and become one of the principal revolutionary centres in the world.

Thus it is impossible to draw conclusions about the real dynamics of the revolutionary upsurge when limit-

ing ourselves to the European scene and simply noting the absence, for a certain time, of the German revolution, however important this absence may be.

What confronts us now is a world-wide crisis transcending anything known in the past and a world-wide revolutionary upsurge developing, to be sure, at unequal tempos in different parts of the world, but unceasingly exercising reciprocal influences from one centre to another, and thus determining a long revolutionary perspective.

THE BUILDING OF OUR PARTIES AND OUR POLITICAL TASKS

The masses are already furnishing such proof of their energy, their readiness for struggle, and their spirit of sacrifice, that we can exclude any question of exhaustion of the revolutionary potential of the proletariat and of its will and capacity for overthrowing the capitalist regime, given a genuine international revolutionary leadership, well prepared and strongly centralized, at its head.

The problem of building the revolutionary leadership remains as always the key problem. The Fourth International is fully conscious of the role of the revolutionary party, not only in making the proletarian revolution victorious, but in accelerating the revolutionary ripening of the objective situation. Objectively, revolutionary situations have existed, exist now, and will exist, independently of the presence of the revolutionary party. But in the absence of the latter, they have ended, are ending, and will end, in retreat, demoralization and defeat for the masses.

In the pre-war period, however, the objective possibilities for building the revolutionary leadership were restricted, whereas at the present time it is impossible to blame the objective situation for the stagnation or slow rhythm of the formation of the revolutionary leadership.

Current events in all countries prove that the objective possibilities for creating the parties of the Fourth International have never been as great and are increasing all the time. In a whole series of countries, among them England, South Africa, and several

colonial countries, the obstacles of Stalinism and reformism do not have a determining importance.

On the other hand, the swelling of the ranks of the traditional organizations in Europe, above all of the Stalinist parties, reflected the first stage of radicalization of the masses, and this has now reached its peak almost everywhere. **The phase of decline is beginning.**

The reformist parties have undergone a change in their social base with the sharpening of the crisis of European capitalism, losing their hold upon the working class, and winning over the radicalized petty bourgeoisie, which is leaving the old bourgeois centre parties.

The Stalinist parties have won over the worker elements of the Socialist parties, at the same time gaining the most radicalized layers of the urban and peasant petty bourgeoisie.

But the reformist programme on which the "Socialists" and "Communists" are at present in agreement is more than ever incompatible with the possibilities of European capitalism; their inability to find a way out of the crisis will become more and more obvious to the masses. A further growth of these parties, or even the retention of their present positions must be considered as rather problematic, since these parties, in order to maintain their collaboration with the bourgeoisie, will be obliged to put brakes upon and at time even oppose, the struggles of the masses for their demands, and will make themselves responsible in the eyes of the masses for the inevitable failure of all the experiments with so-called "structural reforms."

The Stalinist parties are, in addition, handicapped by the development of the international situation and the tension of relations between imperialism and the USSR, which forces them to push their opportunist policies to the limit and makes these more uncertain and contradictory than ever.

On the other hand, in the countries controlled by the USSR, and particularly in Germany, Austria, Finland, Czechoslovakia and Hungary, and even in Rumania and Poland, concrete ex-

periences with the policies of the Soviet bureaucracy are tending to become the best remedy against the contamination of the masses by Stalinist ideology.

Under these conditions, the development of oppositional currents within the Stalinist and "Socialist" parties is inevitable.

The civil war in Greece, the prolonged political crisis in Italy, the situation in England, have already given birth to such currents in the "Communist" parties.

The Dutch CP has recently undergone a series of factional struggles, the result of which is the formation at present of a Leninist opposition.

The situation in France, in Belgium and in Western Europe in general is creating conditions making the reformist parties susceptible to disintegration.

But the maturing of these oppositions, their evolution, their more or less rapid break with the bureaucratic leadership are not only dependent upon the general political conjuncture. The active intervention of our sections is just as important an element in this process. In the measure in which the latter will be able to combine programmatic firmness with the greatest tactical flexibility and prove to be capable in action of inspiring confidence in the best of the oppositional elements, they will facilitate the integration of these new currents into our movement and prevent their crystallization into new centrist tendencies.

The essential precondition for harnessing ourselves with enthusiasm and faith to the task of building the parties of the Fourth International is that we first acquire the firm conviction that great possibilities now exist in this sphere.

The greatest threat to the accomplishment of this primary task is the development in our ranks of defeatist tendencies which, impressed by the relative slowness of the ripening of the revolutionary situation in Europe, as well as by the slowness of our own progress, advocate more or less openly the reduction of our transitional and socialist programme to democratic slogans alone and to a policy of wholesale or

even total "entry" into the reformist and centrist parties in Europe. This is due to the fact that these tendencies which in general were the ones which correctly criticized the leftist exaggerations in evaluating the tempo of events during the war and in the first phase of the period succeeding the war, proceed in reality from a different and false general perspective as regards the nature of the period which we are entering.

In a general way, the road for the construction of our parties, particularly in continental Europe, leads at present through the combination of our independent work, guaranteed by our organizational and political autonomy, with patient, systematic and sustained fraction work in reformist, centrist and Stalinist organizations. Every national leadership must prepare to set up the orientation and concrete organization of its work after the most careful analysis of the general situation of the country and of the condition of the working-class movement, its organizations, their internal atmosphere, etc., and to proceed to the best division of its forces for independent work and for fraction work.

As against the conditions which characterized the pre-war situation, we now find that independent work by our European sections and their autonomous existence separate and apart from the traditional organizations, are in general acquiring greater importance than fraction work and can serve as the only attracting pole for vanguard worker elements who want to struggle and who, shocked or disappointed, break with the traditional organizations.

But we cannot ascertain our real opportunities to influence these elements, we cannot correctly evaluate our genuine possibilities for development, as long as we continue to hope that in some way the masses will spontaneously discover our existence and the correctness of our programme, and that the militant workers will spontaneously pour into our ranks.

Large sections of workers want to struggle, are suspicious of and even breaking with the treacherous "Socialist" and "Communist" leaderships,

are searching for another banner, but we do not adequately show ourselves to them.

In order to win them over we must, in action and in struggle, be an effective revolutionary party, possessing a serious organization, with concrete policies, a regular press and above all, taking an active part in their daily struggles. It is in action that we will show that we aim to be and that we can be the pole for the regrouping of the revolutionary forces, and it is in action that we will really obtain that objective.

The problem is to build the revolutionary party by patient, systematic work, under favourable objective conditions, counting on a long period, and not one of discovering, thanks to new "ingenious formulas", the secrets of the spontaneous generation of "mass parties."

OUR TASKS IN CONTINENTAL EUROPE

At the present stage, the political tasks of all the European sections must be determined by the following factors:

1. The very favourable objective conditions for the development of revolutionary struggle.
2. The fact that the masses still follow in their greatest majority the reformist and Stalinist parties.
3. The fact that the Anglo-American armies constitute in a number of countries the principal prop of the capitalist order (Germany, Italy, Greece).
4. The contradictory character of the actions of the Soviet occupation forces in Eastern Europe.
5. The young and limited forces of our own organizations.

On all the countries not occupied by the USSR, the pressure of American imperialism is making itself felt more and more openly, although by varying means. Our sections must strive to accelerate the disappearance of the illusions which still mask the character of the Anglo American occupation as well as the multiple economic interventions of Yankee imperialism. They must make the masses ever more conscious of the fact that this occupation can only accentuate the decadence of European economy and menace in the

long run the independence of viable nations, as well as the fact that it aims at systematically strangling the socialist revolution.

Just like the German occupation, the present occupation of Europe by the Anglo-American, French and Russian armies is also the cause of a certain national oppression. Given the perspective of a definite decline in the revolutionary movement, the prolongation for several years of this occupation could throw certain nations back to the level of colonial countries and open a new era of national struggles and wars. But just as during the war, so now, it is not for us a question of proceeding with a perspective of decline and decisive defeat of the revolutionary movement, but rather with the perspective of revolution which continues to remain open.

The vicissitudes of the imperialist war which brought about the temporary occupation by the German armies of certain capitalist and imperialist nations (France, Belgium, Holland, Czechoslovakia, etc.) did not at all throw them back into the category of oppressed nations and thereby justify the struggle conducted by the bourgeoisie of these countries against German imperialism as "national wars."

The war remained imperialist on both sides and the task of the proletariat was to safeguard its political and organizational independence and to advance its anti-capitalist, internationalist and revolutionary programme.

It was the duty of the revolutionary proletariat to fight the bourgeois leadership and ideology of the resistance organizations, which exploited the just indignation of the masses against the imperialist occupiers and the collaborating layers of the national bourgeoisie in order to mask the imperialist character of the war and divert the class struggles toward "national" goals.

The revolutionary proletariat responded to the desire and will of the national masses for struggle against the consequences of occupation and for the reconquest of national independence, by making these preoccupations of the masses its own, by declar-

ing that it inscribed the struggle for independence in its own programme but by its own methods; by fighting within Germany itself for the revolutionary overthrow of the Nazi regime and the withdrawal of the German armies from the occupied countries; and by advocating in the latter countries mass opposition, conducted in a class and international spirit, against the occupiers and against the national bourgeoisie.

The duty of the revolutionary proletariat was first and foremost to combat the prostration of the working-class movement, brought about by the chauvinist ideology and "class peace" policy of its traditional organizations.

THE STRUGGLE AGAINST THE NEW IMPERIALIST "PEACE"

The imperialist "peace" which is being organized under the direction of the "Big Three" is introducing into Europe a system of national oppression which is particularly heavy for Germany and Italy.

The Fourth International proclaims the right of self-determination for every people, fights for this right, and puts forward in every occupied country the slogan: "For the Immediate Departure of the Occupation Troops!"

In the oppressor countries (USA, Great Britain, France insofar as Germany is concerned) the Fourth International actively defends the right of the occupied nations to independence and demands the recall of the occupation troops.

In the occupied countries, the Fourth International places the emphasis on conducting the opposition against occupying forces in the internationalist spirit of class struggle, in the sense of safeguarding the independence of the workers' movement, of combatting "national" coalitions with the bourgeoisie. The Fourth International fights for the fraternization between the occupation troops with the exploited masses in each country. It stresses likewise that genuine independence cannot be achieved without the abolition of imperialism and the free federation of the European countries into the Socialist United States of Europe.

On the other hand, at the very

moment when the "peace" conference is being prepared, broad masses in Europe and in the whole world have clearly grasped the irreconcilable contradictions which have developed within the very midst of the "United Nations" at all the diplomatic encounters preceding it, as well as the dangers of a third world war.

Our sections must vigorously denounce the deceptive character of the UNO which, like the former League of Nations, aims to replace in the consciousness of the masses the idea of an international federation of revolutionary workers' republics with that of an international association of the capitalist states and the USSR dominated and directed by the "Big Three."

They must denounce all projects of annexations and reparations. They must demand an end to secret diplomacy, and the publication of the secret treaties. Our sections will take advantage of all the conflicts between the great powers to point out that the retention of the capitalist system will inevitably produce a new world war which threatens to lead all of humanity to complete destruction.

They will demonstrate concretely how only the class struggle of the proletariat combined with the struggle of the colonial peoples constitutes the decisive factor in preventing the outbreak of new wars, and that only the abolition of capitalism can once and for all do away with war.

The propaganda and agitation of our sections regarding international politics must have a concrete and pedagogic character. The experiences of the war have developed in the masses a very keen sense of the importance of political events. The scepticism toward the attempts of the victors to settle the fate of the world "definitively" and the fear of a new world conflict are at present among the most favourable factors for our propaganda. Provided, that the latter abandons its often merely declamatory, general and abstract form, follows the actual events, explains them adequately to the masses and concretizes our internationalist and revolutionary position on each distinct problem.

The German Question

With the absence of a strong German workers movement still hanging heavily on the development of the revolutionary struggle in Europe, the German problem constitutes from every point of view the main abscess on the body of decadent Europe.

In the treatment of Germany, the victors of the Second World War have revealed at one and the same time, the barbarism of their methods of oppression, their lack of co-ordination, their irreconcilable mutual contradictions and the complete bankruptcy of their economic and political "plans".

Every section of the Fourth International is duty-bound to denounce vigorously the organized famine imposed upon the German masses, the forced deportations and migrations from and into Germany (Czechoslovakia, Poland, etc.) of the German population, as well as the other "racial" measures taken against it.

The Fourth International rises against the occupation, against the military rule, the dismemberment and the pillage of Germany. It is completely opposed to the plans of transforming this industrial heart of Europe into an agricultural half-desert. It demonstrates concretely to the European masses that the result of these plans can only signify the conclusive decadence of the entire continent. It proclaims fraternization by the workers of all countries with the German workers, prisoners of war and deportees. It fights for their inclusion in the trade unions, for equal working and living conditions, and equal rights for the German workers with those of the workers in each of these countries.

In Germany itself, the Fourth International fights for fraternization between the German workers and the occupation troops. It demands the purge and punishment of the Nazis by the German workers themselves. It demands complete freedom for the German workers' movement, the reestablishment of all democratic rights for the German workers and for the masses.

The Socialist United States of Europe

Under the present condition of complete economic disorganization and disintegration of Europe, of national oppression imposed on a number of viable nations by the victors of the second imperialist war, the slogan of the Socialist United States of Europe acquires enormous propaganda value.

Our sections must demonstrate concretely that the economic unification of Europe is a life-and-death question for all countries composing it; that the accomplishment of this task is possible only if carried out by the exploited masses of the continent under the guidance of the revolutionary proletariat. The interests of imperialism, the mutual antagonisms of the European bourgeoisies, are opposed to the unification of European economy. They maintain and aggravate its Balkanization, the ruin of its productive forces, of its civilization and culture.

To the "peace" programme of the imperialists our sections oppose the programme contained in the slogan of the **Socialist United States of Europe**.

A Socialist Europe will be based on the economic unification of the continent, suppressing all tariff walls, planning its economy, and at the same time presenting the best framework for the development and flourishing of its national civilizations and cultures. National borders in the new Socialist Europe will be determined democratically according to language, national culture and the freely expressed sympathies of the populations.

A Socialist Europe will grant complete independence to all the colonies, establishing friendly economic relations with them and leading them progressively, without the use of violence and by example and collaboration, toward a Socialist World Federation.

The USSR, freed of its directing bureaucratic caste, will join the Socialist European Federation, which will aid it in solving its difficulties, and attain a level of prosperity and culture never before achieved. The slogan of the **Socialist United States of Europe** is the only realistic alternative to the plans of reaction which are leading the continent toward barbarism and chaos.

Socialist-Communist Governments

While objective conditions are very favourable for the precipitation of revolutionary crises in most of the countries of Europe, the masses are still following in overwhelming numbers the "Socialists" and "Communists" who by their policy constitute the major obstacle to the revolutionary mobilization of the masses.

On the other hand, in view of the as yet unstable policy of the bourgeoisie and the relationship of forces between it and the parties based on the workers, the slogan "**For a Workers' and Farmers' Government**" is concretized in the formula systematically addressed to the old conservative leadership: "**For a Socialist-Communist Government! Break with the Bourgeoisie! Take Power, All the Power!**" It is a political necessity of the greatest importance and constitutes "an extremely important weapon for exposing the treacherous character of the parties and organizations of the Second (ex) Third and Amsterdam (Trade Union) International" (Transitional Programme).

For the entire present conjuncture, this slogan occupies the central place among the slogans of our sections on the continent. Far from bolstering up the democratic illusions of the masses, this slogan is on the contrary designed to be the most powerful lever for destroying these illusions. But that depends on the degree to which we will be able to constantly emphasize the need for such a government to base itself on the independent action of the masses aiming at the application of a genuine minimum programme of the workers.

That is why this slogan is a **transitional** slogan, whose purpose it is to prepare the masses for revolutionary action and to help them to understand, by the very logic of their action, the necessity of going beyond the framework of bourgeois democracy.

As in the case of the united front tactic (of which the "workers' government" is an inevitable consequence) this slogan is a double-edged weapon. Our sections must constantly be on guard against the opportunist deviation on the one hand, which consists

of promoting it in a purely parliamentary sense—presenting the possible establishment of a Socialist-Communist government on a parliamentary plane as in itself a solution of the problems agitating the masses. But they must also avoid, on the other hand, the sectarian deviation which consists of placing all the emphasis on the "manoeuvrist" nature of this slogan aimed at unmasking the traditional leadership and on the unreality and impotence of such a government—thus depriving it of its genuine importance.

"The slogan 'Workers' and Farmers' Government' is thus acceptable to us only in the sense that it had in 1917 with the Bolsheviks, i.e., as an anti-bourgeois and anti-capitalist slogan, but in no case in that 'democratic' sense which the epigones later gave it, transforming it from a bridge to socialist revolution into the chief barrier upon its path.

"Of all parties and organisations which base themselves on the workers and peasants and speak in their name we demand that they break politically with the bourgeoisie and enter upon the road of struggle for the Workers' and Farmers' Government. On this road we promise them full support against capitalist reaction. At the same time we indefatigably develop agitation around these transitional demands which should in our opinion form the programme of the 'Workers' and Farmers' Government.'" (Transitional Programme).

On the other hand it is necessary to underline the danger of a mechanical utilization of this slogan. It is self-evident that its presentation differs from country to country, according to concrete political conditions.

Democratic Slogans

As the central slogan of the present period, the slogan of the **Socialist-Communist Government** encompasses a whole series of economic and political transitional demands.

Democratic slogans are at present an integral part of this whole programme in all the countries of the continent.

Like the economic transitional demands, they can form, under varying appearances and to different degrees in each country, point of departure in the daily agitation to launch the central

slogan of the **Workers' and Farmers' Government**.

Their importance at the present stage flows precisely from the extremely precarious character of the "democratic" regime, from the fundamental tendency of the bourgeoisie toward Bonapartist regimes. It is precisely around the slogans most accessible to the present stage of political consciousness of the masses that broad mobilizations are possible (struggle against the monarchy in Belgium, Italy, Greece).

1. Immediate election of a **Constituent Assembly** by universal secret suffrage for all men and women over 18 years of age, including soldiers.

Complete liberty of propaganda guaranteed by free distribution of paper stocks, presses, radio, meeting halls, etc. . . . for all parties.

2. Abolition of the monarchy in all European countries where it still exists.

3. The setting up in accordance with the experience in North Italy of Popular Purge Committee having as their objective to ferret out the fascist and reactionary agents in administration, police, army, and in economic bodies, and to put them up before popular tribunals, democratically elected.

Disarming of reactionary and fascist bands and of the paid police. Against the disarming of partisans and other popular formations. For the rebuilding of the workers' militias.

4. Complete restoration of all democratic and workers' liberties, freedom of the press in relation to the state and the big capitalists, freedom of assembly, of speech, of unionization, right to strike, elimination of every form of censorship.

A ban against the reappearance of all reactionary and fascist organizations, open or camouflaged, as well as their press. Struggle against every form of compulsion, binding workers to a place of work or to any given branch of industry, against every form of state control over the trade unions, the press, and working-class organizations.

5. For dissolving the standing army; for arming the people.

However, so that the democratic slogans can serve as a lever for revolutionary action and not as a strangling noose around the neck of the proletar-

iat, the following factors must be taken into account in their application:

(a) The slogans must not in any case be put forward as isolated slogans, but must be linked to the entire transitional programme and be integrated especially in the agitation for a **Socialist-Communist Government** as instruments for the creation of organs of dual power.

(b) The agitation around the democratic slogans must be supplemented with a constant campaign of clarification against the parliamentary illusion of the masses, and a constant campaign of propaganda for workers' committees, soviets, and the proletarian dictatorship.

(c) The question as to which democratic slogan shall be emphasized depends upon the concrete circumstances in each country.

But most essential is the penetration of our whole agitation with a militant revolutionary spirit; the avoidance of that timidity and passivity which necessarily impose failure upon our policy by means of half-centrist routinism. On the other hand, in the present situation, brusque changes are possible and even inevitable, and certain slogans which have previously been emphasized can thus be relegated to the background or lose their timeliness altogether.

TRANSITIONAL DEMANDS

On the other hand we must particularly call the attention of all national leaderships of our European sections to the necessity of immediately tying up the struggle for these slogans with the struggle for the following transitional slogans which remain valid for the whole present period, and whose goal is not the reconsolidation of the tottering capitalist system, but its overthrow.

1. The dominant problem in all countries at present is the growing disproportion between wages, which have been more or less stabilized, and the cost of living, which is continually increasing.

Our sections will demand the immediate Unfreezing of Wages, and setting up a Sliding Scale, based on the price index as established by the trade unions, and the fixing of a minimum standard of living.

2. Against the high cost of living, our sections will launch the slogan for **Price and Market Control by Committees of Housekeepers, Poor Peasants and Small Merchants**, who will also organize, on an increasingly enlarged scale, a fair distribution of all goods.

3. The rise in prices of foodstuffs has definitely been profitable only to the middleman and to the trusts in transportation, in retail, and in wholesale dealings. There is an enormous spread between the sale price to consumer and the price received by the grower. To unite the producers of city and country in a bloc, our sections will launch the slogan of **Price Control Committee**, composed of elected worker and peasant delegates. They will demand the complete suppression of all large middlemen and the creation of peasant selling co-operatives and working-class associations for purchasing and transportation.

4. The general atrophy of economy translates itself into a new rise in unemployment. Our sections will demand the realization in practice of the "right to work" and will launch the slogan of a **Sliding Scale of Hours of Work**, demanding a division of the available work among all available hands, and the compulsory reopening of factories under workers' control.

5. Against the inefficiency and sabotage of the bourgeoisie, which demonstrates its incapacity to raise economy from its ruins, our sections will defend the idea of a **General Rebuilding Plan** for the country, to be developed by the trade unions and carried out under workers' control. They will expose the demagogic and lying character of those planning promises which are based on non-intervention by the workers and are under the complete control of the bourgeoisie. They will summon the "Socialists" and "Communists" to carry out their promises of planning by the only possible effective method: by **Workers' Control** of factory management, of supply, of hiring and firing, and over-all production, through the medium of **Factory Committees**, as well as by control of banking operations through committees of qualified employees. This concept of workers' control is radically opposed

to the bureaucratic set-up for organization of the national economy under capitalist control by mixed committees, with a worker minority, as proposed by the treacherous leaders of the traditional organizations.

Our sections will also explain the need for tying these plans on the national scale to the idea of co-ordinated planned economic co-operation of all European countries within the framework of a Federation of the Socialist United States of Europe. They will insist on the fact that in the absence of this perspective, every serious attempt to restore national economy is doomed to certain failure, and will expose the reactionary and demagogic character of the "national" and chauvinistic policy of the Socialist and Communist parties.

6. They will demand the immediate confiscation of all war profits. Against the fraudulent activities of the bourgeoisie, they will demand the **Elimination of All Business Secrets**; they will urge the workers to force the capitalists to show their real books. In this way their parasitic character, wastefulness, and economic sabotage will appear in full daylight before the eyes of the masses.

7. The most decisive step on the road of economic planning will be the **Nationalization without Compensation or Right of Redemption and Under Workers' Control** of the banks, mines, insurance companies and key industries (except the small shareholders and small depositors). Our sections will expose the "nationalization plans" of the liberal bourgeoisie as well as those of the "Socialists" and "Communists," who wish to burden an economy, already paralyzed, with indemnities; and who wish to give to the capitalist state the task of "managing" and "controlling" "nationalized" credit.

8. As regards the transitional demands of the small and middle peasantry, we must stress the point of eliminating the middleman and revising wholesale prices; we must struggle against the trusts in fertilizers; we must fight for cheap credit and cheap means of production, for a fair distribution of agricultural equipment among the small and middle farmers, for

exemption of small farmers from taxes and for the cancellation of all their debts.

Until the confiscation of the land and all its inventory for the benefit of those who really cultivate is realized by the revolution, our sections struggle for:

(a) The improvement of the living conditions of the tenant farmers by reducing the share allotted to the landlords.

(b) the reduction of the rents for the small farmers, obligatory compensation for all improvements made on the land by the farmers in the course of the contract, etc.

(c) Renting of land, cattle, and machines to all poor peasants at a rate which will assure them a living.

9. As regards the demands of the urban petty bourgeoisie, and particularly of the new middle classes (functionaries, technicians, white collar workers), the general demands of all wage earners are valid. As for the small craftsmen and business men, whose situation varies from one country to another but is deteriorating everywhere, the struggle against the fraudulent monetary manoeuvres of finance capital, against the domination of the large retailers and trusts, is of special importance.

Tasks in the Countries Occupied by the USSR.

In the European zone occupied by the Red Army, our sections, while taking first place in the struggle for completing the agrarian reform and for state-ization of large industry, banks, transportation, as well as for the realization of our democratic slogans numbered 2 to 5 inclusive, also demand the right of each people to self-determination and the defence of national minorities. They oppose the forced integration and federation of other peoples with the peoples of the USSR, as well as the forced transfers of populations, and every measure of national oppression.

They demand the right of free development of the workers' movement in those countries, guaranteed by the free constitution and free functioning of workers' parties, trade unions, and

soviets. They tolerate the presence of the Red Army only to the extent that it is a friendly proletarian armed force having as its objective to guarantee the fulfilment of agrarian reform and the state-ization of the means of production against imperialism and against national reactionary elements, without hindering in any way whatsoever the free development of the working class movement.

In all cases where the Red Army, obeying the reactionary orders of the Soviet bureaucracy, opposes insurrectionary movements of the masses and their struggles for the overthrow of capitalism and the installation of the proletarian dictatorship, our sections will be for the defeat of the Red Army and the victory of the workers. They will work for this defeat by resorting simultaneously to military means and to propaganda for fraternization addressed to the soldiers of the Red Army, inviting them to revolt against every executant of the reactionary orders of the Soviet bureaucracy and to join the masses struggling for the proletarian revolution.

Organizational Tasks

Our European sections, having for a long time prior to the war lived on general propaganda, and then during the war having lived isolated from the masses, inexperienced and in the strictest illegality, are today finding it difficult to break with obsolete ideas and methods of organization and activity. We must insist on the necessity for all European sections to adapt themselves as rapidly as possible to the new conditions which now characterize the working-class movement in Europe, and with this as our objective, the following recommendations are valid:

1. All our European sections must in the present stage cling with the greatest tenacity to the legal positions which they have already acquired and must avoid any kind of blunder which would permit or help the bourgeoisie to drive them back into complete illegality.

The sections which have not yet achieved legality must immediately undertake an energetic, intelligent, seriously thought-out campaign to win

legalization from the bourgeoisie.

2. Special attention must be given to the question of the press. Our sections must struggle to secure the legal publication of their central, regional and local organs, and in the event that these attempts fail, they must not hesitate to go over to the publication of local organs, not signed by the party, for conveying to the masses the essence of our propaganda and our programme.

3. On the other hand, in cases where the bourgeoisie systematically bans our political meetings, our sections must pass over to other types of meetings, such as lectures, private meetings, artistic and cultural affairs, sport excursions, etc., in order to maintain contact with our sympathizers and to increase our influence. Comrades who are influential in their factories or neighbourhoods must in general appear before the masses as spokesmen for our organizations and our programme and must abandon their political anonymity.

4. Our sections must devote the greatest attention to the trade union movement which is experiencing a tremendous upsurge in all European countries at the present time. Our militants must appear as the best organizers for the trade unions and of the struggles by the masses for their demands, and must there defend our programme.

In a general way, they must in all countries be the best fighters for trade union unity, for the reorganization of the unions on an industrial basis, for working-class democracy, for international proletarian solidarity, for a concrete programme of action having for its goal the organization and mobilization of the masses in the struggle against the high cost of living, against the danger of unemployment, for starting up production, and against bourgeois reaction and police repression.

Our sections will everywhere strive to confide the over-all trade union work to a commission consisting of the comrades most qualified for this work. The main task is to organize an opposition movement within the trade unions on the basis of the programme defined above.

5. Our sections must strive to create

and consolidate, in all political, cultural, and sport working-class organizations, points of support and fractions, having as their objective to win over to our programme the progressive tendencies which appear in these organizations, by patient, systematic, and persistent work.

Particular attention should be paid to youth organizations.

6. The activity of the reformist, and especially of the Stalinist leaders, in systematically destroying all socialist traditions and education in the working-class cadres; makes it an urgent task for the sections to conduct Marxist educational work in their own ranks (cadre schools) as well as in the working class itself (Marxist circles, publication of Marxist works, libraries, etc.).

7. The passage from illegality to legal work must be accompanied by a radical transformation of the methods and organizational forms of illegal work, with the objective of increasing our efficiency and avoiding useless delays.

Nevertheless, this passage from illegality to legal work must in no case cause our sections to lose sight of the fact that they may at any moment again be driven into complete illegality. The structure of each section, and we imply thereby the maintenance of Bolshevik organizational forms (factory and neighbourhood cells, locals, etc.), must be placed under the strictest rules of democratic centralism. The national leaderships of our European sections must take all necessary measures to safeguard, complete, and strengthen the Bolshevik structure of their organizations and must resolutely oppose all syndicalist, Social-Democratic, dilettante, and petty-bourgeois conceptions of organization and activity.

Our Tasks in England

The coming to power of the Labour Party requires the reorientation of the agitation and propaganda of our English section. Up to the 1945 elections, their central slogan was: "**Labour to Power.**"

The present stage necessitates the

formulation of a precise and clear programme of transitional demands which corresponds to the interests of the masses and shakes the power of capitalism; it requires that we demand of the Labourites that they carry out this programme that we criticize their activity in a way that will be profitable for the actions of the masses, and that we push to the maximum their movement and organization into dual-power forms (Workers' Control Committees).

Our British section must, furthermore, intensify its struggle against British imperialism, must actively support the national movements for emancipation by the colonial peoples and especially in India, and must conduct a systematic campaign for the withdrawal of British troops from the occupied countries of Europe.

Tasks in the United States

The power of the movement for workers' demands which is accompanying the passing over of American economy from war to "peace", and the definitive exit of American capitalism from its state of equilibrium, determining a long perspective of crises and convulsions, creates more favourable conditions than ever for our central slogan: **For an Independent Labour Party** based on the trade unions, with the objective of accelerating the political awakening of the American working class. The American revolutionary party must mobilize the proletariat of its country against Yankee imperialist policy, against its anti-Soviet plans, against military intervention in China, and against the maintenance of American occupation troops in Japan, Germany, and other Asiatic and European territories.

Our Tasks in the Colonies

The revolutionary ferment which is now seething in the colonies supplies a favourable terrain for the creation of revolutionary parties. The proletariat of these countries, by placing itself in the democratic and national sphere, can become the real revolutionary leader of all exploited layers, and can combine the task of accomplishing the agrarian reform and national independence, with its own socialist objectives.

The primary conditions for its success are safeguarding the organizational and political independence of its party, the flexibility of its tactics, its ability to draw the peasant layers under its leadership, and to combine wisely, in accordance with the dynamics of the struggle and the degree of maturity of mass consciousness, those slogans which are essentially democratic and national with the transitional slogans and the struggle for **Soviets**.

Our colonial sections, while safeguarding their political independence and their own revolutionary physiology, must not hesitate to engage in practical alliances with national revolutionary movements of the urban and peasant petty bourgeoisie which are fighting effectively against imperialism.

The objective of these alliances is to deal joint blows with these tendencies against a common enemy, while all the time reserving for our sections the right of criticism, and the right to explain their full programme. Our sections must furthermore undertake systematic and patient fraction work

within the revolutionary national organizations of these countries, with the goal of creating a Marxist-revolutionary tendency within them, to facilitate the leftward development of the revolutionary national elements, and to foil and combat the designs of consciously reactionary national bourgeois elements and agents of foreign imperialism, to lock them and their organizations in an ideological vice.

Our sections in the imperialist mother countries, and in all capitalist countries, have the duty to defend actively the struggle of the colonial people for their emancipation from imperialism, even in those cases where this struggle is led by nationalist and bourgeois-democratic elements. They will claim the rights of colonial peoples to immediate self-determination, without any limitations, and by appealing to the international working class for solidarity in action, will energetically oppose all shipments of troops and arms to the colonies to crush their revolutions.

PROPOSED AMENDMENTS to the FOREGOING TEXT

Adopted for Submission to the World Congress
by the National Congress of the R.C.P. (British
Section of the Fourth International) Sept. 1946.

Proposed line of amendment to the International Pre-Conference resolution

"New Imperialist Peace and the Building of the Parties of the
Fourth International on the relative strength of the U.S.S.R."

FROM the viewpoint of world development, in the absence of victorious proletarian revolution, the most outstanding factor in the resultant of the war is the emergence of the Soviet Union as the greatest military power in Europe and Asia—with the exception of the United States of

America—the greatest power in the world. State ownership and planned economy have demonstrated their superiority in peace and in war.

This result has upset all the calculations of world imperialism. Nor was such a result foreseen even by ourselves. The allies made their agree-

ment with the Soviet Union with the confident expectation that she would either be defeated or would emerge from the war so weakened as to be completely dependent, economically and politically, upon Anglo-American imperialism. But despite the errors and excesses of the Stalinist bureaucracy, despite the total incapacity of the generals and officers who remained after the purge (and who were largely responsible for the defeats in the first stages of the war), the Soviet Union survived the first terrible defeats as no other country could have done. Without the Ukraine and the Donetz Basin in which two thirds of the most important industries—iron, steel, coal, aluminium—had been concentrated, the Soviet Union, virtually unaided, defeated a Germany armed with the resources of all Europe.

This was achieved by the transferring to and the building of new bases of heavy industry in the Urals and Siberia, which, given the high morale of the masses, together with the re-organisation of the army general staff and officer cadre, was sufficient to guarantee military victory over German imperialism. This, despite the reactionary, chauvinist policy of the Stalinist bureaucracy which was aimed at sabotaging and destroying the possibility of world revolution.

The economic system of the Soviet Union stood the test, despite all the disadvantages and the incubus of the Stalinist bureaucracy. Russia has emerged from the war strengthened and not weakened. Far from the calculations of the imperialists being realised—that Germany and Russia would knock each other out—Germany has collapsed, Russia has emerged victorious and now dominates half Europe and a great part of Asia. The Stalinist bureaucracy has achieved a position of domination in the Balkans and in Asia far surpassing the dreams of the Czars. They have secured points of vantage for a tremendous spurt forward.

Churchill's phrase "the Iron Curtain" from Trieste to Stettin is a picturesque description of the domination of this region by the Stalinist bureaucracy. Britain has lost the bal-

ance of power which she maintained in Europe for 300 years. It is Russia that bestrides the Continent, and looms ahead as a serious threat to British imperialism in the Mediterranean, in the Middle East, in the Far East and in Europe. Only the giant strength of American imperialism stands as a challenge to the Stalinist bureaucracy.

Both Britain and Japan have become bases for American imperialism for a future struggle to the death with Russia which looms ahead if capitalism survives the next epoch.

The changed relationship of forces arises out of the changed economic relationships. While European capitalism has been slowly decaying, an unprecedented development of the forces of production and the productivity of labour has taken place in the Soviet Union. Nearly two decades of Five Year Plans and planning has resulted in the creation of hundreds of thousands of technicians and specialists, and tens of millions of skilled workers. It is on this solid base that the economic development of the Soviet Union has taken place, and will proceed in the coming period.

Far from being economically dependent upon Britain and America, Russia is in a position of bargaining with Anglo-American imperialism on equal terms. It is not accidental that Stalin has not only refused loans from America on the basis of economic concessions in Russia itself, but has even refused to accept loans which would weaken Russia's economic domination of Eastern Europe. Loans which Russia was prepared to accept from Britain even in the period prior to the war, she is not willing to accept today except on the bureaucracy's own terms. Russia was compelled at one of her weakest stages, in 1929-32 to give 9 per cent interest—even at the height of the world's slump; in 1935 she gave 5½ per cent for £10,000,000 on five years' credit; yet today Russia has refused a loan of £30,000,000 for 5 years at 2½ per cent. The bureaucracy has demanded £100,000,000 at 2½ per cent for 15 years! The terms are not to her liking.

It is a fatal error to confuse the objective economic position of the

Soviet Union with the counter-revolutionary policy of Stalinism. From the viewpoint of world socialism, the Stalinist bureaucracy now plays completely a counter-revolutionary role. Had it not been for their policy, the working class would have achieved a Socialist United States of Europe and in Asia, and the whole world situation would have been transformed. Nevertheless, despite the policy of Stalinism, the objective situation of the Soviet Union varies from time to time in accordance with the world historical factors, both economic and political. It does not follow that because of the counter-revolutionary policy of Stalinism, the Soviet Union is automatically weakened in its economic and political relation to the capitalist states at every stage of its development. The economic strengthening of the Soviet Union is a plus for the revolution on a world scale and for the regeneration of the USSR.

The objective revolutionary situation which has resulted from the war strengthens further the position of the Soviet Union. Far from world imperialism concerning itself with the liquidation of the Soviet State, its main pre-occupation consists in attempting to stabilise the position of the shattered fabric of capitalism in Europe, Asia, and even the Americas. It is this which gives the aggressive character to Stalinist diplomacy and diplomatic pressure to extend the sphere of influence of the bureaucracy (Persia). Taking the revolutionary perspective into account, it is not possible for American imperialism immediately to launch a war against the Soviet Union. The American strike wave, the insistent demands of the troops to go home, the impossibility of the Labour Government relying on the British workers and soldiers in a large scale war on Russia, the famine, war weariness of the masses of the world, the strength of Stalinism in Europe and Asia, and the sympathy of the masses for the Soviet Union—all these preclude any possibility of immediate, or "next stage" military intervention against Russia.

Hysterical propaganda about immediate war on the Soviet Union ignores,

and is in conflict with, the revolutionary perspective of our epoch and the objective development of events. If capitalism-imperialism maintains itself with the aid of the reformists and Stalinists because of the weakness of the Fourth International, then savage reaction will inevitably succeed in taking control in Europe, Britain and America, the Labour movement would be destroyed by reaction and the way would be clear for the inevitable onslaught on the Soviet Union which could prepare the destruction not only of Russia, but of world civilisation. From the viewpoint of world revolution—the extension of October, the present strengthening of the Soviet Union will solve nothing. Only the victory of the workers in the main capitalist nations can solve the problems of the Soviet Union and ensure that nationalised property will be preserved, and on the basis of the overthrow of the bureaucracy and the reintroduction of workers' democracy, lead to world socialism.

From the Marxist norm, the development of the Soviet Union has a dual character. The differentiation between the proletariat and the bureaucracy, speeded up by the war, has prepared an absolute chasm between these two strata. But simultaneously with the development of the economy, the proletariat is strengthened in numbers and social weight in the country, and thus the hour is preparing when the proletariat will settle accounts with the bureaucracy.

Russia is in an immensely stronger position than she was after World War I. In "Revolution Betrayed" Trotsky wrote:

" . . . Industrial production in 1921, immediately after the end of the civil war, amounted at most to one fifth of the pre-war level. The production of steel fell from 4.2 million tons to 183 thousand tons—that is to 1/23rd of what it had been. The total harvest of grain decreased from 801 million hundred-weights to 503 million in 1923. That was a year of terrible hunger. Foreign trade at the same time plunged from 2.9 billion rubles to 30 million.

The collapse of the productive forces surpassed anything of the kind that history had ever seen. The country, and the Government with it, were at the very edge of the abyss."

Yet from this low technical level, with no plan, with strong capitalist sectors in the economy; with few industrial technicians—many of whom sabotaged the economy—with an inheritance of a low level of productivity; with agriculture on the same primitive level as under Czarism, within five years Russian production had been restored to pre-war levels: that is, had grown more than five times its size in 1921. Even after the restoration of economy, by 1926 the total proletariat numbered less than 2,000,000.

Today the situation is transformed. The proletariat now numbers 20 to 25 millions. Hundreds of thousands of new technicians and specialists have been trained. Freed from the hampering restrictions and fetters of private ownership, the amazing results shown in the war, will undoubtedly be far exceeded in the future.

The argument of the international resolution on the Soviet Union is of a one-sided character, and thus gives a false picture. The conclusions are based upon figures given by the IS taken from 1941, though the document was written in 1945. These statistics, at the time when the Nazis were at the gates of Leningrad and Moscow, ignore the all-important changes in the intervening period. The figures of 17 million dead and 3 million disabled, or one sixth of the active population, are given without relation to the fact that in the territories added to the Soviet Union live 24 million people. Similarly with the industrial figures.

It should not be forgotten that owing to the tremendous resources of state ownership and planned production, the Soviet Union recovered after the terrible famine of 1932, in which millions died. The havoc wrought by Stalin's economic policy at home at that time was equal to a war. Yet the economy of the Soviet Union made enormous advances in spite of this.

On the basis of state ownership and the economic advances already made,

the pace of reconstruction and development will be even faster. The new Five Year Plan sets itself moderate and attainable perspectives. By the end of 1947, it is calculated that pre-war production will be reached. By 1950, the aim of the Five Year Plan is 50 per cent overall increase over pre-war production.

The perspective of the Pre-Conférence document in relation to the recovery and development of the Soviet Union is entirely false and pessimistic in asserting:

"In its defence against both the external pressure of imperialism and of the internal reactionary elements, and in its efforts to rapidly revive the Soviet economy, the bureaucracy's **best chances of success** lie in the economic contribution of the countries now under Soviet control." (Our emphasis)

This fails to take into account the actual technique which still remains in the possibilities latent in Russian economy, even without outside aid. The economy of the occupied countries will undoubtedly assist the Stalinist bureaucracy, which thus extends its sphere of domination over half Europe and Asia, but these conquests remain **auxiliary** to the economic exploitation of the resources of the Soviet Union itself.

The argument that the contradictions of world imperialism upon which Russia was able to manoeuvre in the past, have now been eliminated, and that the USA has encircled and united the capitalist world against the USSR has thus rendered the Soviet Union far weaker than before the war, is at variance with reality. It is true that America has enormously increased its preponderating economic lead on a world scale, and that Britain is now economically and politically a satellite of the USA. But the contradictions between the imperialists are by no means eliminated. Russia still has a field for manoeuvre, even if somewhat restricted. Meanwhile Germany, which was the only country economically, militarily, politically and geographically, in a favourable position to launch a war against the USSR has been virtually destroyed for a generation, and

within that period cannot be rebuilt for a new war against the USSR. Japan, the only country in the East capable of undertaking a large scale military struggle against the USSR has also been destroyed. Even with the assistance of American imperialism, Japan will not be capable of waging a war against Russia for many years.

The new bases acquired by American imperialism, even with modern methods of warfare, cannot compensate for the loss of Germany and Japan. Before the imperialists will be in a position to launch a new war against the Soviet Union, the economic crises of capitalism will destroy whole sectors of the economy, while the economy of the USSR will advance.

The perspective in the original Conference document is already being refuted by events. The document stated:

"Failing a mass movement capable of coming actively to its support, the USSR incurs the risk of being destroyed in the near future **even without direct military intervention but simply through the combined economic, political and diplomatic pressure and the military threats of American and British imperialism.**"

(Our emphasis)

Though the passage has been deleted, because it cannot be maintained in the face of events, the basic conception which this passage expressed is retained in the document. For example:

"In the test of strength which characterises the present relations between imperialism and the USSR, only the intervention of the proletarian revolution can save the Soviet Union from an **early and fatal end.**"

(our emphasis)

The false evaluation of the perspective of economic weakening, of imminent collapse, of diplomatic and economic pressure of the imperialists leading to early collapse, of the danger of immediate war against the Soviet Union, is serving to disorient the cadres of the Fourth International and to discredit the International in the eyes of the world working class. Alarming symptoms of this have been:

(1) The assertion of the American

SWP that the war is still on.

- (2) The ambiguous position in the finally adopted International document on the question of the occupied territories and the refusal to accept the amendment of the British Party to demand the withdrawal of the Red Army as well as the imperialist armies from these territories. In the revised document the only reference to this question being:

"The Fourth International proclaims the right of self-determination for every people, fights for this right, and puts forward in every occupied country the slogan: **"For the Immediate Departure of the Occupation Troops!"** In the oppressor countries (USA, Great

Britain, France, insofar as Germany is concerned) the Fourth International, actively defends the right of the occupied nations to independence and demands the recall of the occupied troops."*

- (3) The failure to take a clear position, and the **ACTUAL OPPOSITION** on the part of the Minority of the British Party to the inclusion in the International resolution the demand for the withdrawal of the Red Army from Germany and other occupied territories.
- (4) The assertion of the French Party that "Never in the darkest hours of the war was the USSR so seriously menaced" which led them to the opportunist and capitulatory proposal of a **united propaganda front with the Stalinists.**
- (5) The absurd answer in **NEUER SPARTAKUS** to the question "Why does Stalin rob? Because he **lost the war.**" (Emphasis in original.)

All this proceeds from a totally false evaluation of the development of the Soviet Union. The paralysis of the world revolution through its agencies, the Stalinist Parties, leads to a temporary strengthening of the position of the Stalinist bureaucracy. It remains,

* The IEC has since made an unambiguous statement on the withdrawal of the Red Army from occupied territories. (see last issue of W.I.N.). The Conference considers that the International document should be amended along these lines.

as yet, not an absolute fetter, but a relative fetter upon the development of the productive forces. Only on a world scale is the absolutely reactionary character of the bureaucracy revealed. In the absence of a revolutionary party with roots and connections among the advanced workers capable of mobilising the masses, without a revolution in Europe and Asia, the bureaucracy will most likely maintain its position in the Soviet Union, and even further entrench it in the next immediate period ahead. On the scales of history and the development of regimes, a few years is nothing. Only from a large-scale historical point of view can it be understood that the bureaucracy at a certain stage, will come into ABSOLUTE contradiction with the needs of economy and culture within the Soviet Union.

That is why it is more than ever

important in fighting for the regeneration of the USSR, and in defence of the Soviet Union, to wage an implacable struggle against the counter-revolutionary role of Stalinism in the occupied territories and in Europe and Asia. The victory of the proletariat in any major country in Europe would sound the knell of doom for the bureaucracy because it would result in a new relationship between the bureaucracy and the Russian proletariat. The most important task of the European masses consists in the defence of the European revolution against Stalinism as well as imperialism. The struggle for a Socialist Europe and Asia against imperialism and its Social Democratic and Stalinist henchmen, becomes the most important means of establishing the power of the world working class, and thereby defending the Soviet Union.

ECONOMIC PERSPECTIVES

Proposed line of amendment to International Conference Resolution
 "New Imperialist Peace and the Building of the Parties of the
 Fourth International."

The present epoch is the epoch of definite capitalist decline. The general crisis of capitalism is reflected in the contradiction between the development of the productive forces and the private ownership of the means of production and the national state. Capitalism fulfilled its historic function, the development of the national state and the creation of the world market in the decades prior to the first world war. Capitalism can no longer serve for the development of the forces of production. Despite the immense increase in the productivity of labour and the continued development of technique, production on a world scale finds itself hampered and restricted by the fetters of private ownership of the means of production, transport and exchange, and the national state.

Already by 1850-1870, the basic historical role of capitalism had been fulfilled. It had, even at that stage, become a fetter on the development of the productive forces. That is the explanation for the error in perspective of Marx and Engels in believing that the victory of the proletarian re-

volution was imminent. However, through the development of the world market, which gave it new resources, capitalism revealed itself not yet as an **absolute**, but as a **relative**, fetter on the development of the forces of production at this stage. Marx pointed out that no society would give way to a new society until all the productive possibilities within it had been completely exhausted. Between 1870 and 1914 capitalism revealed itself as an ascending economy. Of course, had the proletariat come to power (the productive forces had already been sufficiently developed for this) the expansion of the productive forces would have been immeasurably greater. Nevertheless, capitalism could succeed in maintaining itself because it still remained a relatively progressive factor.

Between 1879 and 1914, the figures of production of the most important commodities in Germany, France, United States and Britain showed a general tendency to rapid increase.

The first world war marked a definitive change in the role of capitalism.

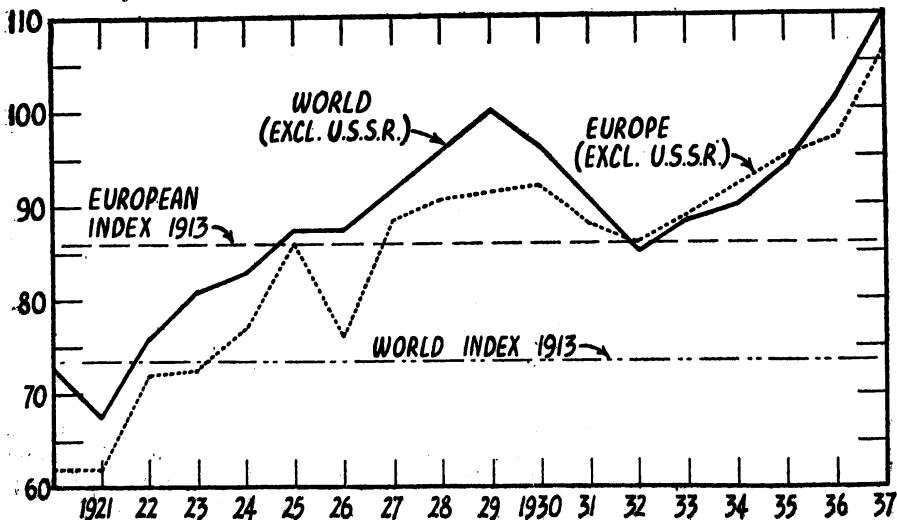
The world had been divided into spheres of influence, markets, sources of raw materials and could only be redivided by bloody imperialist war. The epoch of capitalist decay and of capitalism's death agony was ushered in. This it was that presaged the period of wars, revolutions, uprisings and convulsions, which was clear evidence of the insoluble impasse into which the capitalist system had landed humanity.

The general crisis of capitalism was reflected in the fact that the productive forces had ceased to grow with the same rhythm as in the past.

The inevitable cycle of capitalist production now took a somewhat different curve. No longer short slumps and long booms, with each succeeding boom at a higher level than the last, but now an epoch in which short booms were followed by long slumps and depressions. The productive forces oscillated round the level of 1914, taking into account increases of population and resources. Nevertheless, the first post-war crisis of capitalism, in which the proletariat failed to take power, led inevitably to a new economic boom. The partial collapse immediately after 1921 did not last

long or have major effects. In most countries of the world, the figures of production in 1929 were higher than those of 1914, only to prepare for a complete collapse of the productive forces in a way never witnessed by capitalism in the past. The slump was one of unexampled severity, afflicting all the main capitalist countries simultaneously, and causing frightful devastation and chronic decline in the utilization of the productive potential. (Japan was an exception for reasons which it is not necessary to deal with here.)

But again, even this slump could not continue indefinitely. Where the proletariat was paralyzed by its parties, and failed to utilize the crisis to overthrow capitalism and take power into its own hands, a new economic upswing commenced. In many countries of Europe this crisis was not finally resolved until the preparations for the new slaughter of the peoples (itself a reflection of the impasse of capitalism) was in full swing. But on the basis of armaments preparations and the war measures generally, economic activity even exceeded the figures of 1929 in the main capitalist countries apart from France. (See graph.)



Indices of World and European Production excluding Meat and Milk, 1930-37
(1929 = 100).

Thus, in the downswing of capitalism it can be seen that production tends to oscillate around the level of 1919-37* Without being enabled to gain the steady rhythm of increase in the decades prior to the first world war, when each crisis was succeeded by an enormous upswing on a higher level of the productive forces.

World War II, a further proof of the death agony of capitalism, has resulted in the frightful destruction of men, of the productive forces, in the disorganisation and disintegration of production in Europe and Asia, such as has never been exemplified in history. Imperialism and capitalism have thus shown the barbarism into which their continued existence will plunge mankind. In opposition to the reformists and Stalinists, who seek to lull the masses with a perspective of a new renaissance of capitalism and a great future for democracy, **the resolution of the International Pre-Conference is one hundred per cent correct in emphasizing the epoch of decline and collapse of world capitalist economy.** But in a resolution that seeks to orientate our own cadres on **immediate economic perspectives— from which the next stage of the class struggle will largely flow, and thus our immediate propaganda and tactics—the perspective is clearly false.**

The present crisis and low level of production, is **not** the economic crisis as understood by Marxists in the classic sense. It is a crisis of "under production" arising from imperialist concentration of productive forces for war and from war destruction itself. It reflects itself in the lack of capital goods, lack of consumers' goods, and lack of agricultural goods. Just the opposite of an economic crisis of capitalist over-production as understood by Marxists.

The frightful famines which have stricken the peoples of the entire world, the disorganisation and decay of Europe, are indications of the disruption of the capitalist system. These could easily have led to the destruction

of capitalism and the organisation of socialist production on an all-European and all-Asiatic scale, were it not for the weakness of the revolutionary party and the capitulation of the mass organisations of the working class. For the second time in a generation capitalism has been enabled to gain a new breathing space.

The theory of spontaneous collapse of capitalism is entirely alien to the conceptions of Bolshevism. Lenin and Trotsky emphasized again and again that capitalism will always find a way out if it is not destroyed by the conscious intervention of the revolutionary party which, at the head of the masses, takes advantage of the difficulties and crises of capitalism to overthrow it. The experience of World War II emphasizes the profound correctness of these conceptions of Lenin and Trotsky.

Given the prostration of the proletariat through the betrayal of its mass organisations, the cyclical upswing of the productive forces, the wearing out of machinery, the slashing of wages, leads to an absorption of surplus stocks and the restoration, or partial restoration of the rate of profit. Thus, the way is prepared for a new cyclical upswing which in its turn lays the basis for an even greater slump. As Trotsky wrote of the world slump:

"The ruling classes of all countries expect miracles from the industrial upswing, the speculation in stocks which has already broken out is a proof of this. If capitalism were really to enter upon the phase of a new prosperity or even of a gradual but persistent rise, this would naturally involve the stabilization of capitalism and at the same time a strengthening of reformism. **But there is not the least ground for the hope or fear that the economic revival, which in and of itself is inevitable, will be able to overcome the general tendencies of decay in world economy and in European economy in particular.** If pre-war capitalism developed under the formula of expanded production of goods, present day capitalism, with all its cyclical fluctuations, represents an expanded

* Owing to exceptional conditions produced by the war, German production virtually collapsed and American production soared to record heights.

production of misery and of catastrophe. The new economic cycle will execute the inevitable readjustment of forces within the individual countries as well as within the capitalist camp as a whole, predominantly towards America and away from Europe. But within a very short time it will place the capitalist world before insoluble contradictions and condemn it to new and still more frightful convulsions."

No matter how devastating the slump, if the workers fail, capitalism will always find a way out of its economic impasse at the cost of the toilers and the preparation of new contradictions. The world crisis of the capitalist system does not end the economic cycle but gives it a different character. The theory of the Stalinists put forward in the last world crisis that this was **the last** crisis of capitalism from which it would never recover, has been revealed to have been entirely unMarxian. There is a grave danger that this theory will be revived in our own ranks today.

After World War I the capitalists were faced with large if inexperienced revolutionary parties striving to take advantage of the capitalist crisis in production in order to overthrow capitalism. This further aggravated the chaos, and rendered difficult the capitalist recovery. Despite this, however, production was largely restored. (See appendix.)

If the Stalinist parties had been genuine revolutionary parties, the capitalist class would now be faced with an entirely different perspective in economy as well as politically. The proletariat in France would have paralyzed the attempt of the capitalists to restore production at the expense of further sacrifices and burdens on the part of the masses. But the two traitor organisations of the proletariat are straining every nerve to prevent, frustrate and sabotage any struggle, economic and political on the part of the proletariat.

Meanwhile, with the weakness of the parties of the Fourth International, which remain small sects at this stage, the capitalists have been enabled to find a way out of the collapse and

decline of economy. This has prepared the way in Western Europe for a steady and fairly rapid recovery.

If a conflict develops between Stalin and Western European capitalism and the Stalinist organizations are used to disrupt and force concessions by means of mass strikes, the situation can deteriorate for the capitalists overnight. Even the assistance of American finance would not and could not prevent the crisis that would follow.

The specific position taken by the International Pre-Conference and supported by the Minority of the British Party, that the Western European countries—France, Holland, Belgium and others—will remain on a level approaching **stagnation and slump**, and cannot reach the level of production attained pre-war, is entirely false. The Pre-Conference resolution says:

"This restoration of economic activity in the capitalist countries hit by the war, and in particular in the countries on the European continent, **will be characterised by its particularly slow rhythm and these countries will thus remain on a level approaching stagnation and slump.**"

Eastern Europe in particular, under the control of the Stalinist bureaucracy, will undoubtedly recover and even increase its productive resources more rapidly than after 1914-18. It is impossible for Anglo-American imperialism and the bourgeoisie of Western Europe to allow complete stagnation and decline on one half of the Continent, while economic activity will develop in the other half under the domination of the Stalinist bureaucracy.

However, apart from these political considerations, there are the laws of capitalism which themselves ensure the upswing of economy and make a new "boom" inevitable. Particularly in view of the fact that this crisis is not a crisis of over-production and that the capitalists are not being attacked in Western Europe by the mass organisations, but receive the direct assistance and support of Social Democracy and Stalinism, **a cyclical upswing is inevitable.** It is not excluded that particularly for Western Europe (with the exception of Germany and Austria)

the productive figures can even reach and surpass the pre-war level in the next period. Even in Germany, depending upon the relationship between the imperialists and Russia, a greater or lesser revival will take place, though here because of the conflict between the powers and the division and occupation of Germany, it is impossible that pre-war figures will be reached in the next period.

All the factors on a European and world scale indicate that the economic activity in Western Europe in the next period is not one of "stagnation and slump" but one of revival and boom.

The main feature of capitalist crisis ("stagnation and slump") as revealed for example by the classic crisis of 1929-33 which assumed unexampled scope and severity on a world scale, was over-production of capital goods, consumers goods and agricultural produce. The industrial crisis was thus supplemented with a simultaneous agrarian crisis. The economic revival which followed the last world slump, as always, was achieved by the destruction and deterioration of capital goods, the deterioration and destruction of consumers' stocks, the cutting down of the areas sown with crops, etc. Though this involved immeasurable misery and suffering for the toilers, nevertheless, particularly with war preparations, by 1937-38 the production figures exceeded even the record years of 1928-29 in most countries of the world. The destruction wrought by the war has achieved similar results to those which the capitalists achieve when they consciously set out to destroy wealth in a period of crises of over-production.

The classic conditions for boom are present in Europe today. A shortage of capital goods; shortage of agricultural produce; shortage of consumers' goods. The shortages impose new miseries for the masses and new strains on the system. These conditions engendered by wilful destruction and the normal processes of decay of capitalist slump are here produced by the devastation and havoc of totalitarian war. This devastation did not lead to the overthrow of the system

through the victory of the proletariat. In the same way as recovery follows a slump which does not lead to the overthrow of the system, so the restoration of the productive forces will follow the present chaos, even on a capitalist basis.

However, such a recovery, as already stated in the citation from Trotsky, cannot lead to a blossoming of the economy of capitalism. A new recovery can only prepare the way for an even greater slump and economic crises than in the past.

The Stalinists and Social Democrats have largely persuaded the working class to accept the burden of reconstruction with the cries of "Production! Production!" With this they have undoubtedly had a certain success among the broad masses. The Fourth International will only discredit itself if it refuses to recognise the inevitable recovery, and it will disorientate its own cadres as well as the broad masses by predicting a permanent slump and slow rhythm of recovery in Western Europe, when events are taking a different shape. (See appendix.)

The argument of the comrades of the American SWP, which has been echoed by the Minority of the British Party, that only after the proletariat has been decisively defeated would American imperialism give loans to assist the recovery of Western European capitalism, has already been demonstrated to be a false one. The proletariat has not been defeated, **but loans have already been given.** Equally false is the argument that only if the proletariat is decisively defeated can economic recovery and revival take place. Such an argument lumps together political-economic problems visualising an immediate reflection of one upon the other. Undoubtedly, a decisive defeat of the proletariat gives the bourgeoisie **stability** and confidence. **But unless the economic pre-conditions for a boom are present, a boom would not necessarily follow even in that event.** It is not a law of the development of capitalism that only the defeat of the proletariat in a revolutionary situation can lead to a boom, any more than a slump auto-

matically leads to a revolution. History teaches us that capitalism, even in its death agony, recovers after a slump, despite the revolutionary possibilities, if the proletariat is paralyzed or weakened by its organizations and rendered incapable of taking advantage of its opportunities.

After the revolutionary wave of World War I had been stemmed by Social Democracy, capitalism was enabled to revive at the expense of the intensified exploitation of the working class. The first post-war revolutionary wave of World War II has been stemmed and paralyzed by Social Democracy and Stalinism. Economic revival is taking place before our eyes in most countries of Western Europe and Britain. Not only this. The bourgeois state machine in the Western countries, which had been disrupted and shattered after the fall of Hitler, has gradually been rebuilt on the basis of bourgeois democracy. A precarious "stabilization" of the bourgeois state and the restoration of the economy from the position of almost complete disruption and chaos has taken place. The rhythm of recovery is proceeding at a fairly rapid pace in all of Western Europe, apart from Germany.

The paralysis of the proletariat, through its organisations, has allowed the bourgeois the opportunity to recover control of its economy. It does not follow from this that the proletariat is defeated.

In reality, ebbs and flows of the workers' movement, together with ebbs and flows in the economy will take place, and not necessarily in direct dependence one upon the other.

Economic recovery is not necessarily dependent upon a definitive defeat of the proletariat: revolution is not necessarily dependent upon economic decline.

Economic revival is not necessarily a debit for the revolution. On the contrary, with the paralysis of the proletariat, the harnessing and knitting together of the masses in industry will strengthen their confidence and fighting capacity. It can prepare the

way for big struggles (America 1936) which can pose again the political questions in a clear and sharp fashion. The economic revival, in any event, can last only a few years and the new slump again pose before the workers the treachery of the Stalinist and Social Democratic leaders who shouted "Production" . . . and produced unemployment and want because of "over-production." While the proletariat can be lulled and reconciled by its organizations in a period of universal shortage, to accept the yoke of increased slavery and the burdens of increasing production, they will find it intolerable when they see the impasse into which these sacrifices have led them. **But only if the Fourth Internationalists have carefully explained the process in a theoretical fashion, can we reap the benefits from the advanced section of the working class.** Only on that basis will it be possible to talk of leadership of the masses.

The new slump will reveal once again, as did the wars and the previous slumps, the degeneration and chronic crisis of world capitalism. Great class battles, revolution and civil war will be on the order of the day.

The definitive decline of Europe, already begun in 1914, has been aggravated in the succeeding decades, and world war II has put its seal on this decline. While cyclical upturns will take place and are taking place at the present time, there can be no real growth of the productive forces as in the past. The chronic crisis and death agony of capitalism will once again be revealed in its full scope when the catastrophe of the peace will be added to that of the war; the paradox of poverty and plenty, of idle factories and idle workers, of starving populations while food is rotting, of the burdens of the new rearmament programme, will pose insistently the need for the reorganisation of society in the consciousness of the proletariat. The programme of the Fourth International will become the banner of the European and world proletariat.

APPENDIX TO PROPOSED AMENDMENT TO ECONOMIC PERSPECTIVES

APPENDIX.

The first world war was followed by a boom, not by a slump, in accordance with the laws of capitalist economy.

Immediately following the war, the overall production index for the whole of Europe excluding the USSR, stood at 62 per cent of the 1913 figures. Production during 1919 and 1920 rose steadily to 79 per cent of the pre-war figure at the end of 1920, the average indices for 1919 and 1920 being 66 per cent and 74 per cent respectively of the 1913 figure.

The following figures of the basic commodities production in the main countries and graphs of French coal and steel production give an indication of the fairly rapid tempo of recovery in Western Europe, despite the existence of mass Communist Parties and the strivings of the young Soviet Republic under Lenin and Trotsky to extend the socialist revolution.

COAL AND LIGNITE.*

	1913	1918	1919	1920
France	40,227	26,256	21,864	34,860
Germany	208,382	160,512	116,676	131,400
Belgium	22,842		18,840	22,392

STEEL.*

	1913	1918	1919	1920
France	4,687	1,812	2,184	2,706
Germany	12,236	14,112	6,732	7,603
Belgium	2,467	12	336	1,253

* in thousands of metric tons.

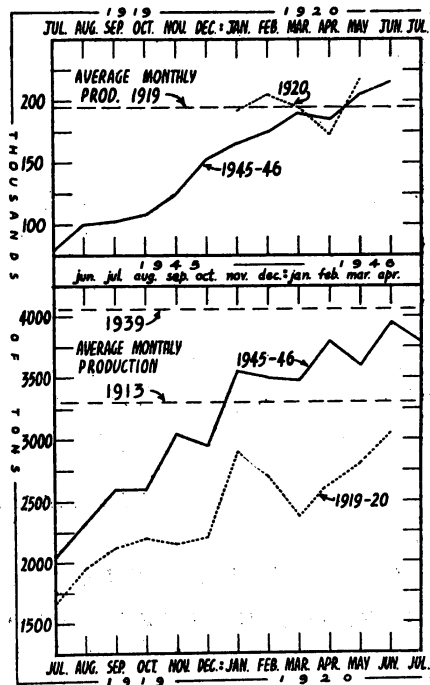
It is important to note that after the short slump of 1921, during which year the economic recovery was further hampered by the bitter class struggles, the economy of Europe and the world rose steadily (apart from slight set-backs) right up until 1929. (see graph on page 322).

Theoretical understanding would postulate that given the tremendous destruction of capital goods in the course of the war, and the dearth of consumer goods that resulted from six years of depreciation, the inevitable result will be a post-war boom. When we add to these economic factors the political relations which resulted in the paralysis of the proletariat by Social Democracy and Stalinism, and the weakness of the Fourth International, it is clear that the economic recovery will parallel, if not exceed that of the past post-war period.

This theoretical postulate has been conclusively proved in that the level of industrial production in France has risen from 33 per cent in August 1945 (see "Economist", August 8th 1945) to 60 per cent in March 1946 (see "Economist", March 23rd 1946) to 80 per cent in June 1946 (see "Economist", June 28th 1946).

A comparison of the tempo of recovery of industrial activity of the two post-war periods is now partially possible. The following graphs, showing the average monthly output of coal, and pig iron in the two post-war periods give an indication of the relative tempo of industrial recovery.

All statistics (unless otherwise mentioned) are official League of Nations figures.



Top: French pigiron production 1919-20.

Below: French coal production 1919-20.

**PROPOSED LINE OF AMENDMENT TO SECTION OF TEXT
DEALING WITH ENTRY OF OUR EUROPEAN SECTIONS
INTO MASS REFORMIST OR CENTRIST PARTIES.**

(See Pages 306-7)

Conference rejects the conception that the entry of our European sections into mass reformist or centrist parties is practically excluded for the coming period. It rejects, also, the conception of the entrism tactic as one devised only for a period of general retreat and defeats on the part of the working class, and hence excluded in the present period.

Entrism was first proposed by Trotsky in France in 1934 on the eve of the revolutionary upsurge of the French working class which culminated in the mass sit-down strikes of 1936; it was proposed in Spain during the period of the upswing of the Spanish revolution.

This Congress further rejects the conception that because in a given country, the mass of the working class today follows the Stalinists, entry into the Social Democratic Party is thereby automatically excluded. It points out that such precisely was the case in France in 1934 when entry was advocated—the S.F.I.O. then rallying behind it only a minority of the French working class.

Entry is determined not by abstract arithmetical calculations, but by a concrete examination of the real relationships of forces, not only between

Stalinism and Social Democracy, but between our own section and the whole working class movement, and Social Democracy in particular.

In general the conditions for entry into Social Democratic Parties are as follows:

1. That the country has entered, or is just entering a period of pre-revolutionary political crisis;
2. That a process of differentiation has begun in the mass Social Democratic Party and is resulting in the creation of a mass centrist current, especially among the youth;
3. That the revolutionary party is completely isolated from the real elements of working class political life and is incapable of growing and of influencing events except through the mass reformist organisation.

While it cannot be said with certainty that the conditions for total entry will prevail on the European Continent in the coming period, the situation there is nevertheless of such a character that they cannot be excluded, if only in individual countries. Hence, a false a priori rejection of the possibility of entry may lead to the missing of valuable opportunities by one or more of our European sections.

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