

LENIN

ANNIVERSARY NUMBER

WORKERS of the WORLD
UNITE!



JAN. 15th, 1932

**COMMUNIST
INTERNATIONAL**

Vol. IX. No. 1.

Threepence

MODERN BOOKS LTD.

CONTENTS INSIDE

CONTENTS

Number - - 1

Published fortnightly in Russian, German, French and Chinese, as well as English.

ORGANISE THE COUNTER-ATTACK OF THE PROLETARIAT (The Eighth Session of the Central Council of the R.I.L.U.)

The Eighth Session of the R.I.L.U. Central Council which has just concluded its work, reviewed the struggle which has been going on in the Revolutionary Trade Union Movement, based on the line set by the Fifth Congress, and put forward tasks for the future. This article reviews the weaknesses of the Red Trades Unions and Trade Union oppositions, and indicates the main lines necessary for the transfer of their activities to the FACTORIES—their complete reorganisation in form, in content.

THE CONTRADICTIONS OF CAPITALISM IN THE LIGHT OF THE CREDIT AND VALUTA CRISIS

R. Nauman

The relation of the general world crisis to the present economic crisis and the credit and currency crisis. A comprehensive review of the amazing succession of bankruptcies and the reason for the increase of short term credits. A final refutation of the theory that there is "no way out" for capitalism.

HOW LENIN FOUGHT IN THE ERA OF THE FIRST REVOLUTION FOR ITS GROWTH INTO THE SOCIALIST REVOLUTION AND AGAINST CENTRISM (Part I.)

A. Martynov

Martynov reviews the history of the attitude of the Bolsheviks to the question of PERMANENT REVOLUTION in the light of Lenin's writings against Trotsky and Martynov, the Social Democrats, and Rosa Luxemburg, proving the correctness of Stalin's letter to the "Proletarskaya Revolyutsia."

NOTE TO OUR READERS

Our periodical is a really international journal, appearing simultaneously in five languages; its contributors are distributed throughout the entire globe. But this fact involves the technical disadvantage that between the issue by the International Editorial Board and the publication of the English edition a long period elapses, and our readers, therefore, only receive the issue some weeks after the nominal printed date of publication.

To guarantee uniformity of time and agreement with the various editions we date and number the magazine according to the closing date of the International Editorial Board. It is often only possible, however, to print at a later date. Attentive readers will have noticed that issues contain articles which are only written after the nominal date of issue and deal with the very latest events.

We therefore ask our readers not to be misled by the nominal printed date of publication.

ORGANISE THE COUNTER-ATTACK OF THE PROLETARIAT—FORWARD TO THE MASS REVOLUTIONARY TRADE UNION MOVEMENT

(On the Eighth Session of the Profintern Central Council).

THE Eighth Session of the Profintern Central Council, which has just concluded its work, reviewed the struggle which has been going on in the revolutionary trade union movement, based on the line set by the Fifth Congress, and put forward tasks for the future.

The Fifth Profintern Congress, which met when the world economic crisis had already broadly developed and the revolutionary upsurge had begun to increase, clearly laid forth the prospects of a further development of the class struggle together with an even sharper attack on the part of capital and a deepening of the crisis. It was on this basis that the Fifth Congress took the line of bold leadership and independent organisation of economic struggles, the creation of an independent revolutionary trade union movement in those countries where the class struggle had become especially sharp (Germany, Poland), rapid consolidation of our foothold in the factories and increased work inside the reformist trade unions.

Events have completely confirmed the forecast of the Fifth Congress. The Eighth Session worked in circumstances of an extremely sharp struggle between the capitalist and the revolutionary way out of the crisis.

Despite the prophecies of the social-fascist theoreticians, the third year of the *world economic crisis* has not only brought no signs of an improvement in capitalist economy, but the crisis has deepened considerably. The largest capitalist countries catch up and surpass each other in curtailing industrial production, the volume and rate of which have reached a figure which is absolutely exceptional. *The army of unemployed* was swelled in 1931 by 14 million new proletarians and in November, 1931, reached 40 million. *The agrarian crisis* rages with increased force, impoverishing tens of millions of peasants. The only capitalist country which was previously hardly touched by the whirlpool of crisis, and to which the "healers of capitalism" in the camp of the Second International looked hopefully—France—has firmly taken up its stand this year among the other countries, which are being eaten up by the economic crisis. *The financial crisis*, which burst forth as a result of the deepening industrial and agrarian crises, and which represents a characteristic peculiarity of the present stage of the world economic crisis, has already brought about inflation in several countries and considerably sharpened the tariff war. The extreme force and rapidity with which the

financial crisis, while developing at an unequal rate in individual countries, has seized the whole of the capitalist world, emphasises most clearly all the instability and decay of capitalist economy.

The bourgeoisie, tossing more and more in the throes of the crisis, are increasing their struggle for a way out of the crisis by means of war and a universal lowering of the standard of living of the broad masses. The war in Manchuria, which increases the provocation of war against the U.S.S.R., and the new universal increase in armaments, which is taking place behind much talk of preparations for the "disarmaments conference," are an indication of the fact that it is just war alone that the bourgeoisie are bringing to the forefront as the means of cutting the knot of crisis. These increased efforts to cut the knot presuppose a further increase of the attack upon the working-class, upon their standard of living, upon their revolutionary organisations—the attack which is now the general line of the capitalist way out of the crisis and bourgeois defence against proletarian revolution.

The attack of the bourgeoisie upon the standard of living of the working masses has been carried on during the last year to an unprecedented extent. The attack, primarily, has been far more extensive than ever before. It most cruelly affects not only the lower-paid and middle-paid sections of the proletariat, but also the upper strata; and even to an increasing extent broad sections of clerks in private and governmental institutions. In Germany, England, the United States, Czecho-slovakia and other countries, a cut in wages has already been introduced in *whole branches* of industry among the municipal and State workers and clerks, and even among such categories as the sailors in the Royal Navy (England) and the middle grade officials of the State apparatus (Germany). This offensive has also become much more intense. At the same time there are more and more cases of a 12 to 15 per cent. and even a 25 per cent. cut in wages. In the leading branches of industry which have been hit particularly hard by the crisis (mining, metallurgy, etc.) repeated cases of wage-cuts are observed over a very short period of time. The German bourgeoisie during the current year have twice lowered the wages of the miners (Ruhr and other regions), and the wages of the metal workers have been cut for the third time in several districts. *The multifarious forms and methods* used in the bourgeois offensive, and the various channels used for

this purpose by the bourgeoisie, are characteristic of the present stage. The real standard of living of the masses is being lowered not only by wage-cuts, mass dismissals from work, and cuts in the dole, but by the wide adoption of the method of transferring qualified workers to lower-paid grades of work, increasing the social insurance contributions, cutting down the working week with a corresponding decrease in the total wage fund, and also by means of new taxes, increase in prices and, in many countries, inflation. The bourgeoisie during the last two years have managed to lower the wages of the workers in the United States by 30 per cent., in Germany by 27 per cent., in England by 20 per cent., and in Japan almost 35 per cent. This universal offensive of the bourgeoisie, which flaps from time to time on one section of the front while redoubled efforts are made on other sections, has been going on during the whole of the period under review on an increasing scale. The struggle of the proletariat for the revolutionary way out of the crisis has also increased. The perspectives outlined by the Fifth Congress for an increased development of the struggle of the masses were wholly justified.

Since the Fifth Congress the economic struggle of the proletariat has grown considerably and broadened over a wider front. The experience of the economic struggles of the period which has passed has not only smashed to atoms the theories of the reformists of all kinds and their opportunist satellites concerning the impossibility of developing economic struggles during periods of crisis, but has at the same time aimed a blow at the sufficiently widespread "theories" about no success being forthcoming from economic struggles during a period of crisis. The strike movement during the year that has passed has advanced to a higher stage both as regards the number of strikes and in particular as regards the vigour with which they were conducted. The strikes like that of 60,000 miners in the Ruhr, 140,000 metal workers in Berlin, 125,000 textile workers in France, the miners in the United States, in England and in France, the broad wave of strikes in Poland, the strike of agricultural labourers and builders in Czecho-slovakia, the wave of strikes in the Balkans where for a long period of time there had been no strikes at all, the strikes in China and other countries, show quite clearly that ever more and more masses of workers are entering the struggle against the offensive of capital and that ever more and more frequently they are taking up the sharp, tried weapon of struggle—the strike. But it is not only in these movements that the growing will and determination of the masses for struggle can be seen. The will, the determination, the initiative of the masses is sharply reflected in the broad adoption of other, often quite new forms, of economic struggle. The Polish textile workers, in resisting wage-cuts, frequently used the method of

downing tools, ceasing work and refusing to leave the factory, as a new method of struggle, at the same time maintaining contact with workers and unemployed outside the factory occupied by them. In Poland, Czecho-slovakia, Bulgaria, Germany and other countries there have been frequent cases of strikes in departments, which have passed from one department to another, and have thus thrown the whole factory for a fairly considerable period of time, into a state of militant agitation. There have been frequent cases of strikes on the part of the Italian workers, demonstrations and meetings in the factory yards and before the buildings of the management, and the causes which bring about the strikes are far more varied. The growth of the strike movement and all these new different forms, causes and methods of carrying on the economic struggle, show that considerable inflammable material is accumulated among the masses, that the dissatisfaction and militancy of the masses is increasing. The increased struggle of the unemployed is also witness to this fact as well as the ever-growing strike solidarity among the workers, and the absence in all countries of any sort of mass blacklegging among the enormous starving army of unemployed.

An extremely important characteristic feature of the economic struggles of the period which has passed is the growing role played by the revolutionary trade union movement in these struggles. Moreover, it is necessary to emphasise in particular that this increased rôle played by the Red trade unions and the trade union opposition in economic struggles was manifested most clearly and fully in those countries where the revolutionary upsurge rose particularly high—in Poland and Germany and, moreover, in Czecho-slovakia. In these countries during the last year the majority of strikes were led by the revolutionary trade union organisations. Of no less importance is the fact that in separate strike struggles since the Fifth Congress, the revolutionary trade union organisations have been able to show in actual practice true examples of how to carry out the strike tactics drawn up by the Profintern. The strike of the tramwaymen in Warsaw during which the revolutionary trade union opposition in Poland, having been extremely successful in launching the strike struggle, was able to form a united front from below over a broad basis under revolutionary leadership and organisationally consolidate the growing influence among the masses, showed how economic struggles should be prepared for and carried through and confirmed the fact that by correctly adopting strike tactics and carrying on mass work, it is possible even in circumstances of the most cruel fascist terror to achieve success. In organising the strike of the metalworkers in Berlin and the January miners' strike in the Ruhr, the revolutionary trade union opposition of Germany showed how, by mobilising

tens of thousands of workers in the struggle for their own demands, to create the direct concrete prerequisites for the operation of the historic decisions of the Fifth Congress regarding the creation of an independent revolutionary trade union movement in Germany, and giving this decision living content. The Red trade unions in Czecho-slovakia in the strike movement of the agricultural workers and later in Freiwaldau showed how, by developing numerous partial movements, it is possible to convert them into a whole wave of political strikes (Koschitz, Freiwaldau). The actual realisation of the decisions of the Fifth Congress in the course of the struggle which has been shown in these and other economic struggles, has considerably enriched the experience of the masses and the revolutionary trade union organisations. The whole strike struggle during the period under review has shown the broadest masses that *only* the revolutionary trade union movement under the leadership of the Communist Parties is fighting for the daily needs and the common aims of the masses.

However, the revolutionary trade union movement as a whole has not yet been able to organise sufficiently strong resistance to the offensive of the bourgeoisie. And this refers not only to those sections of the Profintern which lag behind most (France, England). In tens and hundreds of cases in the overwhelming majority of countries, wage-cuts, mass dismissals, the reduction of the dole relief, etc., take place without any resistance or very little resistance on the part of the workers. The revolutionary trade union movement has been able in the majority of countries to mobilise only the *minority* of the workers in the struggle against the constant lowering of their standard of living.

The causes of this insufficient development of militant resistance on the part of the masses is to be found, primarily, in the *weaknesses of the revolutionary trade union movement itself*, which have not yet been overcome. The Red trade unions and the trade union opposition in the majority of cases have still not learned how to prepare for economic struggles determinedly, day by day, and in an organised manner. In this respect spontaneous action, lagging behind events, and the habit of waiting for the workers themselves to take action, in order to come along afterwards and join in the struggle, are not only still to be found in the majority of countries. They are even characteristic still in those sections of the Profintern which may be said to have already achieved a great deal in the work of independent leadership of economic struggles as, for example, the German trade union opposition and the Czech Red trade unions. In conditions of crisis and mass unemployment, *which are creating additional difficulties in connection with the launching of economic struggles*, to lag behind or to limit the work to agitational and propagandist

preparations, instead of carrying on systematic work from day to day to organise the workers in the factories for struggle, amounts in hundreds and thousands of cases to merely avoiding the struggle altogether. We find that this defect is closely linked up with an under-estimate of the fighting capacity of the working-class and a *fear of strikes*. Despite the fact that experience has not only shown that there is a very high fighting capacity evident among the masses and that it is possible for these strikes to end successfully, nevertheless in certain sections of the more active revolutionary trade unions opportunist tendencies are not yet outlived: for instance, the feeling that the workers do not wish to fight and that economic struggles in circumstances of crisis are doomed to failure, hence—they are afraid to organise the strike struggles. . . . These right-opportunist tendencies of fearing to organise strikes, which are the chief danger at the present stage, are often hidden behind "leftist" phrases about the workers, in existing conditions, preferring political struggle to economic strikes. Opportunist fear of strikes is frequently encouraged by incorrect and *dangerous tendencies to call for strikes without preparing the broad masses of workers in the factory for them*. It is quite obvious that in such cases only the vanguard, only a comparatively small group of revolutionary workers can be brought out into the struggle which, in the majority of cases is doomed to failure. An absolutely essential prerequisite for the independent organisation and leadership of the workers' struggles by the Red trade unions and the trade union opposition is that all these opportunist tendencies in the ranks of the revolutionary trade union movement should be completely overcome.

Preparations for struggle on a broad front presuppose, first of all, preparations for the struggle and the inclusion in the struggle of all those masses of workers which do not yet follow the lead of the revolutionary trade union movement and, primarily, that still large mass which is still under the influence of the reformist trade unions. *Experience of the struggle that has taken place during the period under review, especially in Poland, Germany and Czecho-slovakia, has shown that the development of economic struggles depends, chiefly, upon our ability, while preparing for and carrying on the struggle, to win away from their leaders, those workers who are organised in reformist trade unions, upon our ability to create a united front with them inside the factories and on the basis of their immediate demands, in order to continue the struggle*. This is obvious both from the strike movements which have been carried on successfully, i.e., the tramwaymen's strike in Warsaw and other Polish strikes, the Berlin metal workers' strike, the political strikes in connection with Freiwaldau in Czecho-slovakia—as well as from the unsuccessful movements like the October strike in the Ruhr and

so on. It is just for this reason that the weaknesses of the revolutionary organisations in the struggle for the reformist workers, which finds its expression in the *inability to create a united front with the workers in the factories* and in the *extreme slackening of work inside the reformist trade unions*, are the main weaknesses of the revolutionary movement in organising economic struggles. The organs of struggle in the majority of strikes are still not created in the form of true organs of the united front, i.e., with workers elected to committees and with the participation of other workers, especially reformist workers. The successful creation of a united front in the factories depends to a very considerable extent upon the work among organised workers inside the reformist trade unions. And yet the Eighth Session had to place on record that there has been a general slacking off in the work inside reformist trade unions which to an enormous extent has complicated the work of drawing the reformist workers into the struggle.

The crucial weakness of the whole revolutionary trade union movement, which is the main source of the weak preparations made for economic struggles, the insufficient organisation of the united front from below and to a large extent the poor work inside the reformist trade unions, is *the weakness of the work and the insufficient consolidation of work done in the factories*. In spite of the decisions of all the Congresses and plenums of the Comintern and the Profintern, the revolutionary trade union organisations have still not made the factories the basis of their work. The revolutionary trade union work is still carried on mainly *outside* the factories. This is true also of those sections of the Profintern which can register successes in the work of creating workshop trade union groups (4,000 groups in Germany, about 600 in Czecho-slovakia); the majority of these groups do not carry on intensive work, are passive and poorly connected with their factories. Even these trade union groups carry out the greater part of the work they do outside the factories. The majority of the revolutionary trade union organisations (France, England, United States and so on), are still in the main organised on the territorial principle. The weak connection with the factories is the cause of the mistake of under-estimating the fighting capacity of the masses. This weakness is also responsible for the under-estimation and poor work in connection with the *launching of partial strikes in factories*, for the organisation of strikes of this kind is largely dependent upon a knowledge of the moods and the concrete requirements and demands of the workers in the factory, upon the ability on this basis to put forward not a general, but a concrete factory programme of demands. The under-estimation of the need for organising partial struggles, which is a direct result of the poor work in the factories, has in many countries, particularly in Germany, been one of the most vital

causes of the absence of large economic struggles since the January strikes in the Ruhr. The whole question of the organisation of the struggle of the workers depends in the main upon good mass work in the factories.

All these weaknesses were the main cause of the insufficient organisation of the struggle against the offensive of the bourgeoisie. They did not allow the revolutionary trade union movement to overcome the continual state of lagging behind, the ever more rapid rate of development of the class struggle, which was laid on record at the Fifth Profintern Congress and the Eleventh Plenum of the E.C.C.I.

But it is not only the weakness of the revolutionary trade union movement which serves as a reason for the insufficient development of the defensive and counter-offensive of the working masses against the lowering of their standard of living. *The chief obstacle in the way of developing the struggle of the masses is the mass influence of social democratic parties and the social-fascist trade union apparatus, which although already weakening is not yet completely undermined*. The estimate given about Social-Fascism by the Fifth Congress of the Profintern and the Eleventh Plenum of the E.C.C.I. has been completely confirmed by the experience of the economic struggles which have taken place during the period under review. The sharpening of the crisis and the growing revolutionary upsurge have increased the efforts of the Second and Amsterdam Internationals and their sections to guarantee that the bourgeoisie are given a capitalist way out of the crisis. Since the main line of the bourgeoisie for a way out of the crisis takes the road of a lowered standard of living for the broad masses, Social-fascism—the main social pillar of the bourgeoisie—has harnessed all its forces to prevent and to smash any form of resistance on the part of the masses against the introduction of this line. The changed situation demanded, however, considerable alterations in the ways and means of strangling the efforts of the workers.

In 1929 and the first half of 1930 the Social-Fascist trade union bureaucracy, reckoning upon the masses not fighting in the existing circumstances of crisis, and as a result of the weakness of the revolutionary trade union movement, made use of direct, unmasked strike-breaking methods, in the main, for the purpose of smashing strikes (the strike of pipe fitters in Berlin and so on). Now, when in spite of the crisis and in fact as a direct result of it, the economic struggle of the workers has surged up higher and higher and the rôle of the revolutionary trade union movement is continually growing, the social-fascist trade union bureaucracy is feeling the need for combining methods of open black-legging with “left” manoeuvres. Manœuvres of this kind are being made by the trade union bureaucracy in the strike struggles

in France (textile workers) and in the United States (among the miners) in the form of the demagogic launching of the united front slogan. The direct aim of these manœuvres is to guarantee that the trade union bureaucracy maintain the leadership of the masses who are already fighting, and thus ensure the failure of their struggle. In several strikes in Poland, Czecho-slovakia, England, Scandinavia, the reformists at one and the same time pay a certain amount of strike pay to one section of the organised striking workers, and organise the other section for open blacklegging, thus helping the police to smash the struggle. In other strikes, the reformists adopted other manœuvres: where the masses openly demonstrated their will to begin the struggle, the reformists issued the slogan of a one-day strike in order to avoid a long struggle (for example, in Dombrovo, Poland), or called for demonstrations in order to avoid a strike (Czecho-slovakia). All these and other similar demagogic tricks on the part of the reformists during strikes, aimed at the same thing—to smash the sharp weapon of struggle of the masses, to prevent the struggle from developing, to prevent the masses from being drawn in under the banner of the revolutionary trade union movement, to ensure that any strike which had already broken out should bring the “lesser evil” to the bourgeoisie. Side by side with these manœuvres in time of struggle, the reformist trade union apparatus tried to *keep the masses from fighting* and made this their main task.

Besides the “theory” that it is better not to fight and to work for low wages than to fight and “thus worsen the crisis and lose your job,” besides the “theory” that it is better to agree to a cut in wages because if not, then wages will be lowered still further, we find the Austrian trade union bureaucrats of late toying with the theory that it is better for wages to be lowered on an *all-round basis* by agreement with the reformist trade unions, than without their agreement. The social-fascist trade union apparatus is actually not only actively operating a cut in wages and benefits with the bourgeoisie, but very often takes the initiative in this respect (the proposal of the slogan for the forty-hour week with correspondingly lowered wages and so on). The whole theory and practice of the “lesser evil” which is being operated day by day, hour by hour, by the social-fascist trade union bureaucracy in the factories amounts to the same thing: the attempt to find a capitalist way out of the crisis. It is for this reason that the violent offensive of capital is declared to be the “victorious advance of State capitalism” and “a bit of Socialism.” This is why the trade union bureaucracy tried to make things as quiet as the grave inside the factories by smothering and suppressing any demonstration of dissatisfaction on the part of the workers which might, in present circumstances, rapidly develop into a fight for the workers’ demands and therefore for the

revolutionary way out of the crisis as opposed to the capitalist way. In this connection the main weakness of the revolutionary trade union movement is just this: that unfortunately it is not sufficiently capable of using every manifestation of dissatisfaction on the part of the masses, however small, in order to organise their struggle and unmask the social-fascists. The main task of the Communist Parties and the revolutionary trade union movement remains the same: to isolate the social-fascist parties and the trade union bureaucracy, to unmask their “left” manœuvres and their various “left” *posturings* (Seydewitz and others), to win the masses away from them.

The whole experience of the last year in the sphere of economic struggles has shown more clearly than ever before the true rôle played by *strikes and the significance of the revolutionary trade union movement* in the present stage of class struggle. And here we find the main lesson of the struggle since the Fifth Congress of the Profintern. Where the revolutionary trade union movement has been able to develop the strike movement, where by overcoming additional difficulties brought up by the present state of crisis and mass unemployment it has tried to organise an entire wave of partial strikes and to unite them in larger movements, to constantly arouse detachments of the workers to struggle first here and then there, again and again—in these places the *struggle of the working-class as a whole* has moved forward on to a higher plane, there the crisis is already urging forward the struggle of the masses, there it is easier to *repel* the attacks of the bourgeoisie and transform the struggle of the workers into a *counter-attack*. This is the case in Poland, where thanks to the bold organisation of partial strikes and large economic struggles by the trade union opposition, it has been possible to break down the barriers of fascist terror and social-fascist blacklegging, to *gain complete or partial victories in the majority (81 per cent) of strikes*, to determine the mass influence of the social-fascists and to transform the defensive struggle into a counter-attack. From this point of view, the position in Czecho-slovakia is also typical. There the Red trade unions, having determinedly taken up the work of organising innumerable partial strikes (200 building-workers’ strikes) and more important struggles (the agricultural workers, Karlsheute and so on), were thus able to prepare for higher forms of mass struggle, for political strikes (Freiwaldao), to gain a victory over the Government (annulment of the previous decision concerning non-payment of benefits under the Ghent system), to raise the general fighting spirit of the masses. Several signs—the still rising tide of partial strikes, the development of the unemployed workers’ movement, still point to the fact that in Czecho-slovakia a turn has been taken which means the

breaking down of police and social-fascist barriers and the transition of the masses to the counter-offensive.

In these countries the revolutionising rôle of the strike and the meaning of the Red trade unions and the trade union opposition in the work of educating the masses to fight, of drawing more and more new sections of the proletariat into the struggle and of leading them on to bigger struggles, can very clearly be seen.

* * *

In considering the immediate tasks of the trade union movement, the Eighth Session took this main lesson of the economic struggle during the period under review as its starting point. The central tasks which have been brought before all sections of the Profintern by the Eighth Session are to *boldly develop all forms of economic struggle*, to carefully prepare for the struggle, and to use all means to *strengthen, broaden and build the independent revolutionary trade union movement*, converting the Red trade unions and the trade union opposition into true mass organisations. For this purpose, deep roots must be rapidly developed in the factories, a turning point must be made in the work inside the reformist trade unions, and the tactic of the united front from below must be learned carefully and widely adopted.

The main task in adopting all forms, even the simplest ones based on the most elementary, day to day requirements of the workers in the factories, is to *set the masses in motion*. Let them be "merely" one-hour strikes of protest in one place, "merely" departmental strikes in other places, Italian strikes, demonstrations of protest—a complete, continuous wave of such movements is an excellent school for bigger economic struggles, into which, in the situation which exists to-day, partial movements can very rapidly develop. With mass strikes as their main goal—for they are the main thing—the Red trade unions must adopt the most varied forms of economic struggle on a much broader scale than hitherto.

The organisation of mass economic strikes and the wide adoption of partial activities demand particularly careful, systematic and concrete *preparation* at the present time. And this primarily and in the first place means that *mass work inside the factories* must be given the attention it deserves. The question of work in the factories which occupied such an important position in all previous plenums and congresses, has never been dealt with so acutely as it was in the Eighth Session of the Profintern Central Council. And this, indeed, is the most vital question particularly now in the face of the mighty class struggles before us. Despite the enormous unemployment which embraces 40 per cent. and in some parts 50 per cent. of the proletariat, the *decisive*

sections of the working-class are the workers who are engaged in the undertakings. Without consolidating its work inside the factories, the revolutionary trade union movement cannot rouse the broad masses of workers to struggle, cannot become a truly mass movement, cannot win over those sections of the proletariat which count most—the workers engaged in industry. The session brought forward as one of the most militant tasks of all sections, the question of the *most rapid* reconstruction of the movement on the factory basis by means of organising strong, actively working groups in all the factories and especially *in the large factories*, where the leadership should be democratically elected, and should actually direct the work of the group, and a network of representatives appointed from each department. The session made it incumbent upon all the leading organs of the revolutionary trade union organisations to devote a large part of their work to leading these factory organisations, and to giving practical instruction and tuition to new *cadres* of factory functionaries; the session further laid on record that the Profintern would judge the work of the sections by their work in the factories.

The economic struggles of the period under review confirmed most clearly the fact that the united front is the *chief method* to be used in drawing the masses into the struggle, in winning them away from the social-fascist leadership and strengthening the revolutionary trade union movement. And it is just in the work of practically adopting the united front tactic that we find the main weaknesses of the revolutionary trade union movement in preparing for and carrying on the struggle. Now, more than ever before, it is essential and possible to create a united front from below on the broadest foundation of struggle. In the face of the violent attacks of the bourgeoisie, there is growing up a desire on the part of the masses to act in unison, to close up the ranks of the united militant front. The categories of the working population, thrown into poverty as a result of the crisis and the universal attack of the bourgeoisie, are becoming larger and larger. The upper strata of the working-class and office workers, i.e., those groups which previously considered themselves secure, are suffering more and more from the cruel blows of capital on the offensive. As a result of this and because of the generally increased radicalisation of the masses, the unrest has already begun to affect considerable groups among the more active members of the rank and file of the reformist trade unions. In these circumstances, to know how to lead the united front movement and to organise it correctly would to a large extent mean the solution of the question of drawing the masses into the struggle. In these circumstances it is not only possible, but absolutely essential to create organs of struggle before and during strikes in the form of wide united front

organs. In these circumstances it is possible and essential that the smaller functionaries in the local trade unions or the factory workshop committees should be boldly approached with the proposal to fight together, always remembering, however, the final goal of calling upon *all the workers* to discuss forms and methods of preparing and organising the struggle. The organisation of the united front from below mainly *in the factories* and *only* for the purpose of fighting—this is the main line of the Profintern sections in organising the united front. The session noted the extreme importance in organising the united front, of *developing a broad movement of factory workshop committees*, and improving the entire work of the Red factory and workshop committees.

The fact that the Red trade union movement has become stronger, the class struggle universally more acute and the organised masses more ready for unity has made it opportune at this moment to put forward the slogan of *Unity in the Trade Union Movement* on the basis of class struggle. Experience has shown that tardiness and lack of initiative on the part of the Confédération Unitaire Générale du Travail in regard to this question resulted in considerable losses to the revolutionary trade union movement in France. The Red trade unions must put forward the slogan of unity in the trade union movement on the basis of the necessity for having strong mass trade unions to ensure the victory of the proletariat, unions which embrace the most important proletarian masses *for struggle*, and which, *based on the liquidation of social-fascist mass influence*, will be the embodiment of true unity in the trade union movement. The session emphasised that only in this way must the question of unity in the trade union movement be raised by the revolutionary trade union movement.

The session paid considerable attention to the question of work *inside the reformist trade unions*. The Fifth Profintern Congress raised the question of work in reformist and other reactionary trade unions as one of the central tasks of all sections of the Profintern, on the basis of the fact that to strengthen this work is an extremely important factor in organising the united front, in isolating and liquidating the class influence of the social-fascist trade union bureaucracy and in developing the independent revolutionary trade union movement. All these tasks have acquired acute importance at the present moment. At the same time work inside the reformist trade unions during the period under review was not only not increased, but almost universally slackened off. The session established that this state of affairs is absolutely intolerable and demanded that all sections bring about in practice an immediate change in this work. There is not the slightest doubt that the possibilities of working successfully inside the reformist trade unions have considerably increased. There is a rapid growth of indignation among the

masses of organised workers against the policy of the social-fascist leadership. These masses demand that the trade unions defend them from the constant attacks of the bourgeoisie. However, the fascisation of the reformist trade union apparatus has removed from the work of the trade unions the very things which even the reformist worker demands from the trade unions: economic struggle, defence of social insurance, the struggle for labour defence and against rationalisation. It is just for this reason that the task of the revolutionary trade union opposition inside the reformist trade unions has become much broader, it cannot and must not be just opposition, but must become the independent force inside the reformist trade unions which not only criticises and unmasks the strike-breaking leadership, but itself fights to organise the struggle of the trade union membership for their own demands, and thus brings the members under its own influence, cuts them off from social-fascist leadership and organises them in masses in the ranks of the Red trade union movement.

It is because this task is not understood that in Germany in particular the work inside reformist trade unions was replaced by the new form of work of creating an independent revolutionary trade union movement, as though these two forms of work were diametrically opposed. This lack of understanding was responsible for the liquidation of the Red trade union opposition groups in those factories of the Berlin metal industry where sections of Red trade unions had been created. Whereas the task was really to *strengthen* the work in the reformist trade unions in order to create a Red trade union. For the creation of the Red trade union brings up most sharply the question of hastening the speed with which the broad masses are drawn away from the reformist trade union bureaucracy and of their organisation in the ranks of the Red trade union movement. And this means that the work *inside* the reformist trade unions must be carried on with ten times as much energy as before. This is the line given by the Eighth Session on this question to all sections of the Profintern.

It is impossible to mobilise the masses to resist the attack of capital and to take the revolutionary road out of the crisis, in the circumstances which exist at the moment, without *organising the struggle of millions of unemployed*. In summing up the whole struggle since the Fifth Congress, the session emphasised the fact that the revolutionary trade union organisations lag very considerably behind the activity of the unemployed and the tasks which arise in connection with this work. The main thing is to develop this movement wider and wider, to guarantee that the Red trade unions and the trade union opposition give concrete, day to day, leadership to the unemployed movement. In this lies the guarantee that the struggle of the unemployed will be *linked up*

with the struggle of those engaged in industry, which is the main problem. This leadership must not take the form of a sort of guardianship over the unemployed movement, or of organisationally including this movement as part of the Red trade unions and trade union opposition. This leadership must consist in safeguarding the creation of committees and councils of unemployed on the basis of a true, broad, united front from below; it must take the form of the launching of absolutely concrete slogans which will mobilise the largest possible number of unemployed, of using *all* forms of struggle, demonstrations, the fight for the streets, occupation of municipal buildings, prevention of evictions, hunger marches and so on, which will bring the entire mass of unemployed into the struggle, and, what is very important, the organisation of a struggle on the part of those engaged in industry, on behalf of the demands of the unemployed. For this purpose the Red trade unions and the trade union opposition must immediately take up the struggle of the unemployed, its organisation and leadership.

On the basis of this struggle of the masses as a whole—those working and those unemployed those organised and the masses of unorganised workers—it is essential that the *mass revolutionary trade union movement should be strengthened and developed to a broader extent*, thus forming the most important lever for the education and mobilisation of the masses for the fight for the dictatorship of the proletariat. The Profintern Session formulated this task as the main line for all supporters of the Profintern:

“The development and consolidation of an independent revolutionary trade union movement is the main factor necessary for launching the struggle of the working masses and carrying it out successfully, as well as the most important task of the supporters of the Profintern; consequently *all the work of the Profintern sections should be subordinated to this task of developing and consolidating the independent revolutionary trade union movement.*”—(Thesis on “The situation in the Profintern sections and their rôle in leading economic struggles and the unemployed workers’ movement.”)

The enormous significance of consolidating the mass independent trade union movement at the present stage raises most urgently before all Communist Parties the question of *strengthening the Party leadership of the trade union movement*. In several places the correct Bolshevik relationship, which should exist between the Party as the vanguard and the trade union as the transmission belt has not been properly understood. Party organisations too frequently still order the trade unions about and act in their place, instead of leading them through their fractions. The flagrant opportunist view that it is the Party’s business to deal with politics and that the

economic struggle can be left to the trade unions, is still not entirely overcome in certain sections of the Communist Parties. The Communist Parties should start the Bolshevik offensive both against tendencies to act in place of the trade unions and also against tendencies to leave them entirely to themselves and refuse to lead them. The Party organisations should *create working fractions* in all sections of the Red trade unions and trade union opposition, should guarantee the creation of a broad *non-party group of active union members* and work on the lines of true proletarian *trade union democracy* in the Red trade union movement. The task of correctly leading the revolutionary trade union movement has become the most important task of the Communist Parties.

The forecast made by the Fifth Profintern Congress and the Eleventh Comintern Plenum regarding the inevitable growth of class struggles in circumstances of deepening crisis and the acute offensive of capital has been fully justified on the experiences of the period under review, and this fact raises most urgently the question of *preparing for and developing mass political strikes*. During the last few months the number of political strikes has grown considerably. Braunschweig and Nolawes (Germany), Koschitz and Freilwaldao (Czecho-slovakia) are a sign that the masses are beginning more and more frequently to use the weapon of political strikes. The revolutionary trade union movement should with all singleness of purpose develop all forms of economic struggle and thus *prepare for* their unification and conversion into political strikes. The experiences gained in preparing and carrying on political strikes of workers from over 100 factories over a period of two weeks and throughout the whole of Czecho-slovakia, show that in several countries the political strike is a *practical* proposition now and that preparations for political strikes and efforts to carry them out should occupy a large place in the work of the revolutionary trade union movement.

The Eighth Profintern Session discussed the question of *strengthening the International Industrial Committees* and mentioned several practical tasks, based upon the important rôle which the international committees are called upon to play in the work of internationalising economic struggles and mustering together the forces of the revolutionary trade union movement.

In the work of mobilising the masses around the struggle for a revolutionary way out of the crisis, the mighty growth of socialist construction in the first proletarian republic—the U.S.S.R.—plays an ever-increasing rôle. Never before has the contrast between the two systems—decaying capitalism and flourishing Socialism—been so vivid as now. In drawing a picture of the enormous growth of Socialist construction and the upward curve of well-being of

the masses in the U.S.S.R., the representatives of the Soviet trade unions at the Eighth Session armed the fraternal trade union organisations in capitalist countries with a mighty weapon which will help them in organising the broad masses for the struggle along the road of the Russian proletariat.

The decisions of the Eighth Session emphasise the need for organising the counter-offensive of the proletariat and for creating a mass revolutionary trade union movement which will guarantee and hasten on the revolutionary way out of the crisis.

THE CONTRADICTIONS OF CAPITALISM IN THE LIGHT OF THE CREDIT AND VALUTA CRISIS

THE serious credit crisis of the Capitalist world which developed during the course of the last six months expresses the extreme sharpening of all the contradictions of the capitalist economy, portrays its results and accelerates its further intensification. Resulting from this unprecedented sharpening of all the contradictions of capitalism, the credit crisis is marked by specific characteristics which preceding credit crises have not possessed. We perceive in the credit crisis similar phenomena as in the present world economic crisis, of which the former is a constituent part and which, standing completely in keeping with the general crisis of capitalism, gives expression to the new content of the same and gives the crisis a whole series of new forms.

One characteristic which immediately attracts attention is the extremely late outbreak of the credit crisis. The most important reason for this delayed outbreak of the credit crisis is above all to be found in the higher stage of development of monopoly as compared with pre-war times. The power of the finance oligarchy of the imperialist States is considerably increased and thereby also the means with which the international finance oligarchy seeks to fight against the crisis in general and the credit crisis in particular and to transfer the burdens of the crisis on to other weaker units. This powerful and dogged struggle of the financial oligarchy against the crisis could not, of course, prevent the crisis of world economy, but on the contrary must make it of longer duration, deeper and more universal. Similarly with the credit crisis. The course of the credit crisis is influenced in no small measure by this struggle of finance capital against the world economic crisis. All the measures which finance capital undertook to fight against the crisis in the field of commodity circulation and to prevent and combat the fall of prices; the policy of finance capital, to prevent above all the price fall of the commodities of monopoly organisations through its cartel price and protective tariff policy, the hopeless efforts

at maintaining the prices for iron, coal, steel and all other commodities of the cartels, trusts, syndicates through fixation of prices, agreements, restriction of output, compulsory measures, etc., then the numerous attempts to prevent the fall of agricultural prices by the "Grain Stabilisation Corporation" in U.S.A., the wheat monopoly in Canada, the Farm Board in U.S.A. to support the prices of cotton, wool and other agricultural commodities, the screwing on of the corn duty in Germany, Austria, etc., the attempts to support coffee, raw sugar, etc., that is to say, all attempts to support through loans, advances, subsidies, State purchase, destruction of commodities themselves (burning, poisoning, throwing into the sea), all these measures were fruitless.

They could not prevent the fall of prices, but only modify the course of the fall. They could postpone the price fall of individual commodities, produced by the most powerful monopolist organisations, slow up the fall of the price of other commodities at the expense of the acceleration of the fall of the price of all other commodities, and petty producers in the town and country. These measures of finance capital signified beyond the modification of the price movements of the most varied articles only a modification of the distribution of the burdens of the crisis, a transfer of these burdens from the shoulders of the strong capitalists, the finance oligarchy, on to those of the weak ones, on to the small commodity producers in the towns, and above all in the countryside, as well as on to the raw material producers in the colonies. The price of a whole series of products, the production of which is in the hands of the finance oligarchy, have shown a minimum fall. For example, the price of hard coal in Germany fell only 9 per cent., pig iron 8 per cent., sheet lead 6 per cent., cement 7 per cent., benzol 9 per cent.

This extremely limited fall of the prices of many cartel products of finance capital contrasts with an absolute catastrophic fall of world prices for the agricultural products of the imperialist

States and colonies. Whereas the price of wheat fell 48 per cent., cotton 44 per cent., wool 56 per cent., sugar 65 per cent., rubber 90 per cent., mutton 32 per cent. before the crisis, they sank during the crisis a further 38 per cent. for wheat, 56 per cent. for cotton, 59 per cent. for wool, 15 per cent. sugar, 22 per cent. mutton, 66 per cent. for rubber, and so on, in addition thereto.

This constitutes a gigantic price fall, bringing unprecedented poverty and want to the toiling masses of the imperialist States and the colonies.

Unheard of and continually increasing mass bankruptcy, debt and distrains, on the one hand, enrichment and consolidation of the position of the strongest portion of finance capital on the other, were the inevitable results of this effort of finance capital to overcome the crisis and prevent the outbreak of the credit crisis. This growing impoverishment of the toiling masses must naturally in its working out lead to an increased undermining of the credit system and therefore to a sharpening of the credit crisis instead of its prevention.

All attempts of finance capital to prevent the fall of prices through supporting actions, loans, subsidy, etc., on the part of the State, signify simultaneously additional expenditure of the State for combatting the crisis and thereby the transfer of all the costs of the attempt to support, to the taxation system of the toiling masses.

At the same time a colossal enrichment of the strongest and most powerful groups of the finance oligarchy took place in so far as they absorbed a large number of almost bankrupt or already bankrupt concerns bought up for a song, or by fusion. The absorption of the Austrian Boden Credit Anstalt by the Kredit Anstalt, inside twenty-hours in Austria, colossal bank mergers in U.S.A., the buying up of hitherto independent iron works by United Steel and Bethlehem Steel, the creation of the Republic Steel Company, the analogous course of the buying up of hitherto independent works by the United Steel Works in Germany, the extension of the Lancashire Cotton Corporation in Great Britain, the buying up of the Bank of America through the National City Bank, and thousands of other fusions in the most various capitalist States signify in the vast majority of cases not a salvation of dying concerns from bankruptcy, but in nearly all cases only a concealment of the bankruptcy of the absorbed concerns, the decline of which is often accelerated by the encroachments of finance capital; these are above all methods of the enrichment of the strongest group of the finance oligarchy, methods for the strengthening of their positions inside the capitalist world at the expense of the extinction of the other fellow,

methods giving the most powerful parts of the finance oligarchy the possibility of squeezing out still more competitors, to increase still more their productive capacity, to enlarge their production, should capitalism succeed to overcome this world economic crisis. Provisionally, however, this absorption signifies at the same time, and this is an important factor in the preparation of the credit crisis, a colossal burdening of finance capital with dead capital, with factories, which, perhaps, in the future, after the overcoming of the crisis, contain great potential productivity, but which momentarily must be wholly or partially still. It enriches finance capital at the cost of a temporary freezing of new additional capital, a strengthening of its position at the cost of their immediate absolute weakening.

At the same time, the temporary freezing of the capital necessary to absorption creates a new feature in the preparation of the credit crisis. To-day there are not merely bankruptcies of separate banks standing outside the centre of the inner circle of finance capital.

To-day we have also the bankruptcy of great parts of the inner centre of the financial oligarchy itself, like the smash of the "Danat" Bank, the third largest bank of Germany, the Dresdner Bank, equally one of the largest credit institutions, the Kredit Anstalt, the largest bank of Austria, the Banque National de Credit, the fourth largest bank of France, the Union Parisienne, Meriodional Bank, the Bank Syndicate in Paris, the banking house of Sheel & Co., the largest Esthonian private bank, the Banca Commerciale, the biggest bank of Italy, and so on for many others.

To-day also there exists a general credit crisis in the usual sense, only it is much sharper and deeper than the earlier credit crises. A further important factor in the deferment of the outbreak of the credit crisis is the various support actions of different States to prevent the bankruptcy of the banks and the largest works of the financial oligarchy (Danat Bank, Dresdner Bank, Kredit Anstalt, Banca Commerciale, etc.). These are, however, all measures which are undertaken by the State in the service of the finance oligarchy to consolidate their positions and for which the taxpayers, i.e., above all, the toiling masses, must raise the means.

They signify an increasing impoverishment of the workers and thereby postponement of the outbreak of the credit crisis at the expense of a further growth of the main contradictions causing the credit crisis.

We see that the modern development of imperialism through the higher extension of monopoly

and the consequent increased power of the finance oligarchy contains the possibility of postponing the outbreak of the credit crisis, by the greatest possible transfer of the crisis burdens on to all other weaker ones, with a simultaneous extension of the positions of finance capitals; that the postponement of the outbreak of the credit crisis took place at the cost of a further sharpening and deepening of all the contradictions of capitalist economy and thereby a development of additional factors sharpening the credit crisis which accompanied it. The extent, sharpness and depth of the credit crisis must therefore be that much greater after its outbreak.

Another characteristic of this credit crisis which exposes the general sharpening of all the contradictions of capitalism in the epoch of the general crisis of capital is shown by the *composition of credit* itself.

The relation between short-term and long-term credit is radically altered, the short-term credits have relatively increased, the long-term fallen. From the standpoint of the contradictions of capitalism, that means, above all in the light of the class struggle, that the bourgeoisie fears the future, it fears to invest its capital for a long fixed period and it fears especially to invest its capital for a lengthy fixed period in such countries as Germany, Poland, etc., where the class antagonisms have undergone the most extreme sharpening. It prefers, therefore, as far as possible, only short-term credit. Before the war, in Germany, only 15 per cent. of the entire credit was short-term and 85 per cent. long-term; during 1930 already 35 per cent. thereof was short and only 65 per cent. long.

This is illustrated by the following small table:—

		Milliards Marks.
Total credit	1913 —	117.5
	1930 —	89.8
Of this; long credit	1913 —	99.9
	1930 —	58.6
Short-term Credit	1913 —	17.6
	1930 —	31.2

Whereas before the imperialist war the international transfers of capital consisted only of long-term credit, to-day there is in addition thereto a colossal transfer of short-term credit. According to calculations of experts these international short-term credits amounted in the last period to about £2,500,000,000, whereas before the war they were exactly nil.

Germany alone has 12 milliards of short-term foreign debts; France maintains almost exclusively short-term foreign credits, which have

reached the enormous figure of about 60 milliards of francs; the short credits of the U.S.A. are estimated at about three milliards of dollars, etc.

The speculative and much less solid short-term credits replace in ever-growing mass the placid and solid long-term ones, expressing the general and growing unrest, unsettlement and instability of post-war capitalism.

Capital flows out of production into speculation, exposing the parasitical character of finance capital ever sharper and more obviously. Short-term credits are trumps. Whoever has the control over most of these during the crisis can exert the greatest economic and political pressure, can enrich himself at the expense of the others, and straighten his position. Whoever has the most long-term credits finds himself in the most difficult situation, because they are all frozen up and he must often make additional concessions. The contradictions are, therefore, still more sharpened.

This great mass of short-term credit is at the same time one of the most important reasons for the collapse of the credit system of entire countries. It is only now necessary, in conjunction with the general freezing up of the long-term credits, for them to flow from one country in no very large amount to lead to the greatest economic disturbances and a general collapse of the credit system.

England, for example, fell into the greatest difficulties because it was not in a position to raise (for "mighty Albion"!) the simply paltry sum of 250 million pounds, which she needed to pay off her short-term foreign debts, although she has herself lent 4,000 million pounds to foreign countries, in long-term loans.

It only need happen that small sums of short-term credits are withdrawn from Germany, Austria, etc., for these countries to be thrown into the greatest difficulties.

A further important factor which favoured to a large extent the tremendous structure of the international credit system, and thereby also prepares now its terrific collapse, consists in the so-called gold exchange.

Whereas before the war the minimum cover of the currency of the most varied countries consisted exclusively of gold, after the war the minimum reserve was created in most countries of *gold plus gold exchange*. Many countries were not in the position to maintain a sufficiency of gold reserve, in others a large part of the gold which before the war served the purpose of minimum reserve to cover the paper note circulation, was lent to other countries, so that it should not lie "useless," i.e., not interest bearing in the vaults of the home note-issuing banks.

The bank note emission could in this way be largely increased in comparison with pre-war times, the credit system built still more recklessly, production still further extended, the competitive struggle sharpened, speculation still more encouraged. The masses of fictitious capital were driven more and more to the fore and the collapse of the credit system on a still larger scale prepared. The collapse of the currencies of many countries, above all the English pound, must powerfully accelerate this collapse of the credit system, for the English valuta constitutes precisely one of the most important securities serving to cover the valuta of many other countries.

The various banks naturally attempt as far as possible to shift their security balance, above all, the English ones, and change them into gold, thereby still more sharpening the contradictions between the various capitalist States. The losses incurred in shifting the valuta are in many cases by no means small. How great the loss of confidence in the valuta in the most various countries is, can be gauged by the fact that even in the U.S.A. and France the savings depositors, etc., in ever-growing numbers, are losing confidence in their own valuta, withdraw their money from the bank, change it into gold and thereby assist to hasten the collapse of the credit system.

The long, dogged, and persistent struggle of finance capital, first against the outbreak of the credit crisis and now for the overcoming of the same, showed further an unprecedented grafting of the finance oligarchy on to the State, an unheard of *utilisation of the State through the finance oligarchy for the salvaging of the credit system*, transferring the costs of this "salvation" naturally once again to the toiling masses. In Austria the State had perforce to devote 100 million schillings and the National Bank of Austria 30 million schillings in the first attempt at the salvation of the Kredit Anstalt, while the House of Rothschild, to whom the bank belonged, only needed and could only produce 30 million schillings. The total balancing costs of the Austrian Kredit Anstalt were not less to the Austrian State than 700 million schillings. In addition the State had to undertake for the bank the guarantee for over a milliard of credits which it had backed for its debtors. In the clearing up of the "Danat" Bank, after its collapse, the German Government had to undertake the guarantee for investments and give security for the fulfilment of the exchange and deposit obligations of the bank. What that means can be better appreciated; when it is understood that at the moment of its clearing up the credit accounts of the bank stood at 1.3 milliards of marks. Further, the German Government took over at the same

time 300 millions of preference shares of the Dresdner Bank, in other words, gave the bank an advance of 300 to stave off its collapse. By this action the share capital of the Dresdner Bank was increased at one stroke from 1 million to 4 millions of marks, i.e., quadrupled. The unification of the Allgemeine Deutschen Kredit Anstalt with the Sachaische Staatsbank, undertaken at the same time, leading to a complete fusion, signifies the complete absorption of a private bank business through the State with one single stroke of the pen. Similarly, in the case at the moment of the biggest Italian Bank: Banca Commerciale. This bank is compelled to guard against bankruptcy, to liquidate the entire stock holdings on industrial values. These stocks, to the value of approximately 3 milliards lire, are not to be sold in the stock market because this is impossible, but they are practically taken over by the State. The bank is only travelling the same road which has been tried so many times in Italy, and along which the banks of many other States have gone. Similar pictures are provided us by most of the other States. In the last period the finance oligarchy has fared similarly with the losses entailed through the currency inflation. The Hollandische National Bank, which suffered colossal losses through the devaluation of the pound, compelled the State to take over the entire holding of British securities at their nominal value. The French Credit Bank endeavours to do the same thing at the moment. It is the method of the nationalisation of debts through the State, i.e., the transfer of the costs of the balancing up on to the toiling masses in the country and the towns. We have here one of the greatest plunder ramps of the toiling masses through finance capital by the most rational utilisation of the State for the salvation of the collapsing credit system, before us. The Social Fascists of all lands are naturally again already in evidence, with their theory of State capitalism, the latest edition of the theory of organised capitalism, to sing the praises of this robber campaign of finance capital, of the toiling masses of town and country through the State as a new way to Socialism which the toilers must go. This is the very cunning masking of the capitalist way out of the crisis by the Social Fascists which cannot be exposed sharply enough.

A colossal collapse of the credit system is preparing which has not yet reached its high watermark. The credit system of entire countries has collapsed.

In many States of the U.S.A. not one credit institution now exists. There all the banks have closed their doors. Australia, Brazil, Chile and

other States have been compelled to declare State bankruptcy.

Germany, Austria and Hungary are actually also bankrupt. They have to be granted one moratorium after another in order to avoid the open collapse of the credit system. England and the U.S.A. cannot even mobilise a fraction of their milliards of foreign credits because they are frozen.

Further, the outbreak of the credit crisis shows an unprecedented *struggle of the finance oligarchies of the most powerful imperialist States between themselves* around the question of, who shall profit most from the collapse? Who can plunder the world most, and who shall carry the heaviest burdens of the crisis? Never before has the credit system been such a gigantic tool in the hands of finance capital in its international struggle for the rule of the world, for the right to exploit the rest of the world, as now.

Where formerly in previous crises, the credit system was above all a tool for plundering the home toiling masses by finance, so it is to-day a tool of unprecedented measure for the plunder of the toilers of the entire world through an ever smaller group of the finance oligarchy of the most powerful Imperialist States. We need only recall the events of the last few months to see how at the moment the French finance oligarchy utilises its economic power to plunder the whole world. Partially, thanks to the circumstance that France, after the war, had hardly any long-term credits, but granted above all short-term credits abroad. With the weapon of these credits it compelled the imperialisms of Germany and Austria to forego the German-Austrian Customs Union; with this weapon it compelled England to forego its support of Germany in the question of the Customs Union; with this weapon it undertook the passage of arms with U.S.A. (Hoover-Laval talks), to extend its pre-eminence in Europe and to consolidate it, to extend the Versailles system, more completely subjugate Germany to French Imperialism, economically and politically, and line it up in the anti-Soviet front as a trusty weapon.

With the help of this weapon, French Imperialism holds and leads its vassals: Poland, Roumania, Lithuania, Czecho-Slovakia, against Germany, Austria, Italy and above all against the Soviet Union. With this weapon fights not only the French finance oligarchy, but the finance oligarchies of all capitalist States, and above all U.S.A., England and Japan. He whose credit system is the best extended, who understands to guard against the collapse of the credit system the longest, and to transfer the results of the collapse most artfully on to the

others, he wins to himself also the most "right" to exploit the toiling masses of the entire world.

Another accompanying feature of the colossal international credit crisis is the *gigantic battle among the Imperialist States for the supplies of gold*.

Should the circulation of commodities clog, commodity prices fall, the credit system crack up; should the currency be inflated, then each one seeks to obtain gold, the incarnation of social riches, for himself. A heavy struggle develops for gold which must assume sharper forms the greater the convulsions of bourgeois society.

Only gold is recognised as the general commodity for which all struggle, and he who understands how to assure himself the largest part of this general value can strengthen his position the most in the capitalist economy at the cost of all others, during the general collapse.

Never before has there been such a titanic struggle between the finance oligarchies of the entire world for the division of the gold stocks as to-day, and never before has there been such an unequal division of the gold stocks among the finance oligarchies of Imperialist States as it has arisen in the course of this credit crisis.

Almost two-thirds of the entire gold stocks of the world are concentrated in the hands of the finance oligarchies of the U.S.A. and France, which have been able the most at the present moment to strengthen their position on the basis of their economic power. This sharp and inexorable international struggle for gold constitutes one of most important forms of the struggle of the finance oligarchies of the most powerful Imperialist States for the rule of the world, a struggle for the social power embodied in gold, which will thus become the private power of a small group of the finance magnates of the most powerful Imperialist States.

At the same time this same finance oligarchy must defend this gold treasure won in difficult struggle, from the millions of other producers, against the storming advance of the latter, who likewise attempt in ever-growing masses to ensure themselves of this talisman of social wealth, who storm the banks to withdraw their deposits and change them into gold. So the contradictions between the finance oligarchy and all other producers appear in new forms giving expression above all to the simple commodity producer. The extraction of gold from the stream of circulation assumed in the U.S.A., in France, in Switzerland, that is in those States where banknotes are still exchanged inland for gold, a temporary mass character. In the course of a quite short time approximately 1 milliard of dollars of gold was withdrawn by private persons from the American

banks. In France, where the exchange of notes for gold is only permitted for large sums, a new form of trade in gold has grown up: gold changers; who withdraw gold from the banks in large sums thereupon exchange it for notes of small savings depositors against a corresponding commission. The finance oligarchy of each country defends its gold with all its power against all other producers, and when all other means fail, invokes the State as a last resource to prohibit the exchange of banknotes for gold. Only few States still accept banknotes in exchange for gold.

Similarly the finance oligarchy defends its gold securities against all others.

The security issues in the most various States—Austria, Germany, in Hungary and dozens of other States—are not only a tool in the hands of finance capital to safeguard the currency of the country, but they are also a tool of the same in national and international competitive struggle. As a tool of finance capital these issues are directed above all against the smaller producers, who are prevented by them from buying the raw materials for their factories because they either receive no valuta at all or only receive it at second hand, while the finance oligarchy supplies itself with first-hand valuta to buy up raw materials to maintain their production at the cost of an additional acceleration of the decline of their small competitors.

At the same time the security issues comprise in international intercourse a method of regulation of imports, in the selection of the suppliers of the separate countries, the preferential treatment of certain definite capitalists with simultaneous neglect of all others for the establishment of special stocks, etc. The security issues constitute a weapon of struggle of the finance oligarchy of the most varied countries by no means to be underestimated.

Another important phenomenon closely connected with the international credit crisis, helping to precipitate it and sharpening it extremely, is the increasing inflation of the currency of a whole series of countries. Also this constitutes an expression of the most extreme sharpening of the contradictions of the capitalist economy in general and in the field of circulation of money especially.

The first stage of the inflation of the currency was the devaluation of the currency of all countries of silver currencies, and which was conditioned by the great devaluation of silver which continued during the crisis, during which silver prices fell 54 per cent. in 1931; the price of silver fell from 26 7/16d. in January, 1929, to 19 5/16d. in October, whereby it dropped in the course of the year to 12d.

As a result of the devaluation of the currency of silver countries, India, China, Persia, Afghanistan and many other States of the Near and Far East are concerned.

Gradually the contradictions of the capitalist economy began to grow, also extending to the depreciation of the gold valuta of many other countries, reaching first the weakest currencies of the capitalist world and then gradually also dragging the stronger into the whirlpool of currency devaluation, including even the English pound. First depreciating the currency of Brazil, Argentine, Spain, as well as a few other countries overseas, the unheard-of sharpening and deepening of the economic crisis led finally to the giving up of the gold standard in England, to the depreciation of the English pound, and in this connection to the depreciation of currency in a whole series of new countries. The downward movement of the currency commenced in 1929 and has by no means reached its end. To-day the currencies of no fewer than twenty-five countries are in depreciation. A whole series of other countries, and, above all, Germany and Austria, stand at the threshold of the depreciation of their currency.

The depreciation of the English pound constitutes one of the most important events in international, economic and political life. It can hardly be over-estimated.

It shows to what extent the world economic crisis has already undermined the economic basis of England, one of the most powerful imperialist States, the ruler of the sea and the possessor of the largest colonial area in the world. Only twice in its entire history has England gone off the gold standard, during the great war against Napoleon, at the beginning of the nineteenth century, and during the great imperialist world war.

This depreciation of the currencies of the various States signifies, naturally, above all, a further rapid advance of the impoverishment of the working masses and the toiling masses. It means a further reduction of real wages (in England, for example, the prices of commodities rose as a consequence of the currency depreciation on the average by 10 per cent., whereas the wages remained equal, while the bourgeoisie even demands a reduction and limitation of social services, etc.

It signifies at the same time a reduction of the indebtedness of industry, agriculture and trade, at the cost of the "Rentier." Whereas the parasitical "Rentier" capital won for example through the deflation policy of the English Government after the war and won further through the fall of prices, the present development of the currency takes

place at the cost of the interest-bearing capital, which is considerably depreciated by the fall of the currency.

It signifies further a colossal depreciation of the current capital and especially of fixed capital.

The depreciation of capital is an immanent constituent part of the crisis, and the larger the contradictions of capitalism, the sharper the contradictions between the productive forces and productive relations, the greater the depreciation of capital must be. Therefore this process proceeds now in a doubled and sharpened manner.

The depreciation of the current capital, expressed in the unheard fall of prices of commodities, the means of production, in the depreciation of the stocks, shares, bonds, etc., in the fall of land prices, has gone and goes naturally along this road during this world economic crisis. So far it has already led to mass bankruptcies of undertakings, numerous liquidations, fusions, etc.

The currency depreciation constitutes another additional method of depreciation of current capital, accelerating the depreciation process to a colossal extent.

A radical re-valuation of current capital takes place which is all the more radical the quicker the inflation takes place, and the larger the currency depreciation of the separate country. Therefore the process of the solving of the contradiction in a radical manner goes forward, so that in the highly-developed imperialist States, the works with a high organic composition of capital are at once unprofitable because the amortisation costs, the so-called fixed costs, are too large. The bourgeois theoretician, Schmalenbach, and many others, saw at that time no way out of this contradiction. Capital, however, went pitilessly through the depreciation of capital, above all, fixed capital, through the reduction of amortisation costs connected therewith, preparing a new powerful wave of rationalisation.

The currency depreciation signifies in the countries concerned a reduction of production costs, through reduction of wages, depreciation of debts, as well as depreciation of current capital; signifies for the industrial bourgeoisie of these countries the creation of special advantages in the international struggle. It signifies not merely a sharpening of the class struggle, but also the competitive struggle, and above all the international struggle.

At the same time the currency depreciation leads in the various countries to a growth of Protectionism, still larger "dumping" prices, and a still firmer maintenance of high inland prices.

The currency depreciation signifies a further sharpening of the international contradictions.

In England the protective tariff principle won at the elections, and has already led to the introduction of a 50 per cent. protective tariff for many articles. The U.S.A. is preparing a new increase of customs tariffs. Switzerland is now preparing to limit German imports. In Holland recently a 15 per cent. increase of all tariff rates was ordered; Canada is considering an increase of tariffs; Latvia is restricting German imports; Benesch, the Czecho-Slovakian Foreign Minister, energetically tries to realise the old ideal of a Danube Federation, which would be directed, above all, against Germany. France undertook a significant sharpening of her import restrictions and conditions of importation, etc., etc.

While the industrial bourgeoisie hoped by means of the reduction of productive costs to attain certain special advantages in their international competitive struggle, they delivered powerful blows, however, against the rule of the "Rentier" on a national and international scale.

Not only the indebtedness of the home national capitalist has sunk, but that of the debtor colonial and half-colonial countries has been reduced.

The rule of the finance oligarchy of England over her colonies and half-colonies—Canada, Australia, South Africa, India, and, above all, South America—is weakened by the depreciation of the English capital invested there, whereby at the same time, the subjugation of the English colonies and half-colonies to American and French imperialism, fighting against England is made easier. The struggle for the re-division of the world must, therefore, assume sharper forms.

What results has the credit and currency crisis brought the capitalist social order? It brought a further sharpening and deepening of the world economic crisis, the complete cessation of the credit circulation in many cases, the limitation and hampering of them in others, the necessity of withdrawing credit already issued, wherever this is still possible. The freezing up of these credits "en masse," the bankruptcy of the banks, the collapse of the credit system must naturally tremendously accelerate the bankruptcy of many undertakings in all fields of economic life, in industry, trade, agriculture, etc.

The collapse of the credit system will bring about a further fall of prices, for the withdrawal or shortening or increase in the rates of credit on the one side, and the necessity to repay credits already granted on the other, naturally brings about the necessity in many cases of selling off stocks for what they will fetch.

The supply of commodities must increase, the commodity prices must fall.

For the toiling masses in the towns and countryside the credit crisis means a further acceleration of absolute impoverishment, a further acceleration of the growth of unemployment, and the offensive on the standard of life of the proletariat and all toilers.

The outbreak of the credit crisis means, therefore, an acceleration of the further unfolding of the world economic crisis.

The function of the credit crisis as partial function of the world economic crisis is: To accelerate the destruction of the productive forces of capitalist economy because they are too large for the capitalist productive relations, acceleration of their destruction by bankruptcies, unemployment, price depreciation, etc., etc.

"How does the bourgeoisie overcome these crises?" asks Marx in the Communist Manifesto* and answers: On the one hand, by the compulsory annihilation of a quantity of the productive forces; on the other, by the conquest of new markets and the more thorough exploitation of the old ones. With what results? The results are that the way is paved for more widespread and more dangerous crises and that the capacity for averting such crises is lessened.

Previously the credit crises assisted in the compulsory destruction of the productive forces. Now despite all modifications of manner and form, they do the same.

Previously the credit crises were utilised by the strongest capitalists for the destruction of competition; to-day this is to a much greater extent the case, as the consuming market, under the pressure of the general crisis of capitalism as a result of the ever-increasing impoverishment of the toiling masses, becomes ever narrower. We only need glance at the finance oligarchy of France, which at the moment does everything possible to consolidate her positions in the markets of other countries, with the help of her credit system. The same is naturally done also by other States.

Comrade Varga is, therefore, incorrect when he creates a new theory of the credit crisis and attempts to back it up by a change of function, when he speaks of a "functional change" of the credit crisis. In the last quarterly report of Comrade Varga a special chapter is entitled: "The functional change of the credit crisis." In this chapter he states, "Their function is not one of solving, hastening the course of the crisis, but of prolonging the life of the crisis.†

By the outbreak of the credit crisis the conclusion of the world's economic crisis is not deferred, but accelerated, the unfolding of the same, its sharpening and deepening still more furthered.

Comrade Varga confuses here two questions—the credit crisis and the manipulations of finance capital to prevent and combat the crisis. Whereas the credit crisis itself brings with it an acceleration of the unfolding of the world economic crisis, all the measures of the finance oligarchy and their States, which are directed to combatting the outbreak of the credit crisis, lead to a lengthening of the world economic crisis. Comrade Stalin said quite correctly that:

"Obviously this circumstance, which makes the crisis particularly torturing and ruinous for the mass of the people, who are the basic consumers of commodities, cannot but lead to the dragging out of the crisis, cannot but retard its dissipation."‡

Comrade Varga has not understood this because he has not understood to keep both these questions apart. A few lines further on he writes himself quite correctly:

"Monopoly capital has by the prevention of the outbreak of the credit crisis as with the artificial maintenance of high prices of monopoly products, modified the 'natural' conclusion of the crisis and thereby artificially lengthened its duration."

Quite right! Monopoly capital has artificially lengthened the duration of the crisis, but it has not altered the function of the crisis itself; this remains the same.

The resistance of finance capital is gradually weaker during the process of the crisis and must naturally weaken.

The capacity of resistance of the finance oligarchy gradually expends itself. Under the pressure of the world economic crisis now growing for over two years, one part of the finance oligarchy has already collapsed, another is on the eve of collapse and will collapse, further parts have been essentially weakened and will weaken still more. The means at the disposal of the finance oligarchy for combatting the world economic crisis in general and the credit crisis in particular are less. One portion of the finance oligarchy, the most powerful and strongest, naturally attempts to utilise the present situation in order to plunder everybody else and emerge from the crisis still stronger and more powerful.

The bourgeoisie fights with its entire power for the capitalist solution of the crisis. The credit

*"Communist Manifesto." Martin Lawrence, 1930.
 †"Impreccor," No. 106, p. 2383.

‡Stalin. "The 16th Party Congress." Modern Books, Ltd.

crisis revealed and reveals an unprecedented bitter and implacable struggle of the finance oligarchy for this solution, whereas the toiling masses in ever-growing numbers seek their way out, the revolutionary way out, of the struggle for the proletarian revolution under the hegemony of the proletariat and the leadership of the Communist Party. Never before has the struggle of the bourgeoisie in general and the finance oligarchy in particular for the capitalist solution of the crisis, for the solution signifying further poverty and misery for the toiling masses possessed such sharpness as at the present time.

The outbreak and development of the credit crisis in the last half-year constitutes not only the violent outbreak of all those contradictions which have powerfully sharpened and deepened before and during the two years of world economic crisis in the field of the credit system, contradictions now seeking their forcible solution in the development of the credit crisis, but it shows at the same time, that the overcoming of the credit crisis within the framework of the capitalist method of production means a further sharpening and deepening of all the contradictions of capitalism. A further limitation of production, further growth of unemployment, further fall of wages and the standard of life of the toiling masses, further indebtedness of the toiling peasantry, further bankruptcies of all toiling masses in town and the countryside, further decline, bankruptcy and impoverishment of large parts of the bourgeoisie and a portion of the finance oligarchy with a simultaneous enrichment as well as extension and consolidation of the positions of the strongest parts of the finance oligarchy, conditioned by the crisis, all signifies, of course, the overcoming of the credit crisis through further deepening and sharpening of all the contradictions of capitalism, further sharpening of the class struggle, the competitive struggle and therewith the war danger.

The war of Japanese imperialism against China, with the support of the French-led and dominated League of Nations, the occupation of Manchuria, this developing, momentarily "small" imperialist war, gives us a foretaste of the new imperialist wars developing at a rapid tempo.

The utilisation of the credit crisis by French imperialism, this most zealous organiser of the war of intervention against the Soviet Union for the further extension and consolidation of the system of Versailles, and above all the unconditional subjugation of Germany to France with a simultaneous support of the occupation of Manchuria, also directed against the Soviet Union, shows with what intensified energy finance capital prepares the war of intervention against the Soviet Union, in order to try and find a safe

channel for overcoming, not only the present world economic crisis, but the crisis of capitalism in general, by its destruction.

The proletariat, together with the toiling masses, opposes to the despairing struggle of the bourgeoisie for the capitalist way out of the crisis in continually growing measure its struggle for the proletarian revolutionary way out of the crisis through the violent overthrow of the bourgeoisie and the establishment of the proletarian dictatorship. "The revolutionary upsurge rises," finding its expression "in a further sharpening of the strike struggle and the unemployed movement, in the building and consolidation of the Soviets and the Red Army in a large part of the territory of China, in the strengthening of the revolutionary movement in the colonies, in the development of the revolutionary peasant movement, in the increase of political and organisational influence of a series of the largest Communist Parties, in a sharpening of oppositional ferment inside the Social Democracy, in a growth of opposition among the petty-bourgeois masses of the towns, the clerical employees, civil servants, etc."*

The preconditions of a revolutionary crisis in a series of countries, especially in Germany and Poland, grow ever more powerful; throwing the international bourgeoisie into ever-greater confusion. Ever more powerfully the Socialist construction unfolds itself in the Soviet Union, which in this year completes the basis of Socialist economy, which in this year alone releases into production 518 new colossal works, which has completely liquidated unemployment, and in the course of the past year increased the number of wage workers from 11½ to 17 millions, which attains such colossal victories in the field of the collectivisation of the toiling peasantry and the industrialisation of agriculture that the collective peasant, the solid support of the Soviet power to-day, already is the central figure of the village and which, and this is the decisive feature, is accompanied by a continual improvement in the standard of living of the toiling masses in town and country.

Ever brighter blazes throughout the entire world the successful example of the gigantic, advancing, Socialist construction in the Soviet Union to the exploited and oppressed masses, pointing out ever clearer and more convincingly their only possible way out of the crisis, the way of the proletarian revolution.

The revolutionisation of the masses advances, continually hampering the struggle of the bourgeoisie for the capitalist way out of the crisis.

*Theses of Eleventh Plenum, E.C.C.I. Modern Books, Ltd.

Already the Social Democrats to-day shriek, above all the "Lefts" such as Seydewitz, Max Adler and Co., that there is no way out of this crisis for capitalism, that this is the last crisis of capitalism, that capitalism is completely bankrupted, etc. . . . Even in the Communist Press, and especially in the daily papers of the most varied countries, we occasionally find such views represented. Similar to the "left" Social Democrats, Preobraschenski creates a whole theory out of this, that "capitalism cannot pass from one system of extended reproduction to the other any more,"* because it has "gradually lost the mechanism of the way out of the crisis."† "Because the monopoly structure of capitalism so limits the operation of the law of value—or perhaps, better to say, so far distorts it, that this law can no longer regulate the reproduction process as in the epoch of free competition." (Ibid. p. 5.) Preobraschenski has not understood that the law of value is not "restricted, distorted," etc., but the opposite, the operation of the law of value has further unfolded itself and brings the much more highly extended manifold development of the contradictions of capitalism into expression more, in its new modified form than in the epoch of free competition. The concrete phenomenal forms of the law of value in the epoch of imperialism are much more manifold, varied, differing, ostensibly contradicting each other, so that they are completely misunderstood by Preobraschenski.

His theory is based on the same standpoint as the petty bourgeois ideology of the mechanical collapse of Sternberg, Grohmann and others, and which is also contained in the incorrect Accumulation Theory of Rosa Luxemburg.

Preobraschenski has never understood the theory of value and therefore cannot understand the decline of capitalism or explain it, but only state it. It is a resurrection of the old Trotskyist conceptions on the crisis of capitalism, which arose immediately after the war, during the powerful revolutionary upsurge until 1923, and which also at that time saw no way out of the crisis for the bourgeoisie. This shrieking of the last crisis of capitalism, of its impossibility of finding a way out, etc., is also an expression of

the growing difficulties of the bourgeoisie in its struggle for the capitalist way out of the crisis.

Situations from which there is no way out do not exist, however. Capitalism does not collapse of itself, but must be overthrown. This demands the self-sacrificing work of all revolutionaries, demands the mobilisation of millions for the overthrow of the capitalist economy. All shrieking about no way out of the crisis for capitalism, that this is the last crisis of capitalism, can only harm the revolutionary class struggle, can only be in the interest of the bourgeoisie, because it paralyses the activity of the proletariat and the toiling masses, calls them to inactivity, demands that they wait because capitalism must collapse. The "revolutionary" phrases of the "left" Social Democrats, the Centrists and Brandlerites, about the impossibility of a way out for capitalism, are in the interests of the bourgeoisie, are a manoeuvre to distract the masses from their revolutionary struggle against capitalism for its overthrow. All representatives of such theories in our ranks have nothing in common with Marxist-Leninism; they help the Social Democrats in their work and cannot be too energetically fought. The Eleventh Plenum of the E.C.C.I. has written quite correctly in its Theses:—

"The developing revolutionary upsurge, simultaneously with the unsuccessful attempts of the bourgeoisie to solve the fundamental contradictions of the imperialist world (particularly in the colonies), creates the conditions for the growth of the pre-requisites of the revolutionary crisis in Germany and in Poland, for the further development of a revolutionary crisis in China and in India, and for the ripening of the pre-requisites of a revolutionary crisis in other capitalist countries in proportion as, primarily, the Communist Parties are able to mobilise and lead the mass movements against the capitalist offensive and political reaction and to prove to the proletariat and other sections of the toiling masses, on the basis of their own experience, the necessity for a revolutionary way out of the crisis."

Only in this way can the situation of capitalism really be made hopeless, only in this way is it possible to replace the capitalist way out of the crisis by the proletarian one, and the dictatorship of the bourgeoisie by that of the proletariat.

* "The Decline of Capitalism," p. 5. (Russian.)

† "The Decline of Capitalism," p. 85.

HOW LENIN FOUGHT IN THE ERA OF THE FIRST REVOLUTION FOR ITS GROWTH INTO THE SOCIALIST REVOLUTION AND AGAINST CENTRISM

(Dedicated to the Eighth Anniversary of the Death of Lenin.)

COMRADE Stalin's letter to the editors of the *Proletarskaya Revolutsia* possesses tremendous significance, not only for the C.P.S.U. (Communist Party of the Soviet Union), but also for the entire Communist International. Comrade Stalin has called attention to the bad conditions prevailing on the sector of our party history. Because our works of scientific history are not yet sufficiently suffused with the party's tradition and spirit, because some small part of the party workers at the head of scientific institutions in the U.S.S.R. have shown a rotten liberalism and inadequate class vigilance, the Trotskyist counter-revolutionaries and the right-wing opportunists, though shattered by the Party, have begun smuggling into historical works their own views, alleging that in 1905 Lenin did not yet realise the necessity for the bourgeois-democratic revolution growing into the socialist revolution, alleging that before the war Lenin, in contradistinction to the left-wing militants (Luxemburg and others), under-estimated the danger of Centrism, alleging that it was only after the war that Lenin was "re-equipped."

What is signified by this Trotskyist slander against Lenin and the Bolshevik Party? It signifies an attempt to smuggle through the view that the historical root of the present communist movement is not Bolshevism — that "product of a backward agrarian country" — but left-wing radicalism—the product of the progressive industrial countries — that all the renegades of communism who have asserted that the C.P.S.U. could not claim the hegemony in the communist movement were right, that the social-fascists who assert that the October Revolution accomplished in backward Russia cannot be used as a model for the progressive capitalist countries are right.

This Trotskyist contraband, which is dangerous for the C.P.S.U., is all the more dangerous for our brother-parties in capitalist countries, for they have more than a few relics of left-wing radicalism and have not yet fully absorbed the fact that while left-wing radicalism before the war undoubtedly played a revolutionary rôle in the Second International, it can now serve only as a means of escape from communism into the camp of Social Democracy, into the camp of the counter-revolution.

Comrade Stalin's letter has already aroused in the C.P.S.U. all the party-workers on the his-

torical front, has already stirred them to set about a careful checking up of all the work which has been done on that front, and to correct the numerous mistakes committed in that field. This same work, with the same degree of energy, must now be accomplished by all our brother-parties. The necessary premise for such self-criticism must be a more profound study of the way in which before the war Lenin fought for the growth of the bourgeois and democratic revolution into the socialist one, of how, in close connection with this, he fought against opportunism and Centrism and how, by fulfilling this double task, he thus laid the foundation for the Communist International. Our article is devoted to these questions; it does not, of course, lay claim in the slightest degree to being an exhaustive exposition of these questions.

I.—HOW LENIN FOUGHT FOR THE GROWTH OF THE BOURGEOIS REVOLUTION INTO THE SOCIALIST REVOLUTION.

Comrade Stalin, as early as 1926, in the preface to his book, "Leninism," put forward the thesis: "Lenin was the only Marxist who correctly comprehended and *developed* (my italics—A.M.) the idea of the permanent revolution. . . . Lenin took it in its pure form (from Marx) and made it one of the foundations of his theory of revolution." In confirmation of this Comrade Stalin presented the corresponding quotations from Lenin.

This is what Lenin wrote on this question as early as 1905:—

"We shall immediately begin to pass over from the democratic revolution to the socialist revolution, and we shall do this in accordance with the degree of our strength, the strength of the conscious and organised proletariat. *We are for the permanent revolution* (my italics—J. Stalin). We shall not stop half-way . . .

"Without falling into adventurism, without betraying our own scientific conscience, without chasing after cheap popularity, we can say and we do say *just one thing*: with all our forces we will help the entire peasantry to make the democratic revolution *in order for it to be so much the easier* for us, the party of the proletariat, to go on as soon as we can to the new and higher task, to the socialist revolution" (vide Vol. VI., pp. 449-450).

And this is what Lenin writes on this subject sixteen years later, after the conquest of power by the proletariat:—

"The Kautskys, Hilferdings, Martovs, Chernovs, Hillquits, Longuets, MacDonalds, Turattis and other heroes of "Two-and-a-half" Marxism were unable to understand . . . the relationship between the bourgeois-democratic and the proletarian-socialist revolutions. *The former grows into the latter* (italics mine and Stalin's). The latter, incidentally, solves the questions of the former. The latter reinforces the work of the former. Struggle and only struggle decides how far the latter succeeds in outgrowing the former" (vide Vol. XVII., part 1, pp, 365-6).¹

We may add another quotation from Comrade Lenin's first book, "Who Are the 'Friends of the People?'" which proves that Lenin, not only after the war and not only after 1905, but as early as 1894 raised the question of the growth of the bourgeois revolution into the socialist revolution:

"When the leading representatives of the working class have absorbed the idea of scientific socialism, the idea of the historic rôle of the Russian worker . . . then the Russian workers, rising at the head of all the democratic elements, will overthrow the absolutism and lead the *Russian proletariat* (with the proletariat of all countries) *by the straight road of open political struggle to the victorious communist revolution.*"²

Lenin always stood for the growth of the democratic revolution into the socialist revolution, for he was no "liberal" Marxist, but a revolutionary Marxist, for whom the overthrow of the Tsarist autocracy was not an end in itself, but merely a means to the communist revolution. In this same book Lenin wrote in 1894:—

" . . . the struggle against all these institutions (absolutism, reactionary classes and institutions) is needed *merely* (my italics—A.M.) as a *means* (italics mine—A.M.) for facilitating the struggle against the bourgeoisie . . . the fulfilment of the general, democratic demands is necessary for the worker *merely* (my italics—A.M.) to clear the road which leads to victory against the chief enemy of the toilers—an institution which is purely democratic by its nature—against *capital.*"³

In the same place Lenin explained in what sense the overthrow of the absolutism would serve as a means for the struggle for the overthrow of capitalism:—

"The workers must know that without the overthrow of these pillars of the reaction they will have no chance to carry on a successful struggle against the bourgeoisie, since, so long as they exist, the Russian agricultural proletariat (by which at that time Lenin meant the poor peasantry in general—A.M.), whose support is an essential condition for the victory of the working class, will never be able to escape from its position of brow-beaten, oppressed folk, capable only of stupid despair, but not of a reasonable and resolute protest and struggle."⁴

Lenin took the idea of the growth of the democratic revolution into the socialist revolution, the idea of the "permanent revolution," from Marx. But, as Comrade Stalin has pointed out several times, in contradistinction to Trotsky, who corrupted it, Lenin not only understood it correctly, but *developed it further*, applied it to the conditions of the new, imperialist era, in which the first Russian revolution took place. *The further development by Lenin of Marx's idea of the permanent revolution resulted in his taking account of the conditions of a new era, on the eve of and throughout the first Russian revolution, so building up the party and leading the revolutionary struggle of the proletariat as to create, on the eve of and in the process of the democratic and bourgeois revolution, the most important conditions for it to grow into the socialist revolution and for establishing the dictatorship of the proletariat.* In this lies the great historical work of Lenin, and thus even before the war Lenin had, in the form of the Bolshevik Party, laid the foundation for the October Revolution and for the Communist International.

Marx's strategy and tactics in regard to the nationalist wars of the middle of the last century and towards the German revolution of 1848 were appropriate to the general conditions of the era of 1789-1871 and to the concrete conditions of the revolution of 1848 in Germany. In 1915, in an article called "Under Alien Flag," written in the Aesopian⁵ language adapted to censorship — for example, instead of "workers' party" he wrote, in accordance with censorship conditions, "modern democracy"—Lenin wrote as follows regarding the general conditions of the era 1789-1871:—

"The former era, from the great French Revolution down to the Franco-Prussian War, was the era of the rise of the bourgeoisie, of its complete victory. That was the ascending line of the bourgeoisie, the era of bourgeois-democratic movements in general, of bourgeois-

¹J. Stalin, "The Opposition," p. 240, Russian edition.

²N. Lenin, "Who are the 'Friends of the People?'" p. 172.

³Ibid., p. 163.

⁴Ibid., pp. 162-163.

⁵Language used by the Bolsheviks in their legal publications in order to minimise censorship.

national movements in particular, the era of the rapid break-up of the obsolete feudal and absolutist institutions . . . In a whole series of progressive countries there could at that time not even be any talk of any *really* (my italics—A.M.) independent action of modern democracy (workers' party—A.M.), suited to the era of the overmaturity and decline of the bourgeoisie. The main class which at that time, during these wars, and by taking part in these wars, was marching on an ascending line and which alone was able with overwhelming force to attack the feudal and absolutist institutions, was the bourgeoisie. In various countries this bourgeoisie, represented by various strata of the *property-possessing* commodity-producers, was progressive in varying degree, and sometimes (for example, a part of the Italian bourgeoisie in 1859) was even revolutionary."⁶

Regarding the situation of Germany in 1850, Marx wrote in the proclamation of the Central Committee of the Communist League, in connection with the expected fresh revolutionary wave, headed by the petty-bourgeois democrats :

"Thus, while the democratic party, the party of the petty bourgeoisie, was becoming more and more organised in Germany, the workers' party lost its own firm basis . . . and because of this, in general, fell absolutely under the leadership of the petty-bourgeois democrats."

In accordance with the general conditions, described above, of the era of 1789-1871, during the nationalist wars of those times, Marx stood on the position of "defence of the fatherland," namely, defence of that bourgeois fatherland which, from the viewpoint of the interests of the international movement of the proletariat, played a relatively more progressive rôle. In accordance with the special, concrete conditions of Germany's situation in 1850, Marx, in expectation of a new political explosion in Germany, which in case of a revolution would inevitably bring the petty-bourgeois democrats into power, and without losing sight even for a minute of the prospect of the permanent revolution, of the immediate development of the bourgeois-democratic revolution into the proletarian one, in 1850 could not yet put, and therefore did not put, before the workers' party for the *next* revolutionary wave the task of participating in the revolutionary government and setting up the revolutionary-democratic dictatorship of the proletariat and peasantry. Under the conditions of 1850 Marx, of necessity, set before the workers' party *only* the task of class separation from the petty-bourgeois democracy of creating an "independent, secret and open

organisation of the workers' party, precisely in order to fight against its being debased to the rôle of an appendage of official bourgeois democracy," in order to "arm the workers" for the struggle, in order to set up "the strict supervision of the proletarians over the traitorous petty-bourgeois democracy," and to remain in the position of an extreme left-wing revolutionary opposition right down to the moment when the democrats have compromised themselves and when it becomes possible for the workers' party to overthrow them and thus to carry through the development of the bourgeois-democratic revolution into the socialist revolution.⁸

The Mensheviks reached out for the letter of Marx's teaching, but betrayed the spirit of his doctrine, his dialectical method; they tried in the spirit of bourgeois laggards to transfer Marx's strategy and tactics, though *in an extremely distorted and vulgarised form*, to the new, imperialist era, the era of dying capitalist, which had been appropriate to the ascending line of the development of the bourgeoisie; thus they occupied during the imperialist war for the most part the home-defence, social-patriotic position, and during the revolution of 1905 positions of the extreme left—the position of supporting the liberal bourgeoisie and pushing it forward from beneath, the position of ascending "from step to step," without calling, however, for strict supervision of the traitorous tactics of the liberal bourgeoisie and without preparing to rise immediately after the victory of the bourgeois revolution to the highest step—to the proletarian revolution—as Marx had done, since he held the viewpoint of necessity for the bourgeois revolution to grow into the socialist revolution.

A position differing in principle was held by Lenin during the first revolution of 1905, and during the imperialist war. Even on the eve of the 1905 revolution Lenin took stock of the fact that the bourgeoisie in all capitalist countries was sliding down its descending line, that in Russia class contradictions between the bourgeoisie and proletariat, under a veneer of semi-servile absolutism, had matured much further than during the 1848 revolution in Germany, where "large-scale industry was almost entirely lacking" and where "there was no independent labour movement of any serious dimensions whatsoever," that in Russia the Social Democratic Party, the party of the working class, had begun earlier than all the other opposition and revolutionary parties to organise for battle on the eve of the revolution. At the same time Lenin was aware that the Russian revolution, under conditions of the full

⁶N. Lenin, Works, 1929 Russian ed., Vol. xvii., pp. 108-109.

⁷N. Lenin, Russian ed. 1925, Vol. vi., p. 212.

⁸Vd. Lenin, "The Provisional Revolutionary Government," Art. I, Vol. vi., pp. 210-214, Russian ed.

maturity of the advanced capitalist countries for socialism, might become the prologue of the world proletarian revolution and that the Russian proletariat might become the vanguard of the international revolutionary proletariat. As early as 1902 Lenin wrote in his "What is to be done?"—

"History has set before us an immediate task, the most revolutionary of all the immediate tasks of the proletariat of any country whatsoever," that "the realisation of this task, the destruction of the most powerful bulwark, not only of European, but of Asiatic reaction, would make the Russian proletariat the vanguard of the international revolutionary proletariat."

In accordance with all this, Lenin, facing forwards, not backwards, from the very beginning of the period of the old "Iskra" ("Spark"), in contradiction to the Mensheviks of the future, did not take up a position of dragging along at the coat-tails of the liberals, but took the stand of fighting the liberals and the petty-bourgeois social revolutionaries for the *hegemony of the proletariat* over the petty-bourgeois masses in the approaching bourgeois revolution. It is true, the "hegemony of the proletariat" in the beginning was also talked about by Plekhanov and P. Axelrod, the future Mensheviks. But the hegemony of the proletariat, as represented by Axelrod, was a caricature of hegemony, was a mockery of this conception; therefore, as the 1905 Revolution developed, the Mensheviks, taking as their starting-point the Axelrod premises, logical as a consequence, threw overboard these words. But Lenin, from the very beginning, took in full seriousness the idea of the hegemony of the proletariat and at once raised this problem to a high place as a question of principle.

On the ground of the differing comprehension of hegemony, a principle struggle broke out between Lenin and Plekhanov as early as 1902, in working out the Party's programme, at the time when they were still in the same editorial board of the old "Iskra," in one organisation. In contradiction to Plekhanov, Lenin insisted that in order to realise the hegemony of the proletariat in the bourgeois-democratic revolution, in order to embrace the petty-bourgeois democratic masses by the leadership of the proletariat, our Party, while backing every opposition and revolutionary movement, should not smudge over the contradictions between the proletariat and the bourgeoisie, but sharpen the struggle between them and by that means guarantee the widest sweep and greatest depth of the bourgeois-democratic revolution in order to hasten the attainment of the ultimate aim. Plekhanov's draft of a programme was condemned by Lenin; he declared that "this draft does not furnish a programme for a proletariat *struggling*

against the very real demands of a very definite capitalism, but a programme for an economic *text-book*, devoted to capitalism in general." Lenin said that "the party of the Russian proletariat in its programme must in the most completely unambiguous terms expose its accusation against Russian capitalism, *its declaration of war against Russian capitalism*" (my italics—A.M.)⁹

In his controversy with Vera Zasulich, Lenin said:—

"It is desirable, of course, to attract *all* petty producers. But we know that this is a special class, although connected with the proletariat by thousands of threads and interlying steps, but still it is a separate class.

"We must *first mark* ourselves off from all of them, separate out only the proletariat, *exclusively and only* the proletariat, and *then* we must declare that the proletariat will emancipate everyone, calls everyone, invites everyone.

"I agree to this 'then,' but first of all I demand this 'first'!

"Here in Russia the hellish sufferings of the 'toiling and exploited mass' did not call forth any *national* movement until the 'handful' of factory workers began the struggle, the class-struggle. And it is *only* this 'handful' which guarantees its carrying on, its continuance, its expansion. It is precisely in Russia where our critics (Bulgakov) accuse the Social Democrats of 'peasant-phobia,' and the Socialist-Revolutionaries shout about the need for *substituting* for the idea of the class-struggle the conception of the 'struggle of *all* the toilers and 'exploited people' ("Herald of the Russian Revolution," No. 2); it is precisely in Russia that we must *first mark* ourselves off from all this rabble by the very sharpest definition of the class-struggle alone, of the proletariat *alone*, and then we must declare that we *summon everyone*, we take everyone, we will do everything, include everything."¹⁰

As regards the words, "first" and "then," stressed by Lenin in this quotation, we must note, in order to avoid any possible incorrect interpretations of Lenin, that here Lenin, quite obviously, does not separate *in time* the "demarcation" from the "hegemony," as two steps, one following the other. From the very first day of publishing the old "Iskra" Lenin raised the problem of the hegemony of the proletariat and the task connected with it, of "organising the grievances of all the people." Here Lenin applies the words "first" and "then" *to the place* which "demarcation" and "hegemony" must hold in the pro-

⁹Lenin, Symposium (Sbornik), II., p. 13

¹⁰Ibid., p. 133.

gramme in accordance with their significance. For Lenin, the "demarcation of the proletariat" was the main premise needed for it to realise correctly its hegemony in the bourgeois-democratic revolution, for it was the premise for the growth of the bourgeois-democratic revolution into the socialist revolution.

It was precisely because for Lenin the "demarcation" of the Russian proletariat, the struggle against the penetration of Russian Social-Democracy by bourgeois influences were necessary to secure the most complete victory over all the relics of serfdom, were needed also and above all in the interests of the coming proletarian revolution, that Lenin regarded this "demarcation" as one component part of the international struggle of revolutionary Marxism against opportunism, of the struggle which he characterised as the struggle between the modern Mountain and Gironde, for here, too, he kept in mind the prospect of a *dictatorship* of the proletariat. Quoting from the text of the draft of a programme, which had been drawn up by Plekhanov, the words: "The discontent of the toiling and exploiting mass is growing," Lenin notes:

"That is true, but it is absolutely incorrect to identify and fuse the discontent of the proletariat and the discontent of the petty producer, as is done here . . . And it is right now, at a time when the 'aggravation of the struggle' of the petty producers is accompanied by the 'aggravation of the struggle' of the socialist Gironde against the 'Mountain' that it is least appropriate to fuse discontents of every sort, into one whole."¹¹

In raising the question of the hegemony of the proletariat in the bourgeois-democratic revolution, Lenin connected it most closely with the merciless struggle against the penetration of bourgeois influences into our party and with the emancipation of the petty-bourgeois masses from the influence of the liberal bourgeoisie; he bound this up with the Jacobin-like irreconcilability towards these same bourgeois influences. Lenin built the Party like a monolith; in it there must be 90 per cent. unanimity, as he put it at the Party's Second Congress. In this same sense he wrote in his pamphlet, "One Step Forward, Two Steps Backward": "The Jacobin, indissolubly connected with the organisation of the proletariat conscious of its class interests—that is the revolutionary Social Democrat."

For what purpose did Lenin build up this monolithic party, penetrated through and through with the spirit of Jacobin irreconcilability? Because only such a party could bring the proletariat through the most complete, most profound bour-

geois revolution to the socialist revolution, to the dictatorship of the proletariat. Thus, Lenin, "the leader of the proletariat of backward Russia," from his first steps, educated the Russian proletariat for the rôle of "the vanguard of the international revolutionary proletariat," educated the party of the Bolsheviks to be able to turn the "bourgeois revolution of backward Russia" into a socialist revolution and into the prologue to the world proletarian revolution. This was never grasped by all sorts of opportunists, who knew that Russia was economically the most backward country in Europe, but did not take account of the fact that at the beginning of the twentieth century it had likewise become the most revolutionary country in Europe.

Did any one Social Democratic Party in Western Europe, even any left-wing Social Democrat in these parties, rise to such a comprehension of the party as did Lenin at that time? Of course not. At the time when Lenin wrote the passages quoted, in the Second International the struggle was still being carried on in the international plane between Guesdism and Jaurésism, between orthodox Marxism and Bernsteinism, but Kautsky and Bebel, though they fought against Bernstein and Volmar, did not even think at that time of excluding these latter from the party; but Lenin split with the Mensheviks on the one question of the organisational principle of party structure, for he was aware that this disagreement, at first sight not very profound, hid the germ of very profound divergences of principle. And when this split took place, not only the Mensheviks, but even the left-wing, Rosa Luxemburg, not to mention Trotsky, raised a terrific howl against the "Jacobinism," against "Blanquism," against the dictatorial tendencies of Lenin and the Bolsheviks.

The next question is linked up with Lenin's fight for the growth of the bourgeois revolution into the socialist one. In 1902, in a pamphlet, "What is to be done?" Lenin wrote, concerning the organisation of all the workers grouped about "Iskra," as follows: This organisation "will be ready for everything, beginning with saving the honour, prestige and heritages of the party in the moment of the greatest 'oppression' of the revolutionary movement and ending with the preparation, appointment and execution of the *national armed insurrection*." When these words were being written, all the German Social Democrats were referring to Engels' words, falsified by them, in his preface to the "Class-Struggle in France," asserting that the time of barricade battles had gone by. And the left-wing Marxists, Parvus and Rosa Luxemburg, at this time advanced the theory that nowadays barricade fighting and armed insurrection must *make way* for the specifically

¹¹Ibid., p. 79.

proletarian method of struggle—mass strikes. But it was not only and not especially in this that lay the general criticism made by the Social Democrats after the split of 1903 against this Leninist slogan. Lenin was roundly attacked by everyone on the ground that the fixing of an insurrection from a single centre was Blanquism, while the Menshevik, Martynov, in his pamphlet, "Two Dictatorships," regarded this slogan as the best proof that the Bolsheviks were striving to seize power and to set up their dictatorship in the bourgeois revolution, a thing which was contradictory to all the usual conceptions of the Social Democrats as to the rôle of the proletariat in the bourgeois revolution, and that, in case of success, so he said, the only result was bound to be the absolute bankruptcy of the Party. Later, Lenin, as is well known, accepted this challenge of Martynov at the First Party Congress and declared that he was really striving to set up the revolutionary dictatorship of the proletariat and peasantry even under the conditions of bourgeois revolution. But of this we shall speak later; for the present we note that in this question, too—the question of organising an armed insurrection—the Bolsheviks went *against the stream*, that the Bolsheviks were at that time the only party (in form a fraction, in essence a party) in the Second International which dared to approach the question of organising the armed insurrection and boldly to decide this question from the viewpoint of need for the bourgeois revolution to grow into the dictatorship of the proletariat. It must be said in passing that the very expression, "dictatorship of the proletariat," was to be found only in the programme of the R.S.D.L.P. (Russian Social Democratic Labour Party) and was not to be found in any other programme of any Social Democratic Party of the Second International. And in this manner the "leader of the proletariat of a backward country" went ahead of all the proletarian leaders of the progressive countries, just as in his time Marx, though born in very backward Germany, had gone ahead of the socialists of the entire world.

Now we come to the fundamental question connected with Lenin's struggle for the growth of the bourgeois into the socialist revolution—to the question "of the two tactics" in the bourgeois revolution, which was advanced by Lenin in 1905. Around this question developed all the fundamental disagreements between the Bolsheviks and the Mensheviks.

The Mensheviks asserted that, inasmuch as the Russian revolution was a bourgeois one, the liberal bourgeoisie was also called upon to play in it the part of "driving force," that the function of the Russian Social-Democratic Party, accordingly,

must be confined to backing up the liberal bourgeoisie, heartening it, pushing it forward *from below* and from behind, but, however, "without frightening it with the red phantom of communism," that the function of the Social Democracy amounted, throughout the revolution, to playing the rôle of the "extreme left opposition," that the function of the bourgeois revolution was to help more and more democratic elements of the bourgeoisie to come to power, that the revolution had thus to rise "step by step." Granted such an ascension from step to step, power may "drop" (!) into the hands of Social Democracy. But it had by no means to strive for this, except in the one case that the revolution should react in the progressive countries of Western Europe in which the conditions needed for the victory of socialism had already attained a "certain" maturity. In Russia, said the Mensheviks, the participation of the Social-Democrats in the revolutionary government was quite inadmissible, for that would oblige them to carry out socialism, while in Russia, because of the economic backwardness of the country, there were no internal forces for that. As a result, all these tactics reduced the Social Democracy to the rôle of an appendage of the liberal bourgeoisie, to the rôle of an appendage to the Cadets (Constitutional Democrats).¹²

Lenin carried on a fierce war against this Menshevik conception of the Russian bourgeois revolution. The bourgeois revolution, he said, may be of *two sorts*. "The agrarian question forms the foundation of the bourgeois revolution in Russia and conditions the national peculiarity of this revolution." But the agrarian question in Russia might be solved *in two ways*: "the removal of serfdom is possible through the slow growth of the servile economy of the landlords into the Junker-bourgeois economy, through the transformation of the mass of peasants into landless peasants and labourers, through forcibly maintaining the miserable standard of living of the masses. Another path of development we designate as the American way of the development of capitalism, in distinction from the first way, the Prussian one. It also requires the forcible break-up of the old type of agriculture . . . But this necessary and inevitable break-up is possible in the interests of the mass of peasants, not of the group of landlords."¹³

We must hold our course, said Lenin, for this second way, which can be realised only through a *peasant, plebeian revolution*, capable of winning a *complete victory* only by setting up the "revolutionary democratic dictatorship of the proletariat

¹²Party of the Liberal Bourgeoisie.

¹³Lenin, Vol. ix., pp. 614, 554, 555, 556, 463.

and peasantry" under the hegemony of the proletariat. But the Mensheviks are satisfied with banal conceptions of the bourgeois revolution, "without being capable of grasping the peculiarities of the *given* bourgeois revolution as a *peasant revolution*," without understanding "the source of the counter-revolutionary character of our bourgeoisie in the Russian revolution." Since they regarded this bourgeoisie "as the chief actor in the revolution," they feared lest the "sweep of revolution be weakened, if the bourgeoisie dropped away from it."¹⁴ Therefore they came to an agreement with the liberal bourgeoisie, which in turn made an agreement with the landlords and the monarchy, and that was bound to lead to a half-way solution of the agrarian question in Russia by the longest, most painful, Prussian way.

In what way, what relationship between the class forces, did the Bolsheviks envisage in the growth of this bourgeois revolution, into a socialist one? What were the various plans of the Bolsheviks in the different stages of this development? At the Fifteenth All-Union Conference of the C.P.S.U. (Bolsheviks) in 1926, Comrade Stalin gave the following brief and precise answer to this question: "In the first period the Bolsheviks said: together with all the peasantry against the Tsar and the landlords, neutralising the liberal bourgeoisie, towards the bourgeois-democratic revolution. In the second period the Bolsheviks said: together with the poorest class of peasants, against the bourgeoisie and the kulaks (rich peasants), neutralising the middle peasantry, towards the socialist revolution. . . . In the third period, in the period we are now passing through, the Bolsheviks say: together with the poor class of peasants, with a firm alliance with the middle peasants, against the capitalist elements of our economy in town and village, towards the victory of our socialist construction."¹⁵

The October Revolution has traversed victoriously this entire path of development. This path was drafted out by the Bolsheviks during the 1905 Revolution, but was broken off by the defeat of the revolution. Now we must set ourselves the question: did the path of this development in 1905 seem to Lenin so comparatively easy as it seemed to him and actually proved to be in 1917? To answer this question in the affirmative would mean asserting that Lenin, the dialectician of genius, in this very important question exhibited a misunderstanding of the change in the concrete historical situation. It stands to reason that in 1917 Lenin regarded this path of development as more rapid and easier than in 1905, because the

international and internal situation during the October Revolution was considerably different from that of 1905. On this subject, Comrade Stalin wrote in 1924, in the preface to his book, "On the Road to October": "Three circumstances, external in character, pre-determined the comparative ease with which the proletarian revolution in Russia succeeded in shattering the chains of imperialism and thus in overthrowing the power of the bourgeoisie. Firstly, the circumstance that the October Revolution began in the period of desperate struggle between two main imperialist groups. . . . Secondly, the circumstance that the October Revolution began during the Imperialist War. . . . This situation was of most serious significance for the October Revolution, for it put into its hand the powerful weapon of peace, made it easier for it to link up the Soviet Revolution with the ending of the hated war. . . . Thirdly, the presence of a powerful working-class movement in Europe and the fact of the maturing of a revolutionary crisis in Occident and Orient, created by the long-drawn-out Imperialist War."¹⁶

To these three peculiarities, external in character and deriving from the Imperialist War, peculiarities which did not exist in 1905, we may add another whole series of peculiarities, internal in character, in the revolution of February, 1917; of these we shall refer only to one, to the most important one. "A peculiarity of our revolution, remarkable in the highest degree, is that it created dual power," wrote Lenin in April, 1917. After the February Revolution we had in Russia, in the form of the Soviets, the democratic dictatorship of the proletariat and peasantry, but these Soviets, because of the "insufficient consciousness and organisation of the proletarians and peasants" and because of the misleading rôle of the petty-bourgeois, opportunist parties of the Mensheviks and Social Revolutionaries, voluntarily surrendered the power to the bourgeois provisional government. As a result of this intermixture of the revolutionary-democratic dictatorship of the proletariat and peasantry with the rule of the bourgeoisie, the questions of peace and of land could not be solved in the February period and were solved incidentally by the October proletarian revolution. And this peculiarity, which greatly facilitated the October Revolution, was missing in 1905.

It is therefore natural for Lenin in 1905 to have foreseen difficulties in the growth of the bourgeois revolution into the proletarian revolution, which did not occur, or not to any great extent, in 1917. The chief of these difficulties, foreseen by Lenin and referred to by him repeatedly in 1905, was

¹⁴Ibid., p. 555.

¹⁵J. Stalin, "The Opposition," p. 411.

¹⁶J. Stalin, "The Opposition," p. 127.

that *after* the victory of the *bourgeois* revolution a part of the middle peasants, and, possibly, a considerable part of them, would pass over to the counter-revolution. This prognosis of Lenin as to the withdrawal of the peasants after the victory of the *bourgeois* revolution must by no means be confused, as Comrade Stalin explained in his report, quoted above, made in 1926, with the prognosis made by Trotsky at that time, as to the withdrawal of the peasantry after the victory of the *socialist* revolution.¹⁷ It is on these very predictions of Lenin regarding the withdrawal of a part of the middle peasants that the Trotskyites now refer to in confirmation of their allegation that Lenin in 1905 did not believe in the possibility for the bourgeois revolution growing into the socialist one.

This deduction is a slander against Lenin and against Bolshevism. Lenin wrote absolutely plainly, absolutely categorically: "We shall *at once* (my italics—A.M.) begin to pass from the democratic revolution . . . to the socialist one, and we shall do so *according to the measure of our strength, the strength of the conscious and organised proletariat*" (our italics—A.M.). Lenin always, and constantly, pointed out difficulties and dangers threatening the revolution, but he always did so, not to sow discouragement and pessimism in the Party and the masses, not in order to draw the conclusion that "it is not worth starting," as the Mensheviks, and not in order to say, as Rosa Luxemburg did, "it is better to go to certain defeat rather than not start"—but in order to awaken the greatest enthusiasm in the Bolshevik Party and in the proletarian masses, for he was profoundly convinced that *this* party and the working class led by it, were capable of overcoming the most unheard-of difficulties. In this case, as in others, Lenin not only spoke of the difficulties, but also of the ways in which the Party could cope with them. How did Lenin think in 1905 of the possibility of overcoming the danger of the breaking off of a considerable part of the middle peasantry after the victory of the bourgeois revolution? *An absolute guarantee against a restoration*, said Lenin at the Stockholm Party Congress, can only be the victory of the socialist revolution in a number of advanced countries. But there was a *relative guarantee*, and it lay in the great sweep of the revolution, in the fact that the bourgeois-democratic revolution would be carried to its conclusion.

The relative guarantee lay in the fact that the revolutionary-democratic dictatorship of the proletariat and peasantry, under the hegemony of the proletariat, would deal plebeian justice to the land-

lords and the Tsarist officials, that it would uproot all foundations of serfdom and sweep them aside, that it would carry out a radical cleaning up of the countryside, that it would carry through the nationalisation of the land.

In his report at the Stockholm Joint Congress, Lenin said:—

"The complete victory of the bourgeois revolution in Russia will almost inevitably (or at least in all probability) provoke a series of political convulsions in Europe, which will be a very powerful impetus towards the socialist revolution."¹⁸

How could these political convulsions in Europe react on the conduct of the middle peasants in Russia? In that same report Lenin said:—

"The petty producer of commodities wavers between labour and capital. Together with the working class he fights against serfdom and the gendarme-rule of autocracy. But at the same time he yearns to reinforce his position as a property-owner in bourgeois society, and therefore, *if the conditions of the development of this society turn out to be in the least favourable* (my italics—A.M.) (for example, industrial prosperity, expansion of the home market because of the agrarian revolution, etc.), then the petty producer of commodities inevitably turns against the proletariat who is fighting for socialism."¹⁹

From this quotation we see that Lenin regarded as inevitable the turning of the peasantry against the proletariat after the victory of the bourgeois revolution only in case "the conditions for the development of bourgeois society proved to be more or less favourable," only in case an "industrial boom" began, but it is plain that if the complete victory of the bourgeois revolution in Russia should cause in Europe, with its over-ripe capitalism, in the Europe of the twentieth century, on the eve of the proletarian revolution, "a series of political convulsions," then the conditions for the development of bourgeois society in Russia would prove to be very *unfavourable*. Under conditions of world revolutionary crisis in Europe (even without the proletariat seizing power), there would be very few chances for favourable conditions for "industrial prosperity" in Russia, and therefore the inevitability of the withdrawal of the peasants, or in any case of the withdrawal of the peasants for a long time, would disappear. What Lenin's "dream" was in 1905 for the development of the bourgeois-democratic revolution into the

¹⁸Lenin, Vol. ix., p. 428. Report at Joint Session of R.S.D.L.P.

¹⁹Ibid.

¹⁷Vd. J. Stalin, "The Opposition," pp. 411, 412.

socialist we read in his article, "Social Democracy and the Provisional Revolutionary Government":

"He (the revolutionary Social Democrat) will dream, unless he is a hopeless philistine, of how, after the tremendous experience of Europe, after the unprecedented sweep of the energy of the working class in Russia, we shall succeed in lighting as never before the beacon of revolutionary clarity for the dark, oppressed mass. Because we stand on the shoulders of a whole series of revolutionary generations of Europe, we shall succeed in realising, with unprecedented completeness, all our democratic reforms, our entire minimum programme; we shall succeed in making the Russian revolution not a movement lasting a few months, but a movement lasting many years, in securing by it not only a few small concessions from the powers that be, but the complete overthrow of these powers. But if that succeeds, then . . . then the revolutionary conflagration will set Europe afire; the European worker, sinking under the blows of European reaction, will rise in turn and show us "how it is done"; then Europe's *revolutionary upsurge* (N.B., revolutionary upsurge, but *not necessarily* the victory of the socialist revolution—A.M.) will exert its reaction on Russia, and these epochs of a few revolutionary years it will make into an era of several revolutionary decades, then . . . but we shall still have time to talk of what we will do 'then,' to talk, not from the accursed distance of Geneva, but before the thousand-strong gatherings of workers on the streets of Moscow and Petersburg, before the free village-meetings of the Russian 'muzhiks.'"²⁰

If we compare all that Lenin wrote during the era of the first revolution, we see that he foresaw the possibility and even the probability of temporary defeats and retreats after the complete victory of the bourgeois-democratic revolution. In this respect Lenin agreed with Engels, who asserted that this was one of the laws of the development of bourgeois society.²¹ But at the same time he was profoundly convinced that the tremendous sweep of the Russian bourgeois-democratic revolution and the tremendous power of its chief internal driving-force—the proletariat—would provoke such a mighty response in the progressive capitalist countries, such political convulsions and even socialist revolutions,²² which would help the victorious bourgeois-democratic revolution, already beginning to grow into the

socialist one, at last to overcome all its difficulties.

We see how in 1905 Lenin thought of the growth of the Russian revolution into the socialist revolution, how he fought for this development, building his calculations first of all and chiefly on the *internal driving forces* of the revolution, on the measure "of our strength, the strength of the conscious and organised proletariat," and on the force of his *own Bolshevik Party*, daring to face this party with very great, heroic tasks. That is the way the great leader of the proletarian party in a "backward agrarian country," thought and acted, resolutely setting as his aim to make the Russian proletariat "the vanguard of the international revolutionary proletariat."

Was such a height reached by even one party of the Second International, by even one member of the parties of the Second International in the progressive capitalist countries? Did any one of them come so closely and so concretely to the problem of the socialist revolution? Was any one of them aware at all that the victory of the proletarian revolution could only take the form of the dictatorship of the proletariat? Alas, no! While Lenin and the Bolshevik Party were laying down the direct path to the proletarian revolution and to the dictatorship of the proletariat through the democratic dictatorship of the proletariat and peasantry, the Social Democratic parties of the advanced capitalist countries had not yet faced, for lack of a revolutionary situation, greater *immediate* political tasks than the conquest of universal suffrage, wherever it had not yet been won, or the conquest of various "liberties." That depended, not so much on subjective causes as on the objective situation in Western Europe. But the fact remains a fact, and this absence of a revolutionary situation, these conditions of a long-drawn-out, peaceful, "stagnant" era pressed on the consciousness even of the best, even of the left-wing Marxist leaders of Western European Social Democracy. Because of this, the passionate quarrels between the Bolsheviks and Mensheviks were regarded by most of the leaders of the Second International, who did not understand the real essence of these controversies, at best with neutrality, but oftener with irritation, as a fractional squabble, for which Lenin was especially to blame, said they, as a "splitter."

Bebel felt that these controversies represented an "infantile disease" which would be eliminated, just as in Germany the quarrels between the Eisenach Party and the Lassalle Party had been eliminated. Kautsky took a more thoughtful attitude to these controversies. In 1906, when Plekhanov circulated a questionnaire among the foreign Social Democrats as to whether the revolution in Russia was bourgeois or not and whether

²⁰Lenin, Vol. vi., p. 129.

²¹Lenin, Vol. xii., ed. 1929, pp. 210, 211.

²²At that time Lenin did not speak anywhere of the victory of Socialism in one country. He spoke of that later, beginning with 1915.

“bourgeois democracy” ought to be supported during the bourgeois revolution against the reaction, most of the prominent Social Democrats of the Second International, questioned, favoured the position of the Mensheviks. It was Kautsky alone in his article, “The Driving Forces of the Russian Revolution,” who came close to the position of the Bolsheviks in one question in dispute, after he had inclined to the side of the Mensheviks. He came close to the position of the Bolsheviks in the sense that, in agreement with the views of Lenin and the Bolsheviks, he did not identify the question of the *social content* of the bourgeois revolution with the question of the *driving forces* in it, and recognised, also in accord with the Bolsheviks, that the only driving forces of the Russian revolution were the proletariat and peasantry, that in Russia in the modern era a firm community of interests over the whole period of the revolutionary struggle existed only between the proletariat and peasantry. However, he, too, in contrast to the Bolsheviks, did not advance the slogan of the revolutionary-democratic *dictatorship* of the proletariat and peasantry.

But how did the left-wing radicals regard the fundamental question in dispute, the two lines of tactics in the Russian revolution? Undoubtedly they took more to heart than others the interests of the Russian revolution, and in part took part in it themselves (in Poland); in their own parties (in Germany and Poland) they undoubtedly played at that time a revolutionary rôle, especially later, in the pre-war period, through their energetic struggle against Centrism. However, their positions in this question, too—“the proletariat relying on the peasantry”—came very close, not to the position of the Bolsheviks, but to the position of the typical Centrist, Trotsky, with his famous “parliamentary revolution,” which represented a caricature of the Marxist permanent revolution and by that time had already been adequately demolished by Lenin.

Trotsky’s “permanent revolution” was based, as Comrade Stalin has correctly remarked, on *double distrust*: distrust in the inner forces of the Russian revolution: “Up to now only *one* side of the theory of the ‘permanent’ revolution has usually been noted—distrust in the revolutionary possibilities of the peasants’ movement. Now, to be just, this side must be supplemented by another one—by distrust in the forces and capacities of the proletariat of Russia.”²³

Trotsky did not believe in the revolutionary possibilities of the peasants’ movement, and therefore, as Lenin put it, he “in fact helps the liberal-labour politicians of Russia, who by ‘denial’ of the

rôle of the peasantry understand the *unwillingness* to rouse the peasants to revolution.”²⁴

On the other hand, Trotsky did not believe that *after the seizure of power by the proletariat* it would be able to maintain its hegemony over the peasantry, and therefore, he wrote in 1906:—

“Without direct governmental support of the European proletariat the working class of Russia will not be able to maintain itself in power . . . This cannot be doubted for a single minute.”

If we take into account this double distrust of Trotsky’s in the internal forces of the Russian revolution, we must not wonder that he as well as Parvus, from whom Trotsky had borrowed his idea of the “permanent revolution,” despite their “left” and “revolutionary” phrases, in 1905 went, not with the Bolsheviks, but with the Mensheviks, entering the editorial board of the Menshevik central organ, “Beginning” (“Nachalo”).

Thus, the Bolsheviks went at the head of the Russian revolution, but against the current of all of the Second International, even at a time when Centrism had not yet taken form among the leaders of the Second International.

Thus, in the very process of the bourgeois revolution the Bolsheviks were creating the very important conditions necessary for it to grow on into the socialist revolution, while for the leaders of the Second International, even before the advent of Centrism, the socialist revolution was still merely “the music of the future.” Why, Kautsky, in his struggle “against Bernstein,” in his struggle “against” opportunism, could write: “The solution of the question of the proletarian dictatorship we may leave with tranquillity for the future”!

The lack of space does not allow us here to pause over two other questions of tremendous importance: the position of the Bolsheviks in the national and colonial question, their slogan of self-determination up to separation, and the Bolsheviks’ defeatist slogan during the Imperialist War. These slogans, by pointing out the only escape from the Imperialist War by overthrowing imperialism, stimulated to the highest degree the unfolding of the struggle for the proletarian revolution in the advanced countries, the development of the revolution itself in Russia and its growth into a socialist revolution, and the setting loose of revolutionary movements for emancipation of oppressed peoples in the colonies. These slogans laid down the line of the united front between the proletarian revolution of progressive countries and the revolutionary movements for emancipation among the peoples of the colonies and of oppressed countries.

²³J. Stalin, “The Opposition,” p. 239.

²⁴Lenin, Vol. xiii., pp. 213-214.

And in these questions the Bolsheviks acted alone against all the Social Democrats, including the "left" Centrist, Trotsky, and the left-wing radicals headed by Luxemburg. And these slogans were not advanced by the Bolsheviks on the eve of or during the Imperialist War. Because of the slogan of self-determination including separation, the struggle was carried on against the Polish Social Democrats, headed by Rosa Luxemburg, as early as the Second Congress of the R.S.D.L.P., in 1903, and the slogans of defeatism in the Imperialist War, together with the defence of revolutionary wars and the struggle against pacifism and the pacifist slogans were advanced by the Bolsheviks as early as 1904, during the Russo-Japanese War.

In summing up, we may state the following, absolutely indisputable, facts. A whole series of

questions of tremendous importance, *directly* bound up with the growth of the bourgeois-democratic revolution into the socialist one and with the preparation for the socialist revolution—*just those questions which afterwards served as a water-shed between the Communist International and the Second International—were advanced by the Bolsheviks and only by the Bolsheviks as early as the pre-war period of their activity*, from the very beginning of the formation of the Bolshevik fraction. It was *just because of these questions* that the Bolsheviks broke with the Mensheviks. It was *on the subject of these very questions* that the Bolsheviks carried on their fierce struggle, not only against the Mensheviks, but also against the Centrists (Parvus and Trotsky) and against the Radicals (Luxemburg and her followers).

(To be concluded.)

YOU

will see what a fine collection of writers was gathered for the C.I. in 1931, and what a wide and vital range of subjects they covered.

For 1932 there will be even more writers and topics of world interest dealt with from the revolutionary standpoint.

ORDER YOUR 1932 COPIES NOW

1 9 3 2
C R I S I S

1 9 3 2
W O R K E R S '
F I G H T S

MAKE SURE of your

COMMUNIST INTERNATIONAL in 1932

It is published
twice monthly
at **3^{d.}** or **10** cents
(plus postage)
for at least 24
pages—generally
more.

**ORDER NOW
FOR 1932**

IT is the organ of the EXECUTIVE
COMMITTEE of the COMMUNIST
INTERNATIONAL.

It deals with questions of the Inter-
national Revolutionary Movement.

It caters for the widest possible number
of Party, "near Party" active workers and
Propagandists.

For 1932 the Editorial Board are arranging
for a still wider circle of collaborators,
drawn from sections of the Comintern,
workers in the E.C.C.I. and theoretical
cadres of the Soviet Union.

Every militant desirous of information on
the problems of the International Com-
munist Movement **MUST READ** the
"Communist International."