

was imprisoned for his activities, led to his early release, and 30,000 workers marched in procession to meet him.

In addition to the strike movement, a general growth and consolidation in the ranks of labour is noticeable. The unions are becoming more definitely class instead of amorphous socio-political bodies. Federation of unions belonging to the same industry, but in different provinces, is taking place, notably, among the miners, the textile workers and the railwaymen. A conference for the federation of the latter industry will be held in November, at about the same time that the All-India Trade Union Congress is scheduled to meet. One of the largest labour organizations is the Bengal Trade Union Federation, which claims to have fourteen unions affiliated, with a membership of 250,000 men.

Together with this growth in organization has come a development of the idea of using labour as a parliamentary political force, much as the British Labour Party is used, by semi-liberal reformists and ambitious place-seekers. Labour leaders are already in the field, of the type of Joseph Baptista, N. M. Joshi who is labour member in the Bombay Legislative Council, W. C. Andrews, a Britisher and Christian missionary, and others, who declare the necessity of "guiding" the Indian labour movement into safe channels and giving it an outlet in some form of parliamentary action. These men are exercising a great control on the young labour bureaucracy, and are called in to mediate with the employers and government in times of prolonged strikes, their decisions being almost invariably obeyed by the Indian workers. Andrews has been elected president of the forthcoming conference of railwayworkers. By their dominant position and reformist ideology, they do much harm, sabotaging strikes, preventing their declaration, and dampening the enthusiasm of the men. In addition to these well-meaning meddlers, there is a great number of spies and provocators, so much so that the unsatisfactory termination of the East India Ry. strike was attributed to the distrust aroused in the men by discovering that some of their leaders were government agents, and they thereupon repudiated all leadership.

A new feature of Indian legislation is the number of bills introduced for the amelioration of the workers' conditions. A factory Act was passed in the last session of the Legislative Assembly, and several social reform measures including a bill on Workmen's Compensation are scheduled for introduction in the present session. Add to this the appointments of Committees on Industrial Unrest in every province, whose reports are just coming in, and the creation of Government Arbitration Boards for the settlement of industrial disputes, and one has a fair idea of the growing importance which Indian labour is playing in the national life. The attention paid to the allaying of industrial unrest by the Government at the present time is far more earnest than that dedicated to suppressing the activities of the Non-cooperators, who are no longer regarded seriously. In both the speech of Lloyd George in Parliament and that of the Viceroy on opening the Legislative Councils, the crisis in the nationalist movement created by the Non-cooperators, is announced to have been safely passed, but the Viceroy elaborated at length on the labour legislation which it was projected to lay before the house, and the prospects of industrial peace for the coming year.

The Peasantry.

The temporary confusion induced in the ranks of the riotous peasantry by the withdrawal at Bardoli of the item of Civil Disobedience and Non-Payment of taxes from the Congress Program, and the injunction to respect the rights of the landlords and of private property, produced a noticeable lull in what had become a country-wide movement against both government and landlords, by the peasants' refusal to pay taxes and rents. In the Government Communique on the Non-Cooperation Movement, issued at the time of Mr. Gandhi's arrest, stress was laid upon the menace to life and property involved in the ever-growing responsiveness of the peasants to the slogans of Non-payment of rent and taxes. The reports of the Commissioners of the various provinces account for the deficit in revenue occasioned by the refusal of the rural population to give the tax-collectors their due. Repression was swiftest and most severe in the Punjab, United Provinces, Bengal and Madras, where the peasant movement was strongest and had broken out into violent manifestations. The land of peasants refusing to pay taxes was seized and auctioned off by the Government to the highest bidder. Punitive police were stationed in those districts where unrest prevailed. Conflicts with the armed forces of the state, ending in many casualties, and wholesale arrests for the slightest breach of peace, with a declaration of martial law in the disturbed areas, brought temporary quiet.

But late in the summer, towards the end of July and the beginning of August, agrarian unrest again manifested itself in Madras, Bengal, Central India and the Punjab. Brief telegraphic

despatches announced the hurrying of armed forces to the disturbed areas. The most determined efforts at revolt were made by the Bhils, an agricultural tribe of Central India, which fought for several weeks before succumbing to superior forces. In Bombay, the passive resistance movement of the Malvas of Mulshi Petha, the Mahratta peasants who were being forced off their land by the great industrial concern of Tata & Co., reached a climax, most of the leaders being sent to jail, and the Government was forced to intervene and effect a compromise.

But the most violent agitation broke out in the Punjab, where the struggle of the Akali Sikhs for control of the Gurdwaras or temples and adjacent lands, broke out with fresh vigor after a temporary lull of some months. The struggle of the Akalis dates back several years, and while heralded as a religious movement for reform of the temples, it is in reality, as the Government lately recognized in its Communique issued in September, an attack on the property rights of the corrupt mahants or guardians of the shrines. While the Akalis practiced passive resistance, they used direct action in seizing the temples and turning out the mahants, until the latter implored government protection, and got it.

An open rupture between the Government and the Akalis took place in August at Guru ka Bagh, a shrine near Amritsar, where the attempt of the Akalis to assert their rights to the land by cutting down trees was met by their arrest, imprisonment and fine on the charge of trespassing and theft. Thousands of Akalis rushed to the spot on the call of their leaders, to continue the fight. Police and soldiers were sent to guard the properties of the temple and turn back the Akali bands, who marched in orderly bands from adjoining villages, the railroads having refused them transportation. At first open force was used,—the Akalis were beaten back by blows and fired upon if obstinate. So tremendous became the excitement, and so great was the response of the Akalis to replace those fallen, that the Government changed its tactics, ordered the arrest of those leading the movement, and threw barbed wire defenses around the property, to keep out the Sikhs, who were arrested if they approached. The affair at Guru ka Bagh is being repeated all over the Punjab, 100,000 Akalis having declared their willingness to die in the cause. Official secrecy veils the progress of the movement, which at first received much publicity. The Indian press is full of accounts of the struggle between the Sikhs and the Government, and a national issue has been made out of it, up to date, over 4,000 akalis have been arrested and sent to jail.

The undoubted awakening among the peasantry has affected both the Nationalist movement and the policy of the Government. Signs are not wanting that an agrarian party will spring up ere long, just as the growing activity of the peasants has given rise to a strong and class-conscious organization of the landlords. In several provinces such an agrarian party already exists, the existing peasant organizations forming the nuclei. A great movement is noticeable among the nationalists to go "back to the village", the popular cry of the hour, to found schools hospitals, organize the peasants and head their struggle for a better life. In Bengal, a strong section of the middle class intellectuals are voicing a cry for the repeal of the permanent settlement, a land act passed in the early years of British rule, which confers great privileges on the landlords and brings much harm to the peasantry. The Sikh League is the acknowledged political party of the agrarian Sikh community, and though allied with the Congress movement, has an independent program of economic reform. The Government has tried to meet the situation in its own way, partly by repression and partly by compromise and concession. Land legislation is pending in several provinces, and has been passed in others, to meet immediate crying grievances of the peasants, while Commissions of investigation have been set up where unrest is most acute, to investigate the causes and suggest ways and means of meeting the demands of the peasants without outraging the sensibilities of the landlords. Martial law preserves peace in the interim.

Such is the general situation which confronts those seeking to preserve the status quo and those looking for means to upset it. In the peasant and industrial proletariat lie the seed of revolution, if their economic struggle be properly guided and they can be welded into a party with a clear-cut program backed up by direct action. A vague feeling urges the nationalists to keep contact with these elements, and "organize the masses" has become the nation-wide slogan, but nobody knows how or to what end they should be organized, and those who know, shrink from the consequences involved to life and property. A new revolutionary leadership must be evolved which can seize upon the existing unrest and direct it in proper channels.

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The Political, Economic, Trade Union and Party Developments since the III. World Congress

Following are the articles received by us from the various sections of the Communist International. Repeated requests were made by us to all the affiliated parties we could reach, for reports on the economic, political, trade union and inner party developments since the III. Congress. We regret the tardiness of this issue, which was particularly intended for the information of the IV World Congress participants; but owing to the tardy response of some of our Parties, we delayed the issue of this number. Ed.

Europe

The German Communist Party since the III. World Congress

By Wilhelm Pieck (Berlin).

During the brief interval of one and a quarter years, between the 3rd and 4th World Congresses, very great changes have taken place in Germany. The depreciation of the mark has taken gigantic leaps, the dollar has risen from 80 to 8500 marks. The absolute increase of want and misery in the proletariat, proportioned exactly to the increasing disproportion between wages and prices, has been extraordinarily rapid. The minimum weekly cost of living for the workman has risen from 583 to 13,000 marks, the average wage from 350 to 4000 marks only; that is to say, the cost of living has risen 23 times, while wages have only been raised to 10½ times their former height. The financial bankruptcy of Germany approaches ever nearer to a catastrophe: The national floating debt has increased from 214 to 490 billion marks, the banknotes in circulation from 75 to 344 billions. Stinnes—his competitor Rathenau having been

gotten out of the way—has become the real economic and financial dictator of the country, and the leaders of the trade unions and of the Social Democratic Party willingly obey his behests. The Independent Social Democratic Party has joined the German Social Democracy and is quite openly pursuing the coalition policy in conjunction with the bourgeoisie, aiding the policy which is driving the working class into ever increasing misery, exploitation, and slavery. The work done by the Communist Party has meanwhile raised it to the position of a real mass party of the revolutionary proletariat, purified from all opportunist elements, and with organizations developed under firm leadership.

These are changes whose after-effects will be felt in determined revolutionary class struggles, and the task involved for the Communist Party is no light one. It will be possible for the Party to perform this task only if it continues to follow the tactics resolved upon at the 3rd World Congress, and so successfully pursued by the Communist Party. *Go to the masses themselves, win them for the revolutionary class war, for the fall of the bourgeoisie, and the establishment of proletarian soviets*—this was the call of the 3rd World Congress, and this call has been followed by the German Communist Party since it came into existence.

II.

At the 3rd World Congress, the German Communist Party was the centre of discussion on the tactics of the Communist International, the March Action being condemned as involving the application of a so-called offensive theory. The Party was suspected of having consciously undertaken an action without having adequately prepared the masses of the proletariat for such an action.

The defeat suffered by the Party in the action thus forced upon it, has been much exaggerated, although it is true that the Party was much hindered in its propaganda work by the resultant persecutions and slanders. The disastrous after-effects of the coalition policy for the working classes, the high prices and heavy taxation attendant gave the Party the best opportunity of rapidly making up for the reverse suffered. By means of intense propaganda among the proletarian masses, in workshops, trade unions, etc., always with immediate reference to the crying needs of the day, the Party succeeded in gaining the confidence of the masses to an ever increasing extent. Besides this, the Party learned how to augment its agitator power by means of systematically conducted campaigns, a means which it had hitherto never used quite successfully.

Immediately after the 3rd World Congress, the Party launched a campaign for the aid of Russia. This was followed at the end of August by the campaign against the counter-revolution, invoked by the murder of Erzberger, and at the end of September an agitation was taken up against the coalition with the German People's Party, resolved upon by the Social Democrats at their party conference at Görlitz. At the end of October, the Party took up a comprehensive contest against the high prices, the German mark having further depreciated, in consequence of the loss of Upper Silesia. The growing influence of the Party forced the trade union leaders to formulate 10 demands for the relief of the distress, but these demands were not seconded by any serious efforts to have them granted. The demand for a mortgage on industry, formulated by the German Communist Party as a revolutionary requirement, also found a place, in a weakened form, among the demands of the trade unions, but the working masses understood but too well that neither the trade unions nor the Social Democrats would call upon the masses to fight for these demands, and that the German Communist Party alone was the friend in need. The German Social Democrats attempted to distract the masses from their recognition of this fact by the "disclosures" which they published at the end of November regarding the March Action. The German Social Democrats were unfortunately aided in this distraction manoeuvre by a number of members from our party, who believed with Paul Levi that the German Communist Party would have to "purify" itself from the March Action through public penance, if it was to preserve its vitality at all.

But the masses had however grasped the truth that the March Action of the German Communist Party was not an artificial *putsch*, but a necessary action of defence against the capitalist exploiters, and against the state powers aiding. From month to month more and more pressure had been brought to bear on the working class, pressure towards longer working hours, indirect reduction of wages through currency depreciation higher taxation. In January the Party started a campaign against the tax compromise which had been agreed upon between the bourgeois parties and the Social Democrats at the expense of the working class. In the midst of this campaign came the strike of the railwaymen in February, a strike beginning with the engineers and speedily spreading to the whole of the railway personnel. The cause of this strike was again actual want, and the Social Democratic president, Ebert, knew of no other remedy than to cancel the right to strike, to threaten dismissal, and to arrest the leaders of the strike and confiscate the monies destined for the support of the strikers. With one voice the Social Democratic trade union and party leaders raged against the striking railwaymen, because they had ventured to strike without the permission of these leaders.

Through this betrayal of the workers' interests the strike was lost.

The German Communist Party had given this strike the most powerful support throughout the country, although the railwaymen themselves, not recognizing the true character of the fight, wanted to carry it on on purely trade union lines. The masses turned more and more to the German Communist Party.

The growing misery of the workers, increased by the capitalist policy of fulfilling war obligations enabled the German Communist Party to win an ever increasing number of disciples in favor of a national and international proletarian united front. The Genoa Conference gave the German Communist Party the opportunity of setting up its demand for a Workers' World Congress, and for aid to Soviet Russia against the imperial powers. The Berlin Conference of the Three Internationals was a special opportunity utilized by the Party to arouse the

workers to a powerful international action of solidarity. The ignominious behaviour of the representatives of the Second and 2^{1/2} Internationals at this conference, by which they prevented the calling together of a workers' world congress, opened many eyes among the German workers as to the real reactionary policy pursued by these leaders. On two occasions the Executive of the German Communist Party consulted with the French Central Committee regarding common action to be taken by the German and French proletariat against the capitalist fulfilment policy and published proclamations to this effect; the German Communist Party also maintained the closest relations with the other foreign Communist sections.

Under the protection of the coalition policy, the counter-revolutionary organization became more and more powerful, and prepared for a general demonstration on the 28th of June, the anniversary of the Versailles Treaty. The Party addressed an open letter to the central bodies of the trade unions and of the Independent Socialist and Social Democratic parties. These however declined joint action with the Communist, and again proved to the working class that they, and not the Communists, were preventing the workers from presenting a united fighting front. At the same time these leaders were discussing higher prices for bread in the Reichstag.

In the midst of these counter-revolutionary and coalition party plans came the shot that killed Walter Rathenau, an event which roused the workers to common action more than poverty had done. The Party demanded energetic measures against the counter-revolution, immediate release of the revolutionary political prisoners, and abandonment of the coalition policy. The Social Democratic and trade union leaders sought to obstruct a real mass action of the proletariat by means of parley manoeuvres in the Reichstag. The "Law for the Protection of the Republic" against the counter-revolution, passed by the Reichstag, became an offensive weapon against the revolution, especially against the Communists, while the amnesty granted was only half an amnesty, for it excepted precisely those proletarian fighters whose participation in revolutionary action had caused them to be imprisoned. The German Communist Party endeavoured to mobilize the workers by the formation of Control Committees against the counter-revolution, and to organize a general strike to ensure the execution of the demands made. They demanded that the Reichstag should be dissolved with the slogans: war to the counter-revolution, seizure of values, fight against high prices and taxation, and the formation of a workers' government. The Party, however, was not strong enough to persuade the masses to serious action for these demands against the will of the trade union leaders.

These leaders were thus enabled—instead of presenting a stronger fighting front to the counter-revolution and to the bourgeois parties—to strengthen the coalition front against the revolution. For the sake of the Judas reward of a few ministerial posts in the coalition government, the leaders of the "Independent" Social Democratic Party agreed to the usurious bread law, and abandoned the fight against the counter-revolution. The fruit of this betrayal of the workers' interests was the union of the two Social Democratic parties in September.

The German Communist Party followed its campaign against the counter-revolution by a renewed campaign against the unheard-of prices resulting from the further depreciation of the mark, a depreciation caused by the bankruptcy of capitalist economics and by the results of the London Conference. The Party succeeded in mobilizing the workers in the fight against the growing want and misery, and to form a united fighting front with the aid of the shop stewards. This movement has received a strong impetus through the election of Control Committees for the alleviation of want, and through the convocation of a shop stewards' congress for the whole Reich for the purpose of strengthening this united front. The party and trade union leaders are now endeavouring to combat the movement by shameless accusations against the Communists, and by every possible parliamentary method of sabotage. They are especially energetic in their endeavours to reduce the Communists to silence in the trade unions, and have begun to exclude the Communists from the trades unions with this object.

Once more it becomes clear to the workers that it is not the Communists, but the trade union leaders who are splitting the trade unions. It is the main task of the Party, now as before, to increase its influence in the trade-unions and to convince the workers of the necessity of revolutionary political mass action.

The Party has not only utilized its whole power to strengthen the revolutionary struggles of the workers, but it has also carried on effective revolutionary propaganda in the country districts, among women and young people. In Parliament and in the Diets of the various States, the Communists have striven to maintain close relations with the toiling masses and to encourage them in their struggles. At the same time, the true nature

of the reactionary policy of the bourgeois and Social Democratic parties has been revealed to the enlightened workers. The growing confidence of the broad masses of workers in the Communist Party has manifested itself in the successful municipal elections held last summer.

III.

This activity of the Party has only been rendered possible by the inner solidarity which enables it to overcome all errors which a young party is liable to commit. The latest of these errors was opportunism which spread widely in the party shortly after the Third World Congress, as a result of the false interpretation of the united front tactics. The slogan: "Go to the masses", was misunderstood to mean adaption to the masses, even at the expense of principle. Another cause of this opportunistic tendency was the reaction against the alleged offensive theory supposed to have been exemplified by the March Action in 1921. Paul Levi was the standard bearer of this reaction.

Although the Third World Congress swept away this bugbear to a great extent, it still weighs upon a great many minds. One result has been that a number of comrades regarded the resolutions of the Jena Congress as a continuation of this "offensive theory", and have preferred—as in the case of Adolph Holtmann and Däumig,—to turn their backs on the Party. Others, as Kurt Geyer and Bernhard Düwel, sought to paralyze the Party from within by mendacious criticism, and were excluded from the Party.

When the Vorwärts published its famous "disclosures" regarding the March Action, a number of comrades under the intellectual leadership of Levi considered the right moment to have come for taking decisive steps towards the realization of their opportunist aims. They attempted to form cells throughout the country and began to bombard the Party with resolutions in which they disseminated the basest slanders against the Party leadership.

The Party made short work of these destructive elements. At the January Session of our Central Committee, 28 signatures of one of these proclamations were excluded from the Party. They later joined the Levi Group.

This crisis which paralyzed the Party for the time being was brought about chiefly by the rebellion of the opportunist leaders against the revolutionary tactics of the Party. This is confirmed not only the fact Levi and his followers joined the Independent Social Democratic Party shortly afterwards (March 1922) but by the further fact that the same leaders, when members of the Independent Social Democratic Party, displayed more rigor than all others in bringing about the subsequent union with the Social Democratic Party.

The exclusion of these men cured the Communist Party of opportunism, and its subsequent work has shown the Party to be pursuing its aims without faltering or error. Even though on some occasions a kind of "left opposition" has put in its appearance, this is nothing more than the fear of a possible opportunism, a fear easily comprehensible in view of the sad experience which the members of the Party have gone through with many of their party leaders. But every action undertaken by the German Communist Party, shows that there is no reformist opportunism existing in the Party, and that the whole political situation renders it impossible for such a tendency to arise. The Party has worked its way through many struggles and hard-won experiences to perfect theoretical and political clearness.

IV.

The many fights fought by the Communist Party since it came into existence, the many persecutions to which it has been exposed, have long prevented it from the development required to render it a more powerful force. It was not until after the March Action in 1921, that the Party set about the serious work of strict organization, and created a real working body by the formation of groups of tens. The number of members in the Party had been estimated after the Unity conference, in round numbers, at 450,000, but when the actual work of organization began this estimate proved to have been much too high. At the Jena Conference in 1921, it was not yet possible to make any exact statement, partly due to the March Action, partly to the inadequate registration of members, resultant from the insufficient organizational apparatus. It was not possible to carry this out properly until last year. The regular collection of dues is still very imperfectly organized, so that the number of members estimated from the subscriptions paid into the treasury is less than the actual number of members registered in the lists of members. While the estimated number of members was stated last year at 359,613, the Party now numbers 328,017 members according to the statements of the local groups. We have at present 255,883 dues-paying members as compared with 157,168 estimated last year on the same basis.

The progress made by the Party in organization, may be plainly seen from the last two figures. The increasing depreciation of the mark obliges the Party to raise the dues continually. The minimum weekly subscription last year was 75 pfennigs as compared with a weekly subscription of 15 marks at the present time. These minimum subscriptions are supplemented by suitable local advances in places where higher wages are paid. Besides this, extra subscriptions are raised for fighting, trade union, and press funds. The members of the Communist Party have also proved their readiness for self-sacrifice in the collections made for the Red Help for the aid of those imprisoned, and especially in their aid to Russia.

The Party possesses 38 daily newspapers with a total of 338,626 subscribers. The unheard-of rise in the cost of paper and printing forced the Party to charge extraordinarily high prices for the papers, which renders it extremely difficult to obtain subscribers. The subscription to the Rote Fahne (Red Flag) has had to be raised from 10 to 300 marks, and this without in any way meeting the increased costs of publication.

The Party publishes the fortnightly periodical The Communist Trade Unionist for purposes of propaganda among trade union members in town and country; this paper appears in an edition of 33,000 copies. For agitation among women the fortnightly Communist Woman is published in 29,000 copies, and for agitation among the small farmers,—the monthly periodical The Plough, (5000 copies). A monthly periodical, The Commune is published for the comrades working in the municipalities; edition, 3000 copies. The fortnightly scientific periodical The International is published in an edition of 3500 copies. The enormous prices for paper and printing are a serious limitation to the Party in its written propaganda. But despite all these difficulties the Party has contrived to develop its organization in such a manner that it is fully capable of coping with all the struggles which undoubtedly lie before the workmen.

In the Reichstag, the Party is at present represented by 14 members only, 12 comrades having left the Party in consequence of party differences without placing their seats at the disposal of the Party. The Party is represented in the various state diets by 76 comrades, in the provincial diets by 69, in 420 towns by 12,015 councillors, in 479 communities by 1,507 municipal representatives, and in 67 District Councils by 281 comrades.

The work done by the Party in every sphere of the proletarian class struggle has resulted in the creation of a competent functionary body, while the educational endeavours of the Party are developing the members to theoretically and politically enlightened fighters for our cause. A party school has already been held twice, and pupils admitted from every part of the country. The first course held lasted one month, the second three months, and the result of the courses promises to be an effective alleviation of the lack of competent leadership in the Party.

V.

Owing to lack of space, the survey given in the foregoing chapters of the work of the Party since the Third World Congress is little more than a mere sketch. Much of the work done has not even been touched upon. Considering the forces and means at its disposal, the Party has performed excellent work for the revolutionary movement of the proletariat. The Party is well aware of the deficiencies that still mark its work, and is making every effort to remove these. The political situation and economic conditions in Germany place a great deal of responsibility in the hands of the Party with regard to the revolutionary movement, and set it tasks which it can only perform by utilizing its powers to the utmost.

The German Communist Party sends its delegates to the Fourth World Congress in the expectation that this congress, like its predecessors, will contribute to the further development of the revolutionary class struggle which will lead the world proletariat towards its final victory over the world bourgeoisie and towards the Dictatorship of the Proletariat.

Economic Development in Germany

By G. Fink (Berlin).

Germany's economic break-down has become obvious during the past half year. The past year has shown that all theories regarding a reconstructed Germany—theories tending in the long run to Menshevism—have been based on a very superficial judgment of the situation, on the apparent flourishing state of the markets, and on the general ignorance of economic facts.

Although a year ago it was still a matter of debate, to-day it must be universally admitted that German industry is kept occu-

ped solely through the continued depreciation of the mark, and that the apparently flourishing trade conditions are purely the expression of the economic crisis in Germany. It need not be denied that various attempts have been made to overcome the crisis, and that production has been increased in various branches of industry by means of increased exploitation, longer working hours, and over-time; but precisely in the important mining industry there is no increase of production, rather a decrease, and the crisis as a whole is more acute than ever.

While in other industrial countries the number of unemployed decreased during the past year to a certain extent, unemployment in Germany shrank more and more. Now, however, the lowest point of unemployment has been passed, and the official reports of the various district unemployment offices show that unemployment is again increasing. Despite this, even today unemployment is less than in "normal pre-war years". During the whole year German industry has flourished. But although costs of production are much lower in Germany than in other countries, and although the wages paid to German workers are only a fraction of those paid to industrial workers of other countries, Germany's competitive capacity is endangered. As soon as the mark is "stabilized" for any length of time, it becomes difficult to sell abroad, and this is the more dangerous for German industry, as the home market dwindles continually.

The weak point of German economics has been, and still is, that despite lower costs of production Germany demands almost the same prices as the industries producing at higher costs, so that it is only through the continued depreciation of the mark, and through renewed reductions in wages and costs of production, that Germany has been able to maintain her export capacity. Another factor which has tended to bring about present conditions is the irrational manner in which all materials were used up during the war, and which has not yet been compensated by the introduction of new technical equipment, new methods, and improvement of every kind. The inferior output, as compared with 1914, may be attributed in part to this technical backwardness, in part to that of malnutrition of the workers.

It might be assumed that German industry, being fully occupied, would be in a position to utilize the sums realized abroad, and would set to work on the technical improvements required in Germany, in order to effect qualitative production, thus making competition independent of the depreciation of the mark. But here it must be said that a part of the high prices demanded are to be looked upon as a risk premium for the capitalists, who suffered great losses when buying raw materials during the first phase of the depreciation of the mark, and who fear that the favourable state of the market will not last.

It should be noted that the greater part of the profits gained by German industrial undertakings in their sales abroad does not return to Germany itself, but remains abroad.

The countries to which capital is thus exported are chiefly Switzerland and Holland, and the Scandinavian countries. The question naturally arises, what is the aim and object of exporting this capital? The accusations of the French Government, that the German capitalists evade the reparations payments, are true to a certain extent. On the other hand a very valid reason may be the fear of serious social conflicts.

It should however be remembered that the continued reductions in wages have made human labor cheaper than machine labor in Germany, and that German industrial capital has not increased, but diminished, in the course of the last few years. Only thus is it possible to understand that the greatest part of the industrial reserve army has been sucked up by the industries, and that despite the increased number of workers, the production of the most branches of industry is lower than in 1913.

This flight of capital, has the effect of automatically lowering the value of the mark. The renewed depreciation of the mark brought about by this flight from the mark enables German industry to lessen its costs of production and to compete. The necessity of calling up a fresh mark catastrophe, in order to remain competitive, becomes imperative for German industry at ever shorter intervals; the signs of impending crises on the market, and of unemployment, recur with increasing frequency. And just at the present time Germany economics appear to have reached a point where, as in Austria, a market crisis occurs despite a completely depreciated currency and despite low costs of production and cheap labor,—a crisis no longer to be averted by further depreciation.

At the present time the Social Democracy, and the Wirth-Bauer coalition government, must themselves admit the complete bankruptcy of their reparations and fulfilment policy. They are no longer able to make either cash payments or deliver commodities to the Entente. As is well known, the first reparation payments and delivery of commodities was to be made on May 1, 1921. It was only with the utmost exertion that the German

Government succeeded in paying the first instalment of one milliard gold marks on August 31, 1921, as demanded by the London Ultimatum. It was only possible to do this by raising loans in Holland and Switzerland, to the amount of about 700 million gold marks, and by sacrificing 70 million gold marks from the state gold reserve. But the mark sank lower and lower, and the protection in other countries against German dumping increased more and more.

The German Government then attempted to reach an agreement with France. It was finally signed by Rathenau and Loucheur on Oct. 6, in Wiesbaden. In this agreement Germany undertook to supply what was required for the work of restoration, and to place the amount for these deliveries, a sum exceeding 7 billion gold marks yearly, to France credit. In consequence of objections raised by the other Allies, this Wiesbaden Agreement was never carried out, but was replaced by other agreements, the *Bemmel Contract* and the *Gellert Contract*. In the second week of December, 1921, the German Government was obliged to beg the Reparations Commission for a moratorium, at the beginning of January it was therefore decided, by the so-called Cannes moratorium, that in 1922 Germany would have to meet reduced reparations payments only—720 million gold marks in cash, 1.4 billion gold marks in commodities. Germany was obliged to accept the financial control by the Guarantee Committee into the bargain, and to undertake to raise 60 billion marks by fresh taxation, $\frac{2}{3}$ of which had to be paid during the current year. Another arrangement was made by the Minister of Finance, Hermes, in Paris, to the effect that the floating debt should stand as on March 31, 1922, on condition that she receive a foreign loan enabling her to meet her reparation obligations.

The prospects of an international loan, to discuss which an International Banking Committee was assembled, did not last very long. The Banking Committee sought to effect a reduction of Germany's reparation obligations, still amounting nominally to 132 billion gold marks, and held the possibility of sanctions, of an economic, political, or military nature to be the first condition upon which, any loan could be based. As the French Government was not in agreement with these propositions, the bankers' committee dissolved.

The Guarantee Committee arrived in Berlin in June of this year, charged with the task of controlling German finances. The consultations with the Guarantee Committee led to a more stringent control, to the appointment of two controllers in the ministry of finance, to various daily, weekly, monthly, and quarterly statistical reports to be made by various state authorities to the Guarantee Committee.

The renewed mark catastrophe in July again compelled the German Government to declare its inability to pay, and to beg for a postponement of all cash payments, even on the terms of the Cannes moratorium. The German Government was finally granted a moratorium for the cash payment until the end of the year, under new and difficult conditions, while the payments in kind had to be continued.

The fulfilment policy pursued by the Social Democrats and petty bourgeoisie having thus suffered complete bankruptcy, and all attempts to prevail upon the good nature of the various states, and to induce them to reduce the reparations through apparent strivings to pay, having failed, a new form of "fulfilment" has been introduced by the large industrial enterprises. The fulfilment policy pursued by the coalition government was bound to break down, for it shifted the entire burden on the proletariat. This has led to the complete shipwreck of the whole financial policy of the government. The demands for the seizure of real values, formulated by the A.D.G.B. (General German Trade Union Federation) in November of last year under the pressure of the working masses, and taken up by the Social Democratic Parties, have not been carried through, but a tax compromise has been agreed upon between Social Democracy and the big industrialists, involving an enormous burden of indirect taxes for the working class. The gold billions of compulsory loans which were to be raised have been transformed into 70 paper billions (less than 70 gold millions).

The fulfilment policy of the coalition government and the Social Democrats thus proving a complete zero, certain groups representing capitalist interests in Germany and France are striving to inaugurate a fulfilment policy on a capitalist basis. Attempts at a Franco-German "economic understanding" have been made for some time. In a certain sense the Wiesbaden Agreement may be regarded as coming under this heading, and more than a year ago various German newspapers and periodicals mooted the idea of the participation of French industry in the industrial undertakings of the Western German industrial district.

The initiative step towards realizing the endeavours is given by the *Stinnes-Lubersac-Agreement*, closed in August of

this year between German and French large capitalists. The object of the agreement itself is the delivery to France, by German industry, of materials for the work of restoration, under Conditions of free intercourse without any state superintendence what ever,—the orders to go to Germany through the great *Stinnes engineering concern*, the *Hoch- und Tiefbau-Gesellschaft*. The essential point of this agreement is not alone the immense profits given to the *Stinnes concern*, and the far-reaching concentration of German industry, but the beginning of a Franco-German mining trust.

The annexation plans of the German war instigators, who hoped to incorporate the industrial districts of Belgium and Northern France, the industrial district of Longwy and Briey, into Germany have not been realized by the war.—The great industrial undertakings of Germany and France are now attempting to realize these plans by quite different measures, by the creation of a great mining trust, which would then be dominated by French capital, and would be employed as a weapon against England. The whole of France's reparation policy, directed as it is by French industrial magnates, had and has for its object the separation of the western German industrial district from Germany, and to weld this together with the French industry of Alsace. This is very favourable to the French industry because it has sufficient iron ore at its disposal, but not the requisite smelting coke which has to be brought from the Ruhr district. German capitalists hope that these plans will ensure them certain supplies of raw materials, and the participation in the great iron industry of the world markets. Disclosures which have recently been published show clearly enough that the otherwise super-patriotic industrial barons are willing enough to barter away the Ruhr district to France, if they only reap sufficient profits at it. The *Stinnes-Lubersac agreement* thus signifies the complete dependence of German economics upon foreign capital.

The coalition government in Germany has not only reached the end of its tether as regards fulfilment policy and foreign policy. In home affairs it is also driving directly to ruin. By a system of ceaseless compromises, the government has hoped to induce the large agrarians to supply the necessities of life. But all concessions made to the big landowners have not sufficed to satisfy their appetites for profits as they can see plainly that the government is weak, and has neither intention nor power of really acting against them. The price for bread, already doubled, will have to be raised again by at least as much. Despite this, the big agrarians are only delivering quite small quantities of corn, and demand that the amount required of them should be reduced from $2\frac{1}{2}$ to $1\frac{1}{4}$ million tons; as reason for this they state that the crops are exceptionally bad in Germany this year. The crops are actually under medium, but in various districts the hoe cultures show excellent crops, and the agrarians are without exception in a position to deliver the assessed amount without difficulty. It is naturally comprehensible that they prefer to sell their corn in the open market, at enormous profit, for here the prices rise more rapidly than the value of the dollar, and they have the opportunity of selling to brewers. As the government takes no steps to prevent this, and does not force the landowners to deliver properly, the supply of food of the broad proletarian masses is seriously endangered.

The government is equally helpless in face of the breakdown of the German currency. One mark catastrophe follows another; within 5 months the dollar has risen from 300 to about 8500. Wholesale dealers and industrial concerns draw up their invoices in gold currency, or in foreign monies, or they agree upon a sliding scale adapted to the rate of exchange of the dollar, advances on every rise in wages, and the like. This means that as the mark is falling into disuse as a means of payment inland, its value is further reduced, and tremendous usury is carried on in many industries and in trade.

The speculation in foreign means of payment is assuming ever-growing dimensions, as even the small capitalists endeavour to invest in permanent values. Up to now the government has undertaken almost nothing against this chaos.

The Social Democratic Party, which before the amalgamation had promised the working masses all sorts of miracles from the great, united party, felt itself obliged to undertake something in face of the enormous rises in prices, the usury and speculation, the proletarian movement against the high prices and the growing unrest in the working masses. A financial program, formulated by the one-time theoretical Marxist Hilferding, and providing for the most various bureaucratic measures, was to be the remedy. The decree against speculation in securities was issued, but was so weak in actual practice that it did not even attain the little that bureaucratic measures are capable of attaining. It threw difficulties in the way of small traders and specu-

lators only, but did not interfere with the speculations and flight from the mark as practiced by the great commercial, financial, and industrial enterprises. This decree also made it very easy for the bourgeoisie in Germany once more to demonstrate the incompetency of "Socialist" experts and measures, for within 14 days after this decree came into force the dollar rose from 2400 to 4500. The German capitalists, who had expected stricter decrees, were at first highly satisfied, but speedily began to combat the security decree with such success that they prevented its extension.

The financial program of the German Social Democratic Party seeks to save the mark through the issue of gold reserve bonds. All this is to be done with the aid of the gold reserve of the *Reichsbank*,—which simply means that the reserve is to be sacrificed and thrown into the jaws of the capitalists. From a purely technical point of view, a real improvement in currency is not to be expected in Germany, as the greater part of German capital derives advantages from the depreciation, and not from the rise of German currency.

The German economic situation has thus grown worse and worse in every respect during the last few months. State, inland, and communal finances are hopelessly embarrassed. The policy of fulfilment is completely shipwrecked, and a new and stricter financial control is impending. A food supply catastrophe is inevitable if the present policy of the government is continued. Actual power in Germany passes more and more into the hands of the great industrial barons. The United Social Democracy, which cannot make up its mind to give up the coalition policy and cooperation with the bourgeoisie, are obliged to abandon one right of the working class after another, in order to work on the capitalistic "restoration". They have now got as far as to abandon the eight hour day, which is to be done away with to "increase production".

The greatest sufferer under Germany's unhappy economic position is the German working class. High prices and scarcity of food have so increased the misery of the working class, that even bourgeois physicians and medical organizations admit the beginning of actual famine in Germany, the first signs of which may be seen in the various frightful diseases now attacking the proletariat, especially the proletarian children. Thus the struggle of the German workers, their self-aid movement, is a struggle for existence. This struggle cannot have for its goal the attainment of any government decrees, it can only be crowned with success when it uproots the evil itself, and renders the policy of the German capitalists impossible once and for all.

The Advance of the Communist Party of Czecho-Slovakia

By Karl Kreibich (Prague).

The second world congress of the Communist International was not able to greet any representatives of a communist party of Czecho-Slovakia; only some delegates from a small minority of the Czecho-Slovakian Social Democracy took part in it. These however were able to report that the mass of the proletarian members of this party were in a state of profound ferment. Two months later this ferment came to a climax; the majority of the members freed themselves from the reformist leadership, in order to form a left Social Democratic Party. The counter-revolutionary social democratic leaders were left without followers, without a party apparatus, without a central organ and without any premises for the majority of the party membership had transferred all these to the new party. The bourgeoisie could not possibly suffer this weakening of the firmest support of its power; if it could not recover the masses for the social democratic traitors it hoped yet to save the party apparatus. By the exertion of its whole powers, police, gendarme, military and the courts, it seized in December 1920 from the class conscious Czechish proletarians the property belonging to them, handed it over to the clique of reformist leaders, and crushed with force the ardent resistance of the masses. Yet the bourgeoisie was not able to rejoice long over this success. After a short time of confusion and delay the revolutionary masses assembled again and in May 1921 they accomplished their final breach with the whole of the social democratic ideology by the founding of the Czechish Communist Party, which with quite negligible exceptions was joined by the whole of the left wing of the Social Democrats.

Meanwhile the German minority in the working class of Czecho-Slovakia had also carried out the process of liberating the revolutionary elements from the Social Democracy. As the German Social Democrats for reasons of national opportunism had no opportunity for practical application of social opportunism in the form of coalition policy, the split in this case developed more straightforwardly under purely communist slogans, and thence resulted (six months later) the direct formation of a communist party, whereby however only a minority broke away from the

Social Democrats. It must be mentioned here that in both cases the split and the development into a Communist Party meant not only the overcoming of social opportunism but also of national opportunism, which in Czecho-Slovakia, as was the case in the old Austria, formed the chief symptom of opportunism in the labor movement as a whole.

The next thing to do was to fuse the two Communist Parties into one united party. Opposed to this were differences of a tactical nature. These differences were in no way of a national character. They were connected with the tactical differences which arose in the whole International after the German March action, and were rooted in the different developments which the German and the Czechish revolutionary proletariat had taken in coming into the Communist Party. The third World Congress tore in two the paper screen which still divided us Czechish and German communists. It did this in the first place through the thorough debates upon tactics and through the formulation of its theses over the world situation and tactics, which purified the air and laid the foundation for the future co-operation of communists of all shades of opinion and temperaments, not without also finally repudiating the non-communist elements, the left as well as the right. This basis which the congress laid down for all communists, was also the basis by means of which the last misunderstandings between the German and Czechish Communists could be laid aside.

The carrying out of the order that the fusion of the two parties in Czecho-Slovakia must take place within a few months was therefore more a question of discipline. Within four months all preparations were settled and on the 1st November 1921 there took place the unity conference, the conference constituting the united Communist Party of Czecho-Slovakia. It was preceded already before the World Congress as well as after by the uniting in some circles and districts, of the party organizations for common action and as during the world congress there was also formed a united central Committee of Action, the unification was in fact already accomplished and the fusion at the conference was more the formal carrying out and demonstrative confirmation of an already accomplished fact. The unification has succeeded better than was expected by the most optimistic comrades, and the very least of all the difficulties which the Party has is that of bringing together the proletariat of five nations. In this the difficulty is only of a technical nature.

This does not at all mean that the Communist Party of Czecho-Slovakia is on a bed of roses and has no great difficulties to overcome. It is a mass party, the strongest proletarian party in Czecho-Slovakia, but it has not yet passed through the fire of severe struggles, and has not learned in the school of its own experience, which can only be passed through in such struggles.

There are in Czecho-Slovakia, no outspoken syndicalist, left-radical or Communist Labor Party tendencies, hence there is no gathering point for such elements. Such elements as do exist in much less clear, indefinite form are united in the Communist Party. The theoretical training of the proletariat in Czecho-Slovakia is somewhat deficient, it was always badly neglected in the Social Democratic Party. These reasons explain for instance, why the party during the Karl-Putsch did not take up so prompt, clear and decided an attitude as would have been necessary. Also with regard to the trade union question the clear standpoint of the R.I.L.U. comes out but slowly. There are here two opposing streams among the trade unionists belonging to the party, from whom however there is nothing clearly outspoken. The one will not go to the right to capture the trade unions, the other desires the dissolution of the Amsterdam trade unions. It was only in November 1921 shortly after the unity conference that the communist trade unionists succeeded in shaping a united policy before all for the general Trade Union Congress of the Czechish central trade unions standing under the leadership of the Czecho-Slovakian Social Democracy. Unfortunately we did not succeed in bringing the land workers, who are under the leadership of Bolen and whose union already in the early part of 1921 had obtained a communist control and had then left the general trade union federation, to follow the trade union policy of the party and of our trade unionists, which is not to withdraw from but to remain in the federation! As a consequence of the absence of the land workers the Amsterdamers obtained the majority at the Trade Union Congress. In spite of this the work in the trade unions made great progress, so great, that the Amsterdam Trade Union leaders who saw one union after the other pass into the hands of the communists, used all their powers to bring about a split. Whole unions which had a communist leadership were thrown out of the General Trade Union Federation, while the unions with an Amsterdam leadership expelled whole local branches which had elected communist officers.

These unions and local groups were compelled to link up in some form or other. Thus there is today in Czecho-Slovakia

a strong trade union organization under communist control, which stands outside of the general trade union organizations. As there is not yet therefore a united single trade union organization in Czecho-Slovakia—we have German Social Democratic and Czechish National Social Democratic Trade unions—it is exceedingly difficult for our trade unions to always sufficiently emphasize the character of the general trade union united organization, the more so as there is a "left radical" element which speaks of "communist trade unions". The influx of members into our trade unions, which have, as one, unfurled the flag of united international organization, is extremely strong; at the same time they must now pass the acid test of severer struggles. If they stand the test, then the power of the Amsterdamers in Czecho-Slovakia will be broken.

It was the endeavour of the party politically, to bring the masses into movement through the slogan of the united front and so put them into a position to successfully offer resistance to the attacks of the capitalists. But here also it was not an easy matter to bring the party into one line. Many of the leading comrades did not know how this slogan is to be converted into living reality, and the "left radical" elements in the party imaged that opportunism lurked behind it. As the "left radical" element had the majority in the party administration the same was unable to develop the initiative here. It came about therefore that in this question Brunn obtained the lead in the party. The sitting of the Enlarged Moscow Executive of February brought clearness and the party went more eagerly into the matter. The movement for the united front has to-day already acquired a great extent and embraces a great portion of the Social Democratic and Czechish national socialist working class. In many localities action committees for the united front have been elected and the election of such committees as well as their tasks were eagerly discussed. The masses are on the move, the bourgeois press is thoroughly roused, the Social Democrats rage like mad and the national socialist leaders vacillate hither and thither. At the last national conference of the party on the 24th September, there was issued, against the resistance of a very limited "left radical" opposition, the slogan of the workers government. As the Czecho-Slovakian "Democracy" is now involved in a government crisis, and the economic crisis is becoming continually worse and the masses are more and more embittered against the whole government system, the confusion and the uncertainty among the coalition parties is great. To this is to be added the strained situation in foreign politics which shatters the belief fostered by the bourgeoisie and social patriots, in the democracy and wisdom of the Entente and its Peace Treaties which alone give peace and order to the world.

The whole economic and political situation was never so favourable for the party as it is now. But in this situation, at the very time when everything depends upon the readiness of the party for conflict, its solidarity and its maneuvering capacity, the party is brought into great danger by a "left radical" opposition. This "left" wing has, in its fundamental expression, great similarity to the Communist Labour Party of Germany. There are also similar tendencies among a portion of the masses—impatience, loathing and suspicion against all leadership, aversion to labor bosses, etc.; only its capacity to theoretically formulate these moods is still more limited. The leadership of this opposition was in the hands of people who belonged to the central of the party, among them being the Chairman of the central and the organizing secretary.

The last national conference of the party however dealt with this opposition, and six of their most active spirits were expelled from the party. It is the first time that the party has been compelled to act against a group in this manner.

The representatives of the Communist Party of Czecho-Slovakia will appear at the 4th World congress as one of the strongest communist parties, which in its international composition is a model for a country with several nationalities, and which is on the way to complete inward consolidation and whose influence over the masses is increasing most rapidly. The conditions in Czecho-Slovakia are sharpening so rapidly that the party will very soon be able to prove its fighting capacity.

The Economic Position of the Czecho-Slovakian Republic on its 5th Anniversary

By W. Friedrich (Prague).

The economic crisis in Czecho-Slovakia, which has become extraordinarily acute during the autumn of this year, and which has paralyzed industrial undertakings or caused them to reduce their production to 30 or 40% of their capacity, bringing about such an enormous increase in unemployment that the numbers of the unemployed equal those of the months first following the

war, has been caused in the first place by the decay of Austro-Hungary on the one hand, and by the general economic disintegration of Western and Central Europe, with its attendant limitation of commercial intercourse with the East, on the other. When the foreign press treats of the Czecho-Slovakian economic crisis at all, it does not sufficiently stress the influence and consequences of the first factor, the decay of Austro-Hungary. The economic crisis under which the whole world is suffering, and the fall of the German mark and of the Austrian crown, have doubtless had considerable effect on the economic life of a state accustomed to exporting 70 to 80% of its goods to a triangle represented by Berlin, Vienna, and Budapest. But despite this fact, the present economic crisis in Czecho-Slovakia would have arisen, even if entirely normal conditions had obtained in central Europe.

The Austro-Hungarian monarchy formed a large economic unit, uniting as it did the central European countries lying towards the Danube—the Alpine lands, the Bohemian crown lands, Slovakia, the Hungarian plains, Croatia and Slavonia, Dalmatia, Istria, Bosnia, Herzegovina, and finally Galicia, separated from the Danube district by the Carpathians. All these countries were united in one federation, and had a unified system of protective duties. In the course of their long historical development the separate parts of this politically economic whole so arranged themselves that the industrial centre of the former monarchy was formed in Bohemia, Moravia, and Silesia. This centre produced 64% of the peat, 89% of the coal, 72% of the iron, 80% of the textile goods, 69% of the glass wares, 52% of the paper products, 60% of the foodstuffs and beverages.

The main occupation of the Hungarian plains was agriculture, while machinery and the paper industry occupied the Alpine countries. For various reasons (lack of capital, inadequate organization, etc.) the majority of the industrial enterprises which sprang up on Bohemian, Moravian, or Silesian soil did not attain the technical level of German, English, or American undertakings. Despite this, the system of protective duties sufficed to ensure, even for these technically backward districts, sufficient sales for their products on the inland markets of the 52 million peopled monarchy, for the protective tariff enabled the prices to be kept somewhat higher than the world market prices. Thanks to this price difference the medium and small undertakings of the present Czecho-Slovakia were just enabled to maintain themselves and to find markets.

The situation was radically changed by the revolution of October 28th, 1918, which separated Bohemia, Moravia, Silesia, and Slovakia, from the remaining parts of the Danubian monarchy, and isolated the Czecho-Slovakian territory. What was then the effect of the destruction of the united economic sphere hitherto controlled by the Danube monarchy on this protected industry, whose productive capacity and market was dependent on the extent of the domain enclosed by a protective duty? The ruin of Austro-Hungary could not be without its effects on the economics of the new state, for it removed and destroyed old economic unions, deprived the Czecho-Slovakian industry of customs protection in the markets of Austria, Hungary, Yugoslavia, and Roumania, in part also of Poland, destroyed currency uniformity, broke up long established commercial and credit connections, destroyed the tariff and transport system (the system which rendered it possible to transport Czecho-Slovakian products cheaply to the southern parts of the monarchy, enabling them to compete with the geographically more favorably situated Italian industry), and caused the greatest confusion in credit and financial operations.

After the 1918 Revolution, Vienna, Budapest, Lemberg, Cracow, Agram, Sarajevo, Trieste, Chernovitz, became foreign places, where it was only possible to sell goods at world-market prices. At one blow the Czecho-Slovakian industry was confronted with the task of selling its products—at prices no higher than those of its international competitors—to markets which had been open to Czecho-Slovakian goods for decades at protected prices; the greater part of the Czecho-Slovakian industrial enterprises found themselves however to be provided with technical equipment corresponding to the higher prices only. A change so radical as this, so far-reaching in its effects, was bound to shake the whole foundation of the economic system of the new republic.

Serious results did not immediately follow the national political revolution, as at the moment the whole of Central Europe was suffering from an enormous shortage of industrial products of every description,—beginning with nails and ending with railway engines and railway lines.

After the war, the Czecho-Slovakian industries found ready markets at home and abroad. During the whole of 1919, and almost until the end of 1920 (with a brief interruption from January to February 1919) the prices of all products rose, and

all industrial undertakings flourished, the more that they were able to profit by the tension between the rate of exchange and the actual buying power (which was greater than the exchange value) of the crown.

But all this was pure transition. The favorable state of the market was bound to pass as soon as the West was again in a position to export, and the prices in the world markets began to fall. This change in the situation could already be observed in Central Europe in the second half of 1922. Germany, England, America, France, etc., are offering coal, coke, iron, and textiles, to Austria, Poland, Yugoslavia and Hungary, rendering these countries more and more independent of Czecho-Slovakian goods, dearer as these are.

The period between the third and fourth anniversary of the October Revolution is especially acute for the economic crisis, for it is just in this period that the consequences of the action of 28th October, 1918, are really beginning to be felt. Stagnation, unemployment, and bankruptcies are all merely forms in which the Czecho-Slovakian economics find the level of the territorial displacements abroad.

Those of the Czecho-Slovakian industries which do not reach the world's technical level are being gradually ruined, and the number of the unemployed is thus being increased. Those undertakings, on the other hand, which are technically better equipped, and have more capital at their disposal, are forming syndicates and trusts with the object of improving the commercial and productive organization of the industries, and of rendering them capable of competing with other countries.

In this manner Czecho-Slovakian economics are undergoing a process tending to annihilate small industry, to weaken medium ones, and to strengthen the organizational structure of large concerns, so that the final result is facilitation of industrial concentration (at first merely a concentration of capital, commerce, and administration). Export is falling more and more into the hands of the largest producers. Industry is being forced to follow a horizontal line of concentration, to create syndicates, rings, and trusts, that is, to create those forms of organization which have become the lever of industrial development in Germany and the United States. This course they have been forced to adopt in the endeavour to remove or alleviate the economic crisis. The large industrial enterprises which formerly exported to the Alpine countries, to Hungary, Galicia, and to the south of the monarchy, are now obliged to seek compensation for their lowered export by increased sales in inland markets, thus increasing the difficulties of the badly equipped small concerns, driving these from the market and condemning them to bankruptcy. Small and medium undertakings, robbed of their foreign markets, driven from home markets by the large concerns, vegetate and drift to inevitable ruin.

The decay of Austro-Hungary is the main cause of the Czecho-Slovakian economic crisis. This crisis is being accelerated and intensified by the general Central European crisis.

The lower buying power of the greater part of the purchasers of Czecho-Slovakian industrial products,—Germany, Austria, and Hungary,—the loss of the eastern markets (Russia and the Ukraine), the catastrophic depreciation of German and Austrian currency, the poverty into which the central powers have been plunged by the war and by the Treaty of Versailles, all these factors intensify the crisis.

The recent rise in the rate of exchange in Czecho-Slovakia acted like a catalytic in a chemical process; the number of unemployed, only 42,000 in June 1922, increased within three months to 152,000. And this number does not give a true idea of the actual number of unemployed; in reality the number is much higher. At the same time the number of partially unemployed increased to 750,000. The rise in the value of the crown spells ruin to small business, and at the same time strengthens the position of banking capital, as the increased exchange value of the crown from 6.1 (in November 1921) to 18 centimes has the effect of almost tripling its external buying power, and even when a proportionate reduction of prices takes place, the actual buying power abroad is increased. The small and medium enterprises, steeped in debt, must either go bankrupt, or they become absolutely dependent on their creditors, the banks, as the amount of their obligations is multiplied by the fall in prices.

If we take a general survey, we find the general economic development of the Czecho-Slovakian republic during the past year to show the following tendencies:—

The productive apparatus of the Czecho-Slovakian republic is just finding the level of the changes which have taken place in territories and markets, the first result being a wide-spread industrial crisis and renewed increase of unemployment. The technically obsolete forms of production (small enterprises) are condemned to rapid ruin, the significance of large industrial undertakings, and of financial capital, increases essentially. The

endeavour to keep the foreign markets, and to lose nothing of capitalist profits, is the cause of the vehement attacks on the wages of the working class, for the reduction of the workers' standard of living is the sole means of reducing costs of production. The depreciation of the neighbouring Central European currencies, and the rise of the Czechish crown, has intensified the crisis, thrown the whole system of inner connections in Czecho-Slovakian economics off its balance, and forced a reduction of the whole system of economic figures, changes which naturally cannot take place without struggles and severe social conflicts. The conflict between the interests of national economy and private capital is sharpened to the highest possible degree, for the tremendous revolution in production requires comprehensive regulation, technical improvements for production, concentration, etc.; and under capitalist economics these changes take place only in a spasmodic and elementary manner.

The Italian Situation

By Umberto Terracini.

If we want to express the present phase of evolution of Italian society graphically, we must unhesitatingly draw a bold and abruptly slanting downward line.

The acute crisis of dissolution which Italy is passing through is to be traced back, to the same causes which have exercised their mischievous effects since the beginning of the armistice in 1918, in the "victorious" and the vanquished countries alike. Italy came out of the war with the halo of victory, and suddenly found herself promoted to third place among the European powers, to fifth place among the world's powers, a position requiring her to play the rôle of regulator in international events. This signified the necessity of creating and maintaining an army corresponding in magnificence to the task. The peace did not bring Italy the desired opportunity of freeing herself from the heavy ballast of armament, while on the other hand, the indissoluble Fiume problem, and the everlasting guerilla war in Lybia, rendered a partial mobilization necessary.

Meanwhile, the glories of the victorious war, in which Italy was supposed to take a share after the peace of Versailles, did not satisfy the broad masses of the people, who had never been particularly enthusiastic over the intervention of 1915. And the idiotic incapacity of the government and the diplomats led to nothing further than to satisfying the ambitions of the nationalist groups and the greed of certain groups of banking and industrial capitalists.

The result of this general dissatisfaction was a state of fermentation which prepared the soil for a rising among all classes and castes, for an ever-increasing restlessness, for a spirit of rebellion which has spread successively from one stratum of the bourgeoisie to another. This atmosphere of distrust and discouragement rendered the governing classes incapable of action; they awaited events with fatalistic apathy. It was in the midst of the milieu thus created that the events of the years 1919-1921 took place, movements of a revolutionary character. In chronological order: the congress of the Socialist Party in Bologna, leading to the administration of business being placed in the hands of the Chamber of Workmen by the owners; these events were followed by the military revolts in Ancona and the immediate cessation of military operations in Albania; then came the general elections, in which the Socialists won 156 seats, and their sensational anti-monarchist demonstration in the presence of the king, during the solemn celebration of the opening of Parliament; other events were the seizure of land, the general strike in Piedmont with its resultant recognition of the shop stewards, the occupation of the factories, and the first attempt to arm the workers.

At first these events were accompanied by an apparent economic improvement, in which the proletariat again played a leading rôle, showing a high degree of competency for economic organization. In order to stem the rising tide of revolution, the state had the extensive industrial apparatus, called into being by the exigencies of war, kept artificially alive by means of unnecessary orders. On the other hand the employers, unprepared and thus incapable of resistance, and actuated only by the desire to keep their class privileges for a while longer, rapidly granted every demand made by the masses. At this time it was possible for the trade unions to obtain higher wages and other advantages by merely threatening to stop work, without needing to actually strike or fight. In this manner the eight hour day was won for the whole working class without any very great struggle.

The struggles carried on during this phase of development bear a distinctly political character, and every victory won

by the proletariat was due without exception to the political pressure exercised by the proletariat. Despite the apparent improvement, the economic crisis progressed rapidly. The artificial maintenance of the war industry greatly overburdened the state budget; another burden was the creation and subsequent development of the "royal guard" (guardia regia), a truly hireling army of 100,000 men, called into being by the government as a last desperate defence against the flood of revolution; to this must be added the doubling of the wages of the tremendous mass of state officials and public employes. At the same time the organic process of production began to stagnate, as the industrial capitalists devoted all their energy to saving their capital from the dangers of a revolution on the one hand, and from the possibility of sequestration by the state and thus carried their capital out of the country.

The periods which we described up to now may be graphically represented as follows: 1. by a downward line, representing the progressive evolution of the economic crisis; 2. an upward line, representing the growing power of the working class; 3. another downward line, representing the weakening of the political power of the bourgeoisie.

The end of the year 1920 and the beginning of the year 1921 brought an abrupt and unexpected change in the mutual relations of these powers. This applies particularly to the readiness and capability for fighting displayed by the proletariat and bourgeoisie. The causes of this change are a matter of common knowledge; on the one hand the leading factor was the incapacity of the Socialist Party to utilize for the revolutionary struggle the occupation of factories and land, the result being a relaxation of proletarian power; on the other hand the readiness to fight re-awakened in the bourgeoisie. From this moment onwards Fascism takes its place in Italian history as an independent and decisive factor in the capitalist offensive; and at this same moment the proletarian advance guard, the Socialist Party, began to be torn by those opposing fractions and tendencies which have since completely destroyed the organism of the party, and have thrown it into a condition of complete incapacity for action, precisely at a moment when it is threatened with the greatest dangers. Still, it must not be forgotten that these inner struggles represent a process of enlightenment without which the creation of a revolutionary party in the true sense of the term would not have been possible.

The falling line representing the progressive political decadence of the bourgeoisie, now changes its direction rapidly and decisively, and rises; whilst the line representing the political power of the working class, hitherto tending upwards, falls abruptly, and even sinks beneath the lowest point ever reached by the bourgeois power. As to the third line, representing the progressive development of economic evolution, this continues to fall, and approaches nearer and nearer to a complete breakdown.

Indeed, the almost incomprehensible temporary standstill in the process of decay of the bourgeoisie, and the total change in the comparative power of the two opposing classes, has not influenced the general national economic situation in any way. One and a half years after the reconquest of power by capitalism Italy shows every symptom that the impending decay has not been checked, but is rapidly reaching the most important centres of the organism.

Four years after the end of the war the state receipts show a deficit of 5 billions, a deficit which continues to increase.

It was not until this year that the parliamentary discussion on the separate points of the state balance sheet, as required by the constitution, was again taken up. On this occasion the minister of finance himself could not but acknowledge the alarming state of the state finances. With respect to the sums expended for war pensions and for the restoration of the liberated districts, these are hypothetically to be settled by the reparation payments to be paid by the vanquished countries. Another point which is not to be forgotten, when judging the situation, is that there is a public debt of 100 billions. To all this must be added that the state is continually compelled to intervene financially in order to prevent the ever threatening bankruptcy of the great banking and industrial enterprises, which are supported by political groups endeavouring to cover their own risky speculations out of public money.

This process was entirely unknown in the past, and is still unknown in other European countries, but in Italy it has become a custom; this is explained by the fact that in Italy the government has become in every respect the tool of a few mighty bank trusts, who strive for governmental power only in order to utilize it for their own purposes. The secret moves made by all leading political personalities, and by all political parties, are all parts of a game in which the initiative is undoubtedly taken by one or the other of the leading banking corporations. *Nitt*

and the bankrupt *Banca di Sconto*, resurrected under the name of the *Banca di Credito*; *Giolitti* and the *Banca Commerciale*; the People's Party and the *Banca di Roma*,—all these are no accidental combinations, connections fabricated for polemical purposes; they represent the mighty union of politics and high finance, that is, the latest form assumed by the dictatorship of capital in Italy.

The inevitable consequence of this state of affairs is that the state is subject to every shock caused by the speculations of the banks, and has to bear the costs of all unsuccessful undertakings. It is a well-known fact that the Italian government sprang rapidly to the help of the *Banca di Sconto*, to prevent its definite breakdown: that it lent the assistance required to withdraw the *Ansaldo* works from the verge of ruin; and no one failed to observe the action taken to save the *Ilva*, or the support accorded to the *Banca di Roma*.

Meanwhile the wave of ruin is spreading from the centre to every part of the periphery. Precisely the same state of affairs is to be found in the local public institutions, which carry on their finances in the same manner as the state, only within their narrower limits. These organs are thus obliged to refrain from the fulfilment of the most important duties entrusted to them. The large municipalities show a deficit of several hundred millions, and it has even occurred that they have not been able to pay the salaries of their own employees.

Out of the approximate 3000 communities won by the labor parties at the last communal elections in 1920, over 2000 have already been placed under military occupation by the Fascist bands. It may well be imagined under what conditions these bloody events have occurred.

Italy is a country possessing no raw materials; metal, wood, and fuel may be said to be exclusively imported, for the iron mines of the Island *Elba* and of the *Val d'Aosta*, the wood of Tuscany, and the forests of the recently annexed Trient district, are of no practical significance whatever in view of the home consumption. The extensive industry of Italy is thus dependent on foreign countries, on the products of Italian industry cannot as a rule compete successfully with those of other nations. This explains the comparatively slow development of Italian industry, which has so far only been really successful in some few special lines, as for instance in the manufacture of motor-cars.

The war gave Italy a sudden opportunity for extensive industrial activity, the possibilities of production rising into the immeasurable. Every price standard vanished, every risk overcome, all competition eliminated, the inexhaustible needs of the state for war productions of every description made everything possible. And the state ordered, bought, paid, unceasingly. But this dizzy altitude of production changed abruptly with the coming of peace. That certain and accommodating client, the State, vanished from the market; the laws of competition came into force again; the frontiers were partially reopened, so that foreign products could re-enter the country; the demand for goods decreased as the general economic crisis began to make itself felt; the depreciation of the lira doubled the prices of imported raw materials; the owners of industrial concerns were alarmed by the rising tide of revolution.

And so the wonderful industrial apparatus, to which the artificial atmosphere of the war had lent an air of apparent commercial prosperity, stagnated abruptly. After a short period of feverish activity, kept up by the state without any real basis, solely for the purpose of quieting, the excited masses, the crash came rapidly, its first beginnings coinciding approximately with the occupation of the factories, etc., in the year 1920. Bankruptcies, lock-outs, abandonment of undertakings, sale of technical equipments at ridiculous prices, demonstrated the ruin of an industrial organism upon which Italian nationalism had been pluming itself for some years with the greatest pride and conceit. And the workmen, lured into the cities by the gigantic strides of industry, and now compelled to make acquaintance with poverty and misery, began to return to the villages.

But the same general slackening dominated country and city alike.

Italy, whose geological character excludes it from being an industrial country, is also no agrarian country, although ancient tradition names it "*mater frugum*" (corn mother); ten centuries of wars, false economics, irrational cultivation, and exploitation, have devastated the once fertile fields. The "*mater frugum*" is compelled to import from abroad more than a sixth of its yearly consumption of cereals, and is also obliged to import cattle for slaughter. The industrial imports are thus not equalized by any agrarian exports, and this adverse trade balance has grown much worse since the end of the war. The withdrawal of millions of workers from the country for four years could not fail to have disastrous effects.

After this brief resumé of Italy's economic situation (financial—industrial—agrarian), no-one will be surprised at the continual and considerable depreciation of the Italian rate of exchange. The Italian lira is on the brink of the same precipice which has been the grave of the crown and the mark, and is confronted by the same decay as Germany and Austria, two capitalist economic units which once belonged to the mightiest of the earth. During the time immediately following the war the labor movement was blamed for the depreciation of the lira; but at the end of September 1920, that is, at a time when the proletariat was in a state of complete subjection, and the capitalist dictatorship reigned supreme, one pound sterling cost more than 104 lire instead of 24 and one dollar 24 instead of 5 as in peace time.

These figures demonstrate more clearly than any words how far the crisis has already carried Italian capitalism on the road to ruin.

The Situation of the Proletariat.

In the whole of Europe there is perhaps not another country in which the working classes are in so desperate a condition as in Italy. The Italian proletariat, suffering simultaneously from the economic results of the general crisis (unemployment, reduction of wages, high prices of necessities of life, housing problem), and from the reactionary policy being carried through with a definite end in view by the bourgeoisie and the state, is at the present time passing through the most terrible period of its struggle for freedom. And the present condition of powerless subjection is the more oppressive that it follows the period up to 1920, during which the proletariat had risen to an incredible height of power.

Two series of circumstances led to this point: the capitalist offensive and the crisis in the Social Democratic Party. The capitalist offensive began in 1920, and at first assumed two different forms, adapting itself to the peculiarities of the milieu; while an agrarian districts the first bloody Fascist attacks were undertaken (in Bologna on November 21, 1920; in Ferrara in December 1920), the tactic first applied in industrial centres was that of dismissals. The two forms of the offensive were chosen with exact regard to the circumstances under which the power of the proletariat had developed in the two different branches of production. The relations between the choice troops and the masses of the proletariat, between these and other classes of society, the structure of the organizations, the psychological difference between the country laborer and the city proletarian; all this was taken into careful consideration. The capitalist offensive in Italy really attained perfection, not being in the hands of the blind, unwieldy, and mechanical apparatus known as the state, nor dependent on the confused and inconsistent initiative of single individuals, but combined and conducted on definitely planned lines by bourgeois organizations united in powerful national and agrarian associations able to utilize every scientific auxiliary.

The General Industrial Confederation (*Confederazione Generale della Industrie*), of which nearly every industrial magnate is a member, became the supreme anti-proletarian council of war, whilst the agrarian union quite openly organized and supported the Fascist bands. The separate episodes of these two offensives, conducted simultaneously and closely interwoven with one another, are well known. The daily dismissal of thousands of workmen, by which the guilds were robbed of their most class-conscious and best fighting elements; the rapid weakening of the trade unions, unable to keep control of the unemployed; the creation of an army of unemployed driven to sell their working power for a slice of bread.

The guilds defended themselves against the dismissals by strikes, upon which the employers, determined to stake everything, retorted by closing the factories.

The details of this struggle are already known: the masses had to carry on the struggle under the influence of the criminal retreat of 1920, without faith in their leaders, whose defeatist tactics broke up the united and general action of the proletariat into a number of infinitely small episodes. It suffices to say that the capitalist attack was victorious along the whole line, and that the offensive against wages led to the goal aimed at: the reductions in wages amounted to as much as 60 to 70% in some localities, the average reduction for all categories of workers being 35%. This catastrophic result of the struggle delivered a frightful blow at the capacity for action of the trade unions; they lost more than half their members. The General Labor Federation, numbering about 2,500,000 in 1920, possessed scarcely more than 800,000 in 1920. While the restored strength of the bourgeoisie was causing these phenomena in industrial districts, the agrarian districts were victims of the civil war tolerated and furthered by the State. The proletarian breakdown was even more rapid here than in the industrial districts. Some of the provinces, which had already developed the most

perfect forms of organization, as Bologna, Ferrara, Rovigo, were completely in the hands of the Fascisti by the end of 1920.

The bloody waves of reaction gradually overflowed the whole province of Emilia, Tuscany, Apulia, Abruzzi, Romagna, parts of Piedmont, and Lombardy,—the richest provinces of Italy, where the trades unions and proletarian leagues were most widely spread and firmly rooted. The trade union of agricultural laborers, which had a membership of 1 million, has now less than 200,000 members.

After the workers had been beaten and their ranks thinned, it was easy for the bourgeoisie to pass on to direct offensive against the trade unions. The workers were deprived by force of the right of organization, not formally, but in actual practice; the leaders of the trade unions were murdered, the union buildings destroyed. Where the trade unions still exist their rights as competent representatives of the masses in disputes are not recognized; other so-called labor organizations have been called into existence, obedient to the will of the employers. This work of destruction has been furthered in every respect by the frightful extent of unemployment. The enormous number of unemployed is partly a result of the general economic catastrophe, and has in part been brought about intentionally by the employers, in order to facilitate the subjection of the proletariat.

The Unemployed.

Before the war Italy possessed an excellent and radical remedy against unemployment: emigration. About half a million proletarians left the country every year to seek work elsewhere. Three fifths of this enormous number emigrated to America, where they formed great national colonies, especially in the United States. The war stemmed this tide of emigration.

After three or four years had passed, and normal intercourse resumed, the traditional loophole for the surplus population of Italy would have been open again, but the new American law regulating emigration has completely closed this possibility. The regulations coming into force this year render it impossible for more than 50,000 Italians to enter the United States yearly. This number would have been insufficient even in normal times of properly ordered economic activity, under which more workers would have been employed at home.

At the beginning of 1922, the official statistics showed the unemployed in the whole country to be 500,000. By the 1st of May, 1922, this number fell to 432,372; by June 1st, to 410,127. But when the existing methods of control are taken into consideration, the optional and non-obligatory registration, it will be seen that these numbers include only a part of the actually unemployed.

Misery and want increase daily in the most frightful manner. The best proofs of this are the increased number of objects to be found in the pawn-shops, in the frequent deaths from general weakness, and the increase of organic disease. For some years statistics on these matters have been lacking in Italy, as a state in process of dissolution has not been able to compile the data which are absolutely necessary if a proper control is to be exercised. But mere empirical observation suffices to convince one of the truth of the above statements. It is for instance impossible to draw up an exact table of the constantly rising prices of the necessities of life, but personal experience enables every individual to convince himself of the frightful height of the prices. It costs more than five times as much to live in Italy now than before the war. If this fact is compared with the general reduction of wages, and with the growing unemployment, it is no exaggeration to state that the Italian proletariat stands today on the very brink of despair.

The Situation of the Middle Classes.

The revolutionary wave of 1919/1920 induced the petty and middle bourgeoisie to enter the Socialist Party and the red trade unions. The public officials, and the *Intelligenza* voted solidly for the candidates of the "revolutionary party"... Strikes among public employees brought the machinery of the state apparatus to a standstill more than once. But the first signs of reaction sufficed to recall these new members of the proletarian associations back to the bourgeoisie, that is, to the bourgeois parties, who for their part were willing enough to promise protection to the penitent sinners... They had to do this for the time being, at least, if they wanted to attack the working class with greater safety. But as soon as the capitalist offensive had successfully carried out the plan for the subjection of the proletariat, the governing class speedily set about the work of taming the middle classes.

The most characteristic episode of the struggle now initiated was the reform of the bureaucracy, a point which has formed part of the program of every new government for 20 years. Now, at the most critical and decisive moment for the

Italian state, this problem was to be solved. Just as the leaders of industrial concerns have tried to stave off ruin by reducing wages and dismissing workmen, in the same manner the state attempts to balance its hopeless budgets by reducing the number of officials and paying lower salaries. Minister Facta, who has won the favor of the reactionary parties for his encouragement of Fascism, is now anxious to gain the confidence of the democratic and liberal parties, and with this object he is going to strike a deadly blow at bureaucracy, armed with a new list of salaries and all sorts of tables. The government officials are unable to defend themselves, their organizations are too weak and cowardly. And they cannot reckon upon the sympathy of the working class, for they betrayed these at the first sign of danger. The times are past when the state officials could lay down their work, and carry out a ten days' general strike applauded and helped by the workers and peasants.

The middle class thus shares the sufferings of the proletariat; but it has no need of defending itself against the illegal Fascisti reaction for the latter is endeavouring to utilize the middle class as a base and fulcrum for its own operations. It is also protected by the legal state reaction, as the state does not fear that the laws will be threatened from this side. Still, the economic crisis knocks at the doors of the officials and members of the higher professions. After a period of waiting, dissatisfaction and bitterness are beginning to reawaken. The proletarianization of the middle class proceeds at an ever growing pace.

Trade.

We have seen the break-down of industry, and of the state finances. We have seen the misery of the proletariat and of the middle classes. We must now cast a glance at trade, the functions of which are closely related to the phenomena above described.

All stability in price has vanished from the Italian markets. The stage has not yet been reached at which the prices in the shops change from minute to minute, as in Germany and Austria, but they change from day to day. The higher prices result from various causes; shortage of goods, lack of ready money, the high rates of foreign exchange, the absence of any state control of price, the formation of close and disciplined rings among producers and re-sellers, excluding all possibility of competition, etc. The heads of the food commission announce in the newspapers higher prices for the winter. This anarchy on the market transforms trade to speculation, and the tendency to speculation becomes more and more wide-spread. In this regard the increasing number of cases of insolvency has increased four-fold.

The condition of trade is closely related to the catastrophic situation of the railways, whose balance for the fiscal year 1921/22 shows a deficit of over 1 billion. The great Italian ports stagnate, the Italian mercantile marine is running less than 50% of its ships, and even this number is decreasing.

The Class Struggles.

The present phase of the Italian crisis is characterized by a temporary slackening of the economic struggle and an aggravation of the political. The *political struggle* has already assumed the form of *civil war*. A standstill has been reached in the wage offensive, the employers having succeeded in the course of a year in reducing the economic position of the workers to such a low level, that a further lowering might perhaps be dangerous for the bourgeoisie itself. Besides, the proletariat is so weakened and discouraged that in most cases the employers can carry out their wishes, without fearing resistance.

The general strike of the engineers was the last occasion on which the Italian workers defended their wages and their rights against the employers. Its unhappy conclusion naturally only contributed to heighten the atmosphere of passive resignation which has taken possession of the proletariat. Besides this, the great mass of the unemployed, no longer organized in the trade unions, form an army of despairing blacklegs, at the disposal of the capitalists. But the bourgeoisie has another end in view than to reduce wages. The present position of the proletariat is to be made permanent; the workers are to be deprived of every possibility of rising again.

Fascism is called upon to perform this task; the medium to be employed is the systematic destruction of the trade union organizations.

The Fascisti are gradually introducing into every part of Italy their régime of bloody terror, carefully planned in every detail, on military lines; the path of their daily conquests is strewn with the ashes of workmen's dwellings, with the corpses of martyred workmen and trade union leaders. The capitalist class believes that the only way to completely break the power of the working class is to annihilate the last trace of the revolutionary organizations. It shrinks from no means leading to this goal. On the one hand it resorts to murder and incendiarism, on the other it organizes new "national trade unions",

designed to force the workers and peasants of Italy into a compulsory army.

The proletarian struggle against the military action of the Fascisti moves within narrow limits; when the Fascisti made their first unexpected and brutal attacks on the proletarian organizations and on single workers, they were met with little or no resistance. Later on the workers were able to prepare themselves to a certain extent, and to measure their strength against that of the white guards, frequently with success. That this activity has been limited is mostly the fault of the negative attitude adopted by the Socialist Party and the General Labor Federation with regard to the problem of armed resistance, whilst the organization of resistance, where it was carried out, has been due almost exclusively to the activity of the Communist Party and of some Anarchist groups.

In any case, the progress made in organizing resistance has transformed the one-sided action of the bourgeoisie into a civil war, into which all classes and parties are being drawn one after another. This war, which has already claimed thousands of victims, and has destroyed inestimable values, forms at present the substratum of Italy's whole existence. The episodes of this civil war are interwoven with the parliamentary and communal struggles, with the elections, with every expression of culture and religion, with home and international questions. It is this war which threatens to destroy the whole edifice of Italian society, and to give it a prey to the flames.

In the face of a political situation such as this, in which armed power is the sole decisive factor, and programs, traditions, and qualities have lost all meaning for the parties and individuals which have built upon them, it is only natural that Fascism has torn the leadership into its hands, and now holds the fate of the country in its palms. Fascism has become the standard by which all other positions are measured; the sole difference existing between persons and groups of the political arena is the difference between the patrons and the opponents of Fascism. Among the former the bourgeois parties are to be found without exception; among the latter the proletarian parties, despite certain differences in attitude and activity. Now that the power is completely in the hands of the bourgeois parties, Fascism will be recognized as a *method* by the bourgeois parties and by the state; it will dominate as a *party*, in the coalition of the bourgeois parties, and strive to gain the whole power, the actual dominance over the whole nation.

Italian society being in a state of complete dissolution, in which the various social strata rapidly alter in structure, psychology and aim, it is extremely difficult to draw up an exact list of the political parties, and to enumerate their characteristics. This applies to the parties of the bourgeoisie and of the proletariat alike.

If we go through the parliament from right to left, we find the following parties: the Fascisti, the Nationalists, the Agrarians, the Liberals, the four groups of Democrite (Liberal Democracy, Italian Democracy, Social Democracy, Democracy without designation), the Popolari, the Reformists, the Republicans, the Socialists, and the Communists.

The Fascisti, nationalists, and agrarians form the official *Right*, and combine to form an alliance in parliamentary action. These three groups, conservative to the marrow, are weak in numbers, but possess a violent boldness enabling them to dominate the whole *Centre*. It could be observed, however, that during the last ministerial crisis the Fascisti separated from the nationalists and agrarians when the vote was taken. The nationalists, declared monarchists, feared the occasional flickerings of republicanism sometimes observable in the Fascisti. The agrarians resented the close connection existing between the nationalists and the industrial trusts, fearing that the big land owner might be deprived of certain financial privileges. The agrarians also feared that the trade union associations formed by the Fascisti might suddenly withdraw from their control and become a weapon for a fresh rising in the proletariat. The financial group of the brothers *Perronne*, owners of the Ansaldo works and the Commercial Bank, is concealed behind the nationalists. The liberals have nothing to do with the old school of Italian liberals, although they maintain that they follow these traditions. In past times they formed a party of the Left Centre, at present they are in reality a fraction of the Right. Their leader is the deputy *Salandra*, who recently regretted that his advanced years prevented him from taking an active part in the military activity of the Fascisti. This entirely insignificant fraction invariably combines with the above named ones. The Democratic groups do not possess any definite program whatever. They do not represent any tangible political tendencies, and their existence is due to personal rivalry among their leaders, who create a Parliamentary apparatus in order to lend their political adventures a respectable appearance. The four Demo-

cratic groups possess no fixed traditions. The ranks of the Democratic groups are filled with the best known personalities of Italian political life, a whole army of ministers and one-time Prime Ministers: Gioiotti, Orlando, Nitti, Facta, Cocco-Ortu, Solerie, Nava, Rossi Paratore, Peano, etc. etc. Despite their anti-Fascistic utterances and their faithful allegiance to constitutional liberty, these variously designated democracies permit their representatives to support the white reaction in the government: Gioiotti called it into being, Facta continues to lend it support. Some few isolated sections of these groups were for a time in favor of collaborations with the Socialists, but at present not even Nitti mentions this possibility, although he has been the most eager exponent of the coalition plan, and as such has been especially hated by the Right.

The most respected members of the Democratic groups are political exponents of the *Banca Commerciale* and the *Banca di Credito*.

The group of the Catholic People's Party (Popolari) is the largest in the chamber after the Socialists, and represents powers of considerable importance; it is supported by a well organized party and by the Catholic Trade Unions with several hundred thousand members. Until recently every cabinet was dependent upon this party, as there was no certain majority without the votes of the Popolari. The internal crisis in the party, however, exercised a fatal effect on the activity of the parliamentary group. After the last government crisis, which was called up by the group but solved against its will, the group lost its privileged position. Then entirely irrational combination of elements in the party—broad masses of poor peasantry, large landowners, higher clergy—is beginning to be acutely felt; the entire opposition of interests, up to now concealed by the skill of the party secretary Don Sturzo, becomes more and more apparent, and is leading to the first frictions and schisms.

The *Popular Party* declares itself anti-Fascisti, but it tends to illegal reaction, accomodates itself to it, even when its own members and institutions are attacked. There exists, however, a wide difference between the official party organs and the local organizations. Whilst this party's ministers in Facta's cabinet were deliberate accomplices of a government supporting Fascism, the organized Popolari in the provinces were taking up arms against the white guard divisions.

The *Reformist* group consists of a little band of leaders without disciples. The authority it possesses is due to the memory of Biasolati, its first leaders, and to the capability of Bonomi, its present head; it will probably be obliged to join hands with the fraction of the present Socialist group in favor of coalition. Although the Reformist group inclined to Fascism at the time when Bonomi was Prime minister for the first time, it has turned its back upon it since the last crisis, which gave Bonomi the possibility of once more becoming president, at the head of a coalition cabinet.

The Republican group in Parliament represents exclusively the right wing of this party. The Republican Party possesses an extensive following in some agrarian districts of Romagna, Marche, and Latium. But since, its leaders come from the large cities, where the bourgeois elements form the majority of the party sections, the pseudo-proletarian party policy bears an uncertain and ambiguous character which awakens distrust and suspicion everywhere. In this group the Fascisti question has against brought about a crisis; while the working masses wanted to join the rest of the proletariat, and have joined them in actual practice, the bourgeois elements are prepared to maintain a neutral attitude with regard to Fascism, or even to support it openly. A sensational episode of this internal struggle was the resignation of the deputy Bergamo, leader of the left of the party, in protest against the peace pact concluded between the Republican leaders and the Fascisti in the province Treviso. It is to be hoped that this case will accelerate the process of differentiation and will bring the masses nearer to the other revolutionary parties.

It is not necessary to speak of the Socialist and Communist groups; it is not difficult to prophesy that the relations of power will change in favor of the Communists before long.

And then there are still the Anarchists, who naturally do not figure in the list of parties represented in Parliament, and are not organized in any party as such. Up to recently they were grouped around their daily paper *L'Umanita Nova*, which has since ceased to appear. Although thoroughly enlightened against Fascism, for a time their "free" ideology made them feel obliged to recognize the right to freedom of action on the part of the Fascisti; for the same reason they felt compelled to carry on a violent campaign of agitation against Russia and the Third International. At the present time, however, they are approaching the Communist workers and are assisting them in the organizations and in the street battles.

The trade union movement in Italy is so thoroughly permeated with the political spirit, that one result has been to call into being a very large number of proletarian organizations. Every party recruiting its ranks from the masses of workers and peasants founds its own trade union, which then enters into the contest with the other parties. By these means the parties have masses at their disposal which, although less disciplined and trustworthy, are much greater in numbers than the party organizations proper.

An exception is formed by the Communist Party alone. Thus the Communists are working within the Socialist *General Labor Conference*, in the Anarchist *Unione Sindicale*, in the Republican interventionist *Unione Italiana del Lavoro*, in the Railway Workers' Union—whose members belong to all parties, and in the Seamen's and Dock Workers' Unions. On the other hand, they naturally do not join the labor federation of the *Popolari*, nor the Fascisti national.

The General Labor Confederation (*Confederazione Generale del Lavoro*) belonging to Amsterdam is the most important organization of all, although at the present time its powers are much weakened by the reactionary offensive, and the number of its members is less than that of the Catholic associations. It comprises national trade guilds which are soon to be made into industrial guilds, and is affiliated to the Socialist Party by a definite treaty of alliance. At the present time it numbers 800,000 members, one third of whom are grouped around the *Communist Trade Union Committee*, one third around the *Maximalist Committee*, and the remaining third following reformist leaders.

The *Unione Sindicale*, which originated in the secession of its members from the *Confederazione Generale del Lavoro*, and with regard to whose numbers it has never been possible to obtain data, is organized on federation lines, without central organization. The majority of the association belong to the *Berlin Syndicalist International*. The number of registered members is about 100,000. Within the Unions itself a *Syndicalist-Revolutionary fraction* has formed, to which almost the majority of the members belong, and which agitates for union with the *Red International of Labor Unions*.

The *Unione Italiana del Lavoro* came into existence in 1915, at the beginning of the war, through the secession from the *Unions sindacale italiana* of the Syndicalists and Republicans with an interventionist tendency. Founder and leader is the deputy De Ambris, secretary of the provisional government in Fiume, who attempted to make the *Unione* the centre of a syndicalism with national tendencies, à la d'Annunzio.

The *Sindacato Ferroviari* (Railwaymen's Union) is a body which seceded from the General Confederation because of the latter's affiliation with the Socialist Party. It numbers about 120,000 members, and was deemed for a time to be more revolutionary and more prepared to fight than any other trade union in Italy. At the congress in August of 1921, a coalition of Socialist, Anarchists, and Non-Partisans, was formed for the purpose of preventing the Communists winning the victory, and this procedure resulted in a weakening of the whole organization. The union has just begun to recover from the dangerous crisis into which it was plunged by the last general strike. One third of the members belong to the Communist fraction. These exercise a strong pressure on the trade union with the object of inducing it to join forces again with the *Confederazione del Lavoro*.

The Seamen's Union (*Federazione Lavoratori del Mare*) joined the General Confederation, but in reality it is an independent organization, in which a dictatorial despotism is exercised by the secretary of the union, deputy *Giulietti*. Giulietti has never pursued any definite policy, but has vacillated between militarism and Communism between d'Annunzio and the reformists, between Ardites and Fascisti. His skilful manoeuvres have succeeded in isolating the sailors from the rest of the proletariat up to the present. But his latest attempt to place the organization under Fascisti generalship has roused the indignation of a great number of members, and will probably lead to radical changes in the structure of the union, with the result that it will really become a part of the whole proletarian movement.

The *National Union of Dock Laborers* (*Federazione Nazionale Lavoratori dei Porti*) is independent from the other great national labor organizations. This union is non-political in tendency, with the result that it has become a sort of guild with narrow interests.

The National organizations came into existence this year; the members are recruited from the proletariat of the districts conquered by the Fascisti. As Fascism has become particularly powerful in agrarian zones, the overwhelming majority of the members of these bodies are agricultural laborers. At the present

time there are nine National organizations having 450,000 members.

These organizations consist of the unions of the employers and employed. In this manner the principle of class-cooperation is to be realized in a tangible form. The spirit which the leaders are filled, however, and the circumstance that the Fascisti Party acts as arbitrator in disputes, renders this principle of collaboration in actual practice nothing more nor less than the subjection of the working class.

In the regions where every trace of the red organizations has been wiped out by fire and sword, and the workers have been forced to enter the Fascisti unions under pain of death, illegal Communist groups have been formed; these keep up the service of information, maintain relations with the central institutions of the party, and carry on the work of agitation underground.

The Situation in Holland

By Gerard Vanter (Amsterdam).

The economic life of Holland is passing through a serious crisis, whose chief cause is to be sought in the ruin of the German economy and the depreciation of German currency. The cut-throat competition which floods the Dutch market with German goods makes it impossible for most industries to produce at a price which will pay, with the consequence that more and more factories have had to close down. On the other hand the disappearance of Germany as a market for Dutch industry, and particularly for Dutch agriculture has been followed with disastrous results, whereby again whole branches of economic life have been severely hit. Transport business, one of the most productive sources of income for Dutch capital has, in consequence of the competition of Germany in the sphere of shipping, been reduced to the lowest minimum.

This crisis is also indicated by the official figures of the central statistical bureau regarding unemployment. According to these figures the average weekly number of wholly and partially unemployed from January to March 1922 inclusive were, 19.3, 21.3 and 14.2 per cent respectively, as against 7.10 and 17 per cent respectively in the months of January—March 1921 inclusive. In the first quarter of the year 1922 there appears a considerable growth of unemployment as compared with the corresponding period of 1921.

While the second quarter of 1922 it is true shows some falling off, this falling off is to be directly attributed to the seasonal work of the Summer.

In addition to agriculture, the diamond industry, the tobacco industry, Fisheries and shipping have been specially disorganized by the crisis. The diamond industry which is of such importance for Amsterdam has suffered severely as a result of the above named causes as well as from the competition of the much lower paid Belgian diamond workers, and the far greater number of diamond workers were entirely without work for the whole recorded year. As a result of the migration of Dutch workers to Antwerp, the membership of the 'Diamond Worker' Union has fallen to 8,000. Of this number 6,000 on an average were unemployed. Of the tobacco workers, about half have been affected by unemployment.

How severely agriculture, both field and garden cultivation, have had to suffer from the crisis is amply shown by the fact, that with the present rich harvest, the produce does not even pay for its transport to the town, as a result of which the peasants leave the vegetables to rot on the fields, in order to at least extract some benefit from them as manure. The Bulb cultivation industry is reverting to the most unfavourable conditions as it was specially devoted to the export trade. Among the casual labourers in particular unemployment is enormously prevalent.

The Position of the Workers.

As the crisis which is now becoming intensified has already lasted for some years, it is obvious that the position of the workers is becoming steadily worse. Not only has unemployment had demoralizing effects everywhere, but along with that the wretched housing conditions are exerting a depressing influence. The Director of the Statistical Bureau estimates that the enormous housing shortage has again increased since November 1919 to the end of 1922 by 72,500. The national support given for the erection of houses has almost entirely ceased so that this source of misery will greatly increase in the next few years and will tend to continually raise house rents.

The more acute the crisis becomes the more energetically is the offensive conducted on the part of the employers. Everywhere the attempt is being made to cut wages and prolong working hours. The national and local authorities are not lagging behind in this respect. The railway men for instance are being threatened with a ten per cent reduction in wages, and it is very questionable whether in view of the splits in the trade unions and the lack of fighting spirit among the leaders and members there will be any talk of serious resistance. For the fighting spirit which expressed itself some years ago in numerous strikes has during the last years greatly diminished. While in 1919 the number taking part in strikes amounted to 55,857 and the total number of strike days to 963,000, the number of strikers in the year 1920 amounted to 47,027 and the number of strike days to 1,080,000. After 1920 however we see a continual falling off in the strike movement and only the last months show a slight increase.

In general the resistance of the working class is extremely scanty and reductions of wages and prolonging of worktime are now repeatedly carried out without any effective resistance being offered.

Political Struggles.

Of course side by side with the economic offensive there proceeds the offensive on the political field. This was initiated by the anti-revolutionary law. It cost the Minister of Justice Heemskerk very little trouble to pass this law through parliament, by which revolutionary propaganda is rendered liable to very heavy punishment. A twenty four hours protest strike against this law was also a failure, because the railway workers and the workers in the state or municipal services were not called into the struggle by the trade union leaders. The strike was not powerful enough, and only in the bigger towns did it come to demonstrations. As the revolutionary movement represents no direct danger for the bourgeoisie little use has been made of this law up to the present.

On the other hand reactionary measures were calmly carried out, the national schools were clericalized and the religious sectarian schools were subsidized by the state, so that the hitherto neutral state school is completely undermined. While at the same time the prospect was held out of universal suffrage this was but to win the support of the Social Democratic Party.

Militarism has been considerably strengthened so that at present the military expenditure is 46 per cent higher than before the war. The idiotic belief that the Dutch government should be in a position to defend the colonies forms the pretext for it to squander 500 million gulden upon a new naval program. The increase of militarism in Dutch Indies proceeds particularly from the fear which the government entertains for the interior enemy, namely, the fear of the revolt of the Indian people. It is this fear which causes the government to oppose in the most shameless manner the leaders of the Indian revolutionary movement and particularly of the Communist movement. Our active comrades Sneevliet, Bronstede, Boors, Bergsma and Tan Malaka have one after the other been deported to Holland, while in the Dutch Indies itself the prisons are overflowing with revolutionary fighters.

Of course the Dutch communists have fought against these reactionary tendencies to the best of their ability. In parliament they have continually exposed the misdeeds of the government. In the "Djambi-affair", for example—where the Dutch government delivered over the rich mineral oil springs of Djambi to the *Royal Dutch Shell*,—our comrades in parliament made a profitable use of this question in order to expose how the Dutch government is a play-thing in the hands of the petroleum capitalists and are quite given over to the British capitalists.

At every opportunity, our comrades in Parliament have of course advocated the resumption of trade relationships with Soviet Russia.

The Dutch-Indian comrade Tan Malaka was put forward by the Dutch Communist Party as parliamentary candidate. His propaganda certainly contributed to the fact that we polled 54,000 votes at the election, in consequence of which our party comrades Wynkoop and van Ravesteyn were re-elected, whereby we maintained the seats we captured in 1918. The further result of the election was that the reactionary Christian Socialist Party received a great majority whilst the Social Democratic Party lost two seats and had reduced majorities in twenty seats.

The election has shown to us communists that our influence is relatively great—having regard to our membership which now amounts to 2,000 paying members. It will be the great

task of the Communist Party of Holland in the next few months to remove the incongruity between the number of votes and the number of members.

The general crisis appears also in the trade union movement and is shown by the fact that the total number of trade union members has steadily gone down since January 1920. In general the movement still suffers from serious division. There are no less than five chief tendencies the N.A.S. (National Labor Secretariat, more or less "syndicalist"), the N.V.V. (Netherlands Trade Union Federation, section of the Amsterdam International Trade Union Federation), the C.N.V. (National Christian Trade Union Federation) the R.K.A. (Roman Catholic Trade Union Federation) the A.N.V. (General Neutral Trade Union Federation).

The following table provides a survey of these different centres:

	1. Jan. 1920	1. Jan. 1921	1. April 1921	1. July 1921
N.A.S.	48,764	36,038	35,645	—
N.V.V.	259,739	225,345	218,596	217,845
C.N.V.	70,262	76,488	75,618	73,667
R.K.V.	148,981	158,052	155,642	154,966
A.N.V.	40,303	51,983	51,589	51,150

Since then, all the Trade Union centres have lost a considerable number of members. Thus for example the membership of the N.A.S. (Syndicalist) has dropped to 25,000.

The communists have for some years been organized chiefly in the N.A.S. After the second world congress in Moscow the question of the trade unions became a vital topic and after great debates our party decided that the Communists should also work in the other Trade Unions.

The carrying through however of this idea has encountered great difficulties, and there are the difficulties in the sphere of the trade unions which have hindered the growth of our party up to now.

That our following in the N.A.S. is not broken in spite of the base methods of opposition of the syndicalist element is clearly proved by the voting over the question of affiliation to the Red Trade Union International. Of the 10,000 votes recorded 4,000 were given for affiliation to the R.I.L.U.

During the last months our party has displayed a great activity for increasing the number of readers of our daily paper the *Tribune*. As a consequence the number of readers has increased by about 1200 during the last eight weeks.

This successful activity is being continued with the greatest energy under the leadership of Comrade Brandstede, and with a corresponding propaganda there must doubtless result a considerable increase in the party membership.

Under existing conditions there is no sign whatever of any powerful movement on the part of the working class; if however, as seems probable, the crisis increases, it must necessarily follow, from an appropriate activity on the part of the party that the Dutch workers will recognize the leadership of the Communist Party.

Satisfactory results have been achieved in Holland for the Relief of Russia. Under the direction of the Communist Party there was formed the "General Committee for the Relief of the starving in Soviet Russia" with Comrades *Kruyt* and *Brommert* at the head. In all there have been collected no less than 330,000 Gulden.

The Norwegian Labor Movement 1921-1922

By E. W. Bull and Trond Hegna.

The war rendered the economic life of Norway unique. The merchant marine, the fisheries, and export industry brought millions into the country; everywhere there was diligence and activity. The prices increased somewhat in the same measure as on the world market. But wages also increased although much later and more slowly — and there was almost no unemployment. Only officials, functionaries, and those with fixed incomes were affected by a real scarcity and the economic degradation of these classes was obvious.

The collapse began in the middle of 1920. The demand for tonnage which the war had created disappeared and a great portion of the merchant marine was obliged to remain idle. The price of metal fell and the mines were in a state of stagnation. The celluloid and the timber industry found no

market for their great stocks. The factories came to a standstill, and the cutting of timber in the forests ceased. The fisheries found no market for their produce and great quantities of spoil fish had to be thrown into the sea.

In 1920 exports amounted to 1,250 million crowns and in 1921 to 576 millions. Imports in 1920 amounted to about 3,000 million crowns and in 1921 to 1,463 millions. The number of failures and shut-downs showed a corresponding increase. (Failures: 1918 — 110; 1919 — 190; 1920 — 421; 1921 — 1061. The first 8 months of 1922 — 720.)

Unemployment increased from 2.3% of the total membership of the trade unions in 1920, to 17.6% in 1921.

The budget of 1922 already shows an actual deficit. In order to effect a balance the bonuses paid to the officials and functionaries on account of the high prices have been considerably reduced and the customs increased.

As in most other countries, the war prosperity was accompanied by inflation. The normal limits of the rights of issue of the National Bank (Norges Bank) were overstepped. The currency fell, and on the Christiania Exchange the dollar was quoted as follows: (Par 3.73); January 1921, —5.40; September 1921, —5.16; January 1922, —6.30; September 1922, —6.05. The present heads of the National Bank have decided to carry out a policy of deflation, and thereby restore the Norwegian crown to par. But since the industries are greatly in debt and the Municipalities and the State have increased their debts fourfold and sevenfold respectively, the deflation policy will cause great difficulties for productive economy.

Position of the Workers—Trade Unions.

The economic depression has of course been accompanied by a fundamental alteration in the position of the worker. Unemployment has set in to an unprecedented extent. The employers raised the cry for wage reductions and immediately began to carry out considerable wage reductions.

In 1920 the wages of the mass of the workers were settled by arbitration awards. The liberal government of that time had on its program arbitration awards in the event of labor conflicts and with the support of the conservatives, it brought in a provisional law for this purpose against the Social Democrats. The liberal government wished to win the sympathy of the workers for the arbitration system, and the awards in every way corresponded to the demands of the workers. The awards were to be in force for two years, until March 1922. The year 1921 would accordingly pass without great labor conflicts.

This was not the case however. At the end of April 1921, the wage agreement between the shipowners and the men expired. The employers immediately demanded considerable wage reductions. The men declared a strike. As there was great unemployment in the shipping industry the issue of the strike was doubtful and the trade union therefore proclaimed a sympathetic strike. Only a few trade unions were not involved in this strike; chiefly the railway workers.

The great strike in the Summer of 1921 lasted 14 days. Among the bourgeoisie a considerable nervousness was to be observed and the fighting morale of the workers was very good. Conflicts with the police occurred. But the workers were not organized for this struggle and calm was immediately restored. After 14 days the workers returned to work. The negotiations that followed resulted in an immediate 12% reduction of wages, and 5% from the 1st of October. The employers had demanded an immediate reduction of 33% and 25% from the 1st of October. The great strike therefore ended with a compromise. In reality it was a defeat for the workers. The trade unions had entered the strike with the slogan: No wage reductions! they wished thereby to establish a principle and in spite of this the strike ended with a reduction of wages. It should also be added that the general feeling of the workers was that they had suffered defeat. Disappointment marked the Norwegian labor movement henceforth. The rest of the economic struggle which the Norwegian workers have conducted in the year 1921 are not very important. The most important is the strike in the wood and paper industry which ended in a wage reduction of about 20 per cent.

For the majority of the workers the time of decision was in March 1922, when the arbitration awards of 1920 expired. It was obvious that the employers had decided on great reductions. The arbitration law which was provisional and only applied for a year was again introduced into Parliament by the liberal government. In the Autumn of 1921 the parliamentary elections took place with the result that the Conservative Party (Industrial and agrarian conservatives) obtained 74 seats, the liberals 39, the Social Democrats 8 and the Communists 29. It was evident that the Conservatives would vote against the bill.

The trade union executive had made no preparations to encounter the great decision in the Spring. The trade union membership was greatly reduced as a result of unemployment

(from about 150,000 in April 1920, to 90,000 in December 1921). The trade union leaders were therefore not disposed to enter upon a great struggle and requested the Social Democrats and Communists in Parliament to vote for the bill for compulsory arbitration. Both fractions complied with the wish of the trade unions. The law was passed and immediately came into force.

All this happened in the first months of 1922. The arbitration court immediately assembled and is still in session. The wages in one industry after the other have been fixed. The general result of the decisions already reached are: The eight hour day has been maintained, the holidays been reduced from two weeks to one and a general reduction of wages by about 30% has been effected. The awards are valid for one year. The same applies to the law regarding the arbitration court itself. In the Spring of 1923 therefore, the Norwegian workers will be faced with the same decision as in this year, and whatever else may happen it is not likely that the workers' organizations will again accept the compulsory arbitration law.

The inner history of the trade unions is determined by the struggle between the Social Democrats and the Communists. The majority of the craft unions are Communist and are collectively affiliated to the Labor Party. There is still a strong Social Democratic element in the trade unions, particularly because a great number of the functionaries and leaders are Social Democrats, although the mass of the workers belong to the Communist Party. It is for this reason that they have delayed affiliation to the Red International of Labor Unions. This delay led to a conflict with Moscow in the autumn of the 1921 and when this conflict was adjusted, 23 trade union functionaries in leading positions, published a protest against the Communist Party and Moscow. Another disputed question is that of the transformation of the trade unions from craft unions into class unions. In order to express the narrow craft interests through the interests of the whole class there were to be set up organizations consisting of the whole mass of the workers in every town; the old craft unions should continue, however. The Social Democrats oppose this arrangement but the Communists are its main supporters. Thus there is a new conflict in the life of the trade unions.

During the Summer of 1922, many of the biggest craft unions have held their congresses; although most of them have recommended the new form of trade union organization, as well as affiliation to the R.I.L.U. it is still evident that the Social Democrats still form an influential element in the trade unions. Doubtless many difficulties will result from this in the future.

The Political Labor Party.

From 1910 onwards there has been a conflict between a radical and moderate tendency in the Norwegian labor movement. In 1918 the radical element won a decisive victory, captured the whole party executive and in the following year affiliated to the Third International. When the theses of the 2nd congress were published and the Norwegian Labor Party accepted these theses, the moderate element broke away from the party and formed its own party,—The Norwegian Social Democratic Labor Party.

The Social Democratic Party was not numerically an important fraction of the old Norwegian Labor Party. The number of its supporters was insignificant in most of the local sections of the old party.

Only in the district on the east side of Christiania Fjord (Ostfold) did it have a firm majority. The Social Democratic Party is therefore essentially a local party; the party has no future nationally. An idea of the status of the Social Democratic Party is to be gotten from the figures of the last parliamentary election: Social Democrats 83,000, Communists 192,500, total number of electors 905,000. The result in Ostfold was: Social Democrats 9,200, Communists 3,250, total number of Electors 33,250.

The Communist Party is the old Norwegian Labor Party; it has at present about 60,000 members (in 1919 165,000).

The trade union members form the bulk of the party. The party is now preparing for its transformation into a real Communist Party organization with individual affiliation of the members. This however lies in the future. The form of the new organization is a problem which is keenly debated.

The parliamentary election of Autumn 1921 was a great mobilization of the party forces. The election must be regarded as a significant victory for the party. The Norwegian Labor Party came out the second party in the country and received 29 mandates in Parliament.

The composition of the newly elected parliament which assembled in January 1922 was of momentous importance. The votes received by the respective parties have already been mentioned. The government party had only 39 votes and the liberal government would have had to resign if it were not supported by the Communists and Social Democrats. Many

comrades thought that a conservative government was worse than a liberal one and that therefore they must not help overthrow the liberal government. This tendency gained the day. The vote of censure was not moved.

The slogan of the united front issued by the Communist International also caused disputes in the Norwegian Labor Party. The one tendency (the same which supported the arbitration law) considered that the slogan of the united front carried with it the direct request to the Social Democratic organizations for a united struggle and that the Communist Party must conduct such a policy. The other tendency considered that the united front had already been realized in Norway through the organizational cooperation between the Norwegian Labor Party and the trade unions (Mutual representation in the central committees takes place, and the party receives considerable support from the trade unions). Thereby the party comes into constant contact with the mass of the workers and also with those who belong to the Social Democratic Party.

The "Crisis Program" formulated by the Central Committees was also a disputed question.

Both tendencies referred to the International and the question was dealt with in the Enlarged Executive Session of June. The result was a resolution on the Norwegian question.

In this resolution the Executive adopted the standpoint of the group which was against supporting the liberal government, and against the law for compulsory arbitration. With regard to the question of the united front the Executive gave a clearer definition of what constituted the idea of the united front, and declared that neither side was exclusively right.

The Norwegian labor movement is at present in a difficult situation. Unemployment, the capitalist offensive, etc. But as soon as the workers' organizations are reorganized, they will be rendered capable of beating back the capitalist offensive.

The Economic and Political Situation in Switzerland

By Hermann Bobst.

The Economic Life.

The economic life of Switzerland is still stagnant. One may even speak of its ruin. The chief industries of the country are devoted to the export trade and they cannot avoid the conditions of the world market. It is to their interest that agricultural produce be reduced to the lowest possible price, in order that they may be able on the basis of the reduced cost of living and the consequent reduction of wages to place their products upon the world market. The agricultural interests want the frontiers tightly shut. The high ground price and the nominally increased indebtedness in spite of the war prosperity places the peasants in danger of ruin by the free exchange of agricultural products. The value of agricultural goods and effects, cattle and land, is estimated in round figures at 16 billion francs and the total amount of mortgage indebtedness at 8 billion francs. In the meanwhile the price of the products fell 35%. On the other hand the amount of indebtedness already displays a tendency to increase. This is plainly expressed by the increase in the mortgaging of stocks of cattle. It is well known that the peasant has come to his last resources when he is obliged to mortgage his cattle. Those industries which are engaged exclusively in supplying home needs are likewise hard pressed by the competition of the low foreign valuta. Like the peasants they too demand the limitation of imports and prohibitive customs duties.

Numerically the peasants and small business people constitute the strongest bourgeois group. The bourgeois parties and with them the State are for this reason compelled to pursue a middle class and peasant economic policy. As an outcome of this policy the import of an innumerable number of products was forbidden. High customs upon essential food stuffs and the temporary embargo on cattle supplemented these measures.

This economic policy is conducted at the expense of the export industries. Owing to the high cost of living the latter are not in a position, to reduce wages on an extensive scale. The measures adopted by Switzerland naturally evoke retaliatory measures by other countries. The export industry is therefore in an actual state of collapse. But the whole economic life of Switzerland is bound up with this collapse of the export industries, for although the export industries are numerically limited, they constitute the most important source of income of the Swiss population.

This is clearly shown by the figures relating to imports and exports. In 1913, imports amounted to 1,920 million francs, and exports to 1,376 million francs.

Since the commencement of the crisis the imports as well as the exports have constantly declined as is to be seen from the following figures.

	Imports	Exports
1919 (the whole year)	3,533 million francs.	
Up to the second quarter an increase was still to be noted. With this quarter the increase ceased.		
1920— 2nd quarter	1,096 million francs	899 million francs
1921— 1st "	782 "	447 "
1921— 2nd "	553 "	446 "
1922— 1st "	445 "	402 "
1922— 2nd "	408 "	397 "

The Position of the Worker.

Under these circumstances the position of the workers is visibly becoming worse. The prices of most of the articles of necessity after a considerable decline in the past months show a tendency to stabilize; some articles even show a tendency to increase in price. The wholesale index figures for the 1st of September are:

Materials for direct consumption	166.6%
Materials for agricultural production	153.4%
Materials for industrial production	165.6%
Total index	163.1%

With regard to the position of the workers the index of materials for direct consumption must be chiefly taken into consideration. It agrees with the statistics of the Union of Swiss Consumers' Societies. These figures do not include taxes and rent which form a heavy item in the budget of the worker. Taxes have been increased 300 to 800%, and rents are on an average 80% above the pre-war level.

In spite of the increasing cost of living, the reduction of wages has not yet ceased. Wages are on an average about 50% per cent higher than in the Summer of 1914. The reductions were particularly great in those industries which are engaged chiefly or exclusively in the export trade, such as the metal industry, clock making industry and embroidery.

For about two thirds of the working class the eight hour day no longer exists. A legal regulation existed only in the factories and in the Canton of Baselstadt with a total of 400,000 men and women workers, and for the transport personnel, railways, Post Office Telephone and Telegraph. As a result of special concessions the 48 hour week has been abolished for about half of these workers.

Unemployment and Economic Conflicts.

From the month of February to the month of August unemployment has steadily declined. In spite of this the number of total unemployed amounted at the end of August to 51,789. Of these 19,000 were provided with unemployed relief work; there remained 31,789 unemployed of whom only 16,467 were supported from public sources. The partially unemployed amounted at the end of August to 25,538. The decline of unemployment is attributable to the seasonal work, in agriculture, the building trades and in the hotels and also to the somewhat increased production in the clock making industry resulting from the payment of export premiums on the part of the state. Employment in the metal industry has improved somewhat as a result of the large orders placed by the state which were rendered necessary through the electrification of the railways. The situation in the textile industry is somewhat better in consequence of the approximation of prices in the countries with low currencies to the world market prices.

The number of the unemployed is now mounting again. It is noteworthy that in spite of the extensive unemployment, strike breakers are very rarely present at strikes which is a proof that the class solidarity of the working class is well developed.

The greater economic struggles have for the time being ceased. The strike of some 2,000 wood workers which lasted for some weeks had to be concluded at the beginning of June with a compromise resulting in a wage reduction of 15 cents per hour and this reduced wage is only assured to the end of November of this year. The wood workers fought out their struggle with great courage, but as a single group they were unable to withstand the reaction.

Some weeks later the metal workers in a number of large works entered upon a conflict. They were miserably led by the reformist leaders. The result is practically nil, if one will not

regard the continuation of the reduced wages up to the end of the year as a victory,—as do the reformists.

In addition to these, there were of course a number of smaller strikes which with negligible exceptions all ended with the complete defeat of the workers. The reason for these defeats is plain. The last extraordinary Trade Union Congress had taken up the standpoint that the fight against the wage reductions was a matter for the individual unions and that the solidarity of the rest of the working class could only take the form of the unions granting loans to each other. There was nothing whatever done in the fight against the prolongation of working hours.

A referendum is at present in process against the partial alteration of the Factory Acts and the amendment will probably be submitted to the people in the first weeks of next year. The outcome of this vote cannot be definitely predicted from the declarations of the existing economic groups. But one thing is certain whether this amendment which allows the introduction of the 54 hour week is rejected or accepted, the working class must enter into the struggle if it is not to give up the 48 hour week.

We have already mentioned that the period for further wage fights in the metal industry and the wood industry are already determined. In the same way in December or January there comes up for discussion in parliament a new wage act for the government employees in the Railways, Post Office, Telegraph, Telephone and Customs Departments. The bill provides a further wage reduction of about 15%. An important decision must also be made at the end of the year in the book printing trade. The typographical workers up to now have followed the policy of cooperation with the employers. The latter have given notice to terminate this and have steadily refused to take part in negotiations. According to the employers' press, workers' and employers cooperation will be superseded by a simple national agreement, which will substitute payment of wages by the hour instead of by the week and thus abolish payment during absence and legal holidays. The employers also desire to set aside various clauses concerning the number of apprentices in order to obtain greater freedom of exploitation.

State and Municipal Finance. Valuta.

The total State debt, including the state railways, amounts in round figures to 4 billion francs. The payment of interest on this debt annually devours about 200 million francs or 50 francs per year per head, (population = 4,000,000). The greater portion of this sum is brought in by the customs, about 150 millions annually. But in spite of this enormous indirect taxation, the budget shows a deficit which last year, for instance, amounted to 130 millions.

In spite of this chronic deficit, the Swiss franc still stands high. The dollar is quoted at 5.26 to 5.35 as compared with 5.18 during the war. The imports are greater than the exports, but the deficit is entirely made good by the proceeds of capital invested abroad.

A vast money circulation prevails in Switzerland. Billions are continually brought in from the surrounding countries, because here they are able, through the famous institution of *secret banking*, to avoid taxation. Besides this, as a result of the crisis, much capital has been imported, which awaits a favourable opportunity for investment. The rate of interest is falling, but the state helps by periodical loans to uphold the rate of interest and to prevent it from sinking further. All state loans are therefore immediately subscribed twice and three times over.

Political Struggles.

The most important political struggles with us still take place in the field of *Democracy*. There are referendum movements and popular voting. On the 24th of September an exceptional law against the revolutionary working class was submitted to the vote which provided that all revolutionary propaganda and strikes of workers in public utilities would be liable to punishment and by means of which the proletarian press would be strangled by penalties and prohibition. The bourgeois front in this campaign entirely collapsed. The clerks and intellectual sections who otherwise are completely with the bourgeoisie, a portion of the peasants and various bourgeois groups, sharply opposed this law which they regarded as a stain upon the century old Swiss democracy. In their propaganda, the Social Democrats made use of the whole vocabulary of democracy, while the Communists alone fought openly and ruthlessly, proclaimed the revolutionary class struggle and the means to the forceful overthrow of the governing regime. Further initiative and referendum measures are: the amendment of the Factory Act by which the 48-hour week will be generally abolished, higher customs duties, etc.

The Trade Unions.

These are in a state of stagnation. The reformists still have the leadership of the largest unions as well as of the national organizations. In some of the unions the Communists have a majority or possess a great influence. Unfortunately, the leading comrades in these unions do not venture to take up the open fight against the reformists. They much rather attempt to avoid all conflict by means of compromise. The confidence of the working masses in revolutionary trade union tactics cannot, naturally, be won by these methods.

The split in the unions is so far limited to the Metal Workers' Union. Only in the Typographical Workers' Union has there been a single expulsion of a Communist. The Communist are endeavouring to restore unity in the Metal Workers' Union. As everywhere else these efforts are wrecked owing to the attitude adopted by the reformists.

At Geneva a portion of the expelled members entered the Wood and Building Workers' Union. This tendency exists among yet wider groups of the Metal Workers' Union so that this union is in great danger of complete collapse owing to its irreconcilable attitude to the efforts being made for the restoration of unity.

The leaders of the Metal Workers' Union now seek to start a conflict on the ground of the statute of the Trade Union Federation against the entrance of Metal Workers into the Wood and Building Workers' Union. The reformists claim that according to the statutes of the Trade Union Federation no other union has the right to accept metal workers into its ranks. In the event of this formal provision not being upheld the leaders of the Metal Workers Union threaten to withdraw from the Trade Union Federation. There is no doubt that in the coming struggle the differences will become sharper than hitherto and both sides will no longer be able to avoid a decision. This will also contribute to developments in the workers' political parties. In the Social Democratic Party which is affiliated to the Vienna Working Union (2½), efforts have been in progress for a long time which aim at the unity of the Second and Two-and-a-half Internationals. This matter was discussed in general, in view of the approaching elections to the National Council. The process of reunion will however be accelerated through the events in Germany. In the Social Democratic press, the union of the Social Democratic Party of Germany with the Independent Social Democratic party of Germany is not opposed in principle, but is regarded by some as being premature. The greater part of the party leaders are in agreement with this course of events. As a result of this the question of unity between the Social Democratic Party with the *Grütlerner*, a party of the Second International, will also come to the fore. No voice has yet been raised in the Social Democratic camp against such a union.

The Communist Party.

In spite of the general favourable conditions the Communist Party has not yet been able to obtain the influence which the circumstances would warrant. The crisis which in the first instance involved the revolutionary workers, has restricted the numerical growth of our party. Inner differences in regard to the trade union question, have hindered it hitherto from being able to exercise a decisive influence upon the working masses who are dissatisfied with the reformist tactics as well as with the Social Democratic Party and the majority of the trade unions. In some localities it is true, the Communists dominate entirely, but in other localities the vacillating attitude of the Communist trade union functionaries, as well as their passive attitude towards the problems of the day directly hinders the numerical growth of the Party.

The party is undergoing a process of inward clarification; it is developing into a real revolutionary party of the proletariat.

The hesitating attitude of a some of our comrades who occupy leading positions in the trade unions has its cause in the appreciation of the world economic and world political situation in general and the limited importance of Switzerland in particular, as an economic and political factor. With the sharpening of the struggles in the neighbouring countries, particularly in Germany, the existing pessimism (for such it is for the most part) will be rapidly overcome, as these comrades constitute sound proletarian elements. The openly proclaimed wheeling to the right on the part of the Social Democratic Party will likewise accelerate the clearing and consolidating process within the Communist Party.

The union of the Second and Two-and-a-half Internationals and their various national parties permits no further compromise with the leaders of the Social Democrats.

The general and the Party Political Perspectives.

The political groupings may be denoted as follows: A well-organized front of the reactionary bourgeois forces against the working class; elimination of the petty bourgeois sections from

the bourgeois parties; formation of a Democratic Central Bloc with a Socialistic character, from the two Social Democratic Parties together with the lower middle class for the maintenance of the economic *status quo* of the workers and for the realization of petty reforms. Necessity for the capitalists (for the sake of self preservation), not only to refuse all further reforms but also to lower the present living standard of the working class. Attempt to split the latter into two groups; on the one hand the industrial workers and on the other hand the numerous clerks in the employ of the state and in private industry. Transition of the Social Democrats to an open policy of coalition at the expense of the industrial workers. Forcing of the latter into the camp of the Communists. The pace of this development will be essentially influenced by the activity of the Communist Party. If the party succeeds in displaying in all the daily struggles the greatest activity corresponding to its principles, then it will speedily gain an influence not only within the working class but also among the small and debt-burdened peasants who are likewise threatened by the crisis.

The Situation in Portugal

By A. Z.

The situation in Portugal is still very bad. Political revolutions succeed one another and cliques of politicians replace one another to power with nothing but their personal interests at heart.

The complete absence of economic measures, which even under a capitalist regime could improve the lot of the workers a little, makes life very difficult for them, and at the same time is leading the state into bankruptcy.

Portugal, in spite of the fact that it belongs to the so-called "victor" group may now be classed among those countries with low exchanges. Its money in comparison with the Swiss franc, is worth 1/25 of its pre-war value. And when one remembers that we are above all importers, the effects of this depreciation may be imagined. On the other hand the depreciation of the currency gives to the speculators a pretext to increase continually the prices of the most necessary provisions, and the worker caught between his greedy employer and unscrupulous merchants, is defenseless in this miserable situation, as the purchasing power of his wages shrinks day by day.

I say, defenseless, for the is organized to a very slight extent.

The Portuguese trade union organization was at its peak about 1918—1919 a phenomenon which was observed everywhere to some degree, as the masses were expecting a change after the war.

At the congress of the C.G.T. at Thomar, the number of members surpassed 100,000. This figure will appear small, but it is important just the same, when the lack of industry of the country is considered. Since that time, the workers' forces have fallen away little by little, and at the last Congress of Covilha, the number of active members dropped to 50% of what it was before. It is only thanks to several groups of railroad workers who rejoined the C.G.T., that the number of unionists may be estimated to-day at about 60,000.

This same decrease in membership made itself felt very evidently in the sale of the daily *A Battha*, organ of the C.G.T., which at one time attained a good circulation and which vegetates to-day without its own resources and with a very small following.

There has been a lack of propaganda, a lack of organization, a lack of action on the part of the militants who have been at the head of the C.G.T.

The spirit of action exists among the masses. The tenacity and duration of certain strikes is proof of this. But after the failure of the Republic, from which they expected so much, syndicalism not furnishing them with the food which they needed, the masses found themselves unable to judge to which saviour they should pledge themselves.

The Portuguese Communist Party, organized in 1920, made its debut with a rather tactless manifesto, which offended the syndicalists, and which brought forth a bitter reply from them. Since then, the Party has been handicapped, for most of the unionists who are most likely to understand the Communist doctrines, jealous of their "integral autonomy", are outside their sphere of influence. For these reasons the P.C.P. is only marking time without appreciable progress.

To sum up, on the one hand conditions are favorable for propaganda, and on the other few militants are openly decided upon concerted and efficient action.

The Situation in Bulgaria and the Bulgarian Communist Party

By Christo Kabakchieff.

I. The Economic Break-down and the Crisis.

Bulgaria has not yet recovered from the economic break-down and crisis in which it has been involved by the wars from 1912 till 1918, and there is no prospect whatever of its recovering so long as the conditions of the peace treaty of Nuiit obtain, and Bulgaria bears the colossal burden of reparation payments on its shoulders.

The losses in which the war involved our country have been enormous, the whole land is a scene of ruin: Almost all male inhabitants between the ages of 20 to 50 were mobilized and lost to productive work; two hundred thousand fell at the front. Two hundred thousand more returned as invalids. Industry, weak in itself, has been completely paralyzed, while handicrafts and agriculture have shrunk beyond comparison with pre-war years.

During the first years following the war, trade and industry were somewhat livelier, but this activity was insufficient and temporary. The economic crisis which broke out all over the world in the middle of 1920 has also been much felt in our country. Foreign industrial products have found their way into our home markets and into the markets of our neighbouring countries (as Constantinople, etc.), where we have been accustomed to selling our goods. As a result, the industrial undertakings which were just recovering, began to shut down, and vast unemployment ensued.

Since the autumn of 1921 fresh activity has however been noticeable in the development of industry and handicrafts. The capital which had been accumulated by the bourgeoisie during the war, and which has hitherto been chiefly employed in trading and speculation with the main articles of daily use, is now being used more and more in industrial undertakings. This development however, proceeds very gradually; the depreciation of Bulgarian currency is so great (the leva at the present time is only worth 3 Swiss centimes), the existing machinery is so worn out, and materials are so scarce and so high in price, that much capital is required to restore industry. With this object in view the bourgeoisie has taken to founding joint stock companies, into which 1,500 millions of leva have already been paid, 300 millions of which are foreign capital (chiefly French, Italian, English, Belgian, and German). Of this capital however, three quarters are invested in wholesale trade and in banks, and only one quarter in industry.

Despite the apparent activity, industrial undertakings are employing 1/3 fewer workmen than before the war. Even though other statistical data may be lacking, this fact alone proves that our industry, never particularly strong, has not yet recovered. Handicrafts and agriculture are in similar plight; artisans suffer from lack of credit and raw materials, arising from the enormous rise in prices of raw materials. Despite the increased prices paid for agricultural products, small farmers are not in a position to restock farms totally devastated by the war; they do not possess the enormous sums required. Besides, they are still very heavily taxed.

Our foreign trade shows a constantly increasing adverse balance: In 1919, the import exceeded the export by 411 million leva in 1920 by 570 millions, in 1921 by 870 million leva.

II. The Financial Bankruptcy.

During the war Bulgaria's debts increased from 700 million leva to 30 billions, to which the reparation demands of 70 billions leva must be added, making a total national debt of over 100 billion leva. The state budgets show ever-increasing deficits, amounting in the course of the last three years to a sum of over 4 billion leva. Taxation has assumed colossal dimensions, rising from 150 millions—in round numbers—to 3,000 millions. The banknotes in circulation have been increased from 226 to 3,615 million leva, and at the same time the gold reserve has shrunk from 55 to 38 million leva, and the silver reserve from 28 to 20 millions.

This was Bulgaria's financial position before it began to pay the reparation demands. Up to the present approximately 1 billion leva has been paid in commodities (coal, cattle, etc.), and for the maintenance of the reparations commission, but nothing has as yet been paid on the basic reparation debt. The Entente intends to grant a three years moratorium under conditions transforming the country in every respect, economically, financially, and politically, into a colony of the imperialist states of the Entente. From 1924 onwards Bulgaria is to pay more than 4 billion leva yearly on the reparations debt (at the present rate

of exchange), this being a sum comprising the whole income and the whole budget of the state. In order to be able to pay the reparations debt, and at the same time to meet its daily expenses, the state would have to employ the whole yearly national income of the country. The hopeless and catastrophic position of Bulgaria's state finances may thus plainly be seen. And this is the reason why Bulgaria is unable to undertake any social reforms for alleviating the misery of the broad masses of the people. It is not even possible to maintain or improve the means of transportation and traffic, as the state cannot pay the officials their wages.

III. The Rising Prices and the Misery of the Masses.

The price index for the most important necessities of life shows these to cost thirty five times as much as in 1914. Although Bulgaria is an agrarian country, the prices of agricultural products rise in the same measure as those for industrial products. During this same period, the worker's wages have only risen eleven times, officials' salaries only five times. This is equivalent to an actual reduction of wages—in the case of the worker to $\frac{1}{3}$, in the case of the officials to $\frac{1}{6}$ of the 1914 wage.

In the same manner the income of the half-proletarian peasant farmers has been reduced; these farmers possess 1 to 10 acres of land, and form the main part of the peasant population (548,000 of 705,000 land owners). These half-proletarian farmers only produce as much as they require for themselves, and the majority of them are forced to hire out in the town or country at certain seasons of the year. They are all obliged to buy what they require at the markets, and suffer under the high prices. Misery and want thus increase from day to day in town and country alike, enhanced by growing taxation and the depreciation of the Bulgarian leva.

The working class and small owners have experienced no improvement of their situation since the war; on the contrary, their position becomes more and more wretched. The bourgeoisie shifts the whole burden of the economic and financial crisis on to the shoulders of the proletariat and the small owners, by means of increased taxation and growing exploitation of production. (Reduction of actual wages, longer working hours, etc.)

This is the cause of the awakening and intensification of the class war in Bulgaria within the last three years. For three months Bulgaria has been overwhelmed by a tremendous strike wave, the only weapon of resistance against the capitalist offensive. This strike wave is carrying ever-widening classes of workers along with it, and has even reached the officials.

IV. The Bourgeois Parties and the Agrarian Government.

The old bourgeois parties, representatives of the industrial, commercial, and financial bourgeoisie, were forced to submit to the power of the present agrarian government after the war, their nationalistic policy having failed miserably, through the defeats in the years 1913 to 1918. The agrarian government originated with the farmers' union, a party whose members are mostly small farmers, but in which the new village bourgeoisie plays the leading rôle. This new village bourgeoisie consists of middle and large farmers who have become rich during the war. The bourgeoisie, encouraged by the renewed activity of industry, and by the reaction in neighbouring states, is striving to regain power. This striving is the more energetic as the agrarian government has not succeeded in suppressing the Communist Party, despite the terror which it has exercised, especially during its first years of government.

In order to enable the bourgeoisie to shift the full burden of the reparations exclusively on the people, and to exploit the working class to the uttermost, the first task is the annihilation of the "red danger", which in Bulgaria is indeed an immediate danger to the bourgeoisie. On the other hand, the agrarian government rather supports the interests of the farming bourgeoisie, thus causing a growing antagonism with the city bourgeoisie. The bourgeois parties have organized an energetic and extensive campaign for the seizure of power. But their political credit being but slight among the masses of the people, they are seeking support among the newly organized white bands of active and reserve officers, and among certain youthful elements of the bourgeoisie, provided with weapons by the bourgeoisie.

The bourgeois parties have approached Wrangel's generals with a view of obtaining the aid of the counter-revolutionary troops for the purpose of seizing the state power by force. The immediate aim of this counter-revolutionary effort is the fall of the present agrarian government, to be followed by the most ruthless and cruel measures against the Communist Party.

The first attempt of the bourgeois parties—who had united themselves in the so-called constitutional block—to carry out their attack on the government, was frustrated in May of this year,

mainly through the mass movement organized by the Communist Party. The Communist Party succeeded in discovering the conspiracy before it was too late, and in bringing it to public notice through the medium of the press. The bourgeois block is now renewing its efforts to seize governmental power.

Despite the defeat suffered by the bourgeois block on Sept. 17th of this year in Pirnovo, where the leaders were arrested, the block continues to conspire and to make preparations. Its hopes of success are based on the fact that large numbers of officers belonging to the army which Bulgaria is permitted to maintain, and members of the police and gendarmerie, are followers of the old bourgeois parties. On the other hand, the agrarian government is weakened by internal strife, one part of the village bourgeoisie striving for union with the old bourgeois parties, while another part continues to pursue the demagogic policy by which they hope to maintain their influence among the farmers, and are thus obliged to combat the bourgeois reaction now raising its head. These internal conflicts weaken the position of the bourgeois government. The pressure of the masses forces the government to combat the bourgeois block, but the village bourgeoisie—and this comprises the leaders of the Farmers' Union in the villages, in parliament, and in ministerial councils drives the government into agreements with the city bourgeoisie, for the purpose of conducting a common campaign against the Communist Party.

V. The Communist Party.

The Communist Party is fighting independently against the bourgeois block and against the agrarian government. It maintains its independence, and carries on its fight against the bourgeois block parallel with the fight carried on by the agrarian government, forced into the conflict by the pressure of the masses, and obliged to fight the block in order to keep its own power. The widely spread general fight carried on by the masses from the cities and villages, organized by the Communist Party, and independently conducted with the greatest success against the bourgeois block and against the rising reaction, forces the agrarian government to face two alternatives: either to turn to the left under the pressure of the working masses of the cities and especially of the villages (who are organized in the Farmers' Union, but who recognize our slogans against war, for the reduction of taxation, for the disarmament of the white organizations, for the sentencing of past ministers, etc.) and thus to support the struggle and the position of the Communist Party against the bourgeois block, or to turn to the right, to betray the masses once more,—tactics sure to result in losing the adherence of the masses, especially of the small farmers.

This is already happening. The ambiguous, inconsequent and vacillating policy of the agrarian government increases the movement of the peasant masses to the Communist Party. The large district meetings and demonstrations arranged by the Communist Party in the last two months, as well as the elections of village magistrates held on 1. October, have again been the means of uniting fresh tens of thousands of half-proletarian and small farmers under our banner. The number of our electors was here increased not only at the expense of the bourgeois parties, but also at the expense of the Farmers' Union.

The Communist Party has courageously formulated the demands for the disarmament of Wrangel's troops and of the bourgeois white guard organizations, and for arming the workers and small owners among the farmers. The preparations being made in both camps—in that of the bourgeoisie and of the Communist Party—for the approaching civil war, increase daily in intensity.

The first attempt of the bourgeoisie to organize attacks and pogroms against Communist homes took the form of a surprise attack on our People's House in Sofia (24th of May 1921), and was successful. The Party, however, immediately set the masses into action, and an armed defence of the Communist Clubs and Communist organization was organized. Further pogroms were thus frustrated. During the last few months the attacks of the bourgeoisie were renewed. Their Fascist followers attacked the Communist meetings and manifestations in Dubnitsa, Trovna, Gabrovo, etc. But all attacks were successfully beaten back, though at the cost of bloody conflicts in which many comrades fell. The losses of the bourgeoisie were considerably greater however.

On the 15th of October 1922 a division of troops, under the command of officers belonging to the block, surprised a Communist meeting in Kissendiel, killing three workers and wounding ten by a volley from their rifles. The reply of the Party to this attack has been energetic preparation for an armed struggle on the part of the working class. The offensive of the bourgeois reaction is directed in the main against the Communist

Party, and therefore the Party calls upon the working masses in town and country to depend on their own efforts only, and to take up the fight against bourgeois reaction supported only by their own solidarity, arms, and class consciousness. The Communist Party emphasizes at the same time the burning demands of the moment—especially the demand that there be no war with Turkey, the demand for the union of the Balkan states and for a Soviet Republic for the Balkans, the demands against reparations and taxes, for higher wages, etc.

The Bulgarian Communist Party numbers 40,000 members, brings 220,000 voters to the polls, has 40 representatives in Parliament (out of a total of 216), and holds several city municipalities and several hundred village communities. At every election the number of Communist voters increases (in the election before the last the Party lost several majorities, although the actual number of voters had increased, a result arising from the action of the bourgeois parties, who joined with the farmers' union and the social patriots to form a block against the Communist Party). The organ of the Party, the *Workers' Paper* appears in an edition of 25,000 copies, the farmers' organ in 10,000. Since 1919 the Party has published 1,500,000 Communist pamphlets in the original and in translations, and has used these for purposes of agitation. The People's House in Sofia, burnt down by the members of the white guard, has been rebuilt by the efforts of the General Workers Guild "*Oswobojudenie*", an association number-

America

The Political and Economic Situation in the United States

By George Grove.

I. Recent Industrial Conflicts and the Present Situation.

Since the Armistice, the capitalists of America have concentrated upon one important problem: the problem of reducing the working class to its "proper" level.

During the war, labor was much in demand. Four million men were drafted; the need of furnishing supplies both to the American and the European armies kept American factories going at full force. Large numbers of women entered industrial life, taking their places side by side with the mechanics in the shops. They particularly made great inroads on the mercantile offices, where they have continued to work—of course, for lower wages.

Immigration from Europe practically stopped during the war, the capitalists making use of Mexicans as substitutes. Domestic migration of the Negroes also was promoted. Hundreds of thousands of Negroes left their homes in the South to seek work in the steel works, mines, and in the ports of the North.

Upon the termination of the war, the change from war to peace industries kept a large part of the workers at their jobs. The devastated world demanded large quantities of material. Work for American labor was plentiful, wages did not drop with any precipitation.

During the war the labor unions had grown in numbers and power. Realizing their strength and the splendid opportunity that the war presented to them to make demands on their employers, they obtained great concessions, particularly in the matter of wages. Even hours were reduced: the railroad workers, by the threat of a strike, obtained an eight-hour law.

The capitalists readily saw that if this condition of things did not change, the workers would begin making demands that would keep them in line with the progressive and radical workers of Europe. During the war, the manufacturers' associations, the Chambers of Commerce, and particularly the United States Chamber of Commerce became very powerful. Prosperity made the capitalists conscious of their might. Recognizing that a fight between them and the organized workers must come after the war, they laid their plans well. They stated quite openly that they would make "American labor eat out of their hand".

As long as profits continued to heap up, there was no urgent reason for the American capitalists to begin any campaign of repression against the workers. But when, in 1920, the market was nearly glutted, when European, South American and Asiatic markets began to tighten, when the difficulties of Central Europe began to accumulate, when the workers of Europe began to walk the streets looking for work—when an international economic standstill was imminent, American industries began to slow down. Factory after factory closed its doors. Hundreds of thousands of workers were thrown out of work. Wages went down. The capitalists saw that their opportunity had come

ing over 100,000 members, who have erected a new building, much larger than the first, and one of the most beautiful and largest edifices in the capital.

The defeat of the Greek national bourgeoisie, and of English imperialism, the crisis in Greece, the forward march of the Kemalist troops on Constantinople,—these are all events which considerably alter the position of Bulgaria, and render the crisis in the Balkans more and more acute. New perspectives are opened for the revolutionary movement of the workers and peasantry in the Balkans. The Communist Balkan Federation is working towards coordinating the fight in the Balkans and towards the acceleration of the victory of the proletarian revolution in the Balkans. The Communist Party in Yugoslavia and Rumania is gradually recovering from the severe defeat which it has suffered at the hands of the bourgeoisie. The Greek Communist Party is gaining more and more influence, and is the sole party in Greece able to offer any hope of salvation to the bleeding and desperate masses of the people, victims of the criminal policy of the Greek bourgeoisie. At the same time, not only the Bulgarian Communist Party is growing and becoming stronger and more united, but also the fraternal parties of the neighbouring Balkan countries.

We hope that the proletarian masses of the Balkan lands will be fully prepared to face the difficult but glorious tasks which history is likely to confront them with in the near future.

now the American workman would be made to "eat out of the hand" of his employer.

The capitalists determined to smash the labor unions. With American efficiency, the manufacturers associations and the United States Chamber of Commerce organized a nationwide campaign against the labor unions. The "open shop" campaign euphemistically called the "American Plan"—that is to say, the inauguration of a policy by which, according to the capitalists, no discrimination would be made between union and non-union men in a shop, but which, in reality, meant the introduction of the *scab* shop—was launched with all the force of the united capitalists behind it, supported by the big banks.

In 1921, the industrial situation was one of the worst that the country has experienced. Millions of workers were without work—the number of unemployed being estimated at from 5,750,000 to 10,000,000 (the latter figure being given by Roger W. Babson, the eminent statistician). The capitalists augmented the unemployment caused by the enforced closing of industries by the arbitrary shutting down of plants.

The autumn and winter of 1921 saw the open shop campaign in full swing. In 1920, the *American Federation of Labor* at its convention announced a loss of membership; in 1921, a further loss of more than 700,000 followed. Unemployment and the breakdown of the world market afforded the best weapons to break the trade unions. Wages were cut mercilessly. Child labor increased. Strikes followed one after the other. But the unions were in no position to wage a strong battle. They had no funds, their leaders were timorous. The bosses were ruthless in their threats. Whenever large numbers of workers struck, provocation of the worst nature was engaged in, in order to give excuse for the use of force against the workers.

In the year 1921, the foreign trade of the United States decreased nearly 50%. Domestic trade was very low.

The beginning of 1922 saw a revival of trade. Building on a large scale was undertaken. The steel industry reopened. The automobile, clothing and shoe industries opened their doors. The campaign of "boosting", of "confidence in themselves" animated the capitalists. Up to the present, the army of unemployed has been reduced to between 2,000,000 and 2,500,000.

Despite the greater demand for labor, the capitalists have continued their campaign for the reduction of wages. In 1921, they reduced the pay of 1,000,000 railroad men by about 20%. Not content, they attempted another reduction this year. The situation of the 650,000 miners of America has been precarious. The steel workers had their wages lowered. Hundreds of thousands of clothing workers have had to accept wage cuts. Seamen, longshoremen, shoemakers, carpenters—there is not one line of work in which the workers did not have to be satisfied with lower wages—even though the cost of living did not drop in proportion.

In 1920, the miners threatened a strike, which was averted only by President Wilson notifying Lewis, President of the United Mine Workers of America that the strike would be against the government. Lewis, willing rather to betray the men than face a situation of this kind, replied: "I am too

...patriotic, I cannot fight my government." In 1921, the railroad workers talked strike against the reduction of wages. Again, the Federal Government, faithful servant of the capitalists, declared it a strike against the government—and the strike collapsed.

In the spring of this year, the textile barons and the coal magnates determined to reduce wages again. 75,000 textile workers in the New England states and 500,000 organized and 150,000 unorganized coal miners answered the call for a strike. Practically every New England textile mill shut down. All anthracite coal mines stopped producing. Many bituminous coal fields with non-union labor continued working. (The bituminous mines in northern West Virginia, owned by the Steel Trust and supplying the steel mills of Pennsylvania continued to operate.)

During the war, the government took over the railroads, guaranteeing to the railway companies dividends up to 6%. To regulate wages and conditions of work the government established the Railway Labor Board, which adjudicated all questions brought before it. After the termination of the war, the railroads were returned to the owners; nevertheless the Railway Labor Board continued to function, although it had no power to enforce its decisions. This Board was composed of three representatives of the men, three of the railroads, and three of the "public". The railroads insisted upon a reduction in wages. In order to break down the jurisdiction of the Labor Board, they "farmed out" to private concerns work that up to then had been done in company's shops. The purpose was obvious: to employ cheaper, non-union labor, and thus break up the union. One of the largest railroads—the Pennsylvania Railroad—refused to recognize decisions of the Board; it introduced its own "company union"—which is only a scab organization to break up the trade union. Other roads parcelled out work to private concerns, to escape the law. The one million railroad workers were faced with a situation demanding action.

The Railroad Brotherhoods (the large unions of railroad workers outside the American Federation of Labor and numbering about 500,000 members) which last year had voted from 90% to 95% for strike, were not in a mood to act. The Maintenance of Way Men and the Shopmen were about to have their wages reduced and conditions impaired. The Maintenance of Waymen decided to submit their case to the Labor Board; the Shopmen saw the futility of waiting and struck.

75,000 textile workers, 650,000 miners and 400,000 shopmen were on strike—the most gigantic strike that America has witnessed. The capitalists readily recognized what a tremendous struggle they had on their hands. The government also recognized that an early curbing of activities would have to be enforced. Guards, detectives, cossacks, provocateurs of every sort were put into action. Fights between strikers and scabs were provoked. Trains were wrecked; dynamite was used freely. Every form of criminal activity was engaged in, in order to discredit the strikers and lose for them public sympathy, which was altogether on their side, owing to the orderly manner in which they were conducting their strike. A campaign of slander and vilification from press and pulpit began. Innumerable injunctions were issued, preventing the strikers from carrying out strike activities. In fifteen States, State and Federal troops were in action. A state of civil war existed in many States.

A decision had been rendered by the U.S. Supreme Court (with the infamous expresident Taft as the Chief Justice), making unions liable to damages in triple the amount of loss suffered by employers by reason of strikes. In two States (Kansas and Colorado), an Industrial Arbitration Court had been established, which prohibited strikes without previous submission of disputes to the Court.

Despite these facts, the strike was in full swing and threatened to bring out the other railroad workers, and thereby stop all industry. It was summer, and coal was not needed for immediate consumption; the steel industry was not working at full capacity. As the months passed, however, and autumn was approaching, the supply of coal diminished and the outlook for winter was very dubious. The farmers were gathering their crops; fruit was rotting, grain could not be moved. The situation was becoming very critical for the capitalists.

On Sept. 1, Harry M. Daugherty, Attorney General of the United States, obtained a most drastic injunction—the most sweeping prohibition of action on the part of the workers ever issued in the country. This injunction prohibited communications of all kinds, by word of mouth, in writing, by telephone or otherwise, to induce men not to scab. It prohibited meetings to discuss the matter; funds could not be used for strike purposes. The very functions for which a union was created were forbidden. Picketing was tabooed: organized labor was tied hand and foot. The whole country was startled; even the railroad executives, who were flushed with approaching victory with the aid of U.S. troops, were aghast. The conservative press admitted that it

went beyond bounds; the liberal and radical press ridiculed and condemned it.

But the workers were intimidated. The Railroad Brotherhoods, which might have been willing to act conjointly with the Shopmen, in the realization that if the shopmen were defeated it would be their turn next, abandoned further consideration of the matter. The American Federation of Labor officials, especially Samuel Gompers, assailed the Daugherty injunction and threatened a general strike. Gompers called a special session of the Executive Council of the A.F. of L. to consider the matter of a general strike.

The Executive Council met on Sept. 12, Gompers reporting that he had received General Strike resolutions from 200 central labor bodies and trade unions. Despite this manifestation of solidarity and a general, but unorganized sentiment of unity with the strikers, the General Strike was not proclaimed. On the contrary, it was branded as "un-American".

Since that time, the bituminous and the anthracite miners have made separate agreements with the coal barons. A truce till March, 1923 has been arranged. A large part of the textile workers have returned to work, with a pay increase. Most of the shopmen have returned—practically defeated. Agreements have been made with the individual roads. Company unions have replaced the regular unions. Many roads refuse to discharge the scabs and reengage the strikers.

Thus have ended the biggest strikes that have ever occurred in America. The open shop campaign did not succeed completely; but the workers have lost in economic status.

A strong movement is now on foot among the bankers, railroad magnates and big employers to prohibit strikes that would give labor the "ability to interfere with the production and distribution of the necessities of life". There is a vivid intention of introducing the Industrial Court plan on a nation-wide scale, to prevent the possibility of strikes.

II. New Movement Among the Trade Unions.

American industry is the most concentrated in the world. The trusts have grown to greater power in the United States than elsewhere, this being due to the tremendous amount of capital necessary to exploit a country of such dimensions and such resources. Whereas the industries of other countries are bent more upon intensive work, refining the details, American industry has been built upon the plan of extensive work, mass production, to cover the needs of a vast country.

The trend to gigantic corporations started with the introduction of big machinery. Although the formation of trusts was formally enjoined by law, trusts nevertheless were formed and practically dominate American industrial life.

Against these gigantic organizations, the American labor unions have preserved their primitive form of craft unions, each craft fighting by itself for privileges and advantages. The early history of the labor movement easily explains this tendency. Skilled labor was the sole body to organize for its protection—this denoting that it formed exclusive organizations not against the bosses alone, but against the workers of other trades. One of the aims of these organizations furthermore was to limit the number of workers in the trade, and thereby create and preserve a monopoly of labor for the organized workers in that trade.

Thus even to-day we see the American Federation of Labor subdivided into 114 individual craft unions, each with its separate rules and regulations, conducting its affairs distinctly one from the other, each calling and settling strikes on its own initiative. This is surely a disgraceful and untenable situation that makes for the defeat of the workers and the destruction of the organized labor movement.

Seventeen years ago, the Industrial Workers of the World was organized. It was formed by the militant elements in the American Labor movement who saw no hope of advancement for the workers in the regular organized labor movement. Disgusted with the tactics of the A.F. of L. they withdrew and formed a new organization based on the idea of industrial unionism, embracing in each industrial union all the workers in a single industry. Undoubtedly, this was a decided step in advance of the older movement. Instead, however, of spending its time and energy in organizing unions on this basis, as was natural to a seceding organization, a great part of its energy went into the struggle against the A.F. of L.

With all the militants on the outside, the A.F. of L. did not advance a single step in form of organization. The militants, on the other hand, not only kept all rising militants from entering the A.F. of L. in order to revolutionize it, but, owing to the very looseness of their form of organization (the I.W.W.), they were unable to build a powerful organization. The idea of industrial unionism, therefore, was confined practically to the I.W.W.

This state continued until about two years ago, when a movement was started in America for the modernization of the trade unions. The Russian Revolution and the teachings of the modern labor movement of Europe were making themselves felt in American labor life. But the movement did not take on appreciable dimensions till about one year ago, when the Trade Union Educational League was formed. This organization made one of its chief slogans: *amalgamation of craft unions into industrial unions one union in each industry.*

The work of the T.U.E.L. was done not in the manner of the I.W.W., by withdrawing the advocates of this new form of organization from the A.F. of L.; it was done inside the A.F. of L., by the formation of left wings in each union, whose purpose it was and is to carry on propaganda for the transformation of the present craft unions into industrial unions. The work of the T.U.E.L. has borne rich fruit.

Ten State federations of labor, more than that number of central labor councils (central body of organized labor within a city) and several large unions, among which are the Amalgamated Clothing Workers and the Maintenance of Waymen, advocate the amalgamation of craft unions into industrial unions. Seven small unions in the shoe industry recently amalgamated; a similar action took place in the textile industry. Railway Shopmen are seeking an alliance with the coal miners for joint action in Pennsylvania. A new spirit is animating the American labor movement—the I.W.W. idea within the A.F. of L. and not outside.

No doubt the fact that unions here and there and a few central labor bodies have sought affiliation with the Red Labor Union International, has prompted the leaders of the A.F. of L. to line up internationally before the movement for the Red International becomes too strong.

III. Political Struggles.

A complete transformation of American political conditions took place during the war. The government assumed the right to commandeer men and industry. All State rights of jurisdiction were enjoined, the country being completely militarized.

When the war ended, the government showed no inclination to surrender these rights. The necessity of this control was clear in view of the plans of the big magnates, who planned an attack against the workers. The railroads, for example, were returned to their owners, but the Railway Labor Board continued to function. The coal mines were relieved of control, but now the capitalists are demanding the creation of a body similar to the Railway Labor Board to deal with the miners. The idea of centralized power has been realized—the industrial and financial kings are intent upon retaining it.

The farmers were especially hit by the depression that set in after the war. Although the crops were large, owing to the manipulation of the market, they could not obtain prices enabling them to produce at a profit. Especially the small and tenant, farmers were affected. Mortgages have increased at a tremendous rate in America. The tenant farmers have increased in number. The group of share croppers—those who pay their rent in the crops raised, the owner of the land having first lien on the crop—has increased at a far higher rate than even that of the cash tenants. The Non-Partisan League and the Farmers' National Council are the expression of the dissatisfaction of the farmers.

The dominant parties, the Republican and Democratic, also manifest this discontent. In both parties, especially in the Republican, there has formed a left wing, composed of militant senators and members of congress who are carrying on a fight for reforms that, in the eyes of American citizens, appear radical. National ownership of railways and mines, abolition of child labor, reduction of the inhuman tariff that was just enacted, some of them are even for recognition of and trade with Soviet Russia. In short there is a distinct radicalization of a section of the two major parties, this radicalization taking on practically the same form in both parties.

Hence has grown up a sentiment in American politics for the amalgamation of the official Republican and Democratic parties, since there are practically no differences between them, and the formation thereupon of a radical party composed of the left elements in these two parties who rebel at the conservatism of the two undifferentiated official parties.

The workers are in a state of utter discontent. For many years, following the counsel of their chieftain, Samuel Gompers, and consorts, the organized workers have supported candidates of the major parties accordingly as they were pronounced the "friends" and not the "enemies" of the workers. The consequence has been a continual betrayal of the workers, as every Communist and revolutionist easily could recognize. But the American worker is slow to learn. Experience seems to have

little effect upon him. From one election to the other he has followed this method of finding relief from the many and gross treacheries that these representatives of the capitalist class have committed against the workers, although posing as their friends. Thus the child labor law was enacted, because labor demanded it—the child labor law was pronounced unconstitutional by the Supreme Court. The Adamson law was enacted—the law granting the eight-hour day to the railroad workers (this was a piece of war-time legislation). The Adamson law is a dead letter. The Seamen's Act was enacted. The Seamen's Act is dead. The Clayton law—a law declaring labor "not a commodity", and granting the workers certain "immunities"—was made a law. The Clayton law has gone the way of the other legislation.

The workers have begun to see the uselessness of supporting the capitalist parties. A semblance of class-consciousness is awaking in them. Hence some time ago, there was voiced a demand for a party of the working class. The Socialist Party has gone the way of its older European teachers. When it was growing in influence and strength, its leaders turned lackey to the proletariat's enemy. The American Socialist Party with Morris Hilquit at its head, has become sterile, and the "good child" in the American political family.

The Daugherty injunction, mentioned above, gave the final impetus to the movement for a party of the working class. The Daugherty injunction, which has been upheld by a federal court, and for infringing which two editors have already been convicted, and numerous individuals punished, is a continuation of the war-time laws; it is a compendium of the efforts of the capitalists to deprive the workers of this country of even the semblance of civil rights they were supposed to possess. By this injunction, the capitalists have rendered the workers of America and their labor organizations completely impotent.

Hence, despite the counsels of the ruling clique of the American Federation of Labor, a large section of the A.F. of L. together with other independent labor organizations advocates the formation of a Labor Party. A conference to this end will take place in Chicago in December, sponsored by the United Mine Workers, Railroad Brotherhoods, Railway Crafts division of the A.F. of L., International Association of Machinists, Amalgamated Clothing Workers, International Typographical Union, Women's Trade Union League, and representing more than 2,000,000 organized men and women. At this conference there will also be present delegates from the Non-Partisan League, the Farmers' National Council, several central labor councils, the Farmer-Labor Party (formed three years ago by the Chicago Federation of Labor), and other political groups. The opposition to the capitalist government and the determination of the organized workers assisted by the farmers' organizations, to find relief in action separate from and opposed to the capitalist parties have become so pronounced that a Labor Party is sure to be organized either this year or within a very short time. This step of the organized workers and farmers can only be greeted as a tardy demonstration of awakening class-consciousness on the part of the workers of America.

IV. Other Working Class Parties.

The workers of America have never been a homogeneous group. The vast immigration and the various economic strata created in America by capitalism resulted in the creation of similar divisions and layers among the workers. At times of indignation and protest against immediate situations, even sections of the bourgeoisie support the workers and their organizations.

The Socialist Party, the Socialist Labor Party and the Farmer Labor Party are three working class organizations that have sprung up as the result of a capitalism growing in power and not maintaining that pseudo-regard for workers' rights that a good understanding of tactics should have taught them it is necessary to observe.

The Socialist Party originally was a sincere effort on the part of revolutionary workers to form an organization of those willing to fight for a change of society. As an offspring of the Socialist Labor Party, it soon exhausted the strength of the S.L.P., which for the past fifteen years has still managed to exist, but exerts not one iota of influence on the working class. The Socialist Party, on the other hand, grew at times of popular discontent. In 1916, on a program that was not at all revolutionary, but which epitomized the opposition to America's entering the war, it reached the apex of its influence on the American working class. Receiving nearly one million votes, it seemed destined to become the home of the insurgents of the United States. When the war broke out, and the S.P. adopted a resolution condemning the war, it appeared as if the party might even become the standard-bearer of revolt against capitalism. But the anti-war resolution was merely a resolution. The party

betrayed the workers by refusing to carry on an active campaign against the war. Finally the vicious anti-Soviet Russia stand of the party drove the earnest revolutionists out of the party. Since 1919, the S.P. has been but a shell of a party, supported by disgruntled non-proletarians, petty bourgeois elements. Its influence in the country, especially among the working class, except for a few localities, is nil.

The *Farmer Labor Party* was a recent creation. Although organized by a large labor body, it has gained no foothold in the American working masses, owing particularly to its having no national policy. It is an advocate of national ownership of several industries and various other remedial measures, without demanding any control by the working class.

None of the above-mentioned parties have a political policy going beyond election campaigns. Although each believes in industrial organization, they do not link industrial action with political action, owing specifically to their regarding political action as merely an act of the ballot box.

V. The Workers' Party.

In December, 1921, there was organized the Workers Party, embracing a large number of the elements that left the Socialist Party in 1919, and other groups and language federations that remained in the S.P. till 1921, in the hope of regenerating it or capturing it for revolutionary purposes.

The Workers' Party is a Communist organization. It works in the light and spirit of the Communist International, and has already gained an influence among the working masses. It has in its ranks a number of nationally known trade union men, and makes its trade union policy one of the main features of its activities. It advocates the principles of the Red Labor Union International, and, as a consequence, is making itself felt keenly by its policy of "boring from within" the existent labor unions. Its members are active in the *Trade Union Educational League*. It takes a militant attitude in all political situations and was very active in the strike period.

The great mass of American revolutionists has passed through a period of varied struggles over varied policies. The revolutionists in the I.W.W. who, for a long period, were convinced that only industrial action was of any avail, and, owing to the treachery of the Socialist Party officialdom, looked upon a political party as a trick to lure the workers away from what they regarded as the main issue, have a hard struggle to give up their opposition to a revolutionary party. There are other revolutionists, politically minded, who regard parliamentary activities as a betrayal of revolutionary principles. But above all large masses of foreign-born workers, who, because of alien-restriction and anti-alien laws, and because of a general antagonism to foreigners in the United States—even among the working class and the trade unions—are the most oppressed class in the country, but who because of the fruitless tactics and the shameful betrayal of the Socialists in America and in their native countries have turned against the S.P. here and against parties engaging in political activities—these masses of foreigners are an open field for the activities of the Workers Party. The most significant fact of the foreign born, or at least some of them, is that they are the biggest section of the workers operating in the key industries. Miners, packers, unskilled railroad workers, steel workers: these are the workers in the basic industries who are manifesting a most militant spirit.

Guided by the revolutionary tactics of the Communist International, the Workers Party is destined to play a significant part in the approaching labor struggles in the United States.

VI. The Communist Party of America.

The Communist Party has had a hard struggle from its inception. Born in two sections out of the Socialist Party in 1919, when the Communist Party and the Communist Labor Party were formed, the Communist movement has had a series of persecutions from without and struggles within to contend with.

In 1919, the two parties were formed and soon met with the hatred of the bourgeoisie and the capitalist government, which made raids on their organizations and drove them underground. Hampered in their work as underground organizations they have resorted to various open organizations for carrying on their work among the masses. After a series of amalgamations followed by secessions of groups with different tendencies, the Communist Party of America to-day is a unified body working in line with all the policies of the Communist International.

Inexperience in revolutionary work and hair-splitting as to principles, in addition to the persecutions and the obvious disadvantages of being an underground organization, have hindered the development of the Communist Party of America. Correctness of policy could only be determined by actual practice. Composed primarily of foreign-born workers, unused to trade

union activities and unable to speak the language, the C.P. has taken some time to get a foothold in the labor movement of this country. Doctrinaire enunciation of slogans and fighting over "purity" of principles for some time made the party more a debating club than a fighting organization among the masses. The inability to find the proper mode of contact with the masses, in an organized manner, and in a form facilitating the organization of the workers whom they could influence, made it extremely difficult for the Communists to make their influence felt.

The formation of the Workers' Party, in which the Communists participated, enabled them to carry out their policy of reaching the masses in a most efficacious manner. Although the Workers' Party cannot adopt a full Communist program and otherwise, as an open party in a country that persecutes workers and sends them to prison for mere membership in the Communist Party, is somewhat circumscribed in its activities, the Communists have found it an excellent medium for carrying on their at present most essential work. This they will be forced to continue to do till the American working masses have gathered sufficient revolutionary strength to force the government to allow the Communist Party to come out into the open, to lead the revolutionary struggle of the working class against the capitalist State.

Despite all these handicaps, the influence of the Communist Party has been very extensive. The fear of a "revolution" in 1919 led the government to suppress the C.P. and drive it underground. The effect of the Russian Revolution and the revolutionary outbreaks in Europe, together with the tremendous and growing strength that the Communist International has evinced, has filled the capitalist class of America with dread. Experience has demonstrated that the American working masses are fighters. Armed battles are not unknown occurrences. Accustomed to using force against a virile working class, the capitalist government has provoked a tendency to the use of counterforce that is becoming axiomatic. It recognized that the influence of European politics would be felt in America, especially among the foreign-born and therefore early took steps to throttle all revolutionary activities.

But the tactics of "boring from within", of permeating all working class organizations, has been most effective. Despite inexperience, the Communists have acquired influence in the trade unions. In fact, their influence, direct and indirect, has become so extensive that the bureaucracy of the American Federation of Labor has inaugurated a policy of repression and expulsion. The Communist nuclei in the needle trades, in the miners' unions, in the food industry and in the building trades have energized all union activity. They have demanded a militant program; they are demanding strict accounting from the union leaders. Everywhere they are raising the slogans of amalgamation and independent working class political action. They are proponents of a Labor Party in America, as a first step to the revolutionizing of the working class of the country, and will demand that, as a section of the working class, the Communists be admitted to the Labor Party.

The Communists have led in the work of relief for Soviet Russia and have gained great support from the labor organizations. The Communists have penetrated numerous working class fraternal and beneficial organizations and have exerted tremendous influence on their policies and activities. Despite the innumerable obstacles placed in its way and the inner conflicts and controversies that have ravaged its organization, the Communist Party is playing a significant part in the present struggles.

The Communist press is an important factor. There are nine Communist, dailies and a large number of weeklies and bi-weeklies. The larger part of these publications is in foreign languages. The inauguration of a Communist daily in English will be of great assistance in bringing over the American worker to the Communist cause and in welding together the language federations composing the Communist Party.

The policy of terror which the capitalist class has conducted against revolutionists in America, and which it recently extended in its general phase to the entire working class, has brought the workers closer to the Communist Party. The workers are beginning to find Communists among trade union leaders, militant workers speakers and organizers whom they had been taught by the capitalist press and capitalist spokesmen to regard as beasts in human form sent here to destroy their country, their liberty, rob them of their work, destroy their homes and debauch their women. The recent raids that the capitalist class and the government made on peaceful meetings of workers, on strikers' assemblages, on the convention of the Trade Union Educational League, on the I.W.W. and on a meeting of Communists; the terroristic acts of the Ku Klux Klan (the Fascisti of America), the American Legion and the newly formed Sentinels of the Republic, have made the workers realize the necessity of a united front in the struggle.

There has been a magnificent protest on the part of organized labor against the raids on the Communists. State and central labor bodies have passed resolutions demanding their release and the abolition of the "criminal syndicalist" law on which the charges against them are based. The Labor Defense Council which was created for the defense of the Communists and other victims of the class struggle, is meeting with splendid response from the ranks of organized labor.

VII. General Political and Party Political Perspectives.

The capitalist government of the United States is the most powerful in the world. Emanating from the World War as the creditor of the world, to the amount of more than eleven billion dollars, its industries intact and functioning as never before, with the country's resources hardly touched by the expense of the war, with a loss in manpower only slightly more than that experienced every year in American industry, the capitalist government has assumed a dictatorial attitude toward Europe, in the full knowledge that American gold dictates world policy.

The American government has refrained from direct participation in European conferences, merely having observers for information purposes. This policy has sufficed up to the present, since the war-weariness of the nations and inability to subsidize another war have restrained them from further ventures of that kind. But the imperialistic designs of Great Britain and France, their grabbing of rich oil fields and procurement of profitable fields of investment without consideration of the "dictator of the world" have aroused the American capitalists, and loud voices are heard, demanding that America join the League of Nations and participate actively in the division of the world.

The European powers recognize their limited might. Hence their zeal to obtain support in any quarter. The internal condition of each of the countries is fraught with so many dangers that any outlet for industry, any possibility of trade is seized upon with avidity. Thus we find that Germany and England have already entered into trade relations with Soviet Russia, although both governments are opposed to the policies of the Soviet Government.

France again, as hateful as the idea is to her, is ready to recognize and trade with Soviet Russia, since she realizes that if she has not Soviet Russia's aid in the Near East, even if for quite different reasons, England will defeat her and eliminate her from influence in that sphere.

America, on the other hand, has refused to recognize the Soviet Government or entertain trade relations with her. This the American government can do only because of the relatively firm position in which American industry is. For it is obvious that every penny of trade with the Soviet Government will help to stabilize it and assist it in bridging over the period till the Russian workers and peasants become self-sustaining.

The domestic policy of the American government is identical with its foreign policy. The American capitalists are conscious of their tremendous power; they are allowed to form gigantic organizations, despite prohibitory laws. They have their bankers and manufacturers' association, their local chambers of commerce and the United States Chamber of Commerce. There are interlocking directorates in all large industries. A small group of bankers in Wall Street controls the financial, industrial and consequently the political life of the country.

The bankers of Wall Street, however, are a shrewd group; they have the assistance of experts and statisticians who compile reports on conditions in the country. They have spies and detective agencies making minute records of activities of the working class. They endow organizations to make studies of the conditions; they send observers to Europe to gather information on the situation there. They are well aware of what is transpiring in every European country. They know of the misery that is piling up and presages trouble for the masters; they know of the progress of the revolutionary movement. Hence they are seizing time by the forelock.

They are preparing for the inevitable struggle for control that will take place in America. They are fortifying themselves for the coming years. Their aim is to crush the revolutionary movement now while it is but in its nascence. Experience has shown them that the American workers will fight—fight with more bitterness, more fierceness than the workers of perhaps any other country (this being due to the tradition of the frontier and pioneer life that still obtains in America—each man for himself—and to the physical virility of the immigrants to America).

Hence, they have launched the movement for general repression of the working class; they intend to rob the workers of their primitive and fundamental economic rights. They have dec-

lared battle and will conduct it according to laws of their own choosing.

The present economic improvement is heading to a steady growth in the labor movement; at the same time it is moving slowly but surely to the Left, impelled by economic necessity. A movement to the left means the changing of leadership to men of more militancy and vitality (already one has fallen, Grable, the president of the Maintenance of Way men). Conscious of its growing power, the labor movement will make new demands on the capitalists. The Daugherty injunction is a symbol of what the American capitalists and the American government plan. Greater militarization and the demand for universal training are symptomatic of what the American workers may expect.

There is no country, therefore, in which the Communist Party has a richer field of activity and work than America. The repression undoubtedly will be intense. Raids, jail, torture, murder—general massacre of the rebellious working class, as in Mingo County, will be the reward. With good leadership, proper strategy and tactics, with active and devoted participation of the membership in the coming struggles, the Communist Party bids fair to become a mass party in a short time.

From Guatemala

By Alfred Stinner.

The ruthless censorship of letters which is exercised on the one hand by the Mexican authorities and on the other hand by the liberal government of Mr. Orellana at the Guatemala frontier, renders difficult a regular connection between the revolutionary organizations of both countries. From time to time however, we get reports from Guatemala and what these tell us has certainly induced us to redouble our efforts towards the development of a proletarian movement in Central and South America.

The unionist tendency has for some years characterized the program of all radical democratic parties in Central America. As a result there are endeavours after the formation of a single federative republic which would include the whole territory from the northern frontier of Mexico, from Texas and South California up to the Southern frontier of Panama. There would thus be created a stronger political and economic unit more fit to oppose the ever more aggressive North American imperialism. Though we are not laboring under the illusion of thus achieving economic independence, it would none the less be possible to prevent the ever-recurring "revolutions" which are contrived or supported by the United States. In Guatemala the unionist idea has made great headway particularly among the agricultural population, although the number of small, independent peasants is very limited. But it is natural that it is the agricultural workers who suffered most from the continuous revolutions.

It is easily understood that Washington spares itself no pains in order to combat these efforts at unionism. This is accomplished by providing material and military support to all reactionary governments in Guatemala, as well as in all the remaining central American republics. The result is, that our comrades in these countries are in an analogous position to that of our fellow comrades in the border states controlled by the Entente. In the course of the last year there has developed in Guatemala a legalized white terror. Even the *Federacion Obrera* which follows Gompers and before whose revolutionary propaganda the government certainly has no need to tremble, suffers under the prevailing reaction. This federation comprises today 16 trade unions with about 1000 members. As one sees, it is here a matter of very small relationships.

Of political revolutionary groups which stand near us and are in connection with us, there is but one. This is the *Unificacion Obrera Socialista* which at present can only work illegally. Its attempts to publish a legal newspaper was answered on the first day of its publication with the closing of the printing works and the arrest of two comrades. Outside of the capital, where the group numbers 90 comrades, there are isolated sections in the mining district.

The propaganda in the country is well organized. With few exceptions, quite feudal conditions prevail here. The administrators of the Spanish and North American Junkers are still firmly in the saddle here and wield the slave lash on the backs of the Indian Mujik as was once the case in Tsarist Russia. Work lasts from sunrise to sunset and the day's wage amounts to 1 peso (= 1/4 Am. cents). In return for this one obtains a little maize and black beans.

The position of the working class in the mining and industrial districts is somewhat better. Here the wages amount to

50 pesos a day; that is equal to 3.75 Swiss francs. Social measures for the protection of the women and young who work in the mines and factories are non-existent.

As in the remaining countries of Central America the ideology of the revolutionary working class is mostly syndicalist and anarchist. We have suggested to the comrades in Guatemala to found, in spite of all hindrances, a legal party, be it under the guise of social democratic slogans. In Central and South America,

Asia

The Labor Movement in China

By G. Voytinsky.

The beginning of the current year will be an ever-memorable period for the Labor movement in China.

On the 13th January of this year the Chinese seamen in Hongkong entered on a strike. The strike which extended to the workers in the various branches of production, and drew into the struggle against English and inland capital over 100,000 men lasted for about two months and ended with the victory of the strikers.

The strike of Hongkong was without doubt a historical event for the Labor Movement of China from which the Chinese proletariat will count the further stages in its struggle against capital. The expression: "Before the Hongkong Strike" and "after the Hongkong Strike" will from now on denote an epoch in the Chinese labor movement.

The response to this first organized and victorious uprising of the Chinese workers is still felt over the whole of the gigantic area of China.

Immediately after and even during the Hongkong strike, strike movements began in Canton and its surroundings; afterwards the strike wave swept to Shanghai, Hankau, the Peking-Hankau railway line, Tianzin and finally touched the Portuguese colony in South China and the Island of Makao.

It was finally ended by the strike of the Postal employees in Shanghai and a strike in one of the English Tobacco factories.

The Hongkong strike of the Chinese seamen and dock workers therefore merits the thorough attention of all who wish to have a correct understanding of the rise of the Chinese Labor movement. This movement will, under the Chinese conditions very rapidly become a gigantic factor in the struggle for the national independence of China, for its liberation from the chains of imperialism.

In any event the imperialists are giving this event their serious attention. The English press in China which hitherto every time the workers demanded better treatment or an increase of a copper cent in their wages, only sneered at the Chinese "Coolie", at this "rabble", this time treated the question of the strike with seriousness and uneasiness. The question was even brought up in the English parliament and many imperialists threatened the despatching of troops into Chinese towns. And in truth English imperialism had reason to fear. The Hongkong strike which commenced with the demand of the seamen for an increase of their wages by 30 to 48 per cent developed very quickly into an anti-imperialist action. Literally the whole of the Chinese population surrounded the strikers with an atmosphere of sympathy and universal support. The government of south China supported the strikers and endeavoured to make use of the strike for the movement for national emancipation. The threats of the English governor in Hongkong frightened neither the strikers nor the Southern Chinese Government.

We can judge from the English press for the period from January to March of this year of the character and extent of this strike.

The following is an approximate account derived from the piecing together of all the information taken from the English papers and periodicals appearing in China.

At first only 10,000 seamen went on strike. After some days the strikers began to leave Hongkong and to betake themselves to Canton i. e. into Chinese territory where they knew they would be in a friendly atmosphere and where they would be free from repression on the part of the English imperialists.

Immediately after the arrival of the first group of strikers, the working population of Canton and in particular the workers organisations, of which there are 150 in Canton, began to organise Relief activity for the strikers, housing room and provisions were supplied.

the Anarchists and the "pure" syndicalists form a pretty counterpart to the European opportunists. Both tendencies exhaust their strength in blind and furious attacks against everything that proceeds from the Communist International. It is very difficult to find any form of cooperation with these elements. The question of Communist propaganda in the syndicalist trade unions is one of the most difficult problems for all the Communist parties of Central and South America.

The government party of the South, "Gominden" organized meetings in favour of the strikers, where the idea of national independence and the struggle against the militarists of the north was proclaimed. The communist organisations also and the union of communist youth made use of the situation for the holding of a number of meetings and assemblies.

Meanwhile the number of the strikers grew more and more and all ships which left Hongkong proceeded to Canton. On the 1st February the number of the strikers already amounted to about 40,000 and in the harbour of Hongkong there lay idle 166 ocean steamers with a tonnage of over 280,000. Entire workers organizations such as the The Porters Guild, the Dockers and even the Hotel Workers' Unions ceased work out of sympathy towards the striking seamen. It is interesting to note that this strike extended to the lower Chinese officials and to the clerks in the offices of English firms.

In one word the strike, in consequence of the peculiar conditions in China became not merely a fight against capital, but partook of the character of a national struggle.

The class character of the fight however became ever more clearer from day to day.

This was expressed in the first place by the fact that it was chiefly the Chinese workers organised in unions that were drawn into the struggle. Thus the Mechanics Union of Hongkong right from the beginning put forward the demand that the Seamen's claims be granted and threatened to strike in case of refusal. This union jointly with the Railway workers union convened a full meeting at which it was decided, to appeal by means of a circular to all Chinese railway workers to demand a wage increase of 30 per cent which should be devoted to the support of the striking seamen.

The railwaymen on the Kanton-Hangkou line made use of this opportunity and submitted to their administration a series of other demands, among them, the regulation of the question of the engaging and dismissal of workers.

The Seamen's strike found a response not only among the working masses of South China but also in all the industrial cities of northern and central China.

On the Peking-Hangkou line, the railwaymen attached placards to the tenders of the locomotives bearing the inscription: "We are supporting the seamen of Hongkong."

The Typographical workers of Hongkong entered the strike "in order to prevent the imperialists from printing false reports upon the strike." On the Peking-Mugden (the northern part of China and Manchuria), Peking-Seyan, and Peking-Hangkou lines a number of meetings were organized for the support of the strikers.

In Shanghai where the English attempted to introduce strike breakers, the trade union councils fought successfully against this attempt.

The above mentioned facts are of enormous importance for the Chinese labor movement. It is still a generally known fact that the working masses of China, like the whole of the Chinese population in general suffer from a provincial patriotism in the worst sense of the word. The printers in Shanghai who, for example are natives of Canton and are united according to their province maintain the most hostile relations with the workers in the same industry who happen to be natives of Peking or Shanghai. Here it is not only a question of difference of speech, but the general aversion of the Southerner to the Northerner also plays a part.

The strike of Hongkong issued for the first time in China the slogans of class solidarity on a national scale, slogans which proved to be stronger than the prejudices and traditions of provincialism. The class interests manifested themselves in such a concrete form, that this strike will leave behind it inerradicable traces in the uniting of the whole of the Chinese proletariat.

Not less important however is another factor of the Chinese Labor movement, which was realized for the first time in the Hongkong strike — that is the question of the recognition of the

trade unions and the representation of the workers exclusively through the same.

The cause of the putting forward of this demand and which even made it the chief demand was the action of the English government who, immediately after the declaration of the strike dissolved the railwaymen's union and declared it to be an illegal organisation. The seamen thereupon grasped the full importance of the attack directed against their union and declared in their negotiations with the employers, that before they would proceed to Hongkong to discuss the question of the increase of wages, the recognition of the seamen's union must form the basis of the negotiations and that the representatives of the union would conduct the negotiations with the capitalists. The seamen demanded at the same time the engagement of workers exclusively according to the rules of the union, as well as guarantees against subsequent penalization, and the reengagement of all strikers. The longer the strike lasted the more clearly formulated and far reaching became the demands of the seamen. To the demand for the increase of wages for instance there was added the demand that this increase should extend to those seamen who up to this time were at sea and that the increase should be paid from the 1st January of this year.

The demand for the recognition of the union and the engagement of workers through the union, brought for the first time in China the question of the class unity of the working class in its full extent, right to the forefront. As a result the system of craft unionism as also the system of workers private co-operative societies received a decided blow. The seamen of Hongkong during the strike perceived with perfect clearness, that they must have their own class organization and that the creation of an organization fedration with the seamen's unions of all other harbour towns in South, Central and North China was an absolute necessity. The delegations which were sent by the striking seamen to all Chinese ports prove this.

The whole experience of the Hongkong strike was naturally turned to good account not only by the seamen.

This strike possessed an enormous revolutionary importance for the whole Chinese proletariat. It may be assumed that the victory of the seamen has made a complete and final end of the idea of the invincibility of foreign, and chiefly English capital, among the working masses of China. In fact this victory was the occasion of a series of further strikes which we have already referred to which took place after the Hongkong strike.

The Hongkong strike makes the way clear for the formation of a labor movement through class organisations.

Upon examination of the above cited strikes a certain quality can be detected which is common to all. It is the fact which we mentioned at the outset: the Chinese labor movement is at the same time also a movement for national emancipation.

The labor organizations are at present the pioneers in the struggle against imperialism. In any case the Chinese bourgeoisie merely joined in the struggle of the Chinese workers against foreign capital, but the initiative proceeded no longer from them as was for example the case in 1919 when the boycott of Japanese goods organized by the young offsprings of the Chinese bourgeoisie, by the Chinese students and the commercial world raged like a tornado over the whole of China.

This year, in addition to the Hongkong strike and also in a yet greater measure in the strike of Makoa there was a movement against foreign imperialism in China, and thereupon the Chinese bourgeoisie joined in this movement and afforded the strikers help.

When however the strike wave swept from the outer to the interior Chinese districts, the relations of the Bourgeoisie to the working class naturally suffered. The book-printers strike in Canton serves as an example of this, which as a consequence of the repressions of the "revolutionary" government of the south was discontinued.

It is therefore not surprising that the resolution proposed at the Trade union congress in Canton at the beginning of this year regarding the recognition of the southern government was rejected by the workers.

The Chinese labor movement, as is to be seen from the above, in addition to the fight against the colonial policy of the imperialists i. e. for national liberation, conducts the fight against the exploitation of labor on the part of inland capital. The fact that at present the labor organizations constitute the most active force in the struggle against foreign capitalism and imperialism in China proves the growth of these organizations and their continually growing importance in the political life of the Chinese people.

The Chinese working masses are therefore beginning to become conscious of their power and reveal their strength in organized form. This was the case recently when the rail-

waymen on the Peking-Hanghau line declared that they would stop the traffic should the northern troops be sent against south China.

It may be taken for granted that the organized Chinese proletariat will demand greater economic and political rights from the Chinese bourgeoisie the more it takes active part in the struggle against the common enemy of the Chinese people, against world imperialism.

Economic Condition of Japan

By Sen Katayama.

Japan is a mountainous country, about the size of the British Isles; arable land therefore forms a very small portion.

At the present time we have about 3,000,000 *cho* of cultivated land—paddy fields—and of sterile land 3,000,000 *cho*. (One *cho* = 2.45 acres.) This arable land is divided into 4,845,000 parcels and is cultivated by 5,481,000 families. Japanese farmers have very small farms; there are nearly 2,000,000 families who cultivate only $\frac{1}{4}$ of an acre, 1,800,000 families who cultivate $\frac{1}{2}$ acre, 1,000,000 who cultivate 1—2 acres, and 4,890 families who cultivate 2 acre farms.

Recently, industry has become quite prosperous, and, in one sense, Japan has been rapidly becoming an industrial country. Fifty years ago, there were no railways and hardly any steamers, no machine shops, and no steam power used. But today we have many factories and 6,000 miles of railway. Factory workers alone number 2,000,000 including small workshops, but the so-called proletariat or city workers numbers over 5,000,000.

The last government census gives the number of city inhabitants as over 10,000,000 out of an entire population of 56,000,000.

Our textile industry is the best developed in Japan and employs 7,800,000 people. The war brought Japanese economic conditions into a very unstable state, because during the war, Japanese industry was prosperous and workers were recruited from all over the country. Europe was cut off from export trade, and Japan was the supplier of goods along the Pacific Isles and other Asiatic countries and exported to the European Allies. But with the end of the war, Japanese industry suffered a crash.

At the present time there are said to be over 800,000 unemployed. This increases daily on account of the reduction of armaments and the depression of industry. But the national expenditure has been growing. Twenty years ago it was only 200,000,000 yen, but the national budget today is 600,000,000 yen. Out of this nearly 45—50% is expended on armaments, and this abnormal expenditure almost brought Japan to the point of bankruptcy.

The Japanese economic condition is just now in its most critical stage because of the big financial and industrial crisis of 1920 which was followed by depression of industry and commerce and there is hardly any hope in the future of industry recovering to the position in which it once stood. In spite of this, and in spite of the reduction of the army and navy, the Japanese government finances are not much reduced. There is still a big budget of over 400,000,000 yen. The government is attempting retrenchment, but, it is unable to do so on account of the difficult circumstances prevailing. In order to reduce the army, 6000 officers must be dismissed, each receiving 5 years salary in advance, so that even the reduction of officers can't help very much. 50,000 government employees are to be dismissed; they will demand at least 2 years wages, but it is hardly possible that the government will grant this.

For this reason, labor troubles are growing, even in the government factories, but the government continues dismissing workers, in a high-handed manner. Many factories are entirely closed, and the number of unemployed is increasing. The Japanese eat mostly rice, and the price of rice influences the price of other goods. Usually 6,000,000 *koku* of rice are imported from China or some other Asiatic country.

The government put an import duty on rice, which means that all big landlords are profiting through high prices. It would seem that the high price of rice ought to be profitable to the farmers too, but in reality it is not so. The majority of farmers cultivate only $\frac{1}{4}$ or 1 acre of land, and they are compelled to sell their crop as soon as it is gathered; the cheapest selling price prevails at that time; the price of fertilizers is very high, and since the Japanese farmer plants rice each year on the same land, it is necessary to use some artificial fertilizer in order to get any kind of a crop. Taking all this into consideration, the average farmer is poor and exploited. Only the big land-owners who do not cultivate the soil, but exploit their tenant farmers, reap profits: Out of 5,000,000 farming families, 1,500,000 are tenants and 2,150,000 employed as agricultural workers.

The farmer's condition is acute; he has to sell during harvest time and therefore receives a very low price for his rice. The big landlord sells whenever rice is high; he can afford to wait a few months.

Japanese city workers are also exploited, as there is always an increasing number of workers, enabling the employers to pick and choose. The sons of the farmers all come to the city to get jobs, and the increasing population always supplies fresh "hands" for the city factories.

The city worker suffers a great deal on account of high rents. All the city houses are over crowded, and the house owners keep on demanding higher rents in spite of the times through which the country is passing.

In all respects the Japanese economic life is in a very bad plight. No improvement in industry and agriculture is undertaken. Hardly anybody gives it a thought, because Japan spends so much on unproductive armaments.

A radical change must take place in Japan, otherwise it will be faced with bankruptcy. The Japanese people are also awakening, and demanding radical changes in regard to taxation and expenditures. Recently the cry was heard for the reduction of armaments and increase of funds for education, agricultural and industrial improvements.

The Labor Movement.

The number of proletarians in Japan increased greatly during the war, for during that time Japanese industry made a big step forward. But the metal workers, textile workers, and miners have been increasing in numbers for the last 40 years. For instance, we have nearly 700,000 miners. Of these about 400,000 are coal miners. Coal was never mined in Japan before the introduction of Western civilization within the last 30-40 years.

The proletariat is inexperienced in the industrial field. Western industry is quite different from Japanese, with the exception, perhaps, of mining. For this reason the proletarian had to learn in his field of industry, and acquire his own technique. For a long time the Japanese were much occupied in learning how to use the steam-hammer, to run railroads, how to use electric excavating machines in the mines, etc. Consequently, they had very little time to work for their economic and social betterment. The capitalists knew also how to establish industry and commerce according to the western method, and how to exploit the proletariat by many different methods adopted from the western countries.

The government took care to protest the employers against the workers. This was the condition of the Japanese proletariat until recent years. It had no chance even to attempt to better its conditions.

The labor movement in Japan is very young. It really started from the great rice riots which were undertaken by the poor people in general. This movement was taken up by the industrial workers in the form of strikes, and the number of strikes has been steadily increasing, both in number and in demands from the employers. Some strikes developed into great destructive riots against the employers, but almost all were crushed by the gendarmes and military.

In Japan a strike is a crime, and a striker is deemed a criminal. Accordingly, the police may arrest all strikers and put them into prison—usually for 6 months.

Organization of trade unions is practically prohibited, but the workers have been carrying on strikes and organizing themselves into unions in spite of the law and the police force and government suppression. This has been especially the case since the creation of the International Labor Bureau. Being a member of the League of Nations, Japan was requested to send a representative. The International Labor Bureau provides that each country send its representatives, hence the government cannot completely ignore the workers, and labor organizations of some sort must be recognized.

At the first Labor Congress held in Washington in 1920, the government manipulated, and itself appointed the labor representative from Japan. This roused the ire even of the petty bourgeois labor representatives.

Since then, the workers have been steadily organizing and their labor unions are growing. Japanese trade unions follow the western way of organization; some are organized as craft unions, and others as industrial unions. But, although the Japanese labor unions are of recent origin, they have not yet developed into petty bourgeois unions. Instead of resorting to petty bourgeois leadership, the Japanese labor movement has become more radical and revolutionary, perhaps because of the

revolutionary spirit that has developed in the western countries and is extending all over the world.

Japanese trade unions have usually been organized as the result of a strike. Some have originated because a strike was a failure and the workers have recognized that without united action they would never win their demands. In other cases, because of the victory of the strike. The latter cases are more common than the former. Japanese strikes are somewhat different from Western strikes. Japanese strikes usually break out without any strong, open trade unions, but most of them have been successfully conducted by secret organizations. Strike funds are non-existent. Money is collected for the most needy strikers from workers and by public subscription.

In recent times, strikes have assumed a more radical and revolutionary character. Street battles between the military and strikers are every-day occurrences.

For instance, the Kobe dockyard strike of last year was a typical Japanese strike. The workers in two of the biggest shipyards in the country went on strike simultaneously. The number of employees of the two dockyards Kawasaki and Mitsubishi was about 40,000. Their union is really insignificant, but they all went on strike, not one remaining at work. They were out for nearly a month and a half, and the striking spirit had to be kept up daily by propaganda. The strikers could not all be assembled at "one meeting place", they had more than 30 meetings in Kobe and Hiogo. Many days were occupied in street demonstrations, which ended in street fights with the police forces. At least 3 persons lost their lives.

The labor leaders kept up a wonderful spirit during the 6 weeks strike of 40,000 workers. It was all done by propaganda and public meetings and street demonstrations. All agitators are compelled to act secretly, otherwise they are arrested and kept under lock for 24 hours. As soon as they are released, they are allowed a few minutes freedom, when they are again arrested, and put into jail for 24 hours. In this way some labor leaders have been held for weeks. Some 260 agitators were arrested and kept in prison until the end of the strike. According to law, it is not permitted to retain them for more than 24 hours, but by using the above-described method, this regulation may be practiced as many times as the police authorities please; there is no restriction against this.

As the government became more and more oppressive, the strikers became more unruly and resorted to all sorts of tactics. Finally, of course, the strike was simply crushed by national troops. But the strike had been so skillfully conducted, that the workers emerged from it much stronger than before—as organized trade unionists.

Japanese labor union tactics consist not only of strikes; the workers also resort to sabotage, which is peculiar to Japanese conditions. Open and well-organized sabotage of a whole factory is well-known in Japan. I can give one very good incident of sabotage. It was in 1920, in the Kobe Kawasaki docks where, over 16,000 workers are employed. After these had failed to get their demands by a strike, they came together and voted for sabotage. The 800 horse power electric current was reduced to 400, and all the work of the factory went on in proportion. All the workers reported each morning for duty, but things seemed not to move at all. This continued for 10 days, when they conferred as to whether to continue the sabotage or not, for the company showed no signs of yielding. The unanimous vote was for the continuation of the strike. This sabotage was the first in Japan which had been carried on in such an open way. Finally they were successful, the company yielded to almost all their demands. The saboteurs even received wages for the days they produced nothing. Since then, sabotage has been quite a popular means for bettering the lot of the Japanese worker. Strikers can be arrested, but what is to be done when the workers are quite peaceful and orderly, and yet carry on a more effective strike than the usual kind? The police can't go into the factories and arrest them, nor can a whole factory-full of workers be dismissed. Sabotage is a much better method than a strike. Sabotage keeps the workers together all the day; a strike scatters them to their different homes. In the factory, it is much easier to keep up agitation and the "sabotaging spirit" against the employer. Of course, the company does all it can to break the sabotage, but what can a few engineers and foremen do against a mass of workers? If one or two workers were slack, these could be dismissed, but when the whole factory is idle, which worker can you dismiss and which leave in the factory? The Kawasaki sabotage was successful, and has been followed since by other factories and even street-railways, as happened in Tokio and Osaka.

Sabotage is one of the tactics of the Japanese labor movement and is successfully used until today. The Japanese labor movement being revolutionary, this often leads to destructive sabotage. We have many records of strikes ending in destruction of machines and factories, and many workers being arrested, some of whom are still serving in prisons today.

For instance, in one factory of 300 workers which had been on strike for a month without the company yielding, the police guard about the factory became lax owing to the apparently peaceful and tame attitude of the strikers. This chance was utilized by the strikers, and one night, when the police were absent they broke into the factory and destroyed everything they could lay their hands on, leaving the factory an absolute wreck.

They all escaped through the back entrance before the police returned.

The effect of this strike was remarkable. Soon afterwards all sabotage strikes were won and the employing class was terror-stricken, and strikes were won, one after another.

Step by step the Japanese labor movement has been growing more radical in its manner of strike and strike demands. As a consequence, the workers are awakening to class-consciousness. The Japanese labor movement is a fighting movement, and the workers involved in the strikes—no matter if the strike is a success or not—come to realize that without organization, class-conscious organization, they will not gain anything whatever from the capitalists.

Africa

The Labor Movement of South Africa.

By S. P. Bunting.

South Africa occupies a position almost unique even among "colonies" in that its working population consists of both whites and blacks of the colonizing races and blacks of the conquered subject native races. The black population out-numbers the white by about 7 to 1½, and as the majority of the whites are bourgeois the black workers outnumber the white workers by even more. The black does the "unskilled work" at about a sixth of the wages of the skilled white labor, and although the white cannot live "as a white man" at the low scale of the native, yet there are thousands of "poor whites" very little above it. In the leading industry of the country, gold-mining, a "color bar" has been secured by law: certain mine jobs are reserved for white workers, i. e. must be paid on the white scale; and general custom, though weakened latterly by increased poverty among the whites, has always tended to exclude the white worker, even if willing to accept wages at the native rate, from any but "skilled" or overseer's work, so that if he cannot get such work he is stranded. The capitalist, although interested in keeping the whites on his side against the natives (and vice versa), also wishes to get as much work as possible done at "kaffir wages", i. e., give it to black men rather than white.

On this issue turned the recent strike on the mines for a "white South Africa", that is, to retain a scale of wages which will support a European as against the gradual leveling down of all wages to the native scale. This issue was enough to bring about the first armed rising of workers under the British flag.

The relative economic and social position of European and native is largely reflected in the labor movement, which initiated and still predominantly led by immigrants from Britain, for the most part ignores the half-enslaved, docile, "helot" natives whom it is the tradition of the conquering Europeans in case of "disaffection" to shoot down without much ceremony.

In recent years the Dutch population (half the total white population and mostly anti-British-Imperialist) which occupies the greater part of the land of temperate South Africa, originally occupied by natives now serving as their farm laborers, has contributed numbers of men improvised on the land to the industrial labor market, especially as miners and semi-skilled workers in various town pursuits. These men, especially the less skilled of them who feel the danger of native competition the most, have on that very account added to the conqueror's contempt a special but quite intelligible prejudice in which indeed every white worker joins to some extent, against everything tending to "equalize" him with the native.

Hence there is next to no common proletarian sentiment between the white workers however poor and the native workers however advanced; rather the social antagonism is more intense as economic equality is approached; and as may be expected, the capitalists take good care to foster the antagonism on both sides. Having facilities, as masters and through the Government Native Affairs Department, of access to native associations and educational organs, which are not open to other Europeans or even to independent natives themselves, they have largely succeeded in intimidating and alienating the native workers from labor agitation, which is made to appear as something foreign and un-native, so that the advanced native elements have been turned rather into channels of mild native-nationalist feeling (curbed, however, by frequent government repression), while the exclusive white trade unionists (between whom and the natives, ignorance of each other's languages fixes a great gulf) are represented as their greatest enemies, and the government as their best friends.

However, the actual landlessness, votelessness, social and economic degradation and violent repression of the natives have

produced among them not only a considerable sense of injustice and anti white feeling but, since about 1918, some rudiments of labor solidarity accounting for perhaps 10,000 out of a total of about 100,000 organized workers in the country and responsible for repeated native strikes affecting a far larger number, but actively discouraged by the ruling class and weakened by want of funds, and by the constant movement of most of the native proletariat between their homes in the "kraals" or reserves and the industrial centres to which they come to work, as well as by the fact that the native proletariat of South Africa is not limited to the frontiers of that country but the whole native population of the African Continent is a reservoir of potential labor.

Thus, although the capitalists dread the spectre of a big native labor movement above all, the only labor movement exercising actual political or industrial power today is still the European. This movement on both the industrial and the political field is chiefly concerned with maintaining its standards and status, and consequently attracts large petty-bourgeois elements chafing under capital predominance; so much so that the South African Labor Party (non-federative), with 13 members of Parliament out of a total of 134, may be called a petty-bourgeois party, while the Communists as such, numbering only a few hundred throughout South Africa, have failed, especially in view of their opposition to the war and their advocacy of native labor organization and European labor cooperation therewith, even to come near winning a Parliamentary seat.

The chief "opposition" party is that of the *Dutch Nationalists*, with Republican aspirations of varying degree something like Sinn Fein, and some 45 Members of Parliament. The majority of the miners in the strike of last January-March were such Nationalists, although their party did not officially support the strike, and even now it is at Nationalist meetings that the bitterness of the strike defeat is most naturally expressed by them. The Government Party is a fusion of the former English Party with those wealthier Dutch elements who, like Botha and Smuts themselves, have made their peace with British Imperialism and World Capitalism.

The main immediate problems before the Communists are:

1. Generally to propagate solidarity, based on an understanding of the actual class struggle, among the workers, the most accessible of whom are the Europeans, although those most continuously oppressed in the struggle are the natives. It follows that the Party's direct propaganda, e. g. through its weekly organ *The International* reaches the white workers chiefly, although the paper is read by a few natives who it is believed carry its message far afield among their people. Under this head the popularization of the Russian Revolution, Communist International and Red International of Labor Unions also finds place; the two latter are almost unknown and are certainly not generally recognized as authoritative.

2. To gain influence in the white labor movement for its own sake, both among the rank and file of the *Labor Party* (i. e. the "general public" not closely dependent on the "big houses" and not individually interested, like the Party leaders, in place hunting) and especially in the white trade unions, many of which are exceedingly backward and lacking in solidarity and are dexterously manipulated by one or more typical yellow leaders. This Communist influence is great and increasing, partly perhaps owing to considerations of personnel; a number of trade union official positions are held by Communists, and the Communists Head Office at Johannesburg is today, especially since the Rand strike of this year, perhaps the chief centre of counsel and inspiration to the labor movement, although the Party's numerical and financial position or the number of subscribers to its organ would give quite a different impression. Tom Mann's present South African tour will undoubtedly have a good revivalist effect.

3. In particular to work for the *United Labor Front*. This task has, as a result of the land strike, made some progress, especially on the basis of agitation on behalf of the unemployed and for an amnesty for strike prisoners. Tom Mann's tour is supported by labor organizations of a number of different camps. The United front movement has so far ignored the native workers, but a much needed conference of white and black labor representatives might well be initiated by it.

4. To influence the white workers to abandon their prejudice against native labour organization and to induce them to encourage and cooperate with it. This is an extremely delicate and difficult task, but the lessons of the recent strike will it is thought tend to lighten it.

5. To carry on propaganda directly among the native workers and to assist their industrial and perhaps political organization and activities. This is perhaps the most difficult task of all, for the reasons above given and especially because it arouses fierce resentment among the Europeans, workers no less than bourgeois. Indeed many of the Communists themselves argue that the native should preferably be left to develop on his own lines, although he is subject to such powerful capitalist influences that it difficult to see how such development can carry him rapidly forward.

6. To make such use of Dutch Nationalist sentiment as may further the cause of the working class, local or worldwide. Here again is a dilemma: for though this sentiment is strongly anti-imperialist (what it would be if offered power as in Egypt or Ireland is another question), it is also traditionally repressive of the natives and generally, as befits its agrarian foundation, reactionary and Junker in ideology. As a result of the recent strike a pact between the Nationalist and Labor Parties not to oppose each other at the next general election, due for 1926, is being discussed. The expected inclusion of Rhodesia in the Union of South Africa will probably destroy the chances of even such a block obtained a parliamentary majority.

7. To strengthen the Communist Party itself, both at its centre, Johannesburg, and throughout South Africa, including the Young Communist Movement and especially the maintenance of the weekly organ, which owing to lack of funds has recently had to become a fortnightly only. In the last two years, and more than ever in the present severe post-strike depression, the Party has been weakened by very serious financial stringency, by apathy of members disappointed of their hopes of a world revolution following the Russian, and by strong anti-"Bolshevik" influence and propaganda both among white trade-unionists and among the more intelligent industrialized natives.

8. To convince the Parties abroad and the Communist International of the importance of the revolutionary movement of the cheap coloured colonial labourers of the world, of the need for organising them, and of the possibility and advisability of European labour cooperation with them not merely locally but on a world scale.

The Situation in Egypt

By M. Hosni el Oraby.

(Secretary of the Egyptian Socialist Party.)

For forty years English imperialism has ruled Egypt. All this time the Egyptian people have continually struggled to be free. The nationalist leaders did their utmost to force the English to evacuate the country, but like the nationalist leaders throughout the world—they used the wrong methods and means.

They established papers in the country: *El-Leva*, *El-Alam*, *El-Sha'eb*, etc. These papers were all suppressed. They held congresses *outside of Egypt*, in Paris, London, Brussels and other places. They gained nothing save some sympathetic words from "above". They sought to flatter the capitalist governments opposed to the British Government. But the matter ended with the two imperialist governments coming to terms on the Egyptian question of Egypt. The story of Fashoda where France gave way to England and abandoned Egypt is not yet forgotten.

The nationalist leaders were imprisoned, tortured and exiled right up to 1914 when the war broke out.

The English authorities then proclaimed martial law throughout the country and rendered it impossible for the people to express their real opinions either by word or pen.

During this time the people began to suffer bitterly, the markets collapsed and wages fell, factories closed down and the workers were thrown idle on the streets. The poor *fellaheens* (agricultural laborers) were without food. After this prices rose and the position of the working masses was even worse than before, as wages were insufficient to meet the high cost of living. In addition to this the English forced men into the army from

the ranks of the Egyptian proletariat under the title of "volunteers".

The English military authorities also commandeered the people's food and their cattle. In short they entirely subjected the people both spiritually and materially.

The country became a volcano; any moment might bring an eruption, but there was no one capable of occupying the place of leader. At the close of the war and the opening of peace negotiations, the nationalists with *Zaglut* at their head, became active and demanded the restoration of the freedom of which they had been deprived. They were arrested by the English military authorities and exiled to Malta.

The country was agitated from one end to the other. In March 1919 an extensive revolutionary movement arose. A general strike was called, in which the strength of the people was manifested. Telegraph and telephone wires were cut, the railways were stopped, the rails torn up, the students forsook the schools and universities and agitated among the people. The clerks left their offices to voice their protest against English imperialism. At the same time there were demonstrations in all the towns and villages. The native women participated in the demonstrations also. Some of them were arrested. The English authorities arrested the leaders of these demonstrations, despatched aeroplanes to some of the towns and flogged and tortured the demonstrators in the most barbarous manner. Shameful acts were perpetrated by the English.

The suppression of the demonstrations was entirely futile. The people could not be calmed until the English allowed *Zaglut* and his friends to return.

The fact of this big revolutionary movement has been kept secret from the world as the English authorities exercised a strict censorship over letters, telegrams and the press.

The nationalists acquired a new experience; they saw that their old tactics were futile and that they were helpless without the proletariat. A mere handful of forty against the imperialists they counted as nothing. After some weeks of energetic propaganda, when the people appeared on the streets and demonstrated their will and power, Europe began to take notice of Egypt and the English imperialists trembled. The nationalists then began to organize, to cause the voice of Egypt to be heard by the outside world and to encourage demonstrations.

The English resorted to their old policy. They destroyed the unity between *Zaglut* and his supporters. This was a favourable time for the Communists to appear openly as the government had its hands full in dealing with others.

The Communists encountered no difficulties at first for the government was of the opinion that the movement would soon die out. The Communists therefore redoubled their energetic activities and worked day and night until they became a strong party, not as regards numbers, but in itself. Up to this time nobody but a very limited number knew anything of Socialism, but now all the people were discussing it. The government began to persecute the party; it closed down the party's headquarters in Cairo and forbade the 1st of May celebrations this year. It is impossible to publish papers as no permission is granted to the party. The party's activity consisted in holding conferences and meetings, from time to time issuing protests against the government and against the nationalist papers and printing pamphlets and manifestos.

The nationalists held a secret conference in order to decide on their attitude towards the Socialist Party. They decided by a majority to help us until the country was rid of English imperialism. The Communist Party was thus given the possibility of printing its appeals and declarations in the nationalist papers. Sympathy for the Socialist Party which is affiliated to the Third International was particularly active at the time when the Turks won their victory in Asia Minor. The people came daily to the headquarters of the party to enquire for news. The Communists also entered into the trade unions in order to organize them after they had been abandoned by the nationalists. Their influence in the trade unions is growing from day to day, so that two months ago they established a General Federation of Labor which is growing daily.

Of the party membership, 95 per cent is proletarian and only five per cent consists of intellectuals. The first general meeting of the party was held on the 30th August 1921. The membership was then 513. Now it has increased to 1000, which shows that the party is making headway.

It has branches in Cairo, Mehalla, Tanta, Mansura, Shebin, etc. The Central Committee is in Alexandria.

Egypt too is awakening.

Australia

The Situation in Australia

By W. P. Earsman.

The Island Continent in the past has attained some fame, because of its political adventures in social legislation. That was in the days when the political world was being disturbed by the awakening proletarian forces.

This social legislation was recognized everywhere as something beyond all previous conceptions of political measures, and these experiments gave fresh hope to the social reformers and new life to many labor leaders. Capitalists themselves began to take cheer and believe that they could well afford to accept the social legislation without giving up any of their power or their wealth. In fact, they saw that this social reformation was going to be of great value to them in assisting them to hide the real truth from those whom they were exploiting. It was the "gilding the pill" of capitalism. We have now arrived at the stage where the poisonous effect of this pill is being felt, and social revolutions are taking place.

For the past twenty years Australia has enjoyed the reputation of being the land of political experiments; but it is over now. The dream of a happy contented race under capitalism has faded away, and once more we have the people brought face to face with reality and the seriousness of their position.

Again, we have experienced the benefit of a Labour Party holding the reins of government; a party which was supposed to represent the workers. A working class party which was supposed to hold everything belonging to its class as holy. Once more stern reality has forced itself upon the workers of Australia that the Labor Party is not a working-class party, but a petty bourgeois party. This has only been found out after many years experiences, and perhaps it is as well to know what this experience is.

The Labor Party of Australia was organized in 1890 after very bitter industrial conflicts, in which the power of the State was used against the workers. After those defeats the workers turned their attention to Parliament, and through their trade unions established the Labor Party. Ten years passed, and they found themselves with the State machinery in their hands. But it has taken twenty years to realize that though the Labor Party held the reins they did not manipulate them.

The roads which have been traversed by the "State coach" with the Labor Party "driving", have been named,--nationalization of industry, old age pensions, maternity bonus, compensation for accidents in industry, development of Australian industries, minimum wage, the legalization of the eight hour day, arbitration courts for the settlement of all industrial disputes; these, along with other minor laws, complete the journey which the Labor Party began twenty years ago. Everyone of those roads has been followed to the end, and today, the Labor Party and many workers see that they have reached a "dead end". In other words, the workers are beginning to realize that they have gone along the wrong road, and that the road, *within capitalism*, lead to a "dead end"; that the only way out of their misery is by blowing up one of those dead ends. The Labor Party with all its social reforms, stands today helplessly surrounded with misery and unemployment with no solution offered in their program.

Since the war, this has become very clear, and in 1921 we find evidence of it. On every hand the working-class is suffering, unemployment of hitherto unknown dimensions, factories closing each day with no outlook of any betterment. The workers' demands for bread becoming louder and more insistent, and the only reply from the capitalists is: "*lower wages and longer working hours*". The Labor Party was forced to act; it called an All-Australian Congress of Trade Union.

This was the first attempt in the history of the country to bring about an organized effort to deal with the economic and political situation from the working-class standpoint. The first work of this Congress was, after examination, to decide that the trade unions must be reorganized on an industrial basis if they are going to be effective in meeting the capitalist offensive. So they agreed to the formation of *One Industrial Union* for all workers.

This Congress also decided that the Labor Party program must in future be revised. The Congress examined the political program and decided to draft another one. This has been done and now the objective of the Australian Labor Party is the socialization of industry with workers' control. How this is to be achieved is the burning question. The revolutionaries have no doubt on the subject, but the petty bourgeois politicians insist

that only "peaceful" means must be employed. For the time being these people have had a victory, but it won't be for long.

This year the All-Australian Trade Union Congress met again, and indorsed the resolutions of the previous year, and further demanded the organization of a united proletarian front by insisting that the Labor Party accept the affiliation of all revolutionary working class parties, including the Communist Party, with the right of freedom to organize and carry on propaganda work. This will mean the strengthening of the whole working-class position and also that of the Communist Party.

The Trade Unions.

The trade unions have made great progress in the fact that they recognized their weakness, and are taking steps to remedy those weakness. This has mainly been in the question of organization. The *One Big Union* is an accomplished fact. This was carried out in February of this year by the amalgamation of the agricultural workers (150,000), coal-miners 35,000, railwaymen (48,000), dockers (8,000). The unions in the building industry have agreed to form one union and they too will form section in the *One Big Union*. The metal trade unions are doing likewise, and are voting on the formation of one union in that industry. So by the end of this year we expect that more than 60% of the organized workers will be in an industrial union. This will be a great achievement, particularly if we remember that 70% of the workers are organized, the total being 700,000.

The Capitalist Offensive.

This was begun in 1920, and is still on. There was little difference in the capitalist tactics from those carried on in other countries. They opened their offensive by shutting down factories and working other on part time. This was followed by an extensive newspapers campaign, that the workers must accept less wages and return to the forty-eight hour week in place of forty-four hours. The unions said: "No" and prepared for the fight by uniting in the effort to resist any attempt at lowering the standard of living.

A big fight looked inevitable, when suddenly the Prime Minister of the Commonwealth called an economic conference of workers' and employers' representatives. At first the unions refused to have anything to do with this conference. The Communist Party issued instructions to all members that they must get the unions to attend the conference. In a few days this was accomplished and the workers decided to send representatives. There were 16 delegates on each side, with the Prime Minister in the chair. The conference lasted ten days, when the employers broke it up by refusing to go any further. Whether the workers won a victory or not can be best seen from the opinion of *The Round Table* of June, 1922.

"None the less, the employers made a distinct error in tactics which, under different leadership, might have been avoided. They did not exhaust the possibilities of the situation. The workers had discussed the practical proposals of the employers, but the employers acted as if the workers had put forward no immediately practical proposals. Quite possibly, discussion might have resulted in no agreement, but to refrain from it on the ground that the workers were *Bolsheviks* merely gave opportunity to the workers for effective propaganda, of which they have not been slow to avail themselves".

Thus it will be seen that the workers of Australia have benefited from the experience of their comrades in other countries. So far the capitalists have not been successful in obtaining their objective of "*less wages and more hours*". At the present moment, the attack is concentrated on the coal miners and reports point to a general strike in the near future.

The Communist Party.

The Party was formed in October 1920 by the Socialist Party, which later broke away from it. In spite of this the Party grew, and is now established in every State of the Commonwealth. Many members of the Socialist Party seceded and joined the C.P.

The main activity of the Party has been in the trade unions. Its influence has grown by leaps and bounds. In fact, the Prime Minister openly declared that the workers' delegates were entirely under the control of the C.P., and that he knew everyone of us.

Again, in the struggle on behalf of the unemployed we were the main directing force, and many of our members found themselves in jail. The Party headquarters were the headquarters of the unemployed, where they held their meetings, and were assisted in every way.

Today in all questions the trade unions turn to the CP. for lead and as each day goes by the influence of the Party increase.

In the trade union work it was mainly the influence of the Party members that effected the affiliation of the Sidney Labor Council to the Red International of Labor Unions. This, in spite of the opposition of the social-reformers and the Socialists. This body represents 300,000 trade unionists. It is the real leader of the Australian trade unions. The Party has 40 delegates and controls the official positions.

The future is very promising. The Party and the trade unions realize the acuteness of the capitalist struggle in the Far East, and this is of great importance to Australia. Australia lies at the Southern end of the Pacific, Japan at the Northern end,

America and several groups of islands in between. The Far East, is Australia's future market and with her "White Australian Policy" makes her economically and politically very interested in the Far East.

At the last All-Australian Trade Union Congress the workers' representatives decided, that a closer relationship between all workers' organizations in all countries of the Pacific was imperative. Towards this end they agree to call a Pan-Pacific Congress to be held in 1923. Thus it will be seen that the workers of Australia are preparing for the future. This gives to the Communist Party the opportunity of assuming the leadership of the masses. With the active support of the Communist International the future of the Communist Party is a bright one, and in the coming struggles will attain that leadership necessary for the social revolution.