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A Theoretical and Political Magazine of Scientific Socialism

Editor: HERBERT APTHEKER

## Statement on the Declaration of 12 Communist Parties

By the National Executive Committee, CPUSA

On December 22, 1957, the National Executive Committee, CPUSA, adopted the following statement concerning the Declaration adopted in Moscow in mid-November, 1957.\* That Declaration was published in full in our December issue.—*Ed.*

THOUGHTFUL AMERICANS will give serious consideration to the Declaration of 12 Communist and Workers' Parties because it represents the considered opinions of those who guide the destinies of more than 900 million human beings—more than a third of mankind embarked on a course of Socialist development.

Naturally, special interest has been displayed in the attitude of American Communists toward that declaration, and we therefore deem it desirable to state our views.

The declaration, in the first instance, expresses the judgment of 12 governing parties, carrying the

grave responsibility of leading their respective countries through various stages of socialist development, seeking to arrive at a common estimate of the world scene and to strengthen their fraternal alliance so as more effectively to contribute to the cause of peace and colonial liberation and social advance, and striving to find the best solutions to problems that are common to each of them.

The declaration is an important expression of unity among these 12 parties of the Socialist countries, a unity achieved through fraternal discussions and the mutual exchange of views.

We note with satisfaction their reaffirmation of the estimate that "the question of war or peaceful co-existence is now the crucial question of world policy." This has been the

\* The vote on this statement was as follows: *In favor*, 11: G. B. Charney, D. Davis, F. M. Fine, J. Gates, D. Healy, C. Lightfoot, M. Lima, C. Ross, M. Russo, S. Stein, M. Stone; *Opposed*, 7: B. Davis, E. Dennis, E. Durham, E. G. Flynn, J. Jackson, H. Lumer, R. Thompson; *Abstaining*, 2: J. Stachel, C. Winter; *Absent*, 2: W. Z. Foster, G. A. Meyers.

conviction of American Communists, as well as of many non-Communist Americans. In the same sense, we greet their solemn pledge: "The Communist Parties regard the struggle for peace as their foremost task. They will do all in their power to prevent war."

The gyrations and aberrations in Washington, in the wake of the Socialist man-made moons, underscore once again that powerful forces in our own country oppose the principle of peaceful co-existence, resist disarmament, and are ready to gamble the lives of our people and all mankind in "limited wars," in Dulles' brinkmanship, in devious support to colonialism—all for the power and the glory and the profit of giant monopolies.

We are of the firm conviction, as are the 12 parties, that the forces for peace are sufficiently powerful to prevent war, that "peace and peaceful co-existence have now become the demands of the broad masses in all countries," that peace can win despite the machinations of imperialism.

The declaration passes judgment on many questions of theory and policy in the world Communist movement. This judgment merits thorough study by Marxists everywhere, and needs to be weighed in the light of their own experience and the reality in their respective countries.

In doing so, we American Communists should not repeat the mis-

take we often made in the past, of accepting the views of brother parties regarding their own problems as necessarily applying in the same way to the problems our Party faces, or of accepting a generalized estimate of the world situation without our own critical appraisal as to whether it is fully correct, or applicable to our own country. To do otherwise, we would be ignoring the lessons of our own pre-convention discussions, and the decisions of the National Convention of our Party. While we have the utmost respect and admiration for the leadership shown by brother parties to the working-class and its allies in their own lands, and the contributions they have made to the cause of peace and to the advancement of Marxist thought, we firmly believe that there is much we can learn from the experiences of other parties. But we also believe that only our Party can estimate best our tasks for the immediate struggles ahead and in charting the American road to Socialism.

These problems of theory and policy have been the subject of much thought and discussion in the ranks of American Communists. Our Convention Resolution states, "We are in full agreement to study further the question of our theoretical and tactical approach to war, the theory of the State, Dictatorship of the Proletariat, and other questions that time does not afford an opportunity to resolve at this National Convention." In doing this we are guided by our

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own national convention of last February, which resolved:

To advance the struggle in the United States for peace, democracy, civil rights and socialism, the Communist Party must further develop its independent theoretical work. It must free itself from deeply ingrained habits of dogmatism and doctrinairism which breed sectarianism, and which in turn lend encouragement to Right opportunism.

In order to succeed in this, the Party must study thoroughly the realities of American life today, the history and tradition of our working class and people, the special features of capitalist economy and bourgeois democracy in our country, the distinctive features of the American road to socialism.

These momentous tasks we have now undertaken in a discussion to shape a program for the American Communist Party. Affirming, as our convention did, that "Marxism-Leninism is a scientific analysis of the universal and objective laws of social development," we are guided by our Convention's injunction that "the Communist Party of the United States interprets, and applies, and strives to develop further [the principles of scientific socialism] in accordance with the requirements of the American class struggle and democratic traditions."

We will learn what we can from the experience and judgment of the 12 Parties in the discussion of our own program. But the creative application of Marxist-Leninist prin-

ciples in the United States is our responsibility, and one that we cannot abdicate.

In discussing dogmatism and Right opportunism, the 12 parties concluded that Right opportunism is "the main danger at present." We do not assume to pass judgment on this score, as it is reflected in other Communist Parties, and how this squares with the struggle to fully carry out the line of the 20th Congress, CPSU.

We believe the 12 parties were wise in adding: "However, dogmatism and sectarianism can also be the main danger at different phases of development in one Party or another. It is for each Communist Party to decide what danger threatens it more at a given time." The independent decision of our Party was rendered by its National Convention which declared that "the main task of the Party today is to overcome completely the influence of Left-sectarian estimates, policies and tactics in all fields of work," and that "the necessary struggle against Right-opportunist errors must be carried on in such a way as not to weaken the main task."

The deliberations and conclusions of Marxists anywhere, especially the spokesmen of the 12 Parties who can draw on such a rich store of experience, serve to stimulate, enrich and advance Marxist thought everywhere, if subjected to critical analysis, free debate, and a determined effort to learn from the mistakes of

the past. Their declaration points up the challenge we posed before ourselves to make our own independent contribution to the further development and enrichment of the theory of scientific socialism.

The orderly, systematic and collective process for doing just that is afforded by the discussions, just begun, to fashion a program for the Communist Party of the United States.

Such a discussion, however, in the present state of the Party's situation, would only be of value if, first, it is understood as not replacing the urgent need for the Party's finding ways and means of engaging in mass activity and playing some role in the immediate struggles facing the

American people; and secondly, if this discussion is conducted in the spirit of scientific objectivity which will seek out and explore the unique features of our country's development, as well as the common features characteristic of all capitalist countries; which will not start labelling every beginning in that direction as a departure from Marxism-Leninism, thus slamming the door on any fruitful discussion ever getting started, and paralyzing the Party into inaction, and which will lend an attentive ear to the views of other socialist-minded forces in helping us to chart our course.

Here is a most urgent task before American Communists.

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# The National Farmers' Union

By Carl Ross

THE NATIONAL FARMERS UNION and its leadership stand out as the most progressive current on the farm scene of 1958. This is the logical conclusion from a survey of recent state Farmers Union Conventions and a pre-view of the forthcoming National Convention, to be held in March.

Saying this, the writer is well aware that he is contradicting views that have been all too prevalent on the Left and among Communists (views that have helped to isolate many Communists from the main progressive currents of rural life in recent years). Some of the absurd and extremist attacks in recent years upon the Farmers Union from Left circles (never official Communist Party policy in this sense) merit correction and even apology.

I will not say that many criticisms made on the Left of some Farmers Union policies were not based on solid foundation during the cold war decade. But I do assert that they were made in a manner that could not help to rectify any error because they led to a *negative estimate of the organization rather than a struggle against a particular wrong policy within the democratic*

*framework of the organization.* . .

The present round of Conventions illustrates the fallacy of a negative estimate. The F.U. continues to progress, and forces *within* it, irrespective of present "Left" strength, are also changing many policies such as past, or even present, support to cold war line from some of its spokesmen.

## CURRENT F.U. STATUS

Membership in the F.U. appears to be at a new high level—nearly 150,000 farm families in the Dakotas, Minnesota, Wisconsin area which is still the prime foundation of their strength. It is a vital, active and effective organization with a relatively strong adherence of membership to its policy.

Perhaps a larger proportion than ever are members through "check-off" payments from member co-ops, apparently some 90 per cent in North Dakota. South Dakota considers this a goal to emulate but Minnesota seems to stress somewhat more the value of individual membership. Such a proportion of check-off members has created a problem of maintaining participation in ac-

tivities at township or county level that most trade unionists will be well aware of.

With stability in membership and substantial income assured from dues, co-op educational payments, enterprises such as insurance, etc., there has also developed in recent years a relatively large group of office holders, business administrators, field agents and others who tend to have a vested interest in the organization. The consequences are not unlike the atmosphere of business unionism which afflicts most of the labor movement.

Obviously, as in the labor movement, such manifestations of bureaucracy and its attendant evils will not be cured by blanket condemnation or epithets. The way to keep this officialdom "in line" is for the membership to assert its influence, strengthen the democratic structure of the organization and its co-ops, make their views known on policy matters, and turn on the "heat" when they want results. This is pretty well accepted and understood by a substantial number of the members, and probably by a goodly part of the leadership.

The question, however, is: how does this organization and its present leadership serve the welfare and interests of the farm people in this increasingly difficult economic situation? The answer indicates a positive direction and trend.

#### POLITICAL ACTION

Since F.U. emphasis is on the de-

cisive importance of *legislative and political action*, and it has attained a serious measure of progress in influencing national farm policies both under Democratic and Republican administrations, it may be in order to look first at this phase.

Official F.U. politics are "non-partisan" as is understandable of an organization whose membership has strong ties to both old parties in many areas, and perhaps in its majority has traditionally voted GOP. This is leavened with a liberal sprinkling of traditional farmer-laborism in Minnesota, Non-Partisan League support in North Dakota, "liberal" GOP or "Progressive" politics and populism in many states. Hence political affiliations are not nearly as solid as once was supposed, and the "solid" Republican Midwest is no more.

In practice the F.U. political tactic is "bi-partisan," lending support to candidates in either old party who work with F.U. on farm policy; but *the main trend* is toward an ever closer partisanship with the Democratic Party within which the F.U. performs pretty close to the kind of role that Walter Reuther plays on behalf of labor. Actually the closer a farmer-labor political alliance is knit together, the more likely at this stage is it going to be expressed through the Democratic Party or Democratic Farmer-Labor parties as in Minnesota. The main weakness is not that F.U. political policies are too "non partisan" but rather that they are not independent enough and

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rely too heavily on the Democratic Party organization and political lead.

The substantial midwest electoral gains of recent years for the Democratic Party, including the election of a number of "liberal" members of Congress from rural districts, was sparked by the Farmers Union or its membership. Knutson of the Minnesota 9th, Johnson of the Wisconsin 9th, McGovern of the Eastern South Dakota District, and more recently Senator Proxmire of Wisconsin are among the more outstanding of this new batch of pro-labor and pro-farmer Congressional representatives.

Most Midwest GOP congressmen also respect the prevalent powerful rural political upsurge and this new F.U. strength; they hew pretty close to the F.U. line on farm issues.

Now, with the old farm bloc pretty well broken up, the F.U. leadership is casting about for a workable political line that will continue farm influence in Congress on a scale exerted when farmers were numerically a large part of the voting population.

Bill Thatcher, spokesman for the huge F.U. Grain Terminal Association co-op, put it this way to the Minnesota F.U. Convention:

The 12 per cent of the people who still are farmers are in political control of this country. We have a lot of people in the towns and cities who believe as we do.

Between the educated, organized farmers who are in the Farmers Union,

and coming into that organization in increasing numbers, and the intelligent leadership of good labor, the two of us will wrap it up together and we are going to have a political victory in 1960 that's going to tickle you to death—if you vote right.

Generally Thatcher's views prevail in the F.U. policy-making circles.

This is increasingly, at the state level in Minnesota, the Dakotas, Wisconsin, Oregon, Montana, etc., becoming the accepted formula for political success—already proven and tested with working labor and farmer political alliances in being and growing.

We will not at this point quarrel with Thatcher's view that farmers still "control this country."

But it is still a truism in this nation's political life that a successful popular movement against monopoly must stand upon a farmer-labor alliance as well as a Negro-labor alliance. The F.U. leadership is spearheading the drive for farmer-labor unity from the farm end, whatever may be their shortcoming in understanding the contemporary political role of the Negro people (on which we shall have more to say).

#### THE FARMER-LABOR ALLIANCE

It is not generally appreciated that the F.U., almost alone among farm organizations, has consistently opposed the Taft-Hartley Act, advocated and supported higher minimum wages and opposed the state "Right-to-Work" laws.

Almost no convention of the F.U. passes by without guest addresses from spokesmen of organized labor, nor are state labor conventions held any longer in the upper Midwest states at which guest speakers of the F.U. do not address the labor movement. Roy Reuther made an important pledge of labor support to the farm movement at the North Dakota F.U. Convention and was warmly received.

A recent 12-state AFL-CIO educational conference (from Ohio to the Dakotas) discussed farmer-labor cooperation as one of its main themes, based on an address by President Olson of the Minnesota AFL-CIO recalling the long heritage of labor-farmer cooperation from the Farmer's Alliance and Populist era to today.

The basis in program of present labor-farmer cooperation is rather elementary with the National AFL-CIO, some state labor federations and international unions backing the farm fight for income and price support, and the F.U. opposing right-to-work laws and favoring decent wages and collective bargaining along Wagner Act lines. Mutual support to Democratic candidates and occasional joint conferences or committees are its main forms, and in local areas farm groups other than F.U. may be involved.

Thatcher, in his above-quoted speech, boldly defended labor's record on the corruption charge, saying: "For every rascal you show me in the labor movement, I'll show you a

hundred in big business. . . . I know who stole this country and how. They didn't get the property they have through piggy banks, did they?"

Yet, inconsistently, the *GTA Digest* (November) asserts that farmers "are realizing that industry has been making them furnish cheap food to labor so that industry does not have to pay higher wages." At the moment's thought will show that that is an untruth, that industry wants cheap farm products for industrial processing and for profiteering through the consumer food processing industry. *GTA* statistics (same issue of *Digest*) also show that the farm to market spread is wide, that food goes to laboring families at high prices and 62 cents of each consumer's food dollar sticks in the "middleman's" pocket, while only 38 cents trickles down to the farmer!

Enemies of F.U. will be quick to pick up what are or seem to be anti-labor attitudes and to use them against both trade unions and the F.U. The F.U. would do well to avoid such mistakes while putting more stress on the program emphasis, which is official F.U. policy, that the farmers' welfare must be based upon a higher standard of living and more consumption of food for and by the wage workers.

#### F.U. FARM POLICY OUTLOOK

Important modifications of farm policy outlook appear to be in the

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making in F.U. circles and will perhaps crystallize in the coming session of Congress and the spring National F.U. Convention.

Glenn Talbott, North Dakota F.U. President and National Board Chairman of the N.F.U., sounded the keynote at the North Dakota convention. Adopted there, the "new approach" that promises "real parity bargaining power in the market place" to farm families is due to be presented to the National F.U. Convention and to Congressional hearings.

How much of this will really be new is yet to be seen and whether it is a realizable or utopian objective in this age of monopoly for "farm families to exercise complete control over both the supply and the prices of their products in all markets" must also be considered. The F.U. apparently believes an "administered price economy" can be established by legislation. (Quotes from N.D. *Union Farmer*.)

Talbott proposes:

A new "parity income" price formula be substituted for the present "price" formula, apparently to assure a minimum farm family *income*.

A federal farm board with power to set up and enforce a marketing program, presumably *reducing* production with a view to raising prices.

A voluntary acreage reserve program with higher payments.

Farmers "compulsory farm market proration program" through marketing agreements, orders and activities including increased consumer cooperatives.

Liberalized farm credit; and a national REA cooperative type loan program to build or acquire "farmer owned and controlled business enterprises to market, process and store farm commodities and their products."

This writer does not see this as meaning an abandonment of the kind of price and parity formula wars that have been fought in Congress in recent years for government price support programs. Thatcher, for instance, writes: "There is nothing wrong with the farm laws now on the books. They should not be repealed, but strengthened."

The likelihood in this next session of Congress is that Secretary of Agriculture Benson will open a drive to scuttle the present farm program altogether and to eliminate the government's price support programs that in one way or another have been in operation since Henry Wallace was Secretary under FDR.

Undoubtedly the F.U. will respond to this threat by sparking the fight to retain major aspects of this program and try to improve upon them, offering its "new program" as an improvement.

The "new" emphasis will have meaning only if it is backed by a powerful *political drive* against monopoly along with all anti-monopoly forces. Without this *it is clear that even greatly expanded farmers co-ops or voluntary marketing agreements cannot wrest any serious measure of control of the "market" from monopoly's already dominant hands.* Illusions of creating a stable econ-



omy or even price set-up during the stormy economic weather lying ahead could be very costly. But effective and militant mass struggles in which farm policy is *part of the program of a people's coalition* could help wring concessions that will offer more stability to the small and medium-sized farmers.

For this reason it is good to see the almost general support at state F.U. conventions to the Brannan Plan type of program that would offer more serious protection to the income and position of the smaller farmers. A welcome trend by F.U., long regarded by many farmers as almost exclusively representing grain farmer (great plains) interests, was the setting forth of *specific programs for dairy and for hog farmers (generally for all "perishables")* at the Minnesota Convention. These programs stress the need for "Brannan Plan" type production payments directly to farmers for income support and couples these with proposals to correspondingly reduce production in order to "support" the market price.

A new note this year in the Minnesota program is a demand for definite cutoff points in all farm support programs.

For the first time in F.U. circles to our knowledge, the Minnesota Convention came up with a demand for a Congressional investigation of verticle integration and contract farming to "lay the basis" for strengthening "anti-trust regulations." Generally a *conscious expres-*

sion of the need to move against monopoly is lacking in these programs although their direction is unmistakably anti-monopoly.

Apart from the foregoing one will find most of the agricultural policy recommendations of various state groups following pretty conventional lines already familiar to those who know F.U. policies.

#### POLICY ON NON-FARM ISSUES

A new note moving away from the "cold war" line in foreign policy has been apparent in the recent public addresses of national President James Patton who has called for an end to nuclear tests. More recently Patton was a signer of the significant joint peace statement initiated by the Committee for a Sane Nuclear Policy.

At the North Dakota Convention, Patton urged that the U.S. seek an agreement with the Soviet Union whereby both nations would pull out of Germany and out of the Middle East, leaving those areas "disengaged" and then place "the trouble spots" in the hands of the UN for the enforcement of peace, foreseeing the result "in orderly disarmament . . . instead of piling up more tinder for ignition by either accidental or deliberate act."

Conflicts of policies and views, some sharply contradictory, characterize the F.U. at this point. The keystone of the South Dakota foreign policy plank remains Dulles-

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like with a call "to halt and roll back the advance of imperialistic totalitarian governments" (specifically naming Russia and China!) along with lip service to supporting the UN with a "Bricker amendment" qualification.

In sharp contrast, the Minnesota Convention reiterated last year's statement calling for an end to the threat of nuclear war and for disarmament through United Nations action. This was also the emphasis in Montana and would appear to be the main current.

The old line of regarding food as a "cold war weapon" seems to be giving way to a more realistic line of peaceful competition with the Socialist nations.

#### CIVIL RIGHTS

For many years the F.U. has tipped its hat to the need for civil rights in formal resolutions but moved little beyond the formalities. Perhaps the reason would be found in the key "farm bloc" role of many Southern congressmen and horse-trading with the cotton interests on price-support policies. This year the policy resolutions again restate endorsement of civil rights, but with no explicit demand for upholding the Supreme Court decisions on school desegregation, for establishing the right to vote in the South or for decisive action on Little Rock. It remains to be seen if the National Convention will remedy these serious deficiencies.

There appear to be three decisive ideas that have not yet percolated into F.U. ranks: 1) A popular coalition that will include a solid farm plank in its program is needed to replace the old reliance on the "farm bloc" and this is not to be achieved without close collaboration with the Negro people's movement; 2) Dependence upon the Democratic Party without lining up with the growing anti-Dixiecrat forces within that Party can be fatal to the outlook for effective action on farm policies; 3) A nation-wide general farm organization desiring to represent the "family" and small farmers cannot accomplish this aim unless it has a program for Southern agriculture and the Negro farmers of the South and undertakes serious organizational work among them.

#### CO-OPERATIVES VS. THE CORPORATIONS

Implicit in N.F.U. development of a "new" farm policy is greater reliance upon agricultural cooperatives. In co-op circles the cry is being raised for extending the co-ops and for closer relations and mergers among them.

On the other hand, local co-ops are feeling the pinch of lower farm purchasing power, monopoly competition and pressure on their credit and financial position from the banks. They are deeply concerned over their ability to weather the severe economic conditions ahead and the growing encroachment of monopoly.

Mere "bigness" is not likely to be

the answer, for even the biggest bonafide co-ops are still dwarfs alongside the giant food processing, marketing, oil, merchandising, etc., monopolies, and with "bigness" too often these institutions have found themselves in hock to the banks and even subservient to monopoly interest.

But they were and are institutions basically of non-monopoly character formed as a means of protection from Big Business. How they will serve that purpose most effectively today is one of the big issues concerning near a majority of farmers who belong to one or another co-op institution as well as to the N.F.U.

Some obvious facets of the problem are: more democratic participation by the membership and breaking down the growth of bureaucratic structure and "business" thinking; opposition to anti-co-op legislation; extension of government sponsored lending agencies that will help finance the extension of bonafide co-operatives, etc. Yet it is an indisputable fact that the farm co-op movement will serve farmers' interests only under the protective umbrella of a massive anti-monopoly struggle that can place restraints upon the—as yet—virtually unrestricted power and growing domination of agriculture that monopoly exercises.

### CONCLUSION

We have not attempted here to report or to comment upon many

other vital aspects of this interesting and important movement. Nor is it our purpose on this occasion to try to project the views and policies of the Communists on these and related problems.

It is, however, urgent that the Left should have a proper estimate of this movement, which is likely to grow and play a more important role as the farm crisis develops. One of the regrettable developments of the past few years has been the deep rupture that took place between the Left and the trends represented by the N.F.U. It is to be hoped that now the tide will move in the other direction, that the unity and collaboration of *all currents* among the smaller farmers will develop.

The announced possible merger between the N.F.U. and the National Farm Organization that mushroomed in Iowa and Nebraska last year augers well. Establishment of strong and effective N.F.U. organization among the hard-pressed farmers of the Northeastern states where the farm movement was weakened by near-disastrous splits in N.F.U. ranks would be all to the good.

The Communists and the Left have much to contribute both to the development of a militant farm movement and especially toward strengthening the coalition of the non-monopoly farmers with labor and the Negro people. A great deal of rethinking and development of farm policy is still needed on the Left. Perhaps this candid look at the N.F.U. will help.

By Ev

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# The Elizabeth Gurley Flynn Campaign

By Evelyn Wiener

ELIZABETH GURLEY FLYNN, veteran Communist leader, ran for City Council in the 1957 elections in New York's 24th Senatorial District on the People's Rights ticket. Over 4,000 signatures were collected to put her on the ballot, and 710 votes were secured.

The campaign lasted for three months, and since it was the first major activity of our Party in New York since the 16th National Convention it offered many valuable lessons for our future work. To all who participated in it, this campaign, coming as it did after a year and a half of inner Party discussion, brought new confidence in the need for our Party and our ability to weather the crisis. The campaign started late. While a majority of our County and State leaders favored it, it started in an atmosphere of doubt and hesitation. It ended in a spirit of growing unity, determination and high enthusiasm. Those of us who led the campaign had the great pleasure of daily seeing the arrival of skeptical if dutiful canvassers, return from their assignment with eyes shining, crusading spirit and

renewed pride in the Communist Party. A small active group constantly grew until it reached 450 stalwart participants who displayed the kind of spirit and the ability to work long hard hours, trudging up and down stairs, that can come only from conviction and from understanding the necessity of the job being done and from pride in the contribution they are making.

The campaign received support from some old-time wobblers, a number of American Labor Party members, followers of LaGuardia and Marcantonio, and others interested in independent political action. Our oldest participant was 85 years old and if you count leaflet folders, one could say that the youngest were five-year-olds. A group of teen-agers organized themselves in the course of the campaign, writing songs about our candidate, singing on the streets, distributing leaflets and contributing much to the healthy flavor of our valiant campaign.

The campaign to some whose confidence had been shaken looked like a small miracle. To others it reminded them of a lesson forgotten:

a correct line produces both the forces and the ability to carry it out. The campaign affirmed the need for our Party and the importance of the Party re-establishing itself in all spheres of political life.

The area of the campaign, the 24th senatorial district, covers all of New York's lower East Side and sections of the lower West Side. The district is 80 per cent working class. The scene of many historic political struggles, it is an area which long had a socialist tradition and elected the first Socialist Alderman and other Socialists to various legislative bodies. The area was formerly predominantly Jewish. However, the population has changed and the area now consists of a large Puerto Rican population and an important Negro, Italian, Jewish and Slavic community.

While the old-time socialist-thinking population has shifted considerably, the conditions which produce socialist thinking still exist full force in this working-class, depressed area. While the people's struggles have brought a number of low-cost housing projects, there are still vast slum areas and many of the streets and houses described in Mike Gold's *Jews Without Money* remain as they were. Stuyvesant Town, a middle-class community and the scene of the first major struggle against Jim Crow housing in New York City, is also a part of the district. The district is predominantly Democratic. Truly this is a district which needs

Communist activity and program whose many problems cry out for solution, struggle and action, and one where great united movements are possible and necessary.

Elizabeth Gurley Flynn, just five months out of prison, brought to the campaign her rich experience of working-class struggle and her great confidence and optimism about the future of our Communist Party. For those of us who worked closely with her for the first time, it was indeed an inspiration to get to know this great American working-class leader. Her participation in the early struggles to bring unions to American workers, and in every major civil liberties struggle of the last half century reached their logical culmination in her activities and leadership in the Communist Party today. In the person of Comrade Flynn, we see the lie to the foreign-agent charge; we see, also, the answer to those within our ranks, who in the past period seem to have forgotten the deep roots in American life and struggle that the Communist Party has planted—roots which will once again bear fruit as the struggle to overcome the isolation of the Party goes further and deeper.

The decision to run a Communist candidate in this election was arrived at after a period of extensive membership discussion in the various sections of Manhattan and among our County and State leaders. It was finally voted upon at a membership meeting of New York

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County. There were those who felt that the campaign contradicted coalition policy and hindered developing unity movements. They did not see the role of our Party as an independent force in this election campaign. They displayed strong liquidationist tendencies and doubted the capacity of our seriously weakened organization to collect the necessary 3,000 signatures. Adoption of their policy would have led to continued inactivity and an absence of the Communists from this election campaign. A small grouping abstained from the campaign because they felt that the candidate should be a Communist Party candidate and not run on the People's Rights Ticket. The majority, however, reasoned as follows:

1. The Communist Party is a political Party and must again begin to participate in the political life of our country.

2. A Communist candidate can make a major contribution to the Party's fight for legality.

3. The growing desire and need for independent political action among the workers, Negro and Puerto Ricans can be strengthened through Communist participation in the electoral struggle.

4. The Communists have a special contribution to make in sharpening the issues and developing united movements, thus strengthening, not weakening coalition movements.

5. The Communist position and program on immediate issues and its socialist outlook and perspective must

be brought to the people, thus helping to develop class and socialist consciousness.

6. The Party name to appear on the ballot as required by law, was a secondary, tactical issue, in no way obscuring the fact that the candidate was a Communist.

As to the question of our capacity to get on the ballot and to wage a campaign, life proved our contention that only through activity and struggle will the Communist Party be revitalized and strengthened.

Despite the disagreements and doubts, as the campaign progressed a growing unity developed, with the majority of Communists understanding the need to abide by Party decisions and possessing the pride to carry out a necessary task. This attests to the fact that our differences must be discussed within the framework of mass work, mass activity for the Party, or else we will become a sterile debating society, without the ability of testing in life what is right and what is wrong. A small number of "dichards" did boycott the campaign, refusing even to sign the nominating petition because of disagreement with the campaign. However, this irresponsible conduct made very little headway.

This was true in spite of the fact that there still exists a strong current within our organization, which deprecates the role of the Party, and thus did not see the validity of independent activity within this election campaign. This made it more

difficult to conduct a proper ideological struggle.

About 30,000 people were directly canvassed in the course of the campaign. 100,000 pieces of literature were distributed; 30 outdoor meetings were held; and three radio programs were conducted; Comrade Flynn was interviewed by the local newspaper *Town and Village*, which has a circulation of 9,000. It was agreed by all, including politicians of the other Parties, that the Communists waged an active, meaningful campaign.

For the first time in years, Party members were given the opportunity to participate in public, political action. Again Communists were in contact with their fellow workers, beginning to exhibit in action the leadership qualities which they possess.

#### CONTENT OF THE CAMPAIGN

Our Campaign Committee attempted to develop a specific program for the district, to campaign on the major city-wide issues affecting the people and to point to their relationship with the struggle for peace, the civil rights issues and our socialist outlook. We attempted to make the fight against discrimination a central part of our campaign, pointing to the fact that discrimination bears a major responsibility for the bad housing conditions, the deterioration of our pub-

lic education, rent gouging, etc.

The major campaign issues were schools and housing, the need to clean Jim Crow out of New York and to get full equality for the Puerto Rican people.

We believe that we made a unique contribution to this campaign in that we pointed to why the needs of the people were not being met. We were the only Party that discussed the fact that at present the City Council is run in the interests of big business; that the money is there to meet all the needs of the people and could be gotten through taxing big business and the real estate interests and by turning from war expenditures to expenditures for public welfare. No other Party called for a change in the composition of the Council to include representation from the trade-union movement, the Puerto Rican people, as well as greater Negro representation; no other Party emphasized the fact, as we did, that only the unity of the people and great movements of struggle can win substantial improvement in conditions.

We attempted to move people into action and collected hundreds of telegrams to the President on Little Rock and to the Mayor on the Brown-Isaacs-Sharkey Bill to eliminate discrimination in all housing in the city of New York.

Finally we pointed to the source of the misery and poverty of the people of the East Side as being capitalism and pointed to the so-

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cialist solution that had already been adopted by one-third of the people of the world.

All this was done within the framework of seeking unity on issues with all democratic movements and of a constant attempt to broaden our activity.

#### RESPONSE OF THE COMMUNITY

The response of the community on the meaning of the campaign cannot be discussed only in terms of the small vote.

We found in canvassing, a minimum of red-baiting and a real interest in what we had to say. The 4,000 signatures to the petition were at the very least an expression of the feeling that Communists should be given the right to be on the ballot, and a rejection of McCarthyism. Many people expressed their sympathy with our efforts to get on the ballot, but did not sign for fear of job reprisals. The 4,000 signatures also constitute proof that people want the Communists to challenge the other Parties, even if they are not ready to vote for us.

In line with the general electoral picture, the Democrats did not wage a particularly active campaign, while the Republican candidate for City Council limited himself to such "issues" as pornography and the need for a revolving sidewalk on Times Square to ease the traffic jam!

It is unfortunate that the Liberal Party, which took the positive ac-

tion of running independent candidates for City Council in a number of districts, allowed itself to become involved in the kind of red-baiting indulged in by their candidate. This was also followed by Jose Lumen Roman, Liberal Party candidate for City Council of the 15th District through *El Diario*, Puerto Rican newspaper. However, this had very little effect on the petition-signers. It certainly shows the maturity of the signers, especially the Puerto Ricans, who in spite of a full week's campaign of intimidation in *El Diario*, did not call for any withdrawal of signatures and continued to sign to put Gurley Flynn on the ballot. But the red-baiting diminished once the petitions were filed and it was announced that we had obtained 25 per cent more signatures than required by law.

The petition signers represented a cross section of the working-class community, with signatures coming from Jewish, Italian, Negro and Puerto Rican people. The response was especially good among the Negroes and Puerto Ricans.

In the course of the campaign Elizabeth Gurley Flynn spoke at a Forum of the League of Women Voters at a public school. Debates took place in a number of other organizations on the advisability of including a Communist speaker in political forums. In at least two organizations that we know of, the membership expressed their desire



for a Communist speaker, but were stopped from having Elizabeth Gurley Flynn by their national leadership. These activities, a direct result of the campaign, challenged the poison of red-baiting which has hurt the functioning of many people's organizations.

The refusal of the City College authorities to allow Comrade Flynn to speak because she was a Smith Act victim, evoked protests from many students and was denounced in editorials in both the City College and Hunter College newspapers.

The outdoor meetings held in the community were very warmly received. Especially noteworthy were the outdoor and radio appearances of Elizabeth Gurley Flynn together with former Councilman Benjamin J. Davis, now chairman of the New York State Communist Party. The splendid records in the City Council of the two Communist Councilmen—Davis (two terms) and Cacchione (three terms)—were constantly brought forward in the campaign, and the warm reception of the East Siders to Ben Davis' speeches is testimony to the fact that his fighting leadership is remembered and appreciated.

In view of all these positive achievements, how can we explain the small vote for Elizabeth Gurley Flynn?

It is necessary first to state that the size of the vote is not decisive in evaluating the decision to conduct this campaign. If the Communist

Party was to participate in electoral struggles only if it were guaranteed a big vote, it would never run candidates and never get a big vote.

We must judge this campaign as a new beginning. It came after many years of inactivity as a Party.

A single campaign, vigorous, healthy and enthusiastic as was the Flynn campaign is not yet sufficient to convince masses of workers that we are here to stay, and that we are serious in our determination to achieve the legalization of the Communist Party, and not only to see that it functions.

The vote should be understood as follows:

1. The campaign did not take place in a period of mass upsurge and break-away from the two-Party system. This is bound to affect the kind of vote Communists will get. However, one of our major tasks in an election is to call upon the people to agitate in their unions and organizations for a political movement which will once and for all break away from the domination of the capitalists, of the Republican and Democratic Parties. As that develops, and it surely will, the Communist Party will grow in influence and reflect that growth electorally, by the increasing adherence of workers whose class consciousness has been awakened and who are ready to cast their vote for the Party of Socialism.

2. Our Party has not yet been successful in achieving unity with all other independent forces and appearing in this election in combination with other

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independents, as in the past years with the ALP.

3. Our campaign did not come after a period of mass struggle and activity. Moreover, our Party has not been seen independently for many years. This campaign was just a beginning of our resumption of activities and therefore could not yet secure an important vote.

4. The difficulties and discrimination at the polls that the Puerto Rican people are confronted with made it harder for the people most friendly to us, to cast their vote for us.

5. Our weakness in the past several years in the struggle for Negro and Puerto Rican rights.

The low vote is disappointing, but not discouraging, because we understand the cause and know that it will change. We know also that the change will not come about without action. If we had no campaign, we would not have spoken to 30,000 people who can now be spoken to again about the Party and its program. And as the Party begins to develop activities and begins to show in life how to fight for the program projected in the Flynn campaign, so will our prestige among the people, and our votes, grow.

To those who say the campaign was a mistake because the low vote shows our weakness, we answer that there are no short-cuts to re-establishing our leadership among the workers and people. We will grow in strength not by hiding but through boldly participating in all areas of activity, through contributing our scientific understanding and our de-

votion to the fight for all the needs of the people on a daily, all-year-round basis.

### SOME LESSONS OF THE CAMPAIGN

1. The campaign was a valuable experience for our Party and for all progressives. It brought the Party and its program once again to the people of the East Side. It was necessarily limited in the absence of candidates of the Communist Party on a city-wide level. It is necessary for us to engage in election campaigns to the maximum of our ability. Candidates exemplify our role as a political party, seeking to challenge the dominant Parties for the support of the people.

2. The campaign points up the need for review of our whole electoral policy and the role of Communists and independents within the framework of fighting for unity and coalition. In general, elections provide the best opportunity to advocate the need for independent political action and political realignment which will represent the interests of the masses.

3. The campaign helped us to get a better estimate of just where our Party stands organizationally. It showed our ability to unite our membership around activity. It generated Party morale, confidence and fighting spirit. It certainly was a wonderful tonic after the apathy of the past period. Five people joined the Party in the course of the campaign. The

campaign strengthened our Sections organizationally. Members who had lost the organization, found it again in the election campaign.

For the several hundred who canvassed, it gave them the great opportunity, privilege and joy of speaking to the people as Communists. It helped them to grow as Communists. It gave us the opportunity to speak to the people and learn from the people. This has not occurred for years; it alone is sufficient justification for the campaign.

4. While participating in all the mass movements of the people, our Party must boldly come to the people with its own Communist program. Anti-, pseudo-, neo-, and ex-Communists hold themselves out as experts on Communism. It is time for Communists to speak to the peo-

ple about Communism.

We must organize meetings and forums; open Party headquarters and take many new bold steps to win our legality and to fight against all tendencies to liquidate the Party. In doing this, we will help to cement the unity of the people in struggle on all issues and further the development of an anti-monopoly coalition.

Speculation about the "obsolescence" of our Party, illusions about capitalism, these get some mighty blows when one sees the miserable slums, the poverty and the reality of discrimination that exist in this district. The campaign gave us strength, confidence and determination to rebuild the Communist Party, to fight for its full legality and to give leadership on the many burning issues that affect the people.

It's a dog's life . . .

.... *"For cocktail time—dog fashion—there are bright velvet coats edged with gold embroidery. . . . For the lucky dog who flies south for the winter, Sak's Fifth Avenue has a bamboo edged couch upholstered in linen or shantung for relaxing in the sun."*

"Canine Fashion to Pamper Pets," in *N. Y. Herald Tribune*, Dec. 16, 1957

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*"I can't feed my children and buy clothes to go out in. I cannot manage. I guess I am a failure. We have not been out in years; we entertain not, yet I can't keep my children in shoes, gloves, overshoes and all the fresh whole milk they would like to drink."*

Letter from a subway worker's wife, in *N. Y. Post*, Dec. 16, 1957

# IDEAS IN OUR TIME

BY HERBERT APTHEKER

Juvenal, the Roman master of the satire of indignation, wrote almost two thousand years ago:

*This is a poor man's liberty:  
When thrashed he humbly begs, and,  
Pummelled with fists, supplicates  
To be allowed to quit the spot—  
With a few teeth left in his head.*

John Locke, ideologist of "The Glorious [Bourgeois] Revolution," in his *Second Treatise . . . On Civil Government*, wrote in his opening chapter:

"Political power, then I take to be a right of making laws with penalties of death, and consequently of all less penalties, for the regulating and preserving of property. . . ."

Having set this out to begin with, as he develops his argument, Locke assumes, "the preservation of property is the end of government."

The first Chief Justice of the United States Supreme Court held it to be axiomatic that: "Those who own the country should govern it." The second President of the United States assumed an identity between "the able and the well-born"; he was certain all government depended upon "an aristocracy," and felt that while its pillars might include "genius and virtue," it had to include "wealth and birth" and that any one of the last two could "overbear any one or both" of the first two.

Abraham Lincoln knew that "the freedom of the wolf is the death of the sheep." The root of the matter is in a line of Oliver Goldsmith's, *The Traveller*: "*Laws grind the poor, and rich men rule the law.*"

This is why Albert Camus' "quarter-truth" will not do. The Nobel Prize winner, interviewed recently (*The Reporter*, Nov. 28, 1957), said: "The quarter-truth the West holds to is called freedom. And freedom is the road, the only road, toward perfectibility." And further:

" . . . After twenty years of painful history, during which I have never sought escape from experience, freedom—of societies as of the individual—appears finally to me as the supreme good that determines all others."

This will not do because it is imprecise; because it ignores the realities pointed to by Juvenal and Locke and Goldsmith and Lincoln; because behind Camus' bland classlessness lies adherence—and questions of motive are irrelevant—to

the possessor, to the exploitative elite, to the historic destroyer of real freedom.

This does not mean that *eliminating* the private possession of the means of production results in the achievement of full freedom. Surrounding and even internal hostilities remain; limiting historical conditions persist; inherited social and psychological blocks are tenacious; serious human weaknesses and failures and errors recur. Nevertheless, such a fundamental revolution does mean that the basic and material source of tyranny, existing throughout recorded history—the private ownership of the means of production, the private domination over how and whether one can make a living—is ended. All which seeks to undo that is counter-revolutionary; all that “overlooks” this central fact of modern life is reactionary.

And how regularly it is overlooked! For example, Vernon Bartlett, *Manchester Guardian* correspondent, writes a “Letter from Singapore” in *The New Leader* (Dec. 16, 1957). He reports that in Asia and the Middle East, “dollars . . . may easily do more harm than good.” Why? Because: “The rich grow richer, and the poor grow more populous, making ever greater demands on land that is already overcrowded. There are more shiny automobiles and more frustrated unemployed.” And what is the conclusion?

“All this adds up to a most unpleasant result. It leads one to conclude that, if the peoples of Asia are compelled to choose between democracy and Communism, they will choose Communism.”

But is not Mr. Bartlett's sleight-of-hand painfully obvious? Is *democracy* the rich growing richer and the poor more numerous? Is *democracy* shiny automobiles and frustrated unemployed? Is this not capitalism, rather than democracy? And are not the peoples faced with the choice of socializing the means of production or permitting their private possession (in alien hands, at that) to impoverish them as it is now doing and as it threatens to do more intensely in the future, as Mr. Bartlett himself testifies?

One finds an extraordinary “bourgeois internationalism” that frequently is most embarrassing to liberal defenders of capitalism. This was highlighted in the recent NATO conference in Paris, where one saw fascist Portugal among the Free World defenders; it was emphasized again in the haste with which dear Mr. Dulles flew to Spain to keep his fellow “freedom-fighter” Franco up to date.

Upon what is this form of internationalism based? Clearly upon a mutual commitment to the private ownership of the means of production; a mutual determination for “the preservation of property.” So long as this exists, anything will be forgiven, everything will be explained, nothing will go without an excuse. Only one thing is inexcusable: to attack the system of private property.

Where such an attack is made, the hostility is implacable; impatience is characteristic, and all traces of compassion are absent. The *New York Times*, for example, awakens just now to “Tragedy in Indonesia” (Dec. 20, 1957). It editorializes that the Indonesians' movements to take over the property possessed by the Dutch, in Indonesia, “is raw blackmail.” This, it says, is bad

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enough, but "what hurts most," explains the very sensitive *Times*, "is that the innocent bystander is made to bear the brunt of the suffering." And then, in the patronizing and lecturing tone for which the *Times* is famous—and which appears at its unctuous worst when it is lecturing "backward" peoples—the *Times* explains to the Indonesian rulers that they should have realized that interference with Dutch property rights would make the poor suffer; that this is the really important thing and not such "generalities" as mere "colonialism" or "sovereignty."

Oh, how vigorously the *Times* opposed the rape of Indonesia to begin with; how staunchly it defended the lives and the freedoms of the tens of thousands who were jailed and killed fighting for those "generalities," how bitterly it denounced the system of imperialism for grinding the Indonesian peasant and worker down into the dust of his homeland! That is why now, with full consistency and still in the name of freedom, the noble *Times* reiterates its sincere concern for "the poor Indonesian who simply can't get enough to eat!"

On the other hand, one often finds the attack upon the new world of Socialism so fanatical as to descend into a defense of that which it replaced, and again one sees that "freedom" is not and never has been the ahistorical, classless thing Camus makes of it. Thus, the lead article in *Foreign Affairs* (October, 1957) is entitled, "The Silence in Russian Culture" and is by Isaiah Berlin, a professor at Oxford University, and formerly First Secretary of the British Embassy in Moscow. Professor Berlin, in his exuberance, permits himself to say that the Bolshevik Revolution has managed to "repress ideas as such" which inflicted, as one would expect, enormous damage, "not merely in terms of the basic education of Soviet citizens (not to speak of disinterested intellectual activity, 'pure' research and so on), but even in the useful and applied sciences." Indeed, we are told, Communism "crushed the life out of what once was one of the most gifted and productive societies in the world."

One does not know whether to laugh or cry at such soberly announced absurdities, and moralistically pronounced indecencies. That the basic education of the Soviet citizen is without a peer in the world is now universally admitted; that scientific research in the USSR is without a superior is a fact. And that this happened following a revolution which overthrew one of the most oppressed and stunted and impoverished societies in the world is something that, despite Professor Berlin, needs only to be asserted.

What shall one say of the nature of the "freedom" which produces such values from its devotees?

Or, again: In *The Saturday Review*, Mr. Hassoldt Davis reviews *Six Hundred Million Chinese*, by the French journalist, Robert Guillain (Criterion, N. Y., \$5). He reports, quite faithfully to the volume, that Mr. Guillain "found fantastic industrial, agricultural, hygienic, and educational development, but complete spiritual degeneration." And that: "There is no political corruption, no black market, no tipping, no prostitution. China, once gaudy with color, alive with wit, is now a silent ant hill."

Ah, for the good old days of Socony-China; of the International Settlement

clubs, barred to dogs and Chinese; of the gun-boat patrols; of the millions starving; of the advertisements offering young girls for purchase at \$5 apiece; of the women old at 25; of the 90 per cent illiterate—of the China gaudy with color and alive with wit, where a Western man of sophistication could drink his Martini and enjoy freedom!

There is not only the destructively critical attitude towards the New World in Birth which leads one to suspect the critic's devotion to human freedom; there is not only the intense nostalgia for the Old World of Death which confirms one in his doubts.

There is also an extraordinary patience and mildness towards monstrous conditions afflicting whole populations, and towards systems of rule where oligarchic tyranny is naked or where colonial terror is rampant.

Thus, Denis Warner writes on the situation in Malaya, now that the British have formally relinquished political power (*The Reporter*, Nov. 28, 1957). He tells us that the Prince, who rules there now, Abdul Rahman, does not intend to end the seven-year-long State of Emergency under which the British waged their anti-Communist extermination campaign. He is certain that if the Communists' status of illegality were ended, they would gain in popular favor and finally threaten the government.

Hence, the Prince has signed a military agreement with the British and under it, and other provisions, he will have for the battle against Communism twenty-two battalions of troops, of which fourteen were from the Commonwealth. In addition to these 10,000 soldiers, the Prince has 20,000 "special constables who are available for full-time operations," and 100,000 home guards and a police jungle force of another 3,500, especially trained to keep the Communists away from "Malaya's hundred thousand aborigines." That's about 135,000 men, but the Prince counts only about 2,000 Communists.

Mr. Warner admits that the ordinary reader might think that 135,000 against 2,000 was like "a sledge hammer for cracking coconuts," but then, the ordinary reader probably does not realize how persistent and ubiquitous these Communists are; nor does he understand that it has been possible to kill only about one of them a day for the past several years. Thus, even with good hunting there might be 1,500 of them left after another year of fighting.

We are told "it is a costly process"—so far it's cost over two billion dollars and will cost another \$50 millions this coming year. Still: "Unless they are stamped out they will surely increase in strength"—so every right-thinking inhabitant of the Free World must agree that the \$50 millions will be well spent.

Of course, during the State of Emergency the only accomplishment has been the killing of one Communist every day. In addition, the British succeeded in isolating the Communists from many of the inhabitants by the simple device of putting the inhabitants in internment camps, "surrounded by barbed wire and searchlights and patrolled at night by the security forces." As writes Mr. Warner in *The Reporter*, "If [!] this was a harsh step, it was also necessary." Putting everyone in concentration camps led to better information about Communists, and "The better the information, the more numerous the kills; and the more numerous the kills, the better the information." This

have progressed to the point under the Prince, that only half the population—that is only about three million people—are now enclosed in these internment camps.

Still, the report goes on, the Communists seek to conquer not through armed force, but rather persist in "concentrating their principal efforts on winning over the local population." Thus:

"Their activities, though necessarily clandestine, have been similar to those of the Indonesian Communist Party, which claimed five thousand members in Java in 1952 and now has six million supporters. Schools, social and political organizations—these are the Communists' targets."

This, of course, throws light on the need for 135,000 troops. More illumination comes in the closing words of Mr. Warner's fascinating study:

"With exports of tin and rubber bringing in more than \$500 million a year, Malaya faces the future with an unbalanced but reasonably healthy economy. The administration has no quarrel with foreign investors, planters, or miners."

Clearly, for the foreign investors, planters and miners there is freedom in Malaya; for the six million inhabitants of Malaya: "The better the information, the more numerous the kills." A harsh but necessary condition, as we are told, and all in the name of freedom.

Recently Princeton University Press has published a full-length study of *Guerrilla Communism in Malaya: Its Social and Political Meaning* (\$6) by Lucian W. Pye, a professor at Massachusetts Institute of Technology. Somewhat strangely the tin and rubber are missing from this volume, as are the planters, miners and alien investors. Missing, too, are the internment camps which still hold half the population of the country in their barbed enclosures. Present are the Machiavellian Reds, with their twisted personalities, power drives and fanatical persistence; with their 6,000 dead and 3,000 captured, and with their mass support.

Through it all Professor Pye maintains admirable calm and urges continuous patience. And as for the State of Emergency with its pervasive terror and continuous violence, he has a sobering word of advice for sensitive souls:

"It may be more difficult for Westerners to appreciate the relationship of violence to political development, since we tend to assume that violence represents the last resort, the extreme measure, and not the norm or the frequent occurrence; the soldier and the policeman belong on the periphery of politics and are to be called upon only when all else fails. However, the very nature of the Communist appeal in societies involved in the process of rapid social changes suggests that the use of force should be conceived as an integral part of any counter-policy."



Of course, those of us who *are* Westerners but nevertheless know something of labor history and Negro history and Latin-American history and the history of wars for the past three generations will doubt that violence really has represented the last resort when it came to the implementation of policy. Still, it is significant to observe the advocacy of a policy of violence—in the name of combatting Communism and preserving “freedom.”

One often finds a similar display of extraordinary patience on the part of those who consider themselves socialists, in cases of palpable violations of elementary human rights and freedom, where the violators are staunch upholders of the rights of property. This is true first of all with socialists in power who use this power to maintain colonial empires—as has been true of the Dutch, the Belgians, the French and the British—not to speak of their failures in transforming the social order at home.

For example, in the admirable and really indispensable Labour publication the London *New Statesman* (Nov. 16, 1957), a lead editorial on Kenya notes that the Legislative Council which is permitted to exist under conditions of martial law has itself turned down the latest proposals for constitutional reform submitted by the Tory Colonial Secretary. But the editorial urges upon the Legislative Council “the greatest possible patience,” emphasizes “the very painful and difficult situation facing the European community” in Kenya, admits “the right in the *long term* [emphasis added] to independence” and ends by urging the Labour Party to see that the “throwing of sops” to the six million Africans in Kenya “in the long run will not work out.”

There is no mention of the near civil war in Kenya, of the mobile gallows, of Kenyatta and his thousands of comrades who are in prison. There is reiterated concern that patience be shown for the “painful situation” facing the 30,000 Europeans who have usurped the wealth of Kenya\*; but this patience has lasted a hundred years and patience with the half of one percent of the population who live by enslaving and despoiling the remaining 99.5 percent is a strange way to show one’s partisanship with freedom.

Similar failings, as it seems to me, mark the recent volume, *Fabian International Essays*, edited by T. E. McKetterick and Kenneth Younger (Hogarth Press, London, 18 shillings). Thus, one of the essays, “Beyond Power Politics,” by Denis Healey, M.P.—for several years Secretary of the International Department of the Labour Party—puts the concepts of “moderation” and “gradualist evolution” to use as rationalizations for some of the grossest examples of colonial despotism and imperialist aggression of modern times. Mr. Healey writes:

“In fact the transition from a policy of power to a policy of consent based on international order poses difficult problems of judgment at every stage. The dynamics of power politics continue to function during the evolution of a system which is intended ultimately to transcend them. . . . Often the most difficult choice of all is between the use of power

\* Something of the reality of the history and life of Kenya, will be found in the just-published *Decision in Africa*, by W. Alpheus Hunton (International, N. Y., \$4)—of which we shall publish an extended review, by John Pittman, in our next issue.



and the pursuit of consent when the ultimate aims of the other party are uncertain—British Guiana and the Suez base provide interesting examples."

The decision to arbitrarily flout the results of an election conducted according to the regulations laid down by the British Colonial Office and to undo that election with battleships; and the decision to contest the action of the Government of Egypt relative to the territory of Egypt, with battleships, bayonets and bombs came not because of uncertainty of aims of the peoples attacked. These decisions were taken because of certainty that the aims of those peoples carried with them challenges to the sanctity of contract and the sacredness of private property; they were taken because of a commitment to the system of the private ownership of the means of production and everything—including human life, not to speak of human freedom—is made to yield precedence to that commitment. But times have changed, and it is of *that* change that the turn of events in British Guiana and Egypt "provide interesting examples."

In the same volume, John Strachey, also an M.P., a former Cabinet Minister, and a well-known author, takes us back to Malaya—and wants to stay there, also in the name of freedom. Writes Mr. Strachey:

"Therefore unless we are willing to allow a few thousand well-organized Communists to take over the government of Malaya, for example, (which I have always thought they have no more right to rule than we have), instead of developing genuine democratic self-government there, as we are doing, we must have the services of our patient, long-suffering British infantry battalions. For nuclear weapons are simply irrelevant to such a requirement. In a word, unless we are willing to be at the mercy of any well-led and ruthless group which aspires to usurp the government of any particular part of the still non-self-governing Commonwealth, we have an undeniable continuing requirement, above all for well-disciplined infantry."

Mr. Strachey has forgotten the tin and rubber of Malaya. Mr. Strachey knows that it is not a matter of a few thousand Communists in Malaya, but an anti-imperialist, anti-colonial, anti-racist revolution in process in which an important section of the leadership is Marxist-Leninist and which has the support of the overwhelming majority of its six million inhabitants. While Mr. Strachey appears to be lamenting the fact of British domination of the economy of Malaya, he does not permit this lamentation to blind him to the need for the patient and long-suffering British battalions of infantry who are strange angels of mercy of Mr. Strachey's even stranger freedom. Mr. Strachey battles against the ruthless ones and suffers in the cause of self-government; but he keeps his bayonets sharp and bloody. With these the planters mean to keep their plantations, the miners their mines, and the financiers their banks. And in the vaults of the money-lords lies not only the coin of the realm, but the freedom of the Malayan people.

It is the property relation which remains the root of the social order, and it is that root which fundamentally determines levels of human freedom. This is true not only in Indonesia and Malaya and Kenya; not only in Algeria and Spain and Mississippi; not only in India, Venezuela and Little Rock. It is true wherever an exploitative social order still prevails, no matter how colonial exploitation and war-based prosperity and particular national features and history may from time to time and from strata to strata blur over this truth.

Nothing has replaced, nor improved upon, the essential insight into freedom which the historical materialist viewpoint has attained. It is stated, classically and succinctly, by Engels in *Anti-Duhring* and remains fresh and relevant

"Freedom does not consist in the dream of independence of natural laws, but in the knowledge of these laws, and in the possibility this gives of systematically making them work towards definite ends. . . . Freedom of the will, therefore, means nothing but the capacity to make decisions with real knowledge of the subject. . . . Freedom . . . consists in the control over ourselves and over external nature which is founded on knowledge of natural necessity; it is, therefore, necessarily a product of historical development."

The greatest of historical developments is the socialist revolution. We live in the time of that epoch, at its beginning, indeed. It has moved a billion people forward, out of the realm of blind necessity towards the era of the conscious and informed conduct of social life. All revolutionary transformations of the past have been accompanied by great difficulty; there is no reason to expect that the most revolutionary of all social transformations should occur without difficulty. The difficulties from within and without have appeared and more will appear; they are to be faced and overcome. In the facing, one must himself not be overcome.

The movement for socialism is the greatest movement for human freedom in all history. In that movement none has been so staunch and so effective as the Communist. From this fact must come pride and confidence—qualities far different from arrogance, and from self-abnegation.

"Free World" Humanism . . .

*"I suppose that it is inevitable that nations interfere with each other and influence each other. If so, I submit, there may be situations where intervention by military force is the most humane procedure."*

*John Foster Dulles*, in *Annals*, American Academy of Political Science, (1929), CXLIV, p. 102.

# The Problem of Inflation

By Hyman Lumer

FOR MORE THAN a year and a half, consumer prices have been rising virtually without interruption. Since March, 1956, the Bureau of Labor Statistics consumer price index has risen by about 5.7%, and is now more than 21% above the 1947-49 base level.

Rising prices have been a feature of the American economy throughout the postwar period. The trend, however, has been an uneven one. Immediately after the war, with the destruction of price controls, prices skyrocketed. From 1945 to 1948 the consumer index rose by more than one-third. This came to a halt with the 1948-49 slump, and in 1949 the index dropped slightly.

A second upsurge occurred during the Korean war. From 1950 to 1952 the index rose by another 10.5%. In the subsequent years—a period punctuated by the 1953-54 downturn—it levelled off, rising only slightly up to the spring of 1956. The present wave of rising prices is thus the third spurt within an overall upward trend since the end of the war.

## A SPECIAL KIND OF INFLATION?

It differs from its predecessors in some important respects. For one

thing, it is neither an immediate aftermath of war nor a consequence of skyrocketing military expenditures, as were the others. On the contrary, it occurs at a time when arms spending, having declined substantially from its Korean war peak, has levelled off for the past few years.\*

More important, it occurs at a time when the economy has slowed down and exhibits increasing symptoms of a new decline. Throughout 1957, the index of industrial production has lagged behind the peak of 147 reached in December, 1956. In November, it stood at 139. Many industries are operating at levels substantially below capacity—steel, for example, at about 70% as of early December. Unemployment has risen and factory employment has declined. The November unemployment figure was the highest in eight years.

In short, we are witnessing a general rise in prices with no apparent excess of demand to force them up. This seeming paradox has led to the

\* This refers to direct military expenditures. Total government expenditures under the heading of "national security" have actually been increasing. From the first quarter of 1956 to the third quarter of 1957, they rose from about \$41 billions to \$46 billions. This is an appreciable increase, but not nearly of the magnitude of the jump at the time of the Korean war.

widely accepted conclusion that this is a special kind of inflation—a “new inflation,” differing fundamentally from the “classic inflation” which develops when the money supply rises more rapidly than the supply of goods. The supporters of this thesis range from big-business spokesmen on one end to labor leaders on the other. The views of these groups as to the actual cause of the current inflation, however, are radically different.

Big-business sources and most economists describe it as a “cost-push” inflation, brought about by rising costs of production, principally wages, which have allegedly been pushing prices up despite static or declining demand. Edwin L. Dale (*New York Times*, September 22, 1957) puts it simply. “The charge in brief is that wages over the last decade, and particularly in the year 1956, have risen far faster than the productivity of labor.”

This is vehemently opposed by the spokesmen of organized labor, who flatly deny that higher wages are responsible for price increases. On the contrary, they charge the inflation is due entirely to monopoly price-fixing—to “administered” prices intended to fatten the profits of the big corporations. Walter Reuther (*AFL-CIO News*, July 6, 1957) contends that “the crushing burden of inflation imposed on American consumers by steel and other key, price-setting industries is a rigged inflation arbitrarily fixed by industrial management. It does not grow out

of the free interplay of normal economic forces.”

These views are shared by a number of Democrats in Congress, notably Senator Estes Kefauver, who has been conducting hearings of a Senate Anti-Monopoly sub-committee on “administered” prices and inflation. They are shared also by a number of leading economists, such as Leon H. Keyserling and Gardiner C. Means.

There is another school of thought, however, which rejects the contention that this is a special kind of inflation. Its adherents, while they generally accept the idea that wage increases push prices up, maintain that the basic cause of the current price upswing is excess demand in certain sectors of the economy. In this camp we find principally the leading spokesmen of the Eisenhower administration, a large section of the Republicans in Congress, and many academic economists.

The chief inflationary factor, according to this view, is a high level of demand for capital goods, arising from the capital investment boom of the past few years, and the very considerable increase in borrowing to which this has led. Thus, Harvard economist John Kenneth Galbraith, writing in the February, 1957 issue of *Atlantic Monthly*, states:

Prices have been rising in these last years because spending for goods has been pressing on the capacity, including available manpower, to supply them. . . . The active factor in the present inflation is business spending.

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We are now having a great boom in business investment. . . . This investment spending is being augmented by consumer spending from borrowed funds.

Added to this is the high level of government expenditures, of which *Business Week* (June 22, 1957) writes: "The continuation of this gradually rising price trend is in large measure due to massive government spending, mainly to give us military strength."

These conflicting views are motivated in part by political considerations. But the differences obviously go much deeper than partisan political jockeying, and if we are to get at the heart of the matter, it will be necessary to examine each of these explanations in some detail.

#### WAGES AND PRICES

The so-called "wage-push" theory of inflation is simply the latest version of the perennial thesis that wage increases cause price increases. This long-discredited dogma recurs in one form or another whatever the economic circumstances may be, but it acquires added vitality in every period of inflation.

Aside from the fundamental arguments which can be adduced against it, this "explanation" can readily be shown to be devoid of any serious claim to validity in the present situation. It has been dealt with very effectively in the publications of organized labor which, together with recent government studies, show the following:

1. *Price increases have vastly exceeded increases in production costs due to higher wages.* In the steel industry, for example, the wage increase in 1956 was equivalent to a rise in production costs of \$3.70 per ton. The steel companies hiked their prices by \$12.50 per ton. The same can be shown for the auto, electrical and other major industries.

2. *Productivity has risen more rapidly than real wages.* This is indicated even by conservative BLS estimates. Thus:

Buying power of the hourly compensation of privately-employed, non-farm wage and salary earners rose some 32%, between 1947 and 1956, while manhour output in the non-government part of the economy rose over 33%. The gap narrowed in 1956, but it has been widening again in the first half of 1957.

For production workers in manufacturing, the gap is wider than this. The United Steelworkers' publication, *Steel and the National Economy* 1956, estimates that from 1947 to 1955 physical output per manhour rose 35%, while real gross hourly wages rose only 26.8%.

3. *Wages have followed prices.* A BLS report issued in May, 1957 shows that throughout most of the postwar period unit labor costs have lagged behind prices. From this, the conservative publication *Business Week* (June 1, 1957) concludes:

One obvious way to determine which caused which would be to measure whether labor costs or prices moved

up first. Subjected to this test, unit labor costs seem to have followed prices uphill through most of the postwar years—and particularly in those years when the inflationary heat was most intense.

4. *Higher prices have gone mainly to swell corporate profits.* In the steel industry, according to union estimates, price increases in the last eleven years have yielded profit increases of \$3.23 for every dollar of rise in wages and fringe benefits. Steel profits per man-hour before taxes rose from 13 cents in 1939 to \$1.80 in the first quarter of 1957.

The auto industry shows a similar pattern. Recent UAW estimates show that from 1947 to 1957, wages of General Motors workers increased by 72%, but the company's profits before taxes grew no less than 260%. Wages of Ford workers rose 70%, company profits before taxes 329%. The situation in Chrysler is similar.

In the food, transportation and service industries, the discrepancies are equally glaring.

#### WAGES AND PRODUCTIVITY

Though labor has displayed a determined resistance to the "wage-push" fallacy, its position is seriously weakened by the tendency of most labor leaders to accept the basic proposition of the "wage-push" advocates, namely, that wage increases not matched by corresponding rises in productivity enlarge the volume of purchasing power relative to the

quantity of goods available, and are therefore inflationary. This is erroneous and, from labor's viewpoint, a dangerous idea.

In practice, labor unions are compelled to modify this position considerably. Thus, *Labor's Economic Review* (June-July, 1957) asserts:

... There is no economic justification for the anti-labor idea that the buying power of wages and salaries should never rise somewhat faster than manhour output—profit margins in a number of industries are excessive and there is ample profit in those industries for substantial wage increases that may exceed the economy's productive advances.

But under "normal" conditions, the relation between wages and productivity, it is stated, would hold.

In the contention that wage increases may come out of "excessive" profits lies a germ of recognition of the truth of the matter. But it is necessary to go much further. The fact is that wage increases do not increase the *total* volume of purchasing power; they only alter its distribution between worker and capitalist. The former gets a little more of the total product, the latter a little less. A rise in the *total* supply of money relative to that of goods has quite different causes, and its inflationary effect will be felt regardless of who gets the increased purchasing power.

In the end, as Marx long ago demonstrated in *Value, Price and Profit*, wage increases *must* come out of

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profits, regardless of whether or not these are "excessive," and regardless of anyone's intentions. Wages and prices, he showed, are independently determined, a fact which is not basically altered by the existence of monopolies. These set their prices at what the market will bear, no matter what wages they may happen to pay to their own employees. The notion that they can arbitrarily take back in higher prices what they give in higher wages is illusory; indeed, it is becoming widely recognized that the timing of price increases with wage boosts is no more than a sop to public opinion.

To be sure, with rising productivity in a capitalist economy the share of the product going to the workers tends to decline, and they are compelled to wage a ceaseless fight against this. But their battle is not helped by the tying of wages to productivity. This places the fight on the enemy's grounds. It leads to such things as the negotiation of annual wage increments supposedly intended to compensate for rising productivity, but in return for which the companies demand the right to virtually unlimited speedup. It leads also to futile, hair-splitting debates over the relative size of short-run changes in wages and productivity.

Today, big business finds in the productivity theory a useful weapon for discouraging new wage demands, and especially for attacking the demand for the shorter work week, which it condemns as "highly inflationary." It appeals to this theory

also in its drive for anti-labor legislation, attacking labor as a monopoly which forces wages up beyond all economic justification.

Says Ford vice-president T. O. Yntema: "This kind of inflation has its roots primarily in the monopoly power of unions to force wages up even though there is no shortage of labor and no sufficient increase in productivity to absorb and offset the wage increases." (*New York Times*, October 2, 1957.) He calls for anti-monopoly laws for labor, as does the U. S. Chamber of Commerce. The National Association of Manufacturers calls, in addition, for a national "right-to-work" law, abolition of industry-wide bargaining, and company-by-company negotiation of wage increases based strictly on productivity rises in each instance.

These attacks can be fought far more effectively if the wage-productivity fallacy is abandoned altogether. Wage demands should have no limit other than what workers need and can win. This is especially important in the fight for the shorter work week if anything more than a token reduction is to be won.

#### MONOPOLIES AND PRICES

Of the power of monopolies to fix prices above those which would prevail under free competition, there can be no doubt. And with the growth of economic concentration this power has increased tremendously.

Throughout the postwar period, prices in monopolized industries



have risen far more than in other sectors. From 1945 to 1956, the price of finished steel products rose 122%. Auto prices rose 74%, electrical machinery 92%. In sharp contrast, prices in a non-monopolized field like textiles and textile products have fluctuated with the ups and downs of the economy, and are today actually lower than in 1947.

The current rises in wholesale prices are likewise concentrated chiefly in the most highly monopolized industries. And though production continues to decline, these prices continue to rise.

In part, these increased prices are obtained by squeezing the distributors and retailers who are unable to raise *their* prices accordingly and are forced to operate at reduced profit margins. At the other end, monopoly profits are swelled at the expense of the raw material producers. In fact, wholesale prices of raw materials are somewhat lower today than in 1947.

Undoubtedly, therefore, monopoly price-fixing is a basic factor underlying the present price increases and particularly their continuation in the face of a growing economic slowdown. But it is not the sole explanation.

The control of monopolies over prices is not unlimited. They cannot "repeal" the law of supply and demand. Rather, they seek to *utilize* it to their own advantage. Their power to fix prices rests on their ability, through the elimination of competition, to restrict supply. But it

is limited also by the level of demand—ultimately by the overall condition of the economy, over which they have no control. While they can raise prices freely in a period of prosperity, they cannot do so in a period of depression, in which case they are generally able to do no more than minimize the fall in prices through drastic cuts in production.

Hence, if the big corporations have been able to raise their prices, seemingly almost at will, throughout the entire postwar period, it is because this has been a period of comparative prosperity in which the overall economic trend has been upward, despite the declines of 1948-49 and 1953-54. In fact, monopoly prices rose almost uninterruptedly during these declines, and they continue to rise during the present economic slowdown. But if the overall trend should be reversed and a period of prolonged decline should set in, the apparent power endlessly to jack up prices would sooner or later vanish.

The present situation is therefore not basically unique, despite its peculiarities. The explanation of the current price increases must be sought not only in monopoly price-fixing but also in the underlying economic conditions. They must be sought particularly in the inflationary factors characteristic of capitalist prosperity and booms generally, as well as in those peculiar to the present period. A rounded, accurate picture cannot be obtained without taking these into account.

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## INFLATIONARY FACTORS IN THE POSTWAR ECONOMY

### 1. *The Capital Investment Boom.*

Since 1945, the country's productive facilities have been growing at a hitherto unequalled rate. Except for a break in 1949, annual investment in new plant and equipment has risen steadily from \$8.7 billion in 1945 to \$35.1 billion in 1956 and an estimated \$37.1 billion in 1957. Even allowing for the inflation during these years, this is a record expansion of investment.

This has created a high level of demand for producers' durable goods leading, throughout most of the postwar period, to near-capacity production and rising prices in the industries producing them. Demand grew particularly in 1955-56 with the development of an especially pronounced investment boom. As a consequence, in the eighteen-month period starting in mid-1955, wholesale prices of finished producers' durable goods rose 13%, while those of consumer durable goods rose only about 6½% and consumer goods in general only 2½%.

To be sure, the industries producing capital equipment and their suppliers are among the most highly monopolized. But it is important to note that they have also been those whose products have enjoyed the highest level of demand.

Today the growth in capital investment is slowing up. The annual rate is levelling off at about \$37 billion, and there are signs of an ap-

proaching decline. However, investment is still at a record level, and continues to exert a powerful demand for capital goods even while the demand for many types of consumer goods is easing off.

### 2. *Government Expenditures.*

Government spending at all levels now totals more than \$105 billion a year, or nearly one-fourth of the gross national product. Of this, roughly two-thirds consists of federal outlays. Some \$40 billion a year, close to 10% of the national product, goes for military expenditures.

These huge government outlays for goods and services constitute a body of demand which exercises a not inconsiderable pressure on prices. But it is the arms spending which is above all inflationary in character. For such spending is pure waste, and in return for the purchasing power which it pumps into the economy it produces nothing to be purchased.

To illustrate the point, consider the effect of spending some of the money now going for arms for other, socially useful purposes. Among the consumer items which have risen most in cost are rents and housing. These costs, which formerly constituted about one-fourth of the average family budget, now amount to one-third of it. If a few of the billions now spent for arms were to be used instead for large-scale construction of low-cost public housing, rents and housing costs would go down rather than up. Such spending would help counter inflation, where-

as the same money spent for arms contributes to it.

During the past several months, much has been made of projected cuts in military spending, but in practice these have proved to be of minor consequence. The cut this year will do little more than compensate for the recent price increases. And now, with the advent of Sputnik, the exponents of cold war have launched a renewed drive for a sharp increase in armaments expenditures—an increase which is bound to have an added inflationary effect.

3. *Public and Private Debt.* World War II left a huge heritage of federal debt, which rose from about \$40 billion in 1939 to a peak of more than \$279 billion in February, 1946. Since then it has never fallen below \$250 billion, and is now close to the legal limit of \$275 billion.

On top of this, the postwar years have witnessed a phenomenal growth in private debt. The total net debt—public and private—rose from \$406.3 billion at the beginning of 1945 to \$685.7 billion in mid-1957. The increase, nearly \$280 billion, is all in private debt, which has more than tripled in the last decade. The biggest rise is in corporate debt, which has grown by more than 120% to a total exceeding \$208 billion. This borrowing has gone largely to finance the huge volume of capital in these years. Mortgage credit has increased about 2½ times to a total of more than \$120 billion. And consumer credit has increased five-fold to a level of \$42 billion.

Such an expansion of private credit, particularly of corporate borrowing for new investment, is characteristic of capitalist booms. The mushrooming demand for funds leads to the tapping of all existing accumulations, and to a growing resort to commercial bank credit—that is, to the creation of new money in the form of increased bank deposits.

In the last ten years, bank loans have more than doubled in volume. The money supply, thanks largely to the "tight money" policy exercised by the Federal Reserve Board since 1951, has risen only by 25%. In compensation, however, the velocity of turnover of demand deposits ("checkbook money") has increased by 81%.

Credit inflation today is at least comparable to that of the twenties. Also, as in the twenties, interest rates have been rising steadily, and in recent years the rate of increase has been intensified by the "tight money" policy. There exists today a dangerous accumulation of debt, and especially of consumer debt, which has taken on a new significance in the economy. And today, unlike the twenties, the accumulation of private debt is added on to an enormous public debt.

#### THE AMERICAN ECONOMY TODAY

For the past few years, the country has been experiencing a boom sparked by a big expansion of capital investment. According to all in-

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dications, this boom has reached its peak, and the economy has already been beset for some time by growing signs of stagnation and instability.

Indeed, the present situation is in many ways reminiscent of 1929. Then, too, there was an investment boom, a large expansion of credit, a high rate of turnover of check deposits, a huge outpouring of mortgages, inflated stock issues and similar features. Then, too, there was a spurring of buying through liberal installment terms, and a growth of speculative buying. Today some of these developments are, if anything, more advanced than in 1929.

The unbalance manifests itself particularly in the discrepancy between the growth of investment and that of consumer markets, to which the AFL-CIO's *Economic Trends and Outlook* calls attention in these words:

The capital goods boom, from the second quarter of 1955 to the end of 1956, was accompanied by a weakening of many consumer activities, particularly in hard-goods markets and residential construction. Business outlays for new plant and equipment rose more than 34% in those 21 months. In contrast, consumer spending for all types of goods and services increased less than 9%, while spending for consumer hard-goods alone slipped almost 1% and expenditures for home building dropped over 10%. . . .

This unbalance is increasing, and with it the danger signals in the economy are multiplying. On all sides, there are growing predictions of a recession in 1958.

These developments do not mean, however, that the threat of inflation is at an end. It is quite possible that prices may continue to rise for some time even in the face of a substantial economic slump.

One reason for this is the present size of the federal debt and the federal budget. Even with the highest taxes in our history, it is barely possible, at best, to balance the budget without trying to reduce the national debt. A sharp economic decline would produce a market drop in tax receipts. At the same time, the demand for public works and other expenditures would rise. This could well necessitate a new wave of government borrowing which, under the circumstances, would have to come chiefly from commercial banks. This would add materially to the money supply and create an increased inflationary pressure.

In addition, the big monopolies would be able, for a time, to continue to raise prices while cutting production. And finally, increased military expenditures, for which the clamor is already mounting, would add to the upward pressure on prices.

Hence it is not at all impossible that the seeming contradiction of rising prices and falling production and employment can go on for some time. Certainly, the need for fighting inflation is far from being at an end.

#### THE FIGHT AGAINST INFLATION

Just as there are varied theories

as to the cause of the present inflation, so, too, there are varied proposals for combatting it. The Eisenhower Administration, basing itself on the theory that the inflation is caused by excessive demand for credit and an expanding money supply, has sought to cope with it by limiting the money supply. Of the "tight-money" policy and its effects, we shall have more to say in a later article. Suffice it to say here that it has not eliminated inflation, but has operated to the advantage of the big corporations and the banks, while clamping down on credit for small business, farmers, home buyers and consumers.

Aside from such measures to benefit big business, the Eisenhower Administration has had little to offer. Eisenhower has confined himself chiefly to declarations on the evils of inflation, to urging Americans to combat it by "careful, selective buying" and to calling for "statesmanlike action" on the part of labor. This moralizing was accompanied, however, by his veto—in the name of "fighting inflation"—of a bill to raise the wages of the grossly underpaid postal workers.

On the other hand some economists, in opposing the "tight-money" policy, maintain that full employment is incompatible with stable prices, since in periods of economic expansion and full employment prices always tend to rise. They conclude that some degree of inflation must be accepted as the price of economic growth and jobs for all.

But the workers, farmers and small businessmen cannot accept inflation as inevitable, or even as "preferable" to other alternatives. For them, inflation means growing hardship. It is the big stockholders, capitalists, property owners and speculators who profit from it. The fight against inflation is therefore a fundamental part of the economic struggles of labor and its allies. To be effective, it must be based on a comprehensive program which should include the following major points:

1. *Higher wages and shorter hours.* If they are not to fall increasingly behind in the race with rising prices, workers are compelled to fight for frequent and substantial wage increases. Moreover, wage demands must be made *independently of productivity increases*. This applies with special force to the demand for a shorter work week with no cut in pay, which entails a considerable increase in hourly rates. Employer propaganda tying wages to prices, which has unfortunately had widespread effects among workers, must be vigorously combatted.

2. *Monopoly prices.* The need for curbing monopoly price-fixing is becoming very widely apparent. Toward this end, the UAW has projected some steps including a federal investigation of wage-price-profit relations and a procedure for informing the public on price actions through public hearings to be held whenever a company announces an intended price increase. These would not, however, prevent the company

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To be sure, big corporations are sensitive to public reaction to price increases. But such measures alone are clearly inadequate. Serious consideration needs to be given to proposals for actual regulation of monopoly prices by government agencies, treating all monopolies as we now do public utilities, and in some cases to proposals for outright nationalization of enterprises.

3. *Tax reductions.* Lower taxes, like higher wages, are a means of offsetting increased prices and enlarging mass purchasing power. What is required, however, is not a general tax cut, but rather the shifting of more of the tax burden to the big corporations and wealthy individuals. Since 1939, there has been a steady rise in the share of the tax load borne by low-income groups. This trend must be reversed through higher income tax exemptions, the repeal of a number of excise taxes, and similar measures.

4. *Reduction of military expenditures.* This is essential to the struggle against inflation. Unfortunately, most of organized labor has opposed cuts in military outlays, and has on the contrary called for higher arms budgets, both to "fight world com-

munist" and to provide jobs. But such a position is wrong and, in the end, self-defeating. An unceasing fight must be waged to reduce armaments expenditures and to spend the money instead for housing, schools, health and other socially useful purposes.

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The threat of inflation, it must be borne in mind, is inherent in the boom-bust character of capitalist production. Inflationary pressures are generated in every boom period, and in recent years these have been considerably aggravated by the growth of a permanent war sector of the economy. Within the framework of capitalism, therefore, workers can hope to do little more than combat the effects of inflation and prevent big business from saddling them with its costs.

Marxists should make clear that the fight against inflation can be fully won only in a society in which the means of production are publicly owned and in which production is for use, not profit—a society in which wars, military budgets, monopoly price-gouging and economic crises will be evils of the past. In short, the problem of inflation is but another demonstration of the need for a socialist America.

*In our February issue, Alexander Bittelman writes on "Key Problems of Party Program."*

# Strachey and the Marxist Labor Theory of Value

By Max Weiss

TWO THOUGHTFUL REVIEWS of Strachey's *Contemporary Capitalism* (Random House, N. Y.), have already been written by American Marxists. One, by Hyman Lumer, appeared in the November, 1956, issue of *Political Affairs*; the other, by Celeste Strack, was carried in the February 1957, issue of *Mainstream*. A third is hardly called for; there are, however, certain aspects of Strachey's book which do need to be rediscussed. Among them is his criticism of the Marxian theory of value.

Appropriately, Strachey begins his effort to "transcend Marxism" by a criticism of the labor theory of value. For, as he himself declares: "*We cannot make a beginning without settling our accounts with it in one way or another.*" (p. 46). This is absolutely correct. The whole system of Marxist political economy stands or falls on the validity of the labor theory of value.

Attentive readers of Strachey's book, however, are soon puzzled by his analysis. Only as they proceed do they become aware of the reasons for their perplexity. They find themselves, before long, treated to a running refutation of Ricardo's labor theory of value

from which the conclusion is drawn without argument, that this also constitutes a refutation of the labor theory of value as developed by Marx. Few claims could be farther from the truth.

Marx took the labor theory of value propounded by Ricardo *only as the starting point* of his own investigation into the labor theory of value. The conclusions he reached at many points were quite different, and sometimes even diametrically opposed to those of Ricardo. Since this is so, Strachey's apparent refutation of the Marxian labor theory of value by way of an excursion into Ricardo constitutes a highly developed non-sequitur.

The basis for Strachey's rejection of the labor theory of value is, compared with traditional bourgeois or revisionist criticisms, somewhat novel and sophisticated. To be sure, Strachey did not originate this criticism. That distinction is held in a rather collective way by the Labor Party school of "socialist" Keynesians of whom Mrs. Joan Robinson is a well-known spokesman. Strachey, however, is the first to undertake a systematic popularization of this criticism and to make it the coping stone of a "bridge" between socialism and Keynesism; or rather, a bridge

away from socialism to Keynesism.

The first major count on which Strachey rejects the labor theory of value is that it has no utility as an instrument for computing economic magnitudes, specifically for measuring the national economy. According to Strachey, this is *the* fatal defect of the labor theory of value because control of phenomena requires the ability to measure them; the ability to measure the national economy carries with it the power to control it. Strachey asserts that, unlike the Marxists who are impotent in this regard, the Keynesians have found a way to measure the national economy by using prices adjusted for changes by index numbers. Hence, whatever other virtues the labor theory may have, it is quite irrelevant to what he considers the central issue today: control of the capitalist economy and the gradual modification of its functioning in the direction of socialism.

Strachey's argument falls into two parts: first, a discussion of the labor theory of value in relation to the problem of measuring value; second, an analysis of the defects of man-hours of labor time as a unit of value-measurement.

He asserts that, as formulated by Ricardo, the labor theory of value raised great expectations which it did not fulfill. Ricardo's contemporaries—and later, Marx and Engels, according to Strachey—were dazzled by a vision in which man-hours of socially necessary labor time would prove to be the newly discovered and unvarying unit of economic measurement. This, it was expected, would elevate political economy to the status of an exact science just as appropriate units of physical measurement, like the foot or the gram, made measurement, and therefore, ex-

act science possible in physics or chemistry.

But, contends Strachey, neither Ricardo nor Marx succeeded in discovering such an invariable measure of value. He describes Ricardo's preoccupation with this problem as well as his self-confessed failure.

Ricardo's last essay comes to the conclusion that man-hours of socially necessary labor must be, and are, the units of absolute value. But he comes to this conclusion reluctantly. For in what form, he writes, are these units of socially necessary labor time in practice applied to the computation or measuring of economic quantities? In practice, he acknowledges, they are, and can be applied only in the form of money. At bottom, it is an ounce of gold which becomes the measure of all things, for in this ounce of gold is contained as it were, a standard number of man-hours of socially necessary labor, against which the number of such man-hours in all other commodities will be measured off.

But Ricardo sees that this is a most rough and ready, a most unsatisfactory footrule of value. It is "liable to contract or expand" when for example, new gold fields are discovered or with the introduction of new mining techniques. It is by no means a reliable measure of value in the same way that the standard yard is an absolute measure of length. Thus, Ricardo in his search for absolute value was partially dissatisfied to the end. (p. 57.)

What about Marx? In a footnote, Strachey says:

There is something startlingly apt about the breaking off of Ricardo's search for absolute value upon his death bed. It is as if the thread of the science snapped at this point. For it is hardly too much to say that no one else was "puzzled beyond measure to find out the law of price," or to discover the measure of absolute value, for a hundred years: no one at least among the economists and prophets of the system. One man alone, Marx, sought to take up the search for that footrule of value which would, he believed, enable him to comprehend and so ultimately to control, the system as a whole. (p. 57.)



The reader is led to infer, since Strachey goes no further on this point, that Marx, like Ricardo, took up the search for an "invariable" measure of value based on man-hours of socially necessary labor time and that he also failed. It is, indeed, evident that Marxists do not and cannot in practice, measure value directly in man-hours of socially necessary labor time. Like ordinary mortals, they do so in terms of money based on gold, that is, in terms of prices.

But the point is they never tried to do anything else. Quite the contrary. The Marxist theory of value contradicts, explicitly and implicitly, the conception that it is possible to discover an "invariable measure" with which the magnitude of value in practice may be directly calculated in terms of man-hours of labor.

According to Marx, value is abstract social labor. It manifests itself in exchange value. Exchange value, in turn, is not a physical substance; neither is it a physical property of commodities. It is a relationship between commodities. A footrule can measure the length of an umbrella because extension in space is a physical property of the umbrella, a property which is independent of the relation of the umbrella to other commodities. But there is no foot-rule which can measure the value of an umbrella apart from the process of exchange. It is only in this exchange relationship that the value of the umbrella manifests itself. It is only in terms of its relationship to other commodities that the value of the umbrella can be measured.

In its historical evolution, exchange value takes on different forms: the elementary form, the expanded form, and the general form. The latter leads in-

evitably to the money form with gold ultimately separating itself out as the single money-commodity in which the value of all other commodities is measured. Gold thus becomes the universal measure of value, and at the same time the standard of price.

Ricardo's fruitless quest for an unvarying footrule of value originated in his one-sided preoccupation with the magnitude of value to the exclusion of any study of its various forms. Marx, on the other hand, by making an historical study of the evolution of the forms of value, solved the problem of the magnitude of value, by the way, so to speak.

Ricardo, as Strachey points out, was dissatisfied with the use of gold as a measure of value because "it is liable to contract or expand when, for example, new gold fields are discovered or with the introduction of new mining techniques." Strachey himself shares this dissatisfaction, which only goes to show that Strachey shares Ricardo's misconceptions as to the nature of value.

Marx took direct issue with Ricardo on both aspects of this question.

First of all, he denied that it was even possible to find a commodity which would be able to measure variations in the value of other commodities *while itself remaining invariable*. He did this by quoting Ricardo's position and then explicitly refuting its validity (*Theories of Surplus Value*, p. 244).

Secondly, Marx saw in the very fact that the value of gold did vary an indispensable characteristic of its ability to function as the universal measure of value. He developed this point at length in his *Critique of Political Economy* (pp. 77-78).

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It is clear from the foregoing that, in practice, Marx employed not man-hours of labor for the measure of value but money based on gold. This was not simply an unhappy expedient for Marx as it was for Ricardo. It was a scientific conclusion drawn from an analytical and historical investigation whose results showed that while value was determined by labor time, it was measured by money based on gold.

The money form of value is price. Now, according to Marx, it was only as it related to individual commodities that price varied from value. For example, the price of an individual commodity may be above or below its actual value as determined by labor time because of the operation of supply and demand. Likewise, the price of an individual commodity may be above or below its actual value as determined by labor time because, as capitalism develops, individual commodities sell not at their true value but at their "price of production."

In either case the deflection of price from value affects only individual commodities or individual types of commodities. In the aggregate, however, these deflections of price from value mutually cancel each other out. *In the aggregate, the total price of commodities equals their total value as this is determined by the amount of socially necessary labor time incorporated in them.*

This is all-important for the matter under discussion. When we discuss the measurement of the national product we are discussing the aggregate value of the total of commodities, not the individual value of specific commodities. According to the labor theory of value, this aggregate value of the total of commodities which we call the

national product corresponds to the aggregate of the price of these commodities and may be measured, in practice, by adding up these prices.

To sum up: Strachey is correct when he criticizes Ricardo for his concept of an unvarying foot-rule which could measure value directly in man hours of labor. But he strains his readers' intelligence when he attributes this Ricardian fallacy to Marx.

The second part of Strachey's argument flows from the foregoing. If man-hours of socially necessary labor time are used as the theoretical basis for economic measurement, he says, then we are powerless to account for rising productivity, and, hence, of accumulation on an expanding scale. A most devastating indictment indeed—if it were valid.

Once again, we shall see that Strachey's criticism is based on attributing the confusions of Ricardo to Marx. This time it is the fallacy of excluding constant capital from the total social capital. Actually, this fallacy is not related at all to the merits or demerits of employing man-hours of labor as the theoretical unit of measurement. It flows from a faulty analysis of capitalist production.

This becomes clear once we begin following Strachey's argument through to its logical conclusion.

We have first of all his statement: "For if we use these units to add up the national product, we shall get, of course, a total of man-hours."

Quite correct; a matter of simple arithmetic.

But what is it that we are actually adding when we add up the national product? The national product is the sum total of commodities which have

been worked up during the year whether, at the year's end, they be in finished or semi-finished form. We omit agricultural production, and non-production services like those of a doctor or novelist, only for purposes of simplification.

If we want to add up the total value of this national product in terms of man-hours of labor, what must we do?

First we add up the man-hours of labor represented in the materials which are incorporated in the final product. These already exist before the manufacturing process begins. They include the raw materials, the depreciated portion of plant, machinery, tools, etc. These man-hours of labor are already embodied in a certain mass of commodities; they represent past labor, "stored up labor time." They form what Marx called constant capital.

Second, we add up the number of new man-hours of labor which a given population expends in the course of the year. This is composed of necessary labor and surplus labor; the labor which creates new value equivalent to the value of the labor power which is set in motion, the variable capital; and the labor which creates new value appropriated by the employer, surplus value.

In terms of man-hours, the national product, then, is the sum of the first and second quantities of labor time: past labor time (constant capital) and new labor time (variable capital plus surplus value).

So far, so good. We have used these units to add up the national product and, as Strachey predicted, we have gotten a total of man-hours of labor time.

But, then, Strachey goes on to say: "Therefore, with a given working

population and given hours of work that total must always be the same."

How so?

With a given working population and given hours of work, the only total that is always the same is *the total of man-hours of labor performed during that year*. So long as the size of the working population and the length of the working day do not change *this total* will not change. But *this total* is not the national product; it is only part of the national product; it is only the variable capital and surplus value embodied in the national product.

But "*that total*," that is, the national product, consists not only of variable capital and surplus value but also of constant capital.

"*That total*" will *not* always be the same with a given working population and a given working day. "*That total*" will change depending upon how much constant capital is involved in the labor of the given population.

For increased productivity means the introduction of new or improved machinery which enables a given population to work up into a finished state more raw materials in the same time than it could previously. And this is simply another way of saying that constant capital always grows in relation to the amount of variable capital employed. That is the process which takes place in the course of capitalist accumulation. It explains how capitalist "communities" manage to get richer even though the working population and the working day may remain fixed—or even decline.

What now remains of Strachey's absurd conclusion that "reckoning in terms of man-hours of labor, the total national product is a given figure?"

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And yet, this is the main, the central, the all-decisive, the "devastating" argument which Strachey advances against the labor theory of value! It is not much to show after all the work that has been put in for more than a hundred years to devise new "refutations" of the labor theory of value. Especially since Marx himself exposed the fallacy in this argument when it was first advanced by Ricardo: only Ricardo did not expound this fallacy as an argument against the labor theory of value. He expounded it as a mistaken application of the labor theory of value.

For the thesis that the labor of a given population in a given work period must always produce the same total of value belongs to Ricardo, not Marx. Ricardo, in analyzing surplus value, assumed that the only capital advanced in production was variable capital, wages. He omitted entirely the constant capital which is advanced and transferred to the new product.

Accordingly he came to the conclusion that: "The labor of a million men in manufactures will always produce the same value, but will not always produce the same wealth." (Cited by Marx in *Theories of Surplus Value*, p. 314.)

But Marx, in criticizing Ricardo's viewpoint, made a reply which sounds as though it were addressed personally to Strachey.

Since the proportion which the constant capital bears to the variable increases in the course of capitalist development, *the value of the annual product of a million men will have a tendency to rise continuously in proportion to the growth of the past labor which plays a part in their annual production.* This in itself shows that Ricardo was unable to understand either the essence of accumulation or the nature of profit. With the

growth in the proportion of constant capital to variable grows also the productivity of labor, and the productive forces which social labor creates and with which it operates. (*Theories of Surplus Value*, pp. 314-316.)

After this, it might be superfluous to repeat what has already been said: Strachey polemizes with the confusions of Ricardo and claims that he has thereby demolished Marx.

Strachey has extended himself to "prove" that the labor theory of value must be discarded because it provides no basis theoretically, for the measurement of the national product. We have already seen that this "proof" is based on an acceptance of Ricardo's concept of the need for an unvarying unit of measurement of value and his confused elimination of constant capital from the total social capital.

We have also seen, by contrast that the Marxist labor theory of value establishes money based on gold as the measure of value. It follows from this that Marxists measure the value of economic magnitudes by their monetary equivalent, that is, by the calculation of prices.

In the light of this, how should one appraise Strachey's attempts—so important to his thesis and argued at length (see p. 100 of his book, for example)—to make it appear that the current use of prices for the statistical measurement of the economy is incompatible with the labor theory of value?

To the reader unfamiliar with the literature of political economy, it might appear from this that something like the following took place: in the past, measurements of the economy were made in terms of Ricardo's foot-rule of man-hours of labor but they produced very gross errors in calculation; also, in the past, measurements of the economy

were made on the basis of Marxian categories of surplus value, constant capital, variable capital, etc. But these likewise produced very gross errors in calculation; today, however, the economy is measured in terms of prices while the categories employed are the Keynesian ones—gross national product, etc.—these produce less gross errors in calculation than previously; hence, they are empirically superior.

But, of course, nothing like this ever happened.

There has not been a single instance of any attempt to measure the economy of any country, or even any segment of that economy, in units of man-hours of labor. Had any economist attempted this, he would have been clapped promptly into a home for the feeble-minded. Not even Ricardo, beguiled as he was by the fallacy of man-hours of labor time as the direct unit of economic measurement, conceived of the possibility of measuring the economy in terms of such units. While, for reasons noted earlier, Ricardo was dissatisfied with its inadequacy, he did, nevertheless, propose that economic magnitudes be measured in units of gold, not directly in man-hours of labor time.

It is true that Ricardo's misconceptions gave rise subsequently to a number of utopian theories which sought to make labor time the direct measure of money. This was the case with the economist John Gray whose fallacies Marx exposed in his *Critique of Political Economy*. Likewise with Proudhon against whom Marx inveighed in *Poverty of Philosophy*. But apart from these utopian aberrations there has never been any attempt to measure the economy in units of labor time. Consequently, there could not have re-

sulted any gross errors in calculation therefrom.

Likewise, there has never been a single instance in which the facilities of a capitalist government (which alone in capitalist countries, has the power and ability to collect statistics on a meaningful scale) were put to use collecting data necessary for calculations on the basis of Marxian economic categories. Serious efforts have been made by individual Marxist economists to utilize existing data for economic measurements framed in Marxian categories. But such efforts were necessarily partial and fragmentary without the pretense of exactitude. This being the case, how can anyone seriously attribute gross errors in the measurement of the economy to the use of Marxian categories?

If one wishes to investigate whether it is possible to measure economic aggregates on the basis of Marxian categories derived from the labor theory of value, the matter is very simple. Let him study the voluminous statistics of economic measurement of the socialist countries—in particular the Soviet Union which has the most developed statistical system. How gross can the errors be in those Soviet calculations if they have made it possible to plan the economic growth of that country so successfully that from a backward agricultural country forty years ago it has advanced to its current ranking as the second most powerfully developed industrial country in the world?

One does not achieve such planned results by making gross errors in the measurement of economic magnitudes. And let it be repeated, these measurements were made on the basis of Marxian categories derived from the labor theory of value.

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Having, through a process of fallacious reasoning, "proven" that man-hours of labor time as a unit of measurement of value has no practical utility for statistical investigation, Strachey urges that it be scrapped. And he does so on purely empirical grounds.

Quoting the great astronomer Laplace he boasts: "*Je n'avais pas besoin de cette hypothese.*"

This is pragmatism with a vengeance. When the scientist Laplace told Napoleon that he had no need for the hypothesis of a God to explain the workings of the cosmos, he was asserting the victory of science over superstition. When Strachey echoes Laplace to justify his abandonment of the labor theory of value in favor of Keynesian statistics he is proclaiming the victory of bookkeeping over science.

It is as though an accountant, flushed with triumph because his columns tallied through the use of simple arithmetic, were to tell a mathematician that there was no need for the theory of numbers.

The situation is even worse than this because "the columns" do not "tally" with the use of Keynesian statistics; but that is a different story which we cannot go into here.

At this point we are interested in establishing only that while Laplace proved that he could explain the workings of the cosmos without the assumption of a Deity, Strachey, despite his proud boast, is forced to admit in the last analysis, that the functioning of capitalist society cannot be explained without the labor theory of value.

This admission, fatal to Strachey's whole argument, is made when he discusses, quite sensibly, the classical objection to the labor theory of value based on the alleged contradiction be-

tween Volume I and Volume 3 of *Capital*.

Says Strachey:

... After all, the deflection of "prices of production" . . . from values as determined by man-hours of socially necessary labor time is not very wide. It remains true that "in equilibrium" the number of man-hours of socially necessary labor time which have had to be used to produce commodities is the predominant determinant of the ratios at which they will in the long run tend to exchange with each other. . . .

... Moreover, changes in the number of man-hours needed to produce one broad type of commodity as compared to that needed to produce another type really are the main determinants in changing the ratios at which the first type of commodity will exchange with the second. . . . *Over these broad, long-time historical trends the labor theory of value does retain its essential contact with reality. In these cases labor time is the main explanation of the movement of real-life prices.* (pp. 68-69; emphasis mine—M.W.)

This is all to the good. But why, then, does Strachey advocate rejection of the labor theory of value? Because, as he says later in discussing the subject of wages:

... In fact, however, as we saw in Chapter 2, all that can really be said is that commodities do tend in the long run and as a first approximation to exchange in accordance with the number of man-hours of socially necessary labor time contained in them. Far from this being an invariable and fixed law, they neither do so in the short run (because of variation in supply and demand) nor even tend to do so exactly (because of the varying amounts of capital used in their production) in the long run. *It seems clear enough that what we are concerned with is a broad general tendency and not with a fixed law.* (p. 109; emphasis mine.—M.W.).

This counterposing of laws and tendencies, this denial that laws operate, this assertion that only tendencies exist is, from a methodological viewpoint,



organically bound up with Strachey's departure from Marxism.

Now, how does Marx place this matter?

Consistent with his dialectical method, he discusses the operation of the law of value and its impact on the value-price relationship in the context of historical development:

The exchange of commodities at their values, or approximately at their values, requires, therefore, a much lower stage than their exchange at their prices of production, which requires a relatively high development of capitalist production.

Whatever may be the way in which the prices of various commodities are first fixed or mutually regulated, the law of value always dominates their movements. If the labor time required for the production of those commodities is reduced, prices fall; if it is increased, prices rise, other circumstances remaining the same. (*Capital*, Vol. 3, p. 208.)

In other words, Marx explained that the exchange of commodities in direct accordance with the amount of labor time contained in them occurred in the earliest stages of commodity exchange (the period of direct barter, of slavery, of serfdom, of the guild organization of the handicrafts). With the development of capitalism, however, commodities exchange not on the basis of correspondence with labor time but according to the price of production.

In both cases, however, the law of value dominates. In the earliest stages of commodity exchange, the law determined not only the movement of individual prices but the establishment of the individual price itself. In developed capitalism, it does not determine the establishment of the individual price but it does determine the movement of individual prices. In both cases, it determines that the total of prices is always equal to the value of the total social product.

What then is the relation between law and tendency?

Marx writes:

In short, under capitalist production, the general law of value enforces itself merely as the prevailing tendency, in a very complicated and approximate manner, as a never ascertainable average of ceaseless fluctuations. (*Capital*, Vol. 3, p. 190.)

The difference between Strachey and Marx on this matter is quite apparent here. Marx does not counterpose "law" to "tendency." He unravels the mystery of the law which governs the tendency, the law which sets the tendency in motion. Strachey, on the other hand, counterposes "law" to "tendency" in order to deny the existence of any law—with the result that the tendency itself becomes inexplicable.

Why does the tendency exist? Why is there not a tendency for commodities to exchange in accordance with the influence of sun spots? Why is there not a tendency for commodities to exchange in accord with their weight, or their size, or their age?

Behind all tendencies, no matter how distantly removed, there are nevertheless laws of one kind or another which set into motion and determine those tendencies. A tendency is simply the manifestation of a law which operates in the context of other laws and is modified by them in the course of their mutual interaction.

If capitalist society operated on the basis of tendencies unrelated to economic and social law then the determination of future events would depend upon nothing but wish and desire. Socialism would no longer be inevitable; it would at best merely be desirable and possible. We would be back with the Utopian socialists.

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# The Party Crisis and the Way Out, Part II

By William Z. Foster

*In our December issue the first half of this article was published. As we then pointed out, this article is in the form of a reply to a series of articles by the well-known Communist leader, Alexander Bittelman, which appeared in the New York Daily Worker. Readers should bear in mind that Comrade Foster wrote what follows in October.*

*We are happy to be able to report that William Z. Foster continues to make steady progress in his recovery from the cerebral hemorrhage that hit him late in October—Ed.*

## THE BITTELMAN THESIS

HAVING SHOWN IN the previous installment: a) the means by which the Communist Party was built successfully in its earlier years, and b) the causes of the Party's present crisis, it now remains to determine what the Party's policy should be in the light of the present changed and changing economic and political situation here and abroad.

The Right takes a position that the basic theories and methods by which we built the Party in the first place, are now all completely out of date; in short, that the Party and its Marxism-Leninism are obsolete. Comrade Bittelman's articles in the *Daily Worker* tend essentially in this general Right direction. They tend to support, in general, the Gates position which has been po-

litically bankrupt ever since its two main programmatic proposals—the transformation of the Communist Party into a political action association, and the emasculation of Marxism-Leninism—were rejected overwhelmingly by the national convention of the CPUSA, last February.

Bittelman avoids such gross political formulations as those of Gates, and he uses the terminology of Marxism-Leninism in his analysis. But much of the substance is gone from Bittelman's Marxist phraseology, and it all boils down essentially to the main Gates proposition. Besides this Gates' backbone, there are also elements of Lovestone American exceptionalism in the Bittelman thesis, as it seeks to break down the Party's struggle against this insidious bourgeois ideology. And it also contains

elements of the Browder-Teheran thesis, with its over-estimation of the degree of peaceful co-existence attained, and its understatement of the aggressive role of American imperialism.

The articles of Comrade Bittelman have as their political center the proposition that the capitalist system, both generally and on an international scale, including the United States, is now entering, or has practically entered upon, an intermediate social stage somewhere between monopoly capitalism and Socialism. Internationally, this stage is peaceful co-existence, and nationally it is the Welfare State. While Bittelman speaks of both these situations as "emerging," his whole argument and program are based upon the assumption that they have virtually "emerged." This major conclusion Bittelman buttresses with another one to the general effect that, as a consequence of the above intermediate development, the world struggle between the forces of world imperialism and those of Socialism, and also the national class struggle, have been muted almost to the vanishing point.

Comrade Bittelman draws a picture of a world capitalism which, despite its weakened position, has largely solved its inner contradictions; for he makes no mention of the general crisis of the capitalist system, which has been disintegrating that system ever since World War I and the Russian Revolution. He also sees no cyclical economic

crises of importance ahead for capitalism. Apparently, in the post-war boom the crisis has disappeared, to the extent that he no longer considers it worth mentioning. Bittelman also minimizes the powerful antagonism of American imperialism against the Socialist world. He speaks of American imperialism, its ambitions for world control, and the potential war danger which this creates; but he does this largely in the sense that these dangers are potential rather than actual. He makes it look as though the Cold War is over and that peaceful co-existence is practically here; hence the job now is "to usher in this period fully and completely . . . to insure its stability and to prevent backsliding into the Cold War or into the immeasurable disaster of a new world war" (Part III). He speaks of all this as constituting "a new historical period of considerable duration." Generally, the matter of active struggle against the aggressive foreign policy of Wall Street as a basic condition for *establishing* peaceful co-existence, fades away.

Comrade Bittelman presents a similar picture of an American capitalism which has substantially overcome its major inner contradictions. He sees numerous serious market problems facing the system; but apparently these will produce no major economic crises, for the latter are not foreseen in his analysis. On the contrary, he evidently looks toward a future of relatively easy develop-

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ment economically in the general direction of Socialism, without basic economic breakdowns in the meantime.

Bittelman also apparently sees no future big strikes and other struggles between the workers and the monopolists, or if he does contemplate such he does not consider them vital enough to make them part of his general picture. His vague references to struggle, therefore, have no real point. In his articles, the American class struggle, like the international anti-imperialist struggle, largely evaporates, with erstwhile ruthless American imperialism playing more and more a passive role. This whole outlook presents essentially the same perspective of progressive or easy victories, a relatively struggle-less evolution towards Socialism, as that presented by Comrade Gates in his article in *Political Affairs* of November, 1956.

The heart of Comrade Bittelman's general national conception is in his handling of the question of the Welfare State. He makes no real analysis of just what he means by the welfare state, but obviously he considers it in general terms as definitely an intermediate regime between monopoly capitalism and Socialism. In fact, he says, "the conclusion, therefore, is that the welfare state is a distinct historic stage in American social progress, and that the peaceful and constitutional transition to Socialism is another, the next and higher stage." (Part III). In Bittelman's general analysis all

the power and fighting spirit of American monopoly capital has suddenly almost disappeared, and the fascist danger, which during the sharpest period of the Cold War raised its head so menacingly in McCarthyism, has vanished without a trace. He has generally a concept of a peaceful social evolution, with but little class struggle and with monopoly capital unable or unwilling to make any serious resistance.

In Comrade Bittelman's analysis of a peacefully and almost automatically evolving capitalist society towards Socialism, naturally the part to be played by the Communist Party becomes vastly different and far less important than in the past. Certainly, the Party would have very little leading or fighting to do. This is because, as Bittelman apparently would have us conclude: a) there would be very little class struggle in general, and b) the mass organizations, grown mature politically, would be able to lead their own fight effectively, with little or no assistance from the Communist Party. In this sense Bittelman signalizes "the rise of the American trade union movement to a position of effective leadership of the working class in the economic and political field, and to a certain extent also in the ideological field." And he adds that "something similar is taking place among the movements of the Negro people and among the farmers."

Obviously, such a general concept would leave but little for the Communist Party to do, except to tail

after the respective mass movements, to point out their lesser weaknesses, and to propagate for Socialism. It would mean the practical obliteration of the Party's vanguard role, notwithstanding Comrade Bittelman's constant reference to it. This is also essentially the concept behind Comrade Gates' political action association. Bittelman speaks for the building of a mass Marxist-Leninist Party, one that will eventually have behind it the majority of the working class; but he does not explain how this broad Party could be built, in view of the slim functions allotted by him to it in the class struggle.

#### THE LINE OF THE 16th NATIONAL CONVENTION

Like Comrade Gates' program, Comrade Bittelman's thesis, as we shall see, is in direct and major conflict with the general political line worked out at our recent national convention and incorporated in its main resolution. Although, as we have noted earlier, there are some secondary weaknesses in this resolution, due to the strong Revisionist influence in the Party, the general political direction of the resolution is sound. And it goes directly against the main thesis developed by Comrade Bittelman in his articles—notwithstanding his repeated endorsements, in words, of the line of the convention.

Before developing this point, let us take a look at the changing world situation. During the past period,

beginning with the Russian Revolution in 1917, but especially since World War II, vast and rapid changes politically have been taking place in the world. On the one hand, shattered by two great world wars, torn by various Socialist and colonial revolutionary movements, and weakened from within by the broad growth of trade unions, workers' parties, and other essentially anti-capitalist organizations—world capitalism sinks deeper and deeper into general crisis. And on the other hand, a vast system of Socialist states has been created, embracing over one-third of humanity; many erstwhile colonial countries have broken their imperialist chains and, with an increasingly pro-Socialist orientation, have embarked upon a course of political independence; and a great growth of working-class organizations, as indicated, has taken place throughout the capitalist world. The general effect of all this is that the world center of actual economic and political strength has been moving more and more towards world Socialism—indeed, it may well be that this center of world political gravity is already on the side of Socialism. This shift has been especially dramatized by the sensational launching of the Soviet satellite, Sputnik, an event which threw American capitalists almost into panic.

Obviously, this tremendous alteration in the relationship of class forces between the world's workers and world monopoly capital has also pro-

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## ON THE PARTY CRISIS

foundly changed the conditions of the struggle between them, both nationally and internationally. Monopoly can no longer dominate the world as it once did. This was decisively proved when the combined peace forces of the world, from 1947 on, blocked, at least temporarily, the atomic drive of American imperialism for war and world conquest and brought this great power to the negotiating table in Geneva in 1955. This was an historic event, a tremendous victory, shared in by our Party; but one that the Right has characteristically belittled and misrepresented.

Comrade Bittelman sees the new situation in the world, but unfortunately, in his articles he draws exaggerated conclusions from all this. Thus, he apparently believes that the peace fight is already won. This could be a most dangerous error. That the war danger, although lessened, is still with us is being graphically demonstrated by Khrushchev's dramatic letter of October 15th to the Socialist Parties of Western Europe, asking them to be on guard against the attempts to organize a highly dangerous war against Syria. Let us rejoice that the peace forces of the world have become so militant and powerful, but let us not jump the gun by practically assuming that they still have no basic tasks ahead of them. Monopoly capital must be compelled to accept peaceful co-existence. It will never do so voluntarily. It has not yet capitulated, strong pressure must still be brought

to bear upon it. This is what is not seen in the Bittelman articles, but it could be a major disaster for us thus to neglect it.

This was the fundamental line of the 16th national convention of the CPUSA, which worked with a keen sense of rapidly changing conditions. It warned against "false conceptions that peaceful co-existence is already assured or that it will come about automatically." And it also warned, that "the imperialists have not reconciled themselves to the relationship of forces which makes this perspective [of peace] possible" (*Proceedings*, p. 263). To relax the peace struggle now, in a spirit of over-confidence, could be disastrous, and this is one of the main weaknesses of the Bittelman articles.

In the United States itself, the monopolists also feel the pressure of the new strength of labor and of world Socialism, and they can no longer dictate to the workers in their former brutal manner. They are compelled to make concessions to the workers and their allies for several basic reasons, among them: a) the favorable labor market for the workers; b) the greater inherent strength of labor's organizations; c) the pressures, favorable to the workers in all countries, including the United States, of advancing world Socialism; d) and because the employers must seek, through concessions, class collaboration, and when need be, violence, to keep the conservatively-led trade unions and workers' parties lined up in their all-out capitalist

front against the countries of Socialism.

But let us not be deceived by all these concessions. The capitalist beast has been wounded, but he remains extremely dangerous—he is still the capitalist, seeking to gain profits at any cost. The most harmful thing that could happen to the working class would be for it to fall into moods of complacency, which is what the Bittelman thesis would tend to create. In contrast to Bittelman's conception, the Party convention put forth a distinct perspective of class struggle, and in doing this it was fundamentally correct. The convention struck this keynote with the statement that, "Titanic economic and political struggles will intervene in our country before the majority of the people take the path to Socialism" (*Proceedings*, p. 305). There is no trace of any such fighting perspective in Bittelman's placid thesis.

The CPUSA convention line also did not agree with Comrade Bittelman's over-optimistic estimate of the economic outlook—he shows no perspective whatever for future severe economic cyclical crises. This is a Keynesian trend. Although the convention made no definite immediate economic forecast, it did indicate very clearly that economic crises were to be expected. It said: "Hence, despite the prolonged prosperity and despite the significant effects of the new features that have emerged in the American economy, the basic contradictions inherent in

capitalist production are not abating, but are becoming sharper. The fundamental factors making for economic crisis continue to operate today no less than in the boom of the twenties" (*Proceedings*, p. 257). Undoubtedly stormy days economically are ahead for American and world capitalism.

Comrade Bittelman's theory that the trade unions have now achieved "effective political leadership" for the working class also does not jibe with reality or with the line of the 16th national convention of the Party. Of course, the unions have made great progress in the past 20 years. There are hosts of honest and forward-looking trade-union officials; but there are also many who are neither of these things. In fact, the great bulk of the unions are now dominated by a conservative leadership, without a peer in this respect in the capitalist world, and they have harmful policies to fit. The truth is that in the American labor movement, instead of coming from such corrupt and conservative elements, the progressive leadership has always come from the pressure of the Left and Progressive forces, and there is no good reason to suppose that it will be otherwise in the near future. These forces, working together, built the modern trade-union movement, and for the most part, they did it in the face of violent opposition from the conservative leadership. The 16th national convention, while taking full cognizance of the recent great progress of the trade

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unions, did not speak of them in the sense of their having achieved "effective political leadership of the working class." Instead, it said: "The spontaneous struggles of the working class against capitalism can, at best, lead only to trade-union consciousness." (*Proceedings*, p. 323). Trade unions as such are not enough: the working class must have its mass party; in this case, a Labor-Farmer Party.

The convention, with its general conception of the leading role of the conscious forces of Socialism, forecast for the Party a far broader perspective of action than that outlined by Comrade Bittelman in his thesis, in which the Communist Party essentially tails along after the "matured" organizations, especially the trade unions. The convention definitely considered the Party in the role of vanguard, both now and in the future struggle for Socialism. It summed up its perspective in this general respect in its resolution as follows: "It emphasizes that *all* roads to Socialism are roads of mass struggle, waged under the leadership of the working class and its Marxist vanguard." (*Proceedings*, p. 305.) Clearly, this means a continuing vanguard role for the Party from now on, for the Party could hardly first play a passive role and then step in at the last moment, so to speak, and take over the class leadership in the fight for Socialism. Those who see no vanguard role for the Party in the everyday struggles of the working class, by the same token,

also, discard the vanguard role of the Party in the ultimate struggle for Socialism. A militant forecast of future struggle in no sense conflicts with the Party's correct perspective of the possibility in the United States of a peaceful and parliamentary road to Socialism; for such a peaceful advance can only be realized by a powerful labor movement, able and willing to suppress the counter-revolutionary attempts of the monopolists and to maintain the necessary democracy in the country to enable the workers to proceed peacefully to their historic class goal of Socialism.

During the past generation or so the workers of the United States have won many concessions from monopoly capital.

This wide reform trend has been variously characterized under such titles as, "The New Capitalism" (1920's), "Progressive Capitalism" (Roosevelt era), and "The Welfare State" and "People's Capitalism" (post-World War II). The trends have also been expressed in bourgeois election programs variously known as "The New Freedom" (Wilson), "The Square Deal" (T. Roosevelt), "The New Deal" (F. D. Roosevelt), "The Fair Deal" (Truman), and "Modern Republicanism" (Eisenhower).

Making a virtue of necessity, the bourgeois apologists have built up a whole series of illusions around the reform trend, including, that capitalism is now a humane regime, peaceful and progressive; that the government has become a democratic peo-



ple's state standing above the class struggle and operating in the interests of the whole people; that the workers and employers have now become virtually economic and political partners; that economic crises and mass unemployment are now things of the past; that the rule of finance capital has been liquidated by the elimination of the banker's role from private industry; that capitalists in general have been virtually ousted by the "managerial revolution"; that the workers are buying out the industries; that capital is being democratized, etc. These demagogic generalizations have been built up over the years by many bourgeois economists and politicians, as well as Right Social Democratic writers, but the main theoretical contributors have been Keynes, Strachey, Burnham, and Djilas.

The basic purposes of such demagogic generalizations—as currently, the welfare state and people's capitalism—is to confine the developing struggle of the workers and their allies within channels safe for capitalism. They defend the capitalist system against advancing Socialism. Specifically, they aim at spreading all kinds of crippling "prosperity illusions" among the workers; to extoll the efficiency and beneficence of capitalism; to cultivate class-collaboration practices in industry; to maintain intact the workers' allegiance to the two party system; to poison the people's minds with anti-Soviet, anti-Socialist lies; and especially to cover with a mantle

of innocence the aggressive foreign policies of American imperialism.

The attitude of the CPUSA towards these general developments, which, in one form or another, it has had to deal with almost since its birth, is two-fold. On the one hand, the Party has vigorously supported, often pioneered in fact, every substantial reform, of whatever kind or source, that will help the workers. This it did, among others, under Roosevelt, Truman, and also even under Eisenhower. At the same time, as it did at its 16th national convention, with its slogan for a people's anti-monopoly coalition, the Party has projected slogans for a democratic anti-monopoly government within the framework of the capitalist system; one which would vastly expand all the democratic concessions that the workers, over the years, have won from the employers and their government. On the other hand, the Party has warred against all the pro-capitalist, anti-Socialist demagogies that have been always tied up with such slogans as the "New Capitalism," the "Welfare State," and "People's Capitalism." In this respect, through the years, the CPUSA has perhaps done its best ideological educational work among the masses.

Comrade Bittelman, however, would have us abandon this basically correct policy. He proposes, instead, that we support as our own the slogan for the welfare state. But this would be a serious mistake for various reasons and a long leap to the

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Right. Bittelman makes a number of mistakes with his proposal: For one thing, he ignores the fact that the "Welfare State," like "People's Capitalism," is already here, with all its illusions and limitations, as part of the general monopoly state set-up; it is not something that is to be established in the more or less distant future. The United States, Great Britain, France, and other regimes of monopoly capital, are, in fact, at present "Welfare States," with all the confusion that this term implies. The type of state that would be created by a victory of the anti-monopoly coalition proposed by our Party, and which Comrade Bittelman holds necessary for bringing about the welfare state, would, however, create a quite different type of government—one committed to a serious struggle against monopoly capital. Our adoption of the welfare state slogan, therefore, would put us, willy-nilly, in the false and untenable position of supporting the present welfare state.

Comrade Bittelman is also incorrect when he attempts to establish a basic difference between the slogan for the welfare state and that for people's capitalism. For the two are akin politically, and in labor circles in this country the latter slogan is probably more popular than the former. The welfare state slogan is the people's capitalism slogan dolled up for the use primarily of Right Social Democrats. It is essentially an attempt to have the workers peddle away their Socialist birthright for a

mess of bourgeois pottage.

The welfare state slogan is also wrong in that it implies that, through the reforms indicated, a basic change has taken place in the structure of the capitalist state—that capitalism is gradually turning into Socialism; that the state is no longer a repressive organ; that it does not function primarily in the interests of the monopolists; and that the power of the latter in the welfare state is practically broken. Nor could our Party, try as it might, give a more real content to this slogan. The nonsense of the welfare state illusions regarding this country is obvious from even a glance at the composition of the United States Government, in which the working class, Negro people, poorer farmers, and women, who make up the great majority of the American people, have barely a trace of representation. Those who doubt the power of monopoly capital in this country today would do well to read Victor Perlo's new book, *The Empire of High Finance*.

The adoption of the welfare state slogan would expose our Party to all the ideological confusion bound up with this slogan. This would be so, particularly in view of the strong Revisionist trend to accommodate the Party to such illusions. Even Comrade Bittelman, in his analysis of the welfare state, presents it almost entirely in a positive sense, leaving out altogether the many dangerous anti-Socialist, pro-capitalist illusions that are connected inseparably with this slogan.

Comrade Bittelman is likewise incorrect when he says that the Party has not analysed the New Deal and the consequences of the reforms flowing out of it, which have since developed into what is vaguely known as the welfare state and people's capitalism. The contrary is the case. The difference is, that, in its extensive analyses, the Party correctly arrived at an opposite conclusion from Comrade Bittelman. This it expressed at its 16th national convention: first, positively, by its militant support of all immediate demands that will aid the workers, and second, negatively, by its opposition to the "prosperity illusions" slogans.

In view of the foregoing, therefore, the Party should reject Comrade Bittelman's proposal that it adopt the welfare state slogan, and it should push forward to realize its slogan for a people's anti-monopoly coalition government and all its immediate implications.

#### THE PARTY: ITS THEORY AND PRACTICE

a) *The Communist Party*: From the foregoing consideration of the changed national and international situation, the way our Party was built, how it fell into crisis, and the decisions of the 16th national convention of the Party, three basic conclusions stand forth with unchallengeable clarity. The first is that we must build the Communist Party, and upon as broad a basis as possible. We must also build the

Party upon a permanent scale. The CPUSA is not a part-time or stop-gap Party, to serve only until we can get a "better" organization—either the "political action association" or "the new mass party of Socialism"—as so many of our leaders so harmfully believe. The Marxist-Leninist Party is the best type of leading Party in every contingency that the working class may face—in periods of prosperity, under fascist terror, during imperialist wars, in colonial revolution, in the winning of power in capitalist lands, and in the building of Socialism. Comrade Gates is basically in error when he says (*Political Affairs*, November, 1956), that the CPUSA is geared to the prospect of an early revolution. On the contrary, it is geared to every possible political situation that the workers may confront. On this permanent basis, therefore (whatever its name may be) we must set out to build the CPUSA, something which should have been begun actively right after the national convention, but was not.

One of the major things that we must also do in the building of our Party is to "rehabilitate it ideologically." That is, while absorbing genuine criticism, we must clear away the heaps of unjustified belittlements and misrepresentations of the Party, its record, and its leadership that were cast upon it from the Right during the past 18 months or so. We must learn again to love the Party, to esteem its great record, its historic fight against the war danger and fas-

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cism, and to have confidence in its bright future in the labor movement and class struggle.

The CPUSA must resume its agitation for the eventual formation of a mass Labor Farmer Party—as the workers, generally on the march, are obviously moving towards independent political action. In this agitation, however, we must, as the main resolution states, realize that the Labor-Farmer Party is “not the only form” of mass political action—there may eventually be much broader coalitions, and we see now that there may also be far narrower ones. Its neglect of the Labor-Farmer Party slogan has been one of the most serious shortcomings in the history of the Communist Party.

We should discard completely the slogans for a political action association and for a new mass party of Socialism, (in the immediate sense in which the latter is put), as liquidatory, both of the Labor-Farmer Party movement and of the Communist Party. We must co-operate more freely with the other Left groups in immediate class struggle activities; but it is not our job to combine with them in forming another Social Democratic Party. The basic organizational meeting grounds of all the Left groups are in the trade unions and in the broad political organizations of the organized workers and their allies, all of which will eventually tend to develop more of an anti-capitalist perspective.

b) *Marxism - Leninism*: The CPUSA, as the convention so vigor-

ously emphasized, must be based definitely upon the fundamental “universally valid” principles of Marxism-Leninism, not for the time being, but all the way through the workers’ perspective. Of course, the Party must use the utmost flexibility in applying and interpreting Marxism-Leninism for the masses, adapting it to the sharpening American situation. At the same time, our Party must combat the many pro-capitalism illusions now being spread among the workers. We must also be resolute in combatting Revisionist attempts to water-down and to de-vitalize Marxism-Leninism, and likewise, every “Left”-sectarian tendency to apply it in dogmatic or doctrinaire fashion. These are the most vital lessons that have come out of the long Party debate.

The criticism, heard so much from the Right, that Marxism-Leninism is inherently rigid and lacks the flexibility to meet the complex problems ahead of the workers in this and other countries in the rapidly changing world situation, is flatly contradicted by the whole history of the international Communist movement. Not only has Marxism-Leninism provided the theories and leadership for the workers and their allies by which they have established Socialism throughout one third of the world, but in doing this it has displayed extraordinary adaptability to new situations—not to deny, however, that there has also been much dogmatism and sectarian inflexibility. Our task, therefore, is to improve

Marxism-Leninism and to develop it, not to undermine and destroy it. There is nothing in the world more new and vital than Marxism-Leninism.

c) *The class struggle policy*: Together with building the Communist Party and imbuing it with Marxist-Leninist principles, it is also necessary to apply these principles upon the basis of a rising class struggle perspective in this country. This elementary lesson the 16th national convention also stressed. Its line in this respect had nothing in common with the easy evolution perspectives developed by comrades Gates and Bittelman. Its general militant line was summed up in its active projection of the fight for a broad anti-monopoly people's coalition of all the democratic forces in the United States.

Manifestly there are generating very important mass struggles in this country. There is the ever-present struggle against the war danger and for peace, which deeply concerns the whole American people. Our Party must learn how to become active effectively among the broad masses in this elemental struggle. The great offensive of the Negro people for school desegregation in the South, for the right to vote, and against every form of Jim Crowism, indicates the tremendous struggle potentials in the present American political situation. The trade unions are also deeply stirred by the uncertain economic situation, the problem of automation, the rack-

eteering question, the "right-to-work" laws, and many other serious problems. The recent strikes of the farmers, and their obvious political discontent, show the possibilities also in this most important democratic sector of the population.

All these problems are tending to sharpen up, especially as the industrial situation becomes more unsatisfactory and the problems of American imperialism abroad multiply on every world front. The people are widely tending to have more serious clashes with monopoly capitalism. In order to play its political part in this rising mass discontent, the Party must, as it did in the 16th convention, base its policies upon the perspective of a sharpening class struggle. It would be disastrous for the Party to yield to the class peace conceptions of a diminishing class struggle and an expectation of easy victories ahead for the workers, which the Revisionists for the past 18 months have been so busily propagating in the Party.

#### THE CONCRETE APPLICATION OF MARXIST-LENINIST PRINCIPLES

We have seen above how it emerges from our total past experience that we must apply three basic Marxist-Leninist lessons: a) to build the Communist Party, b) to base it upon the sound principles of Marxism-Leninism, and c) to animate it with a fighting policy based upon the perspective of a rising class struggle

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gle in the United States. All this is fundamental, but we must go further and show concretely how the principles of Marxism-Leninism are to be applied in the present situation, which is so greatly changed from that of the early days of our Party. Pertinent, in doing this will it be to take the same seven basic Marxist-Leninist principles dealt with at the outset of this analysis in showing how our Party was built, and then see how differently these valid principles apply in the new situation of these days.

One: *Socialist Perspective*: In this general and important respect the CPUSA is very much better off than it used to be. This is because it now foresees a road to Socialism in this country that will appear as very realistic and much more acceptable to American workers. The Party must know how to make the most of this very valuable point. The Party has also a more realistic attitude towards the Soviet Union, with its new attitude of comradely criticism of that country. This also removes a great handicap that the Party suffered from in the past. But the Party must eliminate from its work the recently developed Right tendencies to snipe at the USSR and to minimize its past, present, and future Socialist role. The USSR is the outstanding leader of world Socialism, a fact of which capitalism is well aware. The question of teaching the workers the significance of Socialism takes on double importance now, with the sharp growth of anti-Socialist agita-

tion under the guises of the welfare state and people's capitalism. These are vital new phases in our Socialist work.

Two: *Proletarian Internationalism*: World solidarity of labor is an imperative issue of ever-new importance these days because of: the need for resolute struggle to establish peaceful co-existence of all countries; the rapidly growing strength of world Socialism; the closer knitting together economically of the whole world; the profoundly favorable influence of world Socialism upon the class struggle in the capitalist countries—notably the Negro question and the wage struggle in the United States. A sound defense of the interests of the workers and the American people implies a firm international proletarian policy. More than ever, such a policy must and will involve friendly criticism among the Communist parties and Socialist countries. A special task of our Party is to realize that the intervention in Hungary last November was imperative, in order to beat down the developing counter-revolution in that country basically organized by the agents of Wall Street. The CPUSA is the only Communist Party in the world which does not take this realistic stand. Particularly in this time of aggressive foreign policies by American imperialism, we must also beware the penetration of the Party by bourgeois national influences.

Three: *Democratic Centralism*: We must restore in the Party a clearer concept of the major Leninist policy



of democratic centralism. This policy, containing as it does the two indispensable elements of democracy and centralization, is the only possible policy for a fighting Party. Comrade Gates is fundamentally wrong when he says in his *Political Affairs* article that, "Apparently democratic centralism results in a semi-military type of organization which is clearly not fit for our country in this period." His own proposals would degenerate the Party into a debating society. It is a fact, of course, that, with bureaucratic practices, the Party in the past has abused the basically correct policy of democratic centralism. The Party, therefore, must learn to apply the policy more effectively, and in harmony with American conditions and traditions. We must have a Party in which, not only do the members accept the Party program and pay their dues, but they also carry on Party work. There must be a political line that is obligatory and a sound Party discipline. There must be the broadest possible participation of the membership in policy making at all levels. Dissent must be permitted, but no factionalism. Party papers must be controlled by the Party and required to express the Party line.

Four: *National characteristics*: One of the most harmful results of the development of Revisionism in our Party has been its tendency to break down the Party's struggle against the poisonous bourgeois ideology of American exceptional-

ism. In this general respect also, the Party has made some sectarian errors in the past, above all, in its long inability to work out a more realistic statement of the road to American Socialism. Generally, however, the Party, especially in its vital trade-union work, has had a realistic approach in this broad sphere. Improvements, however, are always in order. To be effective, the Party, basing itself upon the fundamentals of Marxism-Leninism, must work out its policies more carefully than ever upon the basis of specific and changing American conditions. But in doing this, the Party must not relax in its basically correct ideological struggle against American exceptionalism.

Five: *The United Front*: The Party must re-develop this fundamental and effective Leninist policy, especially in the form of Left-Progressive cooperation in the trade unions. This was the means by which we built the Party and made it a real influence in the labor movement. And despite all the changes and advances in the labor movement, the policy basically still retains its validity. It is sheer nonsense to declare, as the Right is constantly doing, that there are not in the American labor movement the three characteristic ideological currents of conservatives (Right), Progressives (Center) and Left, such as are to be found in the labor movements of every capitalist country in the world. Our job is to find the practical ways to enter into active

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collaboration with the Progressives, not to deny that they exist. This is the broad road to trade union unity and to progress generally in the unions.

Obviously, the old Left-Center forms of the TUEL in the 1920's would be totally out of place in the 1950's, and so, also, would be the open warfare against the Right, which prevailed for many years after 1935. But to counteract the holdback pressures of the most conservative group of labor leaders in the world, it is imperatively necessary to activate the combined Progressive forces in the unions, including within the general meaning of this term all those elements, whatever their past attitudes, who are taking a progressive course with regard to the given issue or situation.

It is a gross misrepresentation of Party history by the Right when it states that our Party followed a practice of arbitrarily classifying in pigeonholes given individuals or groups of labor officials. On the contrary, it was always flexibly ready to work with anyone with whom it could. Thus, for example, when, in 1935, Lewis, Dubinsky, Hillman, and others—many of whom we did not previously consider to be either Lefts or Progressives—embarked upon the task of building the CIO, the Communists, quite in line with previous Party policies, gave them immediate and effective cooperation. With the same basic flexibility, the Party, as it had done upon many previous occasions, also became an

active participant, along with the AFL, CIO and pro-Roosevelt forces in general, when the broad democratic front took place in the historic fight against Hitler. Contrary to all this realism, the Party for the past two years has been unable to produce a trade-union resolution or to do any real trade-union work, the reason for this being because, under strong Revisionist pressure, the leadership has been making the double mistake of trying to discard the basic policies of the vanguard role and of specific cooperation with the Progressives.

Six: *The vanguard role*: In the changing world of labor this basic Leninist principle remains vitally necessary for the CPUSA. Our Party is not "a" but "the" vanguard Party. This is because it is the bearer of Marxism-Leninism and it tries to put into effect this basic philosophy and program of the working class. The opportunity to function as vanguard in the labor movement lies open before our Party on every front in the class struggle. This is because of the better insight concerning labor's problems that it acquires from its knowledge of the workers' basic science. But, of course, in the present greatly changed situation, the means and methods for performing the vanguard role, differ widely from those prevailing years ago. Such elementary slogans as "organize the unorganized," "industrial unionism," and "unemployment insurance," which not so long ago were real vanguard slogans in the

United States and served our Party well, will no longer suffice. Our theoretical and practical leadership must be on a much higher plane, because of the great progress made by the unions and other mass organizations in recent years.

But Comrade Bittelman is wrong in assuming and broadly inferring that, on the basis of their undeniable progress, the unions have reached a point of giving "effective political leadership" to the working class, and that, therefore, the Communist Party must develop "a new attitude" toward them—presumably one of bowing to their political leadership. This is essentially denying the leading role of the Party. The "effective political leadership" thesis is contradicted by the many wrong policies and unsolved elementary tasks that are now cluttering up and crippling the trade unions. These include: tailing after the foreign policies of American imperialism; the erstwhile blatant pro-war policies of the decisive ranks of the union leadership; the primitive state of the workers' political organization, with no independence from the bourgeois political leaders; and the continuation of the old Gompers policy of "rewarding your friends," etc.; the present disregard of the heroic struggle of the Negro people in the South against Jim Crow, and the continuing discrimination against Negroes in trade-union leadership; the failure of organized labor to develop a sound economic program of its own; the failure to push the decisively im-

portant Southern organizing drive; the existence of a huge amount of racketeering, corruption, and autocratic controls in the unions; the "trade-union capitalism" policies in handling the huge welfare funds; the fact that large numbers of the leaders are not only "business unionists," whose highest ambition for their organizations is a class collaboration agreement with the bosses, but also that they are actual capitalists themselves; their open defense of the capitalist system and people's capitalism illusions, their extreme opposition to Socialism, etc.

In all these issues, and many more, the trade-union leaders are giving anything but "effective political leadership" to the working class. The need for the type of leadership that will come from effective cooperation between the Left and the Progressive elements is a burning one. Indeed, if our Party stepped to the fore as it did in the historic fight against McCarthyism and the war danger, this was because such action was imperative on its part as a result of the virtual collapse of the trade-union leadership upon these most vital questions. The way is clearly open, therefore, for our Party not simply to content itself with what Comrade Bittelman calls the unions' "effective practical leadership of the working class"; but to help, along with other progressive forces, to give them the real political leadership which their membership and the situation demand.

Seven: *Self-Criticism*: This funda-

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mental Leninist policy is always relevant, and is so in the present period, as one of the Party's most powerful instruments. But we must practice it far more correctly than we have done in the past, especially in our recent Party discussion. The gross distortions of cold war Party policy, with the wholesale manufacture of "errors," playdown of Party achievements and ignoring of objective difficulties, which were injected by the Right into an otherwise very valuable Party discussion, did not constitute real self-criticism, but an ideological attack against the integrity and the very life of the Party.

*New methods of work:* It is not enough for the Party to have correct political policies, it must also know how to apply them effectively in the given situation. Therefore, the question of methods of work is always of paramount importance. Flexibility and a progressive spirit in applying policy among the masses are particularly vital at the present time of a rapidly changing economic and political situation, both nationally and internationally. The search for ever-more effective methods of work is of decisive importance. The fate of the CPUSA will depend in a basic measure upon the extent to which we realize and adapt ourselves to this fundamental need.

The foregoing general analysis evaluates the concrete Marxist-Leninist policies with which the Communist Party, through the years, was built and developed into a real force in the labor movement. It shows also the extent to which these fruitful policies are valid for the present situation. It traces the causes for the Party crisis; it indicates the chief means by which this crisis may be overcome, and also how the Party can regain its legality, rebuild its strength, and again become a real influence in the class struggle. The needful curative tasks may be summed up under three general heads: a) to bring about the earliest and most intensive cultivation of our mass work upon all fronts; b) to liquidate the continuing theoretical confusion in the Party, not only our traditional sectarianism and dogmatism, but also the Revisionism which has almost wrecked the Party, and c) to develop an energetic campaign of Party rebuilding (especially among the ex-members), not upon the basis that we are building the Party upon a temporary scale—until we can get a "better" organization—but with the understanding that we are constructing the Party that will be the vanguard in all the stages of the workers' struggle, including the eventual building of Socialism.

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