

Comrade PEPPER (America):

Comrades: the American comrades who spoke here took a somewhat critical attitude towards the thesis of Comrade Bukharin, I have to state that these comrades spoke only in their own name. **In the name of the American delegation I am authorised to state that the American delegation fully agrees with the thesis of Comrade Bukharin.** Small wonder that these comrades criticised the thesis of Comrade Bukharin — they had a very good reason to do that. They have an estimation of the present world position of American imperialism which differs fundamentally from the estimation given by Comrade Bukharin.

It is necessary to mention here that on the same day the thesis of Bukharin was distributed another document was distributed in the Anglo-American Secretariat of the Comintern called "**The Right Danger in the American Party**" signed by Comrades Bittelman, Foster, Cannon, etc. This document is not without significance for the discussion of the VIth World Congress on the international situation because it contains a basically different analysis of American imperialism and its role in the general world situation from that expressed by Comrade Bukharin in his speech and thesis.

The outstanding features of the thesis are the following:

1. The continuing ascendancy of American Imperialism.
2. The shifting of the economic centre of gravity from Europe to America.
3. The growing expansion and aggressiveness of American imperialism, the growing disproportion between the economic growth and power of American imperialism and its lack of colonies and its "insufficient" military preparedness.
4. The export of American capital was and is the basis for European stabilisation of capitalism.
5. The very technical progress and increase of forces of production serve to increase the inner contradictions and outer

conflicts of American imperialism, to sharpen the class struggle and the resistance of the working class.

This is the line of Bukharin's thesis regarding the world role of American imperialism.

The line of the document of the American comrades is a basically different line from that expressed in the thesis of Comrade Bukharin. I cite first the following sentence:

"An analysis of the degree of rightness of these contradictions will show that American capitalism is about to reach the apex of growth."

The document says that it is an erroneous conception for American Party is erroneous because it is based on the growth of American imperialism instead of emphasising the diminishing reserve powers of the same:

"This follows from a correct analysis of the diminishing reserve powers of American capitalism."

The document asserts that the American Party has "a different conception of the position and present phase of American capitalism", and it defines this conception as follows:

"The main emphasis upon the tendencies making for the growth and power of American capitalism."

The document says that it is an erroneous conception for the American Party to lay the main emphasis upon the tendencies making for the growth of American capitalism and dubs the estimation of the American Party "a dangerously opportunist conception".

These quotations prove sufficiently that there is a deep-going difference between the estimation of the thesis and the "document" of some American comrades. Comrade Stalin just a few days ago in Leningrad contrasted the ascending star of American imperialism to the setting star of British imperialism, and characterised America as the country of the gigantic growth of capitalism. It is unquestionably one of the most important features of Comrade Bukharin's thesis that the whole world situation as regards imperialist powers revolves around the world hegemony of American imperialism. The world hegemony of American capitalism is to-day the axis of all capitalist relations in the world. An oversight of that amounts to political blindness. Not to emphasise that amounts to political blindness. Not to emphasise that implies a basically different line.

Those comrades who maintain that American imperialism is already in its general decline, are afraid that if we analyse facts as they are and estimate realities as realities, if we state that there are still possibilities of growth of American capitalism — then we deny possibilities of increased outer and inner conflicts for American imperialism. This conception is gravely erroneous. Quite the contrary is the correct position. The very fact that American imperialism is growing that its economic power is increasing with such unheard of speed is the basis of most important antagonisms within the capitalist world. Not the "diminishing reserve powers", but the economic world hegemony of American imperialism is the basis of its conflicts with British imperialism. The disproportion between the growing economic power of American imperialism on the one hand and the lack of colonial possessions, the lack as compared with the colonial empire of Great Britain and with the powerful British navy or the huge French Army is the real source of present-day imperialist conflicts.

The statement that the reserve powers of American imperialism are already diminishing is not borne out by the facts. How can one say that the reserves of American capitalism are already exhausted knowing the fact that just recently a large section of the American Continent, the "so-called solid South is being industrialised"? America still has huge agrarian territories which in the first time in her history are becoming centres of highly centralised modern industry. The agricultural crisis is one of the sore spots in American capitalist economy. The source of the agricultural crisis is the growth of industry, trustification, the speedy progress of technique. Another sore spot in American capitalism is the crisis in the coal and textile industries. But again facts prove that the basis for these partial crises is the very technical progress and particularly the shifting of the centre of gravity of these industries to the South where cheaper water power and cheaper labour power can be obtained.

American imperialism still has gigantic resources and possibilities to grow. Facts show that the present economic depression is characterised by the following tendencies:

1. Trustification is asserting itself with irresistible power. Consolidations of railways, big combines and mergers in all industries are the order of the day. The special feature of the present situation is that not only individual corporations merge into trusts but trusts are already merging into veritable super-trusts.

2. A process of centralisation similar to that in production is going on in the field of distribution. We failed so far to give a thorough analysis of this entirely new process of trustification of distribution. For the first time in the history of the capitalist world are we facing the phenomenon of trustification of distribution which creates a powerful material basis for Socialism in future America.

How is it possible for these American comrades to have such a wrong conception of the estimation of American imperialism?

1. These comrades confuse the present depression which is a temporary phenomenon with the basic and general decline of American imperialism.

2. These comrades think that growing conflicts, increasing contradictions can only arise on the basis of a decline or a downward trend of American imperialism. They overlook the fact that the very rapid growth of American imperialism is responsible for the growing antagonism between America and other imperialist countries. They do not understand one of the most important thoughts of the thesis of Comrade Bukharin, according to which the main feature of the present situation is the growing inner and outer conflicts of imperialism based on the technical reconstruction and growth of capitalism. This is the special feature of the present situation in contradistinction to the post-war crisis. American capitalism never needed any stabilisation because it never suffered from a post-war crisis in the same sense as European capitalism.

3. The third source of the erroneous conception is the mistaking of a special acute decline of American imperialism for those elements of decline which are present in the imperialist development of all capitalist countries, such as the export of capital, the growth of parasitic elements, a rentier class, etc. The presence of these elements is not equivalent to an absolute decline of American imperialism, but it means the growth of contradictions in American capitalism.

4. Another source of the misunderstanding is the erroneous interpretation of Lenin's definition according to which imperialism is generally the period of decline of capitalism. But Lenin never said that the period of imperialism excludes the growth of capitalism or the rapid growth of capitalism in individual countries.

Summing up: American capitalism still has possibilities to grow, it did not reach the apex of its growth, it still has huge reserve powers. At the same time we have to emphasise that American imperialism has its limitations, that it is necessary to analyse these factors which make up for the eventual downfall of American imperialism. What are these limitations?

1. The aggressive imperialist policies of the United States are creating many complications in world politics and it is inevitable that these complications will reflect themselves in the internal situation as well. The very aggressiveness of American imperialism calls for a growing resistance on the part of the other imperialist powers and of the Latin-American countries against U. S. Imperialism. The imperialist aggressiveness of the U. S. makes necessary the building up of an extensive navy and army which means growing instability, increasing taxation, growing discontent of various strata of the population and growing resistance of the masses against imperialist aggressiveness.

2. The very technical progress of industries calls for partial crisis which stir up broad strata of workers. The industrialisation of the south spells unemployment, wage cuts, insecurity of living for hundreds and thousands of workers in New England. The crisis in the mining industry serves as the basis for a fomentation among the huge masses of coalminers. The technical progress in agriculture, the very fact that in 1925 there were 200,000 and in 1927 already 700,000 tractors in use

makes hundreds of thousands of farmers "superfluous" and creates a critical situation for large sections of the farming population of America.

3. The centralisation and bureaucratisation of the U. S. government is making headway all the time. The Government is in a growing degree becoming merged with the apparatus of the Trusts.

4. The inter-dependence between American capitalism and world capitalism manifests itself in a growing degree. The decay of European capitalism must affect the fate of American imperialism also.

5. America does not enjoy the same monopolistic situation as Great Britain did for decades. America has to face other powerful imperialist countries to compete with and therefore we can foresee that American imperialism will not be in the position to bribe large sections of the American working class for many more years.

6. Other limitations of American imperialism are: the existence of the U. S. S. R., the growing revolt of the colonies, and the growth of the revolutionary proletarian movements in Europe.

The second problem I want to elaborate upon is the question of radicalisation and bourgeoisification of the American working class.

The same document of certain American comrades which I already quoted from errs in the estimation of the amount and volume of the radicalisation of the American working class also. I have to give a few quotations:

"There is a general growth of discontent, militance and readiness to struggle among the semi-skilled and unskilled workers (the bulk of the American proletariat)."

Another passage:

"A progress of widespread and general radicalisation is taking place in all industries among the most exploited sections of the workers."

I have to state that these assertions of the document do not correspond with the facts. There is a certain amount of radicalisation of the American working class, a radicalisation of certain industries. There is a certain left trend among the unskilled workers but we cannot say that that Left trend is general or nationwide, that it embraces the bulk of the American workers already. I am afraid that even in Germany, France or Great Britain, in those countries which show the most marked tendencies of the radicalisation of the working class — even there we cannot say today yet that the radicalisation or the Left trend embraces already the bulk of the working class.

It is interesting to note a remarkable contradiction: the same comrades who charge the Central Committee of the American Party, that it overlooks the general radicalisation of the American working class, put forward the accusations here in Moscow only nine months ago, that the Central Committee of the American Party refuses to recognise that there is a powerful process of bourgeoisification of the American working class going on. I am of the opinion that the American Party had the correct position nine months ago stating that there is a marked tendency of the bourgeoisification of the American working class, but at the same time there is another tendency of radicalisation of certain sections of the working class which serves as sufficient basis for mass Communist work.

I stated just a few days ago in the Profintern: Stabilisation in Europe serves as the basis for the growth of reformism and the contradictions of stabilisation create a basis for the growth of the Communist Party. The world hegemony of American imperialism serves as the basis for the further growth of American reformism and creates the possibilities for the further growth of the American Federation of Labour. On the other hand the contradiction arising from the growing power of American imperialism creates possibilities for the growth of radicalisation of the masses for the increase of the Communist mass movement.

I want to emphasise: it is a two-fold process and it amounts to political blindness, to overlook one or the other side of it.

I would like to characterise certain special American features of the radicalisation of the working class. I am of the opinion that instead of repeating here general phrases about the general radicalisation of the bulk of the American working class it is our duty to try to give a concrete analysis of the volume, the limitations, the forms and the special features of the radicalisation in America.

The limitations of radicalisation at present which determine the amount of the leftward trend are the following:

1. The absence of big political issues between the capitalist parties.

2. Unlike 1924 there is no third party movement at this time.

3. There is no labour party movement on a national or mass scale at peasant.

4. The bulk of the American working class belong still at present to the old capitalist political parties. The twelve railroad Brotherhoods which a few years ago were the backbone of an independent political movement of the American working class endorsed a few weeks ago Hoover as President. The American Federation of Labour, which in 1924 endorsed the Third Party movement of La Follette will now endorse Al Smith the candidate of the Democratic Party.

5. The Socialist Party of America ceased to be a proletarian party and the Communist Party of America is not yet a mass party. The American working class was not able to develop yet a mass political party which exercises an influence on millions of workers.

The above given facts show clearly the limitation of the radicalisation especially the political radicalisation of the American working class. The basic factor of the situation is — as stated in the political resolution of the May Plenum of the American Party — the analysis of the moods and actions of the masses of the unskilled and semi-skilled workers. We can state that there is a very significant amount of radicalisation going on among the most exploited sections of the working class as proven by the struggles of the miners, textile workers and workers in the needle trades.

The radicalisation in America has certain special features in contradistinction to the radicalisation in certain European countries. In Germany radicalisation manifests itself on the political field and lags behind on the trade union field. The workers are willing to follow politically the Communist Party of Germany, but they are not willing to accept its strike leadership. In America the Leftward workers are not yet willing to accept the political leadership of the Communist Party of America, but at the same time they accept in a growing degree the strike leadership of the Communists.

The problems of unemployment are among the fundamental problems of present-day America. Some comrades criticised here Comrade Bukharin that he did not pay enough attention to unemployment. I think it is an unjust criticism because Comrade Bukharin analysed thoroughly the new kind of unemployment, the permanent growth of the industrial reserve army, the perpetual disemployment of hundreds of thousands and even millions of workers.

Some other comrades think that Comrade Bukharin's thesis on permanent disemployment, on the absolute decrease of the numbers of the working class in America, must lead to "opportunism". I think this is an unfounded and ridiculous charge. Tens of millions of workers permanently disemployed out of the process of production — that does not mean a harmonious development but it means a revolutionary situation. It is ridiculous to forget that those workers who are thrown out from the process of production, even if they do not produce, are still proletarian elements and human beings who want to eat, who will resist against starvation.

It is clear that the increasing sharpness of the class struggle and the growing resistance of the workers will not permit that capitalism shall push out the bulk of the working class from the process of production. On the other hand, we should note that capitalism is able to regulate to a certain degree this process. In America there is a prohibition of immigration which means that hundreds of thousands of foreign born workers are

excluded year by year from America. Again there is a possibility of **emigration from America** to other younger capitalist or half-capitalist countries. Again there is a possibility that the tendency to diminish the absolute numbers of the working class will again come temporarily to an end.

Anyone who denies the existence of this new phenomenon is polemising not against Comrade Bukharin but against the very facts. The facts about America speak a very clear and eloquent language. In 1927 the factories produced 26% more than in 1919. During this same period the number of wage earners employed in manufacturing decreased by not less than 980,000. Eleven percent fewer wage earners than in 1919 produced in manufacturing in 1927, 26% more products. In other words, each worker produced 40% more. And the same tendency manifests itself not only in the factories, but in railroading too. And this absolute decrease of the numbers of the working class went hand in hand with "prosperity", with rapidly increased production.

There is no other country at present which manifests such a marked tendency for merging state apparatuses and finance capital as the United States of America.

There are special historic reasons which explain the rapid and almost complete merger of trusts and state apparatus in America. It is not an accident that the whole history of America's political and economic development is responsible for the fact that this merging process, this trustification of the State apparatus, goes on in America more rapidly and thoroughly than in any other country.

In the other capitalist countries the centralised bureaucratic militaristic state apparatus of the bourgeoisie developed prior to the period of finance capital. Centralised bureaucratic State apparatus in America began to develop only in the period of imperialism hand in hand with the growth of finance capital and trusts. Further, America never had a system of feudalism as the European countries. The class struggle between the feudalists and the city bourgeoisie which gave rise to the bureaucratic centralised State apparatus in the hands of the monarchy never played any role in the history of America.

As late as in 1884 the number of federal employees in America amounted only to 13,780. In 1912, immediately before the war, the federal bureaucracy had already increased to 278,000. To-day, in 1928, the federal bureaucracy numbers 559,138. The total number of government employees — (Federal State and local) is not less than three million to-day. A list of the leading men of the various branches of the American government reads like a list of the members of directors of trusts, banks and corporations.

Now comrades, I want to refer to the **Right danger in the American Party**. The document officially submitted to the Communist International and signed by some of the American leading comrades, calls itself "The Right danger in the American Party". Is there a Right danger in America? It must be so in such a powerful imperialist country with such a powerful labour aristocracy. Yes, there is a Right danger and the **American delegation is justified in introducing an amendment to that section of the thesis of Comrade Bukharin which deals with America. Our amendment reads:**

"It is necessary that the American Party C. E. C. should continue and intensify its fight against Right deviations."

I consider it my duty to cite one outstanding example of the fight of the American Party against Right dangers. I think it is not without significance that the document which accuses the C. E. C. of the American Party of constituting a Right-wing, that this document does not contain one single word about the most important, the fundamental error, the American Party ever committed. The Right-wing error I am referring to is contained in the **election platform of 1924**. The same comrades who accuse the American Party of being a Right-wing party had the leadership of the Central Executive Committee of the American Party in 1924. These comrades are therefore fully responsible for the policies of the election platform of 1924. This election platform reads as follows:

"The Workers' Party declares itself in favour of the **immediate nationalisation** of all large-scale industries such as railroads, mines, super power plants, and means of

communications and transportation, and for the organisation of the workers in these industries for participation in the management and direction of those industries industrialised, thus developing industrial democracy, until industry comes under the control of those who produce the wealth of the nation."

Comrades, this statement was written, introduced and propagandised by those comrades who are accusing the present Central Executive Committee of being a Right-wing leadership. It wants to develop "industrial democracy" to-day in the middle of capitalist society and fosters the illusion that industrial democracy can develop before the working class seizes power and takes over the control of State power and industries. I have to state that the same mistake was repeated two years later in 1926, in the election platform of the Party though in not such a bad form.

Two election platforms of the Party contained a policy towards nationalisation and workers' control which was here characterised by Comrade Bukharin as a **step towards a social-democratic line**. And yet, such a deviation, such a grave error, was never mentioned, never criticised, never noticed, never corrected by those comrades who signed the lengthy document called the "Right danger in the American Party" and who claim to have the monopoly of Leninist policy in the American Party.

The mistakes of the election platforms of 1924 and 1926 were corrected in the last election platform adopted by our Party in May 1928. The initiative to correct these grave errors did not come from those comrades who signed the document called "Right Wing Danger in the American Party", but from the Central Executive Committee which they accuse of being a Right wing.

The American Party does not want to cover up its mistakes. Read the resolution of the May Plenum of our C. E. C. on the Trade Union question. There is a ruthless criticism in it of all mistakes we have made.

No one can question that the present Central Committee was the one to notice the major error contained in the previous platforms of the Party regarding immediate nationalisation, control of production and industrial democracy. The present Programme of Action of the Party does not contain such grave deviations to the Right.

We hope, the whole World Congress will reject the charge that the present Central Executive Committee of the Party is a Right wing or has the Right wing policies. Especially is it unjustified to put forward such a grave accusation based on a fundamentally wrong analysis and estimation of American imperialism as it is given in the document of these comrades.

Comrade BLENKLE (Germany):

Comrades, it is a typical and good sign of the activity of the Communist International that the very first item of our World Congress contains also the report of the Y. C. I. At no time did the question of embracing the working youth by the C. I. confront us so urgently as it does just now, when the struggle for the masses of the proletarian and peasant youth is carried on by the bourgeoisie in all countries as an important means of the imperialist war preparations.

The Y. C. I. constitutes the strongest section of the C. I. in point of numbers: it numbers approximately a total of $2\frac{1}{4}$ million members. But this huge total is largely made up of the great numbers of members in the Young Communist League of the Soviet Union. Outside of the Soviet Union the Y. C. L.'s have altogether about 127,000 members.

To this number of the young workers organised in the Communist youth leagues should be added the number of those young workers and peasants, boys and girls, who are associated with the sympathising organisations of the Y. C. I. In this sense we have 11 sympathising organisations: the Red Young Front in Germany, the Anti-Fascist Guards in France, and a number of legal political organisations in those countries where the Y. C. L. is forbidden, having altogether a membership of about 70,000.