

# INTERNAL BULLETIN

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## RESOLUTION ON THE CLASS NATURE OF YUGOSLAVIA

(The following resolution, adopted by the majority of the Political Committee, September 1950, is submitted to the party for pre-convention discussion.)

1. Our characterization of Yugoslavia as a workers' state is established by the victory of the proletarian revolution in that country. The insurgent working masses smashed the old capitalist regime; created new popular organs of power; and were the driving force behind the economic expropriation of the industrial bourgeoisie and the statification of the main means of production, exchange and transportation. This social revolution provides the basic explanation for the successful struggle of the Tito regime against the Soviet bureaucracy and for the progressive evolution of Yugoslavia towards the left since the split with Moscow in 1948.

2. The Yugoslav revolution followed a special course of development, peculiar to Yugoslav conditions and conditioned by the centrist character of the CP leadership which headed the revolution. Nevertheless, the forward march of the mass struggles in Yugoslavia proceeded in accord with the Trotskyist concepts of the Permanent Revolution. The Yugoslav events have served as a positive demonstration that even in economically undeveloped countries, the revolutionary proletariat alone can provide the leadership required by the people to solve such democratic tasks as the separation of church and state, abolition of the monarchy, the agrarian and national questions. Further, that after the proletariat takes power, it cannot limit its activities to the solution of bourgeois-democratic tasks but is immediately impelled by economic and political needs to undertake decisive socialist measures.

a. The Partisan movement in Yugoslavia during World War II began as a war for national liberation against the German and Italian occupation and for the democratic solution of the national problem within Yugoslavia. Although the Stalinist program of the Partisans aimed at collaboration with the bourgeois parties, because the bourgeoisie as a class were German-Italian or Anglo-American "collaborators" and "quislings" or tied up with the monarchist government-in-exile, the Partisan struggles turned into class war. Thus the Peoples' Committees formed in Partisan territory in fact constituted a revolutionary alliance of workers and peasants which became the basis of a new power. Proletarian Brigades were the nucleus of workers' power within the National Liberation Army led by the Communist Party. However, the unchallenged supremacy of this new power was not as yet fully acknowledged and definitively established.

b. Even after the decisive victories of the Partisans, the Yugoslav CP leaders formed a joint government in 1945 with native capitalist representatives, through intervention and pressure from the Kremlin and the Western imperialists. This regression in the advancing Yugoslav revolution did not endure a year and the coalition government was broken up. This resolved the contradiction of dual power in favor of the proletariat and cleared the way for the foundation of the Yugoslav workers' state. The nationalization of the means of production, banks and transport, which followed soon after the rupture of the coalition, was the indispensable condition for the preservation of the progressive measures, for the solution of the agrarian problem and the national question, and for the consolidation of proletarian power.

c. The establishment of a workers' state in Yugoslavia and the nationalization of the means of production corresponded to the revolutionary and socialist aspirations of the Yugoslav masses and unleashed their initiative and energy for the industrialization of backward Yugoslavia. The contradiction between the needs of Yugoslav economy developing in a socialist direction and the exploitative designs of the privileged Soviet bureaucracy in turn produced the Yugoslav split with the Kremlin.

3. The progressive evolution of the Yugoslav regime since the split with the Cominform less than three years ago has exceeded our initial expectations in a number of important respects.

a. On the theoretical plane, the Yugoslav Communists have progressed from outright endorsement of Stalinism in 1948 to a partial acceptance of the Trotskyist evaluation of the nature of the Soviet bureaucracy and the basic social causes for the degeneration of the Soviet state. They are now in the process of revising their historical estimates of this degeneration as well. Beginning in 1948 with vague criticisms of "revisionism by the CPSU," Stalinism is now being condemned in Yugoslavia as anti-Marxist and counter-revolutionary and the "infallibility of Stalin," the keystone of all Stalinist "theory," is subjected to constant attack.

b. On the political plane, they have developed from minor criticisms of the Communist parties in other countries to a growing recognition of the need for the creation of new revolutionary parties.

c. Their progress on the field of internal relations within Yugoslavia has been the most rapid and revolutionary of all. The contest with the Cominform for the allegiance of the Yugoslav workers has led the Yugoslav CP leaders to combat the large and well-entrenched bureaucracy which had already grown up in their own country. These moves for the extension of workers' democracy in Yugoslavia began with measures for the decentralization of industrial control and have now reached their high point with the new law on workers' management of industry and the actual establishment of Workers' Councils in the principal economic institutions, a measure unprecedented in history. Totalitarian Stalinist methods are being discarded in the fields of education, science and other cultural domains in favor of greater freedom of thought and criticism. The loosening up and democratization of the regime has also been noted in the reception accorded foreign representatives of other political tendencies who have been accorded free access to Yugoslavia in complete contrast with the Stalinist-dominated countries.

4. The current limits in the political development of the Yugoslav leadership are primarily determined by the isolated position of Yugoslavia under relentless pressure from the two powerful antagonists in the "cold war" and secondarily by its Stalinist past and opportunist training. These are the main factors in molding the centrist positions this party now holds on such basic questions as its attitude towards Trotskyism, towards the creation of a new workers' international, the possibility of building socialism in one country, their attitude towards the war and towards the United Nations. The adoption of revolutionary Marxist positions on these decisive questions would mark the definitive break by the Yugoslav leadership with their whole Stalinist and opportunist past.

5. The left-centrism of the YCP leadership derives its dynamic character from the fact that it has been engendered under the impulse of revolutionary masses in motion and not under conditions of reaction. Under this impulse the Yugoslav CP has traveled in the direction of Marxism. The YCP first acquired its centrist character during the civil war when it was cut off for a time from direct Kremlin control. Propelled forward by great masses in struggle, the YCP engaged in revolutionary actions while still formally adhering to Stalinism as its guiding political doctrine. Thus, while creating new organs of power in the liberated territories, the Tito leadership insisted it had no intention of altering private property relationships after the war.

The main retarding influence upon the Yugoslav CP, and the chief block to its progress, came from its Stalinist origins and its allegiance to the Kremlin.

The contradiction between the unfolding revolutionary mass movement and the Stalinist policies of its leadership had dual effects. On one hand, it hampered and distorted the revolution and delayed its triumph while on the other hand it forced the YCP to depart from the Kremlin line and was responsible for considerable friction between Moscow and the Yugoslav Communists even during the war. This antagonism between the bureaucratic caste in Moscow and the new regime born out of the revolutionary rise grew between 1945 and 1948, although to all outward signs the Yugoslav CP continued to conform to the Stalinist line and Kremlin directives. This conflict came to a head in the split of 1948 when the absorption of the Yugoslav CP and the destruction of the revolution by the Soviet bureaucracy was narrowly averted and Yugoslav centrism received its first pronounced movement toward revolutionary Marxism. Even in the first months after the breach the Yugoslav leadership did not fully grasp the depth of the struggle with the Soviet bureaucracy and the Cominform apparatus and kept insisting on its loyalty to Stalin and hoped to effect a reconciliation.

The most recent turn of principled conflict with Stalinism and towards the upholding of workers' democracy has been taken without the positive affirmation of the Trotskyist program which is the only consistent protagonist of such a struggle. This turn has also been limited by various opportunist and class-collaborationist maneuvers on the world arena.

6. The evolution of the Yugoslav CP and its leadership will be determined in the future as it has in the past primarily by the impact of objective class forces upon it. On the one hand, the development of independent and revolutionary forces in the capitalist countries and in Eastern Europe can give a powerful impetus to a new move to the left on all planes in Yugoslavia. On the other hand, the continued and worsening isolation of Yugoslavia in a situation of intensified conflict between Western imperialism and the Soviet bureaucracy can create immense economic and social difficulties leading to a political crisis. Both the Stalinists and imperialists will attempt to exploit grievances of alien class tendencies and the moods of despair and defeatism in order to effect a re-absorption of Yugoslavia into their respective orbits.

Thus the young Yugoslav workers' state now stands in a perilous and critical position with three variant courses of development open-

ing before it. On the East it is menaced by armed assault from the Kremlin or its satellites seeking to impose a brutal Russian hegemony which would rob Yugoslavia of its independence and revolutionary gains. To the West it faces the danger of imperialist pressures and demands aiming at its capitulation to world capitalism. The Yugoslav leadership now recognizes it is obliged to resist the Kremlin to the death. However, faced with blockade and the threat of attack by the Kremlin, they tend to pursue opportunist foreign policies seeking to avoid headlong conflicts with world imperialism at the expense of socialist principles.

The Yugoslav revolution can find the way out of its isolation, dangers and difficulties and continue its development along socialist lines only by taking the road of the international socialist revolution and by relying first and foremost upon the aid of the fraternal forces of the world working class. This was the Leninist policy which is today championed by world Trotskyism. While we criticize the false policies of the Yugoslav CP and do not slur over our differences, we Trotskyists will do our utmost to defend the Yugoslav revolution, make known its achievements, and rally the workers to aid Yugoslavia's struggle for independence and socialism against both Moscow and Western imperialism, and thereby influence the further leftward evolution of the Yugoslav Communists.

7. Whatever its subsequent course, the Yugoslav revolution has been an event of momentous historical and international significance. It has deeply aggravated the crisis of world Stalinism whose destruction is a prerequisite for the triumph of the socialist revolution. It has revived and extended the liberating concepts of workers' democracy projected by the October Revolution, signifying in life the unbridgeable chasm between Stalinism and Bolshevism. It has given new confirmation to the ideas and prognoses of Trotskyism. Our absorbing interest in and enthusiastic partisanship for the Yugoslav revolution has already been more than justified.

# # #

MEMORANDUM ON YUGOSLAVIA

By John G. Wright

The developments in Yugoslavia have been and continue to be of a transitional and intermediate character and do not allow of such a definitive formulation as the one accepted by the majority.

The formulation adopted is virtually word for word Lenin's own definition of Soviet Russia as it emerged from the October revolution, that is "a workers' state with bureaucratic deformations." It is premature to define Yugoslavia so categorically and sweepingly.

In the Soviet Republic under Lenin and Trotsky there could be no question whatever of the passage of state power from the hands of the bourgeoisie into the hands of the working class and of the installation of a new type of state, a new social order, with new organs of state power truly proletarian in character. It is not correct to say that the same is already the case with Yugoslavia.

It is inadvisable from the standpoint of our theory, nor is it necessary from the standpoint of the most effective and correct intervention in the unfolding Yugoslav revolution. On the contrary, it may provide a theoretical trap and under certain conditions lead to dangerous consequences.

In the recent period the Yugoslav party and its leadership on the whole have been taking big strides toward completing the Yugoslav revolution. They are now moving to the left more rapidly than at any time since the 1948 break with the Cominform. From many indications it is quite possible that the evolution of the Yugoslav CP and of Yugoslavia itself may proceed in a relatively peaceful manner to the actual construction of a workers' state and the conversion of the party into a genuine Leninist, that is, Trotskyist party. They may go all the way. This is and must be the goal of all our efforts. But this cannot be assumed in advance. There is a real danger that this our goal, and the Trotskyist intervention as a whole, may be obscured by a standpoint which declares as already achieved something whose attainment still lies in the future and which can come only as the result of conscious political action and struggle.

There is a qualitative leap in every process, especially, as every Marxist knows, in social processes. The very fact that the comrades of the majority are still disagreed over just when this qualitative leap occurred, that is, just when Yugoslavia became a workers' state -- whether a few years ago, or way back in the partisan days or only recently -- is not at all an inconsequential detail -- it has a most direct bearing on what is happening and what will happen in Yugoslavia.

It is necessary to recognize that the revolution in Yugoslavia assumes and still retains its highly contradictory and peculiar forms because of the whole past course of the struggle and above all because of previous wrong policies. The Yugoslav leadership is in the process of changing its policies, and this is the clearest demonstration that the revolution is very much alive indeed. But because the past policies have been dual in character, this has led in particular to the

existing situation where the proletarian revolution has yet to be consummated in the country.

In other words, the genuine organs of workers power, the freely elected Soviets and mass organizations are yet to appear, the working class itself, above all, its self-acting vanguard organized in the revolutionary party, is still in a formative process.

This situation is neither a mere shortcoming, a "deformation" nor a coincidence. Historical results can never be superior to the policies that produced them. Nor is the issue merely one of a desirable "reform." It goes far deeper than that.

If the actual leap has not yet been accomplished but still lies in the future, it means, for one thing, that most critical period internally lies ahead and not behind for the Yugoslav leadership, the Yugoslav party and the country itself. In fact, this critical period may be precisely the one through which Yugoslavia is now passing.

If the main organs of proletarian power -- the Soviets -- do not appear in the period immediately ahead, if the mass organizations are not soon permitted the maximum of self-action, initiative and proletarian democracy, then a process in the opposite direction may readily and even rapidly set in and decide Yugoslavia's fate in just the opposite sense from the one indicated by the majority.

This variant of development is left out completely by the majority formulation. This should be corrected.

One of the guarantees of the completion of the Yugoslav revolution is not only what the Yugoslav leaders and party say and do; it is also what the world Trotskyist movement says and does. One of the chief shortcomings of the Yugoslav movement has been its tendency to draw more or less definitive theoretical and political conclusions from episodic, conjunctural and intermediate situations. This dictates all the greater caution by the Trotskyists in drawing their own theoretical and political conclusions.

The revolutionary weight and potential of the Yugoslav developments is fully taken into account by the standpoint that Yugoslavia is not yet a workers' state, that the Yugoslav revolution, precisely because it is not yet completed, is unfolding along the only road that it can take in order to survive, and that is to really establish in Yugoslavia what was established in the Soviet Union under Lenin and Trotsky.

May 1950

## GENERAL POLITICAL RESOLUTION

(This resolution, approved in its general line by the Political Committee in September 1950, is submitted to the membership for pre-convention discussion.)

The political resolution on "Militarization of the USA," adopted by the 1948 national convention of our party, forecast the basic alternative facing American capitalism: either a plunge into another economic depression or an accelerated drive toward war. The resolution emphasized the main political and economic factors at home and abroad which were pushing the capitalist rulers toward a full-scale war economy.

The crisis which broke out in connection with the Korean events marks the decisive turn in this process at home and on a world scale. The leaders of US imperialism exploited the Korean war as a pretext for enormously stepping-up their military preparations in all fields and for foisting a Prussian-like regime upon the American people. Washington raised the military budget by tens of billions; approved a standing army of several million; and began the open integration of Germany and Japan into its world military alliance. Congress has given the President unprecedented control over the national economy, empowering him to fix prices, freeze wages and regiment labor by decree. In order to impose these rigorous measures and curb resistance to them, they have enacted thought-control and police-state laws. From now on, militarization of American life, foreshadowed in 1948, will become increasingly severe.

This accelerated course toward war taken by American imperialism arises at bottom from the incurable decay of world capitalism. Despite billions in American grants and loans, the capitalist system in Europe and Asia has failed to recover firm economic, political or social stability following World War II. The mighty uprising of the Asiatic peoples against colonial domination and the resistance by the European workers to the ruinous policies of the capitalist regime have been the principal factors upsetting the equilibrium of world capitalism, aggravating its chronic crisis, and blocking American schemes for world empire.

The Korean events have further exposed the ruthless and utterly counter-revolutionary role of US imperialism, hidden behind its mask of "defense of democracy." They have revealed the real nature of the United Nations, touted as a preserver of peace, as a shield and aid to American aggression against insurgent colonial peoples.

In addition, the Korean war has brought into the open a cleavage in ruling circles on the question of foreign policy in the immediate future. All the American imperialists are united on the strategic aim of conquering and crushing the Soviet Union. However, they differ on the next tactical steps. On one hand, the advocates of "preventive war" demand full-scale atomic assault upon the centers of Soviet power. This group is being held in leash by more prudent representatives of US imperialism who want more time to rearm Western Europe, particularly Germany. No one, including the leaders in Washington or Moscow, can say how long this armed truce and unparalleled armaments race will endure in the present tense and extremely unstable state of international and internal relations.



It is quite possible that before the final showdown comes the Kremlin and the White House may resort to partial agreements on disputed questions. But such deals can be little more than passing arrangements to be scrapped overnight, if expediency dictates.

This interval of armed truce will provide numerous opportunities for intervention and independent action by the masses at home and abroad. The next period will be marked by a sharpening of the class struggles outside the US. At home we shall witness growing clashes between the voracious demands of the capitalist war preparations and the efforts of the workers to maintain their living standards. The trends toward police-state rule will collide against the peoples' struggle to preserve their rights and liberties.

### Economic Consequences of the New Arms Boom

Following the brief postwar peacetime boom supported by an unprecedented arms program, American economy is shifting over to a full-fledged war basis while maintaining for a time extensive production for the civilian market. However, the change-over to war economy is proceeding at an extremely rapid rate and already dominates and shapes the operations of the national economy.

Every segment of US economy has felt its effects. The expanding arms boom has given fresh impetus to the spiraling inflation which mounted during the war and soared to record peaks in the postwar period. Speculators, owners and corporations have taken advantage of the new trends to boost prices of almost all commodities to new high levels. The annual deficit on the Federal budget is growing by the billions. Real and artificially-created scarcities have made their appearance. So has hoarding, presaging a return of black market operations.

The government is beginning to institute economic controls and restrict civilian consumption for the benefit of the militarized capitalist regime. These measures enacted by the Truman administration will tend to drive down living standards of the American people, while safeguarding the profits and wealth of the rich and the corporate interests. These economic controls include an extension of the work-week and a contemplated wage-freeze and job-freeze which will lead eventually to outright conscription of labor.

The capitalist rulers hope that this projected network of regulations will enable them to pass over to a military economy with a minimum of friction and resistance from the masses. They would like to duplicate the comparatively painless transition experienced at the beginning of World War II. However, the situation of US economy on the threshold of World War II was considerably different than today. It was not so much the imposition of government controls as the existence of a series of favorable economic factors which prevented runaway inflation in the United States during or after the Second World War, as happened in many European and Asiatic countries. Among the factors then facilitating the reconversion of US economy were ten million unemployed; a vast idle productive apparatus; low price-levels; a comparatively small national debt; the financing of initial arms orders by England and France, etc.

The current change-over to war economy is taking place under opposite conditions. Instead of benefiting in the beginning from European arms orders, Washington must finance the rearmaments program of the Atlantic Pact nations on top of its own. Instead of drawing upon unused productive capacity for expanding production, large-scale armaments must come from the first slash deeply into civilian production diverted to the war effort. Instead of a deflated fiscal and credit structure and low prices, the shift must be made with prices at top postwar levels. Today the national debt is over a quarter of a trillion dollars. Instead of a surplus of available labor, industry already complains of labor shortages.

Moreover, the US, by forcing costly arms programs upon the Atlantic Pact nations, threatens to hopelessly undermine their economies which have only barely recovered from the ruinous effects of the past war and which cannot carry the burdens of large-scale militarization without running into serious mass resistance. That is why even significant sections of the European bourgeoisie show reluctance to venture on this course.

The war-boom inflation, initiated in the US, is bound to further dislocate the economies of European countries whose enfeebled fiscal systems are already in receivership to US capitalism. The unfavorable economic consequences to Europe of renewed militarization will add fuel to the raging fires of inflation here at home and still more debase the purchasing power of the already anemic dollar.

At every turn of the economic cycle capitalism seeks to maintain itself and its profits at the expense of the living and working conditions of the masses. This is especially true under military conditions. The scourge of inflation masked by fictitious and ineffective economic regulations will drive down living standards. Hardest hit will be the most helpless and insecure, such as white collar workers, public employes, the dependents of men in the armed forces, the disabled and the old-age pensioners.

### Political Consequences of the War Crisis

Even before the outbreak of total war, Congress has enacted legislation and the administration has taken moves designed to impose a police state regime upon the American nation. The first casualty of the "defense of democracy against totalitarianism" is the destruction of democratic institutions and the installation of totalitarian methods by the capitalist regime here in the United States.

Never in American history has a Federal government shown itself to be such an enemy to the liberties of the people. The passage of the McCarran-Kilgore Bill marks a new stage in the drive toward a police state. The arbitrary blacklisting of parties, organizations and individuals, the concentration-camp provisions for dissenters and foreign-born, the flouting of legal safeguards and due processes of law, the violation of constitutional rights of free speech and assembly, the harsh penalties, the increased powers of the Gestapo-like FBI -- all signify the burial of the Bill of Rights.

The trend toward police-state and thought-control methods initiated by the Truman administration's "loyalty" purge and by the

Taft-Hartley Act is being carried to its extreme under cover of "national emergency." While the forms of the Constitution gather dust on the statute books, the rights they guarantee are being destroyed. Just as Hitler imposed his totalitarian regime without openly scrapping the Weimar Constitution of the democratic German Republic, so capitalist reaction is introducing police-state rule without formally repealing the Bill of Rights.

In the resolution on "The Capitalist Witch-Hunt and How to Fight It" adopted by the February 1950 Plenum, the National Committee of the Socialist Workers Party explained the motives and aims behind the witch-hunt. This resolution pointed out that the monopolists and militarists are deliberately working to impose a totalitarian dictatorship in the event of war; to provoke mass hysteria against radicals and against labor; to create a political and psychological climate in which ultra-reactionary ideas, forces and activities can operate with impunity; and eventually to stamp out all organized opposition to their autocratic rule and all criticism of their policies.

Hand in hand with the intensification of the witch-hunt has gone a strengthening of the military caste at Washington.

Events have already proved that the witch-hunt acquires a momentum which spreads to all sections of the population. Started against the Stalinists and against the radical groups, it has since been extended to the foreign-born and to the minorities. Through McCarthyism it has even boomeranged against high figures in the administration. The ultimate objective of the capitalist forces behind the anti-red campaign is the crippling and destruction of organized labor.

The reinforcement of reaction at home is accompanied by Washington's enlistment of ultra-reactionary forces abroad for the promotion of its foreign policy. Washington has gathered into its retinue Japanese and German militarists, butcher Franco and dictator Salazar, the Vatican and its clerical regimes in Western Europe and the dictatorial regimes in Latin America, while in Asia it supports and subsidizes such colonial puppets as Syngman Rhee in Korea, Chiang Kai-shek in China, and Bao Dai in Indo-China. The repressive measures against the American people are paralleled by even harsher actions against the inhabitants of occupied countries such as Greece, Germany and Japan, where labor leaders and "leftists" are persecuted, newspapers suppressed, and radicals deported. While seeking to improve its positions at the expense of the old colonial powers, the United States backs colonialism throughout Asia and Africa and, as in Korea, takes the lead in suppressing revolutionary liberation movements of the colonial masses.

The actions already undertaken in the name of defending "freedom against communism" prove that US imperialism is no less hostile to real democracy and liberty than is Stalinism. Neither can be depended upon to protect the rights and interests of the people anywhere.

#### The Labor Leadership and the War Crisis

Organized labor is the main force that could mobilize and lead the American people in a mighty movement against a police state and against the drive toward atomic annihilation. But the leaders of

organized labor are taking the workers in the opposite direction. Instead of warning the workers of the monopolist plots against peace and freedom, the union bureaucrats have pledged unreserved support to Wall Street's military program and wholeheartedly participate in its execution. Instead of vigorously combatting fascist-minded legislation like the McCarran-Kilgore Bill, ostensibly directed against the Communist Party but actually aimed against the basic democratic rights of the entire people, they offer no more than a token resistance.

Moreover, they take advantage of the anti-red hysteria and government loyalty purges to carry through purges on their own account against opponents and critics within the unions. The restrictions upon the democratic functioning of the unions and their increased bureaucratization is a component part of the destruction of democratic rights issuing from militarization of the country. They are permitting government agencies such as the army, Coast Guard and FBI to intervene within the unions to penalize, discharge and blacklist union militants and radical workers. In this way the top union officials serve as a supplementary police arm for the capitalist government and the employers.

After the next round of wage increases, they have signified acquiescence in a wage-freeze and a job-freeze, although no similar controls are to be placed upon the profiteering of the corporations. AFL President William Green has already cravenly suggested a no-strike pledge which was properly repulsed by John L. Lewis.

This subservience to Washington by the Union bureaucracy has deprived organized labor of the powerful leading role it could play in the life of the nation and seriously crippled its effectiveness on the economic arena. If such practices continue to grow, they will threaten the independent existence of the unions themselves.

### The Masses and the War Crisis

The representatives of the ruling class contemplate a working partnership with the union bureaucracy in carrying forward their war preparations and plans for world domination through the Marshall Plan and rearmament of Western Europe and Japan.

But their projected regimentation of labor reckons without the response of the workers themselves. The unions, sixteen million strong, today represent a colossal power which will expand numerically along with military production. The scarcity of qualified labor favors the renewal of wage struggles. Moreover, many workers retain fresh memories of the fake "equality of sacrifice" program, the wage-freeze and job-freeze, the fiasco of price control and outrageous profiteering of the last war.

Such factors encourage renewed efforts by the most advanced sections of labor to protect their living standards. The spontaneous actions for wage increases promptly taken by the auto and other workers in reaction to the soaring cost of living and impending wage-freeze clearly demonstrate the will of the workers to curb any worsening of income. They likewise demonstrate their capacity for independent struggle, despite shackles placed upon them by union bureaucrats, long-term corporation contracts, and government agencies.

The timidity of the officialdom can keep the workers inert and disoriented for a time. But the entire mechanism of capitalist exploitation under military conditions acts to irritate the workers against injustices and to generate new economic struggles. Uninterrupted inflation attended by profiteering, high prices, wage-freeze, etc., goads the workers and induces them to cast aside obstacles to their independent activity.

The collision of the vital needs of the workers with the consequences of the war program of the capitalists and the policies of their labor lieutenants will lead to the outbreak of fresh struggles on the economic level. The wartime strikes of the miners and the struggle against the no-strike pledge foreshadow the pattern of these prospective conflicts. These will spur the radicalization and politicalization of the more advanced layers of the laboring population and open up new opportunities for the growth of our party and the influence of its ideas.

The Second World War initiated a new stage in the self-mobilization of the Negroes against Jim Crow which began with the March-On-Washington movement in 1941 and culminated in the nationwide campaigns for civil rights legislation in the postwar years. The expansion of a new Jim Crow army, its use against the colored peoples in Asia, the mocking contrast between the professions of democracy and actual inequality in the armed forces, industry and everyday life, the demand for Negro labor combined with the disastrous effects of the war economy, will indubitably propel the Negro masses into anti-discrimination movements. These can lead to explosions like those in Harlem in 1943 and in other cities thereafter. Revolting against their double degradation, the Negro people may once again find themselves in the most advanced positions of resistance to the imperialist war regime.

The new generation of American youth, as well as veterans of the recent war, face the prospect of being recruited into a permanent conscript army and wasting their lives in armies of occupation or losing them on foreign battlefields. The youth will become increasingly resentful against a system which promises so much but which cannot provide the peace or security they crave. Through their personal experiences, the minds of the youth will become increasingly receptive to radical and socialist ideas.

Women are bound to be drawn more extensively into the new war economy than the old. Millions suffering exploitation and speedup in industry will see their sons and husbands taken away for long periods to fight and die in the mad drive of American monopolists to conquer and enslave the world. Among these women will accumulate a deep reservoir of bitterness and protest against the militarist regime.

### The Political Outlook

Truman's unexpected victory in the 1948 presidential election and the realignment of almost the entire union movement behind his administration temporarily buttressed the disintegrating two-party system and arrested the developing breakaway from the Democratic-Republican monopoly of politics. This backward political trend has been reinforced by the war crisis and the fiasco of the Wallace Third Party movement.

The sweep of reaction is evidenced by the upsurge of confidence in Republican circles and the tremendous rightward shift of the Truman administration over the past two years. The war plans of American imperialism permit even less independence of activity on the political field than on the economic arena. The mere beginning of a movement to divorce organized labor from the bipartisan war coalition and launch a new independent national political movement would be denounced as a "red plot" tantamount to treason.

The dimmed prospect for the Labor Party movement in the next period has already induced many ex-socialists and radicals, including the Shachtmanites, to experiment with the support of labor candidates in the Democratic primaries and Democratic elections. The history of the revolutionary and socialist movement proves that any type of participation in capitalist party politics not only violates Marxist principles but eventually ends in the disintegration and destruction of the movement itself. Any proposals to cross the class line and engage in tactical experiments with Democratic Party primaries or politics must be condemned and rejected.

The members of our party and the militants in the unions who really want independent labor political action must not yield to any superficially alluring projects for class collaboration. They must stand up firmly against the backwash of political reaction, if they want to prepare the next forward movement of the ranks. They should base their activity upon the perspective of a new wave of politicalization and heightened radicalization of the workers arising out of their experiences with militarized conditions. They must persevere in their propaganda for genuine independent political action by the unions and for the formation of a labor party. Despite increasing difficulties, they should continue to participate in the PAC-CIO and the AFL Labor's League for Political Education with the aim of developing new forces and sentiments for genuine class political activity. Notwithstanding their captivity to the capitalist political machines, the very existence of PAC and Labor's League for Political Education and their increasing intervention in political affairs testify to the growing weight of the unions in political life.

The problem is to break the grip of the capitalist parties and policies upon the labor organizations, to release their tremendous latent political power and redirect it into avenues of independent class action. This basic political task must be kept clearly in view at all stages. Both past experience and the analysis of current conditions indicate that the next stage of mass struggles will most likely begin around elementary economic issues. The head-on clashes between the workers and the capitalist war regime and its upholders will inevitably generate widespread discontent and radicalization. These new moods will give impulse among the militants to the search for a new political road for American labor.

### The Radical Parties and the War Crisis

The Korean events have dealt a fatal blow to the Progressive Party, which was reeling from its disappointing showing in the 1948 national elections, the defections created by the Kremlin assault against Yugoslavia, and the controversy over civil rights policy. Wallace's resignation has deprived the Progressive Party of its out-

standing figure and leaves little but a shell to the Stalinists and their captive fellow-travelers. Wallace's open passage into the war camp and the collapse of the Progressive Party as a mass movement confirms the estimate of this movement and its prospects made by our party at its last convention. Our main task now is to try and win over those sincere workers, youth and intellectuals who saw in this new movement hope for peace and a means of struggle against capitalist exploitation.

The collapse of the Wallace movement leaves the Stalinists still more exposed and isolated. As the principal target of persecution by the government and by the labor bureaucracy, the Stalinists have suffered severe losses in the trade unions, in the political field and in the numerical strength of their party. They have proved unable to create any broad movement to defend them and their rights against repression. This failure is due not solely to the witch-hunting atmosphere but also to the discredit the Stalinists have accumulated by their numerous crimes against the labor movement.

The heavy blows received from capitalist reaction have undoubtedly evoked sympathy for the Stalinists among numerous workers, Negroes and others. In accord with the principle of class solidarity against reactionary attacks, our party has invariably supported Stalinist victims of repression and called upon others to do the same. However, we have never relaxed opposition to the betrayals and crimes committed by the Stalinists against the interests of labor or moderated our exposure of them. The Stalinist opposition to American imperialism and its wars has nothing in common with ours. They serve as treacherous agencies of the Kremlin's foreign policy and are guided exclusively by the dictates of Moscow. They call upon the Koreans to place confidence in some kind of United Nations arbitration and would endorse any deal made by the Kremlin and Washington at the expense of the Korean people. Despite the solidarity created by persecution, there has obviously been a loss in morale amongst the Stalinist ranks. The fiasco of the Wallace movement, the incessant losses and defections of prominent figures like Lee Pressman, and above all the Yugoslav issue have provoked doubts and questions in the minds of many members. The Yugoslav development offers our best opportunity to shatter the anti-Trotskyist prejudices of the Stalinist ranks since it poses the question of revolutionary policy on the international plane in the sharpest form.

Norman Thomas' Socialist Party, which has long given up any semblance of independent socialist policy, has even discarded its petty-bourgeois pacifism in giving unconditional support to US imperialist intervention in Korea. Having failed to consummate unity with the Social Democratic Federation, this shrivelled relic of a once powerful organization awaits the undertaker.

After having discarded the outward attributes of an independent political party, the Shachtmanites are becoming less and less distinguishable from leftwing union Democrats and reformist socialists. Two significant developments testify to the rapidity of their political degeneration along this line. One is the proposal by their foremost leaders to participate in the primaries and even the elections of the Democratic Party; the other is the emergence of an outspoken prowar wing within their ranks. This social-imperialist tendency has

been fed by the position of the Shachtmanites on the war itself. Behind the facade of holding aloof from both imperialism and Stalinism, the Shachtmanites reveal not simply a fear of making clear decisions between contending class forces but an inclination to adapt themselves to the "liberal" wing of the imperialist camp.

Although the extremely adverse environment has restricted our activities and prevented us from expanding our forces, our cadres have again shown capacity for maintaining their principled class positions under heavy pressures. On the Korean question, the Trotskyists took a resolute and unambiguous stand in opposition to US imperialist intervention and in favor of the actual struggle of the Korean masses for the unity, independence and social reconstruction of their country. Despite the witch-hunt and the tremendous obstacles in the way of a minority party, we engaged in electoral campaigns in ten important states, counterposing the program of revolutionary socialism to the reactionary war program of the capitalist machines. Thanks to the quality of our cadres and our strict adherence to Marxist principles, our party has come through the past two difficult years with less losses and in comparatively better shape than any of our rivals among the radical parties in this country.

#### Tasks of the Party in the Next Period

The indispensable condition for determining the work of the party in the next period is a realistic recognition of the prevailing relationship of class forces in this country and the preponderant power of capitalist reaction. While revolutionary forces are on the rise in Asia and simmering beneath the surface throughout Europe, capitalist reaction is on the rampage in the United States. The officially-inspired patriotic hysteria and redoubled drive against the working class places socialist militants under fiercer fire than during the last war and victimizations have already been experienced in the unions, in public employment and elsewhere.

Under such conditions, the principal task of the vanguard party is to stand firm, remain cool, close ranks and proceed with care. To stand firm means to adhere to our basic principles and not permit any alien forces to swerve us from them. To preserve calm means not to yield to moods of nervousness or fear, but to tackle the work at hand in a patient, persistent and confident manner. To close ranks means to intensify the mutual solidarity and trust that is the mainstay of our movement. To move carefully means to consider at all times the actual relationship of forces and not to embark upon any ventures which may leave the forces of the vanguard in an isolated or perilous position.

The specific tasks of the party will revolve around six main issues: (1) The struggle against the warmakers and the war danger; (2) the fight to maintain living standards; (3) the campaign in defense of civil liberties and democratic rights against the capitalist totalitarians; (4) the struggle for the independence and democratic functioning of the trade unions; (5) the fight for independent political action by labor; (6) the campaign in defense of the Yugoslav revolution.

The slogans for the anti-war struggle set forth in the 1946 and 1948 convention resolutions are all the more applicable today in the



fight against the warmakers. The undeclared war in Korea, initiated by the President without consulting either Congress or the people, lends urgency to the proposal for submitting all questions of war or peace to a referendum of the American people.

The program to defend the workers' living standards against inflation has also been outlined in the 1946 and 1948 convention resolutions. The value and validity of the Trotskyist Transitional Program has been freshly and forcefully confirmed by recent developments in respect to the central slogan of the sliding scale of wages. The proposal for a sliding scale of wages was vigorously opposed by union officials and misrepresented by the Stalinists. Under the form of a cost-of-living bonus, it was, until the latest round of inflation, put into effect only in a few scattered and exceptional contracts.

Recently, however, beginning with the General Motors contract, the demand for an "escalator clause" to protect wage levels against soaring living costs, has spread rapidly from one union to another and now a number of international unions have such a clause in their contracts. The sliding scale of wages remains labor's most effective weapon against inflation. However, in putting forward the proposal for a cost-of-living bonus adjusted automatically to rising living costs, union officials under pressure from the employers have failed to get the most out of this demand. They have agreed to peg the automatic increases to the notoriously inadequate index of the US Department of Labor, instead of a cost-of-living index prepared by the CIO and AFL which would take into account the real rises in living costs. Militants should fight for a sliding scale of wages provision in union contracts based on a union-controlled index giving maximum protection to the workers.

Wherever possible, mass consumer committees to check price gougers and tenants' committees to fight rent hogs should be organized. While hesitating to raise taxes on the corporations and profiteers, Congress is seeking to make the masses pay through bigger taxes for the costs of the military budget and inflation. This puts the slogan of "Tax the Rich Instead of the Poor!" in the forefront of our agitation.

Our position on civil rights has been comprehensively treated in the resolution adopted by the February 1950 Plenum of the National Committee on "The Capitalist Witch-Hunt and How to Fight It." The party's fight against the witch-hunters has now become a fight for the preservation of free speech and the right to advocate Marxist ideas in this country which involves the very existence of our movement. We are now confronted with the same problem as at the beginning of World War II: to maintain at all costs the legality of our party in the face of government attempts to restrict and destroy it. And our answer must be the same: to defend to the limit our rights as a political movement.

The struggle to maintain democracy and freedom of expression inside the trade unions against the bureaucracy is directly linked with the struggle against the capitalist architects of the police state on a national scale. Redbaiting campaigns, loyalty tests, intimidation and expulsions in defiance of constitutional and democratic rights of the members are rife in numerous unions, especially in

the maritime industry. This orgy of redbaiting and purges goes hand in hand with a weakening resistance by the bureaucrats to the undermining of living and working conditions within the industries. The struggle to regain the independence of the trade unions from governmental interference and State Department policy is essential for the recovery of democracy within the unions themselves.

Every vital problem affecting the working masses from wages to war has today become a directly political problem. The militants must patiently explain that without a break with the Truman administration on the political field, the workers will be unable to oppose the aggressions of the monopolists upon their liberties and living standards and solve a single one of their pressing problems. Our efforts must be directed toward convincing the workers that they should form their own party and compel their leaders to sever all ties with the capitalist machines.

We must continue our campaign in defense of the Yugoslav revolution against Stalinism and imperialism, acquaint workers, intellectuals and progressive elements with the achievements and significance of the Yugoslav events, and notwithstanding our criticisms of its shortcomings, give the Yugoslav regime our active sympathy and assistance.

### Capitalist Reaction and Revolutionary Perspectives

As the war drums beat louder, drowning out voices of protest, and reaction presses down upon the labor movement, the capitalist rulers appear to be all powerful at home and able to sweep aside all obstacles to their drive toward world conquest. But the colossus of American capitalism rests upon shaky and tottering foundations.

The massive mobilization for foreign conquest and the installation of police rule are desperate remedies for the incurable ailments of their sick social system. Neither the preparations for war nor a plunge into global war itself can solve a single one of the burning problems gripping American and world capitalism, but will serve to multiply and aggravate them far more than did the First and Second World Wars.

The rulers and strategists in Washington and Moscow may believe that they alone determine the course of events and can resolve their conflicts by purely military means. But the powers-that-be will run up against social forces of far greater potential strength than either the armies and puppets of Wall Street or the armies and agents of the Kremlin.

In its march toward world empire US imperialism collides head-on with the aims and aspirations of the colonial peoples, who have already taken advantage of two world wars to loosen their chains and start upon the road to liberation. This mighty channel of world revolution is today a raging torrent. The resistance of the Koreans gives a foretaste of what American imperialism will encounter throughout Asia. The outbreak of a new world war would give the colonial millions a signal to complete their emancipation, not only in the Far East, but in the Middle East, Africa and Latin America.

The agonized millions of Europe have time and again manifested their will to end the capitalist rule which has subjected them to the tortures of fascism and two world wars. Confronted point-blank by a third world war with the choice between annihilation or Socialism, the European workers will strive to rise up and save Europe from its would-be destroyers by means of revolutionary action. That means independence from both Washington and Moscow. If, in the course of the last war, the Yugoslav people could find this road, many others will follow in the titanic upheavals ahead.

The further development of conflict between the United States and the USSR, and the deepening crisis of world capitalism interwoven with the already acute crisis of international Stalinism, will help bring these tremendous forces upon the arena of struggle and they will play decisive parts in deciding its outcome.

Finally, American capitalism confronts its most formidable antagonist in the home base where it now seems most secure. Despite all restrictions and repressions, the inherent virility of unionized labor, sixteen million strong, remains undiminished. No matter how much they may at first be duped and disoriented by their misleaders, the workers will find themselves propelled into growing opposition to the militarized regime of the monopolists and its assaults upon their living standards. Through their defensive actions they will unavoidably strive to tear themselves free from the grip of the union bureaucracy and the capitalist politicians. Like the coal miners during the last war, the workers will find themselves more and more arrayed against the capitalist state power so ruthlessly directed against them and their organizations.

In this way, the political and economic offensive of the capitalists against the working masses will be checked and supplanted by the widening counter-offensive of the workers aroused against the capitalist regime. This perspective of rising anti-capitalist sentiments and struggles with their profound revolutionary implications provides the guide for our party work through the difficult days ahead. The socialist alternative to capitalist exploitation, oppression and war and the American workers' ascent to power is for us not the vision of a remote future but the key to the titanic events toward which the entire world is moving.

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