

INTERNATIONAL NEWS

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Freedom Of The Seas

Inside Germany

**The Nazi Invasion Of
The Soviet Union**

**The Struggle for
South America**

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«Freedom Of The Seas»

The last couple of months have seen the United States take gigantic strides into the war. She is in an undeclared war with the Axis Powers. More actual military steps have been taken now than in the two months after war entry in 1917.

The passing of the Lend-Lease Bill was the opening gun of this undeclared war; while the "National Emergency" and Roosevelt's speech revealed the plan for world domination. The occupation of Iceland is a part of that plan.

Air and Naval patrols are "aiding" England where needed. Convoys in fact, but not in name, proceed across the ocean while "Anti-War" groups debate the question. The seizure of all ships under Axis domination, steps to freeze Axis funds, together with the request for Germany and Italy to close all consulates are war measures to clear the decks for action.

"AID" TO ENGLAND

So far, more propaganda than actual aid has been issued to England. More aid will be given, enough to continue the stalemate — and real aid if the turn of events in the Soviet Union would indicate an Axis victory. Since the war began, the United States has made tremendous strides forward in all parts of the world primarily at the expense of the British Empire. The consolidation of America's rule over the Western hemisphere, mainly at England's expense, was carried through under the smokescreen of Anti-Nazi activity and "aid" to Britain.

United States has now obtained a better agreement with Australia and Canada, and also has a foothold far beyond the Philippines. Singapore can be used as a base. The Dutch East Indies look to New York rather than London.

One important fact that the spectacular events of the war left unheralded is the breaking up of the Anglo-Japanese bloc that existed against United States ever since the first world war. It is now a new bloc with England under American domination.

The naval bases obtained from England are only a beginning. Definite plans to extend these to the coast of Europe and Africa on the one hand, and to Asia on the other, are already being put into action. Preparation for their occupation is under way.

AIR POWER KEY TO THIS WAR

Air warfare on land and sea has clearly revealed that any nation which does not have a superior air arm is unable to cope with modern war methods. This is Germany's advantage in Europe. And this is United States potential advantage if blunders are not made. The importance of the air arm does not signify the elimination or decline of the naval or tank divisions. Both naval and tank divisions will be strengthened by the imperialists for their actions, but without proper air support and millions of men in arms for follow-up action, defeat is inevitable.

Prior to the last world war imperialism used the railroads as a measuring rod of expansion. Today, the airways represent the measuring rod of imperialist expansion.

"FREEDOM OF THE SEAS"

Roosevelt has dragged out of the closet the old formula of "Freedom of the Seas", and has filled it with a new meaning. Today it is the main international slogan for American imperialist intervention and penetration, for its attempt to "organize the world". In this struggle for hegemony of the seas the airways will play an important role. The former slogans of dis-

armaments and neutrality are now replaced with the slogan of the "Freedom of the Seas."

DRIVE TOWARD ASIA BY WAR

The United States world interests, now that she dominates the Western Hemisphere, are primarily directed toward Asia. Her action against the leading powers of Europe is mainly to disrupt and prevent any concerted attack on United States. On this basis the military phase of the Atlantic is primarily a war of defense; while the military struggle to take place in the Pacific is above all a military offensive. In November 1935 in volume one number nine of the old INTERNATIONAL NEWS we stated: "Without the Philippines as a jumping off board, American imperialism would be still more handicapped in its struggle to conquer the huge Chinese markets; without the little island of Guam, in the midst of the Japanese islands of Micronesia, it would be still more impotent to stop Japan's advance in the Pacific, economically and militarily; without the Islands of Hawaii and Samoa, America's naval battle line would be thrown back directly before the American coast; without Alaska and the Aleutian islands the new strategy of the American navy, to outflank Japan and England in the northern Pacific, would have been impossible..."

Pointing out America's need for a War in the same issue we stated: "There is a danger that the transition from the present peaceful stage of the imperialist policy will be survived, and in a whirlwind fashion the next stage will be a head-on drive towards war." We pointed out that the present stage (1935) was, "based entirely upon an attempt to reorganize the internal basis for the present world needs." Events have confirmed the thesis of our foundation convention on the role of American imperialism in less than five years. The "new" Roosevelt slogan of "Freedom of the Seas" is part of this world strategy of conquest. The "four freedoms" is mainly for internal propaganda.

Behind the cloak of "Freedom of the Seas" American Imperialism intends to tighten her blockade against Europe and Asia dominated by the Axis, while she keeps open the door in all other parts of the world for her own needs. Her three fleet navy (Atlantic, Pacific, and Far East) will also have a powerful air arm.

Now that German Imperialism has attack-

ed the Soviet Union, United States will try to further isolate the Japanese and use the Soviet Union as a base against the Axis, especially Japan. At the same time America will attempt to undermine the Soviet Union from within while she continues to grab as much of the falling British Empire as she can. While America fights to open the door to Europe and above all Asia, as a war perspective, she is (with the aid of England) attempting to shut the door in the East Indies to the Axis powers.

AMERICA'S BLOCKADE

Already the undeclared war of United States on the Axis powers has had tremendous effect without yet entering the military phase. It was primarily the powerful American might that forced to a head the slowly maturing crisis between Fascist Germany and the Soviet Union. To match America's contribution Germany needs the material of Russia, as a German colony.

United States not only succeeded in diverting Germany momentarily eastward before the final battle against Britain and the Atlantic is fought; but at the same time she obtained the Soviet Union as a "partner" against Germany. America's role in relation to England will be even more pronounced in relation to the Soviet Union. Her policy will be to:

1.—Give just enough aid to extend the stalemate; and

2.—try to send sufficient technicians, etc., to prepare for counter-revolution in the Soviet Union under U. S. hegemony, to prevent its overthrow from giving rise to a German puppet — if proletarian revolution in Europe and a political revolution in the Soviet Union do not smash all imperialist plans.

The German-Soviet Union war not only tightens the blockade, by isolating Japan from Germany and Italy, but also closes Germany's backdoor to the world.

180 DEGREE TURN

The 180 degree turn of Stalinism which we again predicted (from Germany to American imperialism) will have its counterpart in America's role if proletarian revolutions develop in Europe. Under this new condition United States would take a 180 degree turn along with England and would join with Fascism to smash the revolutions and help in a frontal attack on the Soviet Union.

June 26—41.

Behind the Lines In Germany

(Editors Note: the following material was received from the Foreign Committee of the Red Front of Greater Germany).

The "Revolutionary Trade Union Committee", which stands close to the Red Front, is at present carrying on together with hundreds of former trade union and confidential party workers in the biggest plants of Germany, an unyielding and bitter struggle for a minimum demands of the German working class under Hitler. First of all is the battle for the computation of the previously unrecorded overtime, which in many industries has run as high as 25 hours weekly!

Small, primitive duplicated leaflets pass around the factories from worker to worker with the demands of the Revolutionary Trade Union Committee and a list of possibilities open to the workers for the support of these demands. The best opportunities are: slow up of working tempo, increase of material wasted, stoppage and injury of machines; for example, by insufficient oiling, short circuits in electrical equipment, damage of materials in plants during blackouts and air raids.

"SPECIALISTS"

Our comrades write that in many shops real specialists in sabotage and passive resistance develop new ideas for their "work" every day, and these ideas are passed around from shop to shop.

Plants have been burning everywhere for the last week; and at the time of the worst bombardments, when it was rather easy to do, all the conduits were blocked up, and thus

the automatic fire extinguishing system was shut off. These are very primitive methods of struggle and existence which the German workers, enslaved by National Socialism, are carrying on today, but the slogans are carried out with the greatest spirit of zeal, and naturally disturb the Nazi officialdom a great deal. Practical means of combatting the sabotage are impossible; the shop police are far too weak to watch every worker closely; you can't put an overseer behind each worker, and the most of the works managers and foremen sympathize with the demands of the workers.

CHAIN SPEECHES

The officialdom has taken the matter so seriously as to hold chain speeches before the assembled workers, and in order to gain a breathing spell, are even willing to make promises, but they know quite well that the workers will not believe their promises for any length of time. In a few especially dissatisfied shops, besides the promise of a short talk by the Fuehrer, a sort of work premium for increased collective output was carried through, and although no direct overtime pay was made, special privileges were granted every two weeks or every month as recognition of the increase of production.

These privileges are of course only a straw against the crushing burden of unpaid overtime. But it is a demonstration that the workers even in Hitler Germany can succeed in carrying on an economic struggle (basing themselves on the proposals of their illegal shop leaders), which also of course, has great political significance.

The Nazi Invasion Of The Soviet Union

The second world imperialist war, like the first one, is an attempt to resolve internal capitalist contradictions at the expense, first of all, of the proletarian revolution, and secondly at the expense of rival imperialists. That the war could be started at all was made possible by the dozens of proletarian defeats and the momentary relegation of the threat of revolution to the background.

The invasion of the Soviet Union shows that the two sides of the capitalist contradiction can not remain separate very long. With the invasion of the warped Workers' State the indissoluble link between wars and revolutions in the era of imperialism stands out in bold relief. And the war will not be terminated until the CLASS battle is resolved as well — either the social revolution, Communism, or or Fascism.

STALIN'S NEW THEORY

The war has a two-fold character. It remains an imperialist war in relation to Germany, Great Britain, United States and Japan; but in relation to the Soviet Union it is a revolutionary war of defense. But the Stalinists, in order to cover their new betrayal of capitulation to the Anglo-American bloc, come out with the theory that the war is no longer an imperialist war. They say it is now a progressive war. The character of the imperialist war does not change just because Hitler as a former ally of Stalin decides to attack the Soviet Union. It only adds the new element of revolutionary war in relation to the Soviet Union, but the other nations, "allies" of Stalin or enemies of Stalin remain imperialists warring for the re-division of the earth.

If Stalin and Hitler were unable to extend their former pact it was not because of Stalin's unwillingness to concede further. It was the October property relations against the Hitler-Stalin pact. In France last year when the French capitalists were confronted by a threatening proletarian revolution they came to terms with Hitler whereby they gave up part of their wealth in return for the right to continue the exploitation of the working class. In the Soviet Union the German attack reveals a

fundamental conflict between two economic systems, even though both states are "totalitarian." There are no capitalists with whom Hitler can come to terms. If victorious, Hitler will make the Soviet Union a colony, and will have an outlet on the Pacific to put pressure on Japan and to carry the war against the British to the Asiatic area. A reduced French capitalist class can live side by side with the New German "Order". But a Workers State cannot live in this new "order".

WORLD IMPERIALISM VS WORKING CLASS

Twenty-three years after the first invasion of the Soviet Union, world imperialism now makes its second attempt. Although the tactics differ the underlying aim is still the same, destruction of the base of the October Revolution. In 1918 there was the danger of revolution everywhere: the imperialists therefore openly united. The "enemies" of the day before joined hands against the MAIN enemy, the proletariat. But in 1941 the danger of revolution outside of Russia is not yet sufficiently strong to force the powers into open unity: they can pursue their own conflicting imperialist aims while being basically united on the one point of destruction of Workers RUSSIA even though it is a warped Workers State.

While Germany makes the frontal attack against the Soviet Union, with planes and tanks, the United States and Great Britain attempt to undermine the Soviet Union from WITHIN. Their "aid" to the Soviet Union is a Trojan horse. The hundreds of "technicians", "military advisers" and their like being sent into the Soviet Union now by Uncle Sam and John Bull will work with, aid, and "educate" the counter-revolutionary elements within Russia for a capitalist restoration. It is no accident that the Kerenskys and the White Guard generals are suddenly in high favor in the "democratic" diplomatic corps. Significantly enough, Hitler pursued the same policy in the two years since the Stalin - Hitler pact. The German propaganda ministry boasts that their "technicians" and others have prepared the way for a capitalist Russia so well, that immediately after a German military victory

the Nazis would be able to police Russia almost completely without their own troops, merely through the counter-revolutionists within Russia whom the Germans have had two years to organize.

IMPERIALIST RELATIONS

The invasion of the Soviet Union has greatly altered the relationship of forces amongst the imperialists. For Great Britain and the United States it means a respite and an opportunity for the full weight of American production to get into motion. While Germany attacks the Red Army on a 2,500 mile front Britain can feel reasonably safe from German invasion or large scale bombing assaults.

Japan, on the other hand, is in a perplexing situation. She has an alliance with Germany and also a non-aggression pact with the Soviet Union. But if Japan moves against the Soviet Union, there is virtual certainty that the Anglo-American bloc will step into the Far East. Japan is waiting to see what Hitler's results are before it moves northward.

"RED IMPERIALISM"?

Those who were against the Soviet Union in the campaign against Poland, Finland, etc., who were for the defeat of the Red Army, did not understand the real facts. They saw important errors of Stalinism, but did not see the whole picture and therefore spoke of "Red Imperialism." The Stalinist occupation of border territory counterposed to the petty-bourgeois opposition against "Red Imperialism" was a gain. But the Stalinist invasions counterposed to a genuine working class policy of aiding and pushing revolutionary struggles in these countries and in the war-torn nations (Germany in particular), were defeats for the working class and the Soviet Union.

The present difficulties of the Soviet Union stem more from the treacherous role of Stalinism than any other cause with the exception of the imperialists themselves. In 1918 the proletariat in many parts of the world rose in demonstration after demonstration in defense of the Soviet Union. Were it not for the fear of the extension of the October Revolution world imperialism would have taken a different attitude before giving up its immediate attempt to overthrow the Soviets. The effect of the Bolshevik propaganda added to the devastation of the war won over millions of workers in many countries.

But in 1941 there is not a single demonstration against the invasion. The Soviet Union's only real ally, the workers of the world, are ignored by Stalinism, who turns instead to... Churchill and Roosevelt.

SOCIALISM IN ONE COUNTRY

We must not forget that in 1924 Stalin brought forth his theory of "socialism in one country" and gradually developed it until revolutionary Marxists were exiled and later killed. Contrary to Marxism, Stalin not only proclaimed the possibility of building socialism in one country, but in backward Russia at that. For this Stalinism wanted a long period of peace, hence on every occasion it became a brake upon revolutionary struggles and its "international line" became a policy for the "Status Quo". Stalinism functioned as an agent for one group and then another group of imperialists until the line developed to reformism and social-patriotism.

The extension of the October Revolution, as presented by Lenin and Trotsky was bitterly fought by the Stalinists. They betrayed one revolution after the other. History proves this to the hilt, as it has done also for the Second International.

ANTI-WORKING CLASS LINE

In 1938 it became evident to Stalin that France and England could not or would not check the growing German advance. Still in an effort to preserve the capitalist status-quo Stalin entered into a pact with Hitler. And along with the pact came another flip-flop in Stalinist policy. Molotov proclaimed to all and sundry in one of his infamous speeches that Germany is in a position of a "nation desirous of peace", but that Britain was now the "aggressor" and war-loving nation. The **imperialist** invasion of Poland by Germany was pictured as a "joint effort" by the Red Army and the Reichswehr to "re-establish law and order in Poland". Instead of calling on the Polish workers to fight the fascist invaders, Stalinism told them to submit to this restoration of "law and order".

When the pact was signed Molotov said, "Only yesterday German fascists were pursuing a foreign policy hostile to us. Only yesterday we were enemies in the sphere of foreign relations. Today, however, the situation is changed and we are enemies no longer." Today, after the invasion, Stalin speaks

of a plan to repulse a fascist attack, but before the event Molotov lulled the workers to sleep by telling them that Germany was a friend.

On Oct. 9, 1939, the Izvestia said, "One may respect or hate Hitlerism just as any other system of political views. This is a matter of taste. But to undertake war, annihilation of Hitlerism, means to commit criminal folly in politics"!

Now with the German armies hundreds of miles within Russia, Stalinism concludes a pact with the Anglo-American bloc. In his July 3rd maiden speech as Russian premier to the Russian proletariat Stalin not once mentions the glorious struggle of 1918-21, not once mentions the word Socialism. Instead he speaks of "our fatherland", he refers the workers back to the "great" campaigns of Czar Peter and the Russian victory against Napoleon. He warns the peasants about the danger of the restoration of landlords and of Czarism, but not a word about the danger of restoration of capitalism.

MORE STALIN BETRAYALS

Stalin says, "We" secured "peace" and "prepared" against possible attack — and then adds: Germany was in state of complete readiness to attack the Soviets, "only awaiting the signal to move into action, whereas Soviet troops had little time to effect mobilization and move up to the frontiers." Stalin contradicts himself in the same speech. If they were preparing for a possible Fascist invasion then why the argument that "we" were caught unprepared?

But the false policy had had such devastating effects upon REAL DEFENSE of the Soviet Union that this is used as an excuse and a cover up to divert attention from the real issue of Stalinist blunders and treachery: against the working class.

"In the areas occupied by the enemy, guerilla units, mounted and foot must be formed, diversionist groups must be organized to combat enemy troops, to foment guerilla warfare everywhere..." And behind the lines, he continues, "We must organize all around assistance to the Red Army..."

Yes, Stalinism is willing to REORGANIZE workers militias from the bottom up IN THE AREAS OCCUPIED BY THE ENEMY, but BEHIND THE LINES the masses should just give aid to the Red Army. It is clear that Stalinism

FEARS genuine workers democracy and SOVIETS more than he does the Fascist armies, otherwise he would call for arming the workers in every factory, and establishing workers' militias everywhere. An ARMED POPULATION CAN DEFEAT ANY IMPERIALIST INVASION. But Stalinism fears the masses too.

In spite of Stalin's policy these soviets will be organized behind the lines as well as in enemy territory. The logic of the struggle will drive to this.

Under Stalinism victory in the present struggle is impossible. It is impossible for many reasons: The main bulwark of the Soviet Union, the proletariat can not be roused and IS not being roused by the Stalinist Third International which has become fully social-patriotic in every country outside the German bloc. We reject the Trotskyist position of "being good soldiers", of political criticism against Stalinism but material aid, of postponing the political revolution against Stalinism until **after** the war. If the defense of the Soviet Union is left in Stalin's hands there will be no Workers State in Russia after the war; capitalism will have again been placed in the saddle. Stalinism can not organize a victory because it has confused, demoralized and divided the proletariat WITHIN Russia itself. By liquidating the Soviets, the Workers Militia and Workers Democracy it has given momentum to counter-revolutionary forces within the Soviet Union; it has aroused not the sympathy and fervor of the Russian proletariat but its hostility to the present regime.

EXTEND THE OCTOBER REVOLUTION

For the workers outside of Russia the main defense of the Soviet Union must be the extension of October, the struggle against the Imperialist War. We must reject the social-patriotism of the 2nd and 3rd Internationals. In each country the workers must work for the defeat of their "own" imperialists, must prepare the groundwork for turning the imperialist war into a civil war. "Our MAIN enemy is at home!"

Many people feel that the war in the Soviet Union will soon be over. The International Contact Commission, however, considers that the less likely variant. The Red Armies can retreat all the way to the Ural Mountains and base themselves on the industries built in that area, while carrying on war behind the lines

in the territory occupied by the Fascists. On this variant the Siberian Army can hold at bay the Japanese imperialists if they start something.

Meanwhile, outside of the Soviet Union the conditions for social revolution are ripening.

Germany is being weakened within, and occupied Europe will demand even more attention if the Fascists hope to keep control. The turning of the imperialist war into civil war is approaching.

July 23, 1941.

RESOLUTION ON DEFENSE OF THE SOVIET UNION

1. When the Soviet Union will be part of an armed conflict, either due to an imperialist invasion, or with Stalinism as an ally of one group of imperialists against another group of imperialists, the war will have a two-fold character: as an imperialist war with Stalinism as an ally of one group it will be an imperialist war with elements of revolutionary war. As a war of defense against imperialist attack of the Soviet Union, it will be a revolutionary war with elements of the imperialist conflict. The contradictory position of the Soviet Union brings forth this condition.

It is the purpose of the Marxists in all cases to develop the struggle into a general revolutionary war to strengthen and extend the October Revolution.

2. Whereas the Trotskyite position on defense means the complete support of Stalinism in periods of military struggle, and revolutionary defeatism means that one considers the state and army bourgeois, our position on defense means: the defense of the Soviet Union against the imperialist invasion and the imperialist agents within the Soviet Union, the Stalinists, etc. In a war Stalinism will be a brake upon the Soviet Union even more so than it is today.

If the political revolution against Stalinism is not completed before the war develops, then the Soviet Union's participation in that war will enlarge all of the contradictions within, and will lead to a violent solution of these antagonisms. The Russian masses with guns in hand will be more than a match for Stalinism and other such enemies of the proletariat.

3. The main line for defense of the Soviet Union is the independent working class action, internationally and inside the Soviet Union:

α—The political and organizational independence of the Revolutionary Marxian organ-

ization.

b—Revolutionary Defeatism in all capitalist countries, no matter which side of the struggle they are on.

c—Help the Russian Marxists build a Marxian Party in the Soviet Union.

d—For Soviets, a genuine Red Army, and workers democracy in the Soviet Union.

4. The Red Army under Stalinism is warped and used by the bureaucracy for anti-working class ends. But as a Red Army it is based on the proletarian property relations and will have millions of workers, armed, in its ranks. It is not a bourgeois army. We are for independent action inside and outside the Red Army.

We are against calling on the workers at all times to join the Red Army; we are equally against calling on the working class at all times not to join the Red Army. It is a tactical question whether under certain circumstances we call for joining the Red Army, or whether under other circumstances we call upon the workers not to join the Red Army.

Our perspective is to organize workers' militias wherever we can to strengthen and extend the October Revolution; and where we are in the Red Army we work for workers' democracy and for Soviets.

A healthy Red Army should always be backed up by irregulars or Workers Militia forces; even in circumstances where we favor joining the Red Army, workers militias and partisan bands must be established. However, in those places where we favor joining the Army we do not pose the workers' militias as instruments counter to the Red Army.

The revolutionists work within the Red Army of Stalinism, to transform it into a genuine Red Army based upon industrial structure, and with genuine soldiers democracy against the Stalinist officer caste. The Soldiers' Com-

mittes must regain control of the Red Army.

In other places where Stalinism or other counter-revolutionary forces cannot be dislodged, where the Red Army cannot be transformed into a genuine class instrument, and where the Red Army becomes the disguise for these enemy forces, it will be necessary to constitute Workers Militias to carry out the defense of the Soviet Union against these units.

5. Material aid to the Red Army.

The Marxists must give their material aid to the Marxist internationalists and the Russians who are working for the creation of a new Communist Party.

Where workers organizations, not under control of the Marxists, are willing to give material aid to the Soviet Union, the Marxists shall clearly state their policy on defense. Endeavor through representatives to see that this aid goes to the left forces fighting on an independ-

ent class line against imperialism and the Stalinist agents.

Where the Marxists are unable to carry through this policy, as a general rule we do not oppose these workers sending aid to the Soviet Union, but the forces working for independent class action work to obtain this material. Under specific conditions, as exceptions, considering the concrete stage of the struggle between Stalinism and other counter-revolutionary forces in their struggle against the workers and peasants, we shall fight against shipments to these anti-working class forces.

Above all real defense means in each concrete situation the defense of the Soviet Union against ALL imperialists and their agents in the Soviet Union, the Stalinists, etc.

August 7, 1938.

The Struggle for South America

In 1916 Lenin stated, in his book **Imperialism, the Final Stage of Capitalism**: "The struggle for South America grows sharper daily." Today we can state that the struggle for South America has reached its highest point and threatens within a short period of time to develop into an actual war, in which the three or four biggest imperialist powers must inevitably take part. The struggle for South America is the struggle for one of the most important sources of raw material and, according to the views of the interested parties, "the world's greatest market".

Within the last few years this struggle has spread with ever increasing intensity over the whole continent. The South American people realize that they are being agitated on all sides by the propaganda of the rival imperialist groups. They are visited continually by open and secret agents, who go everywhere, study everything, hear everything and investigate everything; these agents take pains to manipulate their puppets by one means or another, behind the scenes of local politics.

IMPERIALIST METHODS OF PENETRATION

Everywhere we hear radio programs direct from Berlin, London, Rome, Tokio, or New York; we are bombarded with novelties and special programs of each imperialist. In all the cities special papers do the service of one or another imperialist country and participate in the attack on the rival imperialists, while other portions of the so-easily-bought press stand unveiled offering themselves to the highest bidder. In every country arrives one "special commission" after another to spread propaganda for the imperialist aims of their country; "flying squadrons" whose purpose is to express the friendly sentiments of their country; theater and movie actors to spread propaganda for their country.

English, Italian, Japanese, French, German and North American warships followed one another just before the outbreak of the war, in an endless series of visits to the most important ports of South America, bringing "greet-

ings" from their respective fleets and taking the opportunity to study the coasts as extensively as possible in the search for chances to build provision stations and fleet bases. The airlines under the control of the various imperialist countries not only tightened contact with their central offices but spread out as far as they could to the far interior of the South American countries, in a bitter rivalry which has only been intensified by the outbreak of the new world war. With the greatest fuss and publicity, "cultural" commissions arrive from the rival imperialist powers to give lectures and invite return visits on the part of the South American countries — all expenses paid, of course. South American students are enticed by all sorts of studies — they were never before so welcome.

These are the more friendly methods employed by the various imperialist powers for attaining ownership of South America's riches. But a life and death struggle is being fought out between USA, Germany, Italy, England and Japan (France is temporarily shoved aside) in which each attempts to drive the other's wares off the South American market, and in this brutal struggle all sorts of methods apply.

North American and European military police commissions come to instruct the armies of the South American states and to increase the influence of their nations. In each of this continent's republics political parties are financed — even new ones founded if necessary, — with the aim of attaining power, for the purpose of best serving their respective imperialist powers and without being in the least constrained by thinking of the wishes or needs of their own native citizenry. Border wars are dearly sought after by the imperialists in order to create a favorable atmosphere for bringing imperialist pressure to bear. It is obvious that in the regimes of the South American states extortion of all sorts is practiced for the gaining of concessions, trade agreements, guarantees and zones of influence or other privileges, which insure the advantage

or predominance of one imperialist power over its rivals in the bitter struggle for the division of the continent.

Perhaps never before has humanity witnessed a struggle of this sort. Neither in Africa nor in China did the inter-imperialist struggle attain such forms. This verifies Lenin's prediction: As soon as all the colonies of the world are divided, the next struggle will be for the plundering of the semi-colonies, of which South America stands at the peak. We can easily see how this struggle has extended over the last 25 years.

ENGLAND'S STRUGGLE AGAINST THE U. S.

The imperialist war of 1914-18 is an important chapter in the struggle for South America. Until then English capital was predominant in South America. There were also somewhat smaller sums of French capital. In the years immediately preceding the war, new imperialist powers broke into this old rivalry, notably Germany, especially in the countries along the Atlantic. But England had the upper hand. Railroads, banks, insurance companies, harbors and shipping lines all over the continent, petroleum production in Peru, tin in Bolivia, nitrates in Chile, slaughter houses, the whole cattle industry, lumber industry, water power companies, telephones and bus lines in Argentina, coffee in Brazil, electrical companies, etc., — i. e., all the key positions of Latin American industry and economy were in Great Britain's hands. This was further indicated by the fact that the bulk of the national, provincial and municipal loans went to England.

But the war in which England and Germany were involved opened the door for another imperialist power, the U.S., which quickly penetrated the continent with dynamic energy and in a few years supplanted its British rival throughout most of South America. Yankee imperialism, which first entered the world arena at the end of the Spanish-American war of 1898, began its work with the aggressive invasion of Mexico and Central America at the beginning of this century. Under the regime of President Theodore Roosevelt the policy of "dollar diplomacy" began as did the policy of "travelling corruption", which soon bore amazing fruits.

The actual imperialist plundering of South

America by U. S. capitalism began during and right after the first world war, one of whose biggest results was that the USA became the foremost industrial power. The war had given the U. S. the opportunity to seize the markets which heretofore were in the hands of European powers, but which had to be relinquished during the conflict. The larger part of these markets were lost permanently. In this way the USA set its foot on South America, which she has declared to be exclusively her sphere of influence, in keeping with the Monroe doctrine.

THE TRIUMPH OF THE ALMIGHTY DOLLAR

In the ensuing years Wall St. plundered the greatest of South America's riches one after another. The US gained important petroleum concessions in Venezuela, Bolivia, and Peru, began to develop the copper mines of Chile and Peru with enormous capital investments, snatched control of Chilean nitrates from England, began the building of establishments for industrialization of the meat-packing industry in Argentina and Uruguay, financed the bulk of the electrical projects on the continent, and gained enormous concessions for rubber plantations in Brazil. Yankee business bought up the shares of British telephone companies in many countries, manufactured autos and buses which offered the bitterest competition to the British railroads, and generally swarmed all over the South American markets. New industries and branches of US industries were built, shipping lines established and a thick network of airlines soon spanned the whole continent. Branches of all leading American banks were established everywhere.

The US was soon the biggest exporter to South America, and the majority of South American loans were floated in New York. The sum of US capital loaned to South America rose in the period from 1919 to 1930 about 1200% while English capital kept decreasing. One South American country after another fell under the control of Wall Street.

In 1928, the newly elected president of the USA, Hoover, took a trip around South America before taking office, in order to become familiar with the most important "spheres of influence" of the USA. Two years later, at the start of the world crisis of 1929-34, Yankee influence reached its peak with the coup d'état of General Uriburu in Argen-

tina and Getulio Vargas bloody regime in Brazil. Both overthrew in their countries regimes which had remained loyal to the chief rival of the USA — England. Thus the domination of Yankee imperialism on the South American continent was completed.

ENGLAND SNATCHES ARGENTINA BACK

But this situation did not last very long. The collapse of the Chilean dictator Ibanez in 1931 was a blow at Yankee control of that country. And in 1932 England regained her position in Argentina by the overthrow of the regime. Now England anchored herself on Argentina and from this vantage point tried to stem the tide of U. S. invasion and to regain her lost position on the continent.

The Argentine Republic is South America's most important market. More foreign capital is invested here than in any other country on the continent. In order to get this market in their hands and gain special concessions, the American bosses, especially Standard Oil, gave financial and every other kind of support to General Uriburu, who overthrew Irigoyen, an openly anti-Yankee pro-British president. But after a short time Uriburu had to yield to General Justo, under whose regime England gained back her supremacy in Argentina. This situation was strengthened by the Roca-Runciman pact put thru in 1935 by the Argentine cattle bourgeoisie who controlled the state. The year previously, as a result of the Ottawa conference, they had been excluded from the English market, of the greatest importance to them. As payment for re-entry to the English market for Argentine beef, this agreement offered concessions to England, which meant complete subordination of Argentine economy to British imperialism.

The concession consisted especially in the "preferred treatment" of capital invested in Argentina, which had attained the sum of about 450 million pounds sterling (nine billion pesos). As outstanding examples of these concessions, British capital which is mainly invested in street car and railroad lines, was helped by the "Law for Coordination of Transport", which, by eliminating the competition of auto transportation, has led to greatly increased dividends. Again, the pound is exchanged in payment of capital dividends with 15 Argentine pesos, while the exchange rate is 19-20 pesos. A further concession was the establishment of an export control, which favored the entry of English goods and at the same time guaranteed the promptest payment of Argentina's

foreign debt to England. The establishment of the Central Bank completed her financial control.

THE BRITISH COUNTER-ATTACK IN SOUTH AMERICA

With President Alessandri's assumption of the Chilean regime in 1932 England regained part of her lost influence there, without dominating the scene completely. Ross Scrutamaria, Alessandri's foreign minister and later candidate for the presidency, had old connections with England.

Other English counter-attacks took place in 1932. The coffee oligarchy of Sao Paulo, closely tied up with British capital, and for years ruler of Brazil, although they had been thrown from the saddle by Vargas' coup in 1930, revolted against Vargas and tried to regain their old dominant position. But they did not succeed — the pro-Yankee regime was stronger.

The sharpest and most tragic conflict took place in the Chaco and was executed at the expense of Bolivia and Paraguay. Under pressure of the North American petroleum companies which needed an outlet in eastern Bolivia for their products, Bolivia took up arms to settle its border dispute with Paraguay, so that it could extend its borders to the Paraguay river and unite the Chaco — thus gaining a harbor with access to the Atlantic. Paraguay, goaded on by Anglo-Argentine interests that control the country's economy, resisted this attempt. The Paraguayans succeeded in stopping Bolivia's march and after an unusually bloody war the old borders were maintained.

While England's influence and control in Argentina were thus growing Great Britain was baining advantages over her rival, the US, in many respects, and was gaining back much lost ground. The result of these counter-attacks was soon apparent: Argentina re-entered the League of Nations while she undertook an anti-American role at all Pan-American conferences. In commercial respects ever greater concessions and preferences were granted to English goods especially thru trade control under the slogan "Buy from those who buy from us."

On the other hand all sorts of hindrances and duties were imposed on goods for the Argentine market originating in the US. The most striking case regards the import tax on autos from the USA, which was so heavy that a campaign for the "demotorization" of Argentina was carried on. Despite the construction of a heavy net work of roads suitable for travel thruout the country, the number of autos in

1938 was much less than 10 years before, at which time Argentina was one of the leading countries in number of autos.

As a result of these and other measures against the interests of the USA in Argentina, American capital investments in Argentina decreased, according to data of the Bulletin of the Pan American Union, from 700 million dollars in 1931 to 380 million in 1938. So strong was the offensive against American companies in Argentina that in 1937 the properties of the Standard Oil Company were offered for

sale to the Argentine regime. But the sale was not accepted. The resultant situation sharpened the difficulties of economic relations with the USA and led to the breaking off, with a great deal of trouble, of a trade agreement between the two countries.

(Editor's Note — The above article is translated from Der Funk, published in South America by the committee of the German Red Front and other comrades. We expect a continuation of the article in a following issue).

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