

WORKERS
OF THE
WORLD
UNITE!

THE MILITANT



Weekly Organ of the Communist League of America [Opposition]

Entered as second class mail matter, November 28, 1928 at the Post Office at New York, N. Y. under the act of March 3, 1879.

VOLUME IV, NO. 14 [WHOLE NO. 73]

NEW YORK, SATURDAY, JULY 11, 1931

PRICE 5 CENTS

Off the Leninist Track

Stalin's «New Economic Policy»

The "new economic policy" enunciated by Stalin at a meeting of industrial directors on June 23, and made public only two weeks later, has brought him paeans of praise from the bourgeois press. "This latest step back toward the normal in working conditions," writes the New York Times on July 7, "is scarcely shorter than the restoration of private property rights and liberties would be." Fortunately, the elation of the Times contains more wish than reality. There is no doubt that the Times and other bourgeois commentators would prefer to have the Soviet Union restore those "private property rights and liberties" which have demonstrated their "superiority" over the socialist system by the planetary crisis of capitalism and the misery and want that have accompanied it. There is equally no doubt, however, that the whole spirit of Stalin's "new policy," the formal and official adoption of which is naturally a foregone conclusion, marks a step backward from the revolutionary policies of Lenin's time.

How the New Policy Is Made

The manner in which the new turn is made is in itself characteristic of the state of affairs in the Soviet Union today. In the days before the bureaucracy had fastened its talons upon the party, questions of this sort were subjected to a thorough discussion by all the Communists, and the non-party workers as well. Every phase of the problem was treated in so adequate and clear a manner that it had the guarantee of the collective wisdom of the party. What is more, its promulgation was assured of an understanding and a popularity among the workers. The best instance of this mode of procedure—the only one proper for a workers' state—was the manner in which Lenin first introduced, had adopted and applied the New Economic Policy. In the present case, the new turn was first made public upon the sole responsibility of the infallible General Secretary. The party—much less the working class as a whole—was never consulted. The speech was deliberately withheld until the day when the Central Committee session opened. In this way, Stalin insured himself against any discussion at all. The Central Committee, a purely "advisory" body to the General Secretary, will adopt the measures proposed by him without a word.

What is the essence and the spirit of the new measures proposed? It is a quieting continuation of the course which the Stalinist bureaucracy has pursued since its rise to power. It means that the hand is stretched out more openly to the bourgeois elements, while the working class is pushed back another step from control or influence over industry.

"The saboteurs still exist and will exist so long as classes exist, but saboteurs are now isolated (?). The attitude towards the old intelligentsia must change. The desire for cooperation, together with efforts to improve the material situation of the intelligentsia must be stressed."

A realistic Communist statesman cannot, to be sure, reject or ever fail to seek the cooperation of the bourgeois specialists in the construction of a socialist society. They are some of those "bricks" of the old society which are found at hand when the old structure is torn down by the insurrectionary proletariat. But the most vigilant attitude must be observed towards them. Assurances must be given that the workers have the opportunity to control them, to prevent them from undermining the rule of the proletariat. It was the failure to establish these assurances in the past that made possible the penetration into the highest posts of the party, the Soviet and the economic institutions of such elements as were finally uncovered in her recent trials and those that preceded them. Does Stalin's "new policy" strengthen these assurances? The contrary is unfortunately true.

"Clumsy, topheavy Soviet organizations," says Stalin, "must be divided up and amplified to permit leaders the possibility of learning what happens to all parts of the apparatus. Collective leadership must develop into individual responsibility. A chairman, with a few assistants must head concerns, whilst remaining members of the collegium must descend into practical work to their own advantage and that of the cause."

How Lenin Viewed the Problem

Lenin did not oppose the "subjecting of the will of thousands to the will of one" in industry, any more than the Bolsheviks were ever opposed to the establishment of piece work during the transition period to Communism. But Lenin did not fail to emphasize that "the more firmly we now have to advocate a merciless and firm rule and dictatorship of individuals for definite processes of work during certain periods of purely executive functions, the more diverse should be the forms and means of mass control in order to paralyze every possibility of disturbing the Soviet rule, under repeatedly and tirelessly to move,

the wild grass of bureaucratism" (Soviets at Work, page 42.)

The "forms and means of mass control" have been reduced to a minimum under the Stalinist regime. The Besse-dovskys and Agabekovs can rise to the top in the party because the workers do not control them from below. The Itamzins, the Ossatchis, together with the Menshevik conspirators, can go on for years with their criminal work because collective leadership has not only "developed into individual responsibility" but because there is no control of the workers over this "responsibility".

In 1927, Stalin told the American trade union delegation to Russia that "not a single factory manager can remain at his post contrary to the will of the workers or the particular trade union. It must be observed also that in every factory and workshop there is a factory council elected by the workers, which control the activities of the management of the particular enterprise," etc, etc. Since then, the decree was issued abolishing all these guarantees, which were exaggerated by Stalin even then. "Members of the Communist party, union representatives and shop committees," said the decree, "are instructed not to interfere in questions of management." (Freiheit, September 9, 1929.)

Socialism cannot be built up by bourgeois specialists. Not even the foundations for a socialist economy can be laid by them. They can be of great aid, but the main task requires the wholehearted, enthusiastic, collective, initiative, self-activity and participation of the proletarian masses. They must not merely "descend into practical work", they must also guide, manage, control, check the plans by the results; they must feel in the most intimate sense of the word that they, the working class, are the rulers of society, the masters of their destiny. Without the stubborn maintenance and deepening of this feeling among the workers, industries may grow to fabulous proportions, all the efficiency systems in the world may be introduced, but a socialist society will not be erected.

Four years ago, the Left Opposition issued the warning in its Platform:

The Opposition's Warning

"The regime within the shops has deteriorated. The administrative organs are striving more and more to establish their unlimited authority. The hiring and discharge of workers is actually in the sole hands of the administration. Pre-revolutionary relations between master and workmen are not rarely to be found. . . . Never before have the trade unions and the working mass stood so far from the management of the socialist industry as now. The self-activity of the mass of workers organized in the trade unions is being replaced by agreements between the secretaries of locals, the factory directors, and the chairmen of the factory and shop committees (the "triangle"). The attitude of the workers to the factory and shop committees is one of distrust."

Since these lines were written, the process of removing the workers from control of management has advanced with giant strides. Even the agreements of the "triangle" no longer obtain. The latest "turn" only makes matters worse. How much longer will the Stalinist bureaucracy be permitted to pursue its disastrous course which strengthens the elements hostile to proletarian rule, which weakens the hold of the working class, which threatens the revolution with dissolution and decay?

—MAX SHACHTMAN.

On Guard Against Betrayal!

Hillman's New Racket - The «Campaign» Against Racketeering

The Amalgamated Clothing Workers and its president, Sidney Hillman, are being given wide publicity in the press. The A. C. W. through Hillman has placed itself on record as a bitter enemy of racketeering and gangsterism. Hillman's fame as a progressive labor leader, won by his elaborate system of self-advertising, has been augmented by a new achievement: the ridding of the men's clothing industry of the plague of racketeering and gangsterism.

He started his campaign against racketeering in connection with the declaration of his program for the coming season at a meeting of 1,500 shop chairmen called by the New York Joint Board. The program calls for a general strike in the New York market.

At that meeting, Hillman stressed the point of putting an end to the racketeering and gangsterism rampant inside and out of the union. He referred to the murderous attack upon officers and members of the union by gangsters in the strike against Silverman and Turner, which must be taken as a challenge to the organization and met with the utmost determination.

Shall Eight Die?

The day draws near when eight innocent Negro boys will be taken one by one to the electric chair to have their lives burned out by the fatal current. The sadistic bourgeoisie of the South, thirsting for blood, is determined to add the Scottsboro victims wholesale to the list of those who have fallen to the greater glory of Lynch law and capitalist justice.

The day of the execution which was set for July 10 has been postponed pending an appeal to a higher court by the defense. But this is only the most temporary and deceptive of delays. It was in this manner that the murderers of Massachusetts kept Sacco and Vanzetti in nerve-racking suspense, while the movement for them was partly deluded and taken off its guard. Only the revolutionists pointed out then as they are pointing out today: What will save these victims from the savages who plan their death is an iron-willed mass movement of the workers. The courts and their justice are a cruel illusion. They exist only as the instruments of our enemies. To expect justice for the oppressed from the hands of their masters is to expect water from stones. Rely upon your own action, upon the power of your united efforts!

The stay of execution must now be utilized to the maximum. The workers and the Negro masses as a whole who have rightly made the cause of the Scottsboro boys their own cause, have no interest at all in "saving the fair name of Alabama" or in "vindicting the justice of our courts". They can safely leave these aims to the whining liberals—black and white—who have played such a shameful role in the whole case. Let them continue their chosen task of saving the face of the decadent institutions of a barbaric ruling class. We want to save the lives of the Eight. We want to use the occasion offered by the movement created for the defense of the prisoners as a new point of departure for an offensive against the virulent system of super-exploitation of the Negro masses, against the political, social and economic inequality under which they suffer. For it is not merely eight members of an oppressed race who are held for execution. The Negro masses have been tried and sentenced in the lynching atmosphere of the court.

There is no time to be lost. The movement must be extended and rooted deeper in the masses. But its base must be a solid and sure one. It is not the petty bourgeois Negro masses who will save the boys. They oscillate constantly between their white masters and the Negro masses. Their most "consistent" representatives are the heads of the National Association for the Enslavement—not Advancement—of the Colored People. N. A. A. P. are the various religious and church organizations which have come to the I. L. D. conferences a sufficiently sure and firm basis for the movement. They are allies of the moment—but not for long. The movement must be extended among the trade unions, the workers' organizations, and above all, into the depths of the most exploited sections of the Negroes themselves.

Giving large enough scope, such a movement can wrest the Eight from the talons of the Bourbon South. Upon the workers—black and white—rests the responsibility for the right reply: Shall Eight Die? Let there be such a thunderous response that the Southern assassins shall hear and heed!

On Guard Against Betrayal!

—MAX SHACHTMAN.

23,000 West Virginia Miners Are Out in New Strike Wave

Forward to a United Front of the Pennsylvania, Ohio, Illinois and W. Va. Miners

On July 6, the miners of the Kanawha, West Virginia, coal fields went on strike against the existing starvation conditions and on the very first day equalled in the splendid manner the solidarity already displayed by the miners in other sections now on strike. A total of 23,000 went out in this field. This strike is called in the name of and under leadership of the independent West Virginia Mine Workers Union. The conditions of poverty there are almost indescribable, wages are down to rock bottom, as low as 28c for getting out a ton of coal. It thus follows right upon the heels of the strike in the Western Pennsylvania, Eastern Ohio and Northern West Virginia territory under leadership of the National Miners Union and once more

RUSH RELIEF!

The strikers are in desperate need of relief to help them win. The coal operators are relying not only upon their thugs, private and public, but also upon General Hunger. The splendid movement of the tens of thousands of miners, harbinger of a new day in the American working class, must not be allowed to suffer for want of relief. The miners saved nothing from the "prosperity" days, because they had nothing to save. They have infinitely less now. They and their kids and wives are hungry for want of food. They are homeless for want of homes—the operators evict them daily. They are ragged for want of clothes. Aid is desperately needed. It will help win the strike. We urge all workers to send funds and clothing either to the local stations, or to the main office of the Pennsylvania-Ohio Striking Miners Relief Committee, 611 Penn Avenue Pittsburgh Pa.

bears testimony to the widespread revolt within the coal miners' ranks.

Kanawha A New Impetus

In this last named territory, the murderous police and gunmen attacks, the vicious injunctions and the treacherous efforts of U. M. W. officialdom have succeeded only in bringing a very small fraction back to the pits. The action of the Kanawha field miners should now offer a new inspiration to their ranks and vividly reawaken the glorious tradition of the battles of Paint Creek and Cabin Creek. It is to be expected that the coal operators here will also live up to their brutal tradition of using all ruthless attempts to crush this strike. The contemptible gang of the U. M. W. is already on the job endeavoring to serve the bosses as they did in the past, when the West Virginia miners were left in the lurch in 1924.

In Harlan, Kentucky, nearly 10,000 miners are still standing solid, striking under local leadership. Seventeen of their numbers are within the shadow of the electric chair for having defended themselves and their union against the operators' gunmen. Recently also some 2,000 miners struck against starvation conditions in the heart of the Illinois coal fields at the Orient mines, number 1 and 2. Here also the John L. Lewis forces attempted to rescue the bosses by ordering the men back to work. But just so much more should the miners' struggles throughout the country become a rallying cry to all militant workers to give their unstinted support to the relief actions which are being carried on in behalf of these strikes and to the defense of those incarcerated.

Simultaneously with the beginning of the West Virginia strike, the Illinois rebellious miners are meeting in convention at Belleville. Whether the definite steps for the formation of a new union will be taken at that gathering is not yet known. But it can be stated with absolute certainty that the wreckage wrought everywhere in the soft coal fields by the capitalist agents of the John L. Lewis clan should leave no doubt in the minds of these miners that there is no other way out. The lack of organization in the face of these important growing struggles is sadly apparent. The lack of unity stands out clearly. The time should be past for office-seeking elements who will attempt to capitalize the situation in order to land a job. It should also become a real test and a process of selection of leadership of the character ready to take the bold steps required by the situation. There should be an opportunity as well to make short shrift of the opportunists and conscious reformists who step into the situation to harness the movements into safe channels and prevent the militancy from unfolding. The actual test of the present situation will quickly show where each aspirant to leadership stands.

We have presented a picture of various

independent movements developing from various directions and through various methods and forms of the struggle. But all are genuine in mass character, all are striving in one general direction—toward the building of a miners' union free from the corrupting and treacherous influence of the old John L. Lewis machine. This is what we have already emphasized as the only way out. Its correctness is being demonstrated in its first steps by the realities of life. It gives the lie to the Right wing Lovestonites, to their proposal to return to the decadent U. M. W., and flings it back into their face. How pitiful was their aim, how clearly it is now being demonstrated that it could mean only going backward, to give up struggle, to submit to the bosses' agents and to prohibit the miners from finding a militant solution to their problems! Well, the miners gave no heed to such reformist proposals and even if they do not fully succeed at this present stage a tremendous step forward has been taken.

However, these struggles of various bona fide movements developing in one general direction, despite existing defects, present yet one bigger problem pressing for a solution. That is the one of unifying all these fighting miners ranks within one militant union embracing all the coal diggers and resting solidly on a class basis. The proposal made by Foster in the Daily Worker to invite these various sections, or perhaps only some of them, to come to the planned convention of the National Miners Union, while it shows a change from the former reactionary policy of boycott of these movements by the Centrists, brought about by the pressure of events and by the pressure of our correct proposals, is nevertheless false. It does not present the correct method

of actually solving this problem. We have emphasized before that the correct method is a genuinely established united front, an amalgamation of all these rebellious miners' sections with the N. W. U. leading toward complete unification within one such all embracing union. We repeat: these various movements are independent and genuine in their mass content as well as in their revolt against the old corrupt bureaucracy. They must all be treated as such and there must be an honest approach toward them in recognition of this basis. In the process of unifications, the Communists have nothing to fear and everything to gain. Only the office-seeking opportunists and outright traitor need fear the unity of the fighting miners. And it is precisely in such a process that they will stand exposed, while the superiority of the revolutionary policies and leadership will be demonstrated.

The Need for the United Front

The National Miners Union, and more particularly the party leadership, has a great opportunity in this situation to carry out a Leninist policy of the united front. It is absolutely essential, in the interest of the rank and file coal miners, that it needs this opportunity. Translated into action, into practical steps required by the present situation it means that the party leadership must adopt a policy for the National Miners Union of it becoming instrumental in calling a conference and take all the other necessary steps to bring genuine representatives of these independent sectional movements together to discuss their problems as equals and to find the way and provide the means for united action. When these steps are taken there should be good prospects for unification into one militant miners union.

—A. S.

For a United Defense!

Movement Begins for the Defense of the Two Philadelphia Oppositionists

George J. Saul, of the Communist League, has just returned to New York from a week's series of meetings in Philadelphia where he addressed workers on the significance of the conviction recently handed down against Bernard Morgenstern and Leon Goodman, two members of the Left Opposition who were indicted under the Flynn Sedition Act of Pennsylvania for distributing an Opposition leaflet on the unemployment situation. Comrade Saul reports hundreds of workers in attendance at meetings, great interest displayed in the case and a good distribution of literature.

In order to centralize the defense movement, a Morgenstern-Goodman Defense Committee is now being formed in Philadelphia, representing various elements in the labor movement. The Committee will undertake the agitation campaign for the two militants, conducting the defense, raising the necessary funds, sending out speakers to labor organizations and so forth. The need for a separate committee for this case has been rendered imperative by the fact that the International Labor Defense, under the control of the Stalinist bureaucracy has shamelessly sabotaged the defense of the two workers from the very beginning, solely because they were active in the I. L. D. even failed to provide the day, the official party and I. L. D. publications have not breathed a word about the arrests, the trial and the conviction, herents of the Left Opposition. To this workers with legal defense—much less an agitation movement. To blacken the record even more deeply, our comrades have been forcibly ejected from a defense conference called by the I. L. D.)

This criminal procedure becomes all the more disgraceful and disastrous for the movement in view of the numerous other cases that have been or are being prosecuted under the Flynn Act. A number of Communist party members have already been convicted under it. Others run the same danger. Under the provisions of the Act, any organization with a Communist program is automatically considered illegal. In other words, the various prosecutions for "sedition" are a preliminary to crushing the whole Communist movement, driving it out of legal existence, as a forerunner to intensified attacks upon the labor movement and the working class as a whole.

United Front Imperative

Such a state of affairs demands the most energetic struggle possible, and a struggle upon the basis of unity. The failure of the I. L. D. bureaucrats to take even the elementary steps towards establishing class solidarity in defense work has already met with the protest or inquiries from numerous branches and members of the I. L. D. This is the best sign of the vitality of the ranks of the organization, whom the bureaucrats seek to stifle. The sabotage of the I. L. D., which is giving signal service to the state prosecution, must be stopped forthwith. The workers in the ranks must demand a change in policy. The movement must be broadened, it must be built upon the basis of the united front, it must embrace the cases of Lawrence, Ryder, Morgenstern, Goodman and other victims of the Flynn Act.

The Left Opposition is prepared to give its entire support to such a united front movement.

A PICNIC

To Celebrate the Appearance of the Weekly Militant

The New York branch of the Communist League invites all militants to join with it at the Picnic to celebrate the appearance of the Weekly Militant. The affair will take place on

SUNDAY, JULY 12, 1931

at TIBBETTS BROOK PARK

Games — Races — Rowing — Baseball

Directions: Jerome Ave.—Woodlawn subway to the end of the line. Hike or take street car to Park: Plot 8.

IN THE INTERNATIONAL OF LABOR

Reviews and News of the Working Class and Revolutionary Movements

The Spanish Masses in Motion -- Where Is the Communist Party?

The Strikes

In our notes of the preceding week, we said, in speaking of the failure of the Pasajes (Gulpuzcoa) strike that the movement failed, due to the Civil Guard and the massacre brought about by the government troops, but that the Pasajes strike was the point of departure for a strike movement around economic demands, involving the entire Spanish working class.

A week has passed, and the strike movement has taken on genuinely broad and deep proportions. In Corona, the match workers are on strike. At Gijon, there is a strike of the street car workers. At Lugo, the painters are striking. In Morocco (at Mellilla) there is an electricians' strike, and small economic strikes are spreading everywhere. Yesterday, however, the biggest and the most serious strike since the coming of the Republic, broke out. The mine workers of the Asturias have gone on strike with the demand of a two peseta wage increase and a seven hour day. The Republican government, refusing to grant the seven-hour day, has taken the side of the mine operators. The reformist and social democratic leaders also ordered the workers not to go out on strike, at the same time organizing groups of strike breakers. On the very first day, the miners were already confronted by the reformist scabs. The first day of the strike brought about a bloody conflict, in which several workers fell, badly wounded.

At the time this is being written, the strike is still solid. More than 60 per cent of the Asturian miners are out, although the reformist leaders claim that only 20 per cent of the workers responded to the strike call. But even Maura, the minister of the Interior, is forced to admit that more than nine thousand of the twenty-five thousand workers are on strike. And at that, the figures of the minister are far from accurate. The strikers are determined to hold out against the aggression of the mine owners' agents. It is a very difficult situation for the social democrats, and the workers are beginning to distrust the promises of the socialist ministers.

The Partial Election of May 31

Sunday, May 31, was the day set for the election of the municipal councilors, still contested after the elections of April 12. As was predicted, the elections were a success for the socialist-republican coalition. The monarchists were victorious only in a few smaller villages. Only one candidate of the C. P. was elected, at Seville.

But it must be established that in the more strictly working class centers, it was the radical-socialists that were victorious, while the socialists were successful mainly in the villages with a petty bourgeois population. This is further evidence of the decline in the influence of the socialist party. The workers are more for the radicals, who, in the question of the reprisals against the Communists, are developing a more demagogic and seemingly more radical activity than the socialist strike breakers and butchers of the revolutionary workers.

Suprises are expected from the elections for the Constituent Assembly. A change of sentiment in the electorate is bound to benefit greatly the radical-socialists, who are the most radical wing of the bourgeoisie. It would mean a break in the hold of the socialist party as a workers' party, as it still styles itself.

It is regrettable that the C. P. has not yet been born. But for the leaders of the official C. P. without a following, "the party exists and works".

Financial Panic

Yesterday, the peseta fell in a most alarming fashion. Several banks and financial concerns ceased functioning. At Madrid, the panic is enormous. There is the talk of the resignation of Indalcio Prieto, the minister of finance. The population is very restless because, due to the depreciation of the peseta, there is an increase in the cost of living and the most frightful starvation and misery for the working class. Due to the suspension of financial operations, a few industries, particularly in the building trades, working on a credit basis have been forced to foreclose. Thereby, the fall of the peseta has caused a direct increase in unemployment. We shall deal more thoroughly with this question in our notes for the coming weeks.

THE MILITANT

Vol. IV, 73, July 11, 1931

Published weekly by the Communist League of America (Opposition) at 84 East 10th Street, N. Y.

Editorial Board

Martin Abern James P. Cannon
Max Shachtman Maurice Spector
Arne Swaback

Subscription rate: \$2.00 per year; foreign \$2.50. Five cents per copy. Bundle rates, 3 cents per copy

THE ARCHIO-MARXISTS IN ACTION

Left Opposition Leads the May Day Struggles in Greece

Our Archio-Marxist comrades of the Greek Left Opposition have transmitted the following report concerning the events of the First of May and their part in them. It is sufficient merely to publish it to refute all the calumnies circulated against these valiant comrades.—Ed.

On the occasion of the First of May, our organization, in an open letter published in the *Pall ton Takseon* No. 20 proposed a united front to the party in the demonstrations at the different places where the workers have been accustomed to assemble each year (since 1918), at Renti, between Athens and Piraeus. We motivated our proposals on the fact that although our proletariat is very militant in its economic struggles, it has not yet reached the point of fighting for political aims and of rising against the state, which prohibited all meetings in our city. In our opinion, it was our duty to go where the workers are to be found at present, in order to lead them much further.

In their paper, they called us social democrats and splitters, who with this action want to pull the workers out of the town and thereby play the game of the bourgeoisie. (We must not forget last year: while the party dissipated itself in militant demonstrations of 5 and 10 people, our organization organized a meeting at Renti, which was attacked by the police, who after a battle lasting

more than an hour, arrested a large number of our comrades, later condemned to several months of imprisonment.)

In order not to give them any excuse, we decided to demonstrate with the party at the places designated by them, although we were certain that these demonstrations would be attended only by members and sympathizers of the two organizations. In the *Pall No. 21* we published an appeal to the entire organization and its sympathizers to participate in the united front and to demonstrate with the party. At the same time, we took all the necessary preparatory measures to assure its success.

All our members and sympathizers responded to the appeal in a body. This threw the party people into a fit, marked by shameless sabotage.

Demonstration Disrupted

At Athens seeing the concentration of our forces, they started the demonstration prematurely and without any results. They gave the police an opportunity to intervene and to proceed with mass arrests. Seeing this situation, our comrades followed in rapid succession, but their march was quickly stopped by swinging black-jacks and countless arrests. After the dispersal of the demonstrators at the Omnia Place the demonstration reassembled in front of the public offices of Venizelos. Before a sufficient number of the demonstrators, 90 per cent of them our comrades, had gathered there, about twenty Y. C. L. members began to shout; and, after a few minutes took to their heels and went over to acclaim the Soviet Embassy, leaving our comrades alone to battle the police with stones and to draw fire on themselves. In this manner, the formation of a new manifestation to compensate for the meeting broken up at the Omnia places was obstructed.

At Salonica, they refused to announce the meeting place, to cause us confusion. All that was achieved at Salonica, was brought about against the will of the party leadership.

At Volo, two of our comrades who shouted our slogans of united front with the party at the party demonstration, were seized by party members and handed over to the police, who promptly gave them "the works". We proposed a Commission of Inquiry, composed of members of both organizations, but to this day we have not yet received a reply.

At Cavalla, the police arrested the comrade who bore the letter proposing the united front to the party. The party leaders disappeared and consequently, due to the lack of united action, little was accomplished, outside of a meeting of two hundred workers called by our comrades in front of the Tribunal.

empire economic unity. Especially noteworthy the empire crusade conducted by Lord Rothermere and Beaverbrook and the break within the Conservative party on this issue. Even the General Council of the British trade unions joined with the Federation of British Industries in issuing a statement for empire economic unity at the time of the last T. U. Congress at Nottingham.

At the last Imperial conference the dominant premiers came and apparently fell right into line with the economic unity idea. As a matter of fact it was hailed like their own proposals, to be connected with the most favored nations clause; but as the discussions developed further it was soon found that the dominions, having developed capitalist economic interests of their own came into even sharper collision with those of the mother country and thus the idea does not stand so well.

Multiplications of capitalist contradictions record some classic examples in England. Its age-long dominance in the world market, with a steady flow of import of raw materials and export of manufactured goods and a foundation of a colonial empire, free trade became elevated to a sacred principle. Way back, during the hard times of the Elizabethan days steps were earnestly taken for colonial expansion. The manufacture of those days was prohibited in the colonies, great tariff walls were erected with a free interchange within the empire of staple products to England and finished goods to the colonies. Came the industrial revolution in England; the world market lay at its feet and the tariff walls could be eliminated.

History is now repeating itself—and we might add—while it was the first time as a tragedy, it is the second time as a farce. A section of the capitalist class, and indeed the most powerful section, is reverting to the clamor for protection for England's decadent industry. For the development of a young capitalist industry facing an open world market, protective tariff walls can easily become an important incentive. But matters stand entirely different in England today. For a declining empire facing a definitely divided world market, for a bankrupt system, neither the reactionaries of protectionism nor the reactionaries of free trade can furnish the solution. That can be furnished only by the program of the social revolution.

—ARNE SWABECK.

Polish Social Democrats Capitalize on the Blunders of Stalinism

At the end of May, the annual congress of the Polish Socialist Party (P. P. S.), Polish section of the Second International, met at Cracow. The debates at the congress, like the atmosphere in which it took place, were entirely different than during the previous sessions of the social democracy, marking above all the influence of the world economic crisis and the role of the U. S. S. R. on the Polish proletariat. Never since the war have words so "filled with revolutionary ardor" been pronounced, never has a more severe condemnation of the capitalist regime fallen from the lips of the P. P. S. leaders. For the first time since the resurrection of independent Poland has a congress of the Socialist party expressed itself resolutely against a war with the U. S. S. R. and even for the defense of the U. S. S. R. (!).

Reasons for "Radicalization"

One asks what it is that could "radicalize" the P. P. S. in this manner during the congress. Besides the world crisis, two unexpected and at first sight contradictory things have operated. In the form of the degeneration of the Polish Communist Party and the economic development of the U. S. S. R. Moreover, examples where the social democracy, knowing the weakness of the C. P., permits itself to make game with Left phrases of the workers who are deeply affected by the crisis, are not limited to Poland. One can make a general observation that with the development of the crisis and the ever growing decay of the C. I., the social democracy which, at the beginning of the crisis tended to want to calm down the spirits of the workers to diminish the importance of the crisis, no longer conduct themselves in this manner. On the contrary, the leaders of the Left social democracy and even those of the Center speak openly about the crisis of the regime and advance as the sole way out of the crisis—socialism. To be sure, they take good care not to point out the concrete roads for attaining it, but the mere fact that the social democracy which has remained the most loyal servitor of the bourgeoisie, permits itself to pronounce a verdict against the bourgeois regime at a congress, is quite significant for the present epoch.

With the absence of a leading force, these demonstrations, which frequently cost the proletariat fatalities, lead to nothing. A few weeks ago, four mine workers were killed in a strike and

At Agrin, the police made preventive arrests. Seventy workers, members of our organization, struck.

We did all in our power to assure the success of the demonstrations. The party did everything to sabotage common action. If our united front proposals had been accepted and special joint commissions of the two organizations formed, the First of May would have been a success. Without our participation, their First of May demonstrations turned out to be a fiasco.

Our action made such an impression on the party, that for two days its paper did not breathe a word and tried hard to screen them. Then it proceeded with its habitual slanders and finally, of late, it has prohibited its members even to go near our comrades. On the other hand, the party members who are really sincere, salute us as comrades wherever we meet. They are beginning to come to our offices and to our unions. All the comrades of our organization have understood through their own experience what a powerful arm the united front is in the struggle against Stalinism.

In so far as we ourselves are concerned, we have noted a great number of mistakes, which hindered a success corresponding to the preparations taken. Although the mobilization of our forces at Athens was almost complete, lack of initiative and of experience were the cause for the non-realization of our aim.

We have suffered the following casualties: At Athens, of the thirty comrades convicted (eight to two months and 22 to one month's imprisonment respectively), 7 Archio-Marxists received two months' imprisonment each and 8 more, one month each; all in all, 15 Archio-Marxists were convicted.

At Salonica: one Archio-Marxist was seriously wounded. A number of comrades have been arrested but not yet brought to trial. The charges against them are seditious murder and violation of the Extra-ordinary Law.

At Cavalla, 5 Archio-Marxists were condemned to 15 years imprisonment and deportation and one party member to 5 years. Our comrades were, besides, tortured for ten consecutive hours, to make them reveal the names of the authors of the leaflets we distributed. They lost consciousness but revealed nothing; and gained the admiration of the party comrades arrested with them.

We had hoped to gather around us a few thousand workers, if Renti had been accepted as the meeting place. As it was, the manifestation at Athens comprised only the members and sympathizers of the two organizations. However we could not adopt a different attitude from the one we did, because that would only have brought us to the mill of the party leaders.

general protest strike embracing the whole mining section broke out after the killing. In all these movements, the Communist Party of Poland was without any influence. The First of May, 1931, already emphasized this weakness of the Communist movement, resulting from the Stalinist regime, which has made of this party too a bureaucratic appendage to the Centrist International. The P. C. P. in the past had virile cadres, a well-rooted influence among the mine workers, the metal workers, etc.—today there is nothing or almost nothing left of it. One of the last strongholds, where the influence of German Communism moreover, should play a positive role, was lost in the last elections to the benefit of the P. P. S. Only the degeneration and the decline in influence of Communism permits the P. P. S. to consolidate itself and to play at "radicalization".

The Opposition at the Congress had almost half the votes, and yet no split took place, which proves once more that Communism is far from being a menace to the P. P. S. In Lenin's time, so profound a discussion in the ranks of the social democracy would have led to the passage of whole organizations to Communism.

Results of "Social Fascism" Theory

Today there is nothing of the kind—the masses disillusioned by the policy of the bloc of the social democracy with the bourgeois and peasant Left demand action against Fascism but at the same time retain their confidence in the P. P. S. and let themselves be lulled by the Left leaders. Can more disastrous examples be found of the Stalinist tactic toward "social Fascism", a tactic which admirably serves the social democracy at the time when the crisis is undermining all its foundations?

The question of the U. S. S. R. was raised a number of times at the congress. The deputy Czapsinski, who delivered the report on the world situation, made the following demagogic proposals in connection with the dangers of war: "Manuilsky said at the last Plenum of the C. I. that the P. P. S. is in the front ranks of the reparations for an anti-Soviet war. A representative of the Soviet Telegraphic Agency is present. Let him write to Moscow that the P. P. S. is not only not preparing a war, but that it will oppose with all its strength an aggression against the U. S. S. R." These words were warmly applauded by the delegates and those present on the platform.

It must be avowed that the change is profound. The P. P. S. which, as recently as the First of May, condemned the U. S. S. R. in its appeal has made an abrupt turn in this question following the new orientation of the Polish bourgeoisie itself—an orientation inaugurated at Geneva by the notorious speech of Litvinov on the "peaceful co-existence of the two systems".

The increasing need of machines and credits in the U. S. S. R., occurring parallel to the development of the economic crisis, makes it one of the best clients of the world bourgeoisie, and provokes among the capitalists a veritable race for Soviet orders. The Polish bourgeoisie has not remained indifferent; and in the turn it has sent to the U. S. S. R. a delegation which concluded some good business and received important orders for its industry. This fact cannot remain unknown to the Polish workers and unemployed, among whom is being manifested a strong current of sympathy for the U. S. S. R.

The leaders of the P. P. S., who know very well the currents agitating the working class, did not hesitate to make a turn and to proclaim themselves defenders of the U. S. S. R., which will hardly prevent them tomorrow, in a different situation, from being the most aggressive enemies of the U. S. S. R.

Where Is the Communist Party?

But where is the Polish C. P. in all this? Here again is a consequence of Centrist which by its policy of adventurism or else of opportunism, lets go by the best opportunities for winning the proletariat and weakening the social democracy.

When the Left Opposition, two years ago, advanced the slogan of "economic collaboration with the U. S. S. R." with the aim of strengthening Communism and unmasking the social democracy, the Centrists of the whole world and the leaders of the P. P. S. shouted about opportunism and did everything to sabotage the realization of this slogan. Today, economic collaboration is being realized between the U. S. S. R. and the capitalist states, but Communism is incapable of drawing any profit from it for its propaganda and of unmasking the social democracy.

The congress of the P. P. S. threw a light upon two things: (1) the working class is in a state of effervescence and on the lookout for new roads; (2) the economic development of the U. S. S. R., which can bring about deep changes in the social democratic mass. Only the mistakes of Centrist, only the incapacity to which the Stalinist leadership has reduced Communism prevents the Polish proletariat from turning away from the social democracy and regaining the revolutionary road.

—FELIX.

The British Scene

England's Economic Plight

The decline of the British empire has almost become proverbial. The last part of the nineteenth century already witnessed the rise of the threat to its domination. Germany, then the most active competitor, began crowding England in the world market. But it is since the world war, and the establishment of the United States as a world dominant creditor nation, that the decline has become more accelerated. This is perhaps not so much demonstrated in actual figures of lost ground as in the import of their comparison with general world market conditions, and above all in the political import of this factor.

England did not experience since the war, an intervening "prosperity" period as did the United States from 1924 to 1929, as did France, not even such a temporary upward swing as took place in Germany. Since the world war she has been saddled with an enormous indebtedness to the United States. It would be difficult to calculate the total amount, but payments of the purely governmental debts to U. S. for the proposed moratorium year alone would amount to \$159,520,000 according to the *New York Times* estimate. After a desperate struggle, England did succeed in re-establishing her gold standard but is now quite alarmed at the protracted heavy flow of gold to the U. S. and France.

The decline has become reflected within the country, that is, aside from the differentiation of interests within the dominion empire, in a steadily mounting unemployment; in a marked uncertainty within the upper class; in decline of the decadent Liberal party and new divisions within the political parties in general, both capitalist and labor; in a diminution of the formerly powerful aristocracy of labor as well as in sharpened class antagonisms.

"Gradualness" some time ago became the sacred gospel of Baldwin and MacDonald alike. As far as its object is concerned there have been no fundamental differences discernible, all possible pious protestations by MacDonald to the contrary notwithstanding. And surely England is now experiencing a gradualness of decline, with—as in all past history, so also in the future—prospects of some violent interruptions, both of war and of revolutionary upheavals.

Today the export of British goods is declining more rapidly than is international trade. Figures are very tiresome but to cite a few in demonstration will nevertheless prove illuminating. The net favorable balance, or credit to British trade and services of all kinds for the year 1930 amounted to \$189,000,000. Before the war, with its lower price level, the net balance was nevertheless much higher. For example, in 1913 a total of \$878,000,000 and in 1907 a total of \$670,000,000. How seriously England has been hit by the present world crisis is illustrated by the Board of Trade index number of industrial production. With 1924 as its base line it shows a drop from 114 in the fourth quarter of 1929 to 110.7 in the first quarter of 1930; to 103.1 in the second quarter; to 99.5 in the third quarter. The yet more recent figures of the Board of Trade for the first quarter of 1931 shows a fall of imports of \$368,467,665 and of exports of \$330,692,555 below the corresponding period of 1930.

Growing Conflict in World Market

The competition and preparations for the conflict with the United States pro-

ceeds everywhere. In China it cannot be said that England has been most successful. It alternately backed the various reactionary militarist oppositions to the Nationalist government of Chiang Kai-Shek which of course, was equally as reactionary but so far more successful. The "open door" policy of the American imperialists—because of their having less important concessions—won favor with the bourgeoisie of the Chinese Nationalist government. The success to date of its present degree of stabilization is in no small measure due to the defeat of the revolution of the Chinese workers and peasants because of the Menshevik policy by which it was conducted by the Stalin Comintern regime. However, the perspectives for political superiority of American imperialism in China are by no means secured. The Chinese revolution is still smoldering.

In South America, British imperialism is striving desperately to maintain its foothold against the American aggressor. But the immense preponderance of credits available in Wall Street presses continually for new fields of investments. Recently the air has been astir with newspaper rumors of some sort of extension of the Hoover moratorium action for "relief" of South America. However, as is admitted, it is in this sphere not a question of governmental debts and hence the purpose could possibly better be accomplished without official governmental action. And no doubt Wall Street itself will know how to make the broadest possible application of the Monroe Doctrine with its government ready to back it up in due time. British investments in South America are still far greater than those of the American imperialism. According to "Revista de Economia Argentina" the figures in 1928 were \$4,103,000,000 for England and \$2,167,000,000 for the United States.

It is in the control of electricity and mineral properties that the greatest duel is being waged in the South American Republics. When the New York Stock Exchange boom was on, many securities went from London to New York. After the slump set in some have traveled the way back. In the little revolution in Brazil, Wall Street prematurely "backed a loser" and since then the successful "revolutionists" have called to their assistance an expert of the Bank of England and not of the Federal Reserve. But such an instance can hardly yet be considered typical.

Recently the Royal Salesman made a tour of the South American Republics—it will be remembered that Hoover also made a similar "good will" tour just before his inauguration. The Royal Salesman returned and had a nice little speech written up for him which he delivered to a gathering of fellow capitalists at Manchester. It laid great stress on the problem of England's recapture of these parts of the world markets lost to the United States.

Growing Conflict at Home

British capitalism, however, is now violently torn between the two problems of struggle to maintain its world market position or turning the major attention more inwardly upon the dominion and colonial empire. Although this turn is pretty much forced by necessity, in either field its difficulties are mounting, not diminishing. With this is connected also the growing conflict of protective tariff walls as against free trade. Many have been the voices recently favoring

ON THE WORKERS' FRONT

Rank and File Struggle in the New York Carpenters' Union

With Greater New York having 32 local unions, of the carpenters' organization, it is looked upon as a sort of barometer of that organization, and therefore, besides its own problems, is often confronted with problems concerning the organization as a whole. By this I mean that measures aimed to come up for adoption will usually be tried out in the New York District before they are known in other vicinities. And so it happened on Oct. 8 1930. The N. Y. Dist. Council, on a roll call vote, adopted a motion which if enforced would compel every member in the Metropolitan Dist. to have his photograph on his working card. This was bolstered up with the pretense of making it impossible for any member to loan his card to non-union men.

A Reactionary Proposal

Hereupon L. U. 2090 got busy and elected a committee which went before various Locals in N. Y. and drew their attention to the dangerous effect this photo would have on members participating on picket-lines or belonging to any political organization; that it would furnish the police, the Immigration Bureau, as well as the Dept. of Justice, with direct and immediate identification, that it would positively lead to having many of our best members thrown into jail, if not deported etc. Thus our organization with its foolish rulings would unconsciously play in the hands of the police and the bosses. It further pointed out that the action by the D. C. was illegal, for the fact that such steps are a permanent rule necessitates the amending of the D. C. by-laws; this must be done through a referendum vote in order to comply with the laws of the general constitution of our organization. Proceeding from that, the result was that many locals appealed to the First Vice-President of the organization, who found himself compelled to disapprove the action of the D. C.

But what was most important of all was that out of this the Committee itself has learned its power, by the use of united action, and on Jan. 3, 1931 was reorganized as the Emergency Committee. It was first officially represented by two and is now officially represented by five locals. It issued over five thousand leaflets. Its demands are 6-hours a day, 5-day week, division of work, shop and job control by locals, etc. (With these demands the Emergency Committee appeared on the floor of twelve locals in some cases twice or three times, in order to achieve its point. On Feb. 2, a visit was made to Local 608. When the loyal supporters of the D. C. denied the committee the floor to speak the committee decided to revisit that local.

In the meantime, contact was made with few of their members in the day-room on Feb. 9, when the committee reappeared before Local 608 the chairman as compelled by vote of the membership to grant the floor to Holtkamp, a member of the committee. Two weeks later, Holtkamp was notified by the D. C. Trial Board that charges were brought against him by the chairman of U. 608 for bringing dissension among membership of his local union and criticizing the D. C. officers. He was led to appear before the D. C. Trial Board on March 27, 1931. In the meantime, Local 2090 took upon itself the sole responsibility for what Holtkamp and the committee were charged with, and instead of Holtkamp alone, a committee of eight, some unofficially, representing four local unions appeared with him as witnesses before the Trial Board. All were heard, but to this date no decision has been rendered.

Towards Mass Demonstrations

On April 4, a resolution, demanding the D. C. to call a conference of five rank and file members of each local to discuss equal distribution of work, was drawn up and sent through Local 1164 to every local in the Metropolitan District. Of these local unions, eleven of them submitted their resolution before the D. C. but instead of being acted upon the D. C. placed them on file. Our next step will be to work towards a mass demonstration by at least the eleven locals who signed the resolution compelling the D. C. to act upon them.

Now as to the Carpenters Section of the Building & Construction Workers Industrial League affiliated with the T. U. U. L. Who are they? We don't have to give you their trade mark. Their leaflet, their action will best bear them out. As to the claims with which they credit themselves in their election circulars, they will find a much better reception a few thousand miles away from New York, than right here in their own L. J. Their leaflet says the Emergency Committee believes in no politics in the union. That is false. No one of us is a holder of a free trip to Moscow by the Stalinist regime. But what we do say is this: unless the workers are able to tell whether politics are played in the interest of the workers or the boss, they should study them first.

Seven or Six Hour Day?

But that is not all which confuses us, while in their leaflets only yesterday accused us of standing for no politics in the union, which of course is true, the T. U. U. L. in the needle des has really adopted that very gas (no politics in the union, without explanation. The Emergency Committee not altogether ignorant in politics, and against any elements swamping

them, adopted a ruling that only three members from any L. U. are allowed to vote. This was already in effect before anyone of the T. U. U. L. had come in contact with us. The official representation then was eight members. The members of the T. U. U. L. had met with us about three times but did not attend very regularly. In the meantime our resolution on the 6-hour day was in the press and, at their re-appearance, we were asked by them to withdraw the resolution and have it substituted by a 7-hour day! This we could not do because we are of the opinion that the 7-hour day would not bring much relief, with so many men out of work. Then we were asked to increase the representation from three to ten. This we also could not do because out of the three locals represented, two were not able at that time to increase their representation because of account of such representation being made up of voluntary members. So they withdrew. Their next step was to put up something in opposition to us, so they organized an Open Forum, which was held on March 1, at 143 E. 103rd St. with Morris Rosen as speaker, and in spite of their bragging of 1500 members in the B. S. W. L. L. they were not able to mobilize more than forty of whom about one third were adherents of the Emergency Committee.

Lessons for the T. U. U. L.

Our last election in L. U. 2090 should have taught them a lesson if they are still in a position to do their own thinking. Last year the T. U. U. L. had seven candidates elected in Local 2090. Six months later, five of them left the T. U. U. L. At this June election they got on the platform and denounced the whole organization which did not exclude the rank and file, by whom, ten minutes later, they expected to be elected. The result was that they elected two this year, against seven twelve months ago. In analyzing the activity and policy of the T. U. U. L. they are bound to drift into complete sectarianism if not a complete collapse, because of their total isolation from the workers. For instance, along in March it was disclosed that in certain shops under the jurisdiction of Local 2090 and Local 1164 there were over forty men working at the rate of from five to eleven dollars per day. The complaint was made to the D. C. The council took action and recovered two weeks, for each man the difference between \$5-\$11 and \$13.20 back wages. The council failed to penalize by not removing these men and replace them with new men. The question came up before the above two locals, which voted to organize a joint protest demonstration before the office of the D. C., but since this demonstration was not started by the T. U. U. L. or any of its members (who claim sole patent rights on all demon-

Auto Workers Reject a Cut

In this time of economic depression and widespread surrender on the part of the workers to the bosses' campaign of wage-cutting, it is encouraging to find a labor union still militant enough to refuse to allow its members to accept such a cut. At the last meeting of the Automobile and Vehicle Workers' Union here in New York, the chairman of a committee representing the workers in the largest auto body shop in New York (said chairman, by the way, being a member of the Communist League of America) announced that the men in his shop had been asked by their employer to take a 15 percent reduction in their wages.

The immediate reaction of the membership was to denounce the proposal and a number of members took the floor and expressed bitter resentment against it. When the vote was finally taken, it proved to be 100 percent against accepting the cut.

This organization, once a powerful Left wing union, the leadership of which was in the hands of the Communist party, has for the last three or four years been steadily losing in membership, and its prestige as a fighting union has suffered a decline. When, in 1928, the union affiliated with the A. F. of L. the Communist party members of the union adopted the policy of the party leaders and dropped out of the organization—not with the intention of forming a new union, but solely because of the childish attitude, "if we can't have things our way, we won't play." Without, apparently any doubts on the wisdom of their action, they thus left to the labor fakers the leadership of several hundred workers.

In the whole organization only one Communist—a member of the Communist League—was left to carry on the fight for a militant union. He succeeded in convincing two other members of the union that the policy of the Communist League was correct, and with their help set to work to win back the ground that had been lost by the action of the Communist party deserters. Slowly but surely his efforts began to tell. The union will shortly start a determined organization drive, and due to the general dissatisfaction among auto workers in the city, there is every reason to expect that the union will regain its former strength.

—GADFLY.

(strations) they fought the issue and did all they could to offset it. In spite of all their work, the demonstration of about three hundred took place. It did not bring great results but considering the facts, it was the only body ever heard of to raise a voice of protest against the action of the bureaucrats in the B. C. & J. A.

—W. H. H.

Hillman's New Racket - The «Campaign» Against Racketeering

(Continued from page 1)

The union? Who is the enemy that, in the words of Hillman, has in the last seven years undermined the peaceful relations between the union and the manufacturers, taken hold in our industry and challenged that they "will share in the union government or will do away with the union officers"?

The Daily News Record, official organ of the clothing manufacturers, gives an answer to this question in a series of talks on the situation in the industry. It points to the racketeers in the A.C.W. whom Hillman has in mind but is not ready for strategic reasons to mention openly. These racketeers are the officials of the Cutters' Union, Local 4, under the leadership of Ph. Orlofsky who have always defied and interfered in the plans of the organization to unionize the market, and engaged in racketeering. These officials are the ones whom Hillman is determined to clean out of the union, and this campaign is a continuation of the one launched by Hillman a couple of years ago and which was suspended by him for strategic reasons because Orlofsky's position was too strong at that time.

The challenge made by cutters' officials either to refute or confirm prevalent rumors and references in regard to the racketeers in the union, Hillman refused to answer. To a rank and file committee of the cutters' local who offered Hillman their support in his house-cleaning of their local, Hillman declined to disclose the names of the officials involved in the racketeering practices and rejected with contempt their cooperation offered him in his campaign.

Who Are the Racketeers?

Who then are the racketeers and what connection is there between Hillman's campaign and the contemplated "general strike" in the New York market? After a careful examination of all this mess of statements and declarations in the trade, union and general press by all parties involved, one cannot but draw the only logical conclusion in regard to the campaign launched by Hillman against racketeering; and his program of a general strike: Hillman is performing one of his usual publicity stunts and is maneuvering a new betrayal of the A. C. W. membership in the coming renewal of the agreement with the clothing manufacturers, distracting their attention from their real problems and preventing a real house-cleaning of racketeering in the union by the members themselves. How did racketeering find its way into the industry when, according to Hillman, mutual relations between the union and the manufacturers were satisfactory to all concerned and law and order reigned supreme? In whose interest was it to bring in this plague that is "ruining the industry" and causing unemploy-

ment and misery to thousands of workers? Why does Hillman evade mention of the causes of this phenomenon in the New York market? Why does Hillman reject the cooperation of the rank and file of the membership in his so-called fight against this evil?

Hillman traces the beginning of racketeering in the industry back to the year 1924. Is it a mere coincidence that in that year Hillman's campaign against the Left wing in the A. C. W. and Beckerman's underworld rule in the New York organization was inaugurated by Hillman? How does Hillman read his own history? Was not Hillman the one that enthroned the underworld chiefs in the Joint Board and gave his blessings to the terror and gangster methods in the cutters' local which have reigned up till recently when the membership has finally risen in protest against them? Was not Hillman's aim at that time to enforce "law and order" and piece-work for the tailors and low costs of production for the manufacturers?

What has happened since? What has caused this change of mind in Hillman? Is he longing for the old system of law and order when the membership had enjoyed the benefits of organization and the Hillmans had to cover themselves with radical phrases and pretend allegiance to the class struggle? Hillman has made it clear that this is not his object. He does not intend to improve the conditions of the tailors in New York, which are unbearable to the extreme and for which he is responsible. He is not out to clean the organization of the Beckermans and Orlofskys for the benefit of the membership. He did not bring these racketeers into the union to benefit the membership and will not remove them for that purpose. Hillman is squaring his own accounts with his competitors in the racketeering game in which they are all engaged as officers of the A. C. W. concern and agents of the clothing manufacturers. Hillman, in this campaign, is pursuing the aims of the clothing manufacturers. It is sufficient to glance through the articles in the Daily News Record written on the situation and the statements made by C. D. Jaffe, president of the Clothiers Exchange to reach this conclusion.

Bosses with Hillman

The Daily News Record definitely sides with Hillman in his campaign against the officials of the cutters local, not because of the racketeering practices of those officials but because it wishes to see the "aristocratic" cutters whipped in line by Hillman with the rest of clothing workers who are the majority in the industry and have submitted to lower standards and worse conditions in the shops. The manufacturers' organ is working hand in glove with Hillman in their common aim to efficiency-unionize the industry.

C. D. Jaffe had this to say on the situation.

.....
The Real Situation in Russia
By LEON TROTSKY
.....
Introduction by Max Eastman
364 pages. Sold formerly at \$2. Through special arrangements with the publishers can be had from us now at \$1
CONTENTS
PART I—The Fear of Our Platform
PART II—The Real Situation in Russia and the Tasks of the Communist Party
PART III—Stalin Falsifies History
Some of the Chapters.
The Agrarian Question and the Socialist Construction
State Industry and the Building of Socialism
My Part in the October Revolution
The National Question
The League of the Communist Youth
Our International Situation and The Debates about Brest-Litovsk
the War Danger
and the Trade Unions
My Military Work
Government Planning
Lenin Broke Conclusively with Stalin
The Testament of Lenin
The Last Words of Adolph Joffe
The Deportation of Trotsky
Appeal of the Russian Opposition to the Communist International
Only a limited number of these books at this special price. Order now.
PIONEER PUBLISHERS
84 East 10th St.,
New York City

The Background of the Coal Strike

No matter what book or treatise on the world's great industries or commodities one were to pick up, there would be included in a position of importance that of bituminous coal. And properly so. More than all other sources combined, soft coal was the chief source for the production of power and heat during even the past few years, in spite of the rapid strides made recently by oil and water power. And looked at from the point of view of the coal industry alone—bituminous is the predominant factor as compared to anthracite. Only about 10 to 15 percent of the coal produced in this country is anthracite and the production of this hard coal is confined to the region in northeastern Pennsylvania located around Scranton. Bituminous plays the predominating rôle from the point of view of total production, of importance in industry (about 70 percent of the anthracite is used in the home—bituminous plays its rôle in the steel mill, in the power plant, and on the railroad), of area of product and of total men employed. Also, it gains major attention at the present time from the completely demoralized condition of the industry as compared to the anthracite field.

No matter what major industry one concerns himself with at the present time, he will always be confronted with the contradiction between the "capacity for production" and the actual production. Bituminous coal is no exception. There are certain industries in which one cannot speak of actual overproduction. In these industries production is merely "on order". The major part of the steel industry is a good example of the above. Soft coal production comes into this category too. To attempt to analyze the bituminous industry from the point of view of actual overproduction would get one nowhere. There is strictly speaking no actual overproduction of coal for any length of time. The source for the difficulties of the industry lies not in the actual overproduction but in the growing disproportion between capacity for production and actual production. Prior to the war the expansion of the bituminous mining industry was greater than that of American industry as a whole. This rate of expansion received the added impetus of the war years, years of great demand. Under such circumstances the problem before the indus-

try was that of expanding its capacity rapidly enough to meet the increasing demand. The war left the industry with a capacity much above the needs of the normal market.

The years since the war have been properly considered the years of unprecedented mechanization, of rationalization for American industry as a whole. The bituminous coal industry is not excluded. "Mine mechanization" has gone on apace. As compared to 1918 underground haulage is now largely mechanical. The percentage undercut by hand has declined from 23.8 percent in 1918 to 14.2 percent in 1928. Mechanical loaders were not in use in 1918. No large mine at present would conceive of loading by hand. According to C. J. Bockus, President of the National Coal Association "the adoption of mechanical devices is reflected in the fact that between 1918 and 1928 the average output per day per man employed increased from 3.78 tons to 4.73 tons, a gain of 25 percent." For 1929 and 1930 this increase is much greater since these were the years over 50 percent increase in the use of mechanical loaders. Of course, this increase of 25 percent per man for the industry as a whole, means for those mines which are highly mechanized an increase per day per man many times the above 25 percent—and the mines in the Pittsburgh region, particularly those of the Pittsburgh Terminal Coal Co. are included in that group of "highly mechanized". He concludes the above paragraph in his contribution to "The Menace of Overproduction" with the sentence: "The influence of mechanical loaders upon output per man has only begun to be felt."

In addition to the increase in capacity caused by mechanization there is that caused by lateral expansion of the industry. New mines are being constantly opened, new fields exploited aside from which many mines already being worked are enlarged. The large capacity existing at the end of the war coupled with that of lateral expansion and that caused by mechanization gives to the U. S. at the present time, as estimated by the U. S. Bureau of Mines a total capacity of between 750,000,000 and 800,000,000 tons per year. Actual production and consumption however remains far below this figure.

Up to and including the war years, production from year to year increased by leaps and bounds. Since then rather than an increase there has been a decrease. Since the war there has been no year to equal that of 1918.

1909-13 (Average per year) 380,000,000
1917-19 (Average per year) 532,000,000
1928-29 (Average per year) 517,000,000
1930—462,000,000
Capacity for production 1929—800,000,000

Thus we see an industry that had acquired the habit of expanding, and that was actually expanding its capacity for production, on the downgrade as regards actual production. New grants had come to challenge it. The equivalent of about 400,000,000 tons of bituminous coal is now being consumed yearly in the form of oil, gas, and water power. Thus we observe here an industry that has virtually been in not much better than perpetual crisis during the entire post-war period.

This increasing productivity coupled with a decreasing market could, in this non-monopoly industry, result in but one thing—a drop in the price of coal. The actual here verified the expected. Between the years 1918 and 1929 bituminous coal fell in price practically 50 percent. (Coal Age).

The above are the facts underlying the present strike situation. Aggravated of course by the general business depression—the "pessimistic" picture presented above should be multiplied by the quotient for the present depression of the country as a whole, in order actually to realize what is taking place in the mine fields.

The decreasing demand coupled with an increased output per man per day was followed by widespread unemployment. The miners who worked four or five months each year considered himself lucky indeed. Having no visible rallying point, the miners continued to accept wage cuts and layoffs up to the point of starvation. Discontent was rampant. But a spark was needed to set the entire industry aflame. This spark has been supplied. Spontaneously the miners are rallying to the call of the National Miners Union. The years of suffering are reflected in a militancy that has not been seen in the American labor movement for years.

—H. S.

tion: "No one need regret joining the union in any constructive effort to build up this market and cleanse it of its underworld element. We need a strong, not a weak union, and I do not believe in vacillating on this point. The collective bargaining agreements have conclusively proven to the retailer throughout that they need have no fears of strikes or lockouts, or excessive costs in the market."

The remarkable unity of aims and identity of language between Hillman and the clothing manufacturers are revealed in the above quotation from the manufacturers' mouthpieces. But these are shown still more clearly in their concerted actions. At the conferences with Mayor Walker and his committee Hillman and the representatives of the Clothiers' Exchange appeared together as one body and pleaded for protection of their common interests in the coming strike. Both parties are then engaged in the campaign launched by Hillman to "improve" the conditions of the underpaid tailors and both are concerned in the "house-cleaning" of the Amalgamated. They both have one objective: to promote the manufacture of men's clothing in New York through establishing low costs of production at the expense of the clothing workers. Hillman is the spokesman of the manufacturers in this as in every other campaign of the A. C. W. The talk of a general strike and a fight against racketeering is only a smoke screen to blind the union membership to the work of betrayal Hillman is out to perform. The members know it and have expressed their opinion about it at their meetings. They will also prepare to act and fight against this betrayal.

As far as the evil of racketeering and gangsterism is concerned, the A. C. W. members are convinced that this plague can only be eliminated by their own effort, in struggle against the corrupt officialdom in the local unions who are maintained by Hillman and are the connecting link between the union and the underworld and in many cases represent the underworld in their own person. Hillman cannot and will not eliminate them without the risk of losing his control over the organization, and this he is not expected to do.

A Real Challenge

The real challenge to racketeering must come from the rank and file of the union membership. A real general strike for the improvement of conditions can only be undertaken by the membership, not on the initiative of the manufacturers and their agent, Sidney Hillman, against whom it should be directed. Hillman has not launched his campaign for these aims. He is in the A. C. W. to serve the bosses and his own interests. This campaign for the so-called general strike and against racketeering have once more proved it. The A. C. W. membership will benefit by this experience added to the many gone through by them in the past. Their struggle against their betrayers will be so much more intense and will bring victory so much nearer.

—ALBERT ORLAND.

Books

by Leon Trotsky

- THE DRAFT PROGRAM OF THE COMMUNIST INTERNATIONAL
A Criticism of Fundamentals
Introduction by J. P. Cannon
140 pages hard paper cover 35c
- THE STRATEGY OF THE WORLD REVOLUTION
86 pages, two-colored paper cover 25c
Introduction by Max Shachtman
- TURN IN THE COMMUNIST INTERNATIONAL AND THE GERMAN SITUATION
30 pages, paper cover 10c
- THE SPANISH REVOLUTION
30 pages, paper cover 10c
- COMMUNISM AND SYNDICALISM
The Trade Union Question
Introduction by James P. Cannon
64 pages, paper cover 15c
- THE PERMANENT REVOLUTION
208 page book—cloth bound 1.00
paper bound 50c
- THE REAL SITUATION IN RUSSIA
Introduction by Max Eastman
364 page book formerly \$2 now 1.00
- MY LIFE—600 pages 5.00
- SINCE LENIN DIED
By Max Eastman
158 page book printed in London 1924 50c
- Just Off the Press
- THE SPANISH REVOLUTION IN DANGER
64 pages paper cover 15c
- PROBLEMS OF THE DEVELOPMENT OF THE U. S. S. R.
48 pages, paper cover 15c
Special Rates in Bundles of 5 or more
- Order from
PIONEER PUBLISHERS
84 East 10th Street
New York City

TWO NEW PAMPHLETS Just Off The Press!

by LEON TROTSKY

- THE SPANISH REVOLUTION IN DANGER
64 pages — 15c per copy Special Rates in Bundles
- PROBLEMS OF THE DEVELOPMENT OF THE U. S. S. R.
48 pages — 15c per copy
- PIONEER PUBLISHERS
84 East 10th Street
New York City

EDITORIAL NOTES

THEY OVERLOOKED THE GERMAN SITUATION

The first answer of the American Stalinists to the Hoover moratorium was a shocking revelation of the theoretical degeneration which has been brought in to the Communist movement under the flag of "socialism in one country."

Reducing all complexities to one common formula, the Daily Worker had no difficulty in explaining the moratorium proposal to its readers. The issue of June 22, following the publication of Hoover's statement devoted a leading editorial to the subject.

Yesterday the oncoming proletarian revolution in Spain was viewed with uneasiness in Pravda because it threatened to upset the European equilibrium and endanger the Five Year Plan.

The reactionary theory of socialism in one country is no abstraction, remote from the problems and tasks of the day, as many are apt to regard it.

"SAVING—GERMANY" FOR WHOM?

If the Hoover proposal for the suspension of war debts and reparations falls to hold back the proletarian revolution in Germany it will not be for lack of support in the capitalist camp.

From this standpoint one of the applauding voices deserves a special mention. On July 1 Norman Thomas hailed the moratorium policy as a step to save Germany and Europe from "collapse".

Thomas is fearful of a "collapse of all Europe, even of all of Western civilization," regardless of whether this collapse occurs under the Communists or the fascists.

beforehand, and that is why they acted. It ought to be obvious to every worker who stops to think—and there are many of them who have time and reason to think these days—that Thomas' fear of a "collapse under the Communists" is an echo of the fear of the ruling class and not an expression of the interests of their exploited victims.

But—it may be objected—Thomas said he also feared the Fascists. Yes, he did say it and he does fear them. In that sentiment he defends the special interests of the social-democracy which would be deprived of its function if bourgeois democracy—the present form of capitalist class rule in Germany—were supplanted by a Fascist dictatorship.

The Daily Worker on July 6 quoted the speech of Thomas with the reference to the "Hitlerites" deleted. An oversight, perhaps, of a careless editorial writer? Far from it. The Daily Worker couldn't conveniently quote a declaration of Norman Thomas against the fascists because it is telling its readers every day that social-democracy and fascism are the same thing, or nearly the same thing, and that there is no real conflict between them.

REVIVING "THE APPEAL TO REASON"

The announcement of the revival of the "Appeal To Reason", with Fred Warren, its old managing editor again at the helm along with Haldeman-Julius, represents an attempt to interpret the discontent generated by the crisis in terms of pre-war radicalism.

The Appeal under Wayland and Warren was an agitator and therein lay its inherent defect. It was merely an agitator without weight or substance, scornful considerations of fundamental theory and, consequently, frothy, sensational, superficial, and crassly reformist.

Because of that experience and to the extent that the present-day movement of the militant proletariat has assimilated the lesson, it stands on higher ground and cannot be dragged back again to the swamps of yesterday.

At bottom this is what the struggle of the Opposition signifies. It derives its historic importance not only from its implacable antagonism to the old reformist agitation under the old and discredited trade-unions.

So you will give up the slogan, "Go to the masses"—say the advocates of agitation for its own sake. No. But in order to make its meaning clearer—to arm the movement against Appeal to Reasonism, open and disguised—the Opposition adds an amendment to make the slogan read: Go to the masses with a revolutionary policy!

—J. P. C.

Manuisky Makes an Unintentional Admission

Of all the plenums or congresses that the Communist International has held, the Eleventh Plenum which recently met without announcement of its sessions or attention to its deliberations or results, undoubtedly occupies the lowest rung in the ladder of the Comintern's history.

"In what way," he asks "does the higher stage of the present revolutionary upsurge as compared with preceding years express itself? In the fact that in a number of capitalist countries, and in a number of separate actions, the Communists are beginning to assume the independent leadership in the class battles."

"The Communists in China are not now carrying on a victorious Northern Expedition, occupying Shanghai and the other industrial centers, nor is Chiang Kai-Shek striking them in the flank at the moment of victory. The Communists are now independently, as a party directing the Chinese Red Army of peasants and workers against Chiang Kai-Shek, against all the counter-revolutionary generals and the united forces of the whole imperialist front.

"The Communists in Europe are not at this moment leading general strikes on the scale of the English strike of 1926, which was betrayed at the decisive moment by the Purcells, Citrines and other leaders of the General Council. . . . Had the Communists given independent leadership to movements like the General Strike in Great Britain or the Northern Expedition in China, it would have implied that they had won the majority of the working class and tolling masses, and this would have resulted in the immediate victory of the proletarian revolution.

There is surely an appreciable difference between the two "stages" in the second of which there are allegedly big advances and progress to record, and in the first of which there were in reality two of the most crushing and humiliating defeats ever experienced by an embattled proletariat—in England and China. What caused the difference? Why are the Communists "beginning" to assume "independent leadership" now?

Why didn't the Communists give "independent leadership to movements like the General Strike in Great Britain or the Northern Expedition in China (which) would have resulted in the immediate victory of the proletarian revolution"?

From Manuisky's report, no other answer can be found than that the Communist parties have failed to adopt the directives of the infallible international leadership, which is directed in turn by the infallible General Secretary. Had Manuisky refrained from invoking the past, matters would not have stood so badly for his conceptions, for god knows that the leadership of the various Communist parties is eminently incapable of executing intelligently any policy—right or wrong.

The whole truth of the matter lies in the fact that Stalin, Bucharin bear the full responsibility for the failure of the

Communists in England and China to put themselves at the head of the revolutionary movements. It was they who, abusing the immense power they had usurped, covered up a downright Menshevik policy with all the prestige and authority of the Communist International and the Russian revolution.

In England during the turbulent period of the general and the miners' strikes, when the classes were at sword's point Stalin and Bucharin presented the English Communist Party from acting as a party of the revolutionary proletariat and compelled it to function as the General Council's watchdog against the outraged feelings of the workers stashed in the back. During the strike, the British Communists were locked into one room with the "Left" wing of the General Council, with the Cooks and Co. and told to act harmoniously under the banner of the "minority movement".

and Citrines' by the stubborn maintenance of the Anglo-Russian "Unity" Committee and Tomsky's declaration that the "Rus-ians" (i. e. the Comintern were "in hearty accord" with the British labor skates. The Anglo-Russian Committee recognized the principle of "non-intervention", which meant that the Comintern formally renounced the right of the Communists to "intervene in British labor affairs".

Who was it that demanded "independent leadership" for the British and world Communists on that occasion, that is, the liberation of the Communists from the strangulating yoke of the "Left" reformists and the creation of the possibility for action independent of Purcell's control? The Left Opposition. Who denounced the Opposition and accused it of being the "enemy of the Soviet Union", the "splitter of the labor movement", "dual unionists"? The Manuiskys and all the other Kuznests and Smerals.

In China, during the revolutionary forward march of 1925-1927, Stalin and Co. taught the Communists that the proletariat had to "do the coolie work" for the bourgeoisie, which proceeded to pay the Communists for their services in seas of blood. Stalin and Bucharin taught the world that the "anti-imperialist revolution" would be accomplished under the leadership of Chiang Kai-Shek. When the latter had mounted to power in Shanghai on the ladder held for him by Stalin and Manuisky, the latter, nothing disconcerted, began to teach that the "agrarian revolution" would be accomplished under the leadership of Wang Chin Wei. They told the Communists to enter the bourgeois cabinet of Hankow, to defend the bourgeois dictatorship—with even worse consequences than resulted from the bourgeois ministerialism of Miller and his similars. Stalin sent telegrams to China to "curb the agrarian revolution". The Chinese Communists were forced to stay in the bourgeois Kuo Min Tang as footmen to Sun Yat Senism, which they pledged themselves not to criticize. The proletarian red flag was renounced in favor of the bourgeois banner ("We will not surrender the blue flag of the Kuo Min Tang" cried Bucharin!).

The yesterdays have their profound importance, not merely for the academic historian, but because only by knowing the yesterday can today be understood and tomorrow be prepared for. At the foundation of today's blunders lie the blunders of yesterday, which all of Stalinism's frenzied veering to ultra-Leftism cannot eradicate. The error of the past left unacknowledged and uncondemned is the source of its own reproduction tomorrow. The most striking illustration of this truism is the policy of the Right wing today. Read its press; observe its actions. Like a dissipated old man it relives the disgraceful experiences it went through jointly with the Centrists who expelled it. Its feeble organism is nourished solely upon uncondemned errors.

The opportunist has a short memory—or rather, he prefers the working class to have a short memory. The revolutionist gains when the proletarian, I thinking of the past, is enabled to a for the future. Manuisky's unintentional confession has helped to refresh memory which, if not glorious in achievement, is at least rich in the lessons its tragedy.

April 14, 1931 —LEON TROTSKY.

Thaelmann and the "People's Revolution"

Thanks for the quotation about the "people's" revolution from Thaelmann's speech, which I glanced through. A more ridiculous and maliciously confused manner of putting the question cannot be imagined! "The people's revolution"—as a slogan and even with a reference to Lenin. Yet every issue of the paper of the Fascist Strasser is embellished with the slogan of the people's revolution as opposed to the Marxian slogan of the class revolution. It is understood, that every great revolution is a people's or a national revolution, in the sense that it unites around the revolutionary class all the virile and creative forces of the nation and reconstructs the nation around a new core. But this is not a slogan, it is a sociological description of the revolution, which requires, moreover, precise and concrete definitions. But as a slogan, it is inane and charlatanism, market competition with the Fascists, paid for at the price of injecting confusion into the minds of the workers.

The evolution of the slogans of the Comintern is a striking one, precisely in this question. Since the Third Congress of the Comintern the slogan of "class against class" became the popular expression of the policy of the united proletarian front. This was quite correct: All workers should be consolidated against the bourgeoisie. This they afterwards transformed into the alliance with the reformist bureaucrats against the workers (the experience of the English general strike). Later on, they went over to the opposite extreme: No agreements with the reformists, "class against class." The very slogan which was to serve for drawing the social democratic workers closer to the Communist workers came to mean, in the "third period", the struggle against the social democratic workers as against a different class. Now the new turn: the people's revolution instead of the proletarian revolution. The Fascist Strasser says: Ninety-five percent of the people are interested

in the revolution, consequently this is not a class revolution but a people's revolution. Thaelmann sings in chorus. In reality, the worker-Communists should say to the Fascist worker: Of course, ninety-five percent of the population is not ninety-eight percent, is exploited by finance capital. But this exploitation is organized hierarchically: there are exploiters, there are sub-exploiters, sub-sub-exploiters, etc. Only thanks to this hierarchy do the super-exploiters keep in subjection the majority of the nation. In order that the nation should indeed be able to reconstruct itself around a new class core, it must be reconstructed ideologically and this can be achieved only if the proletariat does not dissolve itself into the "people" into the "nation", but on the contrary develops a program of its proletarian revolution and compels the petty bourgeoisie to choose between two régimes. The slogan of the people's revolution lulls the petty bourgeoisie as well as the broad masses of the workers, reconciles them to the bourgeois-hierarchical structure of the "people", and retards their liberation. But under present conditions in Germany, the slogan of a "people's revolution" wipes away the ideological demarcation between Marxian and Fascism, reconciles part of the workers and the petty bourgeoisie to the ideology of Fascism, allowing them to think that they are not compelled to make a choice, because in both camps it is all a matter of a people's revolution. These wretched revolutionists, in a conflict with any serious enemy, think first of all of how to imitate him, how to repaint themselves in his colors and how to win the masses by means of a smart trick and not by revolutionary struggle. A truly shameful posing of the question! If the weak Spanish Communists were to make this formula their own, they would arrive at the policy of the Spanish Kuo Min Tang.

Economic Crisis -- What Next?

(Continued from last issue)

The "economic age" of an industry, in terms of the foregoing, will increase with time, and in general the older industries will show the clearest signs of "economic old age", although a new industry which has been developed rapidly may age fast. Aviation may be considered to be in the first stage; electric refrigeration, whose sales increased over 10 percent in 1930 over 1929 in the face of depression, in the second; radio set manufacture has quickly reached the third stage; and such old industries as textiles or coal, which have a sort of private permanent depression of their own are in the last stage of capitalist decay.

The change from one stage to another is clearly illustrated by the automobile industry. In 1908, the industry was still young, from an economic standpoint and registrations at the end of that depression year were 38 percent higher than at the beginning, and in 1921 there was an increase in registration of 13 percent. In 1930, however, registrations increased less than 1 percent, in other words, only a few more cars were made than were scrapped last year.

Applying the foregoing to the situation even in the so-called "prosperous" times ending in 1929, we find a number of industries which were sharply depressed and were unable to make satisfactory profits: textiles, coal, sugar, lumber, meat packing, agriculture in general, fertilizers, furniture manufacture, paper rubber, shipping, and leather. To these may be added a group of industries which is able to make a profit in good times, but whose profits rapidly shrink in depression times: automobiles, clothing, building materials, iron and steel, machinery, mining, railways, etc. The relatively "young" industries, which are still capable of expanding or at least holding their own in depression times, are few: moving pictures, prepared foods, certain chemicals, chain stores, office supplies, publishing, cigarettes, electricity, gas, telephones, and electrical equipment are the most important. To compare the number and importance of these relatively "heal-

Note: This is the first of a series of articles intended to interpret the daily economic life of the United States in accordance with the real course of its development and from a Marxian point of view. The present article deals with the general features of the crisis that began in 1929, seeks to isolate its causes, and discuss the prospects for the future and effects for the labor movement. Future articles will deal with specific industries—coal, copper, steel, automobiles, textiles, railroads and banking—from the standpoint of the economic background of the class struggle.—Ed.

By B. J. Field

thy" industries with those which have reached a more or less advanced stage of "economic old age" gives a general idea of the extent to which capitalist degeneration has already set in.

This analytical examination of the present state of capitalism in America by industries and groups therefore brings one to the same conclusion as a synthetic examination of the economic structure as a whole along the broad lines of the conflict between wages and profits, that is the economic contradictions of capitalism in America have already reached a highly acute state compared with past periods of development. The possibility is strongly suggested that the further growth of American capitalism from its own dynamic resources is not far from its end, and that its perspectives are confined to "stabilization", that is, the effort to maintain a declining profit margin against shrinking markets.

Politically, this can mean only one thing: a continuous assault on wages and living standards, offering a background for increasing radicalization of the working masses, while the increasing acuteness of the problems of capitalism paves the way for a breakdown of productive relations based on profit, and ultimately of the whole profit system of production.

Ways Out?

The only possible alternatives are either ridiculously inefficient or are themselves symptoms of the growing disintegration of capitalism.

1. Growth of population does not of itself create new "markets" which must be defined as outlets for the sale of goods at a profit. Increased population in a decaying capitalist system means

of articles intended to interpret the daily economic life of the United States in accordance with the real course of its development and from a Marxian point of view. The present article deals with the general features of the crisis that began in 1929, seeks to isolate its causes, and discuss the prospects for the future and effects for the labor movement. Future articles will deal with specific industries—coal, copper, steel, automobiles, textiles, railroads and banking—from the standpoint of the economic background of the class struggle.—Ed.

only more mouths to feed not more jobs or more markets. To say that increased population means, by itself, the possibility of sales at a profit, implies that the contradictions of capitalism have already been overcome, as expressed in ability to earn profits, and therefore the increase in population cannot be the means of solving the problems of capitalism—this would be reasoning in a circle.

2. The hopes of a basic revival of American capitalism founded on the development of its export trade are quickly dashed by an analysis of what American exports really consist of. They are of two types. 1. Raw materials and food-stuffs, such as wheat, cotton, copper, and petroleum. These are in reality a survival of the pre-war days when America's place in world economy was as a supplier of raw materials to the more highly industrialized nations of Europe. America is being displaced in these fields by still newer countries—Canada and South Africa in copper, Persia, Venezuela and Russia in oil, Argentina and Canada in wheat; the Sudan and Central Asia in cotton. 2. Highly-finished mechanical devices, luxuries appealing to a limited class in foreign countries; in this class are automobiles, typewriters, moving picture films, fountain pens, and similar "Yankee notions". Our exports trade is not built, like that of Great Britain on basic economic necessities—steel rails, ships, and the like. To develop such a trade would imply a great colonial expansion, for which America entered the race too late as a world imperialist power, after the best territories had already been divided up; or it would mean the radical displacement in the world markets of Amer-

ica's competitors. The forcible acquisition of such colonies or of other compensating markets (China, India) involves the perspective of deep revolutionary crises and the resperate alternative of war. 3. There remain two typical reformist illusions—increasing the real wages of American labor at the expense of "national savings" (in reality profits), and the peaceful, voluntary coordination of industry and labor to minimize or eliminate the "promotive" in favor of a planned system of national economy. We shall not suit the patient comrades who have followed us this far by an elaborate exposure of the futility of such expectations.

Political Perspectives

We come back, therefore, to the probability of a prolonged period of wage-cutting as the last expedient to maintain a dwindling profit margin. This must result in acute wage struggles; and as the workers come to realize the hopelessness of the situation these wage struggles will be transformed into political struggles. The great drawback to the development of political class consciousness in America hitherto has been the possibility for the worker to solve his problems individually, by escaping into the growing and prosperous bourgeoisie, instead of on a basis of class solidarity.

A proof of the close connection between "economic old age" and increasing acuteness of wage struggles which gradually assume a political tinge, is found in the history of the labor movement in two of the oldest and least profitable American industries, coal and textiles.

If the above analysis is correct, these opportunities will diminish rapidly, and the working class will be impelled increasingly revolutionary activities with a minimum of wasted time as struggle in the "socialist" reformist liberal, or other blind alleys. The era that began in 1929 may go down in history as the last of the crises on a century-old upswing of American capitalism, and as the door leading to a new era of struggle for the American proletariat.