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Where is the Development of the International Trade Union Movement Heading?

Plenum of the Central Council of the R. I. L. U.

By A. Lozovsky.

It is more than two years since the III. Congress of the Red International of Labour Unions, and we can now look around us and take stock of all that has happened. During that time Europe has gone on "stabilising", happy humanity has had it dinned into its ears, not only by the leading lights of the bourgeoisie, but by the leaders of the second and Amsterdam Internationals as well. Yet it is odd that the more Europe has "stabilised" the more disquieting and uncertain the situation has become, until to-day, at the beginning of 1926, we are faced with a most profound crisis that is shaking all Europe. Britain, France, Germany, Poland, the Scandinavian and Balkan countries — all are in one form or another in the toils of this crisis.

During the time that there was so much noise about the "stabilisation and pacification" of Europe, pressure was being brought to bear on the working class and its most elementary demands and has been successful to a certain extent, thanks to the economic crisis that is sticking like a shadow to the present "stabilised" Europe.

Perhaps the most characteristic feature seen against the background of the continuous crisis, growing unemployment, the abolition of the eight-hour working day, wage cuts, and the worsening of working conditions is the behaviour of the leaders of the Second and Amsterdam Internationals and their national organisations. Not a single Social Democratic party, not a single true Amsterdam organisation has made any effort to get to the bottom of the crisis, to its causes, and draw the political conclusions therefrom.

Not one of the leaders of social democracy has tried to generalise these separate facts and give his diagnosis of what

ails "stabilised" European capitalism. International social democracy has long since lost all ability for scientific analysis of current events. The reformists have long been living from hand to mouth trying to give answers to individual questions without being able to lay down any new line on the basis of the new conditions. Run through the files of the social democratic and Amsterdam press and you will seek in vain for an answer as to what is to be done to-day — not a single new thought, not a single new idea.

The same old musty talk of Democracy, of peace in industry, the wisdom of popular government, expectations from the League of Nations and the International Labour Office, appeals to the good faith of the bourgeoisie, and an ardent ambition to arrive somehow or other at the dignity of a ministerial portfolio — that is all you are likely to glean from the multitude of reformist journals and papers. The spirit of wretched penury, intellectual poverty and theoretical degeneration makes itself felt in the whole of the reformist press, in all the activities of the reformists. Even in Italy, for instance, where the unbridled Fascist regime is throwing the whole of its weight against the reformist organisations, reformist thought has been unable to conceive of anything better than becoming the legal opposition and of adjustment to the existing regime. Reformism has stopped at and stabilised itself on the war level. It continues to dream of Holy Alliances and coalitions showing no great wish to notice that the bourgeoisie has sucked out of reformism all it needed and now, instead of being grateful, is giving it the right about, with a kick into the bargain. An intensification of the political and economic crisis, a weakening of the stabilising factors with a lot of shouting about Europe's pacifica-

tion and stabilisation, and reformism adapting itself to the growing reaction — such are the outstanding features of the present phase.

But though fettered by the bourgeois state in many countries and by the social democratic organisation, the working class cannot remain in the old positions and stabilise itself on the theory and practice of reformism. Whereas the social democrats intentionally seek no new paths, or seek them where they will least find them, the minds of the masses are groping towards some way out. The oppression and pressure are far too great not to call forth a corresponding reaction in the masses. The old method has been tried and found wanting: reformism has shown all it may ever have been capable of. All past and present social democratic governments have proved to be nothing but the tools of the bourgeoisie defending it even to the extent of organising strike-breakers against workers out on strike belonging to their parties. Mention need only be made of what happened in Germany during the few years the social democrats were in power, the services rendered to the Motherland by the MacDonald's Government, and what is at present being done in Sweden and Denmark where the worthy Social Democrats are protecting fascist bodies to the great harm of even the reformist trade unions.

All that could not pass unnoticed by the masses, amongst which — and among the masses following the Social Democrats as well — we now mark deep-seated discontent, uncertainty, ideological ferment and the ever present search for a way out of the mess they are in. Opposition currents have come into being in the reformist unions; in many countries a left wing has taken shape — that Left Wing that stands between the R. I. L. U. and the I. F. T. U. and which, with all its lack of ideological clarity and unformed character, represents a real threat to orthodox reformism. Here it is enough to point to the leftward move of large bodies of the British Trade Union movement, to the shaping out of a left wing in Sweden, Belgium and in Czechoslovakia, to the growth of a Social Democratic Left and corresponding left-wing aspirations in the trade unions in Germany, and soon to realise that the roots of this movement lie in the continuing instability of capitalism and the stabilisation and ossification of reformism.

The outstanding feature of the international labour movement at present is the birth of left tendencies inside the reformist organisations and the formation of an opposition in the Second and Amsterdam Internationals, which means, of course, the weakening of international reformism.

The most prominent manifestation of the new aspiration that has taken shape during the past year can be considered as the formation of the Anglo-Russian Committee, a product of the new orientation of a very considerable and influential part of the Amsterdam International. For a good while the reformists diverted themselves with saying that the Anglo-Russian Committee was not an organisation, but a political slogan, an idea. Their hopes, however, could not but be dashed when the agreement between the Soviet and British unions was ratified after Scarborough.

Granted even that the Anglo-Russian Committee is not an organisation; but as a political idea does it not represent something new in the European labour movement? If the representatives of the British trade unions were in Soviet Russia as long ago as in 1920, why did not such a committee come into being then? Because at that time Soviet Russia was utterly exhausted, the Russian working class was in an exceptionally bad position and the Revolution could not then exercise such an attractive influence on the British labour movement as in 1924. Now, it is these two capital moments — the steady worsening of the British working class's position and the considerable improvement in the position of the working class in the U. S. S. R. — that form the ground on which the Anglo-Russian rapprochement has developed.

Here it may be asked: why an Anglo-Soviet and not a German-Soviet rapprochement? Is it possible that the working class is better off in Germany than in Britain? Why has there been a change of heart in England in favour of Soviet Russia while in Germany the change is towards the American Federation of Labour? Surely like causes should have like effects? The broad mass of the German proletariat undoubtedly looks to the U. S. S. R. We see that in the rank and file of the German social democracy and reformist unions: and if this friendliness

has not manifested itself in the same forms as in the case of the Anglo-Soviet rapprochement this must be put down to the exceptional hostility of the social democrats to communism. It must be borne in mind that the move to the left of the working masses is bitterly opposed not only by social democratic ideology but also by the social democratic and trade union machinery. In those countries, such as Germany, Austria, Czechoslovakia and elsewhere, where the party differentiation has profoundly affected the masses this change inclining towards Russia is not so noticeable in the masses, is progressing at a considerably slower rate and is given organisational expression to with difficulty owing to the organisational opposition of the social democrats.

Where party differentiation has not cut into the broad masses (Britain) the left wing takes shape with greater ease. It is for this very reason that this change has been so marked in Britain, even at the top of the trade union ladder. In Britain the dead hand of social democratic traditions wields least influence while the insular type of British reformism has not such a perfect bureaucratic machinery constituting an appendage of the bourgeois state inside the working class.

The year just passed was further remarkable for an exceptionally rapid growth in the T. U. movement in the Near, Middle and Far East and in the colonies, the most outstanding feature being the stupendous extension of the labour unions in China and the part they took in the national struggle for emancipation. There are over 1,000,000 organised workers at the present time in China, according to the latest data published at the Kuomintang Congress held at the beginning of January of this year. Need it be said that this organised force is playing an exclusively important role in the struggle of the toiling masses of China against foreign Imperialism? Need it be further said that the affiliation of the Chinese labour unions to the R. I. L. U. in May 1925 is an act of tremendous historical importance?

Storm-swept China, however, is not alone in having a rapidly developing T. U. movement: in Japan, too, the work of organisation is forging ahead despite disruption, and the T. U. movement is growing apace and drawing the broad masses into the organised struggle. Furthermore note must be taken of the extremely difficult struggle of the working class in Indonesia in defence of their organisations against Dutch Imperialism. We see the same thing taking place in India, Egypt, and other colonial countries. All this goes to show that the past year saw a further development of the T. U. movement in fresh countries and the gradual induction of the matured workers' organisations into world politics and the world labour movement.

It has always been an accepted tradition of the European labour movement that the centre of the world was in Europe, that any federated body of the trade unions or socialist parties of Europe was enough to entitle it to be called an International of the International, even though the workers of the other continents had no relationships whatever with it. As is common knowledge, the traditions of the Communist International and the Red International of Labour Unions are entirely different. From its very inception the R. I. L. U. went beyond the confines of Europe, practically giving first place to the question of the T. U. movement of the East and colonies. The tremendous revolutionary significance possessed by the trade unions of the East was particularly emphasised by the events of last year. The Shanghai and Hongkong strikes were a model of revolutionary struggle, and the European workers may learn from the backward Chinese toilers how to fight their class enemies.

Two projects of symptomatic importance were framed on the basis of this extension of the T. U. movement into new lands: 1) the Pacific conference of working class organisations called on the initiative of the Australian Trade Unions; 2) the Pan-Asiatic congress of labour unions convened on the initiative of the Indian and Japanese unions. Both are as yet projected only, but it may be noted that while the first aims at linking up working class organisations only, certain prominent leaders of the reformist T. U. movement of Japan are dreaming of a Pan-Asiatic conference attended by representatives of workers, employers and governments on the type of the General Labour Office of the League of Nations.

But, apart from the dissimilar nature of both conferences they show that outside Europe there are plenty working class organisations which have had the problem of the international

movement thrust on their notice and which are now beginning to look in their own way for some solutions to this problem. With all their essential differences, both conferences are symptomatic as denoting that the trade unions of fresh countries are about to enter the arena of the international T. U. movement with their own demands, their own requirements, and their own views. Another very illuminating circumstance pointing to the awakening of the workers of these new countries is the America Seamen's Conference to be held in Montevideo on the 15th of March of this year. It was to have met in Havana, the wild persecutions of the Cuban workers by American imperialism put it out of the question.

Up to a twelvemonth ago the East simply did not exist to the Amsterdam International, but since the Chinese labour has joined the R. I. L. U. and the Chinese workers have shown that they represent a force to be reckoned with, Amsterdam has roused itself and begun to play up to the Indian trade unions, many of whose leaders are, as is well known, promising reformists. Of course, the Amsterdam International had wished whatever to do with the Chinese labour unions that it appealed for help to the European workers. What could Amsterdam have to do with any struggle against Imperialism? Mere mention of struggle is enough to upset the digestion of the Amsterdam leaders and break in on their peaceful wishful wellbeing that abhors disorder, disquiet and disregard of existing laws, especially when the people who violate them are "wild, uncultivated" workers. How be it, we are confronted with a development of the labour movement in the non-European countries and an urge towards international federation which is the R. I. L. U. with the many tasks we now propose to do with.

The period under review is likewise in the highest degree interesting in that both the bourgeoisie and the reformists, and particularly, have persecuted the workers. It is common knowledge that the alliance between the social democrats and most reactionary imaginable bourgeoisie is a perfectly open one. There is a complete division of labour: the police follow and arrest the leaders of the revolutionary unions while the reformists seize the trades halls and anything belonging to political opponents they can lay hands on. The last arrests in Yugoslavia aimed at preventing the meeting of the Congress of Independent Trade Unions to have been held on January 25th, were ideologically prepared beforehand by the social democracy of the reformist T. U. federation. The same thing in Roumania, Greece. Mention need hardly be made of Bulgaria — the work of the social democrats in the Tsankoff brutalities is well known as it is.

But this Balkan type of Holy Alliance of Amsterdamers and the police and secret service agents has a tendency to be repeated in other countries as well. Such an attempt is being made in Finland where the social democrats are using the words of the provocateur against the T. U. leaders to prepare the way for splitting the T. U. centre, to get the leadership of the workers into their hands later on. That is how the democrats act wherever they are weaker than the communists and the revolutionary workers. But where they have the T. U. leadership they act in a simpler action. In that case, as in Italy for instance, the alliance of the police and reformists carries out the very same tasks in a different way. The reformists dissolve the unions and the police arrest the leaders. For some reason or other this is called, not Balkanising, but democratising the unions.

There is thus not the slightest doubt that certain of the social democratic and reformist T. U. leaders have approached closer to the ruling classes and the bourgeois state, and in the name of retaining their places in their seats of power, have formed a bloc with the police and the secret service to smash the revolutionary wing of the labour movement. And after having done this, they will enter new victories on the credit side of their accounts, forgetting, however, to add the price at which these most dubious victories will have been bought.

In the course struck by certain of the T. U. bureaucracy to bring them into closer touch with the police to throttle the revolutionary T. U. movement is only part of the strategic

plan aiming to keep the T. U. leadership — whether the workers want it or not — in the hands of the social democrats. The same object is being aimed at by the new orientation in relation to the American T. U. movement to mobilise its forces not only against the Soviet trade unions, but particularly against the growing opposition inside the reformist trade unions. To the same extent that dissatisfaction grows inside the reformist unions and the opposition takes root, are closer ties welded between the leading lights of the movement and the bourgeois state and its organs on the one hand, and help sought from the A. F. of L., on the other. Of all the labour organisations on the face of the earth the A. F. of L. is the most moderate. Its bigwigs are mostly out and out reactionaries who openly fraternise with fascists, are bitter enemies of Socialism; they regard Soviet Russia with horror and are always beseeching the Government of "these States" never to recognise Soviet Russia. Hitherto always taking up a negative attitude to the limited trade unionism of America, the European social democrats have at last discovered some kindred trait in the U. S. A. movement and are now prepared to go and learn of the A. F. of L. leaders.

This is giving rise to a most interesting and peculiar state of affairs in many European countries, namely, that in the same measure that the masses are most evidently turning towards the U. S. S. R., as is to be seen from the number of workers' delegations pouring into Russia, the leaders are looking to America.

There is a cleavage inside every reformist organisation owing to the opposite directions in which the working masses and the Amsterdam bureaucracy are moving. This change in favour of America and these attempts to drag Uncle Sam into European affairs to oppose the leftward drifting labour movement of Europe, in the first place of Britain, is a characteristic feature of the past year.

Another symptom of the growing disquiet and uncertainty prevalent among the masses is to be seen in the growth of left tendencies in numerous social-democratic parties and the ideas broached by the British Independent Labour Party of uniting the Second and Third Internationals. It is only a demagogic slogan for some of the leaders. Of that there is not the slightest doubt. But the fact that the I. L. P. leaders are being forced to have recourse to such demagoguery is enough to show the serious change that has come about in the masses. For the Third International has always been a bogey for every sort of humanitarian British socialist. If these moderates are now dishing up a plan like this (while refusing to fight together with the British Communist Party for the working class's most elementary gains) it least of all points to a stabilisation of capitalism. Were we even in possession of no other data evidencing the instability of the so-called stabilisation, the mere birth and growth of the left spirit within the social democracy would be sufficient to draw the conclusion that things are far from well with capitalism.

How restless the masses are may be seen from the circumstance of the German Social Democratic Party and the General Trade Union Federation having agreed to form a united front with the Communist Party on the question of confiscating the property of the royal houses. Neither the Social Democratic Party nor the G. T. U. F. had the faintest idea say a couple of weeks before of supporting this Communist Party slogan and had openly opposed the Communists on this question. The slogan met, however, with such a warm response from the masses that both the S. D. P. and the G. T. U. F. were forced into taking up the matter with the Communist Party and jointly advocating the demand made in the slogan that for long did not please either the social democrats or the T. U. bureaucrats. And what about the Left, almost revolutionary, speeches of many prominent leaders of the French and Austrian social democracy? It is not so long ago since there was complete politico-ideological unanimity in the ranks of the social democracy, and suddenly we have these speeches, in themselves valuable symptoms, destroying the previous harmony.

What to these facts show? That there is a sullen ferment working in the masses which is reflected on top among the social democrat leaders, some of whom, for fear of losing influence among the masses, have begun to sing a different tune and are calling for the formation of the very united front that was laughed to scorn for years in the columns of the social

democratic press. But, besides these people anxious to make a little political capital out of a new phrase, we have social democrat militants fired by a sincere desire to find a way out of the blind alley up which they are being marched. Actually, there has always been such a desire, but not still now has it acquired that general mass impetus, that in turn marks a new stage in the development of the world labour movement, firstly; and bears witness, secondly, to anything but a happy state of affairs in social democracy.

* * *

Careful examination of the domestic life of the I. F. T. U. and the R. I. L. U. during the period reviewed reveals the development of two different processes: in the Amsterdam International an intensification of the ideological struggle, growing differences of views ill-veiled by polite phraseology, and a steady marking time. Inside the R. I. L. U. increased ideological solidarity and an extension of its sphere of influence in the East, above all to China. Now, the fight going on inside Amsterdam is forcing both sides to seek allies, one side looking to the Right, to America, for its allies, the other side to the Left, to Soviet Russia. While the idea of unity is being caught up by ever greater and greater numbers of the workers and being steadily opposed by Amsterdam, it is being lent all possible support by the R. I. L. U. In the minds of the broad masses the true advocates of unity are the Communist International and the R. I. L. U.; that can be neither disputed nor disproved, it is a title won and recorded. With all the fluctuation of the revolutionary minorities — which was particularly evident in Germany — the R. I. L. U.'s influence in the world labour movement is slowly but surely growing, while the authority and influence of the Amsterdam International is slowly declining. For that body the fateful question has been and is the question of unity: it is the rock on which the whole of international reformism is bound to go smash. Amsterdam's authority has only increased among the bourgeoisie who are wholly and fully with Amsterdam against Moscow.

But it must not by any means be taken for granted that closer contact between the bourgeoisie and the Amsterdam Right Wing and further concrescence of the reformist leaders with the bourgeois state (the Reformist Confederation of Labour and the Left Bloc in France, etc.) in any way signify that the ruling classes are going to fulfill the moderate reformist hopes and expectations. Exactly the reverse; the nearer reformism approaches the ruling classes and the better its intentions become, the more suspicious and cautious becomes the attitude of the bourgeoisie to it. It is enough to consider the mutual relations of Fascism and reformism in Italy to realise that in some countries the reformists have already played their part and that the Reaction can get on without them.

Consider again the many years' talk in the International Labour Office about special legislation in general and the eight-hour working day in particular with not a single thing actually being done. This inactivity of the Amsterdam International and the bodies set up with its help is making for discontent among the most peacefully inclined workers and leading to their marking energetic protest. The International Labour Office is a white sepulchre like other "achievements" of reformism (Dawes Plan, Locarno, and so on), and will finally lead to the discrediting of the Amsterdam International.

Unlike the I. F. T. U. the R. I. L. U. has always called down on itself the hatred of the bourgeoisie, a hatred that is growing steadily. It is not for nothing that the bourgeois press is horrified with the very idea of an International Unity Congress and beseeches Amsterdam not to fall into this Muscovite trap, for the bourgeoisie are afraid of two things: 1) unification of the whole world T. U. movement into a single Trade Union International; 2) that somehow or other demagoguery (read "communism") might get the upper hand in such an International. The Amsterdam leaders fear the same thing, but such fear is the last thing to show that they have confidence in their own forces. Fight the Amsterdamers never so hard, though, against this international unity congress or however many a left winger may wobble on this issue, our slogan is making headway in the masses and winning more and more adherents which means that Amsterdam is meeting with defeat on this policy.

* * *

Where, then, is the international T. U. movement heading? The working masses are clearly moving left. Of that there

can not be the slightest doubt. But while the broad masses are driving to the left, some of the more witless leaders are sticking to the old formulas, giving preference to coalition with the bourgeoisie over any coalition with the communists, and prepared to smash any organisation at all to prevent the united front being formed and unity brought about. This leftward drive of the masses is not, however, the result of objective conditions only, but is also a result of the work of the Communist International and the R. I. L. U. The unity idea is gaining ground. It has struck root, and the more extensive the crisis becomes and the more the economic position of the toilers deteriorates, the greater the sympathy shown with the slogan of the united front and unity. No matter how splendidly organised the social democracy may be in some countries (in Austria, and Germany) or what measures they may take against this militant slogan, it is forging ahead, transcending boundaries and smashing all barriers and is so enthusing the masses that, as happened in Germany, the most out-and-out opponents of the united front are being forced to buckle and work shoulder to shoulder with the hated communists though only for the time being.

Simultaneously with the spread of the unity idea extensive and intensively among the broadest masses, there is a turn to the left taking place seen most clearly in the new orientation towards the U. S. S. R. reflecting, on the one hand, the cry for unity, and on the other, the political and economic victory of the Russian proletariat. Soviet Russia's economic growth is reacting on the international labour movement as seen in the growing sympathy for the U. S. S. R. and, particularly important, for revolutionary methods of struggle as well.

The change in favour of Soviet Russia likewise means the beginning of a change of tactics in every country. This means that the mass of the workers have lost confidence in the methods and although the left social democratic workers have not yet drawn the full political conclusions from their sympathy to Soviet Russia, these conclusions will come of themselves.

Along with this change of the masses looking to Soviet Russia there is a change occurring among certain of the leading circles towards America. Now, the whole question is one of which of these two forces will prove to have more attractive power of the working class — America or Soviet Russia. The greater number of the leaders of international reformism in America, with its full-blooded capitalism, is the promised land for the working masses for whom America is synonymous with new ways and means of scientific management and exploitation. They have nothing to seek overseas, they look to the U. S. S. R. and by that they are turning their backs on the Second Amsterdam Internationals and their policy. To a broad and leftward move — that is where the development of the international trade union movement is heading.

POLITICS

Cross Currents in the British Labour Party

By R. Palme Dutt.

During the last few weeks a number of events have taken place in the life of the Labour Party, which bring out in increasing sharpness the conflicting tendencies within it. On the one hand the Right Wing has moved more openly towards a Liberal-Labour alliance or even fusion, and the issue has become one of general discussion within the party. On the other hand the conflict of working class interests with the policy of the parliamentary leaders has been sharply brought out by the Weir Houses question, in which the parliamentary group, in severe internal division, definitely threw over the policy of the Trades Union Congress, and the Right Wing leaders applied discipline to the Left Wing to compel them to accept this. This has aroused strong criticism, even the Independent Labour Party officially censuring the action of the parliamentary group. For the Labour Party Executive has at last begun the policy of division, not only against individual Communists, but against the labour parties. At the same time the Left Wing movement is rapidly gaining strength in the local labour parties, and a national conference will shortly be held.

The Move to a Liberal-Labour Alliance.

Certain prominent leaders of the Right Wing, notably Snowden, the former Chancellor of the Exchequer, and Spoor, former Chief Whip in the Labour Government, have now made public declarations in favour of a Liberal-Labour alliance fusion. These declarations from responsible spokesmen have received no repudiation or censure from the remainder of the leadership of the party.

Snowden's statement made at a meeting in his constituency Blackburn on January 28, was as follows:

"It would not be at all difficult for the Labour Party to work with the handful of Liberals in the present Liberal Party in Parliament. This was a probability which every Socialist Party on the Continent in Europe had to face. They had to face it too by coming to some temporary understanding with another party in Parliament, and continue to govern on an agreed programme for the time being. He wanted the Labour Govt formed once more under these circumstances. If there were an alliance and agreement and an understanding and co-operation in Parliament upon agreed measures, then it might be possible to get something very substantial. They might get a very large measure of land reform, they might deal with coal and the Tory problem, with unemployment, education and housing."

Spoor's statement was made in a capitalist Sunday paper, *Referee* (a journal of direct Fascist propaganda). In this article, written in response to overtures in the same journal in the Liberal, Kenworthy, he said that the Labour Party

"stands theoretically for Socialism. In reality it is working for democracy and real human freedom... Surely the day has come when we should be practical and face realities. A divided Opposition means indefinite continuance of the Tories in power, whereas a commonsense appreciation of the real issue would lead to something like fusion."

These statements, which are an explicit repudiation of Socialism and advocacy of unity with Liberalism, only differ in the more official language of the other leaders of the Labour Party in that they anticipate events with a perhaps not accidental discretion. They have not only not been repudiated or corrected by the official leadership; but the language of these, though phrased more diplomatically, in practice amounts to the same thing. Thus Henderson, the Party Secretary, has stated:

"True, no one could foresee the position of the three parties as the result of the next appeal to the people, but he could assure them that it would not be for want of hard work on the part of the entire Labour Movement if Labour failed to secure a majority; but whatever happened, the Labour Party would not purchase Liberal support by a betrayal of its principles, the lowering of its ideals or the mutilation of its programme."

Here, beneath the solemn asseveration of "no betrayal of principles" lies plainly visible exactly the same calculation as of Snowden and Spoor.

These suggestions of Coalition have aroused indignant protest throughout the Labour Party, which has been bred up on the dogma of "independence". The Independent Labour Party has passed an official resolution condemning the moves to Liberal-Labour Coalition and proclaiming that Socialism "can only be achieved by independent working class political and industrial action". The whole present policy of the Labour Party inevitably leads to the Liberal-Labour Alliance. The abstract dogma of "independence" is meaningless and powerless against it, unless translated into the practice of the independent working class struggle. In the present stress of events the Centrists' tact formula of neutral "independence" is impotent: either the Labour Party must throw itself into the revolutionary class struggle, or it will inevitably travel along the path of Snowden's Liberal alliance.

The Weir Houses Crisis.

This issue of the relation of the Labour Party to the actual working class struggle has been brought out in a striking form by the division over the Weir Houses question.

The Weir Houses question involves a central issue of the present trade union struggle and the capitalist attack on trade unionism; and this is what gives the question its importance. Lord Weir, the steel magnate of the Clyde and one of the principal leaders of British Capitalism, had advocated the intro-

duction of a form of cheap "steel houses" (i. e. on a framework of steel) for the workers. This change in technique was no monopoly of Lord Weir; but Lord Weir endeavoured to utilise this change in technique to carry through a direct attack on the workers' standards and organisation, first by refusing to pay building rates on the work (declaring it to be "engineering" work, since the rates of engineers are at present lower), and second, refusing to negotiate with the Trade Unions. The Trade Unions, accordingly, placed a boycott on all Weir Houses until he should come to terms; and the Scarborough Trades Union Congress passed a resolution definitely "calling upon all working class representatives on all public bodies to do their utmost to frustrate the adoption of Weir House Schemes until Lord Weir's firm agrees to observe the same rates and conditions as every other employer in the building industry".

Here was a direct call from the Trade Unions to the Labour Party. The Labour Party was, however, concerned with other things, as the event showed.

The Trades Union Congress having thus taken up the direct fight against Lord Weir, the Baldwin Government now stepped into the open as the sponsor of Lord Weir. The Government proposed a direct State contract with Lord Weir for the supply of his houses in Scotland (it was accident that the "public-spirited" proposal of Lord Weir to solve the housing problem should co-incide with a means of securing a contract for his idle steel works). The actual number of houses proposed was small at the outset — one thousand in all, a bagatelle compared to the officially stated immediate need of houses in Scotland — one hundred and fifty thousand. This should have been alone sufficient indication that the Government was more concerned to carry through successfully the Weir attack by its proposal than to supply houses. Nevertheless the Parliamentary Labour Party fell into the trap. They feared to appear as failing to co-operate with Baldwin in his housing scheme, and taking a stand on a "trade union" issue against the interests of the "community". The Right Wing leaders decided to accept the proposal and not challenge a vote. They thus abandoned the Trades Union Congress.

The Left Wing was up in full protest. The Scottish Labour M. Ps. met and put in on their own authority an unofficial amendment rejecting the Weir scheme. They called for support for this from the full Party, failing which they threatened to vote independently.

But the Right Wing leaders were determined to fight and establish their authority. A meeting of the parliamentary group called, at which, after a protracted dispute, a resolution was passed insisting as a point of discipline that no vote should be given for the opposition amendment.

This discipline was, so successful that the Left Wing did not dare to vote for their own amendment. When the amendment was put, only two supporters were found: a young Glasgow Labour M. P., Buchanau (who was present in a fraternal capacity at the last Communist Congress) and the Communist, Saklatvala. In consequence no vote could be taken.

But this "discipline" of the Right Wing leaders was an extreme measure which revealed their weakness; for it was a discipline against the working class, and against the registered decisions of the organised working class. The resolution of the Trades Union Congress was explicit. Immediately after the debate the Independent Labour Party passed a resolution condemning the failure of the parliamentary labour representatives (two thirds of whom are members of the Independent Labour Party). From the beginning of the issue the Communist Party had been at unity with the trade union fight, and stressed the importance of the Weir issue as only one aspect of the general capitalist attack. Thus on one side were ranged the Trades Union Congress, the Independent Labour Party, the Communist Party — the entire working class movement. On the other side were ranged the Parliamentary Right Wing leaders — alone, against the united working class front, and themselves in alliance with Baldwin.

The principal lesson of this episode is that the Left Wing needs to learn to have the courage to fight for the working class, even against all the threats and "discipline" of MacDonald and his friends. This kind of "discipline" against the working class and the decisions of the working class movement has no validity, and must be disregarded. The Left Wing can be confident that only such a fight can maintain the real unity and discipline of the working class ranks, whereas the coalition tactics of MacDonald and his friends can only lead, if left unchallenged, to disintegration.

The Move to the Left.

The move to the Left that is taking place in the ranks of the Labour Party is reflected in the new orientation of the Independent Labour Party, which is once again (as in 1919-1920) visibly endeavouring to adapt itself to the leftward wave. District Conferences have given some indication of rank and file feeling. The Scottish Division has declared, against official policy, for nationalisation without compensation by 117 votes to 44. The Welsh Division has declared for Communist affiliation to the Labour Party. The Midlands Division has declared against the inclusion of any non-Labour member in a Labour Government.

Officially, the I.L.P. Executive has taken several steps towards opposition to the Right Wing leadership. The I.L.P. has announced its intention to pursue an "independent" policy in the Second International (at Marseilles their representatives were in conflict with MacDonald), "The New Leader", the I.L.P. organ, has welcomed the "Sunday Worker's" proposal for a Left Wing Conference, and has expressed agreement with the Left Wing programme put forward by the "Sunday Worker". On the other hand, it is worth noting alongside this that the I.L.P. has consistently refused the Communist Party's proposals for a united front, even on such a simple common issue as the Release the Prisoners campaign which both parties are conducting.

More important for the future is the growth of a Left Wing in the mass of the Labour Party, on the basis of the local labour parties. This movement, based on a direct and clear working class programme, is building itself up from below, on the basis first of the districts. At a recent London Left Wing Conference no less than 53 local labour parties were officially represented. This Conference elected a Provisional Committee which, in response to requests from other parts of the country, is taking on itself the task of calling a National Left Wing Conference.

That the Labour Party Executive is aware of the danger of this growing movement in the local labour parties is shown by the fact that they have, at last, begun the policy of expelling local labour parties. They have expelled three important local labour parties in London, on the grounds of refusal to carry out the orders for the exclusion of communists, on the grounds, that is, of maintaining the united working class front. But if this expulsion is to be applied, it will have to be applied, not to three, but to nearly one hundred local labour parties. The Labour Party Executive have skilfully begun with three in order not to raise an immediate storm, and in the hope of intimidating the remainder.

An extremely grave issue is thus raised: for from the constitution of the Labour Party, which is based on the Trade Unions, it follows at once that any attack on the solidarity of the masses in the Labour Party becomes at the same time an attack on trade union solidarity. If, therefore, the Labour Party succeeds in its present offensive, the process of splitting the movement from top to bottom by the Right Wing will have begun in England, as on the Continent. This is a danger which demands the most active steps to prevent.

From all these indications it is clear that a critical point is rapidly approaching in the Labour Party. The Right Wing leadership is active and unscrupulous, and has shown itself ready to use every weapon of discipline and disruption to maintain its position. The need for a strong and united stand by the Left Wing forces is therefore increasingly urgent, and should become increasingly clear to all. On the possibility of this the future of the Labour Party, and also the immediate line of the working class struggle in England, depends.

The Stabilisation Crisis in Czechoslovakia.

By Karl Kreibich (Prague).

In hardly any other of the States which have been affected by a heavy economic crisis as a result of the World War, has the bourgeoisie made so enormous efforts for overcoming the crisis and for arriving at a stabilisation of conditions, as in Czechoslovakia. Although the aim, as it has turned out just in the last weeks, is still far from being reached, the Czech bourgeoisie has achieved undeniable successes in its stabilisation campaign, in spite of tremendous political difficulties, Czechoslovakia being a young State inhabited by strong national minorities. But each of these successes or even each of the measures on which these successes are founded, contained the germ of new crises. These new difficulties have in recent

months condensed themselves to a downright crisis dominating actual economics and policy.

This crisis becomes aggravated by a profound disillusion. In order to bring about the huge exertion of energy necessary for the carrying out of the policy of stabilisation, the Czech bourgeoisie had also to make use of illusions, had to show the masses, without the — at least passive — assistance of which the whole campaign would have been impossible, how success would be. But today it has become evident that the crisis is still far off and that still far greater sacrifices than hitherto must be made.

The policy of stabilisation of the Czech bourgeoisie had been led by the quite correct principle of concentrating all strength and energy on one single point and of not shattering force. That point was financial policy, i. e. state finance and the currency. Here the leader of the Czech bourgeoisie in the sphere of financial policy of that time, the late Minister of Finance, Rašín, has acquired great merits for the benefit of the bourgeoisie. His first action, three months after the founding of the State, was the creation of the own Czechoslovakian currency by means of stamping the old Austrian notes, which from the point of view of the bourgeoisie conception was an indispensable necessity, Rašín's second action was the stabilisation of the currency by means of deflating at a rate of exchange, which was three times higher than the rate of the Czech crown before the deflation.

The deflation policy Rašín had carried out as the exponent of Financial Capital and as the trustee of the greatest bank concern; it has yielded enormous profits to financial capital and has made it the ruler of our whole economic life. Expenses for this had to be paid by industry by means of loss of great markets and with its subjection to the dominating senseless reductions of wages. But from the point of view of the chief aim, this unfavourable side of the policy of deflation was not a mistake. Rašín had coldbloodedly taken this account. He emphasised quite openly the necessity of reducing the productive forces (reduction of industry) according to the impossibility of their full exploitation, and the reduction of wages would be actually part of his programme, since it was an indispensable pre-condition for reassuming the accumulation of capital in the capitalist states impoverished by war.

The year 1925 brought about the inner crushing of stabilisation illusions. It prepared the outbreak of the crisis effected by the stabilisation measures and placed before the Government coalition the necessity of making a retreat to the firm position really reached by the stabilisation process and beginning a new stabilisation campaign therefrom. Moreover it became obvious, that the international illusions which had been connected with the Dawes Plan and the Geneva Protocol were beginning to fade away under the impression of the economic crisis in Germany, of the defeat of the Geneva Protocol scheme and the outbreak of new colonial wars. The Government coalition became anxious, it rapidly dissolved Parliament and elections, in order to save thereby, under the fresh impression of the Locarno swindle and of the swindle of the "active budget" that which was still to be saved for the Coalition. The result of the elections showed that they had succeeded just in time: The coalition lost their majority which only by the help of drawing to them the Artisans' Party could be fully re-established in Parliament, and the number of Communist votes was only with the help of every kind of tricks with difficulty kept a bit under one million.

Since then the position of the bourgeoisie has become considerably worse. The overstraining of Rašín's financial policy by his successors to the exclusive advantage of financial capital and above all of the concern of the Zivnostenska Banka has brought a short improvement brought industry again to the verge of a crisis, the beginning of which has only some days ago been signalled in a speech of the General Secretary of the Czech Federation of Industrialists, Dr. Hodač. In this speech, and in other declarations, the huge extorting of industry by the banks, which renders impossible a technical perfection of the aid of vast investments, was indicated to be one of the principal reasons of the Commencing crisis. To this must be added the antagonisms between the financial capitalist coalition and the antagonisms which led to the overthrow of Rašín's successor, Minister of Finance Bečka, who had been a trustee of the Zivnostenska Banka.

The new Minister of Finance, Dr. Engliš, an old opponent of Rašín's deflation policy, a trustee of the industrialists of the banks opposed to the Zivnostenska Bank concern, has, as one of the best experts of financial affairs of national economy, of whom the Czech bourgeoisie disposes, recognised at once that the stabilisation was to a large extent an illusion. He was compelled to state that the "active budget" for 1926 was a swindle and involves a deficit of about a milliard.

One milliard deficit of the State Budget balanced with about 11 milliards (including additional expenses for state employees) has to be covered, and, moreover, the burden of taxation is to be lightened for the capitalists, above all to the industrialists, by a reform of direct taxation. For the bringing in of the necessary means, the Minister of Finance announces an increase in indirect taxation, though the relation of indirect taxation by the state to the direct is already 77.6% to 22.4%, and workers have to contribute to the income tax which amounts to 47.8% of the direct state taxes, already beginning with a yearly income of over 6000 Czech Crowns.

Czechoslovakia in regard to real wages has the fourteenth place among the capitalist states, but at the same time she has the lowest existence minimum free of income tax. For that reason there is passing through the masses of the workers a powerful movement, because the state is claiming the overdue income tax for these years in which the workers as a consequence of inflation had had a mere nominally higher income, for which they are now to pay the tax with the far more precious actual wages crowns. Still more, the Government are preparing, in connection with the intended tax reform, the introduction of a wages tax.

The Communist Party of Czechoslovakia has already commenced a great campaign against the present burden of taxation and against the future taxation schemes. This campaign is only furthered through new impertinent customs claims already put forth by the Agrarians. All Communist motions tending to increasing the amount of the existence minimum free of taxation, to annulment of the overdue taxes of workers, small peasants and small artisans, to freeing them from war supplements to the taxes and finally to the increase of taxes on high incomes, were rejected by the Socialist Government parties.

The situation is complicated by the regulation of the revenues of the state employees. The old system of swelling the power apparatus has brought about a hypertrophy and a chaos in the state administration and by this a state financial crisis. The Coalition had sought to help itself through twice reducing in a mechanical way the revenues in the period of deflation and then again through a similar mechanical restriction of the number of state employees; but the result was only such an embitterment among the state employees, that the Government had to give the solemn promise before the elections, that immediately after a thorough and final regulation of the conditions of payment and promotion would be carried out. The Government have at last introduced the bill which, however, brings a bitter disappointment to the large masses of lower employees, and has provoked a great fermentation among them.

Under the impression of the aggravating economic and financial crisis, the political crisis also becomes still more acute. In order to strengthen its position which is becoming weaker from week to week, the Czech bourgeoisie is striving ever more eagerly for a settlement with the Slovak People's Party (Hlinka's Party). But at the same time it is attempting to render to the state apparatus the character of a national power apparatus, in order to create a strong position for itself and thus to be able to risk the settlement also with the German bourgeoisie, without endangering its position of power. Thus recently there were published the Language Decrees which regulate the use of languages in public offices on the ground of absolute privilege of the "Czechoslovakian" State language. Practically, the costs of these Language Decrees will have to be borne by the workers, small farmers and petty bourgeois of the minority nations, who neither dispose of the adequate school education and language knowledge, nor are able to entrust their affairs with the public offices to lawyers and employees.

The Communist Party has at once protested sharply against the Language Decrees and has revealed their nature in Parliament and in the Press.

Inside the Government Coalition, the National Democrats under the leadership of Dr. Kramář are ever more distinctly going in the direction of Fascism; the Czech Social Democrats are getting ever more anxious about the huge sacrifices which are being imposed on the working classes, they fear to lose the rest of their adherents and view with horror the slow but constant growth of the united front movement among the working class. This makes them very nervous, they even enter into quarrels with their German comrades of the Second International. But against the Communists both the parties are united, since the united front movement gives them both the same trouble.

The coalition's position is not eased, but aggravated by the defeats in foreign policy. The failure of Dr. Beneš in the Hungarian question has been followed by a still worse one in the question of the recognition of the Soviet Union. He had already gone so far as to settle this question at last. But at this point Chamberlain and, by order of the reactionary military circles of France, the Czech Generals have interfered with his plans, and he, with his well-known deficient firmness, retreated in front of the reactionary influences. That is to say, he placed such conditions as to bring the negotiations to a standstill. This shameful failure of Dr. Beneš was exposed in Parliament by the Communists, as it deserved to be. It is of still greater disadvantage, as just in recent time the foreign trade statistics show the increasing importance of the Soviet Union for the exports from Czechoslovakia, which are even less than those to France! In view of the commencing market crisis of industry and the necessity of finding new markets, this foreign political question must become in the same way evermore an object of home political struggles.

Thus the whole economic and political situation in Czechoslovakia is filled with the fighting spirit of the Communist movement.

THE BALKANS

The Political Situation and the Municipal Elections in Roumania.

By D. Fabian (Bucharest).

On the 18th, 19th and 20th of February, municipal elections took place throughout Roumania for the first time since the war. As they immediately followed the elections for the Agricultural Chamber and preceded the general elections for the legislative bodies — which are to take place in the Spring — a special significance is attached to them; they show in what direction the spirit of the masses and the tendencies of political parties have developed since the agricultural elections and also indicate the prospects for the development of things in the largest Balkan State on the Danube.

The elections for the Agricultural Chambers in August 1925, had, in spite of all the Government Terror, led to a defeat of the oligarchic Bloc (the Liberals of Bratianu, the members of General Avarescu's People's Party and the Hungarian and Saxon Parties) and had afforded a brilliant victory to the opposition Bloc at that time (Nationalists and Peasant Party). Thus these elections have shown that, in spite of the fact that the administrative officials and the gendarmerie hold far more unlimited and all-powerful sway in the country than in the town, a so highly developed fighting spirit prevails among the masses in the country, that even elections for the Agricultural Chambers, in which peasants holding less than 3 hectares, i. e. the great mass of the Roumanian peasantry, cannot participate, no longer offers a legal pretext for prolonging the rule of the oligarchy.

Still less could the oligarchy hope that elections in the towns would legalise its rule.

Although those in power have made the attempt to decapitate the Labour movement by illegalising the C. P. of Roumania, the masses of workers have nevertheless given evidence that their resistance and their will to fight against the oligarchy are steadily growing.

On the occasion of the arrest of the Unitary Trade Union Council, the workers organised an impressive demonstration of protest and, for the first time since the collapse of the general strike in 1920, political protest strikes took place. They even succeeded in wresting the members of the Unitary Trade Union Council from the fangs of the Court Martial and in setting them free.

The radicalisation and activation of the masses however is not limited to the strata of the peasantry and of the industrial proletariat. Wider and wider circles of intellectuals and students are beginning to awake and, shaking off the illusions of anti-Semitism and Fascism and seeing through these manoeuvres intended to distract them, are taking up their position in the fighting front against the oligarchy. It was in this way that the "Independent Students' Union", a mass organisation which includes peasant, communist and social democratic students, and publishes a paper of its own, was formed.

A shift towards the Left is to be recognised unmistakably within the class of officials and of the petty bourgeoisie which has been driven into the deepest misery by the liberal oligarchy of bankers. Under this pressure from below, the National Party also has altered its pronounced reactionary tendency and has been prevented against its will from breaking off its connections with the Peasant Party with their tendency towards the Left, although their leaders strongly inclined to come to an understanding with the Crown and the oligarchy, i. e. with the Right.

Even the actual bourgeois strata, however, and some sections of the commercial and industrial world are opposed to the Government party of the Liberals, whose policy of trusts and monopolies threatens the undertakings with complete collapse if they do not voluntarily submit to the will of the Liberals in economic questions.

Finally, the ever-growing response which the illegal Communist Party finds among the masses, as it extends its ideological and organisational influence more and more over the whole politics of the country, and the fact of the existence of the Democratic Workers' and Peasants' Bloc, a "united front organisation", are evidence of the radicalisation and activation of the masses. Its object is in this way to gather together all mass organisations (economic, occupational, cultural etc.), and all workers' and peasants' parties which are backed by the masses, into one united front.

This activation of the masses of peasants, workers, intellectuals, petty bourgeois and even bourgeois has given the oligarchy subject for thought. Its first reaction was that of intensifying the Terror; the arrest of the Unitary Trade Union Council was the prelude to the suppression of the revolutionary trade union movement. The suspension of the independent students' paper and the dissolution of the students' organisations were intended to encourage the Fascist and anti-Semitic bands. Political lawsuits against the leaders of the peasants, such as the case of Tatar Bunar and the new arrests of "conspirators", are intended to intimidate the workers and peasants. In addition to these brutal methods, the oligarchy is using others, political ones; it is creating the united front of the oligarchy in which are included the corrupt leaders of the petty bourgeoisie and some of the intellectuals and of the national minorities.

This united front has already to a certain extent become a reality, thanks to the passivity and cowardice of the Democratic opposition, and the Liberal party has as an open ally People's party of General Avarescu, which in case of need is to form the dummy government of the Liberal Party. At the municipal elections, this party, not without having previously come to an understanding with the Crown and the oligarchy, made advances to the opposition bloc, it is true, but only with the object of acting as ballast to the party, of dragging at its feet like lead.

The Hungarian Party in Roumania, guided by the Horthyist magnates and Counts Banffy, Bethlen, Ugron etc. has concluded an open pact with the Liberals in return for a few concessions such as that of being excepted from confiscation of their property, etc. The reactionary leaders of the German and Jewish organisations did the same in a more or less disguised form. But the united front of the oligarchy reaches still further, right into heart of the opposition itself.

The Right wing of the National Party, composed of the adherents of the late Take Jonescu and of Argetoianu, the ex-

cutioneer of workers in the general strike of 1920, and of the Government man Professor Jorga, is in reality nothing but a group of Liberals and of the Court camarilla which is entrusted with the task of carrying on manoeuvres within the opposition camp.

If we add to the intensification of the Terror and to the constitution of this united front of the oligarchy, its troops, the Fascist bands and the higher corps of officers which are prepared for deeds of violence, we have a fair picture of the oligarchical camp as it appeared before the municipal elections.

Now as to the opposition camp. The Right wing of the National Party has just been described.

The other opposition party is the so-called party of the class war. The Peasant party likes to describe itself thus, because it hopes in this way to attract the broad masses of peasants and large numbers of the petty bourgeoisie as well as the broad masses of the minorities of the old Kingdom (Jews) and of the annexed territories. The party is of course far removed from the class war, as is crassly expressed in its officials organ "Taranismul". Both Parties are dominated by a boundless fear of the masses, of all mass organisation and of any letting loose of the masses.

In order to prove to the King still more convincingly that they are capable of governing, the opposition refrained from putting up lists of their own in 50% of the rural communities, so as not to "goad on" the peasants.

The Social Democratic Party which, by the bye, is a zero in the political life of the country and a political corpse in the Labour movement but a necessary tool of the Roumanian bourgeoisie, also joined this opposition.

Whilst the Democratic Workers' and Peasants' Bloc, the organisation of the united front of the workers, proposed to the opposition parties a united fighting front on the basis of a minimum programme which among other things was to include a demand for the abolition of the "Liberal" constitution and legislation, a general amnesty, the raising of the state of siege, the expropriation of the land, social legislation, equal rights for the minorities and peace with the Soviet Union, the Social Democrats joined the opposition bloc unconditionally.

The capitulation of the Opposition to the oligarchy and the capitulation of Social Democracy to the Opposition — both declared with one voice: "No united front with the Communists!" — caused intense excitement among the industrial workers but also among the adherents of the Democratic Opposition itself and the trade unions. Later on the Social Democrats felt compelled to agree as to a united front with the worker' and peasants' bloc by forming the Socialist Unitarian Bloc which then had to be included in the Opposition Bloc. The chief thing however is that the social democratic and opposition leaders also compelled by necessity, had to put up with the "Communists" carrying on within the opposition bloc a campaign for unmasking the treachery of these leaders.

The existing franchise is so arranged that voting against the opposition implies voting for the ruling oligarchy. This is why the workers' and peasants' bloc was compelled to call upon the workers and peasants to vote for the Opposition Bloc. At the same time however it revealed the tactics of the opposition and showed that the regime of the oligarchy can only be overthrown by the fight of the masses for the programme of the worker and peasant bloc. The class conscious workers joined the opposition in order not to give indirect help to the oligarchy. The object of this was not to capitulate to the leaders of this opposition, but in the first place to carry through the mobilisation of the masses who are still under the leadership of the opposition.

Results soon became evident. Above all, the fighting spirit and the fighting capacity of the masses increased. Enthusiastic meetings such as had not been seen since 1920, filled the leaders of the opposition with sheer horror. In some districts, the electors took possession of the town-halls by force in order to get hold of the ballot papers which had not been distributed to the opponents of the Government. In Bucharest, the Vice Burgomaster was thoroughly thrashed. Apart from numerous arrests, 7 persons met with their death in the course of the election. The campaign of the workers' and peasants' bloc for the minimum demands already mentioned found a mighty response.

According to figures, the candidates were declared elected without election in 4250 out of 8400 municipalities where the opposition shunned a fight. In the lists of these candidates however, numerous adherents of the opposition are side by side with the Government agents. In the other 4000 municipalities however, the greater part of the elected candidates were on the side of the Opposition Bloc. The decisive political success however was achieved in the urban districts. In Bucharest and in the provincial capitals the Opposition Bloc won with an overwhelming majority and also in almost all other towns. The value of this political victory of the opposition and the assurance of the collapse of the oligarchic bloc is brought into relief by the fact that the majority of the inhabitants entitled to vote were prevented from exercising their right. (Thus of the 1,000 inhabitants of Bucharest only 52,000 are entitled to the franchise and 25,000 were admitted to the ballot!). Nevertheless the opposition was almost unanimously elected in the stock exchange and business district of Bucharest. In Kishinev, the opposition received 92% of all the votes. In Bessarabia, the Government party of the Liberals did not receive a mandate in a single town.

This result however is still far removed from reality. This is proved by the fact that at the time when the agricultural elections took place, the "Liberals" only gained 29 out of 76 seats, peasants with less than 3 hectares not being allowed to vote. At the present municipal elections, all the inhabitants, including those without land, were entitled to vote. In consequence the result would have been still less favourable for the Liberals, especially as the Avarescu group belong to the Opposition Bloc. Strange things must have happened if the landless peasants voted against them.

But we must not allow ourselves any illusions. The oligarchy of the "Liberals" will not willingly vacate its position. The municipal elections are only an attempt to legalise the continuation of their rule. The attempt failed from the political point of view. Should it become necessary, it will resort to all measures, it will not surrender the power, it must be withdrawn. Not the Crown, but the determined fight of the masses must be regarded as the decisive factor. The democratic opposition parties, including the Social Democrats shut their eyes to this fact. The masses of the people are in a difficult position, threatened by the open dictatorship and exposed to the treachery of the democratic leaders. They cannot be arrested in their advance towards the Left.

The determined fight for the lucid slogans of the Communist Party must bear fruit. The C. P. of Roumania will not only be generally recognised, as is the case at present, but will enjoy the confidence of the mass of workers and peasants and of the oppressed nationalities of Roumania, and it will lead these masses into a decisive fight against the oligarchy.

ECONOMICS

Economics and Economic Policy in the Fourth Quarter of 1925.

By Eugen Varga.

III. Special Section.*)

(Conclusion.)

England.

England's economic position at the present time is the subject of very conflicting opinions. Officially, optimism is predominant; but this optimism is but a very small voice in comparison with the alarm being sounded by many economists possessing much knowledge of English conditions. It is not possible to form a judgement. There appears however to be a certain degree of improvement.

The output of the coal mines, in particular, has greatly increased during the last few months, as follows:

Weekly output of the coal mines:

	(million tons)	
	1925	1924
August	4,03	4,81
September	4,30	5,11
October	4,74	5,11
November	4,93	5,25
December	5,04	4,94

In December the output exceeded that of the year before for the first time, by 100,000 tons; the production has thus been in round figures 400,000 tons a month. In order that this result might be attained, three million pounds of subsidy have had to be paid over in this month, or approximately 150 shillings per ton of the increased output, or tenfold its value! The increased output is being paid for very dearly.

The iron and steel industry, iron and steel being taken together, has again diminished its output.

Production of the iron and steel industry:

	(thous. tons)	
	Iron	Steel
1913 monthly average	855	639
1923 monthly average	620	707
1924 monthly average	610	685
1925 monthly average	520	616
1925 September	449	646
1925 October	474	652
1925 November	494	654
1925 December	503	606

The yearly production has diminished from year to year. A certain improvement became apparent towards the end of the year; it is reported that the iron works — such as are running — have already sold their production up to the end of February. Every effort is being made to revive the steel industry. The English railways have, for instance, submitted their orders under the condition that English steel only is to be employed. This is directed against the competition offered by French steel, which is being sold in England at very low prices, owing to the inflation.

In the ship building trade the situation is particularly unfavourable. The tonnage in course of construction in the English shipyards was less by 412,000 tons at the end of the year than at the same time last year; and of the ships being built 92,000 tons, or 32,000 tons more than last year, were only being worked upon at times, with interruptions. English shipbuilding has not been at such low point since 1909. At the end of 1925 the tonnage in course of construction was as follows:

	tons
Great Britain and Ireland	1,084,000
Italy	310,000
Germany	234,000
France	167,000
Holland	109,000
United States	105,000

The machine building trade is not in a much better position. The drastic reforms undertaken by the world famed firm of Vickers is a characteristic symptom of the situation; this firm has reduced its share capital by 12 million pounds.

The textile industry has not yet succeeded in extricating itself from the crisis. The cotton mills have been working short hours the whole year. The further shortening of working hours from 39.5 to 35, proposed by the Committee, has, however, not yet been accepted, the proposal failing to obtain the necessary 80% of votes. Instead of this there was a full week's holiday between Christmas and New Year. Since the New Year the Committee has renewed its suggestion of shorter working hours, and has this time proposed a reduction to 30.5 hours weekly!

The uncertain prices obtaining in the raw cotton market place the cotton mills in a difficult position. The excellent cotton crop in America, combined with the fact that little business is being done in finished goods, is raising expectations that the price of raw cotton will again sink considerably. The mills do not care to lay in any great stores of yarn.

* See "Inprecorr". No. 12, 14 and 15.

The boycott of English cotton goods in China is being severely felt; at the beginning of the year the export still amounted to 27 million yards, but had sunk by August and September to 8,7 million.

Unemployment.

Unemployment has decreased somewhat during the last few months, but there are great differences of opinion as to whether this is to be ascribed to the stricter allotment of the dole or not. The conservative minister of labour at least does not admit this to be the case.

The following figures show

the development of unemployment:

	% of total insured		% of workers organised in trade unions		Absolute in receipt of dole (thousands)		No. registered		
	1924	1925	1924	1925	1924	1925			
Sept.	10,8	12,1	8,6	11,4	12 Oct.	1210	1259	Sept.	1424
Oct.	11,1	11,4	8,7	11,3	2 Nov.	1228	1208	Oct.	1354
Nov.	11	11	8,6	11	21 Dec.	1169	1127	Nov.	1310
Dec.	10,9	10,5	9,2	11	11 Jan.	1280	1221		

When judging of the absolute number of unemployed, it must be borne in mind that there is a large number of paupers¹⁾:

End of 1924	1,071,900
End of 1925 (Nov.)	1,297,063

An increase of 220,000. The unemployed, instead of being given the dole, have obviously been reduced to paupers!

Currency, money, and the capital market.

So far the return to the gold standard has had satisfactory results. Although the autumn months are the season of raw material purchases on a large scale, the outflow of gold out of the country did not assume any dangerous dimensions, so that it was possible to raise the embargo on foreign loans. This is another great step forwards to the possibility of England's regaining its position as banker of the world. We emphasise: the possibility only! For though the English bourgeoisie has made great efforts during the past few months to compete with America (see general section) with regard to foreign loans, the extremely adverse foreign trade balance, the war debt payments to America, etc., afford little likelihood that England will be successful in this competition.

Foreign trade and protective tariffs.

The deficit in English foreign trade has increased during the last few months.

Foreign trade:

	Total imports	Total exports	Deficit
	Mill. pound sterling		
September	97,9	71,3	26,2
October	108,8	80,5	28,3
November	114,7	74,5	40,2
December	134,3	80,4	53,9

In December alone the deficit was considerably over a milliard gold marks. In consideration of the reduction of English investments abroad, this is an enormous sum. Consolation is sought in the fact that a great amount of raw materials have been imported.

The endeavour to improve the foreign trade balance by means of protective duties encounters determined resistance on the part of trading capital. Baldwin recently appeared on the scene with a magnificent plan for the electrification of England, including the concentration of the production of electricity in the most competent works, etc. All kinds of expedients are being suggested, but the right way has not yet been found²⁾.

¹⁾ "Labour Gazette". Official.
²⁾ "The Times". 29. December 1925.

The Work of the Coal Commission.

As is known a "Royal Commission" has been working since the middle of October. This is composed of: Herbert Samuel, president, former governor in Palestine, General H. A. Lawrence, K. Lee.

The task of the commission is to investigate and report on the economic situation in the coal industry and the circumstances influencing it, and to make suggestions for its improvement. The antagonism between the workers and the capitalists has, however, not been lessened by a hair's breadth by negotiations of the commission. The programme of the capitalists is diametrically opposed to that of the workers.

The proposals of the employers, as summarised by President of the Commission, are to the following effect¹⁾:

1. The miners are to work an hour longer daily with extra payment.
2. The wages of the miners are to be reduced.
3. The collieries are to reduce their other expenses by 10%.
4. Railway freight rates are to be reduced by 25%. (To end the employers demand a corresponding reduction in wages of the railwaymen, as in the wages of the miners. This reduction is to be to 161% of the pre-war wage, so that it would be lower than the real pre-war wage, the subsistence index being between 175 and 180.)

The President of the Commission adds that the carrying out of this plan further demands the immediate discharge of 100,000 miners.

Besides this, the capitalists decline to entertain the unit wage for the whole country, and wish the working conditions to be determined according to the different districts.

The standpoint of the workers, as opposed to this, is: "Not a penny less wages, not a minute longer work."

As means to this end the miners propose a plan worked by the miners, the Trade Union Council, the Labour Party, the Parliamentary fraction²⁾, according to which the whole vision of the country with electric power, gas, and fuel oil, is to be affiliated to the coal mining industry. A great power supply network is to be organised in connection with the coal mines. In this manner the coal industry would be converted from a producer of coal to one of its greatest consumers, and the system would thus be solved. In order to carry out this system, organisation of the following authorities is proposed:

1. A power and transport commission composed of experts, controlling the whole of the nationalised coal and power system above sketched.
2. A national coal and power producing council, to regulate the existing boards of control.
3. A consumers' council for the distribution of coal.
4. A coal export commission for foreign trade.

The directors of the various works are to retain their positions, but as employees of the great new state undertaking and are to manage the separate mines in collaboration with workers' council.

In order that all these changes may be carried out the whole coal industry is to be nationalised. The state is to change the shares of the coal mines, at market prices, for debentures of a loan to be issued "for the development of coal industry". A certain portion of the sale price of the coal is to serve for the payment of the interest and principal; the rest of coal is to be determined by the coal council and the consumers' council; should they not be able to agree, the minister of coal is to decide.

This plan is by no means revolutionary in our sense, it provides for compensation for the capitalists. It possesses certain resemblance to Baldwin's electrification plan. Both take as starting point the fact that England's coal export is capable of competing permanently with the competition of world's markets. For the bourgeoisie the workers' plan is ever impossible of acceptance, firstly on principle, and secondly on fact.

¹⁾ Much comment has been raised by an extremely pessimistic article published by Harvey, the former Ambassador of the United States in London, in the "North American Review", in which he maintains England's decay as an industrial country.

²⁾ "Daily Herald". 13. January 1926.
³⁾ "Times", 15. January 1926.

because the compensation is to be based on the present extremely low prices of the shares.

The coal question continues to be a profound cause of anxiety to the bourgeoisie; a certain inclination is becoming apparent to pay the subsidy for a further half year, in order to evade the decision.

This solution is however endangered by the fact that this year the English state finances are obviously going to be burdened with a not inconsiderable deficit, whilst at the same time the bourgeoisie is demanding a reduction of taxation.

The United States of America.

There is little of interest to report on the economic situation in the United States during the last few months of 1925, beyond the points touched upon in the general section. At the present time there is a boom in America such as that country has never yet experienced. All records have been beaten in many branches of industry: the building industry has new buildings in hand to the value of 6 milliard dollars; steel production shows an output of 45,5 million tons for the year, increasing during the last few months to an average of 50 million tons annually; and 6462 million dollars have been newly invested in foreign trade and other investments¹⁾. "Not a cloud in the sky" is the general expression of opinion to be heard in business quarters with regard to the situation at the end of 1925.

The following table gives a graphic survey of the situation:

	Index figures of industrial production, Federal Reserve Board (basis industries)	Degree of occupation of workers	Loaded waggons last week of month, in thousands	New building orders, Mill. dollars
1925 January	127	95,0	896	309
1925 July	113	93,1	1030	530
1925 August	109	93,7	1124	590
1925 Sept.	111	95	—	650
1925 Oct.	116	97	—	520
1925 Nov.	115	—	923	465
1925 Dec.	—	—	963 ²⁾	—

This survey shows a definite improvement in the economic situation. Almost every branch of industry participates equally in the general progress. Even the textile industry, left far behind for so long a time, has been swept into the general wave of prosperity by the excellent cotton crops.

We append the

production figures of the most important industries:

	Soft coal, mill. tons	Anthracite, mill. tons	Iron, 1000 tons	Steel, 1000 tons	Motor cars, in thousands	Cotton consumption, 1000 bales
January 1925	51,9	7,4	3370	4199	213	590
July 1925	39,6	—	2664	3087	358	484
August 1925	45,0	Strike	2704	3424	222	449
September 1925	46,8	"	2726	3492	333	483
October 1925	53,2	"	3023	3893	452	544
November 1925	50,8	"	3023	3907	391	543
December 1925	—	"	3250	3976	—	575

The steel industry has reached the highest point of the boom, and yet the consumption has been so great that even this enormous production of steel has proved insufficient. The number of orders which the steel trust has on hand has greatly increased, and foreign iron has been sold in the United States in many places, in spite of the high protective customs.

¹⁾ In the twelve months ending 30. Nov. 1925, as per bulletin of the National City Bank, January 1926.

²⁾ 12. till 19. December.

Steel industry:

	Orders on hand steel trust 1000 tons	Blast furnaces working at end of month
1925 January	5037	251
1925 July	3539	190
1925 August	3513	192
1925 September	3717	200
1925 October	—	—
1925 November	4582	—
1925 December	5033	234

Foreign trade.

Foreign trade brought fresh record figures during the past year, and here the point of leading importance is the great increase of the imports. This is reason why the export surplus is less than last year, although the export figures have also risen greatly. Foreign trade has been as follows for the last few months, with respect to the

trade in goods:

	Import	Export	Export surplus
	Million dollars		
July	326	338	12
August	340	372	32
September	349	422	73
October	374	491	117
November	377	448	71

Thus, despite the large investments of capital abroad, the import of gold has once more greatly increased, as follows:

Import and export of gold:

	1925		1924	
	Import	Export	Import	Export
September	4,1	6,8	6,7	4,6
October	50,7	28,0	19,7	4,1
November	10,4	24,4	19,9	6,7
December	121,0	256,7	309,4	22,0

Every available means is being used to standardise production, to lessen the number of types of products serving one and the same purpose³⁾. This is said to be to the advantage of the workers. Hoover maintains that in the United States the highest real wages are being paid in the history of the country.

Weak points in the boom.

The capitalists — as is always the case in a boom — are of the opinion that these brilliant conditions will last for ever. The more sensible among them are, however, beginning to observe weak points. A certain amount of uneasiness is being felt in particular with regard to the enormous speculations in building land in Florida, and in buildings and building shares. Although the building sites already sold ensure sufficient occupation for the building trade for the first few months of 1926, everyone is very well aware that there is a great deal of unsound speculation involved.

The second weak point is the position of the farmers. The wheat crop was exceedingly small; the maize crop was on the other hand extremely large, but there is a difficulty in utilising it, as last year's failure of the maize crop caused the number of pigs to be greatly reduced. The farmers are dissatisfied with the "organised" sale of agricultural products. In this connection an attempt is being made at reviving the farmers' bloc in the Senate.

The third weak point is the strike of the anthracite miners, now lasting for months, and the general discontent among the workers. For in America there is not only the workers' aristocracy, actually able, at the present time, to save to a certain extent. There are also innumerable millions of badly paid workers.

³⁾ Hirsch in his book on "The American Economic Miracle", gives some interesting figures. The number of types produced have been reduced as follows

Beds with spring mattresses from	78 to 4
Bricks from	119 to 1
Metal wash basins from	1114 to 72
Milk jugs from	49 to 9

kers: negroes in the South, immigrants in the East. A crisis with mass unemployment threatens.

American capitalism is still on the upward trend. It is already earning considerable gains from its imperialist expansion. This improves the position of the working class, especially of the workers aristocracy. This fact is naturally detrimental to the spread of revolutionary ideas, and to the success of the Communist Party. But on the other hand it is nonsense, or mere apologetics, to speak of an advance entirely free from crisis, or of the disappearance of all class differences between the working class and the bourgeoisie. It is true that American capitalism has been working with brilliant success for the last decade; but it is none the less subject to the universal laws of capitalist development.

China.

There is a widespread fermentation going on in the empire of the four hundred millions. The ruling generals appear on the scene and vanish again with every variety of dramatic effect. Every month brings new names. Every day brings fresh sensations for the bourgeois press, though these generally prove untrue within a few days. It is difficult to penetrate to the actual truth. We shall make the attempt, but must emphasise, that lack of knowledge of the language, and the extreme complicity of events, render the possibility of error very great. The following appears to be certain:

There is no central government in China. The empire has fallen into separate pieces, in each region the social character of the regime differs greatly, and the relations of forces change rapidly. The anti-imperialist movement is gaining in strength! No general can openly oppose this current. It is a current which unites all classes in some regions; it is a people's movement in the true sense of the word. It is only during the development of the movement that the various elements divide into classes.

The most important centres of power appear to be the following:

a) The Kuo Min Tang government at Canton. In social character a workers' and peasants' government. Actively anti-imperialist. Its position has been greatly strengthened by its victory over the counterrevolutionary general Cheng Tsu Ming, who has been financed by England. The entire province of Kwantung is subject to this government. It maintains excellent relations with the Kwangsi province to the West. Towards the North its power is extending. Its class character is becoming more and more clearly defined⁹⁾.

b) The anti-imperialist Feng government. The class character of this government is not yet clear. The bourgeoisie is struggling with the workers and peasants for decisive influence. The labour movement and the formation of trade unions is permitted where this government rules. It possesses its firmest stronghold in Inner Mongolia, with powerful fulcrums in the "People's Armies" of Honan, Hunan, etc., where the Kuo Min Tang influence is increasing. At the end of the year its power extended to the province of Chili, with Peking and Tientsin.

c) The Japanese bourgeois government of Chang Tso Lin. The class character of this government is purely capitalist. The labour movement is forcibly suppressed. The main basis of this government is Manchuria. During the struggles of the past few months Chang Tso Lin has been pressed back out of Central China into Manchuria by Feng and the national armies. The insurrection of one of his generals threatened to overthrow his regime entirely. Japan came to his help. Under the pretext of protecting Mukden and the railway, Japan sent troops, well equipped with aeroplanes and every armament, along the railway between Chang Tso Lin and his opponents, thus enabling Chang Tso Lin to defeat the rebels. (The intelligence at our disposal is too scanty to enable a judgment to be formed as to whether the insurrection was solely concerned with the generals, or whether it had a national or social background.)

d) These are the three firmly established governments in China. Besides these there are two national bourgeois govern-

⁹⁾ Extremely characteristic is a protest strike on the part of the bourgeois professors and students of the Canton university, against the Bolshevik influence of the government on the university. It may possibly be a lie. The strike resolution is published in the Bulletin Quotidien, 20. January 1926.

ments, under the generals Sun Tchuang Fang and Wu Pei Fu in the Yangtse valley. Sun Tchuang Fang holds his position at the mouth of the Yangtse at Shanghai, and unites five of the most populous provinces more or less firmly in his hand. Here the organisations of the workers and peasants are forbidden, and the regime is capitalist, though with at least the outward appearance of anti-imperialism. It is somewhat remarkable that the European press appears to prefer to pass over in silence the coming into existence of a new bourgeois centre in China. Further towards the West Wu Pei Fu sits and waits. In the remaining portions of China some dozen generals continue to rule in the traditional manner. The national imperialist and social movements are just beginning to penetrate into these interior regions of China.

The great question of whether the national Chinese revolution is going to develop into a bourgeois China, or into a China of the workers and peasantry, is still undecided.

The progress of capitalist development.

Capitalist development continues, despite the revolutionary fermentation and the civil wars. In 1925 the seaport dues brought in receipts 270,000 taels in excess of 1924. The seat of this source of revenue, has however shifted considerably. Trade has gone mostly to the Northern ports, whilst the receipts of Shanghai, Canton, Hankow and Swatow have greatly declined¹⁰⁾. These facts agree with the expectations expressed in our last report. Despite the "chaos" painted in blackest shades by the English, the economic development of the country progresses.

A certain insight into economic events may be gained from the periodicals published in the English language by the Peking government¹¹⁾. (It is a characteristic fact that all information refers to separate provinces only, never to the whole of China!) It may be seen from these periodicals that serious attempts are being made at improving agriculture, sheep breeding, and the irrigation of the rice fields. The greatest calamity appears to be the continuous depreciation in value of the tremendous masses of copper money placed in circulation by the various generals.

In Shanghai the number of copper coins paid to the tael has been as follows:

1. June 1917	1785
1. January 1923	2425
1. January 1924	2430
1. January 1925	2790
1. October 1925	3400

The "Bulletin" for 31. October 1925 (page 287) states that the depreciation during the past year has been due to the excessive coining in Manchuria and the continuous stream of low value copper coins from there. As a rule the workers are paid on the copper coin standard. This has been the cause of much of the unrest, as the many strikes show, but the rises in wages attained by the strikes have not kept pace with the increased prices.

The official organ of the government acknowledges that the position of the workers is worsened by the depreciation of the copper money.

The position of the peasants.

Much light is thrown upon the hard lot of the peasantry by a resolution passed at the Kuo Min Tang Party Congress in October 1925. Here we read:

"II. Economic questions. The worst of the economic evils suffered by the peasants may be enumerated as follows:

1. The high rates of interest. In the district of Shu-chingfu 60% interest is demanded for a tael somewhat smaller than a Heikwan tael, and in the Luichow district as much as 90% is demanded. When the father dies, the son has to pay his debts. Thus it often happens that whole generations have to work paying off debts.

¹⁰⁾ "Times". 4. January 1926.

¹¹⁾ "The Chinese Economic Bulletin" (monthly) and the "Chinese Economic Monthly". Both of these periodicals are issued by the Bureau for Economic Information of the Peking Government.

2. The money lending system. The general rate paid for loans is 30 cents monthly, the terms being exceedingly short, and the value given for the objects pledged extremely small.

3. The monopoly of sale and purchase possessed by the compradores. These buy up the agricultural products in great quantities at low prices; they sell manure, clothing, and implements in small quantities at high prices. The worst is that they sell rice at high prices.

4. The general and special taxes. The tenant farmers, semi-holders and agricultural labourers have a heavy burden of taxation to bear.

a) The agricultural labourers.

These earn 10 Chinese dollars in a year, working daily from early morning till late at night. The women and juvenile workers earn very much less than this, the latter often nothing at all. (All agricultural labourers receive their food, but this is miserable and scanty.)

b) The tenant farmers.

These are only permitted to retain 40% of their crops, the remaining 60% is pocketed by the landowners. The tenants have to deposit 40 dollars for every mou of land rented. Besides this, the lease contains stipulations on the number of hens and ducks, and on a certain quantity of wine, to be delivered over to the landowner. The tenant has to deliver the crop to the landowner without any compensation for the work, and has to invite the landowner to a good meal when he comes to estimate the crop. Large measures are used for measuring the crops. The fees are not reduced when the crops fail or other catastrophes occur. Where demands have been made for reduction in such cases, bloody fighting has often been the result, and many peasants have been sent to prison.

A lease system especially oppressive for the tenant farmers is the following: companies lease large tracts of land, and sublet these to other lease holders. This system is especially prevalent in the Sun Yat Sen territory. Where the land is leased directly from the landowner, the tenant has to pay perhaps 12 dollars, but here he has to pay 16 dollars. Where lease companies of this kind are formed, the landowner demands that even the former individual tenants should pay the rent to the company, as this is more convenient for him. In the Sun Yat Sen district two lease companies possess the whole of the land. Many tenants have lost their land through this system.

c) The peasants.

As these own their land, they have to pay land taxes, besides a supplementary levy to the province. Then there are levies for the support of the standing army, the militia, the occupation troops, the guard troops, etc., over 30 different kinds in all. And finally licences permitting the sale of goods have to be paid. The land tax has to be paid in advance. In many districts of the province of Kwangtung this has already been done up to 1931¹²⁾.

The organisation of the peasants is making rapid progress. The struggle between the landowners, the rich farmers, and the great mass of the poor peasantry, is arousing the profoundest agitation in the Chinese villages.

The Tariff Conference.

In the midst of revolution and civil war the representatives of the nine powers assembled, at the end of October, to negotiate with China in accordance with the Washington agreement — after 3½ years — on the higher duties. The amounts of the duties which China may impose are determined by the European powers. The tariff receipts are administered by the foreign maritime duty administration, and serve in the first place to ensure payment of the interest on foreign loans. The Peking government receives what is left. The duties form 35% of the receipts of the Chinese budget.

The Tariff Conference began on 25. October, but as a result of the civil war it has scarcely made any progress as yet. The following is of importance:

Wang, minister for foreign affairs in the nominal central government, demanded:

1. Full tariff autonomy.

2. Abolition of the Likien (inland duties) from 1. January 1929 onwards, simultaneously with the introduction of the autonomous Chinese tariff.

3. Until this time: 5% increase on the duties for ordinary goods, 30% on tobacco and wine, 20% on articles of luxury, in addition to the existing 5% duties¹³⁾.

To this it should be observed that the abolition of the inner duties is a demand made by the imperialist powers, and unless this demand is acceded to the powers, the latter refuse to permit the maritime duties to be raised. But since these Likien form the main source of income of the local governments, they cannot be abolished. The whole is a piece of sabotage on the part of the powers.

The powers were unable to arrive at any uniform standpoint. Their interests are opposed. America is the most compliant, for since it is not occupying any part of China, it is free to be in favour of the "open door", and of "like terms for all". In this connection the demand made at the tariff conference by MacMurray, the American delegate, must be mentioned: "The amount of the land duties at the present time equal to two thirds of the maritime duties should be made uniform with the maritime duties¹⁴⁾." This is directed chiefly against Soviet Russia, but at the same time against France in the South.

The occupation of Peking by Feng's troops interrupted the "work of the conference", if not formally, then actually.

The impotent rage of the English.

English imperialism suffers most severely from the revolutionary movement. The trade of Hong Kong, the centre of British power in South China, is rapidly falling off. During the quarter ending with September the trade of this port was as follows¹⁵⁾:

	In thousand pounds:		
	1923	1924	1925
Import	15.114	20.094	11.123
Export	15.850	16.242	7.574

Trade has fallen off by approximately one half. Reference has already been made to the fact that the export of cotton stuffs to China from England had sunk from 27 million yards per month at the beginning of the year to 8.2 millions in August and September.

English trade in Southern China can only be carried on by smuggling.

The "Morning Post", in two articles (14. and 20. January 1926) making a furious attack upon the Canton government, deals with the fact of the complete loss of British prestige and trade in Southern China. The "Morning Post" admits that business has come to a complete standstill in Hongkong. British ships cannot unload in Canton and Swatow. The first premise for doing business in South China today is that the trader is not an Englishman. Can anything be more degrading? asks the "Morning Post", and further laments the complete failure of British diplomacy, and the fact that the Union Jack has lost its meaning for the Chinese¹⁶⁾.

The "Morning Post" is even more enraged at the fact that in Swatow English ships have unshipped their cargoes under foreign flags! Complete bankruptcy of British prestige. But business is business, and bears away the victory over national sentiment!

The changed situation in China is best characterised by the fact that an armed intervention is not ventured upon. The "Morning Post", a conservative paper otherwise delighted to back up British prestige by the call to arms, observes that the situation is one of extreme difficulty, since firm action taken against Canton would probably set on fire the whole of Northern China, where the boycott is now coming to an end¹⁷⁾.

¹³⁾ "Times". 26. November.

¹⁴⁾ "Times". 4. November 1925.

¹⁵⁾ "Economist". 19. December 1925.

¹⁶⁾ "Morning Post". 14. January 1926.

¹⁷⁾ "Morning Post". 14. January.

¹²⁾ Translated by comrade Liao in a special report.

The "Times" shows an even clearer grasp of the situation in admitting¹⁸⁾ that in China a policy of long sight must be pursued. Many Englishmen resident in China, alarmed by the events, demand a decisive and overpowering British initiative in China, in accordance with some vehement assurance. They think that the great anti-English campaign last Summer should provoke a really demonstrative proof of active British participation. These views possess a certain justification, but... and here the "Times" comes to the real truth... but it is nonsense under present circumstance to dream of trying to change or control the complicated process of the alteration in the national life of the people of Asia by means of a few gun boats and a few regiments. English policy contains no plans for an armed intervention.

This declaration on the part of the "Times" is the diplomatic expression of recognition of the fact which we have long since emphasised: China is no longer defenceless! Hence the altered language of the imperialists. A people of 400 million human beings, even if deficiently armed, is none the less a great power.

INTERNATIONAL WOMEN'S DAY

The Woman Worker and the Trade Union.

By Isa Srasser.

The technical development which is making both the skilled worker and the completely untrained labourer, who does heavy physical work, more and more superfluous whilst it creates a steadily increasing demand for mechanical workers, results in the fact that there is an ever growing demand for women workers. The lowering of the standard of living which has taken place in most countries since the war and at the same time the growing claims of broad strata of the workers have the effect that the supply of female "hands" is increasing equally steadily.

The result is an increase — slow it is true, in comparison to the tempestuous pace during war time — of women's work, not only in the women's industries, textile industry, clothing industry etc. but also in those which were actually only conquered by women during the war, the metal industry, chemical industry and others. In Germany for instance the percentage of women employed in the manufacture of metals increased from 6.2% in 1917 to 19.1% in 1920. In England, the number of women employed in the metal industry increased between 1914 and 1921 by 44.4%, in the chemical industry 7% more women were employed in 1923 than in 1914. In the United States, the number of women employed in the iron and steel industry was more than doubled between 1910 and 1920, an increase such as has taken place in no other occupation.

Immediately after the war there was in many countries, especially in those with inflation of currency a reduction in the difference between the wages of men and women. Nowadays an opposite tendency is evident throughout the world. In Germany, Austria, England and the United States the employers are systematically aiming at increasing the difference between the wages of skilled and unskilled workers, men and women, thus satisfying the aristocracy of Labour at the expense of the great mass of workers of both sexes.

The consequence is that the danger of expensive men's labour being ousted by cheap women's labour is growing, especially in those countries — Austria, England, Germany — in which chronic unemployment is paralysing the power of resistance of the workers. This danger is all the greater because the woman worker is prepared, as a rule, not only to work for lower wages but also for longer hours than her male competitor. In Switzerland in 1924, 86% of all the persons employed in the knitting industry, an industry in which mainly women are employed, worked for more than 8 hours, whilst in the engineering industry only 9% of all those employed exceeded the 8 hours day. In England also it is the industries which predominantly employ women, in which the rule of the 48 hour week is most frequently broken.

¹⁸⁾ "Times". Leading article 27. February 1925.

The worker who is educated on social democratic lines has learnt from Bebel that it is unsocialist to fight against women's work, that women's work is a "historical necessity", that the thing to do is to turn the women from mean competitors into revolutionary fellow-workers. The social democratic worker of to-day, however, has forgotten this as he has forgotten much else. Even the communist worker has not yet completely grasped it.

If this were not so, it would be impossible that, whenever unemployment reaches a certain degree in a country, the campaign against the "double earner", the working married woman, breaks out with absolutely automatic promptitude. Were it otherwise, it would be impossible for there to be so gross a disproportion between the number of women organised in trade unions and the number of working women in Germany and England, France and America. In England, women workers represent 23% of the total number of persons employed, but only 14% of those organised. In America only 3% of the working women are organised in trade unions. Even in Germany, where the conditions of trade union organisation are better than in the Anglo-Saxon countries, women form only 20% of the members of trade unions, whereas they represent almost 30% of the employed persons.

It is true that in England, and there especially under the pressure of the minority movement, in France also and recently even in Germany, for reasons into which we will not enter in more detail now, increased efforts are being made to attract more women into the trade unions. With very poor results however! In England, in the last year reported on, 1923/24, the number of women organised in the trade unions has decreased by 1% in comparison with the total number of persons thus organised; the same is true of Germany. In Austria alone can a relative increase be reported, that is to say, the number of male members of the trade unions has decreased more than that of female members. The percentage of women trade union functionaries and members of factory councils is very small everywhere, especially when compared with what has been achieved, by hard systematic work, in the Soviet Union.

It is not to be expected that the trade unions which are petrified in bureaucratic formalism and which only make demands on their members without having anything to offer them, would exercise any power of attraction on the masses of working women. In order however to restore to the trade unions their character of active fighting organisations, it is necessary to do everything in our power to attract women workers into the trade unions and make them active participants in the work of the trade unions.

It is not the object of these lines to enter into details as to how that can be done. We would only briefly call attention to two points: 1. the basis of all trade union work among women must be the factory nucleus, 2. it is not a case of training women as high trade union functionaries — according to the socialist pattern — it is a question of stimulating the lowest unskilled woman worker, literally the lowest in the factory and in the trade union to revolutionary self-activity. (One of the most important ways of achieving this is the organisation of the working women correspondent movement).

There is probably no section of the working class who suffers so severely from the dismemberment of the working class and the impotence of the trade unions, as the working woman; there is therefore no section of the workers who are interested to the same extent in the establishment of a united fighting front, the establishment of trade union unity as the working women.

It is to the advantage of the working women that they are to-day less educated on wrong political lines than the workers; they are therefore more capable of assimilating the simple broad idea of trade union unity. This does not however mean that they are ready for it everywhere. They are of course — politically untrained as they are — more susceptible than their male comrades to the influence of clever demagogues, especially when the latter understand how to appeal to their "womanly feelings". The large number of adherents which German and Austrian social democracy and trade union bureaucracy still have among the women workers, and just among the women workers, is sufficient evidence of this. The women workers therefore are no more likely than the men to arrive "of their own accord" at the idea of trade union unity and to take up the cudgels for it.

Hard, unrelenting, systematic work is necessary to win them to this idea. In England a good part of this work has already been done. In Germany, the crisis which is growing week to week, the armaments of reaction, are creating more and more favourable conditions for this work. In Austria, happily "reconstructed Austria", which has to-day the highest unemployment figures in the world, in France and in Czechoslovakia, economic development is working in the same direction.

Women's Day this year will only fulfil its object if, making use of these favourable conditions, it forms the prelude to a campaign on a large scale for trade union unity among the working women.

The Exhibition for International Women's Day.

By G. G. L.

International Women's Day will be a day of retrospection for the women workers and peasant women of the Soviet Union, a day of looking back on a mighty piece of development and work — the effects and results of which have become particularly evident during the past year — in every sphere. The working women of the Soviet Union are experiencing and living this development, this rich blossoming and growth, this holding of a thousand forces which were hitherto unsuspected and unknown — as Lenin prophesied and foresaw: "There is no doubt that there is far more talent for organisation, i. e. far more persons capable of some kind of practical construction among the women workers and peasants than we suspect." They feel as part of their own intimate experience the bursting forth of this new source of life and its fruitifying effect.

At the last Party Congress of the Communist Party of the Soviet Union, long columns of figures, multifold descriptions bore witness to this development. Figures such as those regarding the increase of the number women delegates:

1924/25	in 11 districts	80,773	women delegates
1925/26	in 11 districts	146,226	women delegates

impressive and convincing at the moment when they are read but are all too soon forgotten and obliterated. Photography gives more vivid impressions. In addition to the figures, thousands of photographs have been sent from all parts of the vast Soviet State to the Women's Department of the C. P. of the Soviet Union, photos of all spheres of life and of the development of the women workers and peasants of the Workers' State. These photos are of course not intended to remain in the Soviet Union but will be sent out as witnesses of the new life in the construction of which the women workers and peasants of Russia are taking an ever increasing share.

On International Women's Day the working women of the whole world are to receive a vivid impression of the reconstruction of life, of the new habits of life of women in the new Soviet State. A new way of life is forming more and more rapidly, growing out of the new forms of production and of social organisation.

The pictures which show this development were collected for a great international exhibition and distributed with other material, first of all to seven countries — four in the West: Germany, England, France and Czechoslovakia, three in the East: China, Japan, Mongolia.

Three young artists mounted the photographs with loving care and understanding. The photos were divided into different groups and each group arranged and pasted on a separate sheet of cardboard, for instance "Woman conquers the Factory", "The New Life", or "Children are our Future".

Woman conquers the factory in many ways — as a delegate, as a member of the factory council, as a skilled worker or she has attended a trade school or a training workshop. In the factory she sees the women workers of the Soviet Union in the factory discussing an annual report of the factory council, we see her learning in the training workshops of the factory, at the most complicated machines and see her finally as manager of the factory — it becomes clear to us that in the Workers' State, woman is not at a disadvantage as compared with man, that she has the same path of free activity and the development of her capabilities

in accordance with her gifts lies open to her. The Soviet State has given her all the rights which the proletarian women of the West are still desperately struggling to obtain. This liberation of the working women from any kind of oppression has not only given them more favourable conditions of living but has also raised their general standard of culture and given all their forces a chance of expanding. Hundreds of photos bear witness to this development of the activities of the women workers and peasants, their participation in public life, their emancipation from the fetters of the family.

The women workers of the Soviet Union have not only won for themselves more favourable positions in the factories, growing numbers of them have joined the selected bodies of the Soviet State in the Soviets of towns, villages, municipalities and districts and are thus doing work of vital importance for the State and the community. Lenin's saying that every woman should be trained to govern the State is thus already being realised directly and thousandfold. Innumerable pictures show how it is just the women who represent the active and creative forces; that they help to found Cooperatives — two special mounts are devoted to the share of women in the construction of the Cooperatives — that they have the initiative to establish creches and to carry through the electrification of towns and villages, to form productive Cooperatives for work and homework, even in the Far East, in the autonomous Soviet Republics of Central Asia, where women until recently were still veiled and lived secluded from all public life and in complete dependence on man.

The liberation of these oppressed numbers of women in the East, their awakening to politics and to an interest in the community is of special significance as regards the revolutionising of the whole of the East. Fine coloured posters, picturing the life of these women under the knout of the Czars in the past and under the Soviet Power at present, the object of which is further to educate from the hygienic and cultural point of view, give an idea of the work of enlightenment of the Soviet State and the C. P. of the Soviet Union among these most oppressed of the oppressed masses of the Oriental peoples.

The exhibition offers a wealth of such posters of supreme artistic qualities and beauty, which help in the enlightenment of the broad masses of women in the Soviet Union and which will leave a lasting and vivid impression on all beholders. This impression is reinforced by a series of diagrams which clearly demonstrate the growth of the number of women delegates, of the share taken by women in the Soviets of the village and the districts and in the Cooperatives.

The mounts devoted to the Press show specially fine and impressive pictures. The women's Press in the Soviet Union is very extensive, two newspapers and 14 journals are published in enormous editions of 300,000—400,000 copies. They have coloured wrappers which are constantly changed. These pictures have been cut out, beautifully arranged and mounted. Like the photos, they also bear witness to the animated movement which is stirring up the masses of women in the Soviet Union, to the fullness of the many-sided thriving life which is sprouting forth in all parts of the vast territory of the Soviet Union, even in the smallest village.

Though this exhibition is specially devoted to the activities, the life and the enlightenment of woman, it offers much more, it offers a picture of the reconstruction of life in the Soviet Union altogether, of the method and character of economic construction, of the new way of life of the workers and peasants of the Soviet Union under the Red Banner of the liberated Workers' State.

Krestintern and International Women's Day.

To Peasant Women Throughout the World.

Sisters and Fellow peasant women.

Sisters and fellow working women of the fields.

Since times immemorial the peasantry of all countries (except now in the U. S. S. R.) is groaning under the heavy yoke, of the landlords and wealthy capitalists. Particularly hard is the lot of the peasant woman. Besides the work in the field and in the garden, she has to bear all the duties of the household and of the rearing of children, her back bending under the yoke of perpetual oppression, endless cares and total disfranchisement.

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Session of the Enlarged E. C. C. I. (Detailed Report.)

Opening Session.

On February 17, 1926, at 8 p. m. the session of the Enlarged Executive was opened in the Andreev Hall in the Kremlin. The appearance of the hall was a surprise to the Delegates. Since the last session the former throne room of the Czar, which had undergone very little change, had been transformed into a gigantic congress hall. The throne has disappeared and its place a lofty tribune has been erected: The space in the hall has been greatly increased by this change and yet the places aside for the delegates, as well as those for the auditors, are absolutely filled to overflowing, as they are at the great world congresses.

The opening speech of comrade Zinoviev was listened to with the most eager attention. He commenced his speech with tribute to our late Comrade Frunze, all present rising from their seats as a mark of respect to his memory. In brief words Comrade Zinoviev indicated the position of the Communist International as regards its various sections, especially emphasising the successes of the English and Chinese Parties during the past year and mentioned the problems with which the Enlarged Executive will have to deal. That portion of his speech which he declared that the International must devote increased attention to the problems of the revolutionary movement

of the East, was echoed enthusiastically in the speeches of greeting of those revolutionary fighters of the East who spoke after the conclusion of his own speech, which was greeted with stormy applause.

The representatives of the Communist Party of China and of the National Revolutionary Party of Mongolia, who were heartily applauded by the audience, greeted the representatives of the revolutionary proletariat of the West and called upon them to support the revolutionary movement in the East. The Congress Hall presented an unforgettable picture when the generalissimo of the Canton Army Hu-Han-Min stepped up to the tribune in military uniform. For several minutes the speaker was unable to commence speaking on account of the continually renewed applause. The solidarity between the revolutionary proletariat of the West and the oppressed peoples of the East was expressed here with striking clearness. In this spirit the session was closed by the speech of Comrade Brown of Great Britain, who, in the name of the Communist Party of Great Britain, that land under the pressure of whose imperialist violence the peoples of the East have to suffer the most, solemnly promised to increase the struggle against imperialism, and not to rest until British Imperialism, and that of the whole world, is vanquished.

Opening Speech of Comrade Zinoviev.

In the name of the Presidium I declare the opening of the Session of the Enlarged Executive.

Since the last Enlarged Executive we have lost a member of the Executive, Comrade Frunze. (The Delegates rise.) He was one of the most courageous and brilliant leaders of the Russian Revolution and also of the Communist International. Honour his memory!

Since the last session of the Enlarged Executive, which was held in March 1925, almost a whole year has gone by. One can say with certainty that this year has not been the easiest in the history of our Communist International. Some of our most difficult and serious questions passed through a difficult period during this year, when we were actually a question of fighting for the very existence of the Communist Party.

But, comrades, we have at the same time achieved important results during this year and have learned how to apply the tactic of the united front without making serious mistakes.

If we compare the present situation in our German Party, for instance, with its situation at the end of the last Enlarged Executive in March 1925, then we must acknowledge that the German comrades have succeeded in overcoming one of the most serious crises of their Party.

In April 1925, we were forced to admit that the C. P. G., under the influence of the "Ultra-Lefts" had made a very great mistake during the presidential elections, a mistake which affected not only the German Party, but the whole International. This mistake has now been overcome. The Party is learning to apply the tactic of the united front correctly. The best proof of this is the recent mass movement of the German proletariat, led by our Party, in the question of the expropriation of the royal houses.

I believe that the most important results in the present historical situation were achieved during this year by our British and Chinese Parties.

She does not know how to attain a better life, how to raise her voice and to complain about the sore trials of her existence.

Her fate is decided by those who exploit her.

In the so-called "civilised" countries where the bourgeoisie is in the saddle, as for instance, in France, Italy and other countries, the women are still without electoral rights. In the majority of the Eastern and colonial countries the woman is still under complete subjection. She is deprived of all human rights. Even in countries where the women formally enjoy electoral rights, the working women cannot benefit by them. Because of the endless toil and drudgery, and all the circumstances of bourgeois society, prevent the working woman from taking part in public and political life.

Sisters and fellow peasant women! it is time to put an end to this slavery.

Open your eyes to what is going on around you, and you will become convinced that the source of your slavery is to be found in the land-lords and the capitalists. Their wealth was gained over your curved spines.

It is they who burden you with unbearable taxes.

It is they who write the laws which enslave you.

It is they who engineer wars in which your husbands, sons and brothers perish.

It is they who put on the shoulders of widows and orphans the whole burden of the reconstruction of the economic ruin caused by war.

When the exploiters made war and asked for the blood of the peasants, they promised them land.

The land has taken away your bread winners. But did the exploiters carry out their promises? Did they improve your position, fellow peasant women?

No, the yoke has grown even heavier, and poverty crushes you worse than ever. Many of you seek salvation in flight from the village to the town. But there they get into the even worse slavery of the exploitation of cheap labour in the factories, or of menial service in the houses of the rich, or they swell the ranks of the unemployed women, for whom street-life, starvation and shame lie in wait.

There is only one way out of the situation.

The fight for your rights, the fight for your emancipation.

Only with your own hands can you, the peasant women, secure your right to a human existence.

This has already been realised by many women. In Bulgaria, Spain, Poland, Turkey, Morocco, China and a number of other countries, the peasant women are already fighting shoulder to shoulder with the peasants and working women, waging a heroic revolutionary struggle for the general welfare of the workers. Although their number are still few, and only the most conscious women are active, nevertheless the dawn is already drawing nigh. The sunlight of consciousness will illumine hundreds of millions of peasant women throughout the world, and the revolutionary struggle of the workers and peasants for a better world will then assume an unparalleled swing. The hour will then come for the emancipation of all the toilers.

Sisters and fellow peasant women.

The 8th of March is the international festival of the working women and peasant women who are no longer willing to live in bondage.

The 8th of March is the curfew which calls the women to the fight for emancipation.

This day should become in all countries in the towns as well as in the villages, the festival of festivals. On this day the peasant women quit their domestic drudgery, solemnly leave their gloomy cottages, and join the ranks of the marchers under the red banners, with joyous calls and songs of freedom and the rebellion against slavery.

The 8th of March is the bright dawn of woman's emancipation. On this day the toiling women of village and city send their representatives from the cities to the villages and from the

villages to the cities, in token of solidarity and alliance of the toiling women of the city and village. Because only in close alliance with the working women of the city will you attain victory over your common foe.

Sisters and fellow peasant women.

The International Peasants' Council (Krestintern), the alliance of the world's revolutionary peasantry formed in 1923 with the participation of representatives of the peasantry of 40 countries in the capital city of the only Workers' and Peasants' Government in the whole world, Moscow, has for one of its fundamental tasks the struggle for the emancipation of the peasantry.

Not a few women took part in the founding of the Peasants' International.

On the 3rd year of its existence the Peasants' International is organising a special section for work among peasant women — the women's Section of Krestintern — thereby meeting the wishes of hundreds of millions of peasant women throughout the world.

The 8th of March in the present year will be marked by the world-wide celebration of the founding of the Women's Section of Krestintern, the Red Star pointing to the peasant woman the road towards freedom.

On this day the peasant women throughout the world should think of the ways and means to get redress for their grievances, to shake off the chains of bondage, and, emulating the example of the peasant women and working women of U. S. S. R., to demand complete emancipation and complete equality.

On this day the peasant women throughout the world should realise that the first condition for their emancipation is in creating Women's sections, branches of the Women's Section of Krestintern, in all the peasants' organisations, political, economic and educational.

On this day across the fields and meadows, across mountains and valleys and forests, in all the languages of the world but in the common language of the toiling women, there should resound like a thunder-storm the unanimous call from millions of peasant women:

Down with the criminal power of the wealthy spiders of village and town!

Down with the capitalists and the landlords!

The whole power to the peasants and the workers!

Peasant woman, take into your hands the fate of you and your children!

Peasant woman, fight against imperialism, which takes away from you your son, your husband and your brother. Down with war, down with armaments! Down with the unbearable burden of taxes which go to benefit the bourgeois and land State!

The land to the peasants and peasant women!

Down with darkness and superstition, the weapon of domination by the enemies of the people!

Equality for women in married life, in the family and in the State!

Peasant woman, fight for the protection of female labour for the protection of motherhood and infancy.

Peasant woman, fight for the participation in the government of the village, the county, the district and the State, side by side with your menfolk, build the foundations of the Workers' and Peasants' Government.

Long live the close alliance of peasant women of all countries!

Long live peace and brotherhood of the toilers throughout the world!

Long live the international revolutionary organisation of peasant women!

Long live Krestintern, the defender of the peasant woman!

Peasant women and working women of the world, unite!

Peasant women, organise yourselves!

The Presidium of the International Peasants' Council (Krestintern),

The Women's Section of Krestintern.