

INTERNATIONAL

Vol. 14 No. 2

PRESS

12th January 1934

CORRESPONDENCE

CONTENTS

Politics			
G. Peri: Franco-German Negotiations	37	Fight Against Imperialist War	
J. Berlioz: A New Financial Scandal in France	38	A. G. B.: U.S.A. Intensifies Naval War Preparations	47
Benier: Increasing Unemployment in France	39	Chie Hua: Japan's Imperialist Designs on Inner Mongolia	48
J. B.: The Causes of the Mining Disaster in Czechoslovakia	39	E. W.: A Conference Against the Soviet Union	49
Germany		Fight Against Fascism	
Immediate Mobilisation of the Masses!	41	L. E.: Successful United Front Against Fascism in America	50
W.: The Incitement of the German Fascists in Connection with the Fire at the Amsterdam Telephone Exchange	41	Thirteenth Plenum of the E.C.C.I.	
A. G. Bosse: U.S.A. Campaign to Save Reichstag Defendants	42	The Results of the Thirteenth Plenum of the E.C.C.I.	51
Socialist Construction in the Soviet Union		Seventeenth Party Congress of the C.P.S.U.	
Comrade Stalin Gives Interview to Correspondent of N.Y.T.	43	Theses on the Reports of Comrades Molotov and Kuybishev on the Second Five-Year Plan	52
Report of Comrade Meshlaur	44	Theses on the Report of Comrade Kaganovitch	53
Discussion on the Reports of Comrades Molotov and Meshlaur	44	Organisational Questions	
Reports of Grinko, Yakovlev, Ossinsky, and Others	45	B. P.: The C.P. of Yugoslavia in the Struggle for the Masses	55

Speech of Comrade Molotov at the Session of the C.E.C. of the Soviet Union

(FULL TEXT *)

I—On the Results of 1933 and the Main Tasks of the Second Five-Year Plan

Comrades, the plan for the national economy of 1934 is the plan of the Second year of the Second Five-Year Plan, the realisation of which we entered upon this year.

The question before us is first of all how we started the work of the Second Five-Year Plan and what are the results of the first year of its realisation. I will have to begin by pointing out the main results of the development of the national economy of U.S.S.R. in 1933, in order to determine the prerequisites for the realisations of the tasks of the second year of the Second Five-Year Plan.

In industry, as in agriculture, the first year of the Second Five-Year Plan was a direct continuation and further development of the successes of the First Five-Year Plan. The following features are of more importance and significance in the results of the first year.

Firstly, in *industry*: This year we have an increase in the production of large scale industry, as compared with the previous year, by nine per cent., and in heavy industry by 11.5 per cent.

This increase of industrial production does not yet insure the entire fulfilment of the plan fixed for the growth of industrial production. The peculiarity of this year was the increasing rates of growth of industrial production from quarter to quarter. While the level of output of large industry was even a little lower in the first months of this year than the corresponding level in the preceding year, we achieved later a considerable increase in the rates

of industrial production. In such large branches of industry as coal, oil, metallurgy and others, the second half-year shows considerably increased tempos of industrial production as compared with the preceding period.

Another most important feature in the development of our industry is the improvement of labour productivity and production costs. The output per worker in the industries of the four People's Commissariats rose this year by 10 per cent. as compared with 1932, including 12.5 per cent. in the industries of the People's Commissariat of Heavy Industry, 7.2 per cent. in those of the Commissariat of Light Industry, 9 per cent. in the People's Commissariat of Supplies and 4.4 per cent. in the People's Commissariat of Timber and Forestry. In the matter of lowering production costs in the industries of these four Commissariats, we have attained substantial achievements in comparison with a number of preceding years. The lowering of production costs in heavy industry will bring very near the complete fulfilment of the tasks under the plan and in some branches of machine construction we will have an overfulfilment of the annual tasks.

The results of 1933 in increasing the productivity of labour and reducing production costs, are evidence of the successes of the struggle of the working class for the mastery of new technique and new forms of production. This advance in the matter of new technique is particularly significant in regard to the realisation of the main tasks of the Second Five-Year Plan. We must advance on the basis of these achievements both in regard to the tempo of industrial production and in the attainment of further successes in labour productivity and a fall in production costs.

Secondly, in *agriculture*: Here, the results of the harvest in

* The report of Comrade Molotov's speech published in our last issue contained only that portion of the speech dealing with the international situation of the Soviet Union. The present is a full report of the whole speech.—Ed.

1933 must first of all be noted. We have achieved this year an unprecedented high total harvest yield of grain. The State Commission for determining the harvest yield calculates this year's harvest of grain at 898 million centners. This gives an increase of 200 million centners as compared with the preceding year.

We have thus in the current year an increase in the gross yield against last year of 1,200 million poods. Almost half of this increase (540 million poods) is an increase in the production of food crops. We have the greatest increase in the harvest of wheat and oats, that is, in the most important grain crops.

Such a colossal increase in grain production signifies a powerful strengthening of our position in agriculture. It shows the possibilities that are inherent in our agriculture and how successfully we are beginning to utilise them in the interests of raising our entire national economy and strengthening the cause of socialism in the U.S.S.R.

The big harvest of 1933, exceeding that of the years during the period of the Revolution, and also during the pre-Revolutionary period, could be achieved not only thanks to the favourable climatic conditions, but, principally, thanks to the fact that a favourable change has taken place this year in our collective farm construction and a consolidation of the collective farms which signifies a rise in kolkhoz labour discipline, an intensification in the activity of the collective farmers in the entire kolkhoz work, and a rise in the State organisation of collective farm production. This change in kolkhoz construction has only become possible thanks to the fact that a struggle has developed for Bolshevik kolkhozes, for the liquidation of the influence of kulak elements in them and for an improvement in their entire work. The political sections in the machine tractor stations and Soviet State farms organised by the Party played an exceptional role in all this.

And so, in respect to agriculture, also, we have the prerequisite for the second year of the Second Five-Year Plan which will enable us to set new and greater tasks.

Thirdly, the *State budget*. The growth of the national economy and the improvement in its organisation was also reflected in our State budget. This year we have achieved a considerable excess of revenue over expenditure. This excess amounts to 3,200 million rubles, which considerably exceeds the estimate of the State budget—1,780 million rubles. Such a success in the accomplishment of the task of accumulation in the State budget could only be achieved as a result of the rise in the national economy and development of commodity turnover. Such a success could only be the result of the self-sacrificing struggle of the working class and kolkhoz masses for a rise in industry and agriculture, for the fulfilment of the entire plan of national economy. The considerable excess of State revenue over expenditure has enabled us not only to ensure the fulfilment of the programme of financing economic and cultural construction, but also to strengthen the monetary system.

Fourthly, the *standard of living of the workers and peasant masses*. Here, also we have had considerable achievements in 1933. This year there is not only a considerable rise in wages, an increase in the social insurance fund and in all State expenditure connected with the improvement in the living and cultural conditions of labour of the workers, but the very organisation of supplies has considerably improved.

The numerous facts concerning the situation in the village also indicate a considerable rise in the living standard of the peasant masses. The big harvest and improved work in the collective farms has, in many cases, raised several times over the payment in kind (in grain) for work-days in the collective farms. The collective farmer is now assured of grain and has every opportunity of a further rise in his standard of living. All this also found expression in the growing enthusiasm of the masses which are building socialism. The rise in the productive activity in the factories and collective farms is one of the most important prerequisites for the accomplishment of the new tasks, the tasks of the second year of the Second Five-Year Plan.

Fifthly and finally, in the year which is coming to an end, *organisational reconstruction* has been effected in economic management and the leading role of the Party in all socialist construction has advanced still further. The organisation of political sections at the M.T.S. and State farms was of particular significance for agriculture. In the case of industry, a programme of reconstruction of the coal industry in Donbas and railway transport was given effect to by a decision of the Council of People's Commissars and the Central Committee of the Party. Work in other branches

of our economy must also develop on this basis. There can be no doubt about it that these measures of an organisational order have created prerequisites of first-class importance for an improvement in the whole of our economic work and have provided a lever for the accomplishment of the plan of the national economy of next year.

Such are the main results of the fulfilment of the national economic plan of the first year of the Second Five-Year Plan. These results show that we have favourable prerequisites for the further development of our tasks in the economic programme of 1934 and for their successful accomplishment.

We have still not a few weak spots and backward sections in our economic work.

We cannot but reckon with the fact that the tempo of building work was not sufficient in the course of the first half-year of 1933. This delayed the fulfilment of the building plan in the current year. It is only with the second half-year that building work has really begun to develop and that the fulfilment of the building programme was considerably rectified.

We must also reckon with the fact that the rise in light industry considerably lagged behind the tasks that were set by the national economic plan. This only emphasises that we shall in the future have to fight with intensified energy for the development of industries that are producing articles of consumption and we shall have to rectify this in the next year.

Finally, it must be emphasised that our transport, and especially our railway transport, has not coped with the tasks with which it was confronted. The question of improving transport was and remains our most important task. The fulfilment of our national economic plan of 1934 will depend to a considerable degree upon how far we succeed in rectifying this part of our economic front.

And so, in considering the results of the fulfilment of the national economic plan of the year that is coming to an end, we must recognise that despite a number of shortcomings in the fulfilment of this plan, we have created the prerequisites for placing before ourselves new and still greater tasks in the plan of the second year of the Second Five-Year Plan. We can and should place before ourselves the task of a further and still more powerful development of our industry—heavy and light—our agriculture and transport, and also a development of all branches of our cultural construction. And the national economic plan of the second year of the Second Five-Year Plan proceeds from this.

The scale of the tasks that stand before us in 1934 may be characterised first of all by the growth of our State budget. The revenue part of the State budget will increase next year from 39,070 million rubles to 48,710 million and the expenditure from 35,870 million to 47,210 million rubles. Thanks to this, financing of both economic and social-cultural construction will rise considerably.

The accomplishment of the tasks set is only possible by insuring the growth laid down in the plan for all branches of national economy, by strengthening financial and credit discipline and by observing a regime of economy in all expenditure. In this respect we have made a substantial step in advance and must proceed along this path still further during next year.

The programme of construction in 1934 finds its reflection in a considerable increase in the building plan in all branches of the national economy.

The amount of capital construction for 1934 is fixed by this programme at 25.1 milliard rubles. From this it may be seen that still greater tasks stand before us in the domain of building than in 1933, when the building programme was fixed at 18 milliard rubles.

The dimensions of building, indicated in the plan for next year, may also be seen when compared with the fulfilment of the building plan during the First Five-Year Plan. As is known, capital investments in our entire national economy were fixed at 60 milliard rubles for the whole period of the First Five-Year Plan. It is well known to you also that this insured an immense development of construction both in industry and other branches of the national economy. Now, we place before ourselves considerably greater tasks in this realm than in any other past year, and this confronts us with new and still higher demands in the matter of organising capital work.

We must insure a considerable growth of capital construction in industry in order that the capital work of light industry, so far from lagging behind heavy industry, should receive a comparatively greater development, in conformity with the new tasks

in the realm of producing articles of general consumption. The growth of capital work in agriculture must also increase considerably.

Particular significance, however, must be attached to capital construction in transport. It must be recognised that the main tasks in the matter of improving our transport and above all railway transport lies in the realm of improving the administration, of intensifying the struggle with shortcomings in the management of the transport, with bureaucracy and red tape, of a corresponding reconstruction of the work of the managerial organs and a mobilisation of the activity of the broad masses of the working class and chiefly the transport workers themselves, to raise labour productivity, to strengthen discipline and really insure the fulfilment of the tasks with which transport is faced. The decisions of the Council of People's Commissars and the Central Committee have sufficiently focussed attention precisely on this task—the task of real improvement from top to bottom in the management of railway transport.

Together with this, it is necessary to strengthen in every way the material base of the railway and other forms of transport. For this it is necessary to develop the construction of new lines and to re-equip the old ones, to increase the supply of rails, equipment, and more powerful rolling stock—locomotives, cars, electric and internal combustion locomotives—and strengthen the technical supply of transport.

In conformity with this, the programme of construction on the railways and other forms of transport must be considerably extended in 1934. Here we must insure an increase in capital work on railway transport by 63 per cent. as compared with the preceding year and by 65 per cent. in transport as a whole. The position cannot be tolerated that the railway transport should fail to fulfil its task on capital construction next year also. The entire fulfilment of the 1934 programme must be secured.

The task of the second year of the Second Five-Year Plan is to increase considerably the output of large scale industry. A 21 per cent. increase in industrial production is foreseen in the plan as compared with the preceding year, and in heavy industry this increase must attain 23 per cent.

The plan also foresees an increase in the goods traffic by 30 per cent. This means that the average daily carloading on the railways must rise from 52,000 freight cars this year to 68,000 in 1934. A big task has therefore been set our transport which requires an immediate improvement in the whole of its work.

Finally, the plan provides for rapid growth of cultural construction. The expenditure on all forms of cultural construction in 1934 should attain the figure of 13,700 million rubles, which is a 17 per cent. increase as against the preceding year.

Such are the main tasks of the 1934 programme, the programme of the second year of the second Five-Year Plan. These tasks give an idea of the gigantic growth of our construction in all its realms. The working class could place before itself these tasks thanks only to the successes which we have had up to the present in socialist construction, thanks only to that exceptional support which we had from the worker and peasant masses, thanks only to these successes which we have achieved in the struggle against the class enemy, and, above all, against kulakdom in the village.

Not a single capitalist country could even dream of such plans of construction. Comrade Kalinin has emphasised here the significance of the economic crisis in capitalist countries, which is accompanied by colossal unemployment and an increase of poverty in the village. If there is any increased production and development of construction in capitalist countries it is, first of all, in war industries, that is in preparation for new wars, while in the majority of other industries and agriculture, the crisis makes itself felt up to the present day at every step, and the tens of millions of "superfluous people" in the army of unemployed only confirm the depth of the general crisis of the capitalist system.

In our country, the working class is setting before itself ever greater tasks with every coming year, and the national economic plan for 1934 is the best proof of this. The programme of our construction in the second year of the Second Five-Year Plan cannot but inspire the worker and peasant masses of our country in the struggle for the victory of their cause, it cannot but inspire the workers of other countries with confidence in the victory of the cause of socialism.

II—Chief Tasks of the National Economic Plan for 1934

1. In the Field of Industry

The completion of the *technical reconstruction* of the entire national economy is the chief task for the whole of the Second Five-Year Plan. This relates also to 1934. In conformity with this, the main increase of industrial production proceeds along the line of the heavy industry, which creates the material base for the reconstruction of the national economy.

We must insure in 1934 an increase in the output of *large scale industry* by 21 per cent. as against 1933, the increase in the industries of the People's Commissariat of Heavy Industry must be 23 per cent., of the Commissariat of Light Industry 10.6 per cent., of the Commissariat of Timber and Forestry 10 per cent. and the Commissariat of Supplies 23 per cent. But if we take the output of articles of general consumption separately from all other branches, the increase in such output will attain 16 per cent. in the State industries.

The rise in the main branches of industry in 1934 must be reflected first of all in the following tasks.

The 1934 plan sets the task of securing a rise in the output of electric energy to 19 milliard kilowatt hours, a 20 per cent. increase against the preceding year. Considerably larger tasks are set in the fuel industry, and this relates both to coal and oil. The fulfilment of the programme in coal should provide 96.2 million tons, that is, an increase of 25.5 per cent. The task in the case of oil is 30.6 million tons, that is, an increase of output by 33.2 per cent. as against the first year of the Second Five-Year Plan.

The tasks are particularly great in metallurgy. Here we have to secure the fulfilment of the programme of pig-iron to the extent of 10 million tons. The next task is that of steel to the extent of 9.8 million tons, that is, a 41 per cent. increase.

We must specially dwell upon the tasks in rolled steel on the fulfilment of which the programme of machine construction principally depends. We have not a few achievements in the last years in respect to high-grade steel. The possibility created in our country for insuring production, in the auto-tractor and other forms of complicated machine construction, with our own rolled steel, and thereby reducing to a minimum the importation of metal, is a great achievement of our industry.

However, it must not be forgotten that in relation to the so-called rolled steel rails and so on, we have had intolerable lagging in the fulfilment of the programme of recent years. Next year it is necessary to attain at all costs an improvement in this branch—an all-round increase in the production of rolled steel, both high grade and ordinary. We must further bring up the production of rolled steel to that of pig-iron and steel.

With the object of insuring a further rapid rise in our metallurgy, we must start next year 12 new blast furnaces, 40 open hearth ovens, 25 rolling mills and three blooming mills. This task is considerably higher than what we have previously accomplished in one year. Its accomplishment must be considered as one of immediate importance.

The tasks on the production of non-ferrous metals are increased considerably. This applies to copper, zinc, lead and aluminium and also tin. There is no need to prove here the whole importance of the all-round increase in the production of these metals. We have here a considerable lagging in the tempo of development which we must cover by the full accomplishment of next year's programme.

The chemical industry will also be considerably strengthened, as it is of great importance for the national economy and the defence of the country.

In regard to machine construction, which plays a leading role in the technical re-equipment of our economy, a considerable increase in production must be attained. We must reckon with the fact that together with the strengthening of the technical base of heavy industry and also agriculture, it is necessary for us to strengthen also the technical base of transport to a vastly greater extent, especially of the railways, and also the technical base of light industry and the food industry.

In conformity with this, the productive programmes in the various branches of machine building must either be on the general level of the growth of production of industry or exceed it. Thus, the growth of production of machinery in the industries of the People's Commissariat of Heavy Industry must amount to 18

per cent., in agricultural machinery to 26 per cent., in transport machinery construction to 41 per cent., and in the auto-tractor industry to 35 per cent. A considerable increase must be insured also in the construction of machinery for the light and food industries.

We cannot reconcile ourselves to the fact that the industries of the People's Commissariat of Timber and Forestry have not given the necessary increase this year. Serious tasks have been placed before them for 1934 (an increase of 18 per cent.) and their fulfilment must be insured.

The fulfilment of the 1934 programme is inseparably tied up with the accomplishment of the tasks of raising *labour productivity* and lowering *production costs* in industry. The successes achieved this year in labour productivity and in lowering production costs should not only be consolidated, but should be considerably developed next year. We must ensure such a fall in production costs in all branches of the national economy which should be equivalent to a saving of five milliard rubles.

It must not be forgotten that a fall next year in production costs in industry by one per cent. means for us an economy of over 260 million rubles and yet the corresponding annual tasks for industry is expressed by the figure of 4.7 per cent. It must also be remembered that a fall in production costs by one per cent. in building will give us an economy of 165 million rubles. But the plan provides for a fall in production costs by 15 per cent. As we achieved this year a fall in the production costs in building of 1.5 to 2.0 per cent. and there was a rise in production costs, in the preceding years we have considerable leeway to make up in this respect in 1934.

An improvement in the work of industry at present depends first of all upon an improvement in the organisation of production.

Here it is particularly necessary to turn our attention to the struggle against improper utilisation of our working day in our factories. The losses, or rather the waste of labour time, which we have in our economy must be recognised as completely intolerable.

The People's Commissariat of Heavy Industry recently investigated a number of large enterprises in regard to this matter. These enterprises include such plants as "Electrosila," "Bolshevik" and the Baltic Shipbuilding Yard in Leningrad, the "Hammer and Sickle," the "Dynamo," the "Krasni Bogatir" in Moscow, the "Kalata," "Karabash," "Krasnouralsk" in the Urals, the "Krasnoe Sormovo" in Gorki and the "Barricade" plant in Stalingrad. It was established on investigation of these enterprises in the autumn of this year that it happens not infrequently that out of seven working hours only five to five and a half hours are utilised productively, and in some cases the productive utility is even less. The equipment of these plants is utilised still more weakly. And this in enterprises which belong to the better equipped, which possess a splendid technique and are situated in advanced industrial centres!

Even in the auto-tractor industry, which has given us models of full mastery of productive capacity—even here the losses of working time for various reasons (in most cases capable of rapid removal) are still very considerable. Even here they attain 20 to 30 per cent., and it is clear that we cannot reconcile ourselves to such a position.

There are not a few examples of how the most valuable equipment, including equipment imported from abroad, is lying quite unutilised. There are still more cases when first-class equipment is utilised in our enterprises quite inadequately, say, to half capacity and even less.

It is especially necessary to point out the bad utilisation of equipment on the part of our building organisations. There are not a few such cases when skilled workers are not utilised according to their specialty, but in general labour. And in all places where the workers, the technical staff and managers devote due attention to these disgraceful losses of time and begin to fight against them, in such places we have everywhere a notable improvement. This relates, by the way, to a number of those plants in heavy industry of which I have just spoken.

The reasons for such an abnormal position lie in defects in the organisation of production. These defects are due to the absence of proper planning within the factory and of keeping a proper account of the utilisation of equipment and to the unsatisfactory organisation of the tool shop and warehouses, the inadequate arrangements for production instruction, the non-organisa-

tion of passing work from one shift to another and laxity of labour discipline and technical direction.

All this emphasises the importance of the task of mastering technique and improving the organisation of production. All this shows what tremendous internal reserves are contained in our industry, the rapid utilisation of which entirely depends upon us, upon our work. In directing due attention to improvement of the management of production, to its enlightened organisation, we will be able quickly to achieve great results and will considerably help the successful fulfilment of the national economic plan.

For this it is necessary, firstly, to develop the struggle for the *mastery of new technique*, secondly to ensure *live and concrete, and not red-tape and bureaucratic*, direction of economic work, and thirdly, to raise *labour discipline*.

In the whole of the work of developing industry, we rely upon the increased activity of the workers, we rely upon growing competition and shock work in the working class. Recently, when the task of mastering new technique and new production came into the centre of attention of the working class, competition attains new forms and is more intensively directed on the road of the struggle for the mastery of new technique.

The workers are waging this struggle in the most diverse forms. One of these has become the public-technical examinations in the factories. The initiative of a number of Komsomol (Young Communist) organisations in this matter met with a response among the broad Komsomol masses and later on among the masses of workers generally. The public-technical examinations, that is a report before the body of workers on the mastery of technique and understanding and skill in coping with their machines, is only one of such examples. Side by side with this, all sorts of contests develop among workers in different professions and masters of the most important qualification. This remarkable movement is well known. What is most valuable in this movement is the serious attitude to the details of production and the organisation of productive instruction on the part of experienced workers.

The yearning for technical study has become one of the most characteristic features in the working mass. It is of the most important significance for our further economic successes and is a reliable support in the realisation of the tasks of the Second Five-Year Plan. In a period when the whole of our economy is in a phase of technical reconstruction, we can only attain great results in the organisation of national economy, and above all, in industry provided the struggle for the mastery of technique will really become the cause of the entire working class.

Another and, in the long run, decisive moment in the fulfilment of the plan of national economy is the struggle for an improvement in the methods for the management of industry and business work in general. The Party and Government have stated in the well-known decrees on the Donbas coal industry and railway transport of what the reconstruction of these methods must consist.

The struggle against red-tape, and bureaucratic methods and the realisation of truly effective and concrete day-to-day directions must be placed in the centre of our economic tasks. Reconstruction in business management must ensure real simplification and reduction of redundant administrative personnel. It must ensure the transfer of the main part of the technical personnel directly to production, to the mines and factories; it must ensure a reconstruction of workers' wages so as to encourage the more necessary leading professions to fight for a successful fulfilment of the productive tasks; it must ensure a replacement of functionaries who are steeped in bureaucracy by new capable directors chosen from amongst the young cadres and constant control over the fulfilment of decisions adopted and the tasks set by the business managers themselves, without shifting this matter to functionaries of secondary importance.

To reconstruct on this basis the direction in industry, means to lay the strongest foundation for its further rapid improvement. That is why the decision of the Central Committee and of the Council of Peoples Commissars on the Donbas and railway transport do not apply to these branches alone. The fire of this decision is directed against the most important and greatest defects of the moment in the work of industry and transport, which are characteristic not only of Donbas and the railways, but also of all other branches of the national economy. And the realisation of the plan of national economy of next year depends first of all upon putting these directives into effect.

That reconstruction in the spirit of these decisions finds its rapid reflection in the improvement of industry may be seen in the example not only of the coal industry of Donbas, but also in that of the Urals. We have achieved a considerable rise in the output of coal in the Donbas, and in the Urals, after carrying through the reconstruction indicated, even though in far from completed form.

The reconstruction in business organisation which has begun this year must be continued with still greater persistence by strengthening the personal authority of directors and by resolutely fighting against irresponsibility in business management under cover of the wider responsibility of the managerial board. Not a little has already been done by way of simplification and contraction in our central management apparatus, but the main work is still ahead of us. To improve the organisation of business work and to ensure, in practice, concrete day-to-day direction—such is our chief task.

Our main tasks have become those of organisation and practical direction ever since the broad masses of the working class and the peasantry have convinced themselves of the correctness of the policy of the Soviet power, since the time that the line of the Party has conquered all along the front. Our chief attention must now be directed to these tasks. The accomplishment of the main tasks of the plan of national economy now depends upon the improvement of the organisational side of our economy, upon a corresponding reconstruction of the business organs, upon supplying them with devoted, bolshevik fighting cadres, upon the organisation of serious control over the fulfilment of decisions adopted and tasks set.

Finally, in regard to strengthening labour discipline.

You remember that a decision was adopted by the Government against loafing, at the end of 1932. This decision and the whole struggle of the economic, Party and trade union organisations for strengthening discipline in the factories and plants has already produced results.

In the course of 1933 we achieved a sharp decrease in absenteeism from work. In some branches of industry loafing fell 8-10 times and more. In large-scale industry, as a whole, absenteeism has declined over 6 times. Thanks to this, the number of working days per worker has increased by 5 days in 1933, and this is a highly important achievement for our industry. The whole struggle against loafers was based upon the activity of the broad working masses and its results have once more shown how greatly the consciousness of the workers in our country has risen and how greatly has grown the labour enthusiasm in the working class which is realising the Second Five-Year Plan.

An advanced struggle for the mastery of new technique and an all-round improvement in business management, in conformity with the demands of the Party and the Government, a strengthening in labour discipline and development of socialist competition will be of decisive importance for the fulfilment of the tasks set to industry by the present economic plan.

2. In the Field of Agriculture

The chief task before us in agriculture is to ensure a continuation of the good harvest of grain obtained in 1933 and to progress further in this matter, especially as regards technical crops. We have achieved a considerable improvement this year in rural economy, thanks to the work of the Party, thanks to the organised establishment of collective farms, thanks to an increase in technical supplies and to an improvement in the supervision of the building up of collective farms. It is only thanks to this that the main agricultural campaigns of this year were carried through in a more organised manner and more quickly than was the case in preceding years. In the great majority of districts the sowing and harvesting campaigns were completed earlier than last year.

The collective farms have been victorious all along the line of rural economy. More than two-thirds of the peasant holdings have already entered collective farms. At present it is a matter of **organising and managing** these collective farms.

In 1934 we are not attempting to increase the area under grain and technical crops. The attention is now centred on increasing the productivity of labour in agriculture.

However, we do not doubt that the sowing plan can be over-fulfilled by the collective farms. The law of grain deliveries provided encouragement to increase the sown area above the plan. As is well known, no grain deliveries are required from areas sown

above plan. As the sowing plan of next year does not exceed that of the harvests obtained during recent years, we need not doubt that we have all opportunities not only for fulfilling but for over-fulfilling the plan for areas to be sown. However, the decisive task is to ensure and to develop further success of the harvest. We must ensure that 1934 will see a further increase of the harvest of grain and technical crops.

We are especially backward in the matter of technical crops, principally cotton, flax and sugar-beet. In connection with this, we are faced with the problem of considerably raising the harvest of these cultures.

That our collective farms have become considerably strengthened is apparent by the progress of agricultural collections this year. The plan of grain delivery was especially well fulfilled. This plan was fulfilled before time this year by all republics and provinces. Other agricultural collections—potatoes, vegetables, sugar-beet, cotton, flax and also butter—have much exceeded those of last year.

On the other hand, a favourable factor in the increase of the harvest is the increase of land lying fallow by 22 per cent. and the increase of ploughed land by 19 per cent. in comparison with last year.

Finally, the majority of republics, provinces and districts have already succeeded in ensuring their supplies of seed for the spring of 1934. Within the next few weeks, and maybe even days, the drying of seed will be completed throughout the Soviet Union.

At the same time the material and technical base of rural economy continues to grow. You know how it has grown during the last few years owing to the increased supplies of tractors, combines and other agricultural machines in the collective and state farms. Our task is to ensure the organisation of 540 new machine-tractor stations in order that the number of machine-tractor stations in our country should not be less than 3,400 by the end of next year. The capacity of the tractor parks next year will also increase by 42 per cent. and will reach a figure of 4,400,000 h.p. Sixty-three per cent. of the collective farms have to be included in the work of the machine-tractor stations.

The great growth in the mechanical and technical power of the machine-tractor stations demands a serious improvement in the manner of their use. We cannot tolerate such facts as only half the tractors working on the machine-tractor stations and state farms. It is impossible to allow that only two-thirds of the combines are actually used in work, as was the case in some instances this year. It should not be tolerated that owing to a bad supply of spare parts, to unpunctual delivery of fuel, to lack of discipline among tractor and combine drivers, and to bad organisation in the machine-tractor stations and state farms, the huge equipment given to them during the last few years should stand idle.

In connection with the grain state farms, the task has been set this year to reorganise them, and first of all to divide them into smaller units. The total area of arable land of one state farm should not exceed 20-25,000 hectares, and, in state farms having a large area under grain, this should not exceed 15,000 hectares. In connection with this, the number of grain state farms will be considerably increased, their material and technical base will be strengthened as well as their staffs, and, consequently, there is one more factor for the increased harvest to be obtained from the state farm fields.

In addition to these tasks increased live-stock breeding in state and collective farms becomes of special importance.

Special attention must be devoted to the horses in the collective farms. It is imperative to achieve an increase in the number of horses in 1934.

Notwithstanding the fact that the number of cattle in state and collective farms is growing, that we have achieved considerable progress in the breeding of large cattle, pigs and sheep, we are faced with the task of increasing live-stock breeding in general—a task which is not fulfilled except in individual provinces and districts. In 1934 we have to achieve considerable progress in this matter. One of the most important premises for this is the good harvest of the current year.

But of yet greater significance is the achievement of organisational and economic strengthening of the state and collective farms. And here, in the field of agriculture, the main problems are those of organisation, questions of practical supervision of the building of state and collective farms. To ensure active supervision all along the line, and daily control of the timely supply

of machines and spare parts to the agricultural districts, correct organisation of the supply of fuel, improved methods of training qualified workers, organisation of permanent brigades, strengthening labour discipline in collective farms—these are now our main tasks. Basing ourselves on the fulfilment of these measures, we must provide for the best organisation so far achieved of the sowing campaign and afterwards of the harvest, and thus ensure an increased harvest and a growth in live-stock breeding.

We must firmly consolidate the progress that has been made in agriculture. The growing labour enthusiasm among the collective farmers, the further considerable strengthening of the material and technical basis of socialist agriculture, the smashing of the kulaks, and the experience gained during this year by the Party organisations and political sections of the machine-tractor stations and state farms are the best factors which speak for the further growth of rural economy. We must consider the fact that the class enemy has not yet given up the struggle in the villages, that attempts to undermine and disorganise state and collective farms are still being made by anti-Soviet elements, that the fight for the collective farms, for collective farm property, for collective farm discipline must still hold the centre of our attention in the village.

3. In the Field of Raising the Material Standards of the Workers and Peasants

Now, comrades, allow me to deal with the tasks we have set ourselves in the matter of raising the living standards of the worker and peasant masses, and how, in connection therewith, stands the question of developing trade.

The development of trade between town and village is one of the chief tasks of the economic plan. During recent years we have in every way extended the network of trading organisations, both co-operative and state, and conducted a vigorous struggle to root out speculation. We have succeeded to such an extent that our present trade in the Soviet Union is almost exclusively state co-operative trade.

The role of the private man in trade has been reduced to an infinitesimal point. At present the question of developing trade depends fully on our work, and we must ensure that our industry and trade are in fact raised to the level of those demands which are presented to the Soviet State by the working masses of town and village.

Comrade Stalin in his recent conversation with collective farmers from Odessa especially stressed that we are confronted with the task of doubling and trebling in the shortest space of time the quantity of articles of wide consumption. And this we should by all events achieve.

To this end we must in Bolshevik fashion develop a struggle for raising our light and food industries, for improving the work of handicraft co-operatives, and, especially, to ensure that industry is supplied with agricultural and other raw materials. The rate of growth of our light industry is still far behind the demands of consumers. But only rotten opportunists, who do not believe in the forces of the working class and follow at the tail of the bureaucratic apparatus, may not see the tremendous, still unused possibilities for the quick development of the production of goods of wide consumption in our country. We have all the possibilities of overcoming the slow rate of growth of light industry, if we really tackle this question, if the task of increasing raw materials for industry, of manufacturing goods of wide consumption and also the task of improving the organisation of the light and food industries themselves is established as one of the most important tasks of the present time. We have tremendous possibilities for developing local industries, and this task we must also tackle in the most resolute manner. The maximum utilisation of local raw materials, strengthening in every way the struggle for discovering these local sources of raw materials, supporting the development of local industries, these tasks are now particularly urgent.

In the plan for 1934 we have set ourselves the task of increasing by 18 per cent. production in state and handicraft industries producing articles of wide consumption. We must admit that this rate is not sufficient for us. We will have to work throughout the year to extend the industry and bring about a more rapid rise in the production of goods of wide consumption.

The production of goods of wide consumption is not only the task of the Commissariat of Light Industry. Many branches of heavy industry (metal working, chemical and others) may do much

for this. In connection with this we have set ourselves the task of increasing by 42 per cent. the production of articles of wide consumption in the industries of the Commissariat of Heavy Industry. Much can be done also by the industries of the Commissariat of Forestry and Timber, especially with regard to furniture, paper, and so on. Besides this, on many of our industrial enterprises can be and should be placed the supplementary task of increasing the production of goods of general consumption.

Such branches of industry as flax, knit goods, glass and china-ware, matches, and certain others, should, during the next year, have a level higher than the average level in light industry. In industries of the Commissariat of Supplies, where the general growth of production in the basic industries is fixed at 22 per cent., a level higher than the average should be established for such branches as meat, fish, confectionery, fruit and vegetables, salt, fats (including soap), and a number of others.

It must be added that the plan provides for strengthening the further development of the light and food industries. This is seen from the fact that, although in 1933 capital work for the Commissariat of Light Industry was twice as much as in the previous year, in 1934 the volume of capital work in the Commissariat of supplies will be nearly doubled. In this way, the future years ensure a considerable increase in the development of industries producing articles for consumption.

Alongside the development of the production of goods of general consumption it is necessary to stress very forcibly the task of improving the quality of production. The Government recently issued a special decree demanding that economic organs, on pain of being called to strict account by the Soviet Court, should strengthen the struggle for the quality of industrial products and for their completeness. This applies in the first place to the machine building and military industries. But the demand for the improvement of the quality of production must now be put to all light and food industries as well.

Only recently the Council of People's Commissars passed a decision on the cotton textile industry. This decision contained, apart from a number of other instructions, a direct ban on the production of 23 grades of cloths of unsatisfactory quality. At the same time the decision prescribed an improved assortment for the further production of cotton textiles.

Of much importance to the entire food industry is the recent decision of the Central Committee of the C.P.S.U. concerning the food factories. In this decision attention is focussed on the improvement of sanitation in the food factories of the Peoples Commissariat of Supply and of the Centrosoyuz. At the same time the Central Executive Committee and Council of Peoples Commissars in another decision ordered the creation of a State Sanitary Inspection to fight for an improvement of the sanitary conditions of the food factories and public feeding establishments, as well as of the cities and villages generally. We must strengthen all along the front the struggle for an improvement of the quality of the products used to supply the population.

This year the struggle for raising the living standards of the peasant masses has assumed the form of a wide movement of the collective farmers for a cultured, well-to-do life. Comrade Stalin's slogan at the All-Union Congress of Collective Farmers, which states that it is our task to ensure a well-to-do and cultured life for the collective farmers within two or three years has been enthusiastically hailed by millions of collective farmers. Thousands of collective farmers have already made it known that this historic slogan is being carried into effect by them. The successes of the collective farmers this year have already found expression in a marked growth of incomes among those farmers who honestly worked in the collectives.

In many regions and provinces the collective farmers earned per work-day several times as much grain as last year. You know of the case of Kabardia where the average amount of grain issued per work-day throughout the region was one pood (36 pounds). In various parts of the Soviet Union, including the Ukraine, Siberia, the centre of the country and the South, the quantity of grain and other farm products which collective farmers received for an honest work-day considerably exceeded their personal requirements, and this incidentally has created a favourable situation for the development of live-stock breeding and collective farm trade.

Special mention should be made of the decision of the Party and Government to supply calves to collective farmers who have no cows. This plan is being successfully carried into effect. At

the beginning of December it had been carried out to about 50 per cent. The work of carrying out this plan in full continues. So far it has been most successful in the following regions and republics: North Caucasus, Central Asia, Moscow Province, Ukraine, Middle Volga, Urals, Lower Volga, and Central Black-Earth Region. In some regions and provinces the problem of supplying every collective farmer with a cow or calf will be solved completely next year.

The facts show that the peasant masses in this country are successfully marching forward to an improvement of their living standards. The collective farms have already given the poor peasants of yesterday a sense of security. The differentiation of the peasantry into poor and kulaks, a differentiation which made the middle peasant eternally worry lest he might be driven into the difficult position of a poor peasant, has come to an end. The entire mass of poor and middle peasants of yesterday, now in the collective farms, has to-day the opportunity to achieve a truly cultured, truly well-to-do life. We have already created the conditions necessary to carry out this task even more successfully in the future.

The facts also show that the living standards of the working masses are steadily rising. Everybody knows that we have long ago done away with unemployment, that in this country the workers have forgotten the meaning of unemployment. As a rule the workers do not work more than seven hours a day. A determined struggle is being waged for a further improvement of the material and cultural standards of the working men and working women.

As regards wages, we had a further rise of 10 per cent. this year. Beginning with 1934, attention will be given not to a further increase of monetary wages, but to an increase of real wages. This is made possible primarily by a reduction of the prices of industrial and food products, and this is what we propose to begin to do next year in the so-called commercial trade.

In the improvement of workers' supplies, an important part has been played by the organisation of workers' supply departments in the factories. Thanks to them, preferential supply of *udarniks* has been assured, the food resources of the individual factories have been strengthened, the decentralised procurement of products increased, and the funds of industrial and food products now go to serve directly those workers who are employed in the factory rather than people accidentally registered with the plant.

The organisation of communal feeding is also speedily developing. In 1934 nearly two-thirds of the population of the cities are to be served by public feeding establishments.

Municipal construction is steadily growing. The number of cities with tram-lines, power stations, water-works and sewage systems is speedily increasing. In Moscow, as you know, there is being successfully built the first underground railway in the U.S.S.R., which will begin to operate at the end of next year.

In the field of social-cultural construction, the year 1934 will be one of considerable growth both as regards mass education and training of technical and other specialists. The highest grades in the schools are increasing with particular speed. The number of theatres, moving picture houses and similar institutions is considerably growing. The student bodies of universities, technicums and workers' faculties continue to show an increase. The number of apprentices to be admitted to the factory schools will be doubled. All this will be dealt with in greater detail by Comrade Mezhlauk.

The scope of construction, the economic and cultural growth which we have already achieved and which continue to rise from year to year, has become possible only thanks to the fact that millions of workers and peasants are actively engaged in the building up of our country.

The successes achieved in the building of socialism force the class enemy to change the tactics of his struggle against the Soviet power. We no longer hear of open resistance to the collective farms on the part of the kulaks, but the struggle of the kulak elements continues under cover, by disorganising attempts within the collective farms. Attempts at sabotage in state undertakings also continue.

The state and collective farm property is not always well protected against the treacherous sallies of the enemy. There are also attempts to secure political influence over certain sections of the workers. There are, as yet, a good many hostile elements and bourgeois backsliders in our institutions who do not want to serve

the working class honestly, who demoralise the institutions by a formal, bureaucratic treatment of their work.

The Party cleaning has revealed a good many defects in the work of the local organisations, emphasised the necessity of the struggle against opportunism in all its variations, and, at the same time, generated further industrial enthusiasm among the great masses of the workers. The struggle of the working and collective farm masses for an uplift of the national economy and socialist culture, for a higher material and cultural standard, has developed on an even wider scale. In every field of construction, in every district, in the centre and in the remote outskirts of the country, competition is being carried on for the best realisation of the task of stimulating economic life, of developing socialist culture in all of its heterogeneous national forms.

We have competitions for the fulfilment by the factories and mills of their production programmes; competitions for the fulfilment of the plans for procuring agricultural products, of raising crop yields and developing live-stock breeding; competitions for the improvement of cities and the development of roads in the republics, regions and provinces.

The competition has assumed an exceptional swing in the mastery of new technique, in the mastery of new lines of production. Millions of workers and collective farmers and many thousands of engineers and technicians, agricultural specialists and scientists are taking a most active part in this competition. Workers in literature and art, in the theatre and music, have joined in the competition. The enthusiasm of the builders of socialism is steadily rising.

Such are the conditions, such is the situation, under which we began to realise the tasks of the Second Five-Year Plan a year ago and under which we are now proceeding with the fulfilment of the Second Year of the Second Five-Year Plan.

III—On the International Situation

This has been a year of further consolidation of the international position of the Soviet Union. The facts speak for themselves.

The biggest success of the foreign policy of the U.S.S.R. has been the establishment of relations with the United States of America. It will be remembered that the initiative in this belonged to President Roosevelt. The Government of the Soviet Union readily accepted the proposal.

The artificial barriers which had existed, through no fault of ours, in the relations between our two great States have finally been removed. In what measure the restoration of relations was in accord with a long-matured need and the deep desires of the masses, not only in the U.S.S.R., but also in America, may be seen from the hearty manner in which Comrade Litvinov was met by the masses of the people in America.

The establishment of diplomatic relations between the Soviet Union and the United States was based on an agreement fully in accord with the principles of Soviet foreign policy. The establishment of these relations creates favourable conditions for the development of commercial and economic connections. In the present international situation, however, the thing of special importance is the fact that the establishment of these relations must have a highly favourable effect in stabilising international relations generally and consolidating universal peace. We cannot fail to see in all this a serious success of the foreign policy steadily pursued by the Soviet Government.

The tasks of the struggle for the consolidation of universal peace have held and still hold the centre of our attention. We do not doubt that the struggle for peace, the struggle against new imperialist wars, is in accord with the deepest desires of the masses not only of our country but of other countries as well.

While more and more elements are accumulating in the sphere of international relations for unleashing new imperialist wars, while the mad growth of armaments and military budgets eloquently confirms this, while direct preparations for new wars are taking place everywhere in front of everybody's eyes—in these circumstances the Government of the U.S.S.R. made it its task to strengthen to the utmost the struggle for peace despite the growing aggressiveness of the ruling circles of certain countries.

It must be said that this year Soviet diplomacy has had some outstanding successes. Openly and resolutely exposing the aggressive imperialist forces and setting up in opposition to them its

clear proposals condemning all attempts to settle disputes between States by force of arms, Soviet diplomacy has carried out its task with honour.

Let me remind you of our proposal to all countries represented at the Disarmament Conference to conclude a pact directed against the aggressor, directed against the war incendiaries. It will be remembered that the delay in the decision of this question at the Disarmament Conference did not prevent our diplomacy from securing the conclusion of such a pact, a pact defining the aggressor, with a large number of our neighbours, namely, Poland, Finland, Esthonia, Latvia, Lithuania, Rumania, Czechoslovakia, Turkey, Persia and Afghanistan.

These successes are inseparably connected with the name of Comrade Litvinov, whose services are already known far and wide, but which we must emphasise here particularly. (Long applause.) I am sure that the entire session will greet the proposals to have Comrade Litvinov make a more detailed statement on questions of international politics. (Applause.)

In its relations with all countries, the Soviet Union has steadily observed the tried principles of its policy of peace and practical collaboration.

A splendid example of this is the development of our relations with the Turkish Republic. The visit to Turkey during the Tenth Anniversary of the Republic by a Soviet governmental delegation, with Comrade Voroshilov at its head, and the exceptional reception accorded to it by this friendly nation, testifies to the strength and political importance of Soviet-Turkish relations.

Nor is it possible to fail to notice the new, favourable factors in the development of business and cultural relations between the U.S.S.R. and Poland. We have attached and continue to attach to them much political importance.

On the other hand, there has been a favourable development of practical collaboration between the U.S.S.R. and France. The visit of the most prominent French politicians to the U.S.S.R., the establishment of closer business contact between representatives of both countries, have facilitated the development of this collaboration in the future. We are convinced that our collaboration with France has entered a new phase and has a good future before it.

Finally, a characteristic example of the development of the relations between the U.S.S.R. and other countries is the conclusion of a Pact of Non-Aggression, Neutrality and Friendship with Italy, and the establishment of diplomatic relations with Spain and Uruguay, on the initiative of these countries.

On the other hand, in the relations with Britain there was a temporary tension this year. For understandable reasons, the Government of the Soviet Union could not reconcile itself to the attempts to bring pressure to bear upon our internal policy from outside, and it succeeded in maintaining its position to the end. But the tension, which was caused, as you remember, by the trial of the Metro-Vickers wreckers, was soon eased and at present normal trade negotiations are being conducted in London.

Our relations with Germany always held a distinct place in international relations. Remaining true to its principles, the principles of defence of universal peace and its independence, the U.S.S.R. has had no cause on its part for any change of policy towards Germany. However, the ruling groups in Germany have, during the past year, made a series of attempts to revise relations with the Soviet Union. Tendencies of this kind are so obvious that they can easily be perceived. There is no need to dwell upon the statements of Herren Rosenberg, Hugenberg and others, about which sufficient has been said and written already.

One thing is clear to us, namely, that until recently the friendly relations between the U.S.S.R. and Germany were based upon their mutual desire for peace and development of economic relations. To these principles we remain entirely faithful to this day. Only in the observance of these principles did we see the power of the political and economic co-operation between the U.S.S.R. and Germany, co-operation in the interests of both countries and of general peace.

On the other hand, the policy of the ideologists of bellicose National-Socialism, such as Rosenberg and others, is directly opposed to this. Inasmuch as this policy is thoroughly pervaded with reactionary aspirations and imperialist plans of conquest, it is incompatible with the consolidation of friendly relations with the U.S.S.R. We think that it is also incompatible with a great future for Germany.

Concerning our relations with Japan enough has already been said: The policy of the Soviet Government on this question is clear to the toiling masses, not of our own country alone. Greater proof of the peacefulness of this policy than has been provided by all the facts which are widely known, beginning with our proposal to conclude a non-aggression pact, our complete readiness to sell the Chinese Eastern Railway, our attentive attitude towards all business questions, such as the Japanese concessions in the Far East and so on—greater peacefulness could not have been expected from us by anyone.

Yet this does not prevent certain organs of the Japanese press and certain important Japanese officials from engaging from day to day in cooking up various filthy rumours of aggressive intentions on the part of the U.S.S.R. One day they start a rumour about alleged "agents of the O.G.P.U." organising an attack on the Manchurian frontier; the next day they attribute to fictitious "Moscow agents" the organisation of anti-Japanese campaigns in China, and how many other "canards" are being started from that quarter day in and day out!

All this is done, of course, with the sole object of covering up anti-Soviet outbreaks and anti-Soviet provocations on the part of their own agents. Conscious of their growing isolation, the most reactionary circles among the Japanese military fear particularly the establishment of a certain collaboration between countries such as the U.S.S.R., the U.S.A. and China against the war incendiaries in the Far East.

They are themselves exaggerating the possibilities of such collaboration and completely betray themselves by panicky denials of their own inventions. They are in dread of the gigantic growth of the U.S.S.R. and, losing confidence in themselves, are repeating more and more stubbornly that "this is the most opportune time."

All this shows that we have no right to close our eyes to the danger of war, to the danger of an attack. Is it necessary to state once more what our conclusions from it must be? All that must be said has already been said. Our task consists in steadfastly pursuing our policy of peace in the Far East, and improving the relations with Japan, while preparing at the same time for all possible assaults and complications against which we, unfortunately, cannot regard ourselves guaranteed at the present moment.

That the danger of new wars has become particularly imminent this year may be seen from the following fact. During this year, Germany and Japan have announced their decision to resign from the League of Nations. Germany did this apparently because of her desire to develop her armaments. She regarded her participation in the League of Nations as one of the impediments to this plan.

On the other hand, Japan has announced her intention to resign from the League of Nations in order to have her hands entirely free in the Chinese intervention. It so happens that even the League of Nations has in a certain measure placed itself in the way of the "freedom of action" of the interventionists.

In this connection the retarding role of the League of Nations in relation to the forces heading for war must be recognised as a positive factor. Different as the causes of the resignations from the League of Nations are, one cannot ignore the fundamental fact that the significance of these acts lies by no means in any consolidation of the cause of universal peace, but on the contrary in the unleashing of aggressive forces of the most reactionary kind.

With all the more determination and consistency, therefore, will we defend the cause of peace and expose every attempt to accelerate new imperialist wars and new attacks upon the U.S.S.R., utilising every given opportunity to this end. Our foremost task consists in keeping the toiling masses informed of the true situation of the U.S.S.R. in the present capitalist encirclement, so that the great masses of the workers and peasants may correctly understand the fundamental factors which are responsible for the menace to peace, as well as those factors which strengthen our peace positions and the cause of universal peace.

The ruling classes of the capitalist countries have never sought and cannot seek to keep the masses of the people really informed on the real situation of their countries, and on the real foreign policies of their governments. In our days this is intolerable particularly to the gentlemen from the reactionary-fascist camp who dream of imperialist conquests. But in the long run they will all come to grief through it.

Only the Soviet Power, which leans upon the wholehearted support of the working and peasant masses, sees in a conscious attitude of the masses towards the cause of peace its foremost task and duty. Therein lies our greatest strength. When the workers and peasants know what they are fighting for, when they know why their efforts and sacrifices are required, then no hardships can daunt them, then they are an invincible force. (Stormy applause.)

That is why we, Bolsheviks, are marching forward with unshakable faith in our cause. (Stormy applause.)

Comrades, we are on the eve of the Seventeenth Party Congress of the C.P.S.U., round which there is at present taking place the broadest mobilisation of the masses of workers and collective farmers for the fight for fresh successes of Socialism in the Soviet Union. We are now on the eve of a historical Party Congress, the preparation of which serves as a fresh occasion for the further rallying of the working class and the bulk of the collective farmers round our Party, round our Central Committee, round the leader of our Party, Comrade Stalin. (Loud and prolonged applause.)

The preparation for the Seventeenth Party Congress is accompanied by a further development of competition among the masses of workers and peasants, and finds expression in the powerful efforts of the masses and of individual groups of workers and collective farmers to demonstrate their devotion to the cause of the Party, to the cause of the Soviet Power, by fresh labour enthusiasm, by fresh endeavours and successes in the fight for Socialism. This competition is directed towards achieving an acceleration of the carrying out of the decisions of the Party and of the government, an acceleration of the realisation of the programme for improving our economy. Under the leadership of our Party, with Comrade Stalin at the head, the working class, together with the masses of collective farmers in the village, will vanquish all difficulties, will overcome every obstacle in their path, and honourably fulfil the tasks submitted them by the national economic plan. (Prolonged applause. All rise from their seats.)

Politics

The Franco-German Negotiations

By Péri (Paris)

On January 1 the French Ambassador in Berlin, François Poncet, handed Hitler a memorandum in which the French government presented its viewpoint on the armament question.

Commenting on this event, Vienot, a member of the French delegation to Geneva and a member of the Foreign Political Commission of the French Chamber of Deputies, writes in the "*Petit Parisien*" that in all probability no French diplomatic step has been so momentous since the signing of the peace treaty.

The contents of the memorandum have not been published and the French authorities have maintained the strictest secrecy regarding the document. However, well-informed sources declare that the memorandum informs the German government that the French government is of the opinion that the time for direct negotiations on the armament question between the two countries has not yet arrived. The memorandum also rejects the German demands for re-armament as they were put forward by Hitler in a letter to the French ambassador.

The direct negotiations between France and Germany rejected by the French government refer to a meeting between leading French and German statesmen, i.e., between Chautemps and Hitler. On the other hand, however, the diplomatic negotiations are continuing. The course adopted by the French government has two advantages for French imperialism: to drag out the negotiations and to keep the governments of the Little Entente regularly informed concerning everything which takes place.

The question of the re-armament of Germany is similar. It would be an error to assume that the French veto against German re-armament is a refusal of all armaments on principle. It refers chiefly to the extent of this re-armament.

It is absolutely necessary to make this clear, because it demonstrates how baseless are the congratulations which the French socialist leader Léon Blum has been making to the French government for the last ten days on its attitude. The fact is that the French memorandum by no means excludes the possibility of a compromise between Germany and France at the expense of the Soviet Union.

The haste with which the French government drew up and presented the memorandum was due to its desire to face Great Britain and Italy with a fait accompli before the discussions opened between Sir John Simon and Mussolini. For this reason the Quai d'Orsay refused to respond to the pressure exerted by the British and Italian governments with a view to securing a postponement of the delivery of the memorandum.

What are the positive proposals contained in the memorandum? Hitler had asked the French government to give a straight answer concerning the figures it would be prepared to agree to for French disarmament: the maximum weight of the French tanks, the maximum calibre of the guns, etc. It is reported that the French government has given the following figures: 200,000 men for the French home army and a further 200,000 men for the French colonial army (MacDonald plan). Tanks: maximum weight 16 tons. Artillery: maximum calibre 155mm. Aeroplanes: destruction of bombing planes.

According to these figures France would therefore be prepared to agree to the project of making the armies of Europe uniform, and also to the short-service plan, and further to that disarmament plan which it is proposed should be carried out in two four-year periods. However, an exception would be made for bombing planes and a section of these planes would be destroyed in the first period. This exceptional treatment for bombing planes was not provided for in the plan which was presented to the disarmament conference on October 4. This is the only difference between the present plan and the plan of October 14 which was declared by Germany at the time to be unacceptable and which provided Germany with the excuse for resigning from the League of Nations. It is doubtful whether this small difference will be sufficient to cause Germany to abandon its original demands and accept the French programme.

The French plan has only one aim and that is to lay the responsibility for a new breakdown of the negotiations on Germany. Not one of the leading French statesmen dreams for a moment of diminishing in any way the fighting power of the French army, of sacrificing the bombing aeroplanes, etc. On the contrary, a fundamental reorganisation of the French army is about to take place. The French fortifications are to be strengthened still further, the motorisation of the French army is to be increased, the numbers of the professional army are to be increased by 15,000 for the special arms from January, 1934, the French reserves are to be utilised directly to a greater extent, the French armaments are to be strengthened, etc.

When the French proposals have been rejected by Germany, when all hope of signing a disarmament convention has gone, France will arouse its allies against a re-armed Germany and carry on its own armaments with increased energy. Pertinax admits openly in the "*Echo de Paris*" that a re-armament of Germany is not the worst possibility. The idea of a Franco-German alliance gradually appears again and it has persistent supporters in France as a possible compromise between the two powers on the basis of increased armaments.

It is becoming more and more clear that such a compromise would be arrived at chiefly at the expense of the Soviet Union. To give Germany a free hand in the East, this solution appears as the only reasonable one to certain French circles whose influence it would be better not to underestimate. Moreover, it is characteristic that parallel with the Franco-German negotiations and with the increasing anti-Soviet provocations of Hitler Germany and of militarist Japan, the agents of Japan in Paris are again becoming more openly active. The new Japanese ambassador to France, Sato, who is a past master in the use of the Geneva idiom, is taking various steps with a view to influencing numerous leading French politicians, pointing out to them the common interests of France and Japan in the Far East. This Japanese activity is having its effect and those newspapers which had damped down their friendship for Japan are again beginning to find honeyed words for the Tokio provocators. In an article in the "*Matin*" de Korab praises the military power of Japan, "which will wage war against the Soviet Union when the convenient moment arrives."

Saint Brice, whose relations with the Japanese "Policy" are well known, is even more cynical:

"The only aim of Japan is to obtain a perfectly free hand to continue the development of its expansionist plans, no less than the economic exploitation of Manchuria and Inner Mongolia. If there is any danger to peace in the Far East then it

is not Japanese expansionism, which creates order, but Soviet propaganda which creates anarchy."

These praises for the Japanese incendiaries show how necessary and justified are the persistent efforts of Soviet diplomacy to counter the war plans of the imperialist adventurers. The French and the international working class must intensify its efforts to defend the Soviet Union from attacks on the part of the imperialist bourgeoisie, a danger which has not been abolished by the signing of pacts of non-aggression between various bourgeois States and the Soviet Union.

A New Financial Scandal in France

By J. Berlioz (Paris)

On the 31st October, 1930, the Oustric Bank declared itself insolvent, the securities of this group on the Stock Exchange fell to nothing, and a gigantic scandal was revealed and showed up the essential parasitism and rottenness of imperialism. It was seen that the whole State apparatus of French democracy was eaten away with corruption. Ministers, under-secretaries of State, French ambassadors, high police and other officials were exposed, and it was seen that everywhere there were individuals in the pay of the big speculators. The system of political "friendships" was laid bare in all its extent. Daladier was compelled to admit that no less than 32 deputies were involved. Even the holy of holies, the Bank of France itself, was soiled with the dirt of corruption. Oustric had to be arrested under the pressure of indignant public opinion, but not long afterwards he was released "for reasons of health," and all traces of the scandal were covered and hushed up.

Today, three years later, another financial scandal has been revealed, and its extent is probably still greater. For a week now the French press has been full of the Bayonne scandal. One newspaper was even compelled to confess that it was dangerous for the capitalist system to display its festering sores so openly. However, it was unavoidable. "Public opinion suddenly shows itself to be very exacting. . . . Public agitation is increasing." That, too, is a sign of the revolutionary advance.

The hero of this latest bourgeois affair is a certain Stavisky (according to the police reports he has since committed suicide in order to evade arrest). On several occasions since 1926 the legal authorities have had cause to inquire into the shady activities of this gentleman. On one occasion he was even arrested under sensational circumstances at an elegant banquet. However, Stavisky had established extremely valuable connections for himself with people in high places, and thanks to these connections he obtained his provisional freedom, and later on the affair was more or less hushed up. Stavisky also succeeded in obtaining magnificent references and even an official police document showing him to be collaborating with the French secret service.

Since 1931 he had chosen the Crédit Municipal de Bayonne as his field of operations. He succeeded in securing the appointment of an accomplice named Tissier as director of the undertaking. His mode of operation was to issue securities without any backing and to issue obligations of real estate business to the value of four, five, or six million francs; it is not yet known how far his swindling had actually gone and how many millions he put into his own pocket in this fashion. He owned villas, motor cars, racing stables, theatres, daily and weekly newspapers, etc. He was one of the most brilliant figures at all the aristocratic gathering places. Prominent politicians and high police officials were guests at his table. Generals, former ambassadors, prominent lawyers, and former police presidents sat on the directorial boards of his companies.

But Stavisky was preparing a still greater coup. He went to the conference of Stresa and with the necessary support of diplomats and financiers he secured possession of a tremendous quantity of Hungarian securities with the intention of realising them in his own interests. This operation was to bring him in a cool milliard francs. However, suddenly a grain of sand got into the works of his swindling apparatus. An insurance company failed to secure repayment of the securities it had purchased from the Crédit Municipal de Bayonne, and took the case into court. It is now reported that influential German and Italian circles exposed the whole business in the middle of December, having been angered by the fact that the purchase of large quantities of Hungarian securities by French circles increased the influence of French imperialism in Hungary and facilitated the carrying out of its plans in Central Europe.

Stavisky was unable to counter this blow. A warrant was issued for his arrest, but not before he had been given time to make good his escape. The contradictions between police cliques and political groups immediately caused the affair to be taken up and developed into a political scandal of the first magnitude.

There is a close circle of accomplices around the swindler of Bayonne. Parliamentary circles are deeply involved. Numerous deputies of the Chamber are up to their ears in the affair. The mayor of Bayonne, Garat, was directly concerned in the swindle organised by the Crédit Municipal de Bayonne. The Paris deputy Bonnaure, who accompanied Stavisky to Stresa, is involved, as also are numerous others whose exact roles have not yet been revealed. The authorities and the police are directly involved. Despite the fact that the police records were thoroughly informed about the past of this adventurer and swindler, despite the revelations made six months ago in the press concerning his operations, Stavisky was permitted to remain at liberty and continue his depredations under the eyes of the authorities.

The French press is also involved in the corruption, for instance, the "Volonté," which was completely controlled by Stavisky. This tremendous scandal does not stop at the doors of the French Cabinet itself. A former Minister of Trade, Julien Durand, the present Colonial Minister, Dalimier, and the Minister for Agriculture, Queuille, all recommended the insurance companies to purchase the securities of the Crédit Municipal de Bayonne.

It is still not possible to say how high the wave of corruption will rise. Dalimier has already been compelled to hand in his resignation. The Cabinet is feverishly occupied with the question of how it can settle the scandal and prevent the regime being completely discredited. Everything possible is being done to wash the hands of the bourgeois republic from the stains of corruption and to explain it as a result of the "weakness" or the "errors of human beings," the "sad results of financial immorality," etc. The central organ of the French Socialist Party is louder in its praises of Chautemps' energy than any other newspaper, and it expresses the opinion that he will clear up the matter thoroughly. The reformist "Peuple" writes: "It may displease the reactionary mob, but there does not appear to be the slightest reason to believe that the affair has proved the incorrectness of any State principle." An affair exaggerated by the parties of the Right wing, declare the "Left" wing newspapers, which seek to prove, and with undoubted success, that the governments of Tardieu, Laval and Co. also cloaked the depredations of Stavisky, just as the Ministers of the Radical Party.

The bourgeoisie trembles at the thought that the workers, the starving unemployed, the small peasants faced with ruin, the dismissed officials, the pensioners who have had their income cut down, the artisans and small tradesmen groaning under the burden of taxation, will rise in indignation and disgust against the bourgeois republic, against the corrupt police, against the equally corrupt authorities, against decaying parliamentarism, against the power of finance capital, and against the slavish and impotent "democratic" institutions.

Naturally, the fascist groups are doing their best to make capital for themselves out of the scandal, and it is not impossible that the Bayonne affair will bring grist to the fascist mill, for did not the Barmat, Sklarek and other scandals in Germany bring grist to Hitler's propaganda mill? The Communist Party must seize upon the general discontent and indignation and see to it that it is guided into proper channels. It must show the toiling masses that both Right and "Left" wing politicians, the former compromised by the Oustric scandal, the latter by the Stavisky scandal, belong to the same pack. It must expose the socialist leaders who have appealed to the workers to vote for the "Left" wing, who have supported the governments in whose ranks the accomplices of Stavisky sat, and who now call on the workers to place their trust in Chautemps.

In connection with this new financial scandal in France it is worth while recalling the words of the French Communist Party in the manifesto it issued in connection with the Oustric scandal: "Only the Communist Party can justly play the role of accuser, because it is the only Party of the proletariat, and as such has no connection whatever with the bourgeoisie. The Communist Party is the gravedigger of a system which is built on the sweat and blood of the workers and on the dirt of scandals and corruption."

Increasing Unemployment in France

By Benier (Paris)

The investigation of the official unemployment statistics gave the bourgeois press the opportunity last summer to assert every week that the economic situation was improving and that the crisis was coming to an end. In the period from March to September the number of registered unemployed did in fact decline from 320,000 to 227,000. It must be said at once, however, that this reduction was due in the first place to a systematic policy of depriving the unemployed of benefit, which was carried out by the majority of burgomasters on the instructions of the authorities, and also to the fact that numerous municipal authorities had organised public works, whereby the unemployed were provided with work at rates of wages which are very little higher than the scales of relief.

But for some weeks past, in spite of the difficulties placed in the way of applicants for unemployment benefit (thousands of building workers, who were forced to remain idle the whole of December on account of frost, were unable to obtain any unemployment benefit), there has been an increasingly rapid increase in the number of unemployed in receipt of benefit. The number rose from 257,000 on December 2 to 269,000 on December 9, on December 16 stood at 285,000, and on December 23 had risen to 304,000. In the corresponding period of the previous year the number of fully unemployed in receipt of benefit was only 271,371.

These figures, however, are far from conveying an idea of the actual number of unemployed. A Minister of the Republic has admitted that, "in order to arrive at the actual figures of the unemployed, one must multiply the number of unemployed in receipt of benefit by the co-efficient of 4.3." Taking as the basis of their calculation the monthly investigations made by the labour inspectors and mining engineers in undertakings employing more than 100 workers, the Revolutionary Trade Union Federation (C.G.T.U.) reckon that in October last the number of completely unemployed workers in France was about 1,200,000.

The same investigations reveal that about 40 per cent. of the staffs are working less than 48 hours a week. A month ago "l'Usine," the organ of the employers, wrote that "four or even three days' work a week is rapidly becoming general." Of the workers on short time, only 1 to 2 per cent. are in receipt of benefit, although the Government of the "Lefts," which came into power in June, 1932, had promised to pay special attention to them and secure for them a "decent existence."

The prospects for the future are still more unfavourable. A number of employers' organs announce that the big undertakings have no more orders and that some of them will be compelled to close down. The journal of the Comité des Forges writes that: "Unemployment threatens to assume unprecedented proportions." Fresh sections of the population are being affected. On December 16 a Ministerial decree was issued regarding unemployment relief for artists, intellectuals and journalists. The results of numerous investigations are being published regarding the overcrowding of the free professions. The Labour Office of the Seine District announces that it has received over a thousand offers from technicians and other people holding high diplomas who are prepared to take any work whatever. Ten per cent. of the engineers are without work.

The bourgeoisie can, of course, carry out investigations yielding the most sensational results, but it is unable to find a remedy for a situation which refutes all the optimistic predictions regarding a "definite revival of business." Whilst the general Index of Production rose from 95 in October, 1932, to 108 in October, 1933, the official Index of the Degree of Occupation remained practically unaltered. In October, 1932, it stood at 78.6, and in October, 1933, at 78.5. This means that any relative improvement in the business situation merely resulted in an increased exploitation of the workers. Thus, whilst in the past year the average daily output of the French coal mines has remained practically the same, the number of mine workers in unemployment (and these are forced to remain idle at least one working day per week) has sunk from 254,000 to 246,200.

The Government is exerting pressure on the municipalities in order to induce them to resist as long as possible the creation of unemployment relief funds. It should be remarked that of 90 departments and nearly 40,000 municipalities, only 44 and 2,000 respectively have unemployment funds which are actually functioning. The government is taking measures to ensure that

workers will be struck off the unemployment register wholesale. Any unemployed worker who is seen by a spy or informer to enter a cafe or see a film show is ruthlessly struck off benefit. Socialist municipal administrations in the neighbourhood of Dunkirk have deprived locked-out workers of unemployment benefit simply because they actively participated in the lock-out committee. An attempt is also being made to render general the practice of task work, which is imposed on the unemployed in return for the meagre relief granted them. Numerous socialist municipalities have been among the first to organise this task work in response to the requests of the government.

In order to divert the unemployed from the fight against the authorities, attempts are now being made to deepen the cleavage between the French and immigrant workers. At the conclusion of the discussion on the budget M. Chautemps, the Prime Minister, declared that in a country in which there are three million foreigners he intended to get rid of the foreign workers who had become superfluous. Since the commencement of the crisis several hundred thousand immigrant workers have been expelled from France, the first among them being, of course, the active revolutionaries. Measures have been adopted in order to restrict by means of laws and decrees the percentage of foreign workers. A tax on foreign workers has been introduced recently. In Paris and in several big towns "Committees of French Unemployed" have been formed, by means of which the French workers are incited against their immigrant fellow-workers. The fact that the State credits for unemployment provided in the budget for 1934 are about 50 million francs less than the previous year is sufficient proof that the government is endeavouring to reduce still further the number of unemployed in receipt of benefit and to intensify the misery of the masses. All this, and in particular the endeavours of the nationalist and fascist groupings, renders the question of organising the fight of the unemployed one of the most important confronting the C.P. of France and the unitary trade unions. The hunger march last November of 150 unemployed of North France to Paris, where they were received by a demonstration of about 50,000 workers, was an important step in the unemployed movement. In many towns this march has revived the unemployed committees, which by means of demonstrations enforced the granting of numerous minor demands.

In the course of the march there were formed in the districts through which the marchers passed some Committees of Support, which marked the beginnings of a better connection between the unemployed and the workers in the factories. In some strikes—as, for instance, at the firm of Citroën—the unemployed joined the picket lines.

Only the C.P. of France and the C.G.T.U. have, even if feebly, worked at the preparation of the fights of the unemployed. The socialist party voted for the measures directed against the immigrant workers or rendered their acceptance possible by abstaining from voting. The socialist party is also in favour of task work for the unemployed, and their representatives on the municipal councils eagerly take part in depriving the unemployed of benefit. The reformist C.G.T. refused to support the march of the unemployed of North France, took part in the national incitement, and would rather that the unemployed relief was paid to the employers in the shape of subventions.

The Causes of the Mining Disaster in Czechoslovakia

By J. B.

Only two pit disasters are known in the history of the European mining industry in which the underground explosion was so tremendous that even the colliery buildings were destroyed. One of these disasters took place several years ago at the Gabriel pit in Bohemia, the other at the Anna II. pit in Alsdorf on October 21, 1930. The third disaster of this kind has now taken place at the Nelson III pit, again in Bohemia.

Regarding the causes of the tremendous disaster the bourgeois press states:

"Nothing concrete can be said at the present time regarding the causes of the catastrophe. One thing, however, is certain: at midday yesterday the gallery was completely free of gas."

This communiqué, issued by the mine management, betrays the cause of the disaster. The Bohemian mines are not particularly dangerous on account of fire damp, but the loose coal very easily catches fire. Pit fires are very frequent in Bohemian mines.

If they are not combated with the necessary caution and energy they lead to the ignition of the fire damp which arises, and thereby to explosions.

The tremendous disaster at the Nelson III pit reveals the state of affairs in the coal mines not only of Czechoslovakia but in all other capitalist countries. That which occurred on January 3 in Bohemia can occur any day in the Saar district, in France, in Belgium and elsewhere. The application of various rationalisation measures leads to the existence of huge hollow spaces in the mines where gas can collect, and above all to the most brutal speeding-up of the miners as well as the complete disregard of all safety measures.

How intense the exploitation is in Czechoslovakia can be shown by a few figures. In the year 1931 the number of miners employed in Czechoslovakia was 133,000. At the end of 1931 the number was only 86,000. Whilst in 1929 the output of hard coal amounted to 11,648,359 tons, in 1932 the output was 11,052,508 tons in spite of the enormous reduction in the number of mine workers. The output per man and shift rose in the hard coal mines from 558 kilogrammes in 1921 to 1,072 kilogrammes in 1932. In the lignite mines the output per man and shift amounted to 1,407 kilogrammes in 1921 and 2,230 kilogrammes in 1932. While there was this enormous increase in output the total sum of wages in the same period fell from 1,250 million Czech crowns to 450 million in the hard coal mines and from 960 million to 340 million in the lignite mining industry. Altogether the decline in wages amounted on an average to 74 per cent. That was the situation in 1932. In 1933 the situation of the miners became still worse.

Already in July and August last the mineowners in North Bohemia demanded further wage cuts. In face of the militancy of the miners they were unable to enforce their demands. They therefore continued their methods of rationalisation and exploitation with all the greater brutality and ruthlessness. Anybody who attempted to oppose this intensified exploitation was dismissed. On December 27, two members of the pit committee at the Kohinor pit near Brüx were dismissed because they sought to oppose the brutal methods of exploitation of the management. It was only after a strike lasting several days that they were reinstated.

The consequences of the brutal exploitation are seen not only in big disasters, but also in a continual increase in the number of accidents. Even the press of the reformist miners' federation, which sticks to the mineowners through thick and thin, is compelled to admit this fact. Speeding-up and starvation wages compel the miners to disregard many safety measures in order to earn a few more pence for their wives and children.

The government statistics show that in North Bohemia the amount considered as necessary for the maintenance of a family of four in September, 1933, was 281.15 crowns per week. The wages of a miner amounted at the same time to only 184.16 crowns, that is 96.21 crowns less than the living minimum. As a result of such living conditions and poor nourishment the miners are unable to display the necessary vigilance in order to observe what is happening in the pit and to adopt in time the measures to prevent accidents. Therefore the "International Committee of Miners" quite rightly states in its appeal that, in the main the fight against the danger of accidents and mining disasters is a fight for improving the working and living conditions, a fight for higher wages. The miners must draw from the mining disaster at the Nelson III pit the conclusion that they must strengthen the fight for higher wages, reduction of working time, improved working conditions and better protection for their lives and health.

The Grau Regime in Cuba

By E. P. Greene (New York)

The fraudulent government of Grau San Martín-Batista-Guiteras, which poses before the masses in Cuba as a revolutionary government, and before the executives of American finance-capital as a safe and stable government, is more and more resorting to demagoguery and fascist methods in an attempt to stabilise itself and to gain recognition from the United States.

Gráu San Martín has attempted to gain the support of the unemployed through the chauvinistic Eighty Per Cent. law, which requires that 80 per cent. of the workers in enterprises be Cubans. On December 16 a demonstration was staged by the government in favour of this law, at which Grau, Batista, head of the army, and other officials made theatrical and nauseating speeches, calling for the abolition of the Platt Amendment, and for the "liberation" of Cuba. More than 50,000 participated in this demonstration.

The financial situation of Cuba is catastrophic, the government deficit running at the rate of 1,000,000 dollars a month. It is now planned to "solve" this crisis by resorting to inflation. An issue of 20,000,000 dollars of new currency is to be printed, thus raising the cost of living and worsening the already miserable conditions of the masses. There is not even money enough left in the treasury to pay the army for January. On December 27th, Despaigne, Secretary of the Treasury, announced that the 3,950,000 dollars interest soon falling due on United States loans to Cuba, mostly held by the Chase National Bank, would not be paid. Despaigne at the same time intimated that a moratorium on all external loans was being considered.

The government, in addition to the Eighty Per Cent. law, has passed a compulsory unionisation law, laws against strikes and for compulsory arbitration, and a law forbidding attacks on scabs. The wage increases which the workers in the sugar industry gained through mass struggle have been nullified, and the government has decreed a "minimum" wage of 6 cents per hour. The 8-hour day, also won through mass struggle, has been declared abolished for the sugar industry. At the same time the government is continuing its attempt to break strikes, and to check the anti-imperialist movement. On December 10 Batista broke the strike of the workers of the Cuban Electric Co., subsidiary of the Electric Bond and Share Co. In Santiago de Cuba the strike of the workers of the Woolworth Co. was broken by troops.

In an effort to win the support of the petty bourgeoisie, Grau is conducting a "struggle" against the public utility corporations in Cuba, the Cuban Electric Co. and the Cuban Telephone Co., subsidiary of the International Telephone and Telegraph Co. Both of these companies are controlled by J. P. Morgan, and have a monopoly in Cuba of electric light and telephones. These two companies were ordered to reduce their rates, but even with this reduction the rates remain far higher than those in the United States.

The government continues its fraudulent "opposition" to American imperialism, at the same time negotiating with Jefferson Caffery, new "personal representative" of Roosevelt, who recently replaced Sumner Welles in Cuba. It is possible that the United States may modify or abrogate the Platt Amendment on condition that Grau form a coalition government. The United States hopes through this manoeuvre to strengthen the government and to check the revolutionary upsurge at the same time. That the Cuban government is attempting to gain concessions from American imperialism was clearly shown at the recent Montevideo Congress of the Pan-American Union, at which the opposition to the policy of the United States was led by the Cuban delegation. The resolution against intervention in the Caribbean was sponsored by this delegation.

In spite of the measures of the government, strikes continue, especially in the sugar industry. The zafra, the harvest of the cane, takes place around the middle of January. It is vitally necessary for the government that this zafra takes place, and Grau will use all means at his disposal in an attempt to ensure this. Despaigne recently stated in an interview: "It is publicly admitted that the failure of the next harvest would so affect the income of the government that not even a moratorium would then be able to stop a financial crisis." Eighty per cent. of the national income is derived from the sugar industry. It is hoped that, through the taxes on the new crop, the bourgeois-landlord government will be able to gain a respite and to consolidate itself. The sugar workers are also preparing for the zafra; preparing to organise new and greater strikes in the industry, which in some regions may take on the character of insurrection and civil war. The C.N.O.C. (National Workers' Confederation), revolutionary national union, has at present 175,000 members, more than 70 per cent. of the organised workers in Cuba.

On December 24 the Grau regime released more than 400 Machado army officers, captured after the attack by government troops on the National Hotel in Havana on November 8. Among the released were Barcelo, Governor of Oriente Province, under Machado, and Arevalo, infamous Minister of Labour in Machado's Cabinet. The government will find it very convenient to have these counter-revolutionary scoundrels as its allies in its campaign of suppression and terror, in its increasing use of fascist methods.

The Communist Party of Cuba and the C.N.O.C. are preparing to combat the Eighty Per Cent. law, and for the struggle of the coming zafra, against the government of terror and demagoguery.

Germany

Immediate Mobilisation of the Masses!

For the Rescue of Comrades Dimitrov, Torgler, Tanev and Popov!

The news, or rather the lack of news, regarding the fate of our comrades who have been acquitted, and after their acquittal again thrown into prison, must cause the greatest concern to the international working class, and with it the whole of the toilers and intellectuals, who have so passionately taken up the cause of the four innocent accused. Comrades Dimitrov, Torgler, Tanev and Popov are still in the Leipzig police prison. They are completely shut off from the outer world, and not even their relatives are permitted to see them. The latest official report of the German government states that no decision has yet been made regarding their fate.

The highest court of the Reich, with the consent of Hitler and Goering—for without this consent the court would not have pronounced this verdict—has declared them innocent. And, following this verdict, it is officially announced that the government are still considering the question of the further fate of the acquitted! The Hitler government are exposing themselves more and more. In view of the international mass protest they did not dare to hand our comrades over to the executioner, as they had at first intended. What, however, they have failed to achieve by judicial means is to be accomplished by administrative measures. Our comrades are to be held in the power of Hitler's executive organs, in the police and other prisons, away from the control of the public. It will thereby be rendered possible to get rid of them by the simplest means: slowly to torture them to death, or to "shoot them while attempting to escape."

This crime of the Hitler government against men whose innocence has been proved before the whole world must be frustrated. A powerful campaign for their release must set in immediately. In every town, in every village, and, before all, in every factory, the cry must resound: Release the four imprisoned Communist revolutionaries! Mass meetings, mass demonstrations must be held. Mass delegations must be sent to the German embassies and consulates. We must make use of every form of mobilisation of the masses in order that a powerful movement shall arise with which the fascist rulers in Germany will be forced to reckon.

The matter is extremely urgent. The fascist criminals are obviously calculating that, after the big campaigns in the last few weeks, a certain weariness prevails among the masses, and that following the acquittal they will not trouble any further about the fate of Dimitrov, Torgler, Tanev and Popov. The fascist authorities must be made to realise that they have again made a mistake in their calculations. A powerful mass movement must show them that the international public is not to be deceived.

Throughout the whole world raise your protest against the base treatment of our incarcerated comrades, Dimitrov, Torgler, Tanev and Popov! For their rescue, for their immediate release!

The Incitement of the German Fascists in Connection with the Fire at the Amsterdam Telephone Exchange

By W.

On Friday, December 22, a big fire broke out in the Amsterdam Telephone Exchange. Close on 10,000 telephone connections were destroyed, and connection with the outer world was almost completely interrupted. According to the opinion of practically the whole press, the fire was caused by a short circuit.

A few days later it was suddenly announced that a fitter named Stevens (on the outbreak of the fire one telephone operator and two fitters were on the premises) had been arrested in connection with the fire, on the ridiculous ground that he had left his cloth-

ing hanging in the room in which the fire broke out and had done nothing to fetch them from the burning room. As "De Telegraaf" points out, Stevens is "a syndicalist and not a Communist."

Stevens had to be released already on December 27. In the official statement issued by the investigating judge, it is said that there exists no reason for an arrest and that there is also no ground for suspecting Stevens of having had anything to do with the fire.

In spite of this definite statement, the fire was immediately made use of by fascist circles as a pretext for a furious incitement against the C.P. of Holland. One of these fascist groups (National Reconstruction) demanded the immediate prohibition of the C.P. of Holland and of all Marxist organisations. But this swindle was so obvious that not even a single bourgeois paper ventured to connect the C.P. of Holland with the fire. Nobody in Holland, apart from the fascists, believed that the fire had been caused by incendiaries, and since December 27 there has been no further mention of this allegation in the Dutch press.

The German Nazi murderers and incendiaries, whose act of arson has been exposed before the whole world at the Leipzig trial, have now in desperation seized upon the fire in Amsterdam. Under screaming headlines, the German incorporated press informed its readers of new "crimes of the Communists." In fact some papers, as for instance the "Dortmunder Generalanzeiger," devoted long articles to this matter. The "Dortmunder Generalanzeiger," in its issue of December 28, when it had already been ascertained that there was no case of arson in connection with the fire in Amsterdam, wrote:—

"The fire in the Amsterdam Telephone Exchange is well calculated to take the wind out of the sails of those who hitherto have been unable clearly to understand why national socialist Germany adopts a hostile attitude to the machinations of certain circles abroad, and before all to the intrigues of the German emigrants (!) . . . It must be repeatedly stated that the centre of the atrocity-mongering was situated in Holland, and in particular in Amsterdam.

"The fire in the Amsterdam Telephone Exchange will perhaps be of the same importance for Holland as the fire in the Reichstag was for Germany. . . . The fire in Amsterdam was in any case an act of arson by the Marxists."

In the same article the blood-stained murderers of workers offer their services as international mercenaries against Communism. They call upon the Dutch bourgeoisie to prohibit the Communist Party of Holland and "to remove all Marxists from administrative bodies."

"The fire in Amsterdam brings a step forward, not only recognition of the extent of the Marxist danger, but also the recognition of the deeper meaning of the national socialist revolution."

The deeper meaning of fascism, therefore, consists in inventing acts of incendiarism or committing them themselves in order then to carry out terrorist measures against the working class. The deeper meaning of this campaign of incitement in the German fascist press consists in the attempt to exculpate the exposed fascist incendiaries in the eyes of the world. The main object, however, is unscrupulously to offer themselves to the world imperialists as mercenaries in the fight against world Communism, and in particular active preparation of counter-revolutionary war of intervention against the Soviet Union.

The proletariat in all countries must be on the alert in order to meet all fascist provocations. Powerful united front actions of social democratic, christian and Communist workers must be held in order to enforce the release of all victims of the national socialist incendiaries, before all of those who are most threatened, namely, Comrades Thälmann, Dimitrov, Popov, Tanev and Torgler.

U.S.A. Campaign to Save Reichstag Defendants

By A. G. Bosse (New York)

Now that the mass protests of the workers and intellectuals of the world have succeeded in preventing the legal murder of the four heroic Reichstag fire trial defendants, the International Labour Defence, the National Committee to Aid Victims of German Fascism, the C.P. and other organisations are intensifying their efforts to enforce their safe conduct from the country. Protest demonstrations before Nazi consulates, committees to visit consuls, floods of telegrams and cables to Hitler officials in this country and Germany, etc., have drawn tens and hundreds of thousands of workers into the campaign.

Heeding the call of the International Committee, cabled by Barbusse and Jourdain, to show the Nazi Minister of the Interior, Frick, the mass demand for the immediate release and safety of the four Communist leaders, the American Committee has called for the following actions: Cables to Frick, delegations to Lütther (Nazi ambassador in Washington), statements to the press by workers' and professionals' organisations, city committees to hold city-wide mass meetings, etc. The intensification of the campaign is shown by the following facts:—

In Chicago 119 telegrams were sent by organisations in the ten days ending with Christmas to Nazi officials here and in Germany, in addition to many protests which the American Committee has no record of. At least 15 committees visited the local consulate protesting against the frame-up and demanding the safe release of the defendants.

In New York 4,000 workers in 36 shoe and metal shops struck for 15 minutes on December 19—International Protest Day—a very significant action, in view of the great difficulty experienced in the past in getting New York workers to strike for political causes. Five thousand militant workers, representing over 50 organisations, with memberships totalling hundreds of thousands, paraded for hours in protest. The demonstration before the consulate was militant, the consul sneaking out through the back door and running away when he saw the crowds massed in the street before the building. His assistants were forced to receive a delegation of the angry workers. Afterward 4,000 marched, despite the refusal of a permit and a futile attack by mounted police, and held a mass meeting in Union Square.

In Boston, 2,000 demonstrated before the consulate and sent in a delegation to the consul. Foot and horse police attacked the meeting, arresting six workers. Thirty-seven protest cables were sent in the past few days to the Nazi Supreme Court.

In Los Angeles 500 workers demonstrated in the main square, a delegation elected to see the German consul being barred at the door by the notorious detective Red Squad. In Philadelphia several hundred demonstrated before the offices of the North German Lloyd, smashing a window. A girl demonstrator was arrested for this.

In Cleveland two delegations tried to visit the consul, one representing workers' organisations, the other professionals, but the police forced them out of the building. Two flags with the slogans: "Free Torgler and Dimitrov" and "Stop Hitler Terror" were hoisted to the tops of flagpoles and the ropes cut, so that it took the police hours to get them down. Flags were also hoisted in the same manner over the City Hall in Los Angeles and in Newark in the main square of the city. Another new tactic used in New York, Detroit and other cities was to chain demonstrators to posts in the main streets or before Nazi consulates, with slogans on them, who shouted to the crowds around them until police filed their chains and arrested them.

In Hibbing, an iron mining section in Minnesota, resolutions of protest were sent by two farmers' clubs, two working women's organisations, a Finnish workers' club, a co-operative, and a workers' and farmers' mass meeting. In Detroit, auto mechanics, recently on strike, protested to Luther, German ambassador.

A convention of the National Lumber Workers' Union in Seattle, recently organised and representing 2,400 employed workers and as many unemployed lumberjacks, adopted and sent a resolution of protest. In Cleveland a district convention of the Steel and Metal Workers' Union did likewise. In New York 177 intellectuals and professionals signed a petition demanding the release of the Communist defendants and protested against the frame-up before the German consul.

The C.P., Trade Union Unity League, I.L.D. and other revolu-

tionary organisations have mobilised their members in the campaign.

In this connection an article by Trotsky, in the latest New Republic, Liberal New York weekly, is of great significance. In a long article entitled "Politics in the Reichstag Trial," Trotsky gives directives to Hitler on how to organise such a trial (the Thaelmann trial is coming soon), and he attacks viciously the German Communist Party.

He states that if the Reichstag fire were to have been a signal for revolution, as Hitler claimed, it should have been a simpler signal, technically easy to follow. He tells the Nazis that their preparation was poor, they did not use enough renegades from the C.P. in the concentration camps as witnesses, that a Nazi headquarters or police prefecture should have used instead of the Reichstag ("a 'neutral' building"), that forged C.P. manifestoes should have been issued calling for revolution. "In its irrational zeal, the prosecution tears a political trial out of its political axis."

Trotsky continues with his directions as to how such a trial should not be conducted: Foreigners should not have been selected as victims, since Dimitrov could be expected to concentrate entirely on Bulgarian Communist work, not on the German C.P. Once Dimitrov was selected, the C.I. should have been brought in, as he was a member of its Presidium ("to show that the fire was the work of the entire Communist International as a whole . . . have served to reveal the hand of the Soviets to the whole world"). Torgler also was a poor selection, since as C.P. parliamentary leader he was too much in the public eye.

He gives Hitler instructions:—

"In the hands of the organisers of this trial there were exceptional methods of staging: An unlimited supply of witnesses for the prosecution ready to testify to anything ordered; panic among the potential witnesses for the defence (!); the complete absence of criticism on the part of the press; and a complete subservience of the police, the prosecutors, the judges, and even the attorneys for the defence to the orders of the rulers. It might appear that the success of any indictment would be assured beforehand under such conditions."

To Trotsky the "key to the riddle" is not the stupidity of the Nazis, nor the heroic defence of the prisoners, the militant worldwide campaign of protest and defence of the revolutionary workers—but simply the failure of the C.P.G.,

"which was not wrecked in battle . . . it turned out to be incapable of struggle. Discounting its purely symbolic call for a 'General Strike'—a printed scrap of paper to which not a single man responded—the Communist Party was, and remained, a passive object throughout the tragic events that changed the face of Germany."

He proves this by the letter of Maria Reese,

"who broke with her party precisely because it was revealed to be powerless not only to assume the offensive, but to wage a defensive struggle . . . had neither the resources nor reasons for giving revolutionary signals to the masses."

Throughout the entire article this contemptible and vicious word-slinger has not a word of condemnation for the social democrats who betrayed the call for the general strike, who voted for Hindenburg and therefore for Hitler as the "lesser evil"; not a word for the heroic defence of the four Communists on trial, nor a single syllable calling for mobilisation to save them, not a mention of the thousands of other prisoners in Nazi jails and camps for whom the masses should be rallied.

He is not interested in proving that the Nazis themselves set the fire, in exposing their purpose, in attacking German fascism, in defending Communists as against fascists. On the surface Leon Trotsky is interested in showing the blunders the Nazis made in their conduct of the trial, in showing that the four revolutionaries cannot justly be accused since it was not in their interest nor that of the C.P.G. to set such a fire to such a building in such a manner. Actually he is rendering aid and comfort to the Nazi enemy by showing how the trial should have been made foolproof. He is trying to demoralise the masses by viciously slandering the Communist movement.

While the representatives of the German and Bulgarian Communist Parties suffer in chains for their revolutionary beliefs, Trotsky sits in his armchair and rakes in the shekels from America's reactionary and liberal journals—he now has entrée in all of them. He displays his erudition by reference to Herostratus; we shall answer him in the words of Cicero: ". . . alas, how unlike is thy present master to thy former one!"

Socialist Construction in the Soviet Union

Comrade Stalin Gives Interview to Correspondent of "New York Times"

Moscow, January 4.

The press publishes the following report of the interview which Walter Duranty, the correspondent of the "New York Times" had with Comrade Stalin on December 25. The interview lasted an hour.

Duranty: Would you give to "The New York Times" a message to transmit to the American people?

Stalin: No. Kalinin has already done that, and I do not want to trespass on his prerogatives. Naturally, I am satisfied with the resumption of relations, which is an act of paramount importance—politically, because it improves the chances of maintaining peace; economically, because it does away with side issues and enables our two countries to discuss the questions interesting to them on a practical basis. Finally, it opens the way to mutual co-operation.

Duranty: What is your opinion regarding the possible extent of American-Soviet trade?

Stalin: What Foreign Commissar Litvinov said in London still holds good. We—the greatest market in the world—are ready to order—and pay for—large quantities of goods. But we require satisfactory conditions of credit and we must have the assurance that we can pay. It is impossible for us to import unless we can export, because we will not place orders unless we know we can pay for them when the time comes. Every one has been surprised that we are paying, and that we can pay. I am having credits paid back, which is not usual to-day; nevertheless, we are doing it. Other States have suspended payments, but the Soviet Union does not, and will not do this. Many thought that we could not pay and that we had no means with which to pay, but we showed them that we can pay, and finally they had to admit it.

Duranty: How does the matter stand with regard to the production of gold in the Soviet Union?

Stalin: We have many sources of gold supply and they are being rapidly developed. Our production is already about double that of Tsarist times—more than 100 million roubles yearly. In the last two years especially we have perfected the methods of gold winning, and found vast supplies. Nevertheless, our industry is still young, not only gold mining, but also the production of iron and steel, and copper mining, as well as the whole of our foundry industry, so that it is not yet able to accord the necessary support to gold mining. Our pace of development is increasing, but our volume of gold production is still too small. We could quadruple the production of gold in a short time if we had more dredges and other machines.

Duranty: What is the total of Soviet credit obligations abroad at the present time?

Stalin: Something over 450 million roubles. We have paid off a lot in the last few years. Two years ago our credit obligations amounted to 1,400 million roubles. We have been able to pay this off, and we shall meet payments at the stipulated time, by the end of 1934 or the beginning of 1935 as they fall due.

Duranty: Let us admit that there is no longer any doubt about the Soviet Union's willingness to pay. But what about the Soviet Union's capacity to pay?

Stalin: We make no difference between the two, because we will not take on obligations that we are not sure we can meet. Look at our economic relations with Germany! Germany has declared a moratorium on a large part of her foreign debt, and we might have taken advantage of Germany's precedent to do the same to Germany. But we did not do this. To-day we are no longer so dependent as formerly upon German industry. We could produce ourselves the equipment we require.

Duranty: What is your opinion of America? I hear you had a long talk with Ambassador Bullitt the other night. What do you think of him? Do you still think, as you told me three years ago, that our crisis is not the last crisis of capitalism?

Stalin: Bullitt made a good impression upon me and my comrades. I had never met him before, but had heard a good deal about him from Lenin, who liked him, too. What I like about Bullitt is that he does not talk like the average diplomat. He is

a straightforward man, who says what he thinks. He made a very good impression here. Roosevelt is, according to all appearances, a decided and courageous political leader. There is a philosophical system called "solipsism," which means that you do not believe in the existence of the outer world, but only in your own personality. For a long time it seemed as if the American government followed this system and did not believe in the existence of the Soviet Union. Roosevelt, however, apparently is not a follower of this remarkable theory. He is a realist, and knows that reality is as he sees it.

Regarding the economic crisis, it is really not the last crisis. It has shaken the whole of business life, but it seems that lately business has begun to improve. It is possible that the lowest point of economic decline has already been passed. I do not believe that it will be possible to reach the level of 1929. But the transition from the crisis to depression and to a certain revival—but with some fluctuations up and down—is not only possible but perhaps even probable in the near future.

Duranty: And with regard to Japan?

Stalin: We should like to maintain good relations with Japan, but, unfortunately, that does not depend on us alone. If a reasonable policy prevails in Japan, then our two countries can live in amity. But we fear that the militant elements may be able to push saner policies into the background. There lies the real danger, and we are forced to prepare ourselves to meet it. No nation can respect its government if it sees the danger of an attack and does not prepare for self-defence. It seems to me that it would be unwise for Japan to attack us. Her economic position is not particularly good, and she has weak points: Korea, Manchuria and China. In addition, Japan can hardly reckon on the support of other States in this adventure. Unfortunately, good military experts are not always good economists, and they do not always distinguish between the force of arms and the force of economic laws.

Duranty: And with regard to England?

Stalin: I assume that the commercial treaty will be concluded with England and that economic relations will develop, as the Conservative party must realise that it did not gain anything by placing difficulties in the way of trade with the Soviet Union. I doubt, however, whether in the present circumstances the two countries will be able to derive such big advantages from this trade as might be hoped.

Duranty: What is your attitude to the question of the reform of the League of Nations, as suggested by Italy?

Stalin: We received no proposals from Italy on this subject, although our representative discussed the question with the Italians.

Duranty: Is your attitude towards the League of Nations exclusively negative?

Stalin: We do not always and in all conditions take a negative attitude towards the League. Perhaps you do not quite understand our viewpoint. Despite the withdrawal of Germany and Japan from the League—or perhaps because of it—the League may well become to a certain extent a brake to retard or prevent military actions. If that is so, if the League proves to be a small barrier, somewhat to slow down the drive for war and help peace, then we are not against the League. In fact, should historical events take this course, it is not excluded that we should support the League, despite its colossal deficiencies.

Duranty: What is at present the most important inner-political problem of the U.S.S.R.?

Stalin: Development of the exchange of goods between town and country, the development of all kinds of transport, especially railway transport. This problem is not so easy to solve, but it is easier than the problems we have already solved. I am convinced that we shall solve it. We have already solved the problem of industry. The problem of agriculture, the problem of the peasantry and collective farms—that was the most difficult—can already be regarded as solved. It is now necessary to solve the problem of the exchange of goods and transport.

IVth Session of the C.E.C. of the Soviet Union

Report of Comrade Meshlauk

Moscow, January 2, 1934.

At the second meeting of the Fourth Session of the C.E.C. of the Soviet Union Comrade Meshlauk delivered his report on the National Economic Plan for 1934. Six months ago Comrade Meshlauk, as a member of the Soviet delegation, represented the country of victorious socialist construction at the World Economic Conference of unblest memory. The representatives of the bourgeois countries are making futile efforts to stem the natural force of the crisis which has seized the economy of the capitalist countries by the dam of planned economy. Only the Soviet delegation, by its simple and at the same time large-scale proposals, demonstrated to the whole world at that time that in the Soviet Union economic planning is not the subject of beautiful articles and oratorical performances, but is a fact.

Comrade Meshlauk furnished another proof of this in his report to the session of the C.E.C. With calm self-assurance he displayed the colourful picture of the national economic plan of the Soviet Union, a picture which reflects all the economic branches of the enormous Soviet country.

What are the results of the past year? Heavy industry recorded an increased output of 9.1 per cent. Tremendous successes were achieved in the struggle for the highest output of the new factories and the mastering of the new technique. Gross production in agriculture increased by 18.9 per cent. in the year 1933 as compared with 1932. This means that the collective village has achieved great successes in the struggle for a good harvest. But there exist, also shortcomings. One of the main shortcomings is the fact that transport is lagging behind the growth of the other branches of economy. The plan for 1934 provides for a further gigantic development of new constructions, in particular in the transport system.

While in 1933 capital investments in all branches of economy amounted to 17,990 million roubles, the capital investments in 1934 are estimated at the enormous sum of 25,111 million roubles.

Among the largest new constructions of the year 1934 special mention must be made of the Moscow-Volga Canal, which will be one of the biggest construction schemes in the whole world. Three hundred and fifty million roubles will be provided this year for the building of the Moscow underground railway.

Also in the sphere of electrification new and giant plans will be realised in the year 1934. The Volga hydro-electric station will far surpass such giants as the Dniepr power works. The construction of the Volga-Don Canal will be commenced, thereby inaugurating a new era in the development of water transport in the Soviet Union.

In regard to heavy industry, the plan envisages the construction of three new giant smelting works in the Ural, in Siberia, and the Central Volga district. In the year 1934 a number of fresh plants of an aggregate value of 22,500 million roubles will commence operations.

In the sphere of agriculture our main task still remains to increase the harvest yield. In this year the collective farms will receive 540 new machine and tractor stations, the tractor parks will be increased by 1,600,000 horse power. The plan envisages a further increase in the number of cattle: large horned cattle by 13.7 per cent., pigs by 34 per cent., sheep by 13 per cent., etc. The expenditure for municipal construction of new dwellings and for social and cultural new constructions will be considerably increased.

The Session of the C.E.C. of the Soviet Union Approves the Foreign and Home Policy of the Government

Moscow, January 2, 1934.

The session of the Central Executive Committee of the Soviet Union approved the foreign and home policy of the government and confirmed the national economic plan for the year 1934.

Discussion on the Reports of Comrades Molotov and Meshlauk

Moscow, January 3.

According to the constitution of the Soviet Union, the discussions take place separately. The Federal Council (consisting of the representatives of the Federal countries) and the Nationalities Council (consisting of the representatives of the nationalities) have discussed separately.

Almost all the speakers first dealt with the economic and cultural achievements of their districts, and then passed on to the international situation and the war danger. "We shall never forget the bloody action of the Japanese imperialists at the time of the intervention, during the civil war, against the workers and peasants." This was said by the woman collective farmer, Tarchanova, from the Far East district. "Our workers and collective peasants," she continued, "are ready to come forward at any moment in the defence of the Soviet frontiers."

Kagatzki, the chairman of the Leningrad Soviet, devoted his speech to the subject of the mastery of the new technics in the Leningrad enterprises. "The Leningrad proletarians"—concluded Kagatzki—"understand the whole difficulty of the international situation, and fully approve of the steadfast policy of peace of the Soviet government and of our Party, headed by Comrade Stalin."

Budjonny appeared on the platform. His first theme was the quality of the work done on the collective farms. He reported on the impressions which he had gained on his travels through the whole country at the time when the crops were being harvested. The second part of his speech, listened to with great attention by his hearers, was devoted to the questions of peace, of the predatory desires of the imperialists, and the Red Army. Budjonny concluded: "During the civil war, at a time when we were almost defenceless, we fought against the whole world and defeated our enemies. If anyone ventures to-day to disturb our socialist peace, we shall fight as never before, and shall defeat our enemies as no enemy was ever defeated before." (Enthusiastic applause.)

Tursun Hodschayev, the representative of Usbekistan, the first speaker taking up the discussion in the Nationalities Council, reported in a lively speech on the progress of his republic. Formerly Usbekistan was an ignorant, oppressed, weak tsarist colony. To-day it is developing into a flourishing country.

"It is solely, thanks to the support of the Party and the Federal government"—stated Tersky, the representative of the Tartar Republic—"that our Republic is able to liquidate its former backwardness so rapidly. In 4½ years our industrial production has increased by two and a half times, and the area under cultivation has been extended by 500,000 hectares."

Stary, member of the C.E.C. and representative of the Moldau Autonomous Republic, gave a number of lively comparisons: 23,000 hectares of newly-planted vineyards, and 13,000 hectares of gardens and plantations have been laid out in the fields of Moldau. A great canning industry has been built up. One thousand tractors are working in different parts of the Republic. Education is provided for by hundreds of schools giving instruction in the national language, three colleges, and a number of technical schools. This is the development of this small republic on the Dniester, a firm constituent of the Ukraine and the Soviet Union.

An extremely impressive speech was given by Satonsky, the people's commissar for the educational service of the Ukraine. Speaking to the Nationalities Council, he concluded amidst enthusiastic applause: "We shall not allow anyone to separate the Ukraine from the Soviet Union."

The land of the Soviets is great. One after another of the best representatives of the numerous nationalities mounted the platform. Many of these nationalities were designated by tsarism as "foreign races." From time to time the chairman's bell rang, warning that the times accorded for speeches had elapsed, but none of the speakers found the few allotted minutes sufficient. Hours would have been required to describe the transformation of fields and towns, the economy and the lives of these former tsarist colonies, their rapid growth and new culture.

Hadskevitsch reported on the triumphal progress of the White Russian Soviet Republic. Recently it celebrated its 15th anniversary.

sary. White Russia has been transformed into an economically and culturally advanced republic. It has fought successfully against all the attempts made by the bourgeois nationalists to dam back socialist construction. The recent example of the Ukraine shows that the danger is not yet over, and that Bolshevik watchfulness is necessary to expose the enemies and their attempts at nationalist restoration. The White Russian Republic knows that it is an outpost of the Soviet Union. It is a reliable and impregnable outpost.

The representative of the Baschkir Republic, Ulaschov, gave some interesting figures. In 1913 the birthrate in Baschkir was 37 per thousand, the death rate 30. By the end of 1932 the birth rate had risen to 38, whilst mortality had dropped to 14.

Musabekov, one of the chairmen of the C.E.C., was greeted with applause. He spoke of the culture and the economic advance of the sister republics of Trans-Caucasia—of Aserbeidyan, Armenia, and Georgia. The carrying out of the Leninist-Stalinist nationality policy has led to the liquidation of the backwardness of the formerly oppressed nationalities, and to-day they join the toilers of the most advanced republics of the Soviet Union in their rapid strides towards socialist construction and towards the classless socialist state of society. Musabekov concluded: "The Soviet Union is the sole country in the world in which the national question is solved. There is no power in the world which can divide the closely united family of the peoples of the Soviet Union."

An interesting address was given by the representative of the German Spartacus district in the Ukraine, Mertz. He quoted a number of figures showing graphically how the German collective farmers have progressed towards prosperity. Mertz further related how the German fascists commenced to "help" their "brothers" in the Soviet Union. "One fine day our collective farmers commenced to receive money from Germany. The total was several thousand marks. We at once handed over this money to the International Red Aid, for the prisoners in the fascist prisons." (Applause.)

Reports of Grinko, Yakovlev, Ossinsky, and Others

Report of the Finance Commissar of the Soviet Union, Grinko

Grinko showed that the year 1933 closed with a favourable balance for state finances. The receipts, 39.2 milliard roubles, as against an expenditure of 36 milliard (as compared with the 35 milliards estimated). The receipts have increased by more than 4 milliards, thanks to the growing economic activities of our country. For 1934 the state budget estimates 48.7 milliard roubles receipts, as compared with 39 milliard in 1933. A notable fact is the increase of income from socialised economy. In 1933 these receipts amounted to 81.3 per cent. In 1934 they will amount to 82.2 per cent., and will thus form by far the greater portion of national income. In 1934 approximately 33.5 milliard roubles will be invested in the national economy of the Soviet Union, as compared with 24.8 milliards in 1933. A total of 13.4 milliards will be expended for social and cultural purposes, as compared with 11.7 milliards in the past year. The expenditure for educational purposes will amount to 8.3 milliards, that for health service to 3.1 milliards, and that for social welfare and labour protection to approximately 2 milliards. The financing of the light industries and the foodstuffs industry will absorb considerably greater expenditure. In 1934 the investments in the light industries will be almost double those of last year. The same applies to the foodstuffs industry. The budget schedules 5.8 milliards for socialist agriculture, as compared with 3.5 milliards last year.

The budget envisages a great increase of expenditure for the traffic service—2.8 milliards, as compared with 700 millions last year.

Our successes in carrying out the financial programme in the first year of the second Five-Year Plan, and our plans for the second year, are especially striking in contrast to the wretched conditions obtaining in the finances of the capitalist world. The capitalists set certain hopes for the improvement of the finances of the capitalist countries on the convention of the World Economic Conference. But this conference suffered a notorious fiasco. The deficits in the budgets of the capitalist countries are growing steadily. The finances of the capitalist countries were bound to collapse, since international capitalist production in 1933 amounted to scarcely 50 per cent. of the world production of 1928,

and trade was only about one-third that of 1928. The income of the workers is sinking steadily. In Germany the total income of the toilers amounted to 44.4 milliard marks in 1929, but in the first three quarters of 1933 this had dropped to 19 milliard marks. Only in the war industry the shares remain undepreciated, all others are slumping. The relinquishment of the gold standard, the abrupt depreciation of the dollar, all this sharpens the international economic crisis. Over 20 countries fail to meet their obligations.

We have a right to be proud—Grinko concluded—not only of the political and general economic achievements of the Soviet Union in 1933, but also of its financial successes.

The Report of the Agricultural Commissar of the Soviet Union, Yakovlev

The most important achievement of the agricultural year of 1933—stated Yakovlev—has been the considerable increase in the harvest yields and in the grain crops.

The grain crops increased in 1933 by 200 million double cwts., or more than 28 per cent. An especially important point is the increase of wheat production by 36 per cent. The cotton yield, too, has been considerably increased, and surpasses the pre-war status by 85 per cent.; 470,000 more double cwts. of flax were harvested in 1933 than in 1932. In 1933 great progress was achieved in live-stock breeding. About 30,000 new live-stock breeding collective farms, with over 16 million head of cattle, have been created. These farms are the most important factor in the realisation of Stalin's slogan on the provision of cows for the collective peasants.

A great achievement attained in 1933 was the improved quality of agricultural work. The sowings were carried out earlier, ploughing and other work was done more efficiently, etc.

Yakovlev then adduced a number of facts showing the great increase of the incomes of the collective farmers in 1933.

The Political Departments formed on Stalin's initiative, and comprising thousands of tried and tested Bolsheviks, have cleared the collective farms of kulaks and shirkers, and have helped the party to gather around it non-Party activists and to train new cadres. They have contributed to the improvement of working discipline, etc. These measures have helped in enabling the enormous advantages of the socialist large-scale farm to be properly utilised; they have been decisive for the victories of the agricultural year of 1933.

At the present time the machine and tractor stations possess 122,000 tractors, 11,500 mowing threshers, 15,000 locomobiles, 60,000 threshing machines, etc. In 1934 an exemplary utilisation of this technical equipment must be attained. In 1934 this technical equipment of agriculture will be considerably increased, so that all prerequisites will be provided for the further improvement of the standards of agricultural work.

Jurkin, Commissar for the Soviet farms, made a statement on the tremendous development of the Soviet farms. In the Soviet Union there are over 2,300 Soviet farms, possessing enormous resources—53,000 tractors, 13,000 mowing threshers, and over 9 million head of live-stock. The present area of the Soviet farms is 5 million hectares. In 1934 the area and work of the Soviet farms will be further extended.

Ossinsky, Leader of the Central Bureau for National Economic Statistics, Gives Figures

Ossinsky submitted to the session a number of interesting data on the crops, the turnover, and the price movement.

In 1933 the retail trade returns increased by 7.3 per cent., as compared with the previous year. The last few months of 1933 were marked by a conspicuous drop in the market prices for the most important foodstuffs. In October the prices on the collective farm markets in Leningrad, Gorki, and Sverdlovsk were lower by 40 per cent than in spring, in Stalingrad by 45 per cent., in Charkov by 44 per cent., in Dniepropetrovsk by 57 per cent., in Schachty (North Caucasus) by 46 per cent., in Moscow by 23 per cent., in Magnitogorsk by 37 per cent., etc. The reduction of prices for various groups of goods by the state sales organisations, whose task it is to regulate the markets and to stop speculation, has run parallel with this. This year's grain crops have also played a great part in causing a reduction of prices.

The gross grain crops of 1933 exceeded by 898 million cwts. those of the previous year. This year's harvest has been larger than any other maximum harvest.

The collective farms attained this year the highest yield per

hectare ever achieved in the Soviet Union. The average yield per hectare in the Soviet Union this year has been 8.8 cwts., whilst formerly the maximum yield has been 8.5 cwt. Here it must not be forgotten that in August and September there was a prospect of 10 cwts. per hectare, but that the continuous rain in these months was disadvantageous to the late winter corn, and threw difficulties in the way of harvesting the crops in many districts. In spite of this, most of the Republics of the Soviet Union have attained record crops.

Ossinsky, after giving a brief survey of the comparative crops of the Republics and districts of the Union, added a few interesting comparisons between the grain crops of the leading grain districts this year and last. In 1933 Ukraine harvested 456 million poods more than last year, Western Siberia 150 millions more, North Caucasia 130 millions more, etc. The greatest relative and absolute increase in crops has been attained by wheat on the one hand and barley and oats on the other.

Report by Shvernik, Secretary of the Central Trade Union Council

Shvernik, speaking from the platform of the Federal Council of the C.E.C., stated:—

"As a result of the general development of the economy of the Soviet Union the working class of our country has increased in numbers. During the course of the first Five-Year Plan the number doubled. In 1933 the number reached 21,882,000. The growth of the working class continues. In 1934 the number of the workers in our country must reach 23,445,000. Hand in hand with the increased number, the productivity of labour is increasing as the mastery of technique advances, and with this again the material prosperity of the workers.

"In 1933 working wages increased by 9.8 per cent. as compared with the previous year. In the industries this increase was 11.4 per cent. The average yearly earnings reached the sum of 1,566.6 roubles, and will attain 1,610 roubles by 1934." Shvernik then went on to enumerate the tasks of the trade unions since the liquidation of the People's Commissariat for Labour:—

"The great importance of the new work allotted to the trade unions becomes evident when I point out that in 1934 the sum of 4.96 milliard roubles is to be expended for social insurance. From year to year expenditure increases for every description of insurance: for sick insurance, accident insurance, etc. The expenditure for children's homes, etc., increases rapidly. In 1934 this expenditure will increase from 196 millions to 232 millions. In 1934 the children of over 1.38 million workers will be cared for in the creches and nursery schools of the industrial centres. The rest homes and prophylactic institutions of the social insurance service can also record great development. In 1934 the sum expended for these institutions will be 260 million roubles. In 1933 the number of toilers finding recuperation in the rest homes was 1,154,000. In 1934 1,388,000 will visit the rest homes. To these must be added the 21,000 workers to be treated in our best health resorts.

"The various pensions paid grow along the same lines. Our toilers have no need to fear old age, for they are secured by the state. In 1934 the number of recipients of pensions will be 672,000. Whilst in the Soviet Union the expenditure for social insurance is steadily increasing, in the capitalist countries we witness a campaign against the last remnants of all which the workers have achieved in this direction. After fascism took over the government in Germany a law was passed reducing expenditure for every description of social insurance, but increasing at the same time the insurance contributions paid by the workers by 25 per cent. (The contributions paid by workers in Germany for incapacity insurance are to be increased again by 6.5 per cent. on January 1, 1934.—Ed.) It will be remembered that in the Soviet Union the workers pay no insurance contributions. In the capitalist countries, although unemployment is spreading, the sums granted for unemployment benefit are being reduced almost everywhere. The number of persons in receipt of benefit is steadily declining. In England there are 1,124,000 unemployed whose unemployment benefit ran out between 1931 and 1933. This number includes, however, only those who protested against the cessation of benefit. Those who accepted it in silence have not been counted."

Shvernik concluded: "From year to year the power of our country increases, and at the same time the material prosperity of the working class. To-day I declare to this meeting, on behalf of the 17.5 million toilers organised in the trade unions, that we

entirely approve of the policy of our government in the struggle for peace, and support this policy. At the first call from our government the whole mass of the members of the trade unions are ready to join the ranks of the Red Army and to deal an annihilating repulse to all those who venture to disturb our peaceful socialist work. We are convinced that in this struggle our working class does not stand alone, but will find a faithful ally in the international proletariat, which will rise and join in the struggle for the defence of the Soviet Union."

Report of the Chairman of the Council of People's Commissars of the Soviet Ukraine, Chubar

The chairman of the Council of People's Commissars of Soviet Ukraine, Chubar, gave the following important report:—

"Thanks to the correct policy of the Party and of the workers' and peasants' government, thanks to the day to day operative leadership of the Leninist C.C. headed by the leader of the Party of the working class and of the collective peasants, Comrade Stalin, and thanks to the powerful support given by the government of the Soviet Union, Soviet Ukraine can record considerable achievements. It has been successful in fulfilling the national economic plans set for 1933, and is beginning 1934 with an even more intense development of its economic and cultural progress.

"But the more powerful the land of the Soviets becomes, the more numerous are the attempts of the imperialists to undermine our successful socialist structure. The Soviet Ukraine has been allotted a leading role in the imperialist plans for intervention in the Soviet Union. German imperialism in particular casts a covetous eye upon Ukraine. It is ready to support those counter-revolutionary bourgeois elements which already in the years of the civil war wished to set up an 'independent Ukraine.' Herr Rosenberg organises the White Guardist Ukrainian emigrés, he organises the counter-revolutionary forces, in order to enable the Ukrainian, Polish, and German landowners and capitalists to return to Ukraine. He is anxious to organise the population, especially that of Western Ukraine, against Soviet Ukraine. He thinks to deceive the population into an offensive against Soviet Ukraine. But the toiling masses are not so easily deceived. Even such 'organisers' as Herr Rosenberg will not succeed in inducing hundreds of thousands and millions to go to the trenches, simply in order to enable a Skoropatsky or other puppet government of capitalist bandits in Ukraine to set up their rule on the corpses of the masses. This is more difficult than calumniating Soviet Ukraine, or fabricating resolutions on the aid to be given to the allegedly starving Ukrainian population.

"This calumny campaign is headed by such 'holy fathers' as the Lemberg bishop Schepticki and many like him. They organise conferences, not only in their own towns, but even in Vienna, under the leadership of the representatives of the Pope of Rome. Rosenberg, Skoropatski, the Petljura people and their confederates do not confine themselves to influencing public opinion. For some years they have sent out their agents and smuggled their cadres into various parts of Soviet Ukraine, for the purpose of sabotaging socialist construction, of infecting the masses with nationalist poison, and of making preparations for uprisings. So that pieces of Ukraine may be torn away at an opportune moment. But the masses of the workers and collective peasants of Ukraine, under the leadership of the Communist Party, repulse every attempt of the class enemy to undermine the successful forward movement. The elimination of the last remnants of the capitalist class, the kulak, all over the Soviet Union, and the victory of the collective farming system, are assured for Ukraine, as for every part of the S.U.

"The Soviet Ukraine, like its sister Republics, stands firmly on the path of socialism. All attempts on the part of the imperialists to drive a wedge between the Soviet Union and Soviet Ukraine, by playing upon nationalist feelings, and all attempts at organising nationalist elements for this purpose, will be repulsed with ever-increasing force and energy. The toiling masses of Ukraine are going forward with full self-confidence, under the leadership of the Communist Party, to the fulfilment of the great tasks set by socialist construction in 1934."

Report on Soviet White Russia

The representative of Soviet White Russia, Chervyakov, stated:—

"The results of the period just elapsed show the whole world that the mighty progress accomplished by Soviet White Russia has been due solely to the consolidation of the Soviet power, to

the formation of the Union of Socialist Soviet Republics, of which the White Russian Soviet Republic is a firm, inseparable constituent. At one time White Russia was a part of the Russian empire—known as the North West territory—forming the ignominious settlement border line for the Jews. The whole of Tsarist Russia was a prison for the people, but the North West territory was the worst prison of all. Here was reached the culmination of economic, cultural, and political national oppression.

"Under the immediate and steadfast leadership of the Central Committee of the C.P.S.U., with the constant aid of the government of the Soviet Union, Soviet White Russia has been enabled to rise from the depths of oppression to a unique level.

"White Russia of the past practically had no large-scale industry. To-day it possesses dozens of big industrial undertakings, employing tens of thousands of workers. In 1933 the output of White Russian industries was ten times that of pre-war days. Together with the whole Soviet Union we are fighting for the socialist reconstruction of agriculture. Here, too, Soviet White Russia has great achievements to record. The cultivated area has increased from 2,389,000 hectares in 1916, to 3,710,000 hectares in 1933. The character of agriculture has changed: The area under cultivation for industrial plants is increasing. Agriculture is becoming mechanised, fertilisers are being used to an increasing extent, etc.

"Soviet White Russia can record special progress in the field of national culture. Formerly White Russia was one of the most backward and uncultured parts of Tsarist Russia. On the eve of the imperialist war, only 30 per cent. of the White Russian population could read and write. Now illiteracy has been completely liquidated. We have introduced general elementary schooling on the basis of a seven-class school, and are now going forward to the ten-class school. Town and country benefit from the achievements of our school service. General instruction is given in the mother tongue. Cultural opportunities are not confined to the elementary schools. White Russia possesses an Academy of Sciences of its own and 19 colleges, whilst before the revolution nothing of all this existed; besides this, there are 83 technical schools, 35 workers' faculties, and a number of other educational possibilities, in order to train experts for all branches of socialist construction.

"We can also record mighty achievements in the sphere of literature, music, theatre, and other spheres of art.

"Soviet White Russia has been able to achieve these successes, thanks to the relentless struggle against nationalist deviations, against national opportunism, and against counter-revolutionary 'national democracy.' The history of White Russian 'national democracy' is a striking example of how a nationalist bourgeoisie may exploit the slogan of national emancipation for misleading the toiling masses into being utilised for counter-revolutionary purposes. The whole history of Soviet White Russia is the history of the struggle against the counter-revolutionary, nationalist cliques which have been endeavouring to undermine socialist construction, and are striving for the return of capitalist rule and for the separation of Soviet White Russia from the Soviet Union—that is, for its subjection to the capitalist fascist neighbouring states.

"Documents in our possession show that the White Russian counter-revolutionary national democrats are in contact with the national fascists of West White Russia, and have received money from their friends and patrons in the neighbouring states. In the struggle against the Soviet Union, the imperialist interventionists, the fascist organisations of Poland and Germany, support the national democrats and ally themselves with them. A direct alliance exists between the nationalist counter-revolutionary groups in the Soviet Republics and the imperialist interventionist elements, for the struggle against the Soviet Union. These facts compel us to devote special attention to the intrigues of the ruling cliques in the bourgeois states against the Soviet Union. On behalf of the toiling masses of Soviet White Russia, I emphatically declare that the workers and collective peasants, the whole toiling masses of the country, are ready at any moment to take up arms to confirm the words of Comrades Molotov and Litvinov with regard to our determination to wage a self-sacrificing struggle against any attack on the Soviet Union and its integrity. The toiling masses of Soviet White Russia will repulse with the utmost determination every attempt to separate their country from the great Soviet Union."

Fight Against Imperialist War

U.S.A. Intensifies Naval War Preparations

By A. G. Bosse (New York)

As has always been the case, a terrific speeding up of war preparations is hidden behind a smoke-screen of pious declarations of pacifist intentions. In the United States this was never better shown than in the short period of two days, December 27 and 28, 1933. On the former day the admirals announced a five-year programme of naval building, which Roosevelt will support and Congress undoubtedly enact. The next day Roosevelt spoke at a Wilson memorial dinner, eulogising the war president as a great friend of peace and committing the U.S. in opposition to armed intervention—except in certain cases. "The Times" of December 31 summarised the address as follows: "We start the New Year as Foes of Imperialism."

The Navy Department's programme calls for \$516,000,000 for the construction and replacement of warships. Its aim is to put the navy on a treaty-strength basis by 1939, and maintain it at that level. These war expenditures, huge subsidies to the steel-makers and armaments trusts, are called for when the federal budget deficit has already passed the \$1,000,000,000 mark, and is expected to reach \$3,000,000,000 by June, 1934. The masses of workers and petty-bourgeois are sweating blood to make up this deficit.

The new programme calls for the construction of 102 warships, or 20 each year up to 1939, in addition to the 54 now under construction or awarded to shipyards. The plan for 1934 includes the building of two heavy destroyer leaders, 12 destroyers, one 6-inch-gun cruiser, two with 6-inch guns (these three cruisers have already been authorised by Congress for construction), and six submarines, a total of 23 ships at a cost of \$100,000,000. This would leave the programme for 1935-39 as follows: Fifty-one destroyers, three 6-inch-gun cruisers, one aircraft carrier (15,000 tons), and 24 submarines. To man such a fleet with an 83 per cent. complement of personnel would require an increase in the enlisted navy strength from the present 79,000 to 100,000, and in the marine corps personnel from the present 15,200 to 20,000. The Budget Bureau has agreed to an increase in the navy for next year to 83,000 and in the marine corps to 16,000. Last June the navy got \$238,000,000 for ship construction from public works (N.R.A.) funds, plus the regular naval appropriation for the year and many indirect or hidden appropriations.

The Five-Year Plan for American naval construction provides for laying down an average of 20 ships annually after 1939, in order to keep the navy at present treaty-strength, depending on an increase or decrease in tonnage limitations at the new naval conference to be held in 1935. Later 13 ships annually may be enough for replacement, if this treaty continues. The U.S. is now supposed to be 207,030 tons below the tonnage authorised by the London Treaty, according to American Navy Department figures. Great Britain 194,690 tons below, while Japan has authorised or contemplated authorisation for the full strength by 1936 allowed it by the 1930 London Treaty. There is little doubt that when the next treaty conference is held present tonnage limits and quotas will be greatly increased, if one can judge by the frenzy of warship construction and general war preparations throughout the world and the heightening of the war spirit. At present the U.S. claims that, even with the 32 ships started this summer and the 22 previously appropriated for and under construction, it will still be 102 ships (207,000 tons) under its treaty allowance. Great Britain, which has been building steadily, is said to be 61 ships short (195,000 tons).

On December 2 the Japanese Diet voted for the largest war budget in its history—\$35,000,000 yen (\$290,000,000), with other appropriations disguised as relief, etc. Its supplementary naval programme calls for two cruisers, two aircraft carriers, four submarines, and 14 destroyers. Work will also be started soon on three other aircraft carriers, two large tankers, one repair ship, and 16 torpedo boats. Britain is scheduled to build 25 powerful cruisers, large numbers of destroyers and submarines, some 50 additional squadrons of war-planes, etc.

The U.S. Navy Department's Bureau of Construction and Repair is preparing seven new warship designs, more than were involved even during the World War. An important source of additional naval strength is so-called over-age or obsolete vessels.

The annual report of the Navy Department for the fiscal year ending June, 1933, states that only four destroyers are still under-age, and these will cease to be so next year. But it also admits that "... the general material condition of the destroyers is fair. The extent of work to keep these old destroyers in active commission for peace-time (!) requirements has increased. ..." The same is true of other obsolete ships: three battleships are being modernised and the condition of the other 12 is "fairly satisfactory," with other improvements contemplated. Cruisers, submarines, gunboats, etc., are also being kept in good shape. Hundreds of old ships can thus be used in some way in case of war. In addition the declaration of "U.S. Naval Policy," appended to the annual report, states of merchant ships: "To maintain detailed plans for rapid acquisition and conversion of merchant vessels."

On the one hand the naval warmongers of all countries cry that construction is backward in their country while in all others it is being pushed rapidly. On the other, the time has come when those responsible for policy are beginning to admit openly that disarmament is a failure and their country must lead all others. Thus, Swanson, U.S. Secretary of the Navy, states: "The time has come when we can no longer afford to lead in disarmament, by example." Monsell, his British colleague, says, "We cannot have any more one-sided disarmament. We cannot always be idealists; we must face realities."

Swanson's excuse for the great spurt in naval building is the usual rot: first, to guarantee peace; second, to provide work for the unemployed and so help overcome the crisis. In support of the latter contention he makes the assertion that 85 per cent. of naval expenditures go to labour, directly in shipyards or in allied industries. The fact is that more than the 15 per cent. remaining goes to the armaments manufacturers for profits alone, not to speak of cost of materials, etc. Labour gets only about a third of the total.

The admirals are trying to give Roosevelt, who has always been a "big navy" man, blanket power to build warships, without having to come to Congress for authorisation each year. This is merely in line with the almost dictatorial powers given him under the N.R.A. Congressional resolutions are being prepared, at the request of the Navy Department, one declaring for a full treaty-strength navy, as a matter of policy, the other empowering Roosevelt to replace obsolete warships at his discretion, avoiding the unpleasant publicity sometimes given public discussion. Another way of disguising the enormous military expenditures would be as public works grants and other relief measures. In the first six months of his administration Roosevelt has expended over a billion dollars on war preparations, and the tempo is now being accelerated. It will bear close watching in the coming months.

Japan's Imperialist Designs on Inner Mongolia

By Chie Hua

In pursuance of the system already tried and tested in Manchuria—by which Japan staged an "independence movement" of the upper strata of Manchuria in order to camouflage the annexation, and supplied the newly-conquered colony with the name of the "independent" State of Manchukuo and with one of its lackeys, the ex-Emperor Puji, as head of the State—Japanese imperialism is continuing this same predatory policy in Inner Mongolia, having first carefully fostered the autonomy movement among the Mongolian princes before proclaiming through its own guns Manchuria's actual separation from China.

Japanese imperialism has for many years been sending its trade and military agents and its settlement gangs as outposts to Inner Mongolia. The occupation of Manchuria was accompanied by the founding of an "Association for Manchurian and Mongolian Affairs" in Changchun, the capital of Manchukuo, and this has become the centre for the organisation of bribery of the Mongolian princes and the feudal elements, and for the stirring up of unrest in Inner Mongolia. Out of the six Mongolian tribal groups (divided into 61 "standards"), three have obtained their independence from China by the occupation of Manchuria and Jehol: these are Djerim in Manchuria, Djosotu and Djouda in Jehol; the other three, Silingol in Chachar, Ulangtas and Jededsu in Suiyuan, have still—in the opinion of Japanese imperialism—to fight for and gain their "independence."

One of the most important persons in the Inner Mongolian

autonomy movement is the tribal prince-Teh-Muk-Chu-Ko-Ling-Lu-Fu, the second head of the tribal group of Silingol and the leader of many Mongolian tribal princes. In the winter of 1932 this tribal prince Teh-Muk-Chu already made an attempt to get himself appointed Chief of the Commission for Mongolian and Tibetan Affairs in the Nanking government, but failed to bring this off. Subsequently he flew in a Japanese aeroplane, with seven other Mongolian princes, to Changchun, in order to negotiate with Puji and the Japanese Kwantung authorities on the question of the independence of Inner Mongolia. It has since leaked out that these negotiations ended in an agreement that: (1) The Japanese and Manchurian authorities shall support to the utmost of their power the independence movement of Inner Mongolia. (2) The autonomous Mongolian State is to be recognised as an independent unit, not subordinate to the Manchurian government.

Teh-Muk-Chu, after his return to the Inner Mongolian province of Suiyuan convened a large number of meetings and conferences of the Mongolian princes and feudal lords, until on October 9, 1933, at a conference in Pailingmiao (in Suiyuan, about 100 miles north of the town of Kwei-hwa on the Peking-Suiyuan Railway), the independence of Inner Mongolia and the formation of an autonomous government were proclaimed.

In order to gain the support of the Lama-faithful Mongolian population, the man appointed as spiritual and temporal head of the autonomous government was the Panchen-Lama, a faithful lackey of Japanese imperialism.

Japanese imperialism now thinks that the favourable moment has come to advance its troops and to penetrate in a western direction into the next Mongolian province of Chachar. Japanese cavalry detachments have already crossed the Great Wall at Chuchikau, in the direction of Lungmen, and have occupied the strategically important points of Kuyuan and Chitzen, north-east of Kalgan. The head of the Japanese military mission, Colonel Mitsumara, has arrived at Dolon-nor, and is preparing the military basis for a great offensive for the seizure of Inner Mongolia. It is intended to combine this action with the immediately impending proclamation of a Manchurian Empire, which will probably extend its territory further towards North China.

The whole developments show clearly that Manchuria is to be followed by Mongolia as a buffer State between the Soviet Union and China, and this will be of great military strategic importance in the intervention war against the Soviet Union by Japan from the east. There is already talk of the formation of a great Mongolian realm, to embrace Inner and Outer Mongolia, including therefore the territory of the Mongolian People's Republic allied with the Soviet Union.

It is interesting to note the attitude of the Chinese central government in Nanking towards these advances by Japanese imperialism. When the Japanese troops advanced to the immediate vicinity of the railway line Kalgan-Peiping, the Chinese troops were withdrawn, in order to avoid a conflict. The Nanking government is making every possible effort to conceal and belittle the significance of the autonomy movement in Inner Mongolia.

Thus Japan is able to proceed, unhindered by the Chinese central government, with the realisation of the notorious rapacious plans of Tanaka. Its present aim is therefore to create as strong an army as possible for the "autonomous" government of Inner Mongolia. The army, hitherto under the orders of the autonomous government of Inner Mongolia, consists of 1,000 men, well-armed troops formerly commanded by Teh-Muk-Chu in his capacity of Nanking government commander over the Pankang garrison. Besides this the bodyguard of the Panchen-Lama, and a number of other formations, forming a total strength of 6,000 men. A telegram from the Chinese "United Agency" from Tokio states that this army is reinforced by the Mongolian youth, organised in military organisations according to the plan of Kawaschima, the adviser of the Kwantung army, and that special attention is being devoted to the organisation of cavalry. According to this telegram, an army of 50,000 men has been organised, and it is hoped that by means of the amalgamation of the various Mongolian tribal standards it will be possible to organise an army of 200,000 men, as "an ally of the Japanese army."

The Japanese intend building an extensive network of railway to facilitate military transport.

Other preparations for a war against the Soviet Union are evident in the continuous concentration of Japanese troops and warships, and in the building of numerous railway lines and aerodromes in Manchuria. Further signs of the feverish preparations

for an intervention war against the Soviet Union may be seen in the Japanese attempt to seize the Chinese Eastern Railway by force, in the arming of the White Guardist Russians in Manchuria and Mongolia (entrusted to the notorious White Guardist general Semenov), and in the staging of the so-called national restoration movement of the White Guardist Russians.

The sphere of power of Japanese imperialism now actually extends over Manchuria, Jehol, and the whole of Northern China, including all the Mongolian provinces, and is being pushed forward into the province of Singkiang (Chinese Turkestan), where Japanese interests collide with the predatory plans of British imperialism for the creation of a great Tibetan kingdom from the south. It is not by accident that, according to a "Sinwenpao" report, the ex-crown prince of Turkey is being utilised by Japan for the purpose of organising a Moslem empire in Sinkiang. This second Puji is said to have already arrived in Shanghai for this purpose. In Tibet, Japanese imperialism is again engaged in a struggle with Great Britain for dominance, as is demonstrated by the sudden death of the Dalai Lama, whom, it is assumed, was poisoned by Japanese agents on account of his pro-British tendencies. It is stated that the Nanking government intends appointing the Mongolian Panchen-Lama as successor to the Dalai Lama as ruler of Tibet; this would be a service to Japan which Great Britain is of course endeavouring to prevent by all available means.

In spite of all the antagonistic interests, the imperialists are united on one point—the extermination of Communism in China. The sole real anti-imperialist power in China, the Chinese Soviet revolution, is alone capable of saving China from dismemberment by the imperialists, and of gaining the national and social emancipation of the masses of the Chinese people. The national minorities of China, the Manchurians, the Mongolians, the Tibetans, etc., will gain their real independence and freedom from all imperialist oppression only through the Chinese Soviet revolution. The world proletariat must be in a state of complete readiness to fight for the defence of the Soviet Union and of the Chinese Soviet revolution, against the criminal plans of world imperialism.

A Conference Against the Soviet Union

By E. W. (Vienna)

On 16th and 17th December there was held in Vienna, under the chairmanship of Dr. Innitzer, the Archbishop of Vienna, a conference convened by an "International Relief Committee" for the purpose of organising "relief work for the victims of famine in Russia." In spite of the propaganda carried on for months previously, the initiators of this action were only able to gather together, in addition to the notorious "German Relief Committee: Brothers in Distress," outspokenly white-guardist and purely clerical organisations. This action was received with the greatest mistrust even by the broadest bourgeois public, as was even admitted by Cardinal Innitzer himself at a press conference on December 1. This fact indicates the obvious and undeniable consolidation of the international position of the Soviet Union, which required, and caused, a regrouping of the most active anti-Soviet forces.

As a result of this regrouping, the fierce anti-Bolsheviks who gathered together for this strange "relief work" declared their action to be "perfectly non-political," and even emphasised their readiness to collaborate loyally with the Soviet Government in the carrying out of their relief action. This represents an unreasonable demand on the credulity of those petty-bourgeois and peasant masses, the mobilisation of which inside and outside of the Soviet Union is the most important object of this "relief work."

The most remarkable figure in this conspiracy against the Soviet Union is its general secretary, the Baltic fascist and white guardist, Dr. Ammende, whose lying memorandum, entitled: "Wholesale Death Stalks Through Russia" (published in the Austrian government organ, "Reichspost," of July 16, 1933), is the main document of the whole action.

Contrary to the white-guardist and fascist lies regarding the "ruin of agriculture and the famine in the Soviet Union," which this "relief work" conference is endeavouring to spread, the past year was for the Soviet Union a year of great progress and successful overcoming of the inevitable difficulties of growth connected with collectivisation. This is shown, for instance, by the following report from Moscow published by the "United Press":—

"In many regions the peasants have not only harvested

sufficient grain in order to insure them against hunger for one or two years, but in addition they are able to sell considerable quantities of corn."

All counter-revolutionaries, both inside and outside the Soviet Union, have staked their cards—which however were very speedily snatched from their hands by the vigilant organs of the proletarian dictatorship—on the temporary difficulties which, as we shall immediately show, have for the greater part been called forth by themselves. As Kossior and Postyshev stated at the last meeting of the C.C. of the C.P. of the Ukraine, we have succeeded in the last few months in exposing and rendering harmless a whole number of white-guardist agents who have been sent to the Ukraine from abroad under the pretext that they now wish to take part honestly in the work of socialist construction. These counter-revolutionary conspirators extended their activity in particular to influencing collective peasants with kulak arguments and lies, and directly sabotaging and damaging the development of agriculture. On one of the arrested conspirators there were found instructions from the counter-revolutionary centre abroad, which constituted a programme of action for organising famine. This exceedingly interesting document reads as follows:—

"The brilliant harvest prospects this year can lead to the economic strengthening of the Soviet Union and render easier the material situation of the workers and peasants. It is necessary that the position of the peasantry shall become worse in spite of this year's good harvest. For this purpose the following is necessary:—

"(a) As at the present time in the Ukraine the slogan is being spread that corn must be cut as soon as it is ripe, it is necessary to induce the collective farmers to cut the corn too early, while the ears are still green.

"(b) It is necessary to agitate among the collective farmers, telling them that no matter how hard they work the Soviet Government will take the corn away from them under one pretext or another.

"(c) It is necessary to sabotage a correct calculation of the working day in order that the collective farmers shall receive less than is due to them."

When it is added that it has been ascertained beyond doubt that a number of conspirators in the Soviet Ukraine who have been rendered harmless had connections with the various white-guardist centres abroad and with imperialist Powers, in particular with Hitler Germany, it follows that the instigators and organisers of the white-guardist conspiracy in the Ukraine are the same people who are organising the "non-political relief work for the Russian people."

For the rest, the participation of Cardinal Innitzer, one of the most important exponents of black-white-green Austro-fascism, in this latest campaign against the Soviet Union conducted under the cloak of "humanity" has a special political meaning apart from the well-known savage hostility of the Church to the Soviet Union. Ever since the outbreak of their conflict with the national socialists, the Austro-fascists have again and again implored the former to cease this "senseless fratricidal struggle" and rather join in a common front for the complete overthrow of Bolshevism and Marxism. By their unconditional support of the imperialist anti-Soviet plans of Hitler fascism, which has taken over the support and organisation of all the white-guardist machinations, the Austro-fascists wish to prepare the ground for the desired understanding with Hitler sought by them and especially also by Italian fascism.

Thus the recent Vienna Conference against the Soviet Union shows that the white-guardist restoration plans and the Hitler intervention plans are most closely linked up with the old strivings of capitalism to overcome its home and foreign political contradictions at the cost of the Soviet Union and of the international proletariat. The working class of the capitalist countries must draw from this fact the correct lessons for their struggle.

Ruegg on Hunger Strike for Sixteen Days—His Wife Seven Days—Shanghai, January 6.

Chiang Kai-Shek's prisoners, the trade union functionary Paul Ruegg and his wife are still on hunger strike. Ruegg has already been on strike for sixteen days, his wife for seven. They are determined to continue the strike until the Chinese authorities take up their case again. Ruegg demands the immediate release of his wife. Both are so exhausted by the strike that they are no longer able to rise from their beds.

Fight Against Fascism

Successful United Front Against Fascism in America

By L. E. (New York)

On December 13 Athos Terzani, first frame-up victim of an avowedly fascist organisation of American origin, was acquitted in court on charges of second degree murder.

His defence had been waged by a united front, which included the International Labour Defence, the Socialist Party, the American Civil Liberties Union, the I.W.W., and a number of anarchist groups.

The victory is heralded as a tremendous achievement of the American workers against organised fascist bands which are springing up all over America as products of the crisis. The growth of these organisations is being directly stimulated by official sanction on the part of the government. The Khaki Shirts, the Blue Shirts, the Silver Shirts, the Black Shirts, and the revived Ku Klux Klan are some of the crystallised expressions of the growing tendencies toward fascism under the N.R.A. The forces for these fascist bands are recruited from the ranks of the unemployed, from among the war veterans, the ruined and disgruntled little farmers of the mid-west, and from the demoralised elements in the south. Their platforms vary, but are essentially alike.

In every case their main activity consists of violence and terror directed against the revolutionary workers and poor toilers.

The Khaki Shirts were organised on military lines, with a standardised uniform and arms. Its members were drawn largely from the ranks of the unemployed war veterans. Their openly advertised aim was to march on Washington, take over the government and set up their commander-in-chief, Art J. Smith, as supreme dictator of the United States. After the election of Roosevelt and the introduction of the N.R.A., the Khaki Shirt leaders expressed their satisfaction with the government programme, which they interpreted as furthering their own cause. Their main support came from manufacturers, industrialists and police departments, who used them for strike-breaking, for breaking up working-class demonstrations and meetings, and for raids upon working-class headquarters and halls.

In June, 1933, the Khaki Shirts, whose headquarters were in Philadelphia, called a meeting in Astoria, New York, in an Italian neighbourhood. Several Italian anti-fascists attended the meeting. The Khaki Shirts provoked a fight with the anti-fascists and one of the latter, Anthony Fierro, was shot in the back and killed by a uniformed member of the Khaki Shirts.

Fierro was the first victim of organised and avowedly fascist bands in the United States. Art Smith immediately pointed to Athos Terzani, anti-fascist worker and a close friend of the slain Fierro, as the murderer. Without question, the police and government officials took the word of Smith, arrested Terzani, and freed the real murderer.

The Grand Jury indicted Terzani on testimony given by Smith. The prosecution began at once to railroad Terzani to life imprisonment, thus showing the unconcealed and direct connection between the fascist band of terror and governmental organs.

On the initiative of the International Labour Defence, a broad united front defence committee, as described above, was organised for the purpose of smashing this frame-up and to rally the masses for a united struggle against the menace of fascism in America.

While the united front itself displayed weaknesses and shortcomings, with the socialists and reformists in their customary role of those who speak for unity but work against it, and while the I.L.D. did not sufficiently expose these misleaders before the workers, the rank and file of the organisations involved rallied to the call and carried through a number of important and effective joint actions.

In the course of the campaign the bonds between the Khaki Shirts and the prosecution were not only clearly exposed, but the Khaki Shirt organisation itself was so skilfully pilloried before the working class that its leader, Art Smith, was thoroughly and completely discredited, and the organisation is now reported to be in its last stages of dissolution. Numbers of the former misguided followers of Art Smith have been won over to sympathy with the revolutionary movement. Following this, the frame-up of Terzani was so clearly exposed before the capitalist court that the jury was compelled to acquit Terzani.

This victory is an indication of the splendid possibilities for organising and uniting the American working class for revolutionary struggle against all forms of fascism and fascist elements already apparent in the United States.

While the Khaki Shirts as such has been to a great extent destroyed in this campaign, the danger of such fascist bands is by no means lessened. Conditions in the fifth winter of the crisis in America convert the ranks of the petty-bourgeoisie and lower middle class into fertile breeding grounds for fascist demagogues who rally their forces by stimulating the prejudices against the Negroes, against the Jews, against all things "un-American."

The valuable lessons and experiences gained in the united front struggle in the Terzani case must be utilised for broadening and extending the revolutionary struggle against the menace of fascism.

In the International

J. Guttman Expelled from the C.P. of Czechoslovakia

Decision of the Political Bureau of the C.C. of the Czech C.P. on Guttman's Renegacy

The Political Bureau of the C.C. of the Czech C.P. has expelled from the Party Joseph Guttman, former chief editor of "Rude Pravo."

For a long time Guttman has been the main representative in the Party of opportunist tendencies and opinions deviating from the line of the Party and the Communist International. Guttman has done much damage to the Party by the application of these tendencies. The Party leaders, headed by Comrade Gottwald, have invariably combated Guttman's endeavours towards an opportunist distortion of the Party line. But since Guttman insisted on his wrong views, and returned to them again and again, the Party Committee and the C.I. openly condemned Guttman's opportunist line, and developed in the Party a broad struggle against his harmful views. Following this, Guttman came forward with an openly Trotskyist platform.

Like all the enemies of Communism, Guttman blames the Communist Party of Germany for Hitler's seizure of power. He slanders the Party and the C.I., stating that these have misled the international proletariat. And even in the question of the united front he has proposed tactics which would lead to capitulation to social democracy, to the social-democratic slogan of "defence of democracy," and to the formation of a centrist party, Guttman has accompanied his counter-revolutionary views with the gravest breach of discipline; he has declared open struggle against the Party and the C.I.; he has taken up contact with Trotskyist elements, has attempted to disrupt the ranks of the Party by fractional intrigues, and has calumniated the Party leaders by insinuating that some of the leading comrades are secretly in agreement with his counter-revolutionary views.

Guttman's rapid transition from the position of opportunist deviations to the position of an open counter-revolutionist and enemy of Communism is the deed of a petty-bourgeois coward who is alarmed at fascism, fails to grasp the perspectives of proletarian revolution, has lost faith in the revolutionary power of the proletariat, and goes over to the enemy at a moment when we are confronted with great class struggles, and when the acute international situation is leading us close to the second period of revolutions and wars. According to the pattern of all renegades, Guttman conceals his own ideological and political bankruptcy and his cowardice behind attacks on the Party and the C.I. Guttman's case is an object lesson of how rapidly it is possible, in the situation of to-day, for an insistence on opportunist views to lead to separation from Communism and to desertion.

The Political Bureau, in expelling the renegade Guttman from the ranks of the Party, appeals to all the members and organisations of the Party to work with increasing energy in the Party for a clear front against opportunism, and to preserve with the utmost care the Bolshevik clarity of the Party line and the Bolshevik firmness of their ranks. Guttman has gone over to the enemy. But the Party is going forward, under the leadership of its C.C. and the C.I., in fraternal solidarity with the heroic C.P.G., with unshaken determination, on the path of struggle for the emancipation of the proletariat, for a Czechoslovakian October, for the Soviet power.

Thirteenth Plenum of the E.C.C.I.

The Results of the Thirteenth Plenum of the E.C.C.I.

Leading Article of the "Pravda"

Moscow, January 4.

To-day's leading article of the "Pravda" entitled "The Thirteenth Plenum of the E.C.C.I." states:—

The Thirteenth Plenum of the E.C.C.I., just ended, adopted a number of important decisions on the basis of the perspectives of the proletarian world revolution. The Plenum made a Bolshevik analysis of the fascisation process going on in the capitalist countries, of the preparations for the new world war and for the counter-revolutionary war against the Soviet Union by the imperialists. The Plenum pointed out the tasks of the Communist Parties in the struggle against fascism, against the war danger, in the struggle for the Soviet power, for the dictatorship of the proletariat. The international situation, and the position of the whole capitalist world, is determined by the fact that in the capitalist countries the economic crisis has been raging for five years. When the first Exchange crash took place more than four years ago in the U.S.A. and Germany, the Communist International, equipped with the mighty weapon of Marxism-Leninism, pointed out that the world economic crisis was maturing. This fact it pointed out in face of all the optimistic "prognoses" of the bourgeois economists and politicians, of the social fascist theoreticians and their opportunist renegade satellites. The Communist International was right: "The present economic crisis is the most serious and profound crisis of all the world economic crises which have ever taken place." (Stalin.)

Three years later at the Twelfth E.C.C.I. Plenum, the C.I., basing its conclusions on the increasing acuteness of the crisis and the aggravation of all capitalist antagonisms, pointed out the end of the relative stabilisation of capitalism. And now, a year later, the objective situation of the capitalist countries confirms the obvious fact that the C.I. was right.

The whole era of relative capitalist stabilisation, though awakening pacifist and democratic illusions, was not a characteristic feature of the historical development of post-war capitalism—the "general line" of this development is decay, decline, dissolution.

Under the conditions given by the transition to a fresh series of revolutions and wars, the irregular and rapid development of the crisis has become increasingly marked. In all the capitalist countries the ruling classes are clinging convulsively to all possible measures for creating an artificial economic boom. Credit grants, subventions, and governmental guarantees pour as if from a cornucopia into the pockets of the capitalists, in the hope of conjuring up an industrial revival.

The production of war materials has increased to an unprecedented extent. The wage robberies, the cutting down of social welfare services, and the rapacious robbery of the toilers in town and country by means of increasing taxation, price policy, and crisis rationalisation, continue steadily. There is a feverish competition going on among the big capitalist countries in the depreciation of their currencies and in the dumping of their goods. And yet all these measures on the part of the capitalist governments not only fail to restore the stabilisation, on the contrary, they actually intensify the crisis of the capitalist system as a whole.

The development of war production, and the adaptation of industry and agriculture to the impending war are accelerating the outbreak of that war, and are a heavy burden on State finances. The expenditure for the State apparatus is increasing, especially the expenditure for army and police, in order that the revolutionary indignation of the masses may be suppressed. This means an unprecedented burden on State finances, and swallows up an ever-increasing portion of national income. The increasingly parasitic role played by the bourgeois State has never been so mercilessly exposed to the eyes of the toiling masses as at the present time. Hence the intensification of the economic war

among the imperialists, and of all the international antagonisms of capitalism, is such as to indicate "the eve of a new imperialist war." (Thirteenth E.C.C.I. Plenum.)

The Versailles system is cracking at every joint. The Geneva Conference is a corpse. In the Far East the Japanese military fascist clique has already commenced with the re-division of the world. The struggle of the Chinese militarists for Fukien, where the interests of various imperialist cliques clash, is an outpost fight of the approaching struggle for the hegemony of the Pacific. The Japanese imperialists, maddened by the blows dealt by the crisis, smell the loot of war, and offer their services as the advance troops of the war against the Soviet Union.

Hence this intensification of the general crisis of capitalism, bringing with it the growing revolutionary indignation and the struggle of the masses, signifies the maturing of the objective prerequisites for the revolutionary world crisis. The capitalist world is confronted by a fresh series of revolutions and wars. "The world economic crisis is most closely interwoven with the general crisis of capitalism, and sharpens all the cardinal contradictions of the capitalist world to such an extent that a turn may take place at any moment which will signify the transformation of the economic crisis into a revolutionary crisis." (Theses of Thirteenth E.C.C.I. Plenum.)

This is the most important factor of the present international situation. An inequality in the decay of capitalism is observable. But nevertheless the decay is everywhere. The degree of fascisation in the different countries varies; but there are elements of fascisation everywhere. The crisis in social democracy is unequal, but the elements of the crisis are universal—the whole Second International is passing through a crisis. Communism, too, is growing unequally; but everywhere the indignation of the masses, and the political authority of their Communist vanguard, are increasing.

The firm line and the inflexible militant determination of the Communist vanguard are "becoming an ever greater factor in the trend of the masses." (Lenin.) The classes and parties proceed more and more to open action.

The Plenum devoted special attention to the problems of fascisation. It regarded fascism as the open terrorist dictatorship of the most reactionary chauvinist and imperialist elements of financial capital, and on this basis rejected the social fascist estimation of fascism as the alleged dictatorship of the petty bourgeoisie, as petty bourgeois revolution and Bonapartism. It unmasked the defeatist viewpoints of Comrades Remmele and Neumann in their appraisal of the perspectives of development in Germany. Precisely the intensification of the revolutionary crisis and the indignation of the masses have created a situation in which the old parliamentary methods become a hindrance to the bourgeois dictatorship, to the carrying out of civil war against the proletariat of the country, and to the preparations for the war for the re-division of the world. Fascism is seeking to create a mass basis for the dictatorship of monopolist capital among the petty bourgeoisie of town and country, to consolidate this dictatorship, and to exploit for this purpose the declassed elements in the towns. But the policy of fascism in possession of power exposes of itself its national and social demagogy. Fascism is a dangerous enemy of revolution, but it is not only this: At the same time it accelerates the revolutionary development. The rule of the national socialists in Germany has already aroused the disappointment and dissatisfaction of the petty bourgeois masses; enormous forces of indignation are accumulating in the masses; a fresh wave of revolution is already rising.

This analysis by the Communist International is confirmed not only by the profound convulsions shaking capitalist conditions, and not only by the crisis of social democracy, but by a large

number of important events in the sphere of the international revolutionary movement. It is confirmed above all by the heroic struggle of the C.P.G. against the fascist dictatorship.

Soviet China is developing into a real leader of the social and national emancipation of the whole country, and to a factor in international policy. In the Chinese Soviet districts a new Soviet State is being rapidly built up. The membership of the Communist Party has increased by one hundred thousand in one year.

In *Japan*, where the forces of counter-revolution are gathering, the forces of revolution are growing at the same time. This country is on the eve of great class struggles. Fascism is growing, and with it the daring of the militarist fascist cliques. But at the same time the "dangerous thoughts" are growing too, making the ruling classes tremble. The C.P. of Japan is growing, and is carrying on exemplary Bolshevik work and a heroic struggle against war.

In *Poland* we place on record not only mass strikes of the workers, but great revolutionary actions in the rural districts. In *Spain* the struggle between the forces of revolution and of counter-revolution is in full swing.

These examples might be multiplied. The maturing of the revolutionary world crisis is accompanied by the decay of international social democracy, a decay representing a part of the total crisis of the whole capitalist system. The decay of social democracy is taking place along two lines: Along the line of antagonisms on an international scale (war approaches), and in each separate country on the question of the methods and the rate of fascistisation. The crisis in the Second International is openly revealed, above all, by the historic treachery of German social democracy.

The lesson taught the world proletariat by the events in Germany consists of the object-lesson in the manner in which the fascist dictatorship grows out of bourgeois democracy, how the policy of the social democrats prepares the way for fascism, and how the Communist Party is actually the only party which is fighting for the overthrow of the fascist dictatorship and for the unity of the working class for the struggle for the proletarian revolution.

The attitude adopted by German social democracy is a model example for the attitude of all the parties of the Second International. Nothing but the unity of the working class, under the revolutionary leadership of the Communist Party, can prevent fascism from coming into power. The leaders of social democracy, jointly with such counter-revolutionary renegades as Trotsky, Brandler, and Guttman, jointly with such panic-mongers and opportunists as Remmele, try to hold back the working class from active resistance against fascism, and from the preparation of decisive revolutionary struggles of the proletariat, and put forward for this purpose the theory of the "epoch of fascism and reaction."

For this purpose Otto Bauer has created the theory that the victory of German fascism signifies international reaction, bringing with it long years of the defensive for the proletariat—a theory which is being accepted in one form or another by all renegades and opportunists.

The Communist International sets the Communist Parties the task of preparing rapidly for decisive revolutionary struggles. This means that the Communist Parties, in their agitation and propaganda, are to place the question of power in all its greatness before the masses of the workers, and must show them concretely the revolutionary way out of the crisis for the working class. Here the magnificent victories of socialism in the Soviet Union are of enormous importance for the struggle for the proletarian world revolution. It need not be said that the masses can only be led to decisive struggles for power on the basis of a concrete mobilisation of their forces for their day-to-day interests, their partial demands, accompanied by a ruthless struggle against opportunism and against social-democratic panic-mongering.

The Thirteenth Plenum of the E.C.C.I., in sharp contrast to the Second International, has shown unshakeable Bolshevik unity. This guarantees that the proletarian vanguard, firmly welded together in the fire of revolutionary struggle during the 15 years of the history of the Comintern, will be able to lead the working masses in the victorious decisive struggles for the Soviet power, for the proletarian world dictatorship.

Seventeenth Party Congress of the C.P.S.U.

Theses on the Reports of Comrades Molotov and Kuibishev on the Second Five-Year Plan

Moscow, January 1, 1934.

The theses on the Reports given by Molotov and Kuibishev at the Seventeenth Party Congress of the C.P.S.U. on the second Five-Year Plan, adopted by the Political Bureau as a basis and approved, confirm the mighty achievements of the first Five-Year Plan in the sphere of industry, in the creation of gigantic undertakings and a number of new branches of production, the reconstruction of existing undertakings, etc. They emphasise the tremendous progress made in agriculture, which has gone over finally to the collective farming system. The advantages of the Soviet system at the stage of development already reached—state the theses—have rendered it possible to liquidate unemployment, to introduce the seven-hour day, and to abolish poverty and pauperism in the rural districts. Workers and collective farmers have been given security of subsistence. The further raising of the material cultural level of their lives depends solely on the amount and quality of work they accomplish. For the toilers of the Soviet Union the threat of unemployment, of want and starvation, have vanished. Every worker and every collective farmer looks confidently and joyfully to the future, and makes ever-increasing demands for knowledge and culture. During the course of the first Five-Year Plan the Soviet Union has been transformed into a land of advanced culture.

The result of the Five-Year Plan has brought practical proof of the possibility of building up socialism in one country. The successes of the first Five-Year Plan have formed the mighty foundation for the realisation of the second Five-Year Plan, whose leading political task is the final liquidation of the capitalist elements and classes. The final liquidation of the last remnants of the parasite classes, and the general growth of the national income, ensure that the second Five-Year Plan will bring an even more rapid growth of the prosperity of the workers and collective farmers, and will raise the level of the consumption of the toiling masses by two and a half to three times. The industrial plan of the second Five-Year Plan envisages as production value of the whole of industry in 1937—the end of the second five years—the sum of 103 milliard roubles, as compared with 43 milliard roubles at the end of the first five years. As compared with pre-war days, the production will be nine times greater. The rate of development of the light industries will be considerably greater than during the first Five-Year Plan. At the end of the second five years—as compared with the last year of the first Five-Year Plan—the output of motor-cars will be more than eight times greater, of tractors three and a third, of waggons almost six times. The generation of electric current will be almost trebled, reaching nearly 38 milliard kilowatt hours by 1937. The coal output will be increased almost two and a half times, attaining to more than 150 million tons in 1937. The oil output will be 48 million tons, double that of 1932.

By 1937 the production of articles of mass consumption will reach the value of 54.3 milliard roubles, or 269 per cent. of the production of 1932; etc., etc.

At the same time the Plan envisages a very great improvement in the quality of the products of every branch of industry, accompanied by a considerable reduction in the costs of production. The Plan provides for an increase of agricultural production from a value of 13.1 milliard roubles at the end of the last year of the Five-Year Plan to 26.6 milliards at the end of the second Five-Year Plan in 1937, or more than double.

By the end of the second Five-Year Plan the collectivisation and technical reconstruction of agriculture will have been completely carried out. The number of machine and tractor stations will increase from 2,446 in 1932 to 6,000 in 1937, the horse-power of the available tractors from 2,225,000 h.p. in 1932 to 8,200,000 in 1937. The number of combined mowing and threshing machines will be increased to 100,000, etc.

By 1937 freight traffic will be double that of 1932. Five thousand kilometres of railway track will be electrified. Tracks of a total length of 10,000 kilometres are being provided with double

lines. Railway traffic will undergo a mighty technical reconstruction. The number of engines and carriages will be greatly increased. New railway lines to the length of 9,000 kilometres are projected.

The building of canals is to be greatly developed: the canal 227 km. in length, connecting the White Sea with the Baltic, will be carried on to its end. Moscow will be connected with the Volga by means of a canal 127 km. long. The canal between the Volga and the Don will be 100 km. long, etc.

The number of motor-cars in use will increase to eight times that of 1932. The network of roads all over the country will be added to by 210,000 km. The air lines, covering 32,000 km. in 1932, will be increased to 85,000 by 1937.

A comprehensive programme is being carried out for the training of skilled workers, and for the schooling of technicians and engineers. During the second Five-Year Plan 133.4 milliard roubles will be expended for construction as compared with 50.5 milliard roubles in the first Five-Year Plan. 69.5 milliard roubles will be invested in industry as compared with 25 milliard in the first Five-Year Plan; 15.2 milliard roubles in agriculture as compared with 9.7 milliard; 26.3 milliard in the transport service as compared with 8.9 milliard.

In the course of the Second Five-Year Plan new and reconstructed undertakings to the total value of 132 milliard roubles will be put into operation, as compared with 38.6 milliard roubles in the first Five-Years. Among these are: huge works in the Ural for heavy machine building, even larger undertakings in Kramatorsk, the engine-building works at Lugansk, the waggon-building works in the Ural. The motor-car works in Moscow and Gorki are to be extended. In Ufa and Stalingrad new motor-car works are being built, each with an output capacity of 100,000 motor-lorries able to carry three tons. In Samara works are being built for the manufacture of passenger motor-cars.

During the second Five-Year Plan 79 long-distance power stations will be set working, several of them with a capacity of over 200,000 kilowatts. In order to increase the output of coal, 178 new pits will be sunk, which will mean an increased output capacity of 143 million tons of coal yearly. The oil industry is erecting dozens of new cracking plants and works for working up the crude oil. Over 4,000 km. of pipeline are being laid for carrying the oil over long distances. The development of the smelting industry is being ensured by the erection of a number of new large smelting works and by the extension of those already existing.

The light industries are being developed by the erection of more than 100 new large factories for working up cotton, wool, flax, and silk, and for the manufacture of knitted and stockinette goods, etc. A number of large shoe factories are to be built. Dozens of gigantic combined plants for working up meat, new sugar refining plants, new soap boiling plants, etc., are to be erected.

The Plan envisages the transformation of hundreds of industrial centres into cities equipped with all the achievements of culture.

Sixty-four million square metres of new dwelling area are provided by the Plan. Hundreds of new "palaces of technics," culture parks, stadiums, theatres, cinemas, etc., are projected. In Moscow the underground railway will be completed and the great Soviet Palace built.

The Plan envisages a wide development of industry in hitherto backward districts, as also an intensive advance in education, in the health service, the art of the national republics and districts, etc. The Plan points out that the result of these achievements will give the great mass of the workers and employees the possibility of advancing with increasing rapidity on the path towards improved material prosperity, and that the masses of the collective peasants have every possibility of attaining to lives of prosperity and culture.

By the end of the second Five-Year Plan the number of workers and employees in every branch of national economy will have increased by 30 per cent., in the great industries by 40 per cent. Real wages will increase by 2.1 times. The final elimination of parasitic consumption and the rapid growth of national income will enable the consumption norms of such products as meat, fats, fish, eggs, sugar, and industrial goods to be increased by two and a half to three times. The reduction of retail prices by 34 to 40 per cent. will bring a further improvement of the standard of living of the toiling masses.

The second Five Years will bring not only the complete elimination of illiteracy and semi-illiteracy, but will witness the

establishment of general obligatory polytechnical education in the seven-class school. Here special attention will be given to the rural districts, as in many of the towns this task had already been accomplished by the end of the first Five-Year Plan.

The expenditure for health service, recuperation for the workers, and sport, will increase from 5.4 milliard in the first Five Years to 20.5 milliard in the second.

The Plan points out that the fulfilment of the programme of the second five years will secure the liquidation of the capitalist elements and classes; the final liquidation of the private ownership in the means of production on the basis of the final completion of the collectivisation of the peasant farms and of the co-operative organisation of all handicraftsmen; the establishment of the socialist mode of production as the only one; the transformation of the whole toiling population of the Soviet Union into active builders of the socialist state of society; the more rapid increase in the prosperity of the masses of the workers and peasants; the consolidation of the economic and political positions of the proletarian dictatorship on the basis of the alliance between the working class and the peasantry, and of the further consolidation of the self-defensive powers of the country.

The fulfilment of these tasks—the theses conclude—especially the ousting of the last remnants of the capitalist elements from all their positions, is bound to lead to an intensification of the class struggle, to fresh attempts on the part of the kulaks to undermine the collective farms, and to renewed efforts on the part of anti-Soviet elements in the direction of sabotage and wrecking work in our industrial undertakings. But on the other hand, the fulfilment of the tasks of the second Five-Year Plan will be a period of far-reaching improvement in the standards of living of the masses of the peasants and workers, brought about by the completion of technical reconstruction in every branch of national economy, and will therefore be a period arousing the enthusiasm of the toiling masses and stimulating their efforts to master the new technique. Relentlessly repulsing all counter-revolutionary advances of the class enemy, and uniting the shock brigades for the victorious fulfilment of the second Five-Year Plan, the working class, in co-operation with the masses of the collective peasants under the leadership of the Party—which is carrying on a ruthless struggle against every description of opportunism—will overcome every obstacle on the road to the building up of socialism.

Theses on the Report of Comrade Kaganovitch The Organisational Questions of Party and Soviet Development

Moscow, January 3.

Following the theses on the reports given by Molotov and Kuibyshev on the second Five-Year Plan, for the impending Seventeenth Party Congress of the C.P. of the Soviet Union, the theses are now published on the report of Comrade Kaganovitch on the organisational questions of Party and Soviet construction (third item of agenda). These theses have been approved as basis by the Political Bureau of the C.C. of the C.P.S.U. At the same time a draft for the re-formulation of the statutes of the C.P.S.U. is published. The organisational changes which will have to be carried out by the Seventeenth Party Congress are bound up indissolubly with the new programme of the extensive work envisaged by the Second Five Year Plan (second item of agenda). The second Five-Year Plan is supported by the organisational measures calculated to ensure its accomplishment.

The working class of the Soviet Union has gone forward from victory to victory, solely because "the Bolshevik Party and its C.C. have not only proclaimed political slogans, but have proved capable of organising and influencing the masses for the carrying out of these slogans and their practical organisation, including the organisation of all the organs and apparatus of the proletarian dictatorship in accordance with the new tasks set by the reconstruction period" (Kaganovitch's theses). Bolshevism is made unconquerable by the unity of the goal with the organisational measures taken to ensure its attainment, by the unity of theory with the actual practice of socialist construction. Capitalism with its anarchy is the opponent of socialism with its organisation. This is becoming increasingly apparent in the Soviet Union today, now that it is the task of the second Five-Year Plan to transform the whole of the toiling population of the country into conscious and active co-builders of the classless socialist society.

On the basis of Stalin's instructions, between the Sixteenth and Seventeenth Party Congresses the Party has carried out ener-

getic organisational measures for improving the work of all the organs of the proletarian dictatorship. The Party has brought its organs, the organs of the dictatorship of the proletariat, of the subordinate production organisations—works and factories, villages, collective farms, Soviet farms, offices, etc.—closer and closer together, and has re-arranged the organisational structure in accordance with the tasks of socialist construction. Stalin's well-known speech, "New Conditions—New Tasks of Economic Construction," is in this respect an exhaustive programme of action. The decisions of the Party and of the government with regard to the re-organisation of the administrative service, the transport service, coal mining, the formation of political departments in the machine and tractor station of the Soviet farms and subsequently for the railways, and a number of other measures, have the same object in view.

But everything has not yet been accomplished. Comrade Kaganovitch's theses state: "The Seventeenth Party Congress is of the opinion that in spite of the progress made, the readjustment of the lever of the proletarian dictatorship—the organisational and practical work—still lags behind the demands put by the political directives, and behind the enormously increased demands of the present period—the period of the second Five-Year Plan.

The theses point out the many shortcomings of Soviet work and economic work, and lay down the following directives for the improvement of the working methods of all the organs of the proletarian dictatorship. The going over from general abstract leadership to concrete leadership, from general resolutions to operative decisions, based on the study and thorough knowledge of the technical aspects and on the living contact with the subordinate members of the production administration; personal responsibility of the leaders for the field of work entrusted to them; systematic and careful checking up and carrying out of directives from the Party and government; skilled workers to be trained and transferred from apparatus and offices to the immediate centres of production; limitation of administrative apparatus; rational distribution of labour power.

The unconditional prerequisite for the successful fulfilment of these tasks is: the further development of the independent activities of the Party members, the masses of the workers, the masses of the collective peasants, and their mass organisations. In order to secure this new way of working in every sphere of work, the theses envisage a wide organisational readjustment of the Party and Soviet apparatus, as also a sharper control to be exercised by the Party and Soviets. In place of the present functional structure of the apparatus, a complete graduation will be formed according to the system of the spheres of production, this being more elastic, and corresponding better to the present stage of socialist construction.

The theses envisage, for instance, for the C.C. in the first place, an agricultural department; secondly, an industrial department; thirdly, a transport department; fourthly, a planning, financial and trade department; fifthly, a political administration department; sixthly, a department of the leading Party organs; and seventhly, a department for culture and for the propaganda of Leninism. The Party leaders will be brought into closer contact with the concrete sphere of Soviet work and economic work. This will ensure the better distribution of forces and the more rapid execution of Party and governmental directives. The organisational measures envisaged by the theses for the Soviet structure breathe the same spirit of the strengthening of concrete leadership and of personal responsibility: the liquidation of the functional system in the Soviet and economic apparatus, its replacement by the principle of production territories, the limitation of the network of intermediate members, the limitation by at least 10 to 15 per cent. of the administrative apparatus, the liquidation of the "collegiums" in all People's Commissariats and other Soviet and economic organs with the exception of the elected ones, the transference of engineers and technicians from the administrative apparatus to the immediate places of work in the works and factories, the raising of the best engineers and technicians to leading positions irrespective of Party membership.

The theses lay down the introduction of an obligatory examination of the technical and practical suitability of collaborators irrespective of Party membership. These examinations are to be carried out by examining committees.

The leaders of the economic and Soviet organs, and of the works and factories, are in duty bound to master thoroughly the

technical basis of their activities. A minimum of technical knowledge will be fixed for every department of industry and national economy, and all leading collaborators must master this minimum within a certain time.

The essence of this organisational readjustment thus laid down in the theses lies in the increasing of the responsibility of every Party member for the work entrusted to him whether Party, Soviet, or economic work. The role played by the Party as the vanguard of the working class imposes on every member of the Party the duty of standing in the foremost ranks in his department of work—to be the leader, model, master, and best-informed person in his profession and his work. The Party membership card gives not rights, but imposes first of all duties.

The new draft of the statutes states: It is the duty of every Party member, as a member of the leading Party of the Soviet state, to observe state and working discipline in an exemplary manner, to master the technics of his own sphere of work, and constantly to improve his qualifications.

The statutes set new conditions for admission to the Party. Workers and collective peasants desirous of joining the Party must have more recommendations than has hitherto been the case. Groups of sympathisers are to be formed as a preliminary school for the Party, so that the claims of those wishing to join the Party may be better examined. Admission to the Party, which is interrupted during the Party cleansing, will be resumed in the second half of 1934, after the Party cleansing has been completed. The whole organisational readjustment will be crowned by a radical reorganisation of the system of Party and Soviet control. In order to increase the checking up of the carrying out of governmental decisions, and to consolidate Soviet discipline, etc., the theses envisage a reorganisation of the "Commission for Checking Up the Carrying Out of Directives" in the form of a Commission of Soviet Control attached to the Council of People's Commissars of the U.S.S.R., to be elected by the Party Congress. The People's Commissariat of the Workers' and Peasants' Inspection, whose positive role is already at an end, is to be dissolved, and its apparatus merged in the "Commission for Soviet Control." The Central Control Commission will be reorganised as a commission for Party control attached to the C.C. of the C.P.S.U., elected by the Party Congress, and one of the secretaries of the C.C. will be commissioned with its leadership.

The task of this Commission is the strengthening of the control exercised over the carrying out of Party decisions, the consolidation of Party discipline, the combat against violations of Party ethics.

The theses devote special attention to the work of the local Soviets and of the trade unions for the improvement of the state and economic apparatus. They propose the organisation of mass control over the administrative apparatus and propose that the bureaucratic shortcomings of these organs should be subjected to relentless mass criticism. Besides this the theses envisage: The extension of the network of Soviet sections, of works delegates' groups, and village delegates' groups; the formation of sub-district delegates' groups in the cities; special attention is to be devoted to inducing women workers and women collective peasants to participate in the work of the Soviets and Soviet sections. The trade unions are to be given all the rights of the sub-organs of the Workers' and Peasants' Inspection in the works and factories, as also the leadership of the control organs of the co-operatives. The tried and tested practice of the patronage of state institutions by works and factories, as also of the participation of rank and file workers in the work of the state offices, is to be further developed.

An Electric Giant of the Second Five-Year Plan Completed in Karkov

Karkov, January 9.

The building of the great turbo-generator works of one of the giants of the Second Five-Year Plan has been completed. The new works are unparalleled in the whole world. It will manufacture high-power turbines and generators. The annual output will be six turbo-generators of 50,000 kilowatts each, eight turbo-generators of 100,000 kilowatts each, and two of 200,000 kilowatts each, making together 1½ million kilowatts. The complicated equipment of the undertaking has already been installed. An important fact is that the works have been built by Ukrainian workers and engineers, without the aid of foreign specialists.

The undertaking will employ 2,700 workers.

Organisational Questions

The C.P. of Yugoslavia in the Struggle for Mass Support

By B. P.

The situation in Yugoslavia is characterised, in addition to a further development of the mass peasant and national liberation movement, by the first big mass actions of the working class, strikes, demonstrations of the unemployed, which are beginning to include whole industrial districts and to grow further into open actions against the military fascist dictatorship (Terbovl, Travnik). Those movements develop upon the basis of an intensification of the internal contradictions in the camp of the bourgeoisie. The ruling Serbian bourgeoisie, in their search for a way out of the crisis, are trying by means of new methods of pseudo "democracy," in addition to increased terror, to pass from the naked dictatorship of the fascist generals to a fascist dictatorship on a broader mass basis. The further sharpening of foreign political antagonisms and the danger of imperialist war with Italy, etc., requires the highest activity of the C.P. of Yugoslavia.

In the resolution of the E.C.C.I. in 1932 the basic task of the Party was formulated as follows:—

"The rapidly growing revolutionary upsurge brings the Communist Party face to face with the central task of organising and leading all the actions of the oppressed masses of the people and uniting them in a common movement for the overthrow of the Serbian military-fascist dictatorship, against imperialist war and the preparation of intervention against the U.S.S.R. In view of the task of bringing about a fighting alliance of the working class and the toiling peasants and the oppressed nations, the Party as a whole, every organisation and every Communist, must take an active part in all the actions of the toiling masses, struggling to bring about in practice the organising and leading role of the working class in the movement which is developing."

Pointing out that for this purpose the Party must develop all forms of struggle of the working class and the toiling masses of the peasants, the resolution of the E.C.C.I. emphasises that the success of this struggle depends above all on whether the Party can rapidly restore its organisations, which were badly hit by the blows of the fascist dictatorship, and whether it can link up with the broad masses, first of all the working class.

Thus, the central political task of the Party is very closely linked up with the task of organisationally restoring the Party. It was the duty of the new C.C., which was formed in place of the former one, to carry out these tasks of the Party leaders, who, especially after the heroic death of the secretary of the C.C., Comrade Diakovich, occupied themselves with an unprincipled group struggle, which weakened the Party.

It must be stated at once that a great step forward has undoubtedly been made during the past year by the C.C. in carrying out these tasks. The C.C. consistently struggled to turn the whole Party towards mass work. It mobilised the Party to lead the struggle of the workers and the toiling masses of peasants, emphasising all the time that the restoration of close contact with the masses, work in the factories, the organisation of the struggles of the working class, the toilers and the peasants and the nationally oppressed masses, the struggle for the leadership of these fights, raising them to a higher political level, must become the chief contents of the work of the Party organisations. The C.C. mobilised the Party in the struggle against sectarianism and also the passivity which existed in many organisations which carried on an isolated existence, frequently limited to educational work among their own members, but often concealing their opportunist inactivity by "Left" phrases.

The C.C. began to give concrete personal leadership to the localities, and as a result the Party organisations began to turn their face towards the leadership of the struggle of the workers in the factories, the actions of the unemployed and the farm workers. This improvement of Party work led to an increased growth of the Party. The number of members increased during the year from 300 to 1,400. In the same period a number of provincial, district, and local committees were restored.

As examples of the improvement of Party work, we should note the role of the Party organisations in demonstrations of the unemployed in Zagreb, in the actions of the unemployed agricultural workers in Voevodin, and especially in the strikes, which were of great political importance, and the mass demonstrations in the coal field of Terbovl, in Slovenia. In Terbovl there were joint actions by the workers and the unemployed, which were joined by large masses of workers' wives. The latter marched in the first ranks in the demonstrations and were active, offering determined resistance to the police and helping in picketing and struggling against strike-breakers. Moreover, the movement, which began with economic demands, took on a political nature. The workers, unemployed, and their wives demonstrated against the military fascist dictatorship. The attempts of the leaders of the local reformist and national fascist T.U. organisations to get the movement into their hands were energetically resisted by the masses themselves. In the matter of mobilising the masses and leading them the Party organisation showed great initiative and put forward slogans which, on the whole, were correct, trying to bring into the movement the workers and the unemployed of the other neighbouring coal districts.

But, in addition to these achievements in mass work and the leadership of the class struggle, the Party organisation in Terbovl made big mistakes when it did not form a strong strike committee elected by the workers themselves, so as to rely on it for the spread of the movement to the other districts, when it did not struggle sufficiently against the manoeuvres of the reformist leaders. The weakness of Party work was also shown in connection with the task of spreading the movement to other districts.

In carrying on a stubborn struggle against sectarian feelings and opportunist passivity, which were expressed in the refusal to join the reformist and other trade unions and to carry on revolutionary work among them and in the factories, the C.C. succeeded in bringing about a change in the trade union work. Although this change is far from sufficient, it is expressed in particular in the formation of Communist fractions and R.T.U.O. groups in a number of reformist and other trade unions, in the beginning of the mass work of these groups.

The correct line of the C.C. on the national question in respect to the national revolutionary movement, and on the other hand in respect to national reformism and national fascism, undoubtedly aroused the sympathy of the national oppressed masses for the Party and led to a strengthening of the national revolutionary movement. All this shows the strengthening of the Party and its influence among the masses.

But from the point of view of the enormous tasks of the C.P. of Yugoslavia in connection with the rapid development of events in Yugoslavia, the achievements of the Party are still extremely insufficient. The task of the winning of the hegemony by the proletariat and its Party in the revolutionary struggle for the overthrow of the military-fascist dictatorship in Yugoslavia still remains the central task. The Party has only taken the first steps along this path. In the development of the leading role of the Party in the class struggles the C.P. of Yugoslavia still does not play the leading role not only in peasant actions but in those of the workers. The social-fascists, in respect to the actions of the workers and also to those of the national reformists and the national fascists in districts with a nationally oppressed population and the Serbian oppositional groups (e.g., the agriculturists) and in respect to the peasant actions, frequently succeed in standing at the head of these actions so as to hinder them and distort them in the interests of the bourgeoisie. The task of obtaining the leadership in these struggles stands urgently before the C.P. of Yugoslavia.

The C.C. carried on a stubborn struggle against "Left" sectarian feelings and passivity as expressed in the refusal to enter the reformist trade unions, to work among them in the factories, the isolation of Communist fractions into narrow groups, sometimes taking the place of the work of the Party cells. But, at the same time, it should be stated that the C.C. did not sufficiently concentrate its fire against Right opportunism as the chief danger at the present stage. This was correctly stated in the Party document recently published in the press. On the trade union question, this deviation is expressed in the fact that some Communists and trade union workers who enter the reformist trade unions refuse to carry on really revolutionary work in them.

refuse to struggle against the reformist trade union bureaucrats at the head of these unions, give up the revolutionary struggle in the factories and the struggle for the independent leadership of economic struggles. This liquidatory and tailist practice is justified by some workers on the excuse that such work would destroy their secrecy and the reformists would expel them from the T.U. organisations, etc. Thus in practice the work of some Communists amounted to supporting the reformist T.U. bureaucrats and their policy. It should be noted that the C.C. itself, while correctly insisting on its line that Communists should go into reformist and other trade unions and work there, at the same time did not at first give prominence to the task of the independent leadership of economic struggles and did not emphasise that all the work in the reformist trade unions and the factories must be carried on in close connection with the strengthening of the Red trade unions. But the C.C. corrected these mistakes, and the chief task of the whole Party at the present time, in overcoming all opportunist feelings, is to develop the work of the Party among the masses to the greatest possible extent and to consolidate it organisationally.

The directives given in last year's resolution of the E.C.C.I. to restore and create the Party organisations and committees in the chief districts and factories is only beginning to be carried out. In several most important districts and branches of industry the organisations of the Party are not yet constructed. The work which has been begun in the reformist and Catholic trade unions must be continued, strengthened, and utilised for the formation of a revolutionary T.U. opposition.

The struggle of the Party must be in many ways increased against the social-fascists as the chief social buttress of the fascist dictatorship among the workers, who, in order to make their struggle easier against the C.P. of Yugoslavia, are now "legalising" their Party.

The weakness of the Party work in the countryside is of very great importance. The C.C. has only taken the first steps towards the creation of village cells, the formation of the R.T.U.O. inside the reformist union of agricultural labourers, the formation of committees of unemployed agricultural workers and peasant committees of action. It is also necessary to carry on wide work in the mass peasant organisations and to give active support to the winning of a mass basis in the national revolutionary organisation, especially in the villages.

In its publications, in the central organ ("Proletarii"), in leaflets and manifestos, the C.C. called on the masses to struggle against the war danger which hangs over the country and also to struggle against the preparations for intervention against the U.S.S.R., popularise the peace policy and the national policy of the U.S.S.R. and also the successes of socialist construction. The C.C. popularised the slogan of converting imperialist war into civil war. Jointly with the C.C. of the C.P. of Italy, the C.C. of the C.P. of Yugoslavia expressed itself on the question of the war danger and showed how to struggle against it. It is necessary to begin immediately to form mass committees of struggle against war, to form strong Party and trade union organisations in the factories, which are important from a military point of view, and to increase revolutionary work in the army and navy. It must be emphasised that in this respect there must be a decisive change in the work of the Party organisations. In the practice of Party work, the methods of legal and illegal work are not yet sufficiently combined. A very serious failing of the C.C. and the local Party organisations of the C.P. of Yugoslavia is the fact that they have not given sufficient practical and political help to the Y.C.L. in restoring its leadership and its local organisations.

The weak conspiracy, the absolutely insufficient struggle against treachery and provocation, have been for a number of years one of the basic weak spots of the C.P. of Yugoslavia. Although the C.C. began to carry on a struggle against treachery and provocation by an article in "Proletarii," exposing the provocateurs, by directives on the conduct of Communists if arrested and during their trials, nevertheless it is necessary to carry on a still more determined struggle against laxity and lack of conspiracy such as can be still observed in the Party organisations.

The enormous tasks which face the C.P. of Yugoslavia can be solved by the Party and its C.C. only on the basis of carrying into practice the Leninist line of the E.C.C.I., carrying on an irreconcilable struggle on two fronts, against Right opportunism, which is still the chief danger at the present stage, and against "Left" opportunism. This must be closely connected with a merciless struggle against the relics of factions and attempts to renew the factional and group struggle.

The emphasis on the necessity of a really Bolshevik struggle on two fronts is all the more important because, though the C.C. on the whole had a correct line, nevertheless it made some mistakes of a right character. For example, in its appeal for the united front, the C.C. did not issue a call for the immediate organisation of joint actions by the Communists with the social-democratic and other workers without waiting for the result of the appeal to the social-democratic leaders. In respect to the Right renegade Markowitch and his policy, which is Yugoslavian Brandlerism, the C.C. was unable to combine an increased struggle against Markowitch with its correct strivings to attract to the Party the honest elements who were under his influence.

In pointing out the weak places in the work and the mistakes made by the Party leaders, as Bolshevik self-criticism, it should simultaneously be emphasised that any attempt, no matter where it comes from, to utilise self-criticism for an attack on the C.C. C.P. of Yugoslavia must be energetically resisted by the whole Party.

Owing to the aid from the E.C.C.I. and the correct line of the Party, the C.P. of Yugoslavia, in restoring its organisations and recovering from the blows which were dealt by the military fascist dictatorship, has entered the path of organising and leading the struggle of the masses of workers, peasants and nationally oppressed people. In developing this struggle and linking it up with the common tasks of the struggle against the fascist dictatorship, the C.P. of Yugoslavia will lead the masses to the armed revolt for the overthrow of the military fascist dictatorship and the formation of the revolutionary democratic dictatorship of the working class and the peasants.

Two Hundred Political Prisoners in Portugal Banished to Convict Colonies

Trade Unions Converted Into Corporations

Lisbon, January 2.

In order to relieve the crowded prisons of Portugal, and to prevent the possibility of a revolt of the political prisoners against the brutal prison regime and the system of maltreatment, the fascist government of Portugal has deported over 200 political prisoners to various Portuguese penal colonies. The selection of prisoners thus deported shows that the authorities have acted on the principle of separating the best revolutionists, the leaders of the working class and the anti-fascist struggle, from the masses. They are to be isolated. The majority of them are Communists. The fate of these 200 prisoners, who have already been subjected to frightful maltreatment and an inhuman prison regime, is now a matter of serious misgiving. On the islands of the Portuguese colonies they face certain death from the unhealthy climate and the infectious diseases prevailing.

Caldeira, a member of the Central Committee of the Communist Party of Portugal, has been arrested and maltreated, in an attempt to extort from him the names of other revolutionary fighters. And not enough with mass arrests, maltreatment, banishment, and the suppression of all the organisations of the working class a decree now announces that at the beginning of 1934 all trade unions are to be transformed into corporative bodies. This means, in other words, that the trade unions are to be robbed of all independence, as in Mussolini's Italy and Hitler's Germany, and are to be subordinate to direct state control.

The revolutionary organisations in Portugal are carrying on a courageous struggle against these measures, and are concentrating their utmost efforts on the broadest possible mobilisation of the toiling masses in defence of their organisations.

Published weekly. Single copies, 2d. Subscription rates: Great Britain and Dominions, 12s. per year; U.S.A. and Canada, five dollars per year. Remittance in STERLING per International Money Order, Postal Order or Sight Draft on London.

Published by UNTHANKS BOOKSHOP, 31, Dudden Hill Lane, London, N.W.10, and Printed by THE MARSTON PRINTING CO. (T.U.), 44, Worship Street, London, E.C.2.