

# INTERNATIONAL NEWS

Bulletin of the Provisional International Contact Commission

Volume 6 No. 6

10 cents

J  
U  
L  
Y  
  
1  
9  
4  
4

## Contents

**RUSSIAN ECONOMY AND CAPITALISM**

**ANGLO-.US. FOREIGN POLICY**

**WORKERS CONTROL OF PRODUCTION**

**A Pre Convention Discussion Article**

Issued by the Revolutionary Workers League for the International  
Contact Commission.

Affiliates

Central Committee of the Red Front of Greater Germany

Revolutionary Workers League of the U. S.

Leninist League of Great Britain

Mail address of publishers

**DEMOS PRESS**

708 N. CLARK STREET, CHICAGO, ILLINOIS

Labor Donated

# RUSSIAN ECONOMY AND CAPITALISM

AN ANSWER TO LEONTIEV

The devious and insidious ways by which Stalinism justifies its sharp turns are a never-ending source of amusement - if the results were not so tragic from the point of view of the working class.

At the famous (or infamous) Teheran conference Stalinism agreed to wage merciless battle against the class struggle. Stalin agreed with Roosevelt to fight against the proletarian revolution wherever it might rear its head. Prior to this conference the same thought was made clear in the Moscow conference and in individual meetings between the Russian ambassadors and allied big-wigs. The general theme of Stalinism throughout the last two years has been that the class struggle is now outmoded, that labor and capital can live happily side by side, that there is no need for civil war, and finally, that capitalism (if it is "progressive" - whatever that might mean) can solve its problems without wars and without resort to Fascism.

Such a theoretical departure from Marxism - the most breath-taking in all the history of revisionism - must obviously seek justification. The Stalinists would, of course, not admit that they have tossed Marxism completely overboard. They must justify this treacherous betrayal in the name of Marxism itself.

One of the major attempts in this direction has been the article by L.A. Leontiev and other Soviet economists in a Soviet magazine sometime in 1943. The key portions of the article have been reprinted in the Stalinist-controlled magazine "Science and Society", Spring 1944 issue, under the title "Political Economy in the Soviet Union". The article has aroused considerable comment in the American bourgeois press. The New York Times, for instance, is indignant because Leontiev attempts to show that Soviet economy is, after all, of the same flesh and bone as capitalist economy. To the bourgeoisie such an inference really amounts to a stigmatization of the profit system; to us Marxists, on the other hand, the comparison is equally vulgar and false; and we oppose it because the economy of the Soviet Union (despite Stalinism) is still **FUNDAMENTALLY** different from the capitalist economy.

- I -

When a Stalinist admits that there have been mistakes made by the monolithic Stalinists, we had all better sit up and take notice. And we ought to beware of the results, too.

Leontiev starts by speaking of a number of "mistakes" made by the economists in the Soviet Union. It seems that the Stalinists have "often failed to give a clear, complete and sharp definition of economics". This little "defect", Leontiev then proceeds to "correct". And what is his "clear, sharp definition"? Just this, that: "political economy is the science of the development of men's social-productive, i.e. economic, relations. It explains the laws which govern the production and distribution of the essential objects of consumption - personal or productive - in human society in the various stages of development."

If this is a CLEAR definition, we shudder to think of what Leontiev would call "vague". The definition is completely vapid and deliberately devoid of sharpness and being specific. It fails even to imply a CLASS STRUGGLE. If one wanted to be "clear and sharp", one would state that the science of political economy is based on the theory of historical materialism and explains one aspect of history, i.e. the economic factors, which are decisive in determining the social structure. But Leontiev is deliberately vague on this score. As we shall soon see, his sly omissions and sleight-of-hand changes in Marxian fundamentals are only aimed at re-establishing the Edward Bernstein theory of Economic Determinism, "gradualism". Any reference to the class struggle is very consciously omitted from Leontiev's observations. In fact that whole article is written in order to eliminate the theory of the class struggle.

#### PRIMITIVE COMMUNISM

The second "mistake" that Leontiev discovers is of the same mold. It seems that the Soviet educators were also "at fault in (their) treatment of the primitive communal system". This "mistake" flowed from an "error" by Engels in "The Origin of the Family", where Engels is supposed to have said that "the social structure is determined not only by the conditions of the production of material goods, but also by the conditions of the production of man himself, that is, by the form of the family." (These are not Engels' words, by the way, but Leontiev's).

Marxism states that the way by which man earns his daily bread determines the social structure under which he lives, the superstructure (family, religious, state and other factors). But - and this is also important - the social structure, the subjective factor, also in turn affects the economic development of society. There is an interplay. Now, Engels, in this famous work, makes a distinction between primitive communism and the three epochs of "civilization". The subjective factor that participates in this "interplay" during the latter periods is the class struggle, the opposition of the oppressed to the status quo. But under primitive communism there was no class struggle. The relations of production were expressed not in terms of a class struggle, but in terms of the family.

This is what Engels says in his preface to the first edition of "The Origin of the Family". "According to the materialistic conception, the decisive element of history is pre-eminently the production and reproduction of life and its material requirements." What could be simpler? The way by which man earns his daily bread to sustain and reproduce life is the determining factor in all history. That is DECISIVE. But other factors also enter into it, and there is an interplay between them. "The social institutions, under which the people of a certain historical period and of a certain country are living, are dependent on these two forms of production; partly on the development of labor, partly on that of the family. The less labor is developed, and the less abundant the quantity of its production, and, therefore, the wealth of society, the more society is seen to be under the domination of sexual ties. However, under this formation based on sexual ties, the productivity of labor is developed more and more. At the same time, private property and exchange, distinctions of wealth, exploitation of the labor power of others, and by this agency, the foundations of class antagonism, are formed... The old form of society founded on sexual relations is abolished in the clash with recently developed social classes. A new society steps into being, crystallized into the state. The units of the latter are no longer sexual, but local groups, a society in which family relations are entirely subordinated to property relations, thereby freely developing those class antagonisms and class struggles that make up the contents of all written history up to the present time."

#### ECONOMICS AND THE SUPERSTRUCTURE

Could anything be clearer? The determining factor in social relations is the economic, says Engels. But the superstructure - under primitive communism primarily the family - AFFECTS the economic. The family structure was ideally fitted to primitive communism. It developed and changed - as Engels shows throughout his book - in accordance with the ECONOMIC changes of the times. In turn, however, the family relationship furthered economic technology and led to a change eventually in the mode of production. Society went over from primitive communism to chattel slavery, and from the family and sexual ties as the main social structure, to the class struggle and the first state. Isn't that inter-relationship quite obvious? Wherein does Engels state that there are TWO EQUALLY IMPORTANT factors in the development of primitive communism? Nowhere, absolutely nowhere.

But what is the significance of this suddenly discovered "mistake"? Throughout his article Leontiev is trying to show that the SUPERSTRUCTURE IS UNIMPORTANT in the general historical scheme. In that he is merely paraphrasing Bernstein and his theory of "economic determinism". According to this earlier revisionist, the economic factor was the ONLY important factor in

determining social change; all other factors play no major role. It is thus not necessary for the proletariat to organize for Revolution, since the economic factor alone will make for a GRADUAL change from capitalism to socialism. Men are not important, according to Bernstein. Economic changes alone will bring on Socialism. There is no need for force and Revolution. Leontiev's discovery of "mistakes" has the same political tenor as Bernstein's famous theory of "gradualism"; it also eliminates the class struggle as a potent force in history. But whereas Bernstein at least had the courage to proclaim his revisionist theory openly, Leontiev does so only by insidious and subtle implication.

What Leontiev says throughout his article is ACTUALLY a "SCIENTIFIC" political apology for what Stalin and Molotov said at Moscow and Teheran: that the struggle of the working class against the capitalists IS NOT ONLY NOT NECESSARY, BUT IS IN FACT HARMFUL.

#### TRANSITION TO CHATTEL SLAVERY

The third "mistake" made by Stalinist economists, according to Leontiev, is that "the transition from the primitive social structure to class society was looked upon not as a necessary step in the path of social progress, but as a fall, an expulsion from Paradise. In this connection there arose the false notion of communism as a sort of return to the social system under which man lived in primitive times."

The discovery of this "mistake" is of course not difficult to understand. The masses in the Soviet Union have been brought up to understand that Communism (Scientific Communism) means the withering away of the state and its dictatorship. Stalinism now brags that it has Socialism and is close to Communism, but yet the state remains, and its bureaucracy grows more and more oppressive from day to day. Obviously the prostitute "economists" of the Soviet Union must find a political justification for this monstrosity. Having lied to the masses that they had full-grown Socialism, instead of telling them the truth that they have only the first phase of Socialism, the dictatorship of the proletariat, they now must tell them that the former position that Socialism would mark the beginning of the withering away of the state, was all wrong. Hence Mr. Leontiev discovers a "mistake", which wasn't a mistake at all - it never existed. Who, in the whole annals of Marxism (not revisionism) ever stated that primitive communism was a paradise? Absolutely no one, until Leontiev decided to discover a "mistake". The Marxists, on the contrary, have always pointed out that primitive communism fell of necessity because it was NOT a paradise, because it could NOT take care of the economic needs of humanity, and because it was superseded by a new mode of production on a higher level, based on agri-

culture and domestication of animals. Leontiev must know all this full well. If he now discovers that primitive communism was NOT a paradise, it is only to "reassure" the Soviet masses with the cheap lie that the withering away of the state is not only not desirable but it would bring us just the opposite of a paradise.

Again, however, Leontiev refuses to put his cards on the table. He puts forward oblique implications; and other prostitutes after him will no doubt draw the full conclusions.

#### "CAPITALISM" IN THE PAST

The next "mistake" of the Soviet economists, is even more subtle. We seem to have overlooked the fact, says Leontiev, that "commodity production, exchange and money precede the rise of capitalist production". "The study of pre-industrial capitalism must precede the study of the fundamental features of the capitalist mode of production."

Who is Leontiev fooling by this childish lie? Every student of marxism knows that there were ELEMENTS of commodity production and distribution under the former systems of society. There was trade and money in previous social orders. We know that. It has been emphasized on innumerable occasions in the writings of all great marxists. But why does Leontiev insist on emphasizing it now? Isn't it obvious that he wants to point out that ALL SYSTEMS OF SOCIETY ARE AN ADMIXTURE OF SOCIAL ORDERS, that capitalism has many elements of socialism, that socialism has many elements of capitalism, that we can and do GROW OVER from one to another.

Leontiev is doing in the sphere of economics what John Dewey does in the sphere of philosophy: he abstracts from phenomena all important FUNDAMENTAL differences in order to show that all things can be changed by mere evolution, without REVOLUTION. If we had the fine progressive features of capitalism in earlier forms of society, and if we now have elements of the socialist order under modern capitalism - why isn't it possible for capitalism to GROW OVER GRADUALLY to socialism, and even more, why isn't it possible to have "good" capitalist states today (which have more socialist elements), and "bad" capitalist states? That is the clear implication of Leontiev's words; but again he himself will not draw the conclusions himself - some other fraudulent "economist" will be assigned to that job, and he will use Leontiev, no doubt, as authority.

- II -

The "mistakes" discovered by Leontiev, in themselves, may seem incomprehensible to some people. They will say: "You are

stretching a point". But the "mistakes themselves are only introductions to the main theme of Leontiev - and this is the part of the article so strenuously objected to by the American bourgeois press. Commodities and the "law of value" (which by the way is a vague misnomer: it should be the "labor theory of value") exist not only prior to capitalism, but - miracle of miracles - exist under "Socialism" as well. This is the theme of Leontiev's whole article.

It is as if the Soviet "economists" are saying: "What are you people getting so excited about, when we speak of labor and capital living peacefully together? After all, there was 'capitalism' and 'capitalist law' prior to capitalism, and there is now 'capitalist economic law' under Socialism. There isn't so terribly much difference as you might think. Certainly not a fundamental difference. In fact the only difference between 'capitalism' and 'socialism' is that under our 'socialism' the state ADMINISTERS the 'law of value' (while under capitalism the 'law of value' operates independently of the state'".

It is always possible, of course, to prove that day and night are the same thing: if you say that day is a part of time, and night is a part of time, you come to the amazing "scientific" conclusion that since they are both part of the same thing they must both be the same. Such reasoning is the essence of Leontiev's article. Let us go back first to the "commodities" and the "law of value" under previous social orders. Yes, it is quite true that use-values were exchanged under both chattel slavery and under feudalism. But the BASIC mode of production in these periods were of a different character. In old Greek and Roman days, as well as in the middle ages, there was a considerable amount of trading and exchange, but the prevailing mode of production was feudalist or chattel slave, not capitalist. In Southern United States today there are carry-overs of chattel slavery - the peonage system; and in Peru there are enormous carry-overs of feudalism. But the system that prevails in both is still capitalism. The important thing is that the "chattel slavery" in the U.S. today, or the "feudalism" in Peru today, or the "capitalism" in Rome yesterday ARE ALL BOUNDED, RESTRICTED AND CONDITIONED BY THE PREVAILING MODE OF PRODUCTION.

#### LAW OF VALUE

The "law of value" applied to exchange of goods in olden times only in the most abstract and general sense. The price of a commodity did NOT always have a tendency to fluctuate around its value for two good reasons:

First, that the number of exchanges of goods (particularly under Feudalism) were not enough, nor regular enough, to permit the law of supply and demand, as well as other capitalist factors,

to operate independently. The fluctuations of price above or below the "value" were far greater than today; and

Second, the interference of the chattel slave or feudal state; its restrictions to a division of labor; its restrictions on trading or fairs, etc.

The "similarity" between "old-time capitalism" and our present capitalist production, is thus merely a result of mental by-play. There were ELEMENTS of capitalism under chattel slavery and Feudalism. In the latter days of Feudalism the elements of capitalism begin to bear a direct relationship to the future capitalist society; we begin to have primitive accumulation of capital and large scale manufacture. But the elements of capitalism in earlier days bear only a general resemblance; it is far more different than it is similar.

The same is true when we come to the other side of Leontiev's theory: that the "law of value" operates under "socialism". One might say, if he wishes to live in John Dewey's dream-world, that the post-office under capitalism represents Socialism. But there is absolutely no truth in that. The post-office under capitalism is a socialist FORM, but it is 100% CAPITALIST in CONTENT. The state, it is quite true, has assumed all responsibility for the post-office, with no private owners and not even bond-holders. But the post-office is merely a subordinate instrument of the state to subsidize and develop communication for the capitalist mode of production.

There are also many similarities in FORM (such as "planning") between the mode of production in the Soviet Union today and the mode of production in, say, Germany. Some bourgeois writers have deduced from that the fact that Russia is a Fascist state. But the fact is that Soviet economy differs radically and completely from the economy of the capitalist states. In other words, while it has many many similarities in FORM, it differs completely in CONTENT.

#### FORM AND CONTENT

Mr. Leontiev, who has to prove that capitalism and a Workers State can live side by side forever in peace, chooses to overlook this "slight" distinction between form and content. He deliberately slurs over it, and he feeds his readers a number of simple "Marxian" maxims that are just pure gibberish.

"At the root of the idea that there is no place under socialism for the action of economic laws (which some people claim is so) there lies the quite un-Marxist view that only those laws can be considered economic laws which operate independently of men's

will and consciousness, acting, as Marx says in one place, after the fashion of a house falling down on your head." One is tempted to say, so what? Yes, economic laws are affected by men's will and consciousness; sometimes that will and consciousness makes a fundamental change in the economy and hence in economic law, such as in a REVOLUTION. And sometimes it merely modifies or develops economic law. It is necessary to state in each instance whether the subjective actions of men have changed the laws fundamentally or only altered them. But Leontiev insists that the intervention of the State under a Workers Society only ALTERS the capitalist laws, it makes no FUNDAMENTAL change in those laws. That is the crux of Leontiev's grotesque distortions of Marxism. That is the basis for the "gradualist" theory and the theoretical obliteration of the class struggle.

"Socialist society", says Leontiev, "through its government, takes over the law of value and consciously makes use of its mechanism (money, trade, price, etc.), in the interests of socialism, of the planned direction of national economy. The notion that the law of value is non-operative under socialism is, in essence, contradictory to Marxist economics."

Let us, for a moment, try to rescue the labor theory of value from the butcheries of Mr. Leontiev, and see just how the capitalist mode of production (with its laws of value) and the socialist mode of production in its first phases, differ. And let us compare also a socialist mode of production under a healthy political leadership, moving forward toward Socialism, and the same mode of production under a revisionist leadership, moving back to capitalism.

#### CAPITALIST ECONOMY

The basic contradiction of the capitalist order is the contradiction between socialized production and private, individual, appropriation. The bourgeoisie changed the form of slavery from serfdom to wage slavery. They "divorced" the oppressed serf from his land and his tools and made a wage slave out of him. The produce of the wage slave no longer accrues to himself, (as it did in the main under serfdom) but is now appropriated by the capitalist. The value of the commodities produced by that wage labor is determined by the socially necessary labor time in the production of such commodities. (The price tends to fluctuate AROUND the value, a little above or a little below). Labor power, under capitalism, also being a commodity, its value is likewise determined by the same laws: the socially necessary labor time needed to produce and reproduce the commodity, labor power. The value of labor power is thus approximately what is needed for the bare subsistence of the proletarian. The dead labor (commodities) produced by the labor power, is however considerably greater than the value (and price) of the labor power itself. The surplus,

the difference between the value of the commodity and the value of the labor power, is the surplus value which the bourgeoisie gratuitously takes unto itself. From this "original sin" there results, under capitalism the manifold contradictions, antagonisms, and struggles that beset our times. The capitalist mode of production with its "law of value" leads to the contradiction between national boundaries and social production; it leads to the evils of overproduction, to production constantly outstripping markets, to crises, unemployment, wars, etc. The whole thing is weaved into one gigantic network of contradictions.

### SOVIET ECONOMY

Now, what does the proletarian revolution do to eliminate this whole monstrous pattern? It does away with, once and for all, the contradiction between socialized production and private appropriation. And how does it do that? First by eliminating commodity production - production for a market and for profit. It substitutes for it a system of "production for use". It eliminates wage labor, where payment for work is based on the value of labor power, rather than on productivity. It substitutes a new form of payment, based on the productivity of society as a whole, and payment for work is divorced from mere subsistence. Under capitalism the worker gets no raise in pay, for instance, if he is changed from an old machine which produces four pairs of shoes a day, to a new machine which produces 20 pairs per day. But under a Workers State (we are still dealing with a healthy theoretical state of this sort) the increase in productivity of society also means an increase in remuneration, equal to the rate of increase in productivity - in this instance, assuming the improvement in the means of production were common to all industry, it would mean a raise in "pay of 500%.

Finally, under a healthy workers state, private appropriation is eliminated. The right of one man to exploit another, to hire labor, is declared illegal. Only the state, acting in the interests of the producers (the proletariat), appropriates the produce of society as a whole and distributes it in an orderly way, based not on ownership of the means of production but on productivity.

Is there any similarity between these two modes of production, and the economic laws under them? Only a treacherous faker would try to make two such glaring opposites appear as one and the same, appear as having only minor differences. Such chicanery! Leon-tiev does not dare to say that Soviet economy is the same as capitalist economy, nor on the other hand, - in the light of the present Stalinist theories on labor and capital living peacefully together - can he say that the differences are fundamental. He therefor glosses over the BASIC differences, and passes off some similarities in form as similarities in content.

Both forms of economy, however, ARE polar opposites.

#### EVILS OF PROFIT SYSTEM ELIMINATED

Under the planned economy of a Workers State the evils of over-production are eliminated. In the midst of the greatest depression in history and despite the fact that every other nation on earth was shutting down factories and banks, the Soviet Union made the greatest industrial progress in the annals of civilization.

Under planned economy the complete dependence on the economy for external markets is relatively eliminated. Despite the fact that Soviet economy before this war was approximately eight times as great as before the 1917 Revolution, Soviet trade was only approximately one-third of what it was in 1913.

Under planned economy, money and capital does not lie idle. The Soviet Union has re-invested hundreds of billions of rubles in Soviet industry, while under the profit system of the capitalist states, billions of dollars of capital lies idle in the banks. There have been no depressions in the Soviet Union, none of the crises of overproduction, no unemployment of note, - and all this DESPITE the errors of Stalinism, which we shall deal with later!

There never has been a period in the history of the Soviet Union when you could find in operation anything even approaching the capitalist "laws of value". In the first period the country lived under War Communism. Wages were paid in the main in the form of rations. The peasants did not sell their food but for the most part it was levied, with payments determined by the State (in opposition to the capitalist "law of value" where the price finds an equilibrium based on supply and demand). Workers received a higher standard of living than former capitalists. Their rations and social privileges were much higher. The amount of income to be derived by any individual was set by the State; no person might earn more than 8 times as much as the lowest paid. Prices and wages were rigidly fixed, based on the exigencies of the situation, but very definitely not on the capitalist laws of value.

#### NEP AND FIVE YEAR PLANS

Later on the NEP was introduced. Private trade began to flourish in certain fields; and in this arena one might say that the "laws of value" of capitalism were somewhat operative. But even here the state considerably modified the "laws of value" by rigorous taxation and other forms of control. However, in the major industrial spheres, in the banks, railroads, export and import trade, etc. no such "laws" operated. The worker received a large part of his pay in the form of free meals, free carfares, free vacations, free rent, etc. His money wage was negligible. Money

itself had a limited circulation. Wages and prices were both determined not on the basis of the capitalist "laws of value" but in the light of working class politics. Prices for the former bourgeoisie were greater than for the proletariat; remuneration and free privileges were considerably greater for the workers than for other classes. Wages were NOT based on the socially necessary labor time in the production and reproduction of labor power. The prices of "commodities" were determined on the basis of use and class politics, rather than on the "laws of the profit system". And wages were attuned to human needs, rather than capitalist economics.

Even under the first five year plan there was very little money in circulation. Rations continued to be a large portion of wages, with different prices in different stores, depending on the kind of ration card, i.e. the class of the individual owning the card. And the prices of commodities depended entirely on the needs of the Soviet State for defense, for building the industrial structure, for rewarding sections of the working class and farm population, etc. They had almost nothing to do with capitalist laws of value.

Planned economy under a Workers State ELIMINATES the basic contradiction of Capitalism, the contradiction between Socialized Production and Private Appropriation. And thus is eliminated too all other contradictions, flowing from the "laws of value" - such as overproduction, crises, wars, unemployment, the need for markets, etc. etc.

#### GRAIN OF TRUTH

Leontiev seized on a grain of truth and builds it into a mountain. Precisely because there IS a grain of truth in what he says, is his article so insidious. He says, "there is no reason to believe that the law of value disappears in socialism; it acts, but in altered form." "Utilizing the law of value, the Soviet government sets as its goal the establishment of commodity prices based on the socially necessary expenditures of their production, taking into account the tasks of socialist accumulation as well as the tasks of raising the standard of living and the cultural level of the laboring masses."

But is this the "capitalist law of value"? The Soviet state measures the amount of time put into the production of a commodity and makes its prices accordingly - with the one important proviso that it "takes into account the tasks of socialist accumulation as well as the task of raising the living and cultural level of the laboring masses." In other words the "capitalist law of value" is used merely as a BOCKKEEPING device. It has no compulsion on Soviet economics; in fact this particular book-keeping device has been in use only about 8 or 9 years. Previous-

ly Stalinism just disregarded this "law". It refused to stabilize the currency and to permit a relatively free exchange of goods and money. It had the old ration card system. Furthermore it concentrated primarily on the production of producers goods, (machinery, tools, factories, etc.) regardless of supply and demand, regardless even of costs - in fact DESPITE the capitalist "laws of value", rather than through utilizing them.

In other words the whole question boils down to just this : that the capitalist economic laws are no longer operative under Soviet Planned Economy, but that here and there capitalist FORMS (e.g. trade, money, determination of wages based on time and intensity of labor, etc.) are utilized. The CONTENT, however, is fundamentally different. Leontiev's comparison is like a comparison of a human being and a tree. Just because both are living organisms it is false to say they both have the same physiological laws. And just because capitalism is a social system and the Workers Society is also a social system, is no proof that they operate on the same economic laws. The reverse is true in both instances.

#### WARPED WORKERS STATE

Leontiev's position, however, has another element of truth in it, but one which the Stalinist theoreticians will not admit. Under Stalinism the Dictatorship of the Proletariat has been degenerating not only in the political sphere, where all semblance of Workers Democracy has been eliminated, but in the economic sphere as well. There are some very marked tendencies back to capitalism - private property in land, large bonuses to industrial managers, the growing disparity in remuneration paid to different sections of the population, and new beginnings in the accumulation of "capital". The capital can not be invested in the productive process, but it is a primitive accumulation that CAN be transformed readily into capitalist accumulation.

Based on the false theory of "Socialism in one country", Stalinism has made innumerable errors in the sphere of economics. The root of Stalinist thinking is that in the present epoch proletarian revolution outside of the Soviet Union has no chance of success; hence our complete energies must be devoted to building socialism in "one country", and of using the Stalinist parties throughout the world to maintain pressure against the capitalist states to stop them from attacking the Soviet Union. The Marxian concept of Lenin that the major emphasis must be placed on SPREADING the Revolution to other countries could carry with it the concomitant of constantly bettering the living standards of the Soviet masses, as production increases. Lenin's theory carried with it the constant narrowing of the differences in wages paid to the various types of workers and executives, elimination of the differences between city and town, between industrial worker and white collar worker, etc.

But under Stalinism the reverse had to be true. Since there was no hope - according to them - of Revolution elsewhere, we must build the industrial economy in such a way that it can easily be transformed for war purposes. That means we must have a most rapid development of the heavy industries, even if we neglect completely consumers' goods and light industries. The first five year plan proposed in Russia by the Left Opposition demanded an equilibrium between the two and a gradual raising of the standards of living. The Left Opposition had the opposite political theory to that of Stalinism: it resolutely promulgated the idea of World Revolution. When Stalin finally put the first five year plan into effect, he placed such emphasis on heavy industry, and devoted so little energy and capital to consumers industries, that the standard of living fell shamefully. In the sphere of agriculture the same thing occurred. The Left Opposition proposed a gradual program of collectivization - first collective buying agencies, collective use of machines, collective selling agencies, etc., until the final steps could be taken to full collectivization. Stalin, however, fearful of the impending war, and having no faith in the German Revolution which was beginning to simmer at that time, decided on FORCEFUL and IMMEDIATE FULL collectivization. In the ensuing year approximately 5 million people perished and considerably more than half of the livestock of the country was destroyed.

#### NEW ALLIANCES

These economic steps had political repercussions. The objections of the masses to a lower standard of living and their hostility had to be met. Stalin used the same technique used at all times by all dictators: "Divide and rule". He began to make concessions to alien elements of the population - such as the upper sections of the former peasantry. He began to divide the workers by institution of piece work, by Stakhanovism, by increasing the spread in wages between certain workers and the Stalin favorites, by paying enormous wages to managers, intellectuals and technicians. Later with his mass base still deteriorating Stalin was forced to seek allies amongst the nationalists and the Church. (Naturally too, the internal economics had its effect in external relations with the capitalist world, but we don't deal with that here.)

Thus the false political theories of Stalinism lead first to distortion of correct economic principles, and eventually to "appease capitalism".

Stalinism today is in its last throes. It is not strong; on the contrary it is weak. It is losing whatever mass base it had, and losing it so rapidly that it is forced to appeal to the most disgusting elements in the country, the rabid nationalists, the churchly counter-revolutionists and their ilk. Internationally

it is forced to act as the ideological spearhead of the capitalist counter-revolution. It is forced to peddle the idea that capital and labor can live peacefully together FOR A LONG PERIOD AFTER THE WAR AND MAYBE PERMANENTLY. It is forced to openly fight against the class struggle. And in line with all this it is forced to revise the theory of Marxism back to the premises and principles of Bernstein. It has accepted in full the theory of "gradualism", that you don't need Proletarian Revolutions, etc.

Leontiev's article is written against this background. He is trying to keep some of the "lefts" who support Stalinism, by telling them that he really hasn't changed Marxism fundamentally. He attempts to water down the Revolutionary content of Marxism and presents it as a matter of pure and simple gradual evolution, without any jagged edges, without any ups and downs, but a peaceful and steadily constant GROWING-OVER.

But the present political line will merely force further political and economic changes as well. Stalinism is making fundamental concessions to the imperialist world. Leontiev's ruminations are part of them. But it is simply storing up energy within the Soviet Union for another explosion - a political revolution against Stalinism.

The lines are growing taut. The more concessions Stalinism makes to British and American imperialism, to the church, to the nationalists, and to the bureaucrats, the more it alienates the workers; and the more it is forced to seek help from even more reactionary elements. In the sphere of economics this means that it is re-introducing many ELEMENTS of capitalism, and that there is an imminent danger that the ELEMENTS OF THE CAPITALIST CLASS that exist will take the initiative to re-establish capitalism itself. On the other side of the fence, the armed proletariat, hamstrung for years must also defend itself and the gains of October.

The article of Leontiev is a relatively unimportant step in this whole process; but it does reveal the process in full colors.

Leontiev exposes again the shameful treachery and bankruptcy of Stalinism.

Forward to a New Communist Fourth International!

# ANGLO-AMERICAN FOREIGN POLICY

During May the Anglo-American governments announced their foreign policies and post-war plans, and from them it is evident that the call "Workers Unite!" should resound and resound again across the world. For, these policies and plans stand as a remarkably brazen statement of concerted bourgeois action to trample the world's working class and kill their movements.

This self-revelation by the "democratic" boss-governments, so thoroughly startling to some of the bourgeois "liberals", came as no surprise to the class-conscious worker--and no worker can ignore the danger squarely before him.

## THE "GREAT DESIGN"

This danger becomes apparent when we look at President Roosevelt's "great design" as it was glowingly reported by Forrest Davis, his recognized journalistic errand-boy, in two issues of the Saturday Evening Post (May 13th and 20th).

"...the Administration's Russian policy," says the article (May 13th), "became the cornerstone of its approach...to post-war Europe." But why the importance of the workers' state?

In answer to this question the article continues, "The Europe of 1918...had not been ravaged for years by Bolshevik revolutions and Fascist counter-revolutions, and civil war was not everywhere implicit." Thus in spite of his mis-statement about Europe of 1918, here is a clear admission that now "everywhere" the masses are about to rise up against the Bourgeoisie. (A remarkably bright admission after Yugoslavia, Italy, Greece, France, etc.)

To defend the world boss-class against this impending disaster, Mr. Roosevelt, in "broad resemblance" to Mr. Wilson, has also a "great design". It is "to bring the Soviet Union, which has fallen out with the European tradition, back into the family of nations..." This collaboration of the Russian government with the imperialists--this betrayal of the world working class by the Stalinists--is the "great design" that must be accomplished, according to Mr. Roosevelt, and without which his world organization will be impossible.

## MAILED FIST AGAIN

Just what this looked-for world organization will be is just as clearly put before us. At its head, and its most powerful arm

of action, will be an "executive committee." A "world controlling council" parrots Churchill (May 24th to Parliament.) But both agree that it will be constituted only from "the greatest states emerging victorious from the war"; and that its primary job would be "as policemen of the peace" using the armed forces of the powerful nations--the only ones now capable of engaging "in the complex business of war."

Now although these measures would supposedly be directed against "restless and ambitious nations" is there any doubt that their forces--"a swift striking weapon in the hands of such a committee"--would be used against any part or all of the working class? The expressed plan and policies of the British and American governments are made to sound the same to create the illusion of "allied unity". But although they are far from unified in their fights against brother imperialists, have they not shown a consistent unity in their battles against the working class? Russia in 1917-1919, Italy in 1921, Germany in the twenties, Spain--the instances are too numerous.

Thus is plotted a kind of world superfascism.

The small and weak nations would be given admittance to and a voice in a "world-wide debating society" "establishing general principles." Also, they would share the questionable benefits of a world court and "continuing commissions". However, realizing this to be a "great power age," they would have to recognize the paramountcy of neighboring goliaths which surround them with "trusteeships" (new term for mandated territory) and military bases. And the armed might of the bourgeoisie would thus thoroughly encircle the places where capitalism grew too weak to resist the swelling rebelliousness of the workers.

#### MOUNTING CLASS STRUGGLE

As the superiority of the Anglo-American power over their brother Axis capitalists has gradually become apparent, the intensity of the world class struggle has also increased. Soon the weakening capitalist states will be unable to hold back the Revolution within their borders. The Allied conduct of the present war for control of Europe shows that this struggle against the world's workers more and more becomes the hinge upon which turns the entire strategy. It can be seen as a primary concern to General Eisenhower's headquarters (Allied supreme Command) that the "resistance movements" be somehow brought under the surveillance and control of the Anglo-American army. While the Stalinists howled, the all-out invasion of Europe has been delayed for two years, giving the Germans time to prepare elaborate defences, because the Anglo-American governments had not yet built strong reins of control on the seething underground rebelliousness of the European masses.

## THREE WEAPONS

Now these reins are formed--doubtful as they are against the swelling revolutionary wave of the workers--and the invasion is on. This invasion brings to focus three principal weapons against the European workers. The first, using the hatred of people against the conquering German armies as a lever, is the re-instatement of the old bourgeois rulers into national power! King Haakon of Norway, Queen Wilhelmina of Holland, the exile governments of Belgium and Poland... But the masses stir and cry for basic, vital change. The going will get rough for naked bourgeois rule; and the Stalinist "communists" and the "liberals" those invaluable tools of the bourgeoisie, spearhead the collaboration, the coalition, and the front--in Italy, Yugoslavia, Czechoslovakia and Greece, so far.

Behind all these is armed might and the AMG (Allied Military Government) with its infamous record of partnership with the fascists in Italy--soothingly renamed "Civil Affairs for Western Front Operations."

The second weapon, and the most obvious, brought against the European working class, is that of bare armed might. Knowing that revolution is always most imminent in the nation suffering defeat, a rigid military occupation with a pattern of "war criminal" punishment and oppression is planned for Germany. But not only the German workers shall know this iron heel. The French shall know it too. Why has the De Gaulle committee been denied the recognition and responsibility of government? Because the French masses, traditional leaders in Revolution, will no longer be fooled. The Allied governments must make sure--make sure, if that is possible--that the French workers are completely "policed." They proceed with their own stringent plans to rule France which a small militarily weak "committee of liberation" could not manage. The French workers may yet lead the world's workers in the most climactical struggle against capitalism.

The ace-in-the-hole of Anglo-American imperilism against the workers is the reassurance of continued Stalinist cooperation against the workers. The political situation in Russia demands that Stalin's government begin to give consumer goods to the Russian masses which he has promised them for years before the war. Stalin is fighting against the further development of the Revolution in Russia just as he must fight Revolution in the rest of the world, in the futile hope that world capitalism will not too soon attack the workers' state again.

## "CONFUSION AND DISASTER"

But history defeats even the cleverest traitors against the world's working class. In his April 19th (1944) speech secretary

of state Hull declared, "...if confusion should spread throughout Europe, it is difficult to over-emphasize the seriousness of the disaster that may follow." Let's take your words for what they mean, Mr. Hull. By "confusion" you can only mean the inadequacy of the European bourgeoisie, and its downfall in the inevitable chaos of capitalism. By "disaster" you mean the only alternative to rule by some form of bourgeois government, the seizure of power by the workers.

But the German bosses shiver from the same fright. The Nazi propaganda radio (June 7th) in warning the Anglo-American governments of the overwhelming perils in their beginning invasion of Europe, struck a perhaps accidental note of insight when its comment concluded, "The only victor of the invasion will be Bolshevism!"

Taking the word for what it stood for in 1917--this is the goal. Unity under the principles that once before led the workers to victory!

"Workers of the world, unite!"

DOWN WITH ALL IMPERIALISM!

FOR A WORLD SOVIET REPUBLIC!

THE INTERNATIONAL NEWS  
IS YOUR WEAPON  
USE IT

# Workers Control Of Production For Use

SUPPLEMENTARY THESIS  
FOR R.W.L. PRE-CONVENTION DISCUSSION

1- The slogan "Workers Control of Production for Use under a Workers Council Government" is no wild panacea, nor is it an immediate demand, in the limited sense of the word. On the other hand it is not just a slogan of propaganda. A number of its aspects are matters of agitation even now, such as the organization of councils or embryo councils, organization of defense squads, open the warehouses to the unemployed, etc. The slogan for workers control implies a whole strategic program in the period of wars and revolutions and particularly for the period of pre-revolution and dual power.

2- Workers Control of Production for Use can not be achieved under capitalism. So long as the bourgeoisie owns the means of production, workers' control is a farce. But steps TOWARDS Workers Control of Production for Use CAN be taken under capitalism, and the more the immediate demands of the proletariat blend in with the fight for ultimate goals, for state power, the more must this strategic proposal be put forth as part of the struggle for that state power.

3- Workers Control of Production for Use is impossible without the expropriation of the bourgeoisie and without state power in the hands of the proletariat. But it is nonetheless an excellent propaganda slogan, preparing the masses for the struggle for power, and aspects of the strategic line of Workers Control of Production for Use can be put into effect immediately. Workers faced with unemployment because of technological developments (e.g. coal mines where loading machines have been introduced), or workers who are already out of the mines, mills and plants can not be given a program of temporary palliatives. The above slogan is an excellent bridge, a popular bridge to preparing such workers for the struggle for power. The working class is NOT one homogeneous mass. Parts of it, because of their economic position, can understand the need of more drastic action than others. It would be childish sectarianism to withhold this popular slogan because at the moment only a small section of the class can understand the need for it. The program should be put forth ever more vigorously to make more workers understand the need for the struggle for power.

4- Seizure of the factories today, as a general line, would be false. Furthermore workers control of the factories, so long as the bourgeoisie has state power, must either be extended on to seizure of that state power as well, by the workers, or have the

factories fall back under the control of the capitalists. Spain has proven that. Workers seizure of the factories in Italy in 1920 was not only progressive, but necessary and correct. The tragedy of Italy was that the workers did not go further, that they remained on the defensive and permitted the bourgeoisie to organize Fascist hooligans against them; that they did not go on to seize state power and set up a Workers Council Government. The whole capitalist world is today on the verge of proletarian revolution. Not a single important country on earth will escape revolutionary situations in the next few years. The question of unemployment demands from the revolutionists an answer; it also poses before history a series of revolutionary situations. To speak at this time, therefore, of seizing the factories as A STARTING POINT in the fight against such unemployment, is not putschist or unrealistic; it is part of a general program leading to the struggle for state power. Naturally without a perspective of State power, seizure of factories today or tomorrow or at any time, is a foolish, useless and harmful experiment.

5- The Marxists are opposed to Workers ADMINISTRATION of the means of production, as opposed to Workers CONTROL of production. Workers administration implies unplanned, uncoordinated activity. The workers in each plant elect administrators and proceed to work out their own, mostly uncoordinated plan. Workers control, on the other hand, implies a formal, rounded plan. Administrators are not limited to workers of the individual factory, but are chosen on a broader basis. And yet, at the same time, the workers in each factory exercise a measure of control through their Unions, factory committees (both of which must have autonomy and the RIGHT to strike), as well as their representatives on the Workers Councils (Soviets.) Workers Administration was tried in 1918 in Russia and found to be an error. Production under a Proletarian Dictatorship must be centralized and planned. Production must be administered by the best elements of the working class, no matter where these elements might be. It is as foolish to limit administration of the factory to workers in that factory. It is also equally wrong to eliminate all control by these workers within the one factory over the factory in which they work. That is one of Stalin's greatest crimes against the working class. Workers Control of Production should be centralized, but it should permit of easy control, election and recall, and pressure from the ranks at the bottom, through democratic soviets, free unions with the right to strike, consumers associations, factory committees, etc.

May 3, 1944.