

**The New** \_\_\_\_\_  
**INTERNATIONAL**

SEPTMBER • 1944

**CAPITALIST BARBARISM--  
OR SOCIALISM?**

**A STUDY OF THE DEVELOPMENT OF DECLINING CAPITALISM, AND THE SITUATION,  
TASKS AND PERSPECTIVES OF THE WORKING CLASS MOVEMENT**

*By the International Communists of Germany*

**Toward a New Trade-Union Program**

*By David Coolidge*

**The French Rats and the Sinking Ship**

*By J. R. Johnson*

**The Anti-Marxian Offensive**

**A REPLY TO PARKES, EASTMAN, COREY, HOOK, WILSON, DEWEY,  
TURNER AND OTHER CRITICS**

*By James Barrett*

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# Editor's Notes

We call the special attention of our readers to the study, "On the Development of Declining Capitalism, and on the Situation, Tasks and Perspectives of the Labor Movement," which we begin publishing in this issue of the review. It is the work of our German Trotskyist comrades and constitutes the most exhaustive treatment they have yet given to views which, as they indicate, they have been in the process of developing over a long period of time. Though the document is long, the reader interested in the fundamental problems of the working class and revolutionary movements will find himself more than repaid by a thoughtful reading of it. Although, as the reader will himself note, there are passages in the document with which we do not find ourself in agreement, he will also note the more fundamental respects in which the document presents views similar to those which we have set forth in these pages for the past few years. In the next issue, in any case, we shall take the opportunity to give a rounded declaration of our views on the thesis elaborated by the German comrades.

It goes without saying, however, that in accordance with the tradition that *THE NEW INTERNATIONAL* has sought to maintain in the Marxian movement, we readily publish the work of the German comrades as a contribution to the discussion of our problems despite any divergence that we may have with them on one point or on many. This serves to emphasize once more, unfortunately, the difference between our attitude and the one-sided monologues which the SWP leadership mockingly calls "discussion."

The importance of the German document speaks for itself. Its length, however, has made it necessary for us to postpone the publication of other material scheduled for this issue of the review. They will therefore appear in the October issue.

Among them will be: the conclusion of the timely excerpt from Karl Marx's brilliant *Herr Vogt*, which we have translated into English for the first time; as well as the conclusion of Max Shachtman's reply to the attack on *The Struggle for the New Course* made by the Cannonite press.

In addition, there will be a series of articles on the extremely important conventions of the United Mine Workers Union and the big CIO unions which took place in September—the Auto Workers, the Rubber Workers, the Shipbuilding Workers and the United Electrical & Radio Workers Unions. Each will be dealt with by a writer who was present during the conventions and thus had an opportunity to observe them on the spot.

Of course, the October issue will contain the conclusion of the article on the "Anti-Marxian Offensive," a criticism of the critics which many of our readers have often asked us to make, and a continuation—if space will permit, then the entire remainder—of the document of the German comrades.

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Editor: MAX SHACHTMAN

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# THE NEW INTERNATIONAL

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VOLUME X

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NUMBER 9

## Capitalist Barbarism or Socialism

*On the Development of Declining Capitalism, and On the Situation, Tasks and Perspectives of the Labor Movement*

The following work on the development taking place in declining capitalism and its significance for the labor movement was written between the end of May and the beginning of September, 1943. The presentation revolves around certain opinions that we have of the essence of imperialism, and which (for the purpose of speedy mutual understanding among us and because everything must be given a name) we have called for the past twelve years "the theory of the retrogressive movement." By this we mean: In the last stage of imperialism, the economy, the politics and so forth of bourgeois society develop *backward* in a peculiar manner. The course, the results, the perspectives of this "backward development"—these are the themes with which we deal.

Originally, this presentation was directly bound up with the discussion over the so-called "national question." Two years ago (in the December, 1942, issue) our "Three Theses" appeared in the *Fourth International*. Comrade Max Shachtman referred repeatedly to these "Three Theses" in *The New International* (they were reprinted here in London too by the then still "unofficial" group of the Workers International League). When they were finally published in the *Fourth International* (they actually date back to October 19, 1941) they were accompanied by a criticism of Comrades Morrow and Morrison. In his article, Comrade Morrow explicitly called upon us to answer his criticism and to think out our position "to its ultimate implication." Although belatedly, as a result of unfavorable conditions, we fulfilled his request gladly. In this sense, consequently, our work had its origin in the request of Comrade Morrow. After its completion, however, we abbreviated it considerably and eliminated the entire polemic for the most variegated reasons (obstacles placed in the way of its translation, difficulties encountered in publication, daily increasing gulf between the criticism and the reply, etc.). In so far as certain objections are still dealt with in general, they are of an anonymous, general, illustrative, and not particularly polemical nature. In brief: we confine ourselves here to pre-

senting our position as a whole as well as we can. The entire document should be considered simply as an essay, such as may be written at any time in the interests of theoretical orientation.

That the questions dealt with here are of the greatest importance for the socialist movement, is beyond doubt. Naturally: we lay claim neither to the perfection of the presentation, nor to having proclaimed "unassailable truths." Our views may be wrong, mistakes of fact may have occurred, etc. But on this score, we can be instructed only if we submit to open criticism. In this respect, a few words remain to be said:

Thirteen months—the period between the termination and the publication of our work—are a long time. The leadership of the Socialist Workers Party could not be persuaded in this period to assist us and to take over its publication. For our part, we have no intention of breaking out into loud complaints about the "bureaucratism" of the Socialist Workers Party leadership. Rather, we are of this opinion: Bureaucratism is always the symptom of a great political weakness and can be overcome only *politically*. Events are placing on the order of the day political decisions of the greatest purport. Whoever wants to remain behind must take the consequences upon his own shoulders. The SWP leadership's superciliousness toward the stepchildren of the movement in Europe who are weighed down by "defeat," is no proof of its ability to endure the trial by fire. In any case: we have no more time to lose and we hand this work over to *The New International* all the more gladly because Max Shachtman was practically the only American comrade who (a) recognized the importance for the *International* of the questions raised in the "Three Theses" as far back as the time when they were written down (that is, in the autumn of 1941); and (b) pursued these questions energetically and worked out what is in our opinion a correct position. And that is all that is involved.

London  
September, 1944. COMMITTEE ABROAD OF THE IKD.  
(International Communists of Germany)

### I—DECLINING CAPITALISM OR...?

Imperialism is declining, disintegrating, rotting, agonizing capitalism. The purely verbal acknowledgment of this definition is general. If, however, it

is taken for what it is, that is, as a declaration that is concrete, well defined in content and weighty in consequences, substantial difficulties are most often immediately encountered. The commonest objection that is then raised against a formula like "retrogressive development of economy," sounds

something like this: "Retrogressive development is nonsense—the development goes further and thereby creates ever new forms."

### Stagnation or Retrogression

The thoughtlessness that dominates this argument is obvious. Nobody of course conceives of the retrogressive development as a "dissolution" of capitalism into pre-capitalist forms of production. But taking this for granted, the mere assumption of a stagnation already embraces within itself a retrogression. With the famous grain of salt of the ancients, Marxists should speak of the "retrogressive development of capitalist economy" if only because the decay of capitalism in no wise takes place "without rule or regulation," but is subject to the same laws that were immanent in its rise as well as in its highest development.

As a matter of fact, every organism, upon reaching maturity, brings along with it out of its midst also those conditions that disintegrate it, that bring about its decay and putrefaction, and "redevelop" it more and more toward its original state. In the course of this process, to be sure, it marks out again more plainly certain features; and while, on the one hand, these features had never left it, on the other hand they were more characteristic of the period of its birth, or its early age or childhood. Such *features* (nothing more) sometimes even go back into the distant past, and that means here: to overcome economic forms. This is provided for by the mere fact that there never were and never will be any pure economic forms in general and "pure" capitalism in particular. Just from the impossibility of pure economic forms the two laws arise that regulate everything else and which decisively influence both the rise and decline of capitalism. We refer to (a) the law of uneven and (b) of combined development. For the moment, it suffices to say: It is unmistakable and most significant for capitalism that the violent-catastrophic character of the period of its origin predominates in it almost exclusively again in the period of its decay.

### The Question of the Quality of the New Forms

In view of the neglect of economic questions, this point is important enough to circle around a little closer.

Lenin's definition of imperialism is affirmed; the "over-ripeness" of capitalism is spoken of in a thousand articles and resolutions; documents are sworn by in which (written by Trotsky) may be read: "Capitalism has ceased to increase the material wealth of humanity"; "after the seizure of power, the proletariat will have to pay for the work of economic destruction of capitalism," etc. This and much more already enjoys the status of the commonplace and—therewith everything apparently seems to be in the best of order. For when the attempt is made not to leave the "work of destruction" simply to itself but to grasp it as a retrogressive development or "retrogressive movement," you run right into the pedantic-schoolmasterly forefinger in the shape of the "ever new forms."

Due deference to the new forms. They have their place and their significance. The question is, *what* position do they occupy and whether they can alter the situation. Were the latter the case, then everything would be very simple.

"As is known," however, the advance of Marxism over bourgeois science is based precisely upon first disregarding apparent or real exceptions from the rule, upon considering the process as a whole, and only then showing how the observed deviations are nevertheless subject to the fundamental laws.

What is taking place before our very eyes and slipping into "ever new forms" is nothing but the "daily practice" (if you please) of the historical tendency of capitalist accumulation that Marx described. All that must be remembered is that this description, like all schematic illustrations, represents the so-to-speak "ideal" and not the real course of development. In reality, Marxism, in conformance with the dialectical method, is a doctrine of quality which explains the development as well as the decay of the capitalist mode of production by its internal contradictions, and in doing so endeavors constantly to fix the point where the quantitative growth of a phenomenon becomes decisive for the appraisal of the situation as a whole, that is, where quantity turns into quality.

### Negative Definition

This other quality does not necessarily have to be of a "positive" nature.\* If we come, in the investigation of a given organism—in our case, of imperialism—to the conclusion, anticipated in general by Marx and concretely drawn at least by all Marxists, that monopoly has become a fetter on the mode of production which bloomed with it and under it, that, therefore, the "productive forces have ceased to grow" (Trotsky), then we are obviously confronted with a turn of things on the "negative" or declining side. To put it differently: The definitive disintegration, putrefaction, stunting or "retrogressive development" of the organisms starts at the very moment when they have passed their highest degree of maturity. The antagonism inherent in them then experiences its uttermost accentuation and must destroy them.

Applied to capitalism this means: If in its "transformation period" it cannot be delivered at the right time from its antagonism and carried over into socialism, then its further existence may be considered and evaluated singly and exclusively from the standpoint of its *inner* decomposition. And what is then to be studied, and provided with practical conclusions, are only the forms in which the decomposition is carried through and consummated, despite the frequently contrary appearances.\*\*

\*The ridiculous representatives of the "theory" of state capitalism in the various emigrant groups are known particularly for their juggling with dialectics and the transformation of quantity into quality. The "transformation" is supposed to show that in countries like Russia and Germany (with some of them the United States, too), an economic form has come into power, a state capitalism which is free from economic crises and subject only to "political" crises, if any, and which is "classless" into the bargain. From their scribbles, which teem with solid thoughtlessness and absurdities, you cannot tell just what quantity is actually supposed to have been transformed into quality. In any case, it was enormously increased confusion that was transformed into the "theoretical" egg-dance and presented precisely these absurdities as the "contradictions" belonging to the dialectic.

\*\*Misled by the contrary appearance, an opponent may come forward at this point with a "better" argument and declare: The assertion of an "unequivocal" exclusive decomposition is "undialectical." In retrogression is found also progression, as is demonstrated practically by a whole series of achievements (for example, the synthetic industry).

This argument has at least a glimmer of justification in so far as the decline, just like the rise, is not at every given moment a transparent, rectilinear, uninterrupted process, but a complicated, contradictory, relapsing and skipping process. Examined more closely, it stands exposed, however, as a tactically modified attempt to be inconsistent and to save the "development in ever new forms" through a corruption of the dialectic. For, however much every advance can even must be regarded as a retrogression in another connection, and in the same way every retrogression also as an advance, all this tells us very little about the self-movement of a thing itself. There is certainly more genuine dialectics than is dreamed of in the "common sense" in the person of a Burnham, in an ordinary sentence like: "With his conception, Man takes the first step to his grave." Such general knowledge has practical value precisely because it gives us a better approach to the essence of the becoming of Man (birth, maturity and death). However, anyone who is incapable of going beyond "outline knowledge" and keeping in strict touch with every step to

## Retrogressive Development and Two Objections

In point of fact, there will be a great difference of conceptions, depending on whether the theory of imperialism as *capitalism in decline* is made one's firm foundation, or one simply does without foundations altogether.

We proceed resolutely from the *self-decomposition* of monopoly capitalism and arrive first of all at the recognition of those economically and politically equally important phenomena of decay that were already enumerated (even if far from completely) in the "Three Theses." To illustrate our position, let us take the following sentences from the first thesis:

"The prisons; new ghettos; the labor, forced labor, concentration and war-prisoners' camps are not only transitional political-military establishments, they are just as much forms of an exploitation which accompanies the economic development toward a modern slave state and is intended as the permanent fate of a considerable percentage of mankind. . . . The economic ruin is accompanied by a callous destruction of human lives and values and a migration of peoples of colossal extent. 'Resettlements,' transfer of workers, etc., which amounts to hundreds of thousands, follow the movement of armies of millions. . . . So mechanization with progressing capitalist application leads itself *ad absurdum*. The methods of destruction which are supposed to solve the crisis and lead to a solution, force production of further means of destruction and cause tremendous economic disproportions which subject the whole world. England and America answer German expansion with a rearming which is to surpass any previously known and again set back the production of consumption goods. . . . Uneven development is recapitulated in the whole world and along with it, agricultural production decreases constantly."

Among this and other descriptions, it then says explicitly: ". . . All this is the result of a process which began a long time ago and only increases in intensity in the present war. Far from being 'planned organization,' this process follows laws of compulsion and seeks to break through by force, where it cannot shake off, the competition on the international scale."

### First Objection

Against this, one can raise two objections, the treatment of which carries us a step further even though they rest upon well known quibbling. The first objection refers to the expression "slave state." We are given lectures on the Egyptian slave state, which go right over our heads for the sufficient reason that, in distinction from the Egyptian and other slave states, we talk about the *modern* slave state. However, we will make a preliminary concession. Cross out the words "modern slave state" and simply read: ". . . forms of an exploitation which accompanies the economic development and is intended as the permanent fate of a considerable percentage of mankind."

What has been altered by this manipulation? Nothing! A designation, for which one may find a better, has disappeared—what it was meant to describe has remained. Here, too, the inherent difficulty will be overcome only if we think back upon the impossibility of pure economic forms. The

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the grave that only makes up Man as a whole—who does not understand how to concentrate upon the thing itself, upon the given stage of its development and its quality (embryo, child, youth, man, grayhead, grayhead turned child again, etc.), will also grope in the dark with respect to the tendency of his future development. He may succeed in making his way through daily life with great effort and difficulty and with much routine—but faced with essential questions, he will remain just as helpless as the "common" Burnham.

minute the proletarian (for that matter, not he alone), who is rightly characterized under capitalism too as a "wage slave," loses his right to strike, his freedom of movement and all political rights, he ceases to be the classic "free" proletarian whom rising capitalism required for its development and whom it "established" with the crudest methods of violence in numbers sufficient to its purpose. Putrefying capitalism, although it continues to remain capitalism, nevertheless strengthens in its decline all the features which make up its "impurity" and point back toward its early stages. It transforms itself, the state and the proletarians to a substantial degree, that is, capitalism turns from progression to regression, the state becomes totalitarian, the proletarian a *modern* slave.

The modern slave is much less different *politically* from the slave of antiquity than appears at first glance. Deprived of his political rights, robbed of his possibilities of organization, the lash-turned-revolver at his back, chained to a prescribed place, he no longer appears as the free seller of his labor power (this becomes increasingly the exception to the former rule), he is either barracked or subjected to direct state exploitation on a mass scale (and only because this is the case can the phenomenon of the modern slave tell us something about the character of the state and the economic development), or else "placed at the disposal" of private exploitation under state compulsion and at compulsory rates set by the state.

What is involved is an inescapable consequence of the whole preceding development. Do not imagine that this "feature of enslavement" that long ago established itself in Europe will simply come to a halt before the gates of the U. S. A. The virginal American workers (and again, not they alone!) have already lost a great deal—they should be taught that within the framework of the general retrogression they are nevertheless being shoved along the solid, well grooved European roads. In other words: the development toward the *modern* slave state is a *world phenomenon* which arises out of capitalist putrefaction. You can call this phenomenon whatever you judge best—but that will definitely not rid you of the *matter itself*.

### Second Objection

An attempt to get rid of it nevertheless is constituted by the second objection, which is directed against the economic-political significance of the concentration camps, the forced-labor camps, the war-prisoners' camps, etc., themselves. The existence, and even the "significance," of these phenomena cannot be denied. But they are treated as what they are *not*: *only* transitional political-military establishments, *simply* measures and institutions for *war preparation*. They have nothing to do with economic development—at most only as war preparation. The contention that they are intended as the permanent fate of a considerable percentage of mankind, is ridiculous. As usual, an "exception" is discovered, which, in the imagination of the naïve annuls all. The alleged exception is the word "war prisoners." Because there were already war prisoners in the previous war; because they were drawn into work at that time too; because the war-prisoners' camps were nevertheless dissolved at the end of the war and the prisoners sent home . . . therefore we are refuted, and the contention of exploitive forms as concomitants of the development to the modern slave state, including the contention of its "durability," is absurd.

The story of the war prisoners is, to be sure, one which is liquidated by itself by showing that it does not terminate at the point where the schoolbooks give no further answer. We

have seen how the development to the modern slave state takes place *also* quite independently of the particular phenomenal forms out of which we adduced it (as conspicuously concrete proof). In exactly the same way, the special forms of exploitation and enslavement exist now quite independently of whether we were mistaken about the "war prisoners" or not.

Cross out the war prisoners. What has been altered by this manipulation? Nothing! *One* of the forms has disappeared—the phenomenon and its significance for the "enslavement" remains.

It is known that the German "economic miracle" (primarily the elimination of unemployment) was accomplished as a preparation for the Second Imperialist World War, by means of the extension and construction of the so-called *industry of destruction*. It is known that America, in the course of the same endeavors since its entry into the war, has almost succeeded in making unemployment "disappear." But on the one side, much too little attention is paid to the importance of the rôle that the German camp-system played precisely in the matter of eliminating unemployment. On the other hand, however, it would be a crass blunder to regard the German camp-system as a specifically *German* affair. On the contrary! Germany had many models (in Italy, in the Balkans, in Russia) for the *modern* methods of oppression and exploitation. It is a question of forms, appearing after the First World War and taking on an ever greater *mass character*, which have spread throughout the earth and like everything else *only increases in the present war* (as for example, in America, where the measures taken against the Japanese *appear* as a direct consequence of the war).

We live in the epoch of imperialism, which is, *par définition*, the epoch of wars, revolutions and (unfortunately also) counter-revolutions. We can explain absolutely nothing and only move in the familiar "vicious circle," if we deny the "permanent" character of the camp-system, as well as its growing significance as a future form of exploitation, and depict it as a measure taken for the *preparation* of the war or else as a *purely war measure* in general.

A fine circle indeed: to refer to the war for the measures, and to the measures for the war! It follows from the mere definition of imperialism why counter-revolution and war become ever more exclusively the "normal state" of humanity, the further the putrefaction goes as a consequence of revolutionary weakness. Right after the First World War, which speeded the general breakthrough of the "great sickness," imperialism reproduced and increased everything that could be explained up to then as mere war measures or as occasional, isolated political measures.

The social antagonisms are always operative, the war is always their consequence; hence, measures and their abolition, pressure and counter-pressure, follow in constant succession. However, it is only imperialism that brings both measures and pressures into a special system (fascism as an *international* phenomenon belongs under this heading) and inundates the earth more and more with "phenomena" such as concentration camps, political prisons, solitary prisons, labor service, forced labor, forced migrations, punitive expeditions against workers and peasants, mass executions, extermination of all (and therefore also of *bourgeois*) opposition, eradication of all rights, bureaucratic command and bureaucratic arbitrariness, spydom and stoolpigeonry, police-military surveillance of the people, etc., ad infinitum. These phenomena may be distributed in accordance with the state of the (always uneven) development or the national coloration of the different countries—

they are nevertheless omnipresent, and short of the socialist revolution they can no longer be conceived of as non-existent in the life of the modern nations. What were formerly "measures" or isolated cases, now become lasting institutions and mass phenomena. They are equally significant from the political and economic, the social and military standpoints, and can be separated from each other, at most, in the "mind," but not any longer in the reality.

It is a veritable transformation of quantity into quality that has occurred. For just as the war becomes the "mode of existence" of the peoples and is ever more total, universal and intensive, so naturally also do the measures that prepare it, the consequences that accompany it, the far-reaching changes that it produces. "With reasoned understanding and understanding reason," it will therefore be necessary also to count precisely the war-prisoners' camps among those institutions that are becoming permanent and whose economic significance has been transformed profoundly in comparison with the First World War. The war prisoners nowadays are put at the service of the total warfare in an entirely different manner than in the previous World War, when they were almost exclusively employed for mere auxiliary services.

## II—THE HISTORICAL TENDENCY OF CAPITALIST ACCUMULATION IN PUTREFYING CAPITALISM

The next step in the elucidation of our position consists in the treatment of a point which plays an enormous rôle in the "Three Theses" as the "quintessence" of our conception. This point is theoretically anchored in the question of *capitalist accumulation*. It will permit the basic tendency to appear clearly and so bring the "retrogressive development" and feature of enslavement into the right light.

In this, we simply assume that the more specific problem of accumulation has been clarified. The dispute over this problem has, it is true, continued unabated since the appearance of Rosa Luxemburg's book, but for Marxists there is good reason for this (regardless of the absolute necessity of participating in the discussion). It is a complex problem for all its simplicity, and the conscious and unconscious lackeys of the bourgeoisie (the Stalinists included) have been hard at work to muddle it up. We will yet strike the trail of the mystery when we turn to the "historical tendency of capitalist accumulation" described by Marx, and follow it concretely.

### Marx's Presentation of the Question

In the famous, and therefore all the less understood, passage on the subject, Marx says:

"As soon as . . . the capitalist mode of production stands on its own feet . . . the further *expropriation of private proprietors takes a new form*. That which is now to be expropriated is no longer the laborer working for himself, but the capitalist exploiting many laborers. This *expropriation* is accomplished by the action of the immanent laws of *capitalist production itself*, by the *centralization of capital*. One capitalist always kills many. . . . Along with the constantly diminishing number of the magnates of capital . . . grows the mass of misery, oppression, slavery, degradation, exploitation; but with this too grows the revolt of the working class, a class always increasing in numbers, and disciplined, united, organized by the very mechanism of the process of capitalist production itself. *The monopoly of capital becomes a fetter upon the mode of production*, which has sprung up and flourished along with, and under it. Centralization of the means of production and social-



ization of labor at least reach a point where they become incompatible with their capitalist integument. This integument is burst asunder. *The knell of capitalist private property sounds. The expropriators are expropriated.*"

As always with Marx, these apparently "abstract" sentences push forward a tremendous concrete content, and are formed by an incomparable genius which, on the one hand, applies the definition of the tendency vaguely enough in order to be able to encompass all "unforeseen" intermediate links,\* but, on the other hand, definite enough to *exclude radically* any other development but the one given. The center of gravity of the investigation lies, with Marx, in the following assertion: "Capitalist production begets, with the inexorability of a law of Nature, its own negation."

Marx rightly sought to fix the "knell of capitalist private property" *naturally*, and placed the negation at the point where, in his own words, a handful of usurpers confront the masses of the people. And in the historical reality, the development has indeed long ago reached the point where not only does one capitalist kill off many, but where the point of negation "ideally" defined in Marx's analysis likewise finds practical confirmation in the victory of the Russian Revolution.

The question arises: What happens if, in this stage of monopoly-capitalistic maturity, the *world revolution* is crushed or—regardless of what the reasons for it—cannot be accomplished? Does the development stand still then, or does it proceed in undefined directions?

The mere putting of this question is sufficient to show the absurdity of all attempts to resist the conception of the "retrogressive movement." For it is then that the historical tendency of capitalist accumulation forces its way through in a new stage of development (which Marx was neither required to foresee nor to take into consideration in the theoretical analysis) with an even greater brutality and intensity which makes everything that went before it look like mere prelude, because everything that hitherto hampered its "blindly operating average" is now trampled under foot by a bourgeoisie conscious of its mortal peril.

In considering this new stage—it is the stage of imperialist putrefaction and agony that generally preoccupies us—we can less than ever overlook the fact that Marx *traced* the collapse of the capitalist mode of production *to accumulation itself*, by demonstrating that it is this accumulation that constantly narrows the living space of capitalism *out of its own self* (independently of the question of the extension of the market). It is therefore no foreign force that devours capitalism, but (to use a term from Hegel) "its own nature."

Only when this is grasped and held to firmly can the most common mistake be avoided, which rests upon a complete misunderstanding of Marxism, and which consists in *conceiving the negation of capitalism only as the task of the proletarian revolution* (although it is "generated" by it, to be sure). The creation of an industrial proletariat by capitalism, called upon to overturn it, is certainly part of the material premises, though which and with which the capitalist mode of production also generates its own negation. But this is only one side of the question. The expropriation of the capitalists that *accomplishes itself* through the interplay of the immanent laws of capitalist production; the monopoly of capital as a *fetter* on this mode of production, which flourished with it and under it; the natural necessity of the process of *its own* negation, etc.—these are the other sides, which must be understood en-

\*In the first place, all those associated with "state-capitalistic" plunder.

tirely in the *material sense* as just so many premises of the *self-negation*.

This means: *capitalism generates its material negation even if the proletarian revolution fails to take place*. It is precisely this deepest aspect of the nature of capitalism (with the grasping of which we have also caught up with the mystery, revealed by Marx, of the specific problem of accumulation) that puts the proletarian class before the categorical imperative: Accomplish the revolution—or suffer the penalty of ruin! It is not arbitrariness, but an all-embracing perception that makes Marx emphasize in this passage, next to the growth of misery and exploitation, the growth of *oppression, slavery, degradation*.

### Self-Negation in the Historical Reality

In the historical reality, the material *self-abolition* of capitalism is already prepared for concretely by that *new form* of the expropriation of the private proprietors which has as its content the centralization of capital and the killing off of the many capitalists by the few. Marx's presentation can now be resumed from the start and followed up in correspondence with the new stage of development. Then it must be said:

As soon as this *process of transformation* has sufficiently decomposed monopoly capitalism in depth and scope (and that has been taking place from the outbreak of the First Imperialist World War up to the Second), the further *expropriation of the private proprietors once more takes on a new form*. What is now to be expropriated is no longer the capitalist exploiting many workers, but the nation exploited by a handful of monopolists. This *expropriation* is accomplished by the interplay of the immanent laws of *monopoly-capitalist development itself, by the centralization of the most important industries in the highly-capitalist countries*. One capitalist nation kills off many. Hand in hand with this centralization or the *expropriation of many nations by the few*, the state-compulsory-regulated form of the labor process develops on a constantly growing scale, so does the conscious technical application of science for the purpose of limiting and destroying certain branches of production in favor of others, the planfully contracted exploitation of the earth (in the first place, by the devaluation, effected by the progress of science, of such sources of raw materials, and the industries based upon them, that make up the wealth of other nations; in the second place, by contracting, shutting down and destroying precisely those branches of production that threaten the maintenance of monopoly on this level at home and abroad); the limitation of means of work that can be employed only in common, only to means of work *permitted by the state*; the economizing of all means of production for the production of means of destruction, defense and domination; the swallowing-up of all peoples in the net of capitalist decomposition; and therewith the internationally destructive character of imperialist rule.

With the constantly declining number of monopoly-capitalist nations, which usurp and monopolize all the advantages of this transformation process, there grows further the mass of misery, of oppression, of bondage, of depravation, of exploitation, which are joined by the wiping out of political freedom, physical extirpation, subjugation and enslavement. The industrial monopoly of a few countries becomes the *direct source of destruction* of the mode of production, which flourished with it and under it. The masses of the people in these countries, like the masses of the other peoples, are violently thrust back by it into those conditions from which the development of capitalism once redeemed them (in great part

by the use of violence): *out of slavery, bondage, lack of national independence, industrial dependency and backwardness, into industrial backwardness and dependency, lack of national independence, bondage and slavery.*

The rebellion of the working class, which has been hurled back by the mechanism of imperialism into a state of unorganization, dismembered, atomized, split up, couterposed to each other in its various strata, politically demoralized internationally isolated and controlled (and whose organizations have been eviscerated, corrupted, paralyzed, decimated with the aid of their imperialistically-degenerated leadership, and which are finally smashed and extirpated along with every kind of bourgeois organization and opposition), likewise assumes a new form under the new conditions. It becomes more comprehensive and general; it finds a mighty prop in the rebellion of the peoples and nations who are suppressed, thrust back, oppressed, enslaved and levelled through the monopoly of the few nations, but by the same token also united against this monopoly and schooled by its mechanism; and it restores the shredded internationalism of the movement upon a more universal plane. Still more: it prepares the ground for the "classic ideal" of the labor movement, for the accomplishment of the proletarian revolution as a simultaneous world-revolution. The centralization of the means of production and the socialization of labor reaches a point where they invade the foundations of the capitalist mode of production itself, where the capacity of accumulation collides with its *internal limits* and convulses the whole social structure from top to bottom. They become incompatible with the co-existence of developed capitalist nations. They burst their international integument and prepare a further step in the material self-abolition of capitalism by "transplanting" the important industries of the subjugated nations to the subjugating "motherland" and converting capitalist nations of the "hinterland" in a colonial and semi-colonial sense. The knell of monopoly-capitalist private property sounds. The monopolistic expropriators are expropriated. The capitalist mode of production *begets* its own negation with the inexorability of a process in nature, *even if the socialist revolution fails to come.*

### Next Perspectives

This is the deepest essence of the historical tendency of capitalist accumulation. It is from this essence alone that the alternative is derived: socialist revolution or barbarism. The end of all civilization is no puerile bugaboo; it is a scientific prognosis which has already assumed terrible reality and yet is merely at its inception. With every passing day it will only become a more terrible reality, for (once more to summarize in Marx's way): the transformation of capitalist nations into industrially dependent countries, into colonies and semi-colonies, is of course a process that is incomparably more violent, sanguinary, cruel, destructive and difficult than the transformation of liberal capitalism into imperialism. It is a process that appears before us as the horrible battle for self-preservation of a society doomed to death, and harks back in reverse order to the end of the Middle Ages, the epoch of "primitive accumulation," the Thirty Years' War, the bourgeois revolutions, etc. In those days it was a question of smashing an out-lived economic form and of winning the independence of nations—now it is a question of abolishing independence and of shifting society back to the barbarism of the Middle Ages.

It is not for nothing that the "Three Theses" begin and end with the assurance: "This is a war of long duration, which

must completely destroy all human culture, if the rebellion of the masses does not end it." The socialist revolution has always been placed before the proletariat as a task whose solution was to save *humanity* from ruin. As a result of the "half-way measures, weaknesses, paltriness of its first attempts" (Marx), impeded in its course, the socialist revolution receded before the counter-revolution and therewith did its share in paving the road for the putrefaction of society. But with the accentuation of the problem, and the international collapse of capitalism, there is also once more a sharpening of the conditions which contain within themselves the solution. *Putrefying capitalism is counterposing itself to the entire world.* It simplifies the problem of the proletarian revolution by its accentuation: it now appears as the saving solution, which is the direct task of humanity itself.

The war has "in ever-increasing tempo changed the economic, political and social face of the earth." Thus the "Three Theses." Profound convulsions follow profound changes. Woe to those who remain stuck in traditionalistic half-way measures, weaknesses, paltriness and who understand the living spirit of the times as if it were (in Goethe's words) miserable "Gentlemen's own spirit, in which the times are reflected as in a mirror." For the last time, guided by Marx: There it is a question of the expropriation of the monopolists of many nations by the few monopolists in the "usurper nations"; here it is a question of the expropriation of a few monopolists in the usurper nations by the masses of the people from India to America, from Africa to Norway, from Australia to Germany, from China to the Balkans, from Russia to England. . . .

### III—THE ECONOMIC-POLITICAL BACKGROUND OF THE RETROGRESSIVE MOVEMENT

In so far as we have followed the historical tendency of capitalist accumulation in decadent capitalism, we have also already described a part of the "retrogressive movement," which is theoretically founded on the knowledge that the development of capitalism, on the grounds presented (the laws of motion of the capitalist mode of production), inevitably returns to its points of departure. That is, despite all the alterations of the foundations, and the preservation of the connection with what has already been achieved, these foundations narrow. And from the attained (through which the whole process receives its peculiar lawfulness and its specific stamp) it must nevertheless create conditions in economics, politics, social relations, etc., which are like the conditions of the epoch of the origins of capitalism, at first in a highly condensed form, only to assume in its further development ever more explicit, ever more general, ever more backward-reaching features. The theory of the retrogressive movement is therefore no more than the theoretical grasp of the laws of motion of the capitalist mode of production *at the point of transformation into their opposite, in the reversal determined by its contents, in which they become concretely demonstrable laws of its collapse independent of the proletarian revolution.*

We have not separated the basic theorem for a single instant from the combined and uneven development. Hence, we have always conceived the retrogressive movement as being uneven and *combined*. Hence, we have made the proletarian revolution, as a factor which is both objective and subjective, both positive and negative (necessarily releasing the counter-revolution, if it stops half-way) a part of the laws of motion of the capitalist mode of production itself. Hence, we have fixed the beginning of the retrogressive movement quite concretely



in the Russia of the victorious October revolution. Hence, we have incorporated the victorious October revolution in the retrogression, considering it in its inner contradiction as an *isolated* revolution, in its counter-revolutionary transformation. Hence, we have explained the collapse of capitalism independently of the proletarian revolution as only a *theoretical* independence, which appears in its *historical* form as dependence upon the revolution. (To define it even more exactly: the capitalist mode of production breaks down independently of its overthrow by the revolution, but the revolution enters as an integral part in the *historical* process of its collapse.)

The bewilderment which in our experience usually overwhelms the reader confronted with such unusual formulations ordinarily resolves itself into positive understanding upon more detailed observation.

### Basic Development of Capitalist Development

Historically, capitalist development begins with the compact unevenness which contains all the economic, social and political formations from primitive communism to feudalism, *both in independently preserved and combined forms*, and which capitalism now continues to preserve in part, and in part develop unevenly and in a combined form. Broadly speaking, capitalist development itself proceeded on these existing foundations from the West to the East, from England through France to Germany and Russia; just as in general the capitalist mode of production subjugated the world from Europe, and its destiny *was decided* in Europe.

For, what takes place outside of Europe, say, in America and Japan—is no more than a vastly-dimensioned epilogue of a drama which in its main outlines has been finished. The epilogue introduces no really original feature, not a single essential alteration, in the picture. It does not even reach the level of the new technological revolution in Germany; it *imitates* it; it only sets its seal upon the real drama and introduces itself from the beginning as a mixture of the most extreme unevenness and the most extreme combination, of the most extreme backwardness and the most extreme technical progress,\* of skyscrapers and caves, of high capitalism and semi or complete feudalism, of man's devastation of nature and of national parks, of "complete" democracy and disfranchisement in practice, of agriculture and industry, of science and superstition, of swindling and bigotry, etc.—a mixture that, with all its social and political peculiarities (Negro question, etc.), had disappeared from the life of the advanced capitalist countries of Europe, except for comparatively trivial remnants, and which was once again reinforced in all Europe only after the great crisis of the system emanating from America.

The rest of the world, its largest part by population and area, was never "capitalist." It was *subjugated* to the rule of capitalism as a colony or half-colony but was never able to taste the blessings of an independent industrial development—or was forcibly repressed in this development (e.g., India by England). The further we go from the *dominating* advanced capitalist countries of England and Germany, and the especially favored countries like France, Switzerland, Holland, Belgium, Sweden, Denmark and Norway, the greater grows the *universally persisting* "impurity" (combination) or the mixture especially characteristic of America and Japan with its

\*It is highly interesting how America also reproduces the European structure. The further one goes from the North to the South the greater the general backwardness, in all its forms and concomitant phenomena.

political-social infirmities, vanishing in ever greater backwardness and finally purely pre-capitalist conditions.

### The Role of the Undeveloped Countries

Political development, the development of *bourgeois* freedom (democracy) and of the labor movement naturally reflects everywhere the economic situation. The more undeveloped the country, the less the bourgeois tasks (agrarian reform, etc.) are solved—the greater the lack of political freedom, the more the semi-legality or illegality of the labor movement, the more the medieval forms of rule. In Spain, Italy, throughout the Balkans, etc., the labor movement does not emerge from semi-legality or illegality at all, or else only for the short span of the revolutionary assault which is paid for by intensifying misery. But all these countries are in no way decisive for the development. Their significance is episodic and is absorbed in larger processes (e.g., Poland and Czechoslovakia as independent political miscarriages by the grace of imperialism in its weaker hours after the First World War). Or they have more significance as "objects" in the very early capitalist efforts criss-crossing with the still earlier "bequeathed" efforts to hinder the independent development of such countries and keep them down (here again Poland, Czechoslovakia, Balkans, etc.). On the basis of the *attained* imperialist decay which excludes any higher development on this basis all these countries furnish the political *vanguard fight* for imperialist political reaction, corresponding to their position and significance as the *rear-guard* (the retarded) of capitalist development itself. As we have repeatedly shown, the whole development preserves during its rise a complete connection with all the past (from the most primitive forms of society through slavery and feudalism) and it preserves during its decline the same connection with what is already achieved (which is why the assertion that nobody has conceived of the retrogression as the dissolution of capitalism into pre-capitalist forms of production, must be understood only as a denial of an *absolute* dissolution). The law that no connection can ever go lost is a general dialectical law of *every* development in general, which progresses through quantitative and qualitative increase (alternatively and simultaneously) and under certain conditions turns into its previous opposite.

### Historical Limits of Capitalism

Thus imperialism finds already at hand the political prototype for rule over large masses in those places where its *inner* ability to disturb the economic "sleep of the world" has ceased to exist. We do not need to go far to seek this prototype. It is already there in the sphere of interests of British imperialism, in those parts of India which British imperialism could never *actually* subjugate, being restricted not least of all by the instinctive fear of unfettering forces which would prepare a premature end for it. Here England and the other imperialisms have nothing to seek economically or something only *very immediately*. Here (and in other areas of the world) nothing has changed economically-qualitatively, and the *old political forms remain* which correspond to economic conditions of a thousand years ago. Nevertheless, these areas provide the *general* background for the retrogressive movement. They are the *historical* limits in which the *inner* limit of the capacity to accumulate, growing out of its own essence, runs its course and manifests itself, precisely *historically, concretely* and *actually*, as the inability to *colonize the world thoroughly*. As we have seen, the historical tendency of capitalist accumulation

is the executer of the breakdown of the capitalist mode of production, which *it carries out in historically concrete ways* long before the abstract-theoretically conceivable extension of capitalism all over the world is reached. Thus these "untouched" areas are a symbol of the future of capitalist humanity. They are the reverse image of capitalist development which must lead to the same *putrefaction* in the forms of private property, if humanity does not find the way out through the abolition of private property which capitalism has for the first time *made possible*.

### Undeveloped Countries as Precursors of Fascism

Against this general background of the retrogressive movement (its historical pivot in the framework of uneven developments) its concrete forms stand out all the more distinctly, the closer we move from the prototype of economic-political petrification, to the highly capitalist countries. In the colonies and semi-colonies there persist the direct and indirect methods of suppression, or methods of suppression combined with the "primitive" forms of rule (they are strengthened according to need and often relaxed under pressure of the conditions, but never altered), which *capitalism introduced* there from the beginning for the purpose of *petrifaction*. Back from the colonies, the undeveloped capitalist countries, on the basis of the existing "mixture" and of what has been achieved at any given time, carry on the already defined vanguard actions for the form of rule which corresponds best to declining capitalism. Each in its way in a blind alley, each with its peculiar conditions, economically disintegrating, they seek to carry through the putrefaction and recast the feudal-monarchical system with or without royal approval, support and toleration, into open military dictatorship, into semi and wholly fascist systems.

All the Balkans, Hungary, Poland, the Baltic countries and Spain are overlaid with such dictatorial systems. The noble "democracy" of Masaryk keeps to an intermediate course, living on Allied help and the suppression of the national minorities, until these minorities, like those in the Saar region, throw themselves in desperation into the arms of German fascism and the rest of Czechoslovakia can be annexed. In this way, profound devastations are heralded, forcing the ruling classes to "overcome" the economic hopelessness by political measures which in their turn are again directed to the transformation of social and economic life, i.e., which allow of no other way out save by the road back.

### The Position of Italy

In the chain of these countries, a country like Italy assumes a position highly characteristic of the lawful consequences of the retrogressive movement. It was the earliest precursor of capitalist production (which first became definitive and world-transforming in England) and then was thrown back by the further development and transformed into the eternal imperialist camp-follower. Too important to content itself with the pretensions of small nations, too insignificant to realize greater pretensions, this neck of land sticking out of the south of Europe leans like the index on the scales to the momentarily stronger with the purpose of getting an appropriate share of the booty. Always disappointed, always deprived of the fruits of its efforts, always the betrayer betrayed, always hurled back, Italy, like no other European great power, was the first to face the decadent capitalism in the imperialist era of the post-war period. In this situation it again assumed among the great European powers the position of precursor of a development

which this time flowed in the opposite direction, clearly backward, into the past. That is, Italy inaugurated the narrower or special retrogressive movement and typified the political system, which is on the one hand, the political expression of economic decline in the *advanced capitalist countries themselves*; on the other hand, again, the special form of rule which imperialism now needs above all also for the solution of the actual *imperialist problems*. However, the second imperialist war did not yet stand in the foreground but rather the social question which rose up before the ruling classes in a series of revolutionary uprisings and heralded the "natural end" of capitalism. It is the social question whose counter-revolutionary "solution" forms the retrogressive movement in its lawfulness down to the last detail.

## IV—FUNDAMENTAL MOMENTS IN THE TRANSITION TO THE RETROGRESSIVE MOVEMENT

In order to be able really to understand the whole process, a simultaneousness of thought must be presupposed which is guaranteed only by the dialectic and the ability obtained thereby to see everything at any given moment and yet to select, to abstract and yet to generalize. In the preceding sections, we have practiced this kind of thinking, and we now add the attempt to sketch a simultaneous picture: The development in the period of rising capitalism and of imperialism "in its prime" is concretely formed by three basic moments.

### Division of the World

First, by the necessity to divide the world among the capitalist nations. In this again, uneven and combined development plays the major rôle and gains for the stronger or especially favored nations (e.g., Holland) an appropriate cut. The division obviously does not proceed without force; in addition to colonial conquest and the economic arm of competition, the competition with arms appears from the beginning, asserting itself in a series of wars and building up the relation of the *stronger* nations among each other and toward the weaker nations. But, in this whole period, which lasts to the first imperialist war, there is a growth of the productive forces which *increase the material wealth* and the line of ascent is, on the whole maintained.

### "Regulation" of the Labor Movement

The second moment is the necessity of holding down and rendering innocuous the proletariat and its movement produced by capitalism as the living negation of itself. In the ascending period this is achieved not so much by force but rather through a system of "accommodations" (concession, social legislation) and by material and ideological corruption which, on the whole, advance capitalism, for up to a certain point the labor movement is as necessary for its development as national independence and political freedom. As soon as the bourgeoisie, with the help of the proletariat, has attained enough freedom of movement for itself and for the development of free competition, the problem is restricted more to liquidating the aspirations to political independence and to power of the labor movement, and to confining the matter within administrative-trade-union limits.

In England, the question was resolved more easily because of the material wealth of the Empire, i.e., by virtue of the politically-corrupting participation of broad sections of the workers in the so-called surplus profit: present and future seem

equally asured, and exert a debilitating political effect.

In France the situation was likewise stabilized, after the war with the stronger rival Germany, and the heroic intermezzo of the Paris Commune, on the basis of agriculture and the luxury industries which opened up a broad perspective and also infected the labor movement with petty bourgeois "ideal of the coupon-clipper." Socialism in France is more a rhetorical threat (the prevailing syndicalism) than a *politically* organized power.

In Germany, on the other hand, the problem was already more difficult, and there, after overcoming the initial obstacles on both sides (founding years and anti-socialist law), it was mastered by virtue of the imperialist perspective that appeared at the time, mastered mainly ideologically, with the help of revisionism. German revisionism was predominantly a post-dated note on what was current exchange in England. The corrupting kernel of this ideology was: capitalism will grow and with it the power of the labor movement, which, in the person of its leadership (for the most part also already materially corrupted), will grow into the state and conquer it peaceably (guarantee: freedom of suffrage). It was the invasion of petty bourgeois thinking into the labor movement and, as such, a typical reflexion in the heads of the labor leaders of young German imperialism at its optimistic beginnings.

German revisionism was the theoretical culmination and systematization of all other "methods of paralysis," done with German thoroughness and joyfully greeted internationally as the "supplementary" method for the "regulation" of the labor movement. Everywhere it found its corresponding expression: In Russian in "economism," in France in Millerand's "ministerialism," in England among the Fabians, who, with deeper significance, called themselves a "society."\* But only in Germany did it have a decisive and fatal function. In Russia, neither the one nor the other method caught on. There all relations were so sharp that the *revolutionary* method of the proletariat could rout all other forces from the field and make the solution of the problem impossible for the ruling classes.

### Free Competition Among Workers and Capitalists

The third moment is generally determining: Free competition among the capitalists and workers. Competition among the workers is used likewise as a means of paralyzing and splitting the labor movement, but it is temporarily decreased both by further development (which produces leveling as well as differentiation) and with the aid of trade unions, until it arises in its most horrible form in the world crisis following the First World War, when the million-headed army of the unemployed splits the working class into, so to speak, an active and a passive section. In mass unemployment, competition among workers already assumes the form of a split of society as a whole. For wide layers of the petty bourgeoisie, of the independent artisan, of the intellectuals, etc., are drawn in and confront society threateningly. Out of the declassed elements of the intellectuals, petty bourgeoisie and workers, out of the slum proletariat, fascism recruits the storm troops with which it threatens the demands of the workers, strikes down their

\*The historical succession and the national peculiarities of revisionism agree exactly with the capitalist development in the four most important countries (England, France, Germany, Russia). In England the Fabian Society was founded, if we are not mistaken, between 1883-85. In England trade unionism is more characteristic of revisionism than the Fabian appendage. Revisionism in England is *organic*. In France, Millerand became Commerce Minister in 1889. There revisionism is *political-practical*. In Germany, Bernstein began the revisionist campaign in 1896. There revisionism is *theoretical*. Then for the first time Russia followed, already under the direct influence of the Bernstein controversy. There revisionism is *impossible*.

movement and stabilizes, organizes and systematizes the decay.

Free competition among the capitalists is likewise temporarily mitigated by the formation of monopolies, i.e., so long as the development progresses upward. But free competition persists beside and above monopoly (nationally and internationally, as on the other hand it is further constituted above and beside free competition out of which it grows).

From the co-existence of free competition and monopoly, from the competition of monopolies among themselves, develop a "series of especially cross and harsh contradictions, frictions and conflicts" (Lenin), which on their part react powerfully upon all social institutions. For the anarchy of social production under the rule of free competition is deepened by the devastating economic disproportions which monopoly creates.

The highest expression of such disproportions is the armaments industry whose development becomes compulsory with the development of monopoly because the whole capitalist development, propelled by free competition, drives toward the most violent conflict of monopoly, the imperialist war. The relation of the *stronger* nations to one another is shifted by the course of industrial development, especially in heavy industry, which becomes obsolete in the "more saturated" countries and therefore makes their industrial basis too weak for their foreign possessions.

The disproportion which arises in this way is extended by the *industrial* camp-follower of Germany, which utilizes all the advantages of its position, immediately speaks the *last word*, of preceding industrial development, and, paradoxically, becomes rich and powerful enough as the "armaments factory of the world" to be able to climb up the back of its English competitor equipped with the most modern weapons.

### Intervention of the Social Question

The social question, in its modern form, not as bourgeois reform, etc., but as proletarian revolution, is already essentially involved in the constitution of this inherently unavoidable development. England regards the growing power of Germany with mixed feelings, but its forces remain bound by the question which henceforth is a weighty element of its "balance of power" policy. What will the *now revolutionary* party of the proletariat and the strong German working class, in general, do, if its immediate demands cannot be satisfied and its "taming" is frustrated? The answer is clear, and wisdom of class interests demands that the day of reckoning be postponed to a more favorable time. Growing tolerance of German industrial and military armament is the price which England pays for the taming of the German labor movement.

Meanwhile the disproportions grow in length and breadth throughout the whole world. The industrial and agricultural development in North and South America press down upon the conditions in Europe and deepen the industrial and agricultural antagonisms. The undeveloped and dependent countries, especially the Balkans, groan and ache under a development which makes them the football of imperialist interests and involves them in the armaments race as dependents of the great powers.

All the especially crass and harsh contradictions cut into and cut across the Balkans—all the frictions and conflicts stemming from industrial monopoly with a compactness which has justifiably given them the name "powder keg of Europe." When the sparks catch fire and England, with the knife at its throat, decides to fight, it is, however, already certain that the German working class will *not intervene*. This main danger temporarily excluded, the war itself makes the disproportions

unadjustable and incurable.

Depending on the social question which rises again revolutionarily as the result of the especially crass contradiction between possible well being and actual destruction, the disproportions become autonomous and drive in the direction of the Second World War which is to solve all of the now intensified problems on which the First World War broke down internally. They bear down again upon the whole of economic life,

upon competition among capitalists and workers, and create that situation which splits the population into employed and unemployed (including the rural population and even the peasants). The epoch of war, revolutions and counter-revolutions is opened, the impossibility of capitalist society is proved: Marx's prophesy has been fulfilled that it will bring itself to the point where it must feed its slaves instead of being fed by them. [To be continued]

# Toward a New Trade-Union Program-II

## **Fructifying Economic Struggles by Independent Labor Politics**

In my article, "Toward a New Trade Union Program," published in the June NEW INTERNATIONAL, it was stated: "The main question is, how shall the working class secure the economic and political leadership which will provide that program necessary for promoting class-consciousness and raising the political level of the masses. . . . We pose the more restricted question of class-conscious political action, procedure and organization. . . . All of the revolts, 'unauthorized strikes,' grumblings and dissatisfaction on the part of the militant trade unionists today are inchoate, primitive, but ominous demands for a new program for the movement." The purpose of this article is to elaborate these ideas.

In this connection it may be necessary to clarify what I mean by a new trade union program. I do not mean a program for transforming the unions as such into political parties or a political party. I do not mean to advocate raising the unions to a political level in the sense that they retain the name of unions but function as political organizations primarily. I do not mean a program for the "bolshevization" of the unions and a sectarian withdrawal from the struggle of the masses in the manner of "third period" Stalinism. What I do mean is to suggest a new program that will intensify and fructify the economic struggles of the trade union movement and orient the militant trade union vanguard toward independent proletarian political action and organization. The trade unions would remain trade unions functioning, however, on a higher plane. They would remain fundamentally the primary economic organizations of the working class with the difference from today that the movement or some sizable section of it would move progressively from a program of class peace to class struggle.

As the proletarians imbibe the lessons of class struggle, climb the steep ascent to class-consciousness and apply this consciousness and experience to the problems of their existence, the practical result will be: concrete political organization of the working class in the United States. It is with this political consummation that a new program and a new leadership for the labor movement must be concerned.

### **The Bourgeoisie and Labor Political Action**

The bourgeoisie today is vitally interested in any slightest manifestation or trend in this direction. It is openly alarmed over the entry of the CIO into politics with its PAC. It has not been so disturbed over any movement of the working class since the days of the organized unemployed movement or the founding of the CIO. It is more disturbed at the im-

pertinence of the working class toying with the idea of political action than it was at all the marching and storming of the unemployed legions. This for the reason that the bourgeoisie understands these things better than the ranks of labor and far better than the leaders of labor. The unemployed made demands on the government of the bourgeois to give them a minimum of food, clothing and shelter. Active participation in congressional and presidential elections today by organized workers, with jobs, is objectively a demand for a measure of control in government and industry. For the bourgeois, government, industry and finance are his exclusive domain. For the unemployed to storm a relief station for bread in a period of trade union disorganization and diminishing membership is one thing, but for a disciplined and well financed organization of mass production employed workers to go into congressional districts in opposition to bourgeois congressmen, or to invade the holy precincts of bourgeois political conventions is sufficient cause for the ruling class to view with alarm the state of the nation.

I am not interested right now in the policies of the CIO-PAC. That will come later. We are in disagreement with their theory and practice. What I am emphasizing now is the mere fact that even the threat of political action by the proletariat has caused mild hysteria among the bourgeoisie. Dies, of poll-tax infamy, learning of the PAC campaign fund and the intention of the CIO politicians to invade his district, decides not to run. "Rampant un-Americanism" and any and all "subversive activities" are forgotten as the great man prepares to spend the rest of his days in autobiographical pursuits. How many congressmen would have chosen not to run, how many who did run would have been defeated if labor had been in the fight with a party and ticket of its own? That's what the bourgeois understands and that or worse is what he fears in the days to come. He knows that political action is the road to power. He is fully aware from centuries of experience that politics and political organization have practical aims and a practical goal: the acquisition of political, economic and social power by a class and the wielding of that power in the interest of a class. It is the irreconcilable and irrevocable determination of the bourgeois so to distort the mind of the working class that it never get a vision of that Promised Land.

### **The Class-Conscious Bourgeoisie**

The bourgeoisie must attempt to hold the proletariat completely inside the bastion of the bourgeois way of life because for it this is the only safe course. It fears that if it give an inch

the workers will take an ell. The bourgeoisie takes itself very seriously. It is very solemn about its claims that it, and it alone, is the anointed one, chosen to decide all political, economic and social questions for the country and the world. It must impress this on the people, including the proletariat and the middle class. It succeeds in part by being solemn or by simulating solemnity and seriousness. The bourgeois never laughs at himself or indulges in raillery at his own expense. His errors and blunders may have ludicrous aspects: he may prove himself a first-rate dolt in the operation of the country's industry or an irredeemable nincompoop in affairs of government in so far as these activities relate to the welfare of the masses of the people, but this does not deter the bourgeois from perennial affirmation of his right to own, manage and control the economy, as well as operate the state and the government.

The bourgeois knows one thing well. He knows what his class interests are and how to protect them. He may be an ass, yesterday, today or tomorrow, but he knows that so long as he can maintain the organizational, political and social integrity or unity of his class on important matters and at the same time impregnate the proletariat with the belief that the working class is incompetent and impotent, he and his class are safe.

The ruling class puts forth the claim, in one form or another, that it has the right to rule, to govern; to own, manage and control. At one time the method is blandishment and wooing of the working class, at another chicanery and conspiracy, at another use of the police power of the state, and force. The claims of the bourgeois can be made to look very impressive because his class has had an appreciable degree of success, and success can be glorified and sanctified. To aid in the process of sanctification, the bourgeois may call on the petty bourgeoisie and particularly on the educators, publicists and religious leaders. The educators provide the young and the old with judiciously selected excerpts from our past history, placing a halo on the heads of the founding fathers and emphasizing with what extreme rectitude our great men have always followed the path of democracy and fought the battle of the common people. The preachers, rabbis and priests, from their high and holy station, have played their rôle also in the glorification of the bourgeoisie and the capitalist social order. One of the chief functions of the religious leaders has been, and is today, the blessing of the armed forces, the preparation of the mortally wounded for heaven and the call on the god of battles for victory over the enemy.

As I have already indicated, the bourgeoisie is especially insistent in its determination to wield the political power. In capitalist society this is where he moves and lives and has his being. The first aim of the bourgeois who understands, that is, the enlightened bourgeois, is to obscure and conceal the real situation. In the first place, he will never admit that political power has any class meaning or content. According to him and his apologists, whereas there may be economic classes, the fact of the existence of such classes has or should have no connection with the nature of the state and the rôle of the government. As a rule, when the bourgeois talks about "the classes and the masses," he is speaking in terms only of those who have money or wealth and those who do not. He attempts to make it appear that the main difference in this connection is the difference between those who have some money or wealth and those who do not. This he explains by differences of fortune or misfortune, of frugality or profligacy, of ability or the lack of ability. The embarrassing matter of inheritance is

taken care of by leaving a few dollars to the butler and cook, a few thousands to a favorite charity and by designating several millions for the establishment of a "foundation."

### **Political Action and Social Power**

One of the aims of the bourgeois is to conceal the fact that political, social and economic power are in the hands of a small minority. Any move on the part of the proletariat to achieve political power is resented by the bourgeois because he knows that political power is indissolubly related to social and economic power. This problem of the transfer of power is very acute with the ruling class in these days of bourgeois impotency, flowing from the decline of capitalism, the harassments in connection with the maintenance of the world market, real or fancied encroachments of the New Deal bureaucracy, the breaching of bourgeois democracy by fascism and the clamor of the proletariat for easier conditions of existence.

To say that no step yet taken by the proletariat is really a step in the direction of political power concretely is beside the point. Every glance by the workers toward political action is examined by the ruling class and all its big propaganda and agitational guns are brought into action. The leaders of the ruling class know that a little learning by the proletariat is a dangerous thing, that even a sip of the Emyrean springs of political activity may result in progressively increasing demands for a larger place in the sun.

Implicit in this demand today is at least some elementary knowledge of the fact that the government is not or should not be a neutral body sitting above capital and labor and impartially adjudicating the disputes which arise between contending classes or groups. The proletariat has seen the intervention of the New Deal government: first, in the early days of its ascendancy and later during the Second Imperialist World War. In the minds of the most progressive and militant workers the demand for labor's participation in the government was not prompted by any conscious class collaboration concepts but was a simple effort to push the government in the direction of partiality toward labor. In a very elementary way we are witnessing for the first time in the United States an awakening of the proletariat to the real rôle and function of government in a class society.

The bourgeoisie understand also that any beginnings toward political action by the proletariat contain springs of action leading to the use of the government by the working class for the same purposes for which government is used by the bourgeoisie: the protection of a class and the promotion of its welfare. With the advance of the political thinking of the masses the certain result would be use of the government by the proletariat to control property and the rights of property. Such development would expose and lay bare the basic evil of bourgeois democracy in its political aspects: the fact that under the cloak of capitalist democracy the capitalist ruling class exercises a dictatorship over society. As its eyes were opened, the proletariat would surely become incensed at the spectacle of a dictatorship exercised by a small minority, not by virtue of service to society but solely through a monopoly of social and economic power, and the protection of that power by the capitalist state and bourgeois government.

### **The Function of the State**

It is true that these things are only vaguely understood by the proletariat today. It is for that reason that the trade union bureaucracy is successful in pursuing its class collaboration



and class peace policies. The proletariat has not adequately grasped the concepts of class, state, government, bourgeois democracy and the general notion of capitalist society. This deficiency is the source of the objective acceptance of class collaboration by the working class. The ruling class understands these ideas and notions. The bourgeois or his professional ideologists know that historically it has been the practice of each class seeking living space and the opportunity to develop its interests and protect itself, to transform the old society into a social form suitable for the class aims it had in view. The crowning achievement of the bourgeois in the field of political theory and action is the bourgeois or capitalist state. This is the permanent and basic political organization of the bourgeoisie. Its main function is to give legal sanction to bourgeois private property and to protect the bourgeoisie in the possession of private property. It is not only what might be called tangible or concrete property such as land, buildings, machines, tools, transport and communication equipment and raw materials, that the bourgeoisie holds and owns under state sanction and protection. The bourgeoisie also claims and is awarded other less tangible rights: patent rights, the protection of business good will and above all the right to make contracts and to have those contracts enforced by the state. In this connection the bourgeoisie is quick to demand that the worker shall have the right to choose freely who his employer shall be and freedom to join or not to join a union. That is, the bourgeois demands that the worker shall be free to enter into a contract with an employer of his own choosing and free to join or not to join a union. In neither instance, the bourgeois insists, must there be any coercion. According to the protagonists of the "system of free enterprise" with its "free workers," the laborer should have the right to sell his labor power or to withhold it. By the same token, and in a "free democracy," according to the bourgeois, the worker should be free to join a union or not to join.

The ruling class, however, is not so "liberal" in its ideas about political action and organization by the proletariat. In the course of the decades this class has come to accept, grudgingly, it is true, economic organizations of the working class. For reasons which we do not need to go into here they agree on the whole that capitalism can live side by side with the unions. But when workers begin moving toward political organization and action as a class, that is going too far. The capitalist has no objection to being barred from membership in the workers' economic organizations, but he will fight bitterly, and in the name of "democracy," "Americanism" and "justice," against being barred from the workers' political organization. I do not mean by this that Morgan, Mellon, du Pont, Roosevelt or Dewey in person would make application for membership in a workers' party. Probably not; but they send their representatives. These may be an obscure or prominent "liberal" congressman, a college professor, a small business man, a minor government official or a junior executive in a big business or bank. These "friends of labor" are always bearers of the ideas and notions of the bourgeoisie. Their rôle is to head off any real independent political direction of labor and to keep the proletarian political organization inside the framework of bourgeois politics and the bourgeois parties.

### **The Main Aim of Political Action**

To be sure, the ruling class also wants its ideas and notions to prevail in the workers' economic organizations. It schemes and conspires in all manner of ways to accomplish this. This has been dealt with in previous articles. But there is an ex-

tremely important difference that must be emphasized over and over. That is the fact that political organization and action has a significance far beyond that of trade union action. All political organization and action has or should have one main practical aim: to take control of the government, to transform the existing state, to achieve social power for the class which the particular political organization represents.

In the capitalist countries where the bourgeoisie already has the social power, the function of the bourgeois parties is to protect the ruling class in the retention of power. A working class organized politically would inevitably be forced into a political struggle with the bourgeoisie. The sacred property rights of the ruling class would be placed in jeopardy, the dictatorship of the bourgeoisie would be revealed and the economic base of that social power and dictatorship would be exposed. Furthermore, in the course of political struggle the proletariat would learn another important lesson which the bourgeois has hidden beneath the whole mass of bourgeois-democratic mythology. That is the pregnant lesson that never in history has social power been achieved by exercising the franchise. On occasion, it has been the case that it proved impossible even to hold social power by the use of the ballot. On these occasions other means are resorted to.

The ruling class, of course, attempts at first to retain its power and rule by use of that fiction that since each adult has only one vote, rich and poor alike, and since the rich are in the minority, it is possible for the masses of the people to get the kind of government they want by use of the franchise. There is no need therefore for the proletariat to separate itself apart and form its own political organization. If labor is displeased with Wilson it can switch to Harding. When Harding dies the saintly Coolidge emerges from coma. When Coolidge chooses not to run, and if labor's aesthetic sense is jarred by the thought of grass growing in the streets, they may reject Smith and vote for Hoover. Should Hoover not keep his promise to provide a chicken for every pot and a car in every garage, they may try Roosevelt and the New Deal. And when the New Deal fails and the whole world becomes a vast shroud in the midst of the Second Imperialist World War, the proletariat, according to the bourgeois, still has no need for class political action and organization. Why? Because the Democratic Party is not the only political party in the country. Thanks to the "political genius of the Founding Fathers," "the American Way of Life," "our system of free enterprise" and the "Four Freedoms," there is another choice: the Republican Party and Dewey.

### **The Sacred "Two-Party System"**

The bourgeoisie is very zealous of the "two-party system" in the United States. Not only is it violently opposed to what it calls the "one-party system of Russia and Germany," it is also against three parties or four parties. There must be precisely two parties, no more, no less.

The position of the ruling class in this matter is somewhat similar to that of the old English bourgeois blatherskite on the Church of England: "When I say religion I mean Christianity. When I say Christianity I mean protestantism. When I say protestantism I mean the Church of England."

A disgusting and extremely reactionary illustration of this attitude by the bourgeoisie appeared in a recent *New York Times* editorial, from which I quote: "One great error which the Italian and German democracies shared in common was proportional representation. . . . Its fatal defect, as exemplified in Italy and Germany, was that it shattered the electorate



and the legislature into a multitude of parties and factions of bitter extremists who would have had no real chance of getting into power under the majority-voting system and the two-party system."

The actual meaning of what transpires in bourgeois society is not apparent to the proletariat. Hence labor is enticed into class collaboration, enmeshed in a process of tail-ending and the masses are forced into a state of political subservience, non-resistance and humility. The main reason is not the lack of militancy but of political and theoretical enlightenment. The militancy of labor remains on the crudest bread-and-better level. No appreciable portion of the proletariat has yet grasped the distinction between social power, with the accompanying political ascendancy based on the ownership of property, wealth and the instruments of production, and formal or juridical political rights. Labor remains tied to the myth disseminated by bourgeois propagandists that one man is politically equal to another in the United States because no man has more than one vote. Certain outstanding aspects of this rather empty platitude might prove a stimulus to the thinking of the working class. For instance, it is rather interesting that any number of the bourgeoisie never bother to register and vote. It is an open secret that in city after city the heaviest per cent voting takes place in the wards bordering on the river, across the railroad tracks and in the neighborhood of the factories. It is of some significance that the bourgeoisie is quite willing to grant the proletariat and petty bourgeoisie a virtual monopoly attendance at the polls on election days. Furthermore, it might be well for the working class to stop and ponder the fact that the result of this exercise of "political equality" is state legislatures, city councils and a national Congress composed overwhelmingly of persons from the bourgeoisie and the upper petty bourgeoisie. The proletariat votes, but, unlike the king, the bourgeoisie both reigns and rules.

### **The State and the Government**

Secondly, the proletariat has not yet grasped the distinction to be made between "the state" and "the government." Herein, at least in part, lies the confusion which makes it possible for the bourgeoisie to go on and on with the myth of equality and non-class democracy.

I have already explained how the state exists for the protection of the ruling class and its economic interests. It is not necessary that the political organizations of the ruling class be identical in every capitalist country nor the same in one country from period to period. It is sufficient that they conform to the requirements of the bourgeoisie in any country and at any period, that such organizations be and remain in consonance with bourgeois class and property relations and the peculiar state form established by the bourgeoisie to protect and perpetuate those class and property relations.

The government is not the state. The government is the given administrative set-up. It is the function of the bourgeois government to maintain the economic status quo, to protect the social power of the bourgeoisie and to guarantee the existing class and property relations. The government achieves this end through the constitution of the country, through laws and administrative orders. What must be emphasized is that the constitution, the laws, statutes and orders follow a certain pattern. They define and delineate the nature of the state and are always compatible with the foundation principles of the state; particularly those foundation stones supporting the property and class relations.

Therefore what we call "the government" may be changed

but the class and property relations remain unchanged; that is, there is no change in the nature of the existing state. Because they confuse the two or because they do not understand the difference, the proletariat seeks to resolve the economic, social and political difficulties with which it is faced by a mere change in the management. The bourgeoisie, of course, encourages this confusion and misunderstanding. This is the objective today of the defense and maintenance of the "two-party system." The capitalist state with its class base, with its roots in the dominance of the bourgeoisie, with its instruments of class oppression, is screened by a political organizational front composed of two parties; both bourgeois in theory and practice. A shift from one of those parties to the other is therefore only a change in the administrators. The old-fashioned historians were theoretically correct objectively when they headed the chapters of their school histories: "The Administration of William McKinley," or whoever it happened to be.

In times of social stress and strain it is not unusual for the bourgeoisie to consent to the participation of labor in the management and administration of the state. This is exemplified in England today and to a lesser degree in the United States. Labor has its representatives on some government boards, and there is a demand for a Secretary of Labor from the trade union movement. Willkie went to far as to suggest that labor be represented in all phases of government, even in fiscal affairs. These efforts always fall far short of what labor and the liberals have in mind and result in the rankest and crudest class collaboration. This is inevitable for the reason that in such instances the proletariat is attempting to manage without owning, without social power.

### **Capturing the Primaries**

This helps explain the futility of workers trying from time to time to capture the Republican or Democratic Parties, or to win out in some Republican or Democratic primaries, or to force the endorsement of certain people known as "labor's candidate." Suppose labor did "capture" one of the bourgeois parties, or a bourgeois primary, or force the election of labor's candidates. Nothing would be gained unless the candidates were from the ranks of labor and committed to a program formulated by labor and based on the class needs of the proletariat. But neither of the bourgeois parties will endorse such a "labor candidate." That candidate would be a class enemy of the ruling class, and the bourgeoisie does not take its class enemies to its bosom. The bourgeoisie is extremely cautious and class-conscious. It will not even trust any and every defender of capitalism, as was clear in the rejection of Wallace.

Talk of capturing a bourgeois party or primary is to begin a campaign of storm and fury that could only result in labor capturing itself, if anything. The bourgeoisie can withdraw and form another party. And then labor would have to act independently or follow the bourgeois "splitters." The bourgeoisie does not wait to have its political organizations "captured" by the proletariat. Whenever the working class shows evidence of any influence whatsoever in bourgeois parties, the most hardened among the ruling class begin the formation of new and more orthodox alignments. They campaign against those in their midst who have become too friendly with labor, they ignore their past utterances on the "two-party system" and form blocs cutting across the artificial dividing lines between the two parties. The reason that the bourgeois can and does deport himself in this manner has already been eluci-

dated: the Republican and Democratic Parties are the political instruments of a class. They cannot serve the interests of a class. They cannot serve the interests of the proletariat, which is an alien class to the bourgeoisie. The proletariat cannot be admitted to citizenship in the bourgeois parties. To make such a demand is to attempt to exact from the ruling class social, political and economic equality which can only be the reward of that class which has social power. To demand equality from the bourgeois government is to demand that such a government forsake its class base and its class allegiance. For the proletariat, the little propertyless people, to

stand before the capitalist state, before the men of property and power, and demand a place in the sun, is to demand a transformation of that state by the class which can profit only from the status quo.

This sets a real challenge before the proletariat; the challenge to organize politically, independently, with class-conscious clarity and militancy. I shall resume this series of articles in the next *NEW INTERNATIONAL* with a discussion of the more concrete aspects of the question. The last article will deal with an international program for labor.

DAVID COOLIDGE.

# The French Rats and the Sinking Ship

## A Grave-Digger Indicts His Fellows

### I—Pertinax Remembers Everything

In *The Grave-Diggers of France*, Pertinax holds up Gamelin, Daladier, Reynaud, Pétain and Laval as the men who ruined the Third French Republic. The author is André Géraud, who for nearly thirty years wrote for the *Echo de Paris*, a journal of the Right. In an international situation going to pieces he stood firm for the Anglo-French and, later, the Russian alliance. But this was the foreign policy of the Popular Front, and of liberalism all over Europe. Thus this journalist of the Right became the oracle of the Left. In 1938 the *Echo de Paris* could stand his outspokenness no longer and he started a weekly journal of his own with the leftist title, *L'Europe Nouvelle*, New Europe.

Today, an exile in America, he tells all. He writes from the inside with the knowledge of incident and personality possible only to the active contemporary. His thesis is that "The impact of socialism on the Republic unsettled, from one end of the community to the other, the propertied classes, both those long established and those of recent date." On this he builds his whole intricate structure. He is deeply moved at the collapse and humiliation of his country, but feels that if the political line he advocated had been followed, the catastrophe would never have taken place. Thus strongly based, from a political and moral point of view, this closely-packed book moves with a gathering impetus and cumulative power which is tremendous. And when at the end Pertinax says that what is needed now is a break with the past as clean as was the break of 1789, he appears as the avenging enemy of the old society and the harbinger of a new.

Yet this book is poison, deadly poison. It is no mere historical narrative. It is a political manifesto. "French affairs," he says, "call for decisions which can hardly be more than a gamble if arrived at in ignorance of our country's vicissitudes all through the recent years." While his analysis is clear, his policy is implicit. Neither can be ignored. This is the kind of book that not only relates but makes history. As usual, we shall deal first with the author on his own ground, then later we shall take up his program and the hatred of Marxism which even his disciplined pen cannot totally disguise.

### The Military Debacle

Pertinax insists upon an examination of the Battle of France. Rightly so. That was the most striking manifestation

of the essential crisis of French bourgeois society. And this being so, the France which is emerging will at every stage bear upon it the stamp and effects of the military débâcle.

Heavy as a bomb-load come down his strictures on Gamelin, Pétain and Weygand for what he calls "their futile defensive doctrine." But Pertinax does not merely flog a dead horse. He seeks to establish that the catastrophic nature of the French collapse was not due to lack of air power and tanks. *With the material on hand, poor as it was, different generals could have done differently.* The point is not academic.

The French Maginot Line ended at Montmédy. Any newspaper today can supply a map, but for our purposes let the reader draw a line across a piece of paper and at the center of this line another line perpendicular to it. He will thus have a large T upside down. It is rough but it will do. The center of the T is Montmédy. The line to the right is the Maginot Line. To the left of Montmédy, a very few miles away is Sedan. And to the left of Sedan is a loosely fortified line, "Little Maginot," running to the sea. The Germans broke through at Sedan, attacking down the perpendicular line, which was their left wing. A blind man can see even on this rough map\* that their flank was open to the most devastating counter-offensive from the scores of thousands of men inside the Maginot Line. Pertinax shows that the Germans were aware of this and trembled for the success of their enterprise. But no attack was ever made. Pertinax says bitterly that at no previous time in French military history, except perhaps in 1870, would French commanders have missed such an opportunity. Few could disagree. He shows how stupidly Gamelin misconceived the new application of the Schlieffen Plan but, more important, shows repeatedly that the tactical errors were the consequence of pinning the French strategy down in the steel and concrete of the Maginot Line.

The second stage is when Weygand took over from Gamelin. Weygand, he says, should have drawn all the soldiers out of the Maginot Line, abandoned Paris, and swung his forces into the West. From there he could have fought delaying actions and got off a large portion of his army, à la Dunkerque, to Britain, to fight again, instead of rotting in German prisons.

Again this is not wisdom after the event. Weygand and his chief of staff, General Georges, actually discussed this plan

\*On the actual map the German position is worse, for the line of attack sloped from east to west.

before Weygand began operations. They turned it down. Why they did this, we shall see soon. The military consequences we know. The political consequences Pertinax does not draw. We shall draw them for him. *The French bourgeois army was destroyed*. Thus de Gaulle has to start almost from the beginning. That is why in his first days in Paris he called on Eisenhower to march American troops through the streets in order to show the triumphant FFI that force existed somewhere.

From the battlefields Pertinax then builds up his case against those who prepared France for battle. French rearmament lay largely on paper. The criminal strategy and tactics on the battlefield were merely the climax of the ever-deepening social crisis and the paralysis it caused. On this paralysis the ignorance, incompetence and stupidity of Pétain, Weygand and Gamelin flourished. Of Gamelin, Pertinax concludes that if he could not get his way in preparing France for war, he should have resigned so as to warn the country; Gamelin therefore was a man of weak character. Here endeth the first lesson and the first grave-digger is buried.

But at this point we Marxists, while accepting this,\* must interrupt. Not so fast, my friend. What were you doing when all this was going on? Granted that you were no military man, you could have seen the social crisis which produced the bad preparations, the false strategy and the military defeat. What did you do about that?

Not only did the Pertinaxes and the de Gaulles see it. They sat and watched while the highest military men in France laid the foundations of fascism and capitulation to Germany. As far back as 1934 Weygand, then Commander-in-Chief, told Pétain, then Minister of War, that in case of defeat Pétain could become the Hindenburg of France. What a pair of leaders! This, if you please, is in Pertinax's diary under date of November 4, 1934. Weygand, we are told, had a "burning aversion for the Left, the socialists, the Free Masons, democracy, parliamentary institutions, which became a frenzy after his retirement in January, 1935." Pétain, in turn, "was cut to the heart by that fear of a social upheaval which in so many a conservative had silenced every feeling of patriotism." Obviously these chiefs believed in the Leninist doctrine that the main enemy was at home.

Pertinax now says that these two "are effects far more than they are causes. They served as a blind for counter-revolutionary forces long held in check by the great majority of Frenchmen and . . . put in a position of dominance by military defeat."

See how an uneasy conscience causes him to slip into superficiality. The military defeat did not fall from the sky. These men and their followers caused it. Pertinax's whole analysis of the military question has no sense unless this is the lesson to be drawn. And as for Laval! Here in rich detail are his fascist plots against the Republic at home and abroad. Pertinax knew it all.

On October 27, 1935, Laval, then Prime Minister, outlined his "anti-capitalist" party. "The men of the Left," said Laval, "have never laid a finger on the insurance companies, the trusts, the power monopoly. . . . The various direct action groups include a number of anti-capitalist elements. From among these a party could be recruited. And that is my party. The platform would be simple; internally a few steps taken against the plutocrats, externally a Franco-German rapprochement." This conversation, says Pertinax, was repeated to me

\*We said much the same ourselves. See particularly, *The New International*, July, 1940.

a few minutes after it had taken place (page 423). So today a few hours after the destruction of the Republic, he reports this conversation and similar ones to us. We are not very grateful. Pertinax, after all, was no mere commentator. He was, in his own way, extremely active in politics. Take the following incident: M. Simond, editor of the *Echo de Paris*, complained that, contrary to Pertinax's information, Weygand denied that he supported the Franco-Russian pact of 1935. "By way of reply I invited to luncheon M. Simond, Weygand and his wife, M. Titulescu and two other friends. At my request Titulescu put the question to the general: 'When M. Barthou bluntly informed me that we all must get nearer to Russia . . . I asked you whether the innovation was necessary . . . you replied 'It is necessary.' Is that a fair account of what took place?'"

"Weygand . . . was on the spot. Reluctantly he mumbled 'Yes.' . . ." Titulescu was the Rumanian statesman. Thus Pertinax was part and parcel of the men who ruled and led the corruption which was the Third Republic. If Gamelin was a grave-digger of no character, what about Pertinax himself? He says that de Gaulle in 1934 came to his house to dinner and argued hotly against a representative of the defensive doctrine of the French general staff. This argument Pertinax and his wife found "exceedingly unpleasant to listen to." We hope it will be equally unpleasant for the French masses to read it at this late hour.

But let us grant that he was no military man and that it took Sedan to expose the military weakness. Pertinax's direct responsibility is still enormous. The military weakness had social causes. They were known. In 1931, Pétain, the hero of Verdun, was thoroughly exposed for the fraud that he was in a book which was ignored by reviewers and disappeared so quickly from the book shops that its effect was as if it had never appeared. Foch, says Pertinax, had many times told him the truth about Pétain, and Foch died in 1929. *Why didn't Pertinax and all those who knew speak?* Of Weygand's bare-faced lie he says: "If . . . I had dared to throw that lie in the teeth of one of our great army leaders, the *Echo de Paris* would have been shaken to its depths." Pardon me, my friend. That is not the truth at all. What you mean is that "if you had dared" French bourgeois society would have been shaken. There is no need to accuse Pertinax of any personal dishonesty. The dishonesty was social. He and all his tribe conspired to keep the truth from the great masses of the people. According to their bourgeois logic, the crimes and incompetences of the great military leaders had to be hushed up. To have entered upon a task of fearless exposure would have created "panic." It would help the enemy. So the exposure, such as it was, remained enclosed within the limits of hypocrisy and dishonesty organic to bourgeois society. Pétain's World War I reputation was a fake.\*\* From 1935 he made propoganda everywhere for the pro-German, pro-fascist Laval. Who exposed him? To jump on the bandwagon now with a dramatic "J'accuse" does not exculpate the accuser. Pertinax is here a symbol. All who happened to have politically or otherwise opposed Laval, Weygand and Pétain, all who refused to accept Vichy, will use this as a passport by which they will seek status in post-Vichy France. The French masses should turn to them a face of steel and the more devastating their indictments, the more

\*The story got out, however.

\*\*The strategic decisions of Verdun were not his. On all critical occasions he was pessimistic to the point of defeatism. Clemenceau and Foch had to speak to him in a way that a commanding officer was never before addressed in public.

unflinching should be the rejection of those who knew so much and said so little.

### The Democrats of France

Pertinax is a symbol of the democratic "anti-fascists," Daladier, Reynaud and Blum. Daladier knew both Weygand and Gamelin well. As Prime Minister he protected them. He appointed Pétain ambassador to Franco Spain. In the face of the German danger, he kept proved friends of Laval in his cabinet (page 114). According to Pertinax, Daladier allowed the conservative groups "unbridled license" to undermine the national unity. Marcel Déat of Vichy fame, who signed a manifesto urging soldiers to desert from the army, went free. Rather than give up his personal power, Daladier preferred to have people in his cabinet whom he himself more than once called "traitors" (page 151). In the end his colleagues threw him out and he went into the Foreign Office and would not do any work—said he wanted to go home to the country.

This was the miserable scoundrel who had more power than any man in France between 1930 and 1940. All of them had their personal and political enmities. But all of them, Radical-Socialists and Social-Democrats, were one clique, consorting with proved fascists, appointing them to the highest and most responsible posts, united with them in the exploitation, suppression and deception of the great masses of the French people. Yet when the French Trotskyists said that they were the main enemy, these bourgeois politicians had the audacity to call them "unpatriotic" and "pro-German" and put them into jail.

Reynaud was no party man. For years he said what he thought and attacked his opponents regardless of consequences. But Reynaud, this great democrat, had a mistress, Madame de Portes. That is not important. What is important is that this woman had the ideas of Pétain and she and her friends saw Reynaud as the one who could at a suitable opportunity introduce into France—none could guess—the "New Order." Thus the "New Order" was represented in the bedroom of the French Prime Minister, symbolical of the intimate relation between fascism and bourgeois democracy. To quote Pertinax, she had the whole night to undo what Reynaud's democratic friends had done in the day.

She usually succeeded. Reynaud wished to appoint as Secretary of the War Committee de Gaulle, who had been his military adviser for many years and understood the strength of the German army and the weakness of the French. Madame de Portes blocked the appointment and Daladier too prevented it for his own factional reasons. But this must not blind us to the personal and political tie-up. De Gaulle, Reynaud's man, was Pétain's nephew. Blum, the socialist, was supporting Reynaud after having collaborated with and supported Daladier. Blum deferred humbly to Pétain at the War Council, but though he distrusted Gamelin's military capacity did not dare to dismiss him. Reynaud, however, wanted to dismiss Gamelin. But he could think of no one to appoint for the whole French higher command was a mess. Then came the catastrophe of the break-through on May 10. France started up in alarm. Like Daladier, Gamelin collapsed personally and Reynaud appointed as commander-in-chief—Weygand. Then, to give the masses confidence in his government he appointed as vice-chief of the cabinet—Pétain. The people would take courage from the association of the great days of 1916 and 1918 with the name of Pétain—Pétain, commander-in-chief of the counter-revolution, whose ignorance, incompetence and defeatism had been unexposed by Pertinax and his fellow-

journalists. Now we can see why Weygand could not take the bold strategic steps necessary when he succeeded Gamelin. Instead (beginning with defeat in his head and Pétain as a prospective Hindenburg) he displayed the most shocking incompetence and then appeared at Reynaud's cabinet to call for an armistice. "I do not want France to run into the danger of falling into the anarchy which follows military defeat." Little local governments would be set up "after the Soviet model." Reynaud had to be quick because "were disorders to spread throughout the army and the population, he (Weygand) would consider the usefulness of the armistice as being already lost. Then the harm would have been done" (page 263). Pétain sat nodding his head in agreement. In 1870 the miserable Bazaine surrendered at Metz and then asked the Germans for permission to "save France from herself." No wonder they fought so badly in 1870 and in 1940.

Reynaud at first refused to agree. Pertinax keeps on insisting that a large majority of the cabinet was in favor of continuing the struggle. He misreads the historical logic of the social movement. The fact is that Reynaud, like the woman in Byron, while protesting that he would ne'er consent, consented. It was proposed to carry the government to North Africa and carry on from there. Reynaud agreed. Instead, this friend of Britain broke the alliance with Britain. Finally he resigned and Pétain took over. Blum and the others were all for resistance to the end. But Blum trusted Reynaud. Reynaud trusted Weygand. Weygand trusted Pétain. Pétain firmly believed that France needed Laval. And Laval thought that France needed Hitler.

On July 12, when Laval formally abolished French bourgeois democracy, Reynaud completed his evolution by asking the Socialists in his cabinet to support Pétain and Laval. At this meeting Blum voted against, but did not dare to defend himself (page 471). Herriot did not even vote against. Of 850 legislators, 569 supported Laval.

As could have been foreseen, the arrests began a few months later. Daladier, Gamelin and Blum were among those arrested and at the Riom Trials they were to make fine and courageous speeches against Pétain, Weygand and Laval, speeches as good in their way as this book by Pertinax. But that does not prevent them from being among the deepest diggers of the grave of France. If Pertinax's guilt is not as great as theirs it is because his pen was not as mighty a spade as the swords which these others wielded.

Thus is democracy in crisis defended by bourgeois democrats. Let us conclude this section with a warning to the organized labor movement in the United States. Your Wallaces and your Willkies, your "progressives" and "sincere men" and "friends of labor" are bourgeois politicians, tied with a thousand threads to the bourgeois capitalist structure. Whenever they face a serious crisis, somehow or other, through "extraordinary powers" to Congress or Parliament, through the cabinet council, through giving the army power to keep order, through the bedroom, through sheer moral weakness, they either hand over the power to reaction or abandon it altogether. That is why the fierce fury of Pertinax against Vichy does not excite us very much. He and Daladier, Reynaud, Blum and de Gaulle all helped to put Vichy where it was. All the democratic supporters of Bonomi in Italy and of de Gaulle in France are busy at the same game today. This is an old, old story, as old as the republics of Greece and Rome.

### Historical Digression

Yet before we leave this extraordinarily powerful denun-

ciation we have to point out the great attraction this book will have for many French people on the whole and French intellectuals in particular. Like Pertinax, the intellectuals have been driven by the cataclysm to recognize that the ruin of France was not accidental. They have rendered splendid service in the underground and they recognize the necessity for drastic change. Apart from the gripping story he tells, Pertinax shows real feeling for French history and repeated flashes of insight and illumination, anti-Marxist though he is. Like all French intellectuals, he is proud of the French intellectual tradition, which he considers the finest European flower of the Graeco-Roman culture. His book is no theoretical mish-mash, as is the pseudo-Marxism of people like Hook and Laski. He himself is a product and uses the style of the best that remains of French classicism. This makes his political tendencies infinitely more mischievous. He is a skillful and subtle propagandist and we propose for a brief moment to challenge him here.

Hard-headed and practical as he is, he uses with telling effect familiar references to Catiline, Varus, Juvenal, driving home his points in terms well suited to his French readers. The climax of his book is the story of Terentius Varro, who had been routed at Cannae, "which Schleiffen considered a model of the victory of extermination" (see how cleverly he sets his case). But when Varro came home "factional strife" subsided. The citizens thanked him for "not having despaired of the Republic." Pertinax goes on: "How the antique phrase, stammered out by generations of schoolboys, takes on new life when applied to the French counter-revolutionaries! "Reverse every detail of this picture and you have Pétain's story." And there he ends his long narrative.

This, for France, steeped in the classical tradition, is wonderful propaganda. De Gaulle obviously did not despair of the Republic; French factions should rally behind him. But even in such limited space as we have, Pertinax will not get away with that. There is a much more important Roman parallel which applies not to de Gaulle only but to Pertinax himself, illuminates their past and predicts their future. It is worth relating.

Cicero in 63 B. C. was consul of Rome. He was (we quote only from the staid anti-Marxist *Britannica*) "leader of the Italian middle class." He represented their "antipathy alike to socialistic schemes and to aristocratic exclusiveness." Catiline and Caesar were aiming at dictatorial power and bidding for the support of the masses in true "fascist" fashion. Cicero, like Blum and Daladier, allowed Catiline the utmost license to carry out his plots against the republic. Space, alas, forbids us to quote from one astonishing speech in which he explains to the obviously angry Roman people why he took no stern measures against Catiline. However, Catiline fled from Rome. He was defeated and, despite the protest of Caesar, his friends were executed. Disorder continues and Cicero is exiled. Pompey, the soldier, has military power, but Cicero is recalled to restore the republic. In the face of growing confusion "even strict constitutionalists like Cicero talked of the necessity of investing Pompey with some extraordinary powers for the preservation of order." Pathetic, isn't it? Caesar destroys Pompey, establishes the dictatorship but is murdered. Once more the Romans call on Cicero to restore the republic. Cicero's new policy "was to make use of Octavian, whose name was all-powerful with the veterans, until new legions had been raised which would follow the republican commanders." Nothing ever teaches these people. Cicero in the end is murdered by Octavian, who finally abolishes the Roman Republic.

History is littered with the bones of the Ciceros and their modern counterparts. We have to add for Pertinax's benefit that Cicero's orations against Catiline have justly been famous as masterpieces of denunciation. It seems the denunciators are the best grave-diggers. *For Pertinax in this book advocates a dictatorship for General de Gaulle in order to cleanse France of fascism and strengthen republican institutions* (page 585). Our modern Cicero once more turns to the military dictator to save the republic. We repeat: these people never learn.

## II—Pertinax Learns Nothing

When France was in danger, Pertinax's crime was, by commission and omission, to have shielded the enemies of the Republic. Today, like a duck in water, he is doing the same thing all over again. Today United States imperialism is the enemy of French liberty. Pertinax finds excuses for the long American flirtation with Vichy and Weygand (pages 535-7). And, crime of crimes, he tries to excuse Roosevelt's backing of Giraud. Backed by Roosevelt, Giraud set up in Algiers a régime of "white terror." Pertinax is ready with his excuse: it was due to military necessity. He admits that "de Gaulle... had practically to force a passage to North Africa through numberless obstacles." But even after D-Day, he writes, "... the Washington and London governments do not yet see more clearly than in 1942-43." So Roosevelt does not see clearly! Really, one can scarcely contain one's contempt. It is like reading *PM* and *The Post*. Once more this highly intelligent, well informed man, who is not without character, does not use his influence and reputation to tell the truth in plain, simple language to his countrymen and to the world.

This is the truth: Roosevelt wanted to use American arms to place on the necks of the French people *Giraud, a member of the same military gang which had ruined France*. In that crime Pertinax shares. The Bourbons had forgotten nothing and learned nothing. Pertinax is worse. He has remembered everything but learned nothing. And why? Because, like those bourgeois whom he condemns in words, he can see workers only as people who work in factories and must do as they are told.

In his Preface, he says that he wrote for a rightist paper for thirty years because he was "temperamentally repelled by abstract political theorizing" (page VI). By "abstract political theorizing" he means, of course, Marxism. So with him it is not property, but temperament. We accept. However, this temperament has been well protected. He does not attack socialism directly but misses no opportunity to dig at anything tinged, however faintly, with the ideas of Marx. Mandel, one of his heroes, is repelled by the men of the Right, but "as for the men of the Left, ... he saw them unfailingly ruin everything they touched." When Frossard, a Marxist of twenty years before, joined Pétain, in 1942, Pertinax comments: "Still another Marxist converted to social conservatism!" See him then suddenly at the end of the book not only demand vengeance against the men who betrayed France but call for a break with the past as clean as 1789.

The German invasion, ebbing "back to its own boundaries... will nevertheless leave behind it a state of revolution. It has shaken men's ideas and their social conditions to the core." Here is a revolutionary! But experience has taught us to go carefully with these gentlemen. What exactly does he want a de Gaulle dictatorship for? Pertinax himself tells us that Washington distrusted de Gaulle because he talked of "a second revolution." Revolution today is revolution against the bourgeoisie. "The bourgeoisie," says Pertinax, "stands



condemned," but only "insofar as it cannot get away from its moral complexion during the last fifty years." So the bubble is blown. His strong, clear voice breaks down into stammering as soon as he touches the class question. The moral complexion of the bourgeoisie, my friend, is the reflection of the economic position of the bourgeoisie. If they feared socialism for fifty years they will still fear it, and will behave as before. Says Pertinax: "We can vaguely discern a new civilization in the making." Vaguely.

There is no vagueness about the new society. The first thing is that bourgeois property must be destroyed. That is the conclusion shouting from every page of this book. Pertinax's ears are deaf to it. What he discerns only vaguely, the bourgeoisie sees only too clearly. That is why it acts as it does. Pertinax pleads passionately for the punishment of the "gangs responsible for the defeat, the armistice and the policy of collaboration." Why? Because, unless this is done, "too many Frenchmen, however well meaning, may again be led astray by vested interests." So there will again be "vested interests"? But it is the "vested interests" whom you yourself said had been so unsettled by socialism that they led the country to disaster. One feels like laughing and turning away. Despite all the big words, there is really nothing to Pertinax. Let us address ourselves to those who may be caught in the trap of his masterly indictment. For, no less than he, we want to see France on her feet again.

### "Whither France?"

We, however, are unashamedly "abstract political theorists." Our abstract political theory taught us that the French bourgeoisie would abandon democracy for fascism and would seek, yesterday the German bourgeoisie, today the American bourgeoisie, to save it from the destruction of its "vested interests" by the French proletariat leading the nation. Abstract political theorizing taught us that French society, after 1934, faced either the fascist dictatorship or the rule of the workers. Abstract political theorizing taught us that the Radical-Socialists and the Social-Democrats would pretend to lead the people, only to betray them. Abstract political theorizing taught us that we must choose our side and work for it, our theory being but a guide to action. This, however, could be done only by breaking with bourgeois society in all its forms and mercilessly exposing to the people all the crimes, plots, evasions and falsifications of bourgeois society. This is *our* conception of political journalism. Abstract political theorizing taught us that when a "veritable popular revolution broke out on May 25" (page 367), the thing to do was to help these workers to continue their revolution to the conquest of power. Pertinax admits that the "revolution" was justified but blames Blum for not curbing the workers and sending them back to labor sixty hours a week in the war industries. It is a pity that Pertinax wasn't given the opportunity to try. Blum, Thorez and the Stalinists had work enough to prevent the revolution from succeeding.

Of the workers themselves, our abstract political theory taught us that they have been conditioned by their development under capitalist society to lead humanity to a new stage, to the socialist society. Bourgeois society today crushes them down. But we know the enormous power that lies in them. Not only brute power. All that is precious in France is now contained in them and in those intellectuals who see that France will rise again only as a workers' France. What in French history is so splendid as the manner in which the French workers mobilized themselves for the national defense

once they recognized that their rulers had betrayed and then deserted them? The ardor for liberty, the spontaneity, the sense of form, the historical consciousness, the wit, the mockery, the blend of sophistication and natural grace, all of which have endeared France to lovers of civilization the world over, these have never shone with more dazzling brilliance than in the crudely printed pages of the underground press, stained with the blood of French working men and women. France, "mother of laws and of civilization," lives and will live forever, but must purge herself of the corrupt and traitorous bourgeoisie. "France has never had a free and uncensored press until we of the underground made one under the German occupation." Let that inspired cry from a resistance leader ring in the ears of Pertinax and his brother worshippers of the "vested interests" until the workers establish above ground and in the light of day the free and uncensored press of a socialist France.

Pertinax has only contempt for the men of the Left and the Stalinists. We share it. They ruined France and will continue to drag her down. Why? Because today, as in 1936, like Blum, Daladier and Reynaud, they are pledged to the maintenance of bourgeois society. That way lies only further ruin and shame.

But there were others in France who not only theorized abstractly but worked in accordance with their theories. Their credo is embodied in a small volume entitled *Whither France*, written by Leon Trotsky. On page 18 this abstract theorizer says: "Only fools can think that the capitulation of Daladier or the treason of Herriot in the face of the worst reaction results from fortuitous temporary causes or from the lack of character in these two lamentable leaders." You see, learned journalist, there is something to be learned from abstract theorizing.

Of the Social-Democracy and the Stalinists turned traitors to the revolution, Trotsky writes: "All the Jouhaux, Blums, Cachins... are only phantoms." Phantoms they proved to be in the great crisis of France. Today they are as busy as Pertinax preparing the destruction of what the French masses are so laboriously trying to build up.

What, then, is to be done? We cannot end better than by repeating the advice of Trotsky as the French strikes of 1936 burst from out of the depths of the masses. (Take note of it, Messrs. French intellectuals in particular. You have experienced one reality—fascism. You didn't like it. You fought against it. Splendid. Now prepare yourselves for the second.) On June 9, Trotsky wrote:

"The revolutionary general staff cannot emerge from combinations at the top. The combat organization would not be identical with the party even if there were a mass revolutionary party in France, for the movement is incomparably broader than the party. The organization also cannot coincide with the trade unions for the unions embrace only an insignificant section of the class and are headed by an arch-reactionary bureaucracy. The new organization must correspond to the nature of the movement itself. It must reflect the struggling masses. It must express their growing will. This is a question of the direct representation of the revolutionary class. Here it is not necessary to invent new forms. Historical precedents exist. The industries and factories will elect their deputies who will meet to elaborate jointly plans of struggle and to provide the leadership. Nor is it necessary to invent the name for such an organization; it is the *Soviet of Workers Deputies*." (*Whither France*, page 154.)

And after that what will be the form of the new society



that Pertinax sees so vaguely? That struggle for power, gentlemen, is the birth-pang of the new society.

Only a week before, Trotsky had written of these Soviets or Committees of Action: "The Committees of Action cannot be at present anything but the committees of those strikers who are seizing the enterprises. From one industry to another, from one factory to the next, from one working class district to another, from city to city, the Committees of Action must establish a close bond with each other. They must meet in each city, in each productive group in their regions, in order

to end with a Congress of all the Committees of Action in France. This will be the new order which must take the place of the reigning anarchy" (pages 147-8).

Does anarchy reign? None denies it. Hitler's New Order has been rejected. A Soviet France—that is the new order for which the country waits. This is the way it will be achieved. That is the only break which will be as clean as 1789. Recent events have shown that the French masses of today are of the same build their fathers were. Soon may they see the Soviet road!

J. R. JOHNSON.

# The Anti-Marxian Offensive

## On Some New Critics of Scientific Socialism

The trouble with most folks is not so much their ignorance as their knowing so many things which ain't so.

—Josh Billings.

### I—MOTIVATION

For the past year or so our pragmatist-rationalist group of intellectuals (Dewey, Hook, Kallen, Nagel and Ratner) has created quite a discussion by attacking the traditionalist-Neo-Thomists (Maritain, Hocking, Sorokin, Adler, Buchanan et al.) for an alleged "failure of nerve" in meeting the contemporary crisis in philosophy, religion, politics, and education.

If we refuse to share the general excitement precipitated by this debate, it is for several reasons. First, in spite of what the rationalists may contend, no sharp line of demarcation actually separates them from their opponents. They have attempted, for example, to draw certain political and programmatic conclusions from the beliefs of the religionists, and thus prove that whereas the latter are always on the side of reaction, they themselves are the perennial disciples of progress. What the rationalists have forgotten in their oversimplification of the issue is that religion derives its strength not only from the rationale behind an exploitive society but from a chameleon ability to accommodate itself to the technique and discoveries of its competitors. Catholic or Protestant orthodoxy may move a little clumsily but this is more than compensated for by such "centrist" and "radical" wings as express themselves, for instance, in *Commonweal*, *Review of Politics* and *The Converted Catholic*, or *The Humanist*, *Unity* and *The Protestant*. It is these "enlightened" voices, as well as the Christian socialists, pacifists and sociological religionists (Niebuhr, Eddy, Rauschenbusch), who can beat the rationalists at their own game writing nebulous programs in behalf of transcendental "democracy," "peace," "abundance," etc. Second, to judge from the writings of the rationalists one would gather the impression that the "failure of nerve" began to manifest itself either during the war or shortly before it. As a matter of fact, about seven or eight years ago there began to develop

in this country what the literary critics euphemistically but rather belatedly referred to as a "romantic revival" (the more obvious examples of blatant mysticism and psychopathology had not, naturally, escaped them).

The innumerable historical, "frontier" and "soil" novels, the biographical and religious plays, and the "nature" poetry, with their emphasis upon early American idealism, fortitude, and faith—all these were not affirmations of "democracy," as the critics maintained, but sheer escapism, desperate attempts to circumvent the challenge of an ideological crisis. Third, the rationalists are cutting rather pathetic figures because their whole "purely" scientific approach and "democratic" programs are anachronistic. "It is," as the ancient warning has it, "later than they think." They are futilely assaying the rôles of Milton, Paine, Marat or Mazzini without realizing that the democratic ideals they now extol no longer have any viability within the historic framework of capitalism. The moralistic exhortations of a Hook, a Mumford, a Waldo Frank or a Max Lerner are about as meaningful today as the libertarian verbiage of Roosevelt, Churchill or Stalin. Fourth, from the standpoint of Marxism, this whole debate, even though instructive as a manifestation of bourgeois thought, is merely tweedledee and tweedledum, a pale reflection in the ideological world of similar intra-class struggles in the socio-economic and political world. For those millions whose basic problems will be solved only by the socialist revolution there is this certainty: bourgeois factionalism will cease whenever that class has to unite in opposition to the proletariat and its allies. Ideologically under the impact of war imperatives it has already united, in spite of minor skirmishes. In one field, however, it presents absolute unanimity, and that is in its hostility to Marxism.

Concerning the intellectual world, those traditional, academic amenities so dear to the ideals if not to the realities of bourgeois discourse, such as factual veracity, scientific objectivity, reasoned judgment, etc., seem to disappear whenever Marx or Marxism becomes the subject-matter. We are treated for the most part instead to the following: (a) an attack upon Marx's character and personality, (b) an "interpretation" of his ideas in which the critic attributes thoughts to Marx which he never entertained or which he fought against all his life, (c) a refutation of Marxian critique by tearing words or ideas out of context, by falsifying history, by mere rhetorical condemnation and snide remarks, (d) a condescending admission at times that Marx may have had some validity in his own

\*The attempted refutations of Marxism dealt with throughout this essay are to be found in the following books—*Marxism: an Autopsy*, Bamford Parkes; *Communism, Fascism and Democracy*, Eduard Heimann; *To the Finland Station*, Edmund Wilson; *Man's Estate*, Alfred Bingham; *Marxism: Science or Religion*, Max Eastman; *American Stakes*, John Chamberlain; *Reason, Social Myths and Democracy*, Sidney Hook; *The Unfinished Task*, Lewis Corey; *Challenge to Karl Marx*, Kenneth Turner; *The Future of Industrial Man*, Peter Drucker; *Freedom and Culture*, John Dewey; *Darwin, Marx and Wagner*, Jacques Barzun; *Capitalism, Socialism and Democracy*, Joseph Schumpeter. Some of these writers, like Hook, Eastman and Heimann, for example, have supplemented their criticisms by way of periodical contribution.

day but not under present conditions, and a reluctant acceptance of some Marxian premises without their logical conclusions or vice versa.

When one attempts to explain what lies behind the nature and manner not only of these vehement attacks but also of the more soberly-argued refutations by anti-Marxians and revisionists, one is, of necessity, limited to generalized judgments. Were one to know all the necessary biographical details concerning each critic, one could ascertain with greater exactitude the reasons for his political allegiances and deviations. Wanting these, one can only refer to objective facts, e.g., the rabid bias of a Sorokin, the religious illumination of a Muste or a Joad, the unsubstantiated repudiations of former beliefs by a Hook or Corey, etc. We are justified, however, on the basis of what biographical and programmatic material we do possess to venture further into motivational forces as well as their political expressions.

In the first place, the bourgeois critic's attack upon Marxism is really a defense of his own vested interests. Were he psychologically able to accept the validity of the Marxian critique, he would be forced to acknowledge the unethical assumptions underlying the class nature of his society. This he cannot afford to do, since he has convinced himself (or has been conditioned to believe) that the society of which he is part is, with minor variations perhaps, the best of all possible worlds. The voluminous literature, for instance, which purports to deal with "democratic planning," "peace proposals," "postwar security," etc., but which never dares to face the basic, inherent tendencies of an economy driving toward inevitable crises and wars, can be interpreted to a great extent as a neurotic reluctance to face reality.

In the second place, the critic of Marxism is usually an academician who not only shares with other petty bourgeois intellectuals the characteristics of dependency, vacillation and instability, but who cannot, for economic reasons, afford to antagonize associates and superiors. This timidity, in turn, makes him more susceptible to opportunism, to "strong" leaders, "big" movements and "popular" programs.

In the third place, as far as the revisionists and outright renegades are concerned (whose many vicious attacks upon Marxism are attempts, incidentally, to conceal a deep intellectual indebtedness), we would have to add other factors: physical and mental weariness which in the case of many refugees, for example, has led to a grateful or cynical servility to Anglo-American or Russian politics; capitulation to nationalism and war psychology; fear of persecution and arrest; inability to submit to organizational discipline; despair at working class defeats; careerism; disillusionment following a romantic attitude toward either the proletariat or revolutionary organizations. These derelictions are naturally rationalized. The revisionist, for example, always insists that he has not forsaken his ideals; he is only changing his tactics to meet a "new" situation, and all those who disagree with him are "bigots," "sectarians," "psychopaths," etc. Or it is not his own panic before an imaginary invasion by the Nazis which is to blame but the "failure of nerve" of others, the "irresponsible" novelists, the "divisive" pacifists, the "dogmatic" Marxists, the "compromising" State Department — in short, any scapegoat which will direct attention away from his own sense of betrayal. Hence also his improvised "emergency" programs of class collaboration which actually turn out to be the "democratic" variants of totalitarianisms. Finally, his fear and guilt do not permit him to conduct an intellectual struggle within the bounds of "fair play," an ideal to which he is always doing

lip-service. He refuses to publish his views in the radical periodicals whose editors or readers might be sufficiently informed to refute him completely. Neither does he deign to answer those Marxist reviews or articles which have in some cases already attempted to answer him and expose his capitulation. He prefers, instead, the safety of the bourgeois press and the approbation of his associates.<sup>(1)</sup>

An examination of the leading contemporary anti-Marxian literature discloses the fact that its authors are agreed on the following points of refutation in connection with Marxian predictions: the disappearance of the middle classes, the fulfillment of certain inherent capitalistic tendencies in agricultural production, and the development of "increasing misery." Moreover, Marxism is charged with having provided us with dubious analytical techniques in politics, history, and economics.

In the first field, for example, it has failed mainly in an accurate description of the state. What the critics have done at this point is to counterpose their own description, with special reference to the political, social and economic pattern under which we are or soon will be living, viz., a "transitional" or "functional" society. Since the critical strictures against the Marxian theory of the state resolves themselves fundamentally to programmatic counter-proposals, we shall discuss this problem under the heading of "Program."

In the second field, Marxism has foisted upon us a "materialistic" interpretation unwarranted by the dictates of the subject matter; and in the last field, it has not withstood the attack of academic, economic criticism, particularly with regard to the Marxian labor theory of value. The critics have attempted to prove here that the failure of the Marxian approach to both historical events and economic theory is due to an incompleteness of treatment, a monistic bias, as it were, which is incapable of appreciating the "multiple" character of reality. We shall, therefore, treat this problem under the heading of "Supplementation." Let us now proceed to an examination of these alleged "refutations."

## II—PREDICTIONS

*We are informed, first, that, contrary to Marx, the middle class not only has not disappeared, but, if one considers the "new" technical-managerial groups, it has actually increased in numbers.*

(1) Marx never predicted the absolute disappearance of the middle classes before the advent of socialism. He was referring to the small-scale owners of his day and not to the professional and intellectual groups. He repeatedly described the status and function of the so-called "new" middle classes in capitalist production. Almost all the critics who attempt to refute Marx's analysis of classes use as illustrative material only *The Communist Manifesto* which was intended to be not a scientific description of class functions but primarily a call to revolutionary action. Neglected completely are works, for instance, like *Capital* and *Theories of Surplus Value*, which explain in economic terms the rationale behind the "disappearance" theory; neglected also is the rich historical literature which illuminates the socio-political relationships among all classes in society during specific cultural periods, e.g., *The Eighteenth Brumaire*, *The Civil War in France*, *Germany: Revolution and Counter-Revolution*, *Civil War in Spain*, etc. But even in the *Manifesto*, Marx, in showing the changing form and composition of the middle classes, indicated what he meant by "disappearance." He was concerned with the possible *viability* and *independence* of the petty tradesmen

and farmers in relation to the other classes, to the state, to the inherent tendencies of capitalist development (accumulation, concentration, centralization) and in this socio-economic sense the "new" middle classes are just as anachronistic today as were the "old" whom he described in the *Manifesto*. This spurious "independence" has been most clearly demonstrated in our day in the fluctuations of middle class political ideology (product of both economic status and deliberate bourgeois propaganda): its preoccupation with ill-defined individualisms, its alternating fears of state encroachment and demands for state "controls," its neurotic hostility to proletarian alliances, its susceptibility to "classlessness," "nationalism," etc.—socio-psychological reflexes mirroring its economic position between the two fundamental classes, the bourgeoisie and the working class.

(2) It is important to remember that although the usual process of competition, expropriation and assimilation during the period of expanding capitalism characterized the economic existence of the petty as well as of the big bourgeoisie, the former "grew" in the sense that, possessing property, it too possessed the power to participate in the exploitive activities of a competitive society. Its property psychology at the time had economic and political validity, since a stake in one's property (peasant, shop-keeper, merchant, etc.) constituted a revolutionary weapon against the property absolutism of feudal, ecclesiastical and monarchical interests. But under monopoly and state capitalism, when small business ceases to be a developing entity and is tolerated by corporate powers as an innocuous economic "lag," its preoccupation with continued property status becomes pure nostalgia (seventy-eight per cent of business property in the United States is corporate, eighty-eight per cent of the people are dependent upon the property of others for a living and among them seventy-seven per cent belong to the middle classes). Just as the "new" propertyless middle class is forced to think in proletarian terms of jobs, salaries, possible savings, viz., protection, so the old middle classes (small business) are compelled to abandon concepts of property and new business ventures for those of security. In political terms, petty bourgeois, anti-statist programs of former years give way today to demands for state "protection." Herein lies the dependency factor appealed to by fascist demagogues.<sup>(2)</sup>

(3) Most of the critics are extremely solicitous about the middle classes. Eduard Heimann, for example, charges the Marxists with disastrous political strategy based upon disappointed hopes. Since the so-called Marxian "ripeness of situation" (radicalization of middle and working classes) has not materialized, frustrated Marxists have repeatedly attempted to foist upon these classes a "revolutionary situation" which has no objective validity. Such attempts especially frighten the middle classes and drive them to fascism. Furthermore, Marxists are wrong in maintaining that the middle classes are incapable of independent political action, the contrary being proved by our "middle class dictatorships over both capital and labor."

(a) According to these critics, fascism is not a logical development of capitalist tendencies but, to a main extent, the result of propaganda which, as they phrase it, however, turns out to be not Marxist at all but sheer putschism or third-period Stalinism. The critics have discovered nothing new. Anti-Marxists have always accused revolutionaries of "advocating" force, violence, civil war, etc. What is always implied in such charges is that the revolutionary brings chaos into a society which is apparently harmonious, and that by analyzing, pre-

dicting or describing events, he therefore not only "advocates" them but is solely responsible for them as well whenever the events materialize.

(b) What is sequential or dialectical to Marxists becomes abstractly antithetical for the critics. "Ripe" and "revolutionary" situations are sharply counterposed, whereas they should both be considered in terms of objective and subjective factors, viz., "ripe" conditions of socio-economic development and relationships and "revolutionary" or subjective conditions of political consciousness, leadership, idealism, etc.<sup>(3)</sup> To a Marxist the concept of revolution means that, given the production relations, the working class has been placed in a position where it has to revolutionize the class relations in order to release itself and therefore society. Hence his emphasis upon the two polarized classes, the capitalist and proletariat. A revolution cannot come from the position in power but only from the powerless; there is no other class within the economic framework which can challenge the bourgeoisie. This concept also helps explain why Marxian organizations, though devising educational techniques for reaching the middle classes, have logically concentrated upon those sections of the working class which control the focal points of the economy. A strike, for instance, in coal, steel or transport, can paralyze a nation, whereas one in office personnel cannot. To misunderstand the Marxian approach to classes from either the purely descriptive (socio-economic) or the propagandistic angle (political-educational) is to fall into the "new" class theories of Burnham, Drucker, Heimann, Chase and others wherein intraclass destruction, expropriation and spoliation, manifested more dramatically under fascism than under "democratic" capitalism, are mistaken for new revolutionary class relations and new societies (e.g., "bureaucratic collectivist," "managerial," "middle class dictatorship").

(c) This solicitude over the fact of the "new" middle classes can be characterized as a technological "compulsive." According to the critics, we are already living under a "transition" society in which these new classes are "functionally" and numerically dominant. Included in this picture is a society whose scientifically-gearred constructions manned by a technical-managerial élite is reducing the "working class" to insignificant proportions. Such imaginary concept, of course, is a pure compensatory mechanism for petty bourgeois alienation. Commodities, machines and wars apparently no longer require the labor power of a working class; they merely reproduce themselves or are conjured into being by the technicians. (Some critics contend that our machine technology has even refuted the Marxian theory of value, since machines are the predominant producers of value.) The whole technological concept is not only divorced from the realities of capitalist society which constantly subverts its inventions to the imperatives of competition, exploitation and class rule, but it also fails to see that the "new" middle classes, like the other producers, are members of the working class who sell their labor power because they too are divorced from the means of production. Moreover, the concept does not draw the full implications of its professed ideals: if technology has allegedly progressed to a point enabling the "new" society to produce abundantly for all, why then the continued divisions between the urban and the agrarian, the skilled and the unskilled, the mental and the physical—why, in short, does our society continue to function under the law of value?

(d) A neat trick employed by the critics in swelling the ranks of the middle classes consists in blandly accepting the necessity for capitalist waste. Just as most apologists of capi-

talism never consider this factor in connection with unused productive capacity or untapped human potentialities, they also assume that another kind of waste which exists must be evaluated only in terms of economic gain. We are referring to advertising, selling, the coercive techniques of "personnel administration," the multiple clerkships associated with public relief, etc.—these are looked upon as the necessary concomitants of a healthy, progressive society!

(e) Most of the statistical data adduced by the critics to prove the alleged tenacity of small business are meaningless because they generally refer to the pre-depression era; they tell us little about business turnover; they omit factors of small-business dependency upon market conditions, goods, financial resources controlled by huge business and banking interests; and they do not show the economic weight of small firms in relation to rapidly-developing monopolization and cartelization both nationally and on the world market. In spite of Drucker's admonition that "total war requires free enterprise," reports in connection with small business issued by TNEC, the House committee, Senator Truman, Colonel Johnson, the Department of Commerce, etc., describe a rather catastrophic future. Accelerated concentration and centralization, by-products of war, doom the small business man with greater rapidity. The number of small firms has dropped by more than half a million since 1941, and the Department of Commerce sees no hope for a return to pre-war conditions. As to the future of the farmer, statements by government authorities indicate continued measures of "government credit, subsidies, market devices, etc." (socializing of losses) in order to "stabilize" agriculture; attempts, in other words, to organize the internal economy in its struggle against other agrarian competitors, e.g., Canada, South America, Australia.

(4) Not content with merely showing that the tempo of concentration in agriculture has perhaps not proceeded as rapidly as that in industry, the critics go beyond this by permitting themselves statistical luxuries which fly in the face of actual conditions. But try as they will, their figures correctly interpreted or supplemented no more revive the myth of middle class farmers' "independence" or "property" than that of small business. One has only to consult such sources, for instance, as reports from the National Resources Committee, the President's Committee on Farm Tenancy, the U. S. Department of Agriculture, the TNEC dealing with agriculture, technology and economic concentration, or the works of A. Rochester,<sup>(4)</sup> C. Schmidt,<sup>(5)</sup> C. McWilliams,<sup>(6)</sup> to find the Marxian analysis confirmed. All these studies add up to the following agrarian developments as capitalism moved from its small-scale, competitive to its industrial and monopoly phases: tremendous urban capital investments in agriculture (via consolidated, specialized and chain farming); centralization and concentration accompanied by industrialized techniques, e.g., mechanization, rationalized production, management; huge farm ownership by insurance companies and banks; monopoly control of machinery, products, markets, wage rates, farming methods; growth of mortgages, indebtedness, tenancy, sharecropping, wage labor, seasonal and technological unemployment.

Second, we are told by the critics that the theory of "increasing misery" is refuted completely by a pervading capitalist psychology and a constantly rising standard of living among workers and by a great distribution of property among all classes.

(1) Marx was the last one to deny the capitalist psychology permeating the minds of the working class. How could it be otherwise since the ruling class enjoys the monopoly of press,

pulpit and education? In discussing the proletarianization of the middle classes or the increasing misery of the working classes in general, he was describing socio-economic processes and not analyzing psychological categories. There is no mechanistic correlation between depressing living conditions and revolutionary consciousness. The latter is the result of socialist education giving direction to mass frustration.

(2) One has to be nothing short of presumptuous to present at the present time figures "proving" property and stock distribution in the years 1928-29! The devastating depression era aside, even in the "boom" period preceding the collapse, such typical studies as those of Berle and Means,<sup>(7)</sup> the *Report on National Wealth and Income*, or *President Hoover's Research Committee on Social Trends* reveal the following instructive figures: one per cent of the people owned fifty-nine per cent of the national wealth, whereas eighty-nine per cent of the population owned only one-tenth. Sixty-eight per cent of the gainfully employed, constituting the wage workers and clerical groups, owned 4.7 per cent of all income-yielding wealth. Most of this consisted of small savings and insurance. One per cent of the people owned eighty-three per cent of the liquid wealth of the country. Incidentally, reports such as *The Distribution of National Capital, Conditions of Britain* (G. Cole), *The Economics of Inheritance* (J. Wedgwood) and *Conditions of Economic Progress* (C. Clark) covering approximately the same period for "democratic" England, inform us that two-thirds of the workers had an average income of two pounds sterling per week, and that only slightly more than a quarter of these had an average income of four pounds sterling per week. As for the neo-Bernsteinian stockholders in this country during 1928-29, 325,000 of them out of 3,750,000 owned eighty per cent of all corporate stock. The average yearly dividends of 2,600,000 stockholders yielded \$100. Concerning the theoretical power of these people in relation to the actual power of the financial groups controlling the giant corporations and their subsidiaries, we can accept Keynes' comment with regard to the governor of the Bank of England as being applicable also to our own corporate interests. "... There is no class of persons in the Kingdom of whom the governor... thinks less when he decides on his policy than of his shareholders." (Drucker's, Chase's, and Burnham's "managers" will no doubt be interested in TNEC Monograph 29 which shows that American big business is not only "controlled" but actually owned by a small, powerful oligarchy.)

(3) With reference to the "discredited" theory of "immiseration" (Schumpeter's phrase), here, too, the critics present statistics to prove that higher wages and improved living conditions have refuted Marx's prophecy. Some, like Schumpeter, are not satisfied even with the "natural law" tenet of the marginalist which maintains that there can be no exploitation of the working class, since all classes are subject to "fixed laws of distribution." These critics go beyond this point by claiming that historically, the working class in comparison with the capitalists has fared far better! This statement is made in spite of the fact that during the period of expanding capitalism (with its tendency of increasing unemployment) there was a relative fall in the worker's standard of living, just as there is an absolute fall during the present period. Bald charts of wages tell us nothing unless broken down into such factors as the difference between money and real wages (cost of living, national and sectional variations); the relation between wages and national production, capitalist accumulation, technological innovations, profit, the number of employed, the intensity of labor, periodic stagnation, etc., not to mention the phy-

sical and psychological factors of health, insecurity, anxiety, wars—all integral components of our competitive society. Those who refer to union activity, mechanical conveniences and social services as counterposing tendencies to “immiseration” are thinking in purely mechanistic terms. Wage increases as a result of unionization, for example, must be considered in terms of those factors connected with overcoming the reduction in the rate of profit: intensified exploitation, new machinery, cheapening of constant capital, acceleration of foreign trade, export of capital, etc. Add to these the other implied factors of the industrial reserve army, colonial exploitation and imperialist wars, and it becomes clear why “better living conditions” within the orbit of world capitalism is a mirage. For Marxists, wages is a derivative category; it is the relations of production which determine the worker's subsistence and as long as this relationship exists there is no “betterment” short of a society organized for social use.

[Continued in next issue]

(1) The considerate regard with which the anti-Marxian critics treat one another's books is amusingly rotarian, if not downright indecent. There is mutual admiration between Wilson and Hook, and Eastman and Wilson. Heilmann praises Schumpeter; Barzun bows to Hook, and Chamberlain to Wilson. Eastman even has kind words for Stalinoid Max Lerner.

(2) The programmatic appeals of the Eastmans, Coreys, Lerner and Chamberlains, maintaining that property rights are guarantees of freedom against the state, are based upon the following illogicali-

ties: (a) the concept of freedom is vulgarly defined in terms of mere property (quantities of property being apparently equated with quantities of freedom); such appeals are anachronistic in that they attempt to recapture the petty bourgeois dreams of Jeffersonian agrarianism or of muckraking anti-trustism; (c) the possession of property (associated historically not with freedom but with tyranny and oppression as well) is being urged at the very time when what is needed is its abolition; (d) this middle-class property concept perpetuates the jungle morality to which the petty bourgeoisie have always subscribed. They may balk at the horrors of socialist confiscation but they continue to support a system which by its very essence means constant property expropriation and destruction. The whole vitality of revisionism's freedom is strikingly illustrated by A. P. Lerner's statement that although the state in a mixed economy could most likely punish dissident private income, still every little safeguard helps. And Chamberlain unwittingly reveals the precarious nature of freedom by suggesting that it must be sought for in the interstices of society.

(3) This failure incidentally to distinguish between these two factors is partially responsible for the persistent accusations of inevitability levelled against Marxism. This accusation is generally difficult to answer merely because the critics have never accurately differentiated among those concepts inherent in the whole problem of causation-determinism, mechanism, freedom, teleology, etc. So-called chance elements in history unless evaluated within specific contexts of socio-economic, political and ideological forces can become a sophomoric pursuit comparable to the metaphysical quest for ultimate causes or primeval essences.

(4) *Why Farmers Are Poor.*

(5) *American Farmers in the World Crisis.*

(6) *Ill Fares the Land.*

(7) *The Modern Corporation and Private Property.*

JAMES BARRETT.

# Marx's Alleged Self-Contradiction

## Professor Bohm-Bawerk's Absurd Error

It will be quite in order first to tell how the following article came to be written. Some years ago a friend, who considered himself to be a staunch Marxist, deplorably remarked to the writer how unfortunate it was that Marx's third volume should have contradicted his first volume. With inward astonishment, I assured him that such an idea was quite absurd and that it was utterly untrue. The mere assurance, however, availed him nothing; and the self-supposed Marxist (withal a very earnest Labourite) remained quite convinced that Marx really had contradicted himself. Therefore, almost word for word, the answer as herein presented was written for publication in the local [Australian] *Militant*. But that paper was then on its last issues and was very soon to close down; whilst my misguided friends also passed out suddenly and never had a chance to see what had been written in answer to his honest error.

For the convenience of any readers who may wish to check up on the quotations from Vol. I of Marx's *Capital*, which follow on below, the tabulation of page references appended [see page 304] gives all the corresponding pages in three separate English editions of that book, namely, the 1902 (Swan, Sonnenschein), 1906 (Chas. Kerr & Co.), and 1928 (Geo. Allen & Unwin) editions.

### The Contention of Professor Bohm Bawerk

There is a supposition, absurd and widespread, to the effect that, in Vol. III of *Capital*, Karl Marx contradicts his first volume of that work. Though grievously mischievous, however, this idea is nothing more than absurd error. Moreover, this absurd error only rests upon another error which is equal-

We are happy to present to our readers this article on an aspect of Marx's teachings by the distinguished Marxist scholar and teacher, W. H. Emmett. Some of our readers will remember the Australian Marxist as the author of the *Marxian Economic Handbook*, which was published many years ago in this country by International Publishers and served as a basic textbook in the education of numerous students of scientific socialist economics. We hope to publish other contributions by W. H. Emmett in future issues of our review.—Editor.

ly absurd. It is ridiculously supposed that Marx, in his Vol. I, declares capitalism to be a regular commercial exchange of equivalent values.

The biggest sinner in this regard was Professor Bohm Bawerk, one-time Austrian Minister of Finance and honorary professor of political economy at the University of Vienna. He contended that Marx, in Vol. I, teaches the regular exchange of equivalents in commerce and that in Vol. III Marx had to contradict the first volume in this respect. But most probably the professor's bourgeois wish was father to his capitalistic “thought.” However that may be, he worked up this fantastic nonsense into a book of 221 pages, and entitled it *Karl Marx and the Close of His System*.

The burden of Bohm Bawerk's book consists in the enlargement and display of the alleged “contradiction.” He misrepresents Marx as making a “wrong” start, as closing his eyes to the “facts of real life,” as shutting out from his work the “disturbing real world,” and as teaching the commercial exchange of equivalents, consistently throughout “the middle



parts" of his work, to the final "contradiction in Chapter X of Vol. III.

By "the middle parts," Bohm Bawerk means the greater part of Marx's Vol. I (that is, from what Bawerk untruthfully calls the "wrong" start, to the end at page 800), then throughout the whole six hundred and odd pages of Vol. II and also through the first quarter of Vol. III (to the so-called "unfortunate tenth chapter").

In reality, it is Professor Bohm Bawerk who makes the "wrong" start. On the third page of his Introduction, page 23, he inserts a gross and grotesque fabrication. This is to the effect that, according to Marx, commodities must exchange in proportion to the quantity of labor which they contain; that is, that Marx presents market exchanges as necessarily being exchanges of value for equal value. As long as ever economic science is to endure, this dastardly untruth will indelibly disgrace both the rash professor and his wretched book. The early passage, containing this untruthful declaration, reads as follows: "Marx had taught that the whole value of commodities was based on the labor embodied in them, and that by virtue of this 'law of value' they must exchange in proportion to the quantity of labor which they contain" (page 23, from the eighth line to the fourteenth).

In the first place, Marx never said that value is based on labor. Instead of that, he showed that value really consists of labor, and that the labor itself (necessarily embodied in a commodity by its production) is what constitutes the value. The rest of that little passage is disgraceful rubbish. It simply is not true. Marx nowhere says that commodities either must, or do, exchange in proportion to their embodied labor. In other words, Marx does not anywhere say that in commerce equivalents have to be exchanged, nor that they do exchange. And Marx made NO "wrong" start; neither did he ignore "facts of real life," nor yet was his work ever detached from the "disturbing real world."

#### Marx on Exchange of General Values and Prices

Let us now notice some real teaching of Marx on exchange of general values and prices. On pages 755-6 (Swann, Sonnenschein edition), Marx quotes Robert Somers at some length on the deer forests of Scotland. Amongst other matters appears the following item: "The huntsman who wants a deer forest limits his offers by no other calculation than the extent of his purse. . . ." By which is clearly indicated, not any exchange of equivalents, but the payment of "fancy prices" for the deer forest.

As early as page 7, when analyzing the character of value, Marx declares that "Jacob doubts whether gold has ever been paid for at its full value. This applies," he continues, "still more to diamonds. According to Eschwege, the total produce of the Brazilian diamond mines for the eighty years, ending in 1823, had not realized the price of one and a half years' average produce of the sugar and coffee plantations of the same country, although the diamonds cost much more labor, and therefore represented more value." Distinctly, this is not declaring the exchange of equivalents; and this is at the "start," this passage is in the very first section, of the first chapter, of Marx's Vol. I (see page 9, Allen & Unwin edition).

On page 150 (A. U.), Marx quotes G. Opdyke in a footnote: "Under the rule of invariable equivalents, commerce would be impossible." In another footnote on the same page Marx takes a passage from his friend Engels, which reads: "Underlying the difference between real value and exchange value is the fact that the value of a thing is different from

that of what in commerce passes by the name of equivalent, which means that such an equivalent is no equivalent at all." Dealing with conversion of commodities into money (exemplified in every sale), Marx teaches: that if the conversion "takes place at all, if the commodity is not absolutely unsaleable, the desired change of form always occurs, although the price realized may be abnormally above or below the value" (page 86, A. U.). Here there is no declared exchange of equivalents.

Speaking of the "Concept of Relative Surplus Value," and referring to improved means of production, Marx tells us: "The law that value is determined by labor time, the law which had exerted its sway over the capitalist who introduced the new method of production by making him sell his commodities for less than their social value, exerts its sway over his rivals in the form of a coercive law of competition, and constrains them to adopt the new method of production" (page 332, A. U.).

#### Price as Exponent of Commodity Value

Referring to price as the quantitative exponent of a commodity's value being also exponent of its exchange ratio, Marx tells us on page 78 (A. U.) that "it does not follow that the exponent of this exchange ratio is necessarily the exponent of the magnitude of" the commodity's value. If "circumstances allow of this price [of two pounds sterling worth of wheat] being raised to three pounds, or enforce its reduction to one pound, then, although one pound and three pounds may be too small or too great to express properly the magnitude of the value of the wheat, nevertheless they are its prices. . . ." Later on, in the same paragraph, he tells us: "the possibility of a divergence of price from magnitude of value is inherent in the price form. This is not a defect, for, on the contrary, it admirably adapts the price form to a method of production whose inherent laws can only secure expression as the average results of apparently lawless irregularities that compensate one another." No declared exchange of equivalents here.

In his next following paragraph, Marx writes: "Things which in and by themselves are not commodities, such as conscience, honor, etc., can be put up for sale by their owners, and can thus, through their price, acquire the commodity form. Hence a thing can have a price without having value" (page 79). This is not declaring any exchange of equivalents.

There are innumerable other passages in Marx's Vol. I of *Capital* which more or less directly refer to disparity between values in exchange. But in most cases their presentation would be somewhat cumbrous for the purpose of present writing.

If the reader should interpolate that Marx, on many occasions, definitely did assume the exchange of equivalents, I would ask: Why shouldn't he? Scientific assumptions are very commonly used as bases of reasoning. Why should Marx be denied the common use of scientific procedure, scientific assumption? Furthermore, it is either dishonest or very foolish to suppose Marx, by such assumptions, ever to be asserting those things which are therein assumed. If, for the sake of some argument, we assumed that Bohm Bawerk was perfectly truthful, we should be very far from asserting or declaring such a thing. And if Marx had ever meant us to understand that equivalents really do commonly exchange in every-day commercial life, he would never have bothered himself merely to assume such equivalent exchanges; once for all, he would simply have declared them. Of course!

We may now notice an early part of Marx's Vol. I, where he variously and oppositely assumes the exchange of unequal values.



On page 138 (Swan, Sonnenschein edition), Marx writes: "... In its normal form, the circulation of commodities demands the exchange of equivalents. But in actual practice, the process does not retain its normal form. Let us, therefore, assume an exchange of non-equivalents." Again, on the same page: "Suppose then ... the seller is enabled to sell his commodities above their value..." Still again, on the following page: "Let us make the opposite assumption, that the buyer has the privilege of purchasing commodities under their value" (page 139, S. S.).

It is ridiculously untrue about Marx consistently teaching the market exchange of equivalents—or even teaching it at all. He very effectively taught the very opposite.

Neither is it true that Marx avoided "the disturbing real world," as Bohm Bawerk mendaciously pretends on his page 167. Nor did Marx ever delay "to open his eyes to the facts of real life," as impudently postulated on Bawerk's page 169. Marx even had his eyes open to such disturbing "facts" as "vulgar economists"; and he even gave to them this very appropriate name.

### **Wages and the Value of Labor Power**

One of the most important facts of life in this "disturbing world" is labor power. About the value and price of which labor power, Karl Marx had quite a lot to say. Let us here notice some words of Marx's regarding exchange of wages for the value of labor power.

"The minimum limit of the value of labor power is determined by the value of the commodities without the daily supply of which the laborer cannot renew his vital energy, consequently by the value of those means of subsistence that are physically indispensable. If the price of labor power fall to this minimum, it falls below its value, since under such circumstances it can be maintained and developed only in a crippled state. But the value of every commodity is determined by the labor time requisite to turn it out so as to be of normal quality" (pages 151-2, S. S. edition).

Instead of consistently teaching the exchange of equivalents, we may see Marx in his Vol. I freely recognizing and teaching the common exchange of non-equivalents. Which in place of the alleged "contradiction" is what Marx, in his Vol. III, exactly corroborated.

On page 327 of Vol. I (A. U.), Marx refers to the habitual disparity between value of labor power and its price. He points out that a certain "result would only be secured by forcing the worker's wages down below the value of his labor power." And he further says: "Notwithstanding the important part the method [forcing down wages] plays in the actual movement in wages..." etc. Marx here is telling us incidentally that forcing down wages below the value of labor power plays an important part in actual movements of wages. Again referring to this feature on page 659, Marx proceeds: "In the chapters on the production of surplus value it was constantly presupposed that the wages of labor are at least equal to the value of labor power. The forcible reduction of wages below this value plays, however, in practice, too important a part for us to pass over the matter without consideration. In fact, such a forcing down of wages serves, within certain limits, to transform part of the worker's fund of necessary consumption into a fund for the accumulation of capital" (pages 659-60, A. U.). Further on, in the next paragraph, he says: "But if workers could live on air, they could not be bought at any price. It follows that the purchase of the workers for nothing at all is a limit, in the mathematical sense of the term, never

attainable, though we can always get closer and closer to it. The persistent tendency of capital is to approach nearer to this zero limit." Marx is here recognizing "facts of real life."

Dealing with "the British agricultural proletariat" in a footnote, Marx quotes Dr. Richard Price on comparative prices of day labor and provisions: "The nominal price of day labor is at present [1805] no more than about four times, or at most five times, higher than it was in the year 1514. But the price of corn is seven times and of flesh meat and raiment about fifteen times higher. So far, therefore, has the price of labor been even from advancing in proportion to the increase in the expenses of living, that it does not appear that it bears now half the proportion to those expenses that it did bear." (Page 745, A. U.) Instead of exchanging the equivalents, Marx here shows the laborers giving ever more and more in exchange for proportionately less and less.

### **Non-Equivalents in Exchange**

On page 662 (A. U.) we read that "At the end of the eighteenth century and during the first decade of the nineteenth, the English farmers and landlords enforced the absolute minimum of wages by paying the agricultural laborers less than the minimum as actual wages and making up the balance in the form of parish relief." And then Marx tells us how, before the House of Lords Committee of Inquiry in 1814, a farmer named Bennett was asked the question: "Has any portion of the value of daily labor been made up to the laborers out of the poor rate?" And his answer was: "Yes, it has; the weekly income of every family is made up to the gallon loaf (8 lbs. 11 ozs.) and 3 pence per head! . . . The gallon loaf per week is what we suppose sufficient for the maintenance of every person in the family for the week; and the 3 pence is for clothes, and if the parish think proper to find clothes, the 3 pence is deducted. This practice goes through all the western part of Wiltshire, and I believe throughout the country." Here Marx shows non-equivalents to be in exchange so abominably that some of the vile shortage is habitually made up in so-called "charity."

Dealing with machinery and large-scale industry, Marx writes: "That portion of the working class which machinery has thus transformed into superfluous population . . . either goes to the wall . . . or else floods all the more easily accessible branches of industry, glutting the labor market, and consequently reducing the price of labor power below its value" (page 461, A. U.). So the non-equivalent small value of low wages, Marx teaches, thereby exchanges for the bigger value in labor power.

Near the top of page 506, speaking of the straw-plaiting industries, Marx tells us: "Wages in the above industries, pitiful as they are (rarely do children in the straw-plaiting schools receive as much as 3 shillings) are depressed, as far as real wages are concerned, by the widespread prevalence of the truck system, which is especially rife in the lace-making districts." A little further on, he says: "The great production of surplus value in such branches of work [scattered handicrafts and domestic industries], together with the progressive cheapening of the articles they produce have been in the past and are now mainly due to the lowness of the wages paid in them (wages hardly sufficient for a bare subsistence) in conjunction with working hours extended to the maximum that is humanly possible" (page 508). No equivalent exchanges depicted here, but only good value in labor-power exchanging for grievously low wages.

The same sort of treatment was meted out to the agricul-

tural proletariat. Marx quotes Dr. Julian Hunter, who wrote: "The cost of the hind [name for the agricultural laborer] is fixed at the lowest possible amount on which he can live" (page 751, A. U.). Marx had previously noted, on page 725, a "privation" on the part of the capitalist, who deprived "himself of the privilege of paying a sufficient wage, a wage such as his 'hands' need for the barest subsistence!"

### Assumption and Reality

For scientific reasons Marx often assumed the capitalist to be paying for labor power at its value. But assuredly he never taught us that the capitalist really did, always and fully, pay such value for equivalent value.

Marx shows how useful it is for capitalists to have "poor" people around at their beck and call. Instead of "closing his eyes," he quotes John Bellers as follows: "And as the laborers make men rich, so the more laborers there will be the more rich men . . . the labor of the poor being the mines of the rich." He quotes also Bernard de Mandeville: "It would be easier, where property is well secured, to live without money than without poor; for who would do the work? . . . As they [the poor] ought to be kept from starving, so they should receive nothing worth saving. . . ." Further on: "but it is the interest of all rich nations that the greatest part of the poor should almost never be idle, and yet continually spend what they get. . . . Those that get their living by their daily labor . . . have nothing to stir them up to be serviceable but their wants which it is prudence to relieve, but folly to cure" (pages 627-8, S. S.).

Marx points out a special bit of the "disturbing real world" at the foot of page 214 (A. U.). He there asks and answers a question: "Why do such men as Roscher try to account for the origin of surplus-value in terms which are nothing more than a recapitulation of the capitalists' more or less plausible excuses for the expropriation of surplus value? In part it is because these writers are genuinely ignorant; but in part it is because they are apologists, because they shrink from a scientific analysis of value and surplus value, being afraid lest they should arrive at a result which might be extremely distasteful to constituted authority."

Instead of Marx closing his eyes to reality, it is "vulgar economists" like Roscher and Bohm Bawerk himself who do this. And it would be capitalistically inexpedient for them not to do so. With good reason, these capitalistic scribes dread the economic facts of real capitalistic life. Instead of imitating them, however, Marx tells us: "The truth is that these bourgeois economists were warned by a sound instinct that to probe too deeply into the burning question of the origin of surplus value would be extremely dangerous" (page 560, A. U.).

Not only are these capitalist apologists "genuinely ignorant"; it is dangerous also for the workers to be any better informed. Instead of dodging the "disturbing real world," Marx quotes J. Geddes, a glass manufacturer, who said: "As far as I can see, the greater amount of education which a part of the working class has enjoyed for some years past [this was in 1865] is an evil. It is dangerous, because it makes them independent" (page 400, footnote, S. S.). Marx also quotes Mandeville (whom he characterized as "an honest, clear-headed man") to the effect that "To make the society [which of course consists partly of non-workers] happy and people easier under the meanest circumstances, it is requisite that great numbers of them should be ignorant as well as poor" (page 628, S. S.). G. Ortes, the Venetian monk, is also quoted by Marx: "In the

economy of a nation, advantages and evils always balance one another; the abundance of wealth with some people is always equal to the want of it with others; the great riches of a small number are always accompanied by the absolute privation of the first necessities of life for many others. The wealth of a nation corresponds with its population, and its misery corresponds with its wealth. Diligence in some compels idleness in others. The poor and idle are a necessary consequence of the rich and active" (page 662, S. S.). On the same page, Marx makes an extract from Parson Townsend: "Legal constraint [to labor] is attended with too much trouble, violence and noise, . . . whereas hunger is not only a peaceable, silent, unremitted pressure, but as the most natural motive to industry and labor, it calls forth the most powerful exertions," etc. Here Marx is not showing any exchange of equivalents; he is only showing a miserable and poverty-stricken existence in exchange for producing riches and luxuries for the idlers!

### Average Commercial Prices and Commodity Prices

Now, finally, we may take in two Marxian peeps at an even broader view of the matter, not merely of commercial prices but even of average commercial prices.

It is sometimes supposed that Marx regards average prices as the equivalents of the commodity values. Such, however, is not the case. The idea that "in the long run" prices tally exactly with the values, has no place in the economics of Marx. In a footnote (page 218, A. U.), we read a passage of Marx's thus: "The calculations in the text are intended merely as illustrations, and in them, therefore, it is assumed that prices are equal to values. In Book Three, we shall learn that even in the case of average prices no such simple assumption can be made." Which is to say that even average prices are not really equal to the values, as will be shown by Marx in his Vol. III.

Again toward the close of the second section (of Part II in his Vol. I) entitled "Contradictions in the General Formula for Capital," Marx proceeds:

"We have . . . come to a double result.

"The transformation of money into capital is to be explained on the basis of the laws immanent in the exchange of commodities, is to be explained in such a way that the starting point is an exchange of equivalents."

At this point Marx has a lengthy footnote, from which the writer culls the following:

"The foregoing explanations will have enabled the reader to understand that this statement only means that the formation of capital must be possible even if the price of a commodity is equal to the value of the commodity. The formation of capital cannot be explained out of a deviation of the prices of commodities from their values. . . . The continual oscillations in market prices, their rise and their fall, cancel one another, reducing themselves to an average price which constitutes their hidden rule. Average prices are the guiding star of the merchant or the industrialist in every undertaking that requires time. He knows that, when a sufficiently long period of time is taken into consideration, commodities are not sold either above or below their price, but are sold at an average price. Were it to his interest to consider the matter disinterestedly, he would formulate the problem of the creation of capital in the following terms: How can we account for the origin of capital on the supposition that prices are regulated by an average price: this in the last resort, meaning that they are regulated by the value of the commodities? I say 'in the last resort' because average prices do not . . . directly coincide

with the value of commodities (page 153, A. U.).

Not only does Marx never say, in any of his economic work, that in reality individual market exchanges must be, or are, those of equivalents; but openly and most distinctly, as we amply see above, he definitely and unmistakably declares that even "average prices do not directly coincide with values."

#### Why Only Volume One Is Quoted

All the foregoing excerpts are taken from Marx's Vol. I, and no quotation has been made from his Vol. III. There is a special reason for this. Volume I has been alleged to contain certain misstatements, and these had afterwards therefore to be "contradicted" by Vol. III. For it was wrongly contended that, in his first volume, Marx taught the regular business exchange of equivalent values. Accordingly, the character of Vol. I, so to speak, was in question. Accordingly, too, it is quite proper that this Vol. I should be allowed to speak for itself, by means of its positive expressions upon the relative feature.

Under cover of the price form, with exchanges of "money for the money's worth," it is easy for capitalist exchanges to pass as those of equivalents. As a common everyday fact, the capitalist always claims to be giving at least "value for value"

in his business, in both his buying and his selling—particularly, both in buying labor-power and in selling labor's products. But do we see Marx taking this capitalistic and common pretense for granted? Certainly we do not; although we see him assuming the capitalist claim to be true (even as truthfulness might conceivably be momentarily assumed on the part of Bohm Bawerk), just for the sake of argument. What is here more important, however, we see Marx, in his first volume, teaching the very thing which (in this "disturbing real world") we had been falsely told he only "admitted" in his Vol. III, namely, the common, every-day commercial exchange of non-equivalents.

Therefore, the so-called "contradiction" between Marx's first and third volumes, invented perhaps by Bohm Bawerk, is nothing more than grotesque and malicious fabrication. There is no such Marxian "contradiction." Instead of which, between the three volumes of Marx's *Capital*, regarding values and prices and much else besides, there is only constant agreement and constant co-ordinate consistency and scientifically superb corroboration.

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# History Without Classes -- II

## William's Interpretation and Marxism

[Continued from a previous issue]

William insists that Marxists, to be consistent with their principles, must oppose everything which aids the capitalist class, because the strengthening and developing of capitalism, as of any advance in society, increases the rate of exploitation (per cent of surplus value extracted). As a class, therefore, says William, the workers suffer from *anything* which aids capitalism. Jauntily formulated this idea says: "The better things get for the capitalists, the worse things get for the working class." William attributes this syndicalist monstrosity to the Marxists. Instead of drawing class struggle conclusions (even syndicalist ones), however, William reasons: "The more capitalism develops, the more value there is, hence all consumers benefit, even though the capitalists hog more than their share."

Here again the worker in the shop is contrasted to the same worker as he sits down to supper at home. Also repeated is the failure to distinguish periods of development in capitalism. In the "Luddite period" William's reasoning found some substantiation in fact, but today, capitalism is characterized by a falling rate of profit; it is this sharpening crisis *for the capitalists* which causes them to depress the living standards of the workers. Generally speaking, William is correct in saying that a rising rate of exploitation meant a rising standard of living. But today the fact is that the rate (per cent) of exploitation is diminishing, and with it the workers' standard of living.

The falling rate of profit is an expression of the limitations of the capitalist market, just as are the fetters on production mentioned above (in the section "Historical Forces and Historical Events"). The falling standard of living is perhaps not obvious at first glance, but huge masses of un-

employed men or unproductive soldiers, the inability of the farmers to continue without government financial aid, the proletarianization (and pauperization) of the middle class, the constantly more difficult problem of forcing real wages up, the ever-tightening control on "inflated" prices by monopolists—these are clear indications that, while the living standards of large groups of workers (particularly in the well organized industries) are still relatively untouched, the Marxist "dogma" is being fulfilled in real life.

### Social Exploitation and Class Exploitation

In his chapter "Expropriating the Expropriators," William writes:

... Wealth production is a social process... the total national income is the product of the combined efforts of every useful member of the national family. (Page 121.)

But the social means of wealth ownership is not owned by the nation. The ownership is vested in a small group. This group of private owners withhold from society a large proportion of the socially created products. In other words, they enjoy the benefits of *social surplus value*. (Page 121.)

What is the difference between social surplus value and the Marxist variety? William reasons: "All useful people (even the inefficient merchants) create value." He means, therefore, "social value," and not "social surplus value." Surplus value, as Marx defined it, is the value of commodities produced by the worker minus the wages the worker receives from the capitalist. It is, therefore, a strictly class term, and has no meaning except at the "point of production." It is wealth that society will expropriate from the expropriators. The capitalists extract wealth in a particular way. Wealth extracted in that way we call surplus value. It differs from other

wealth only in the manner in which it is extracted.

William's "social surplus value" is intended to mean the difference between the benefits the capitalists get and the value these powerful men create. To William, "benefits" equal "value" equal "social surplus value" equal "social wealth" equal "the products of labor" equal "socially necessary (efficient) labor time expended." The capitalists get "benefits" as consumers, but it is only because they own the means of production that they are able to get them. Again, it is William who makes an artificial separation of consumption and production.

William asserts that (1) the capitalists obtain a disproportionate per cent of the commodities and services, (2) commodities and services are "socially created products," and (3) the "powerful" capitalists play an essential, but unique, rôle in the progressive development of society. (This development is, first, to eliminate the inefficient merchants, then later, to extend "social" control to all branches of economic life now controlled by private profit-seekers.)

Let us examine the last two propositions more closely. Marx and William agree that the equitable distribution of "socially-created products" means "a social struggle against a class, the profit-making class" (pages 121-122). Marxists interpret this to mean: "the struggle of the working class and its middle-class allies [the "useful" and what is left of the "inefficient"] against the profit-making class [the "powerful"]." William means: "the struggle of all non-owning and non-profit-making classes against the expropriators of social and/or surplus value. These expropriators are the owners of the means of production, the capitalists, the profit-making class, the bankers (discussed previously), and—the powerful!" The class struggle has crept in again.

Why does William regard the "powerful" as an essential part of the progressive alliance against the "inefficient," and then later reveal that social progress means the expropriation of these same "powerful"? As he himself says (page 121): "If the extraction of surplus value is the basis for the modern class struggle, it becomes obvious that the class struggle must be waged against any and all who profit through surplus value." Good. But then why doesn't William believe in the class struggle? The real reason is this: William believes that the road of progressive development lies through the "full development" of capitalism.\* Capitalism will get more and more efficient. The middle classes will be eliminated. The rate of exploitation (rate of profit) will get greater and greater. And thus, gradually, we will get—"socialism"! (where there is no surplus value extracted!). Now we can see why William must insist on the fact of a rising rate of profit. Now we can see why he talks of "social surplus values." He sees the absurdity of a development that shows surplus value getting greater and greater and thus becoming—zero. So he says all that is involved is a *transfer* of surplus value from the capitalists to society as a whole.

Who is this "society as a whole"? All the classes who are not profit-makers! What is the "social struggle"? The class struggle of these non-profit-making classes! What are they struggling for? For their fair share of the wealth they have created, that is, for their class interests! But wouldn't they get their fair share as wealth to be *consumed*? Of course, but that

\*Scott Nearing expressed a similar idea (1941) when he said that between plutocratic, inefficient England and systematically planned Nazi Germany, he supported the latter. When you are blind to the class struggle, it is easy to confuse the FORM of economic centralization for the CONTENT, i.e., strengthening of the reactionary forces (and usually fewer commodities for the consumer). "The more powerful the monopoly," thinks the sectarian, "the nearer we are to socialism."

only means that a class that is organized "at the point of production" struggles for its class interests which it receives as commodities to be consumed. Doesn't that mean that it is really a consumers' struggle? No, because (a) the "useful" see their consumers' interests, not in the same way that the capitalists see *their own* "powerful" consumers' interests, but in a way conditioned by the "useful" relationship to the means of production, and (b) the struggle in its ultimate form is the struggle for, not merely the consumable results of production, but the means of production themselves.

On pages 89-90 William reaches his conclusions by garbling *Capital* in another way:

Marx pointed out very clearly that the capitalist does not sell commodities at their value, but at their price of production plus the average profit rate.

...Marx made is very clear that there is but one scientific way of gauging capitalist exploitation and that is by ascertaining the proportion that capitalist exploitation bears to the value of the total production of society and not to the value of the product of an individual laborer or group of laborers. The capitalist class exploits society as a whole; it appropriates *social* surplus value.

...Instead, therefore, of witnessing a class struggle, what in reality is taking place is a *social* struggle—the struggle of society against a class, the profit-making class.

*Capital* says specifically, in many different places and in many different ways, that commodities, by and large, are sold by the capitalist at their true value, their entire value. The capitalist (and the middle class after him) *thinks* he is simply adding the average rate of profit to the price of production; actually his profit derives from paying his employees less than the value of the commodities they produce for him. Profit does not originate in the sale of commodities, but in the workers' exchange with the employer of the newly produced commodities in return for their wages. William conceals the source of surplus value in order to counterpose the exploitation of the working class as a whole to the exploitation of individual workers. William is really counterposing *relative* exploitation (the proportion of total commodities that the proletariat receives) to *absolute* exploitation (the standard of living of the proletariat). In real life, these two phenomena are not "counter" but exist side by side. Today, the *capitalists* are the "useless of the present" and the "remnant of the past."

### The Managers and the Capitalists

Aren't the "powerful" capitalists also "useful"? William as a "socialist" cannot say that because he sees that social ownership and control are *more* "useful," that is, more efficient. That is why he separates the "powerful" from the "useful." But there is a deeper significance to the confusion of the rôle of the "powerful" than what it reveals of the clarity of William's thinking.

The uncertainty as to whether the capitalists, as the managers, are a force tending to aid social development, or whether they are, as extractors of surplus value, an anti-social group, reflects the position of the middle class in society. The middle class sees the capitalists as managers because it does not work in the factories where employment, accounting, payment of wages, engineering and design, supervising, determination of wage rates, estimation of costs, computation of prices, production planning and scheduling—each managerial function—is done by departments of employees. The middle class sees the capitalists as expropriators of surplus value (although most of them are not familiar with the Marxian concept) because its farms and small businesses must compete for surplus value

against the huge trucking and marketing concerns, against big business monopoly competition (both in selling to the consumer and in buying from the manufacturer), against big business banks (interest on mortgages and loans), and because the middle class must pay monopoly prices as a consumer.

### Trade Unions and the Marxists

Marxists regard the organized labor movement as a banner-bearer of social progress. Most liberals aren't quite sure *what* the unions can be trusted to do. William's theory gives an answer. He begins (page 131):

It is doubtful if Shakespeare's genius ever conceived of a more heart-rending tragedy of unrequited love than is to be found in the socialists' relation to the labor movement.

But from this interesting start he quickly drops down to:

The "Marxians" insisted that he (the worker—J.L.) take his trade union principles into politics, that he use his political power to serve his interests as a producer. The trade unionist refused to use his social power for anti-social purposes.... (Pages 133-134.)

William fancies he sees a contradiction between the economic struggle in the factories against the factory-owners, and the political struggle against those who represent the interests of the factory-owners. In this, William shares with most liberals a complete ignorance of the class character of the modern state. Lenin knew what he was doing when he directed *State and Revolution* against the social-democrats. The middle-class liberal forever looks to "his" Government (with a capital G) for a redress of his grievances—and is forever betrayed by the "venal forces" of "special interest," i.e., labor and big business. He even looks (as indicated previously) for the government to expropriate the bankers!

But aren't the unions themselves "anti-social" because they fight for narrow, class interests? William draws this conclusion (page 151) but says "their anti-social character" should be confined "to its proper sphere." But what is the "proper sphere" for organizations which separate "themselves from the rest of society"? If unions are anti-social because they fight for the interests of their members, then what *is* there about unions that is not anti-social, that justifies their existence? William unconsciously dodges this question; the passage does not appear in the chapter on the labor movement, but in the chapter on coöperatives which have, as he points out, some "social characteristics" (i.e., from the point of view of the middle class). Hitler, who put William's program of efficiency into practice, drew the implication: he abolished the unions.

### Coöperatives and Monopolies

William does not like producer coöperatives. Shops organized on a coöperative basis

will have to compete with each other for a market for their product just as the capitalists do today. To prevent the inevitable ruination that must follow unbridled competition they will have to resort to combination just as the capitalists do today.... The community would be helpless and entirely at the mercy of these shops. They would be in a position to oppress society just as the capitalists do today. (Page 142.)

One glimpses in this passage the fear of the middle classes of the dictatorship of the proletariat, even more than their fear of the dictatorship of the bourgeoisie. Just why coöperatively run factories must ruin each other, and form monopolies, William cannot explain. William cannot see that just as dictatorship of the bourgeoisie under which we live has led society a certain distance toward the classless commonwealth, so the hegemony of the proletariat, too, can bring a classless commonwealth (communism) closer.

What about consumer coöperatives?

We have seen that social evolution has forced the state to attack the capitalist system from four different "fronts" (1) social and industrial reform; (2) the elimination of the capitalist principle from transportation and communication; (3) direct taxation, and (4) distribution. The consumer coöperative has thus far been compelled to limit its activities to ractically one field—distribution. (Pages 149-50.)

The conclusion should be obvious: coöps should embrace all economic functions; there should be producer coöps. William describes (a) that coöps suffer an insurmountable disadvantage in their competition with big business because of extremely limited capital resources, and (b) the coöps can never get very far unless they change their provincial a-political attitude: "They disdained to make use of the power of the state" (page 151). Marxists conclude from these observations that capitalism cannot be successfully fought by rival economic organizations, but only by class struggle taking political forms. William concludes that "socialists" should become a political consumer movement. In other words, coöperatives are okay only if they are dominated by the middle class.

... Society... is still robbed of surplus value, the only change being in the number of the robbers. This is very clearly brought out by the fact that non-members must pay full value at the consumer coöperative stores and obtain no dividends. The members furnished the merchants' capital instead of the merchant and participate in the merchants' profit instead of the merchant. (Page 149.)

Why doesn't the non-member join? William was interested in the "vast majority" when it was a question of the capitalists being expropriated. Now he is concerned with the interests of the class to which he belongs, with the restaurant owners who must compete with the (more efficient) coöps.

### A Scientific Theory Is Judged by Its Predictions

... All signs point strongly to Germany as the first social democracy. More than that. Not only is Germany likely to be the first country to develop democratic socialism, but it will profoundly stimulate the development of democratic socialism in other countries. (Page 188.)

This was written in 1919. William's prediction came true. In Germany, the social-democrats controlled the Weimar Republic. In Austria, the social-democrats became the leaders of the government. In England, there was a labor government. William and his "socialists" had their day upon the stage. There was not much that was democratic in their régimes, and still less that was social. They entered to the sounds of Spartacists being murdered and they left to the sounds of fascists shooting down workers in Berlin, or in the Karl Marx apartments in Vienna.

The eyes of the German people are firmly fixed on their pre-war standard of national existence. They will leave nothing undone in an effort to regain it.... This means... intensive work. It means efficient work. Germany will organize and systematize.... She will prevent useless duplication. She will reduce non-productive labor to a minimum.... The new Germany will become the most efficient nation in the world. There is no escape.... And it will be done. (Page 189.)

The German nation will nurture its human resources as it has never been done before. Social and labor legislation will set a new standard. (Page 189.)

... Production is still in private hands.... The government [will undertake the] regulation of production. The government will dictate what should be produced and how to produce it. (Page 190.)

It was done. It was not the spineless social-democrats who did it, for the most part (although they tried), but it was done. William has found the groups which represent social progress at last.

"From this stage to complete social ownership is but a



step" (page 190). The step was never taken. But Stalin's Russia has complete "social" ownership. William has many harsh things to say about the "anti-social" acts of Lenin and Trotsky. What about Stalin's "socialism"?

### Conclusion

It is a hallmark of middle-class politics to confuse "progress" and "evolution"; that which is good, with that which is caused. William is much more "economics-conscious" than the average liberal, but he also confuses ethical questions with historical questions. We commonly say that a thing which is bad is "anti-social"; William refers to the Russian Revolution as anti-social in the ethical sense primarily. Imperialist wars, on the other hand, are "a force in social evolution" because they stimulate production.\* "Social patriotism means loyalty to society..." (page 188).

Trotsky, in *Their Morals and Ours*, says that is progressive which "leads to increasing the power of man over nature and to abolition of the power of man over man." Trotsky, Dewey and William would agree that one of the most important means of achieving progress is by raising the standard of living of the masses (yes, as consumers). William stops short at the first half of Trotsky's definition. But Stalinist Russia and Nazi Germany demonstrate that half the difference between tyrannical totalitarianism and socialist collectivism is the struggle for the "abolition of the power of man over man."

Most liberals sense this more than William does. They argue, it seems congenitally, whether the end justifies the means (here is where Dewey is a better representative of middle-class political thinking than William) as a substitute for political analysis. They explain their political opportunism, habitually, by discourses on the "lesser evil."

The liberal enters the field of political action armed only with a bible of his own writing, and not very carefully written at that. He naively assumes that his personal integrity and sense of decency, plus the respect he has for scientists and science, will carry him through any political difficulties he may encounter. History records otherwise.

The middle class believes in unity. They are forever lamenting that socialists, "and others who could do so much good," are forever splitting into small groups, dividing their forces instead of all uniting. William believes in unity like the rest. But, unlike them, he has found the basis on which such unity is feasible: we are all consumers.

William's theory provides a theoretical economic basis for middle-class politics. (That he also helps to reveal the connection between the economics and the politics of anarcho-syndicalists cannot surprise Marxists who have encountered these "ultra-leftists in theory and reformists in practice.") William garbles economics, and he garbles history, but not haphazardly; the strange tree bears real fruit: the reformist ("gradualist") politics of the social-democrats which asserts (a) that capitalism must be replaced by socialism, but (b) it is not by the class struggle but only as consumers preserving national unity (and capitalism) that we can achieve socialism. William's doctrine provides a way of avoiding revolutionary struggle and placing one's faith, and hope, and charitable aid, in reforms. William demonstrates, and all liberals can agree, why it is "scientific" to believe in "evolutionary socialism" as against "revolutionary socialism" with its attendant discomforts.

\*It should be pointed out, in justice to the consumers' theory of history, that this theory of wars (which destroy "useful" workers and factories and stimulate only bullets and bombs) is not necessarily implied. Most liberals either resort to a "national characteristics" theory of some kind, or else identify the war with the struggle of democracy versus tyranny.

We have seen how William has violated facts (e.g., the rising rate of profit); misrepresented the doctrines he is attacking (e.g., class struggle excludes consumer interests); and misunderstood history, precisely because he does not interpret it, (e.g., the middle classes are doomed because of social evolution). "The quest for a solution to the problem of existence" is not a substitute for the class struggle, but a generalized expression of it. Society tends to advance technologically and organizationally, but it is classes who lead and oppose the advancement. Extracted of class content, collectivization means nothing. In a collectivized society, the state is everything. If the state is withering away, that is one thing. But if the state is the instrument of a minority group, an oligarchy, all the efficiency of production and organization will serve ghastly plans. Society is torn by a struggle which can end in only two ways: (1) the destruction of civilized society as a sequel to fascism, or (2) the classless society as a sequel to the dictatorship of the proletariat. The vehicle of progress in contemporary society is the class struggle, culminating in the revolutionary overthrow of the capitalists by the only other force capable of leading the struggle and organizing society. The proletariat may lack a little of the solidity of the capitalists, but it has a stronger economic position and vastly greater numbers.

William's theory is "state-ism": the advocacy of organization without qualification as to direction and purpose; the advocacy of machines without reference to how they shall be used; the advocacy of power without understanding that it is not a "scalar quantity" but a "social vector"; advocating to produce without realizing that it is a transitive verb and implies an object. The social interpretation of history, as William presents it, is history without classes, and hence without interpretation. It is easier for the middle class to overthrow the exploiting class by recognizing its "harmony of interests" with the proletariat (which is both "useful" and "powerful") than it is to overthrow the theory of the class struggle.

JOSEPH LEONARD.

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