The Meaning of Social-Fascism

Its Historical and Theoretical Background

By

EARL BROWDER

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FOREWORD

This pamphlet is based on a lecture delivered by Comrade Browder at the Workers School Forum, New York, in December, 1932. This thoroughgoing analysis of the fascist essence of present-day international social democracy deserves to become accessible to the broadest number of American workers. This is especially true now when the complete betrayal of the German working class by the leadership of the Socialist Party and the reformist trade unions of Germany, and when the active collaboration of the American Socialist Party and A. F. of L. leaderships with the union-breaking and strike-outlawing N.R.A. make the role of social-fascism stand out in all its nakedness.

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I.—THE RELATION OF SOCIAL FASCISM TO FASCISM

FASCISM is a distinctive characteristic of the post-war period of capitalism. That is, it is one of the expressions of the efforts of the capitalist class to bolster up and defend its declining rule. One specific feature of fascism is open abandonment of parliamentary forms of government. This has been seized upon by bourgeois ideologists as the characteristic feature of fascism. On this basis, the attempt has been made to create the general opinion among the masses that the issue of fascism is the issue between parliamentary democratic government and dictatorial government. Especially is this formula made use of by the parties of the Second International, the Socialist Parties. Upon the basis

of this formula they lump together fascism and Communism as two forms of dictatorship in opposition to democracy for which they claim to stand. This formula serves the purpose of obscuring the real issues before the working class and of diverting its energies from the revolutionary struggle for the defense of its immediate needs and for the destruction of the capitalist system. It is itself the theoretical connecting link between fascism and social fascism. But otherwise it is an empty, unscientific phrase which ignores the real basis of different political forms.

"People always have been and they always will be the stupid victims of deceit and self-deception in politics," Lenin wrote, "until they learn behind every kind of moral, religious, political, social phrase, declaration and promise to seek out the interests of this or that class or classes."

Fascism is merely one of the forms of the dictatorship of the capitalist class. The dictatorship of the capitalist class exists and has existed in many forms. The historical form of capitalist dictatorship is the bourgeois republic based upon the general franchise; but in very few instances does this develop in reality in a pure form. However, it is an axiom of Marxism that whatever the particular form of government — constitutional monarchy, bourgeois republic with limited franchise, or bourgeois republic with broad franchise—the class content of these forms of government has always remained the same. All of them are merely forms of the dictatorship of the capitalist class. As Marx said in 1850, "the bourgeoisie, when it rejects the general suffrage with which it had hitherto draped itself and from which it had sucked its omnipotence, admits candidly: 'Our dictatorship has hitherto existed through the will of the people; it must now be consolidated against the will of the people.'"

Since the World War, which hastened the decline of the capitalist system, various new props have had to be brought to bolster up the rule of the capitalist class. The capitalist class has no longer been able to rely upon the simple operation of the machinery of bourgeois democracy and has had to bring to its aid various new instruments. During the war and since the war

the capitalist class has placed its main reliance for holding the masses in support of its class dictatorship upon the parties of the Second International, the social democracy, the social fascists of the various countries. Today the social fascists are the main prop of capitalism among the working class masses. But wherever the declining capitalist class sensed the approach of a revolutionary crisis, it developed another weapon in the form of fascism. If social fascism is the use of the various Socialist Parties to mobilize the toiling masses in support of declining capitalism, fascism is the mobilization, under various demagogic slogans, primarily of the declassed and petty bourgeois elements and politically backward and impoverished peasant masses under the direct control and supervision of finance capital. These fascist forces are mobilized first of all for the physical destruction of the organizations of the working class and the toiling peasantry, supporting the capitalist dictatorship by open violence in defiance of the forms of democracy.

When the capitalist class, therefore, passes from one form of government to another, it is not changing the class meaning and the class content of the government. It is merely changing the form of its capitalist dictatorship to meet the requirements of the particular moment and the particular place. Likewise within these various forms of government the capitalist class does not hesitate to use different parties for the exercise of this dictatorship. At one moment it leans most heavily upon the social democracy and secures the execution of its policies through the Socialist Parties which bring to it the necessary support among the masses. At another time, when this open use of the social democracy as an instrument of capitalist government threatens to destroy or undermine seriously the mass base of this party, and the masses following the Socialist Party begin to turn to the Communist Party, then the bourgeoisie brings forward its fascist organizations. And for the time being it allows the Socialist Party to recoup its mass strength by passing over to the role of "loyal opposition", ready to come again to the foreground when called to take up the task of ruling for capitalism.

First, it must be understood that fascism grows naturally out of bourgeois democracy under the conditions of capitalist decline. It is only another form of the same class rule, the dictatorship of finance capital. Only in this sense can one say that Roosevelt is the same as Hitler, in that both are executives of finance capital. The same thing, however, could be said of every other executive of every other capitalist state. To label everything capitalist as fascism results in destroying all distinction between the various forms of capitalist rule. If we should raise these distinctions to a level of difference in principle, between fascism on the one side and bourgeois democracy on the other, this would be following in the line of reformism, of social fascism. But on the other hand to ignore entirely these distinctions would be tactical stupidity, would be an example of "left" doctrinairism.

Second: the growth of fascist tendencies is a sign of the weakening of the rule of finance capital. It is a sign of the deepening of the crisis, a sign that finance capital can no longer rule in the old forms. It must turn to the more open and brutal and terroristic methods, not as the exception but as the rule, for the oppression of the population at home and preparation for war abroad. It is preventive counter-revolution, an attempt to head off the rise of the revolutionary upsurge of the masses.

Third: fascism is not a special economic system. Its economic measures go no further in the modification of the capitalist economic forms than all capitalist classes have always gone under the exceptional stresses of war and preparation for war. The reason for the existence of fascism is to protect the economic system of capitalism, private property in the means of production, the basis of the rule of finance capital.

Fourth: fascism comes to maturity with the direct help of the Socialist Parties, the parties of the Second International, who are those elements within the working class we describe as social-fascists because of the historic role which they play. Under the mask of opposition to fascism, they in reality pave the way for fascism to come to power. They disarm the workers by the theory of the lesser evil; they tell the workers they will be unable

to seize and hold power; they create distrust in the revolutionary road by means of slanders against the Soviet Union; they throw illusions of democracy around the rising forces of fascism; they break up the international solidarity of the workers. They carry this out under the mask of "Socialism" and "Marxism". In America this role is played by the S. P., "left" reformists and the A. F. of L. bureaucracy.

II—SOCIAL FASCISM IN ENGLAND AND GERMANY

Let us concretize this general formula: We have excellent illustrations especially in the history of Germany and England. In England the Labor Party, the second largest party of the Second International, has twice been used by the British bourgeoisie as its government party. The British ruling class was threatened by serious uprisings in its colonial empire and by serious mass discontent at home that endangered the structure of the entire bourgeois state. And in each case it overcame these crises by calling into office the Labor Party and creating the illusions among the masses that some concessions were being made to them through the instrumentality of the "labor" government. And in each case the class policy of the government remained unchanged.

The first MacDonald government was called into office precisely at the moment when British imperialism felt it necessary to suppress violently colonial uprisings in India and in the Near East; and the government headed by Ramsay MacDonald and the labor cabinet carried through this violent suppression with even more ferocity than any Tory government had found necessary in the last couple of generations. The MacDonald government, the so-called Socialist government, introduced the policy of suppressing the colonial uprisings by means of the air force, carrying out reprisals against the revolting colonial peoples not by direct struggle against the armed forces of the colonial peoples, but by bombing and destroying whole towns and villages, including men, women and children, in air attacks. This practice was first introduced by the Ramsay MacDonald labor government.

The first MacDonald government was called into office at a time when the laboring masses of England were stirring in widespread revolt over domestic issues. The British workers were suffering in the first years of the permanent unemployment affecting millions. Wages were being deflated, as they called it, and large mass struggles had taken place. Under pressure of these mass struggles, the trade unions in England had begun to move toward the establishment of broad fighting alliances in resistance to the wage cuts and for the struggle against unemployment. By calling the labor government into office, the British bourgeoisie secured the dispersal of this rising mass movement of the workers at home. It disorganized and disintegrated the organizations of struggle among the workers, and created the illusion among them that they were about to achieve their objectives through the peaceful democratic process of electing the Labor Party leaders into government and into office.

In office the Labor government proceeded to carry through the same capitalist policy at home that had been carried through by the Tories and by the liberals. And when this realization threatened to arouse rebellion against the Labor Party, then the Labor Party was dismissed from office, going into opposition and recuperating its mass strength until a few years later it could again be used as the government party for the bourgeoisie.

The second time it came into office, it had to go even further than the first time. Where before, to suppress the colonial uprisings, the labor government had carried through mass arrests and bombings of villages in India, the second labor government has the distinction of being the government that put 50,000 people in jail in India in the hopes of stopping the independence movement. It has the distinction of slaughtering many more thousands of rebels in the colonies and at home. It has the distinction of having itself formulated and inaugurated the policy for the second great post-war offensive of the capitalist class against the entire working class, the second great general reduction of wages for all workers in England, and the general reduction of unemployment benefits. This policy was formulated and

inaugurated by the Labor Party. And only when it was apparent that this policy was going to destroy the Labor Party among the masses, there came recently the sudden so-called split of the Labor Party and the emergence of a government of national concentration, headed by Ramsay MacDonald and Philip Snowden of the Labor Party, Stanley Baldwin of the Conservative Party, and a few scattered liberals. The world was treated to the spectacle of a Tory government with a Labor premier, the chief leader of the Labor Party during the past twelve years. And the Labor Party itself went into opposition again to try once more to recuperate its strength among the masses while the policy which it formulated and inaugurated is carried through by the Tory government with a Labor man at its head!

Let us take Germany. In Germany, the social democracy has been performing the same role. We cannot here go into details of the role of the social democracy during the war. All of us know the fact that the Socialist Party became a pro-war and government party during the war, establishing the basis of its class collaboration at that time. After the war, the social democracy became the main instrument in Germany, first for the preservation of the capitalist system against revolution and for the suppression of the German revolution, and, later, to prevent the development of working class struggle and step by step to hand back to the German capitalists all the gains that were made by the German working class immediately after the war.

The foundation of the German republic took place at a time of great revolutionary upsurge. The workers were in power in Germany. The forces of the capitalist class were shattered. The possibility existed for the immediate transformation of Germany into a workers' republic, and to begin the reorganization of Germany on a socialist basis. This was prevented by the conscious policy of the German social democracy.

Let us listen to a few quotations from a bourgeois academic writer. In his study on *The General Strike*, published by the University of North Carolina, Wilfred Harris Crook describes the events of those days:

"The extremists . . . ", he says on page 502, "desired to see a combination of a proletarian militia and the 'People's Marine Division' (itself a mixed band of sailors on leave, of deserters and of unemployed) with control in the hands of the Berlin Workmen's Council. The majority social-democrats, disturbed by the presence of such organizations, saw the need for some armed force that would be responsible to the government and not to the radical Workers' Council of Berlin. Hence a 'Republican Soldiers' Corps' was organized by Commandant Wels from among the demoralized soldiers, with funds from foreign and 'bourgeois' sources. . . .

"The actual revolutionary outbreak did not occur until January 5 and 6, 1919, but the events of the Christmas Eve debacle were its immediate cause. The more basic reasons for armed hostility between the two camps lay in the belief of the Spartacists and the ranks of the independents that the revolution was not really complete until the proletariat was in command, as in Russia. The Ebert Government and the majority Social-Democrats in general held that the revolution had ended when they came to power. The government had felt that the majority of the German nation were behind them in opposing any proletarian dictatorship—and such proved to be the case when the constituent assembly was elected later, in January. At the moment, however, the forces behind the extremists were greater than even the Spartacist leaders were themselves aware. In the great street demonstration on Sunday, January 5, the Spartacist leaders themselves were surprised by the powerful response which their call to protest had elicited." (p. 503)

As the *Manchester Guardian* reported on January 10, 1919:

"Both the revolutionaries and the government proclaimed a general strike and called upon their followers to display their forces in the streets."

And Crook (pp. 503-504) continues:

"The government (headed by the majority Social Democrats) had presumably called for a general strike in the hope that the masses of their supporters in the streets would overawe

the extremists. As it was, Monday morning January 6 (1919), saw the shops all closed and all work at a standstill. The vast crowds increased hourly; armed and unarmed soldiers and sailors, professional men, women and children thronged the streets carrying placards declaring their stand, measuring the strength of their opponents, and massing before their respective headquarters. Noske, who had just returned from Kiel, describes how the government's supporters clamored from the Wilhelmstrasse for arms to fight the extremists, while the People's Commissaries themselves stood undecided in Ebert's room in the Chancellor's Palace. Noske demanded a decision as to the use of armed force. Someone replied: 'Then do the job yourself.' Noske agreed, saying: 'Very well, if you like. One of us must be the bloodhound. I shall not shirk the responsibility.' He was promptly created Commander-in-Chief by Colonel Reinhardt, Prussian Minister of War, withdrew with General Maercker and other officers to a suburb of Berlin, and there organized six corps of volunteer rifles, foot and horse, under the command of General von Luttwitz, a Prussian of the old school."

The revolution was crushed in cold blood. Crook adds:

"That the Volunteer Rifle Corps raised by General Maercker and Gustav Noske gravely misused their power is evident from the report of General Maercker himself, written on January 25 and published in his book, *Von Kaiserheer zur Reichswehr*. Machine gun fire went on, he reported, from the roofs of the houses in many of the main thoroughfares, in his opinion, not from the Spartacists *but from the rank and file of his own corps!* 'In actual fact the population of Berlin was kept for ten days in terror of their lives by irresponsible elements of the Volunteers.' "

The workers responded to the Noske butchery with strikes. Noske took up his job as bloodhound again. Crook writes (pp. 506-507):

"Meanwhile the government troops were reinforced and for the first time every weapon of modern warfare was used from artillery to aeroplane bombs. By Saturday, March 8 (1919),

the defeat both of the general strike and the revolution was complete, and the reprisals began in good earnest. Every *worker's* house was searched for weapons and without even the summary method of the court martial fifteen hundred men, women and boys were executed in a single week in Berlin, the majority by machine gun fire against handcuffed, massed prisoners."

The massacre of the heroic Communards of Paris was repeated nearly 50 years later—only this time under the direct orders and supervision of the social-democratic butchers!

"In two short months after the revolution had 'succeeded', the old militaristic army officers were in control, put there by the actions of Noske and his Majority Social-Democratic Government."

Together with the capitalist class, the German Socialist Party worked out a system of some immediate concessions to the workers on the basis of which the workers could be brought to submit themselves to a bourgeois republic, under cover of which the capitalist class could re-establish itself. The concessions that were given to the workers were the eight-hour day, universal recognition of the unions, collective agreements and legal establishment of shop committees. And with these concessions the social democracy went into partnership with the capitalist class on the express program of re-establishing capitalism.

In re-establishing capitalism with the aid of American loans, the social democracy, step by step, handed back to the capitalist class all of the economic concessions that had been made, and all of the political power. The eight-hour day went by the board. Even the recognition of the unions is maintained only as an instrument for the prevention of strikes and the union contracts have no more validity in determining actual working conditions in the factories. And even those small immediate concessions of an economic nature that were given, were rapidly taken away again so that today* the German working class has had its wages

* On the eve of Hitler's seizure of power.

reduced to 50 per cent, five million unemployed—perhaps it is closer to six million now—have had their unemployment benefits reduced below starvation level, taxes have been piled upon the workers, taxes upon all articles of consumption, which took away from them a large part of the small wages that are still left. And step by step, the working class in Germany, under the misleadership of the social democracy, has been reduced to an appallingly low economic position.

The capitalist class is quite conscious in its use of the social democracy and recently the National Association of German Manufacturers has been seriously considering whether it was not making a mistake in its too rapid development of fascism in Germany, whether it could not longer try to use the social democracy. It inaugurated a study of this question and about two months ago sent out a special series of political letters to 100 selected German industrialists, giving the results of its study. One of these communications fell into the hands of the German Communist Party and has been published. The letter, which was also reprinted in the *New Republic* of November 30, 1932, says:

> "The reconsolidation of the bourgeois regime in Germany is... the task of the moment. The present von Papen government does not as yet imply this reconsolidation, although such is the government's claim. Tactics alone were responsible for this claim—it is a fiction necessary to the safeguarding of the government's effective functioning....
>
> "The general character of the problem of reconsolidating the bourgeois regime in post-war Germany lies in the fact that the bourgeois leaders, the managers of the national resources, have become too small a class to maintain their dominating power without assistance. Unless they decide to trust military force as the mainstay of their regime—a most dangerous procedure—they needs must ally themselves with classes belonging to a different social level. These classes would serve to give the indispensable democratic foundation to the governing faction, and would thus become the ultimate wielders

of power. This marginal holder of bourgeois power was the Social Democrats during the first period of post-war reconsolidation. . . . Thanks to their social character as an original workers' party, the Social Democrats brought to the political constellation of that time not only their numerical political power, but a much more important and lasting contribution; they chained organized labor to the bourgeois state machinery and by dong so paralyzed the revolutionary energy of their rank and file. . . ."

This is a well-merited tribute and recognition given to German social democracy by the National Association of German Manufacturers.

One of the principal weapons of social democracy in carrying through this policy and securing the acceptance of this policy on the part of the workers has been the formula of the "lesser evil". This formula works in somewhat the following manner: In a trade dispute the employer comes forward with the demand for a 20 per cent reduction of wages. The social democratic leaders rush forward and say: we must organize and resist this 20 per cent wage cut, but before we strike we must enter into negotiations. They enter into negotiations and finally come to the conclusion that instead of a 20 per cent cut, they will compromise on a 10 per cent cut. Then they go back to the workers and say: See, we saved 10 per cent for you. All you have to do is accept a 10 per cent wage cut today. In the political field, the theory of the lesser evil means the support of the "best" bourgeois politicians and the "best" bourgeois parties as against the "worse" bourgeois politicians and parties. Under this slogan the German social democracy supported various governments of the bourgeoisie when it could no longer itself carry the main responsibility of government. Step by step it moved to a point where it supported the government of Bruening, who governed by presidential emergency decree and carried through those policies which the social democracy itself did not dare vote for in the Reichstag, and which therefore could not be put to a vote because it was impossible to vote for these measures before the workers, without

being politically destroyed. But by voting to support the government which put these same policies into effect by presidential decrees, the social democrats achieved the same object.

The slogan raised was: Bruening is the lesser evil, as compared to Hitler. It is impossible for us to turn Bruening out, because if we did, Hitler would come in and he would be worse. The same theory was advanced in a peculiar form in connection with the Japanese movement. In 1928, the Japanese government put into effect the so-called "law against dangerous thoughts". In this law the Japanese government established the death penalty for thinking dangerous thoughts, whereas previously in the old law, the highest penalty for thinking dangerously was ten years in prison. Against this new law giving the death penalty, the social democrats came forward with the slogan, "Amend the Dangerous Thoughts Law, Eliminating the Death Penalty and Substituting Ten Years". Certain right wing elements even among the Communists thought the death penalty was so bad that it is better to fight for ten years in prison!

In Germany the social democracy brought forward the same slogan, but instead of getting the death penalty changed to ten years, they executed the death penalty against the Revolution. The German social democracy cleared the path for the development and rise of fascism in Germany. Under the slogan of the lesser evil they used the political power of the organized workers to bring into existence the government of fascism, first the Bruening government, then the re-election of Hindenburg. It is not so long that we can have forgotten that the German social democracy elected Hindenburg.

Hindenburg became president seven years ago as the candidate of the extreme right of the German bourgeoisie. In the presidential election of March 29, 1925, Hindenburg was the worse evil, the lesser evil being the candidate of the "Progressive Bloc" and the Catholic Center, Marx. When the next presidential election came around on April 10, 1932, Hindenburg was no longer the worse evil. When he was first elected, he had been the worse, but now there was a still worse candidate, Hitler, so

that German social democracy faithfully rallied all of its supporters behind Hindenburg and elected him president. A little later than two months after Hindenburg had been re-elected by the social democracy he dismissed even the Bruening government as too mild, and established the von Papan-Schleicher government, a government of a more open, pronounced fascist character. The social democracy pretended to be in opposition to the von Papen government. It was the votes of social democracy and the policy of social democracy, however, that created the von Papen government.*

When we speak of the Socialists as social fascists, we are not merely abusing them, we are giving the scientific description, the name of the political role which they are performing. That role was to prepare the road for fascism, to prevent the struggle of the masses against fascism, and to tolerate and support the establishment of the fascist governments. Socialists in words, fascists

* Since Hitler came to power the social-democratic leadership of Germany has developed its policy of support of the German bourgeoisie to a new phase. Theirs has been a continuous policy of aiding the advance of fascism by striving in every way to disintegrate and disarm the working class in its fight against the capitalist offensive. Instead of urging united action of the working class against capitalism, the German social-democratic leaders united against the working class.

After Hitler came to power, the Communist proposals for unity of action against the terror were spurned by the social-democratic leaders as thy crawled before the Hitler regime. The leading social-democratic paper of Germany pledged its support to fascism thus: "Hitler came to power legally, we must wait and see what he will do. To act now would be shooting in the air."

At the moment that piece of treachery was printed there were tens of thousands of workers, including social-democratic workers, in the torture dungeons of fascist Germany. Yet the leaders urged waiting to see what Hitler would do!

Leipart, social-democratic leader of the German trade unions, pledged that he would cooperate fully with Hitler to "work out together the problems of working conditions". Such cooperation was actually carried out in the wholesale turning over of the trade union apparatus under their control by the reformist officials to the Nazi regime.

Equally despicable was the spectacle of Wels, chairman of the German Social-Democratic Party, who, to curry favor with Hitler, resigned from the Buro of the Second International, in a typical social-fascist effort to stem the rising mass fight against fascism by parliamentary and legalistic illusions. Wels and his associates spoke of legalism and the democratic state machinery when all these forms of capitalist democracy—the concealed dictatorship of the capitalist class—have disappeared and in its place is the open, brutal dictatorship of the bourgeoisie that is personified by the bloody regime of Hitler.

These recent evidences emphasize more than ever the correctness of the Communist designation of the social democracy as social-fascist; the main social support of the bourgeoisie, not only before the advent of fascism, but its main social support in maintaining the monstrous rule of fascism.

in deeds! That is what social fascism means. It is an accurate, scientific, descriptive term applied to the Socialist Party.

III.—AMERICAN SOCIALIST LEADERS JUSTIFY FASCISM

So far we have talked mainly about the Socialists in Europe. This is not because the Socialists in America are any different, but because in Europe they have gone through a higher development and exhibit the logical conclusions of their policies in a much more finished form. It is the next step, therefore, to establish the political identity between our American Socialists, the German social democracy and the British Labor Party. They have the same policy. They have the same formulas. They work in the same way. They bring the same results.

The preparation of the way for fascism by the Socialists is generally done under the demagogic slogan of struggle against fascism. In Germany, the Socialists charged the Communists with being responsible for fascist developments. In the United States, Norman Thomas charges that the development of fascism in this country will be brought about by the Communist Party. Writing in the summer, 1932, issue of the *Socialist Quarterly*, he states:

> "Communism, I am sure, whatever its intentions, is now playing into the hands of fascism by continually discrediting democracy and by insisting on the inevitability of ruthless dictatorship and of great violence. Nothing could be better calculated to scare the timid into the arms of Fascist saviors of 'order and security'."

Let us see what is the political kernel of this charge! Remember, fascism is the instrument of the bourgeoisie for smashing the revolutionary organizations of the working class. Therefore, if there were no revolutionary organizations of the working class, fascism would not arise. Therefore, the way to prevent the rise of fascism is to prevent the revolutionary struggle of the working class. This is the logic of the argument of social democracy, of Norman Thomas, when he charges the Communist Party with being responsible for the rise of fascism in the United

States. It is true that fascism arises as a counter weapon of the bourgeoisie against the revolutionary upsurge of the workers. If there is no revolutionary upsurge there will be no fascism. And in this sense, the Communist Party is "responsible" for the rise of fascism because only the Communist Party organizes and leads the revolutionary upsurge of the working class.

Thus, according to Thomas, fascism is not the product of the decline of capitalism and the attempt of the capitalists to maintain their rule at all costs, but it is produced by the Communist Party because it discredits democracy and proclaims the necessity of proletarian dictatorship. It is therefore not the capitalists who are discarding democratic forms for fascist methods of maintaining their dictatorship, but the Communist Party that is endangering democracy. Moreover, Thomas covers up the class character of democracy by contrasting it with fascist dictatorship as if capitalist rule were not the essence of both. This is the same traitorous hypocrisy which the German Social Democracy practiced in its policy of the "lesser evil". We have seen what this masking of the capitalist dictatorship under the guise of democracy has led to in Germany. The struggle for the maintenance of capitalism against the rising tide of revolution proceeds under just this guise of a struggle for democracy.

In addition, Thomas absolves the capitalist class of its fascist terror and makes it appear as a measure of *self-defense* against Communist *provocation*. The poor capitalists are thus being incited by the merciless Communists who have no regard for the sincere efforts of the capitalists to carry on their robbery of the working classes in a more democratic manner. Naturally, if the Communists insist on frightening people by their talk of dictatorship, the capitalists can only respond by establishing their own dictatorship. That is how history is made, according to the Socialist, Norman Thomas! And that is how the American Socialist Thomas helps the capitalists make history. Obviously, such "arguments" are only a brazen apology for the *offensive* launched against the workers' standards by the capitalist pirates who dominate the life of the entire country.

The absurdity and hypocrisy of this logic are apparent when we consider that neither the revolutionary movement nor fascism would arise if there were no capitalist system. In a word, if there were no exploitation and oppression, if there were no misery and starvation, if there were no monopoly of the means and conditions of life by a small class of capitalists—then there would be no class struggle, no need on the one hand for the workers to fight for the right to live, against poverty, unemployment and war, and on the other hand for the capitalists to resort to every form of violence and physical attacks against the workers and their organizations in order to maintain the capitalist profit system and their rule of exploitation and robbery.

The Socialist "argument" merely means that if the workers starved quietly and did not resist the capitalist offensive of wage cuts, unemployment and terror, allowing the capitalists to get out of the crisis at the expense of the workers, then the capitalists would not have recourse to open forms of oppression and violence. Of course not! But it is evident that such advice is the logic of the robber rather than of his victim. To blame the Communists for the capitalist attack is as if the robber, holding up a person, were to accuse his victim of interfering with the robbery and *forcing him* to use his gun in order to carry out his robbery! It might as well be said that the robbed person was responsible for the robbery. On the basis of such "reasoning", it might be said with equal force that the Communists are also responsible for the exploitation and oppression of the masses by the capitalist class!

This is the same logic, it has the same political meaning, when Norman Thomas accuses the Communist Party of inciting race riots, through bringing forward the slogan of self-determination of the Negroes in the Black Belt. What does this mean? If the slogan of self-determination for the Negroes is wrong, because the white landlords in the South will resist it, then the demand for any kind of equality for the Negroes is equally wrong. It is the argument of a traitorous pacifism which is the political content of social fascism. *It is the argument for the*

submission to the rule of the bourgeoisie; an argument to set as our goal only those demands which we can gain by peaceful persuasion, by changing the hearts of the kindly capitalists and landlords.

Norman Thomas has formulated the main political task of the Socialist Party on many occasions, especially during the course of the past election campaign. In a speech delivered during the election campaign before the Commonwealth Club in San Francisco, Thomas stated:

> "If we are to keep class strife from becoming literal class war in a country of thirteen million unemployed . . . there is no time to lose. It is as the one hope of orderly and peaceful social change in America, that I have been so insistently pushing the Socialist program and the Socialist organization in America."

The *New York Times,* June 13, 1932, reported about the nomination of Thomas by the Milwaukee Convention of the Socialist Party as its presidential candidate as follows:

> "In accepting the nomination for the presidency on the Socialist Party ticket, Mr. Thomas declared that the big task that the Socialists have before them was to give intelligent and organized expression to the growing discontent in this country in order that the revolution might be averted and discontent directed into constructive channels."

The Spokane School Board ordered cancelled its permit for use of the high school auditorium for a Thomas meeting. On September 22, the *Spokesman-Review* published a leading editorial calling on the School Board to reconsider its decision and allow Thomas to speak. The School Board, the *Spokesman-Review* argued, is laboring under a misconception when it states that Thomas "teaches things that are opposite to the fundamentals that we are attempting to instill in our boys and girls".

> "Their (that is, Mr. Thomas' and the Socialist Party's) entire program, it seems probable, could be adopted, if a majority

of the American people wanted it, *without a single amendment to the Constitution of the United States. . . . That program differs little, if at all, from that of President Hoover.* 'We are not Communists preaching a ruthless doctrine of bloodshed and dictatorship', said Mr. Thomas in his acceptance speech. Earlier in the day, in opposing a proposal by a California delegate that the Socialists declare for confiscation of property, Mr. Thomas declared that if such a proposal were adopted by the convention, he would refuse the nomination."

IV.—AMERICAN SOCIALIST LEADERS AND WAR

Let us examine the development of the American Socialist Party and its leaders in the elaboration of policies corresponding to those carried through by the Socialists in other lands.

First of all, we should point out that the American Socialist Party, and particularly its main leaders, Norman Thomas and Morris Hillquit, endorsed and supported openly every step in the development of the German social democracy, including the election of Hindenburg. They supported and endorsed every step in the development of the MacDonald government. Or if they made any little reservations, it was some kind of reservation that Socialists of one country always make about the Socialists of another. These reservations are the kind that are required in order for one to adjust himself to the policy of one's own bourgeoisie and when Socialist brothers of another country are also supporting the rival bourgeoisie. Furthermore, when the imperialist masters have quarrels, it is always reflected in the quarrels among the Socialists also. The American Socialist Party, for example, came out in the early part of the invasion of Manchuria by Japan and gave one hundred per cent endorsement to the Japanese Socialist Party which was supporting the invasion of Manchuria. Later on, with the sharpening of the relations between the United States and Japan, the Socialist Party in the United States stopped talking about its support to the Socialist Party of Japan. It is interesting to note that this same Socialist Party of Japan even split in two, one section wanting to travel faster than the other, and coming out openly as

the fascist party. Half the Socialist Party of Japan, together with its general secretary, is now openly the party of fascism.

It is necessary at this point to deal somewhat with the record of the Socialist Party on the question of war. It is really illuminating to consider the Christian Socialists and their organ, *The World Tomorrow*, which carried on an active campaign in support of Norman Thomas. It is the Christian wing of the Socialist Party. It prides itself on the ethical and religious grounds it gives to Socialism and especially upon being very honest and very fair. In the spirit of very Christian honesty and fairness, *The World Tomorrow* was the first paper to come out in the election campaign and declare it supported Norman Thomas as against Foster on the grounds that Thomas and the Socialist Party had a good record of fighting against war, whereas Foster had supported war and sold Liberty Bonds. If the gentlemen and ladies of *The World Tomorrow* wished to know the facts they could have known them. In fact, it is my opinion they knew them when they wrote and they knew the Socialist Party had not fought against war. They knew that it had supported war and that Foster, in spite of his mistakes (which were concessions to the influence of this same ideology that dominated the Socialist Party) was one of the very few leaders among the working class who developed the class struggle and class organizations of the workers in the midst of war in this country.

But what was the Socialist Party doing? I will give you a few quotations. Morris Hillquit, on February 11, 1917, before the United States entered the war, at a time when it was still safe to appear to be against war, gave his pledge in advance to the United States government. He wrote in a signed article in the *New York Times*:

> "The Socialist attitude has always been this—to oppose war regardless of the circumstances, and when war did come in such countries as were actually invaded or in real danger of invasion, to go to the defense of the country as has happened in Belgium and France and Germany and Austria."

And then he said:

"Socialism in the United States will not handicap the United States government by strikes. If the armies are raised by conscription, of course, we will have to serve as other citizens. I do not believe that the Socialists will advocate any general industrial strike to handicap the country in its war preparations, and I do not believe there will be any such strike."

If this is not an open, direct pledge of support to the government and encouragement to the government of the United States to enter into the war, with the pledge in advance of the Socialist Party to support it, then I am afraid we will never be able to find any examples of such open pledges anywhere in history. The *Milwaukee Leader,* at the time of the declaration of war, wrote:

"When the conditions necessary to prosecute the war with any success shall be established, we shall have established the groundwork for better conditions in time of peace."

Further it says:

"There will be no return to the old order, once we shall have started on the path of collective activities. . . . A people welded in the hot fires of the world's war to common purposes will not willingly return to the individualism of 'Every one for himself and the devil take the hindmost'."

The next day the *Milwaukee Leader* said:

"The Socialists are loyal today; loyal they have ever been, and loyal they will remain."

The Socialist representative in Congress, Meyer London, stated on April 12, 1918:

"The government of the United States having called upon the people for a loan, there would be no better way of helping the enemy than to refuse that loan."

He was absolutely against helping the enemy and therefore wrote signed articles in the *New York Times* calling upon the workers to buy Liberty Bonds.

That Hillquit is not the sole Socialist Party leader who is ready to support imperialist war is particularly evidenced by the statement of that Prince of Peace, Norman Thomas, as reported in the War Policies Commission hearings held May, 1931 (Vol. 3, Page 722):

> "Second, I do want to congratulate the commission and the country upon the dawning, if somewhat muddle-headed, conviction that when it comes to a real emergency like war, the ever-blessed profit system won't work without an immense degree of control. As a Socialist I rejoice in this, even as I rejoice in the demonstration given by the late war that planned production is absolutely essential.
>
> "In other words, my interest in this hearing is solely in making it apparent that a new world war will be not only so deadly but so unprofitable that it would be harder to bring it about.
>
> "...If I understood my friend Mr. LaGuardia correctly, he is for a constitutional amendment which would permit us to take over everything we need for war. *If we were on the verge of war, I should probably be for it,* but I have no great enthusiasm for it." (Emphasis mine—E. B.)

We should at this point blast the claim demagogically vaunted by the Socialist Party leadership to a revolutionary record in the World War through the adoption of the St. Louis Anti-War Resolution in 1917. The adoption of that resolution was forced by the pressure of the militant left wing in the Socialist Party. The declarations for mass manifestations and struggle against war were never carried into life. In the administrative hands of Hillquit the resolution remained a scrap of paper.

V.—THE SOCIALIST PARTY'S ATTACKS AGAINST THE SOVIET UNION

A few concrete examples of the American Socialists with regard to the Soviet Union. Here we come down to modern times.

The *Jewish Daily Forward,* on May 17, 1931, developed the argument which is not peculiar to it. It is the argument of the whole Second International, although Norman Thomas usually covers it up with much more clever phrases. The *Jewish Daily Forward* has this feature: it says boldly and openly what Norman Thomas hints, and they never have any serious controversies between them. The *Jewish Daily Forward* develops the argument that those who support peace are the capitalists, and those who have created the danger of the new world war are the Soviet Union, Red Imperialism. The exact words are as follows:

> "The overwhelming majority of the representatives of merchant and finance capital in all countries are now opponents of war and supporters of a policy of peace and disarmament. In truth, however, the Soviet Government is the only government which does not cease to inject itself into the internal business of all countries and which lays all its hopes on a new European war. The Bolshevist militarism really represents a great danger for peace."

It is evident that this is the same "argument" applied to the Soviet Union, that the Socialist Party advances when it accuses the Communist Party of bringing on fascism. It was therefore quite consistent when the *New Leader* wrote on May 14, 1932:

> "Those in a position to study Russian facts at close range without being afraid to speak their minds, are convinced that the scheme is a most woeful mistake."

I was debating with one of the representatives of the Socialist Party during the election campaign up at Cornell University and I had a strange experience. I brought forward a few quotations like these, and when the Socialist got up to speak, he said: "I don't defend Hillquit. I have attacked Hillquit more than Mr. Browder does." That was Paul Blanshard, who spoke on behalf of the so-called militants, self-styled left wing of the Socialist Party. I think it is necessary to pay our respects for just a min-

ute to this "left wing". The left wing in the Socialist Party has the special function that whenever a group of workers following the Socialist Party gets too much disgusted with the Hillquits and the Thomases, they have the Blanshards to trot out and tell them to stay in the party and they will change it. It is the same way in which the progressives in the Republican Party served to save doubtful districts for Hoover before the last landslide, especially out in the agrarian states.

Mr. Blanshard said in that debate: "Of course, Hillquit was absolutely wrong and anti-working class and anti-socialist when he acted as attorney for the ex-capitalists who tried to claim Soviet oil". And when Hillquit signed the capitalist appeal to the courts, declaring that the Soviet Government wrongfully and illegally seized the oil fields which rightfully belonged to the capitalists, Blanshard said he was not defending that, he was against it, but he said the convention in Milwaukee changed the policy of the Socialist Party in this respect and they adopted a resolution in support of the Soviet Union. But none other than the *Jewish Daily Forward,* which ought to know what it is talking about, gave the official lie to this. It gives the following estimate of the resolution in the Socialist convention in Milwaukee:

> "Whether an attempt is really made in Russia to build Socialism or whether the bankruptcy of the Russian 'experiment' may have a good or bad influence on the Socialist movement in other countries, there were divisions of opinion among the delegates. But all agree that the present regime in Soviet Russia is a regime of autocracy and terror, and the Convention unanimously joined in the demand that the Soviet Government free all political prisoners and return to the Russian people all political and civic liberties, which means in other words, the abolition of dictatorship and the introduction of democracy."

That is the resolution which Mr. Blanshard introduced in the Milwaukee convention and which was unanimously adopted, calling for the "support" of the Soviet Union in the form of a

demand for the abolition of the dictatorship of the proletariat! And in the program of the *American Socialist Quarterly*, the organ of these self-styled militants, it is therefore stated: "That by democratic methods, and not by methods of cabal and dictatorship will Socialism be attained" (January, 1932).

Having its opposition to the dictatorship of the proletariat in common with the capitalist class, the Socialist Party also repeats the slanders of the capitalists against the Soviet Union. It is only a logical step from the demand to abolish the proletarian dictatorship, to the vicious, even though ignorant, charge that the Soviet workers are not only being exploited but are being exploited worse than in any capitalist country. There is an inner connection between all these points. Indeed, the latter "argument" serves as a fundamental justification of the demand for the abolition of the proletarian dictatorship. If the Russian workers are being exploited, it means that the system of exploitation must be abolished together with their exploiters. As a matter of fact, if the proletarian dictatorship exploits the Russian proletariat even worse than the capitalists do their proletariat, than the Socialist Party cannot be wrong in supporting their imperialist masters in a holy war against the Soviet Union for democracy.

Thus with a show of economic "learning" which could not be viler or more stupid, the *American Socialist Quarterly* (Summer, 1932, No. 3) replied to Foster's statement that there could be no exploitation in the Soviet Union, by stating that: "Exploitation consists in taking from the workers a substantial part of the value of their product . . ." Therefore when we take the accumulation of capital in the Soviet Union, "we have a rate of exploitation of more than 141%. When we compare the total wage fund for 1932 of 26,800,000,000 rubles with the estimated total of 30 billion annual increase in capital, we have a rate of exploitation of 112%. *Either rate is worse than the worst that the capitalist world can show.*"

Such "economic literacy" speaks for itself. Its entire wisdom rests on the fact that there is accumulation both in a proletarian state as well as in a capitalist state. But in typical social-fascist

manner, it "forgets" the "little" matter of *what class* accumulates in each state. This is the same social-fascist logic that equates the Italian fascist dictatorship with the proletarian dictatorship in the Soviet Union, because they are both dictatorships. The fact that the special content of the dictatorship is determined by which *class* exercises the dictatorship, the working class or the capitalist class, does not seem to trouble the social-fascist logic. To them, it is apparently immaterial whether the capitalists exploit the workers or whether the workers "exploit" themselves! Certainly "exploitation consists in taking from the workers a substantial part of the value of their product". But this statement implies and would be correct only if a class of capitalists, owners of the means of production, appropriated this surplus by virtue of this monopoly of the productive forces. According to the social fascists, the Soviet workers do not own the means of production, and the Soviet state is not their state! Who then owns the industries and whose State is it? Apparently the Communist Party—which is not composed of class-conscious workers, which is not the party of the working class, but represents its own interests, etc.! Such is the confusion and the slander that social fascism comes to.

There can be exploitation only where the producers do not own the means of production! The proletariat does not exploit itself. Its *greater accumulation* rate, which the social fascist describes as rate of exploitation, means that a greater social fund is established, which does not go to capitalists, but to all of society. Instead of lower standards, which should accompany greater rate of exploitation, you have ever rising standards!

Expanded production under capitalism is interconnected with the accumulation of capital. In order to build new shops and mills, in order to expand production, capitalists must acquire capital. As we already know, the acquisition of capital inevitably leads to the sharpening of contradictions of the capitalist system. At one pole we have the acquisition of wealth, at the other—poverty. The acquisition of capital is the acquisition of surplus value squeezed out of the workers. The accumulated surplus value

is used by the capitalists as a weapon with which to enslave the workers. It serves the purpose of broadening the scope of exploitation of the workers by the capitalists. New factories are built, further thousands of workers are drawn into exploitation, new machines are introduced—the extent of exploitation of the working class grows.

Under Soviet conditions the widening of reproduction follows the path of socialist accumulation. In order to build new factories and shops, in order to supply agricultural economy with the necessary machines, tractors and buildings, constantly increased outlays are necessary. In capitalistic countries industry was developed to a large extent according to the capital flowing into it from the outside.

In many countries, capitalists built their industry at the expense of colonial robbery. Other countries received large war tributes from defeated enemies. Many nations that industrialized late in the history of capitalism became so by securing funds from the richer, earlier developed nations—nations that were looking for new lands in which to invest their surplus capital. To the Soviet Union all these paths are closed. The Soviet Union does not rob colonies, it does not receive tribute from defeated enemies, it does not enslave the Soviet lands to capitalist countris by means of concessions. The means necessary for construction of socialist industry and for the technical equipment of agricultural economy must be gotten from *within the Soviet Union*. The Soviet Union must accumulate a certain part of the means that are produced by the toil of the workers and farmers.

These means are accumulated by the socialist sector of Soviet economy and are the basis for still wider socialist accumulation. The poor and middle peasant economies also set aside a percentage of the means of production, for the improvement of the production level. However, under conditions of scattered small manufacture, any sort of serious rise was impossible. Only after the transition to tracks of collective economy, appear the necessary conditions for a basic growth of production, for a rapid growth of economy.

In the present state, when the Soviet Union entered the period of socialism, the socialist sector began to play an absolute, predominant role. The kulaks are being liquidated as a class by means of thorough collectivization. Naturally the overwhelming mass of means accumulated in the Soviet Union goes through the socialist sector—follows the path of socialist accumulation. There takes place the construction of a tremendous number of undertakings; included in that number are many gigantic mills reaching dimensions heretofore unknown to both Western Europe or the United States. Collective farms and State farms are laying aside gigantic sums for the improvement of their economy. Many large machine-tractor plants are being built. The system of transportation is being reconstructed from the roots, new railroads are being built, tens of thousands of railroad cars and locomotives are being added to the existing rolling stock. The advantages of socialist economy give the Soviet Union the possibility of using large means for the growth of production, which under capitalism are either vulture-like stolen by parasite-idlers or destroyed uselessly in a beastly fight of all against all. Quite a significant part of the entire national income of the Soviet Union is used for the need of socialist accumulation, which assures the overcoming of the backwardness of the Soviet Union and the construction of a socialist society.

The rapid increase of production signifies the growth of the national income at a rate heretofore unknown to history. The general volume of national income is growing. This general growth of national income gives the Soviet Union the possibilities of simultaneous growth both for that part which goes towards satisfying the needs of the toilers and that part which goes towards socialist accumulation. And in actuality, in the Soviet Union, together with the growth of investments into national economy, goes the uninterrupted betterment of material (living) conditions of the working class and the entire proletarian mass. This is one of the basic advantages of Soviet economy over capitalism.

We already know that the rapid rate of industrialization of

the Soviet Union and the decisive mechanization of the agricultural economy are dictated to the Soviet Union by the domestic and foreign factors which are hostile to its development.

In order to get high rates of economic development certain accumulation is necessary. Definite economy is necessary, a merciless struggle against all kinds of excesses and unproductive expenses is necessary, a fight against losses of any kind. Every penny, every ruble invested in the increase of socialist production brings nearer that moment when the Soviet Union will reach and pass the capitalist world and will set up Socialism.

In socialist accumulation, the working class as well as the peasantry participate. Because after all the tasks of industrialization of the Soviet Union, the tasks of overcoming its centuries-old backwardness are being carried out not only in the interests of the working class, but also in the interests of the whole mass of poor and middle class peasantry. As to the kulaks, a definite part of their income which they had not gotten through toil is being expropriated from them by way of government taxes, individual taxation, etc. During the liquidation of the kulaks their accumulated wealth—buildings, machines, animals, etc.—is transferred into the collective farm and serves the purpose of strengthening the collective economy. The masses of peasant collectivists participate actively in the Socialist accumulation. A definite part of the income of the collective farm is set aside to improve its economy for buildings, machines, increase of stock, etc. A part of the product produced in the collective farm goes into the general government treasury for the needs of socialist industry and transport, for the needs of agricultural economy as a whole.

Tens of billions of rubles have already been invested in the setting up and reconstruction of heavy industry, agricultural economy and transport. These means were heretofore gotten mainly from light industry and agricultural economy.

> "The picture is entirely different today. If in the past there were sufficient sources of accumulation for the reconstruction of industry and transport, today these means are already insuffi-

cient. The task today is not to reconstruct old industry. The task is to set up new technically armed industry in the Urals, Siberia, Kazakstan. The task is to set up new large scale agricultural-economy production in the grain, stock breeding and raw product sections of the U. S. S. R. Clearly the old sources of accumulation cannot fulfill the needs of such grand tasks." (*Stalin.*)

New tasks, a new situation, and the new conditions demand new sources of accumulation. It is impossible to go along with the old paths of accumulation only. The old courses are clearly not sufficient for the completion of the grand problems, which at the present moment are on the order of the day.

"Light industry is the richest source of accumulation and it has all the chances today to develop still further, but this source is not without its limitations. Agricultural economy presents a source of accumulation no less rich, but that itself in the period of its reconstruction is in need today of financial help from the government. And as to budgetary accumulation, those, you know yourselves, cannot be and must not be without their limitations. What is left then? There is left heavy industry. Therefore, it is necessary to aim so that heavy industry and first of all the machine construction section also produce accumulation. Therefore, strengthening and spreading the old sources of accumulation, it is necessary to aim at the point where heavy industry, and first of all machine construction, also produce its accumulation." (*Stalin.*)

From this it is clear what great importance in contemporary conditions is attached to the decisive struggle for complete introduction of economic accounting, for systematic lowering of cost of production, for the growth of inner-industry accumulation in all sections of production without exception. The growth of accumulation within the industry, that is the basic method of socialist accumulation in the present period.

VI.—WITH PRACTICE COMES THEORY

It is clear that on all issues in the United States, the Socialist Party differs from the German social democracy, from the British

Labor Party, not one iota in principle, but only in detail, a detail determined by the fact that it is serving a different set of capitalist masters and by the fact that it is as yet young and undeveloped in this country.

How clearly this is demonstrated in the role of the Socialist Party leadership in relation to Roosevelt's "New Deal"!*

American social fascists actively take part in developing the international theories of social fascism. These theories have as their purpose to justify the practices of the Second International and its sections, and to confuse the minds of the workers on the issues of the class struggle. They range from open apologies for capitalism through open revision of Marxism to "orthodox" Marxism of the Kautskyist revisionist school. All these theories are, first, anti-materialist in philosophy (partaking of philosophic idealism, of the philosophy of bourgeois class society, of religious illusions, etc.), and second, a rejection of the viewpoint of production as the center of gravity in the laws of capitalist production, which they replace with distribution as the prime point.

The theories of Marxism (Marxism-Leninism, in the period of imperialism) furnish a contradiction to the class collaboration practice of the Second International, participation in bourgeois cabinets, coalition policies in general, support of Bruening, election of Hindenburg.** An honest investigation of capitalist production relations necessarily leads to the Marxian theory. It discloses no class harmony. It leads towards the class struggle. The social fascists are, therefore, debarred from any honest examination which would wreck their class collaboration policy. Marx showed that the class struggle is bound up with the production relations existing between the proletariat and the capitalists. The social fascist theory, therefore, avoids the problems of the production relations. Instead, they approach economics from the point of view of circulation, of market relations, making this the center of their investigation. As Kautsky states in

* See Appendix.
** And the ignominious succumbing to and open support of Hitler in power.

his preface to the People's Edition of Volume 2 of Marx's *Capital,* page 19:

> "In the circulation process there appear phenomena which are of the greatest significance to the welfare and ill of the workers, and which do not lose importance because here, to an extent, workers and capitalists have the same interests."

Norman Thomas makes his American contribution to this theory in his book, *America's Way Out,* page 138, when he says:

> "Neither is it altogether true that the employers and workers have nothing in common, as the famous I.W.W. preamble had it."

One of the younger theoreticians of German social fascism, Braunthal, in a text book of contemporary economics, published in 1930, admits that one can come to theories of organized capital and economic democracy only when one starts from the concept of the sphere of distribution, *i.e.,* takes the continuous permanent existence of capitalist relations for granted, and the harmony of proletarian and capitalist interests. This corresponds to and justifies the practice of the Socialist trade union bureaucrats in preventing and suppressing strikes, in calling upon the state to intercede and prevent the workers' struggles. This intervention of the bourgeois state it puts forward as a step toward socialism. Hilferding formulated this most clearly in his speech at the Kiel Congress of the German social democracy in 1927. He said:

> "To consider factory and economic leadership as the affair of society is precisely the socialist principle, and society has no other organ through which it can consciously act than the state."

The economic crisis shattered the theory of organized capitalism. The social fascists are, therefore, reconstructing this theory, the product of capitalist prosperity, in forms to fit the period of capitalist crisis. The rise of giant monopolies, which for them was the beginning of organized capitalism, is superseded by enormous

state subsidies to bankrupt monopolies and trusts which are hailed as state capitalism, a step toward socialism. The Vienna *Arbeiter Zeitung*, organ of Austrian social fascism, thus formulated this, November 7, 1931:

> "The era of finance capital is followed by the era of state capitalism; the domination of the banks over industry is followed by the domination of the state over the banks which dominate industry. The world will come out of this crisis different from what it went into it. State capitalism which arises out of the collapse of finance capital is not yet socialism, but when the state dominates the banks and through them industry, then state capitalism turns into socialism as soon as the masses who work in the factories conquer state power which dominates the factories."

State capitalism is thus hailed as the transition to socialism. The German social fascists use this to justify the Bruening decrees. Thus Braunthal says in reference to the situation created by these decrees:

> "Certainly, the logical conclusion of this situation would be the going over to planned economy, *i. e.*, to socialism."

And he says that this situation is a "painful transition situation".

But long ago Engels exposed this hokum when he said:

> "And the modern state again is only the organization that bourgeois society takes on in order to support the external condition of the capitalist mode of production against the encroachments, as well of the workers as of individual capitalists. The modern state, no matter what its form, is essentially a capitalist machine, the state of the capitalists, the ideal personification of the total national capitalism. The more it proceeds to the taking over of productive forces, the more does it actually become the national capitalist, the more citizens does it exploit. The workers remain wage workers—proletarians. The capitalist relation is not done away with. It is rather brought to a head. But brought to a head, it topples over. State ownership of the productive forces is not

the solution of the conflict, but concealed within it are the technical conditions that form the elements of that solution." (*Socialism, Utopian and Scientific*, 1892, pp. 71-72.)

From the social-fascist theory of the developing revolutionary role of the bourgeois state there flows the conclusion that the proletariat should support this intervention in economic life, and hence its suppression of the workers' struggles. In social-fascist economic theory, therefore, economic categories become political categories. Economic law is replaced by political arbitrariness. With Marx exchange categories are the expression of certain production relations. To the social fascists, however, surplus value arises in the circulation process, crises arise in circulation.

Norman Thomas, the leading exponent of social fascism in America, consistently develops these theories. He says:

> "The operation of our complex machinery for the common good rather than for private profit throws into strong relief the role of the consumer.... It is very significant, as the Webbs brought out before the war, that almost all progress in socialization has actually been in the interest of consumers." (*America's Way Out*, pp. 143-144.)

This consumers' viewpoint includes *all* consumers and transcends *class* relations growing out of production.

Such social-fascist apologetics have not the slightest relation to scientific treatment of economic and social problems. They deal entirely with surface phenomena and not with the real relationships of capitalist society. They make impossible a scientific understanding of the laws of movement and development of capitalist society. As Marx said, *Capital*, Volume 3:

> "The first theoretical treatment of the modern mode of production necessarily started from the superficial phenomenon of the process of circulation.... The real science of modern economics only begins when theoretical investigation passes over from the process of circulation to the process of production."

The placing of the sphere of circulation as the basis of their

economic theory is but a piece with their general advocacy of class harmony. The motive is revealed in the Kautskyian theory that in the circulation process, "to an extent, workers and capitalists have the same interests". Once the center of attack is shifted from the production point to the sphere of exchange, the struggle ceases to be fundamentally a class war of the wage-workers in resistance to the extraction of surplus value by the exploiters, and becomes a question of merely regulating the exchange process by the state, *i.e.*, of *organizing capitalism*. And since, according to Kautsky, in the sphere of circulation "workers and capitalists have the same interests" (even though to an extent), that regulation should, by dint of logic, be carried on on the basis of the sameness of interests, *i.e.*, through class harmony!

The social fascists must have a philosophy by which to steer their course of fascization. Norman Thomas develops specific American expressions of this philosophy. He says:

> "Three things a socialism worth confidence must offer: a philosophy, a program and an organization equal to the task of winning plenty and peace and freedom, not indeed without suffering or struggle, but without a suicidal and self-defeating degree of violence. It is in these directions that socialist thought and effort must consciously turn."

What sort of philosophy does Thomas need? Obviously one that will correspond to the nature and deeds of his practice. It is quite consistent, therefore, when he rejects revolutionary Marxism and accepts only certain of its features after having watered them down and eliminated their revolutionary contents. Thomas himself says:

> "A social ideal, a great organizing loyalty, a social 'myth' as French writers use the word; these are included in the term philosophy, which must have emotional as well as intellectual content and will escape—I hope—degeneration into doctrinaire creedalism." (p. 131.)

Thomas's philosophy, therefore, has nothing in common with

scientific truth. Such a philosophy would not correspond to the nature of social fascism. His philosophy need not be true. "Workers and capitalists have interests in common." A true philosophy, reflecting the real world, would show an irreconcilable class struggle. But social fascism aims to prevent the working class struggle from developing, especially into revolution. His philosophy, therefore, tells him that the class struggle is a "myth". Says Thomas on page 138:

> "Moreover, as socialism and still more communism have proved, the idea of the class struggle is a very effective organizing 'myth' to hold the workers together and to substitute for the supremacy of that 'myth' of nationalism which has less economic justification."

Nevertheless, "the more men and women who transcend a narrow and immediate class or group interest for the sake of ideal interests, the better for us all". (p. 150.)

And on page 137 Thomas states:

> "Nevertheless, economic determinism (sic!) is enormously useful as a positive guide to social thinking and social program, so long as it is not carried over to the realm of metaphysics or of *absolute scientific law*."

Thomas asks:

> "But what is this philosophy we need? Thousands, perhaps millions, of socialists with more or less confidence will still proclaim that it is Marxism...and that our search need go no further.
>
> "Nevertheless these things (the experiences of the Soviet Union, the crisis, etc.) do not prove that all this old world needs is to accept Marxism with its materialist conception of history, class conflict and theory of value." (p. 133.)

The philosophy of social fascism is not materialism. It is idealism. It accepts the worst illusions of the capitalist world, together with the capitalist system itself. The acceptance of the latter inevitably entails the acceptance of the former.

Thus Thomas rejects "economic determinism" when it claims

the validity of scientific law—but especially because "the very terms it employs: 'determinism,' 'materialistic,' etc., match the physics and the biology of the nineteenth century but not of the twentieth". (p. 137.)

Thomas here is not rejecting the mechanical materialism of eighteenth century France and the vulgar German materialism of Vogt and others for the modern, the dialectic materialism. He first ignorantly and in the manner of the open bourgeois "critics" of Marx, identifies Marxian materialism with the mechanical materialism which Marx and Engels consistently fought throughout their careers. But secondly, he accepts the idealist illusions of the religious minded "philosophizing" scientists of today (Whitehead, Jeans, Millikan, etc.) who, confronted with new knowledge about matter, that is, with the more evidently dialectic character of matter (fixed forms, indivisible elements, etc., giving way to forms flowing into one another, in a process manifesting itself in contradictory aspects) conclude that matter has disappeared and that only mind or spirit is left. In addition, aside from showing this complete ignorance of the literature of dialectic materialism on these questions, he does not even know the technical literature of present day natural science. Thus Thomas writes, page 137:

> "Our fathers knew what matter was. It was what common sense told them it was. We are trying to learn that it is a form of energy or perhaps something which can be expressed only in a set of mathematical formulas. Our fathers knew the clear certainties of Newton: cause and effect, action and reaction. We are trying to understand Einstein's relativity and what Heisenberg means when in explaining the quantum theory he talks of the 'principle of certainty'."

Thomas is obviously phrase-mongering here, since Planck, the founder of the quantum theory of matter, asserts the primacy of matter and is really a materialist; and secondly, Heisenberg's principle has been seized upon by all the fideists, priests, etc., as "scientific proof" that we do not know whether there is any

matter left, that we must doubt the existence of universal causality. And this is what Thomas has in mind. But in reality, Heisenberg's principle does not deal with the existence or non-existence of universal causality or law, it actually starts *with* the existence of matter; and merely formulates the inadequacy of present day instruments of measurement to *measure* the movement of particles of matter. The principle of indeterminacy states that "a particle may have position or it may have velocity, but it cannot in any exact sense have both". And Bertrand Russell, in his *Scientific Outlook*, pp. 92-93, elucidates, "that is to say, if you know where you are, you cannot tell how fast you are moving, and if you know how fast you are moving, you cannot tell where you are".

As J. E. Turner stated in *Nature*, Dec. 27, 1930:

> "The use to which the principle of indeterminacy has been put is largely due to an ambiguity in the word 'determined'."

And Russell adds:

> "In one sense a quantity is determined when it is measured, in the other sense an event is determined when it is caused. The principle of indeterminacy has to do with measurement, not with causation. The velocity and position of a particle are declared by the principle to be undetermined in the sense that they cannot be accurately measured. This is a physical fact causally connected with the fact that the measuring is a physical process which has a physical effect upon what is measured. There is nothing whatever in the principle of indeterminacy to show any physical event is uncaused." (p. 105.)

But Thomas substitutes the word "uncertainty" for "indeterminacy" and follows the fideists who wish to cast doubt on universal causation. Thomas continues:

> "Our fathers accepted a doctrine of evolution which explained all things in terms of natural selection and survival of the fittest. We wrestle with hints of biological 'sports' and strange mutations.

"Under these circumstances just what do you mean by a materialistic conception of history', or any absolute determinism? Can a generation which has had to go far beyond Newtonian physics or atomic chemistry or Darwinian biology be expected to find Marx, who was also a child of his time, infallible?"

Thus does Thomas, like his European brothers, cloak his revision of Marx with empty chatter about "modern science" to hide the fact that he replaces Marx's militant materialism by Kantian agnostic idealism.

VII.—WINNING THE WORKERS FROM SOCIAL FASCIST LEADERSHIP

The Socialist Party in this country is becoming a political factor of first rate importance only in the last period of the decline of capitalism. It is very much delayed in its appearance on the political stage as a serious instrument and therefore it has to go through the process of its development at a much faster rate than the Socialist Parties in Europe. In Europe, the Socialist Parties developed over a long period and were, in the period before the war, genuine workers' parties. Opportunism, reformism and revisionism developed freely within them. But they were organs of the gathering of the working class forces, the crystallization of working class consciousness, the development of working class demands.

It was the war which brought to a climax the growing opportunism of the Socialist Parties of Europe. Through their participation in the war and the post-war revolutionary crises followed by the re-establishment of capitalism, the Socialist Parties were transformed into open and recognized functioning agents of capitalist government. And these Socialist Parties in Europe carried over into this new period the tremendous organizational strength and political influence they had gathered in the long years of normal, natural development and growth as the parties of class struggle.

The Socialist Party in the United States has not this background. It had not become a mass party. When the war came, and brought all of these issues to a sharp crisis, the Socialist Party divided and the working class base, the revolutionary elements of the Socialist Party, went into the foundation of the Communist Party in the United States. Since that time the Socialist Party has languished in this country until in these last years, with the development of the crisis, the bourgeoisie learned the lessons of its brothers in Europe, and began to see that it really had some use for the Socialist Party after all.

Under the influence of the more intelligent and active elements in the capitalist class, the Socialist Party was rejuvenated and brought to the front in the last election campaign. We cannot fail to see that to the extent that the Socialist Party came into this last election campaign and increased its vote to about two and a half times over that of 1928, that this was in the main the fruits of the conscious, open support of the capitalist press, given to the Socialist Party. The bourgeoisie is definitely building up the Socialist Party because it knows that in the coming great class struggles in America it is going to need the Socialist Party. This is a different process from that in other countries, where the capitalist class only had to take the already existing Socialist Parties and use them. Here in the United States they cannot do it because such a Socialist Party does not exist. And with regard to the Socialist Party the capitalist class is today in the same position as the old philosopher who said: "If God didn't exist, we would have to invent him". When the Socialist Party does not exist, the capitalist class has to bring it into existence and that is what it is doing in the United States today.

This of course creates many problems for the Socialist Party. It creates opportunities for us more quickly, more thoroughly to expose this political role of the Socialist Party than has been the case in Europe. And especially, because the building of the Socialist Party is so directly the business of the capitalists and not of the workers, this is the determining reason why the So-

cialist Party has such leaders as Norman Thomas. The capitalists, if they are going to build the party, are going to be sure they have a reliable man at the head of it. And they even lean over a little backward and pick someone who cannot be accepted by large masses of workers as a workers' leader.

But all of these elements of weakness in the Socialist Party should not cause us to underestimate the political importance of the Socialist Party and of the struggle against it. The Socialist Party is growing in the United States. The Socialist Party, while it draws the largest proportions of its gains from the middle class, still draws tremendous elements from the workers who really want socialism and think that the Socialist Party is the party that stands for Socialism; who have illusions and who have to be won away from the Socialist Party by an elaborate process of experience and education. If in Europe the old strong, established Socialist Parties are declining and losing their following in ever larger numbers, in the United States the Socialist Party is still on the upgrade, still growing and will continue to grow for some time. Especially will it grow and become a menace in this country if we Communists are not active and well armed in the struggle against it.

One of the great weaknesses in our struggle against the Socialist Party has been that our comrades are too careless about this struggle. They know the basic facts about the Socialist Party, they know it is the party of treason to socialism, and they think it is sufficient merely to proclaim this fact in general to the workers, and that means exposing the Socialist Party. But for the worker who is not acquainted with this long history of the Socialist Party, who is not acquainted with international experience and especially the worker who has no experience or detailed information about the growth and development and functioning of the revolutionary party, the Communist Party—he is not going to take our mere word for it. In order to win the workers from the influence of the Socialist Party, it is necessary to carry on the most patient, detailed explanation, informa-

tion, argumentation, with all of the workers who are under the influence of the Socialist Party. We will never win these workers away from the Socialist Party merely by calling them social fascists. The workers who follow the Socialist Party are not social fascists. Their leaders are social fascists, and it is they and their program that give the social-fascist character to their party.

This must be explained to these workers in terms that they can understand, in terms of their daily class struggles, relating the policy of their Party to the question of wage cuts, the struggle of the unemployed, the meaning of the policy of their party when Norman Thomas speaks with J. P. Morgan for the block aid plan, and so forth. These detailed data of the actual functioning of the Socialist Party in relation to the needs of the workers must be carefully collected, the facts established and distributed widely among the workers. Then we must establish the closest and most friendly contact with these workers and discuss these questions with them in a friendly, comradely manner. Of course, if we bump up against a real convinced social fascist our friendly arguments will probably become unfriendly, especially when we begin to expose the actual deeds of Norman Thomas and Hillquit. But the ordinary worker is glad to know these facts if we will bring them to him in the proper way; and the workers will never defend these leaders if we expose them properly. In the development of this exposure, we will win ninety-five per cent of the workers following the Socialist Party. That is our task and if we go about it correctly, this will mean not only winning that comparatively small number of workers who follow the Socialist Party. The most important thing is that by the proper approach and tactics and contact with the Socialist workers, winning them away from the Socialist Party, we at the same time establish the proper approach to the great masses of the unorganized workers who are following Roosevelt and Hoover today. And by the development of the struggle, the fight for unemployment relief, the struggle against wage cuts, the building of the Unemployed Councils, of the revolutionary trade unions, the combining of these activities, the care-

ful, stubborn, persistent educational work and agitation among all of these non-party workers, we will succeed in building up a real mass Communist Party in the United States. In this way can the struggle be effectively conducted against fascism and social fascism, which is the main support of the bourgeoisie in the coming revolutionary struggles.

We are facing a situation today in which great mass battles are maturing. We have to boldly and fearlessly go into these mass struggles and organize and lead workers in them. At the same time, we have to give these workers a political education and make convinced revolutionists of them, make them understand the issues that are involved. By combining action and education in the present situation in the United States, in a very short time the growth of the class struggle will be more than met by the growth of a mass revolutionary party, the mass Communist Party.

We should go out into the struggle against fascism with this understanding that in this struggle in the next immediate future, we must begin to bring the masses into the Communist Party, begin to think in terms of 25,000 and a little later of 50,000 and 100,000 members and it is not too much to expect that in a predictable future the American Communist Party will be a real mass party with 100,000 members and larger hundreds of thousands voting for us and organizing with us for the daily needs of the workers. But it is no use to talk, or think, in terms of these large figures except to the degree that we really get down to work and organize our own forces for this task and get the correct understanding and approach to these problems of winning the workers, winning the individual workers, winning the workers in groups, in large numbers, through struggle and through education, for a mass Communist Party in the United States.

APPENDIX

(*From Speech of Earl Browder at Extraordinary Conference of Communist Party U.S.A., held in New York City, July 7-10, 1933.*)

The New Deal represents the rapid development of bourgeois policy under the blows of the crisis, the sharpening of the class struggle at home and the imminence of a new imperialist war. The New Deal is a policy of slashing the living standards at home and fighting for markets abroad, for the simple purpose of maintaining the profits of finance capital. It is a policy of brutal oppression at home and of imperialist war abroad. It represents a further sharpening and deepening of the world crisis.

It has become very fashionable lately to speak about the New Deal as American fascism. One of Mussolini's newspapers declares that Roosevelt is following the path marked out by Italian fascism.

Norman Thomas has contributed a profound thought to the question and has written several long articles in the capitalist press to point out that the New Deal is "economic fascism," and that it is composed of good and bad elements, many of them even "progressive" in their nature, if not accompanied by "political reaction". And a group of honest revolutionary workers in Brooklyn recently issued a leaflet in which they declared that Roosevelt and Hitler are the same thing. Such answers as these to the question of the essential character of the New Deal will not help us much.

The development of Roosevelt's program is a striking illustration of the fact that there is no Chinese wall between democracy and fascism. Roosevelt operates with all of the arts of "democratic" rule, with an emphasized liberal and social-demagogic cover, quite a contrast with Hoover who was outspokenly reactionary. Yet behind this smoke screen, Roosevelt is carrying out more thoroughly, more brutally than Hoover, the capitalist attack against the living standards of the masses and the sharpest national chauvinism in foreign relations.

Under the New Deal we have entered a period of the greatest contradictions between the words and deeds of the heads of government.

Hoover refused the bonus to the veterans and called out the troops against them, causing Hushka and Carlson to be killed. Roosevelt gave the veterans a camp and food and instead of sending the troops he sent his wife to meet them. But where Hoover denied the bonus, Roosevelt also denied the bonus and added to it a cut of $500,000,000 in pensions and disability allowances.

Roosevelt's international phrases have only served to cover the launching of the sharpest trade war the world has seen, with the United States operating on the world market with a cheapened dollar, with inflation that is carrying out large scale dumping.

Roosevelt's election campaign slogan of unemployment insurance and relief by

the federal government has been followed in office by refusal of insurance and drastic cutting down of relief, the institution of forced labor camps, etc.

Under the slogan of higher wages for the workers he is carrying out the biggest slashing of wages that the country has ever seen. Under the slogan of "freedom to join any trade union he may choose" the worker is driven into company unions or into the discredited A. F. of L., being denied the right to strike; while the militant unions are being attacked with the aim to destroy them.

With the cry, "take the Government out of the hands of Wall Street", Roosevelt is carrying through the greatest drive for extending trustification and monopoly, exterminating independent producers and small capitalists, and establishing the power of finance capital more thoroughly than ever before. He has turned the public treasury into the pockets of the big capitalists. While Hoover gave $3,000,000,000 in a year, Roosevelt has given $5,000,000,000 in three months.

As for the extra-legal developments of fascism, we should remember that it is precisely in the South which is the basis of power of the Democratic Party, that the Ku Klux Klan originated and is now being revived. It is the South that for generations has given the lie to all Democratic pretensions of liberalism by its brutal lynching, disfranchisement and Jim Crowing of the Negro masses, and upon this basis has reduced the standard of living of the white workers in the South far below that of the rest of the country.

Large sections of workers in the basic industries in America, living in the company towns which are owned body and soul by the great trusts, have for long been under conditions just as brutal and oppressive as under Hitler in Germany today.

It is clear that fascism already finds much of its work done in America and more of it is being done by Roosevelt.

But it would be incorrect to speak of the New Deal as developed fascism. With a further rise of the revolutionary struggle of the masses, the bourgeoisie will turn more and more to fascist methods. Whether a fascist regime will finally be established in America will depend entirely upon the effectiveness of the revolutionary mass struggle, whether the masses will be able to defeat the attacks upon their rights and their standards of living.

What are the main features of the New Deal? Let us consider it as a whole, as a system of measures, and bring together all the various features embodied in new legislation and actions in Washington. We can sum up the features of the New Deal under the following heads: 1) Trustification; 2) Inflation; 3) Direct subsidies to finance capital; 4) Taxation of the masses; 5) The economy program; 6) The farm program; 7) Military and naval preparations; 8) The movement toward militarization, direct and indirect, of labor.

MAIN FEATURES OF NEW DEAL

First, *trustification*: Under the mask of the "radical" slogan of "controlled production", the Industrial Recovery Act has merely speeded up and centralized the process of trustification which has long been the dominant feature of American

economy. There is now being carried out a clean-up of all the "little fellows". They are forced to come under the codes formulated by the trusts, which will have the force of law. The "little fellows'" doom is sealed and they are busy making the best terms possible for a "voluntary" assimilation before they are wiped out. Capitalist price-fixing has been given the force of law and the profits of the great trusts are guaranteed by the government. As for "controlled production", we have the word of an administration spokesman that "competition is not eliminated; it is only raised to a higher plane". That is quite true. The further strengthening of the power of monopoly capital is intensifying all of the chaos, antagonisms, disproportions within American economy. "Controlled production" is impossible upon the basis of capitalist private property. There is only the growth of the power of the big capitalists and the intensification of all social and economic contradictions.

Second, *inflation*: The continuous cheapening of the dollar serves several purposes. First, it serves for a general cutting down of the living standards of the masses through higher domestic prices, and especially a reduction of workers' real wages (already over 20 per cent), and if we study the course of prices in the last few days you will see that the reduction of real wages is now speeding up very fast. Second, inflation results in helping restore solvency to the banks and financial institutions by increasing the market value of their depreciated securities. Third, inflation carries out a partial expropriation of the savings and investments of the middle classes. Fourth, it results in the creation of a temporary expanding market to stimulate industrial production for a time, through the rush of speculators and profiteers to lay up stocks for higher prices. Fifth, inflation results in the launching of a tremendous commercial war of price-cutting and dumping on the world market. All of these results of inflation serve to strengthen finance capital, build up its profits at the cost of sharpened exploitation of the masses at home, and lead directly to imperialist war.

Third, the *direct subsidies*: This is only an enlargement of Hoover's policy of the Reconstruction Finance Corporation. Many billions of dollars as gifts, disguised as "loans", are being poured into the coffers of the big capitalists. It all comes out of the lowered living standards of the masses, the expropriation of the savings of the petty bourgeoisie, and out of mass taxation.

Fourth, the *taxation program*: There is being carried out under the New Deal an enormous shifting of even the present limited burdens of taxation on property and big income away from them and onto the shoulders of the masses, the workers and farmers. Almost all the increased taxation is in the form of sales taxes of all kinds, indirect taxation that falls upon the small consumers. All apparent measures of increasing income tax rates have merely fallen upon the middle class, while the big capitalists relieve themselves of all income taxes, as exemplified by the biggest capitalists of them all, Morgan, Otto Kahn, Mitchell, etc., who have gone for years now without paying any income tax.

Fifth, the *economy program*: While new taxes have been piled up and new billions of dollars given to the banks and trusts, "economy" is the rule for all

government expenditure that reaches the masses or the little fellows. The government sets the example for the entire capitalist class with wholesale wage cuts, with rationalization, mass discharges, etc., of government employees. The war veterans have their disability allowances cut by half a billion dollars; unemployment relief is substituted by forced labor camps; social services of all kinds are heavily slashed or discontinued altogether. That is the ecenomy program of the New Deal.

Sixth, the *farm program*: While millions of workers are starving for lack of food, the Government turns its energies to cutting down farm production. Growing cotton is today being plowed under by direction of the Government. That is the New Deal. A 30 per cent tax is placed on bread in order that farmers shall get (at best) the same return for a smaller amount of wheat. Those farmers, in the best case, will still only maintain their bankrupt situation while the masses will have less bread at higher prices. The mortgage holders will absorb the great bulk of this government subsidy, at the expense of the stomachs of the masses. This year's wheap crop, already in the hands of the speculators, bought from the farmers at about 25 cents a bushel sharply rises in price with enormous profits for the speculators. By the time the farmers can get 80 cents to $1 for the coming crop, the dollar will be so inflated that it will be worth just about that 25 cents they got for wheat last year. Farmers will be at an even greater disadvantage in buying industrial products at monopoly prices sharply rising under the Allotment Plan provided in the New Deal which is used as an attempt to divide workers from farmers and set them in sharp rivalry, but the masses including the farmers pay all the bills.

Seventh, the *military and naval preparations*: This is one of the chief features of the New Deal. The wild commercial war on the world markets, sharpened to an enormous degree by the falling value of the dollar, has already disrupted the London Economic Conference, has brought all imperialist antagonisms to a critical point. British-American relations are clashing in every field. Japanese-American relations are growing sharper. A government which carries out this bandit policy of inflation and dumping, while at the same time driving down the living standards of the masses at home, such a government really should logically go heavily armed. An inevitable part of the New Deal is therefore the tremendous building of new battleships, cruisers, new poison gases, explosives, new tanks and other machinery of destruction for the army, new military roads, the increase of armed forces, increased salaries for the officers. Industrial recovery is thus to be hastened by working the war industries overtime. Such war preparations have never been seen before since 1917.

Eighth, and finally, there is the movement towards *militarization of labor*. This is the most direct and open part of the fascist features of the New Deal. The sharpest expression of this is the forced labor camps with the dollar-a-day wage. Already some 250,000 workers are in these camps. This forced labor has several distinct aims. First, it sets a standard of wages towards which the capitalists will

try to drive the so-called free labor everywhere. It smashes the old traditional wage standards. Secondly, it breaks up the system of unemployed relief and establishes the principle that work must be done for all relief given. Thirdly, it furnishes cheap labor for government projects, mostly of a military nature, and for some favored capitalists. Fourthly, it takes the most virile and active unemployed workers out of the cities where, as government spokesmen have said, they constitute "a danger to law and order", and places these "dangerous" people under military control. Fifthly, it sets up a military reserve of human cannon-fodder already being trained for the coming war.

But the provisions of the Industrial Recovery Act regarding labor provide a much more large scale effort at militarization of labor, though in quite different form from the forced labor camps. In the industries, for the employed workers, the aim is to establish a semi-military regime, in many ways similar to the old war-time legislation, under government fixed wages, compulsory arbitration of all disputes with the government as arbitrator, abolition of the right to strike and independent organization of workers. These things are to be achieved through the industrial codes worked out by employers and given the force of law by the signature of Roosevelt, supported when and where necessary by the American Federation of Labor and the Socialist Party, who have already entered wholeheartedly into this pretty scheme.

In the labor section of the New Deal are to be seen the clearest examples of the tendencies towards fascism. It is the American brother to Mussolini's "corporate state," with state-controlled labor unions closely tied up with and under the direction of the employers. Here we have also the sharpest American example of the role of the Socialist Party and the trade union bureaucracy, the role of social-fascism as the bearer among the masses of the program of fascism, who pave the way for the establishment of fascist control over the masses.

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