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DEVOTED TO THE THEORY OF MARXISM

Communism or Fascism in France

Internal Conditions and Class Relations in U.S.

Munich and The October Revolution

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C O N T E N T S

France - Fascism or Communism?-----P. 1
Extension of October - The Answer to Munich-----P. 6
The Crisis & Class Relations in the US (6th Plenum)-----P. 9
The International Labor Movement-----P. 17

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F R A N C E

F A S C I S M O R C O M M U N I S M ?

Over two million French workers downed tools for a one day general strike Wednesday, Nov. 30 in reply to the Daladier government attack upon the workers rights. This mighty demonstration took place against the greatest odds. Over 2 years of Peoples Front betrayals, with a strike leadership that did everything to hold in check the strike wave and claim it was merely a struggle for economic demands when all facts proved that it was a major battle of the French workers toward the struggle for power. Every possible measure was used by the French capitalists, their Daladier Bonapartist government and their Stalinist and Socialist agents, to stem the tide. The army was called out and now the navy has been used to scab on the heroic seamen, who with many thousands of others continued the struggle against the attempt of reaction and Fascism to break the trade union movement.

Give this strike movement of over 2 million a Marxian leadership, and the beginning of the end of French imperialism would be at hand. Such a powerful movement properly led in class channels against capitalism would revive the Spanish workers movement against their capitalists, both Peoples Front and Fascist, and would lay the basis for a new regroupment on a world scale.

The temporary defeat of the strike movement, thanks primarily to the Stalinist and Socialist leaders, by no means implies the end of the French class battles. On the contrary, this strike wave opens up a new struggle on a higher plane.

The "Peace" of Munich, as pointed out two months ago by the League in 'the FIGHTING WORKER', would be the signal for increased class battles in France. The Hitler victory at Munich has accelerated the internal and external contradiction of French imperialism. The strike wave is a symptom of the rising struggle between COMMUNISM AND FASCISM IN FRANCE. The Italian threat to take French colonies by force if necessary is only a part of the difficulties France faces internationally. French imperialism will attempt to smash the workers movement and establish a Fascist dictatorship in order to cope with its internal and international difficulties in the imperialist war for a redivision of the world.

But the working class has not yet said its last word. The struggles now opening up in France are our struggles.

2- Despite the treachery of its leadership and the offensive of the bourgeoisie, the energies of the masses are still very great, altho they are rapidly being dissipated and forced to lower levels of struggle. In the oneday general strike the sit-down tactics

of the working class in 1936 were almost completely abandoned. Except in a few cities, such as Toulouse, the masses were led by their leadership into a day of passive resistance. These vacillations of the leadership and its totally capitalist perspective broke the backbone of the strike. In those areas where the leadership had full hegemony the masses did not respond. Only where the leadership of the CGT was disregarded did the strike assume really large proportions.

3- The present crisis is greatly sharpened by the "Peace" of Munich which cut deeply into Anglo-French domination of central Europe. But the Peace of Munich can only be considered as a culminating and accelerating factor. French capitalism was inextricably in decay before Munich. Even the maintenance of a status quo at Munich could only have postponed the crisis which necessitated the Decree laws of Daladier. The flow of gold and industry from France has continued steadily for the last decade. The German penetration into central Europe, the Civil War in Spain, Japanese advance in Asia and the economic weight of the Dollar have served to enmesh French imperialism further in the web of decay. Its productive apparatus, composed mainly of small factories and small scale production, plus its large agrarian population make it by far the weakest of the so-called "have" nations.

4- France is merely part of the thread of world decay - of the epoch of wars and revolutions ushered in by the World War. The backbone of that war was broken by the victory in the weakest link of capitalism in Russia. From there on the capitalist crisis has been solved negatively in the weakest links as they too succumbed to the revolutionary crises. Italy, the Balkans, Japan with its army dictatorship, and finally Germany and Austria - all of the have-not nations established fascist or semi-fascist states. France as the weakest link of the "have" nations altho not the first to feel the pressure of the crisis, has been victimized by it much longer and sharper than the other 2 main have nations, US and Britain. Since 1934 France has had one social convulsion after another. The lightning-like change of cabinets are merely a reflection of the confusion, disorganization in the ranks of the bourgeoisie as the decisive moment approaches, as its economic and imperialist house of cards tumbles to the ground and reveals the bankruptcy of Bourgeois Democracy in solving the crisis. (#workers')

5- After the February 1936 struggles, when the working class was able to put the Fascists in their place, French capitalism reconsidered its Bonapartist choice for Premier. The mood of the masses was not to be trifled with. A "left" force was needed to establish a "peaceful" unity of the classes. The convulsions of the Stalinists, after the German defeat, from 3d period adventurism to 4th period opportunism, was manna from heaven to French imperialism. The Peoples Front was precisely what was needed. Within this Peoples Front the political hegemony rested with the great

middle class party of France, the Radical Socialists. Its program however, was not sufficiently left to corral the masses, to channelize their efforts. The next wave of class struggles, the sit-down strikes of 1936, forced a shift in the Peoples Front. The Socialists under M. Blum took power. The victories that the masses gained in the streets and in the sit-downs were begrudgingly nctarized in the form of a series of social legislation bills in parliament. Once M. Blum had served his purpose of deadening and channelizing the militancy of the masses, the French bourgeoisie replaced him with M. Daladier, armed the same Daladier with the decree powers it had refused Blum and began to slash into the victories of the working class. New taxes were levied, inflation under the pretense of national defense, hours were raised in key industries; picketing was not only prohibited in certain test areas, but workers were jailed for as much as one year for carrying out this elementary workers right.

6- The Peoples Front policy, supplemented by the Franco-Soviet pact which had the internal effect in France of gaining Stalinist support, for French patriotism and war preparations, paved the way for the Bonapartist Daladier. As the RWL pointed out in its publications in the past the Franco-Soviet pact was a mere piece of paper to be discarded at the will of French imperialism. The shifts around the "peace" of Munich and the pressure of Great Britain finally killed off the pact, which had been hailed by Stalinism as a milestone toward peace. Once the pact and the Peoples Front had served their purpose in France, Daladier threw them overboard and himself prepares the road for Fascism, just as the German Daladiers - the Bruenings, Schleichers, and Von Papens did only six years ago in Germany.

7- By the very nature of things, the present strike struggles take on a political character. But to struggle against Daladier on the basis of a demand for the enforcement of parliamentary laws, of recalling parliament, is to play directly into the hands of French capitalism. Behind the scenes, despite occasional raids of Le Cagoulards, the government is subsidizing many fascist leaders, and winking at the subsidies given directly to them by the bourgeoisie. Fascist nests are being built in the army and navy; arsenals are being created and stored - all with the winking eye of the Bonapartist Daladier. The very party which told the masses that the only way to fight Fascism was to depend on the Peoples Front government to disarm it LEGALLY is today the victim of its own treachery. Instead of disarming the Fascists, Daladier calls for dissolving the Stalinists. Not perchance because the Stalinists are revolutionary; M. Daladier knows the difference between reformism and Marxism. But at the present stage of French decay even the reformist organizations must be liquidated. M. Daladier wants only to begin the job which the fascists will complete with the smashing of the trade unions.

8- The struggle in France is one between Communism and Fascism, with the Bonapartist Daladier merely opening a wedge for the Fascists to creep in. Daladier is the most "liberal" form of bourgeois democracy that French capitalism can now afford. Those who speak of the struggle as one between Democracy and Fascism, in other words, between the "left" and the "right" arms of capitalism, are laying before the masses only one conclusion - Fascism. While the Daladier government pursues the policy of "pacification" of the dictators in Italy and Germany, in other words compromises and capitulates to these powers, the social reformists in France are pursuing a policy of loud criticism in words of M. Daladier, but pacification in deeds. While the masses are in action, ready to take over the factories, to establish dual power, the only shout of the reformists is - convene the parliament. Parliament in France is a dead institution. It may still gasp a few more moments in history, but its complete demise is only a matter of historical minutes. The reformists are playing over again their treacherous role in Germany. The Stalinists, despite the break-up of the Franco-Soviet pact remain essentially on this same ground. It is impossible for them to shift to any revolutionary position. The policy of "appeasement" of the "democracies", very similar to Chamberlain's policy of "appeasement" of the "dictatorships" has but one logic. Stalinism must remain within the framework of the capitalist relations. Even if the game is up in France, it must still convince Roosevelt and the American bourgeoisie that its role is one of a "left" critic of capitalism, and no more.

9- The crying need of the masses in France, as of the masses the world over, is a Party, a Marxist Party, section of the new Communist Fourth International. Under such a leadership the working class instead of focussing its eyes backward toward bourgeois democracy can direct its efforts forward, toward the Dictatorship of the proletariat. But this struggle must be developed in stages. The struggle is between the working class and Fascism. The present stage demands:

a- Factory committees. Not merely the committees of the Trade Union in each factory, but democratically elected committees in which all workers in the factory participate - even non-union members.

b- The factory committees must take the first steps toward workers control of production. Demand the opening of books, passing on the production schedules, the right to hire and fire, etc.

c- The factory committees in each area must be coordinated into broad committees of action, not duplicates of the trade union district committees, but democratically elected committees representative of each factory committee. This is the 1st step to soviets.

d- Each factory committee must organize its Defense Squads, to fight the vicious Fascist Bands and armed forces used against the

workers, to help enforce the workers rights to picket, to organize, to assemble. The committees of action must coordinate the efforts of the various Defense Squads.

10- The struggles of the proletariat, who are a minority in France in order to win must enlist the aid of the oppressed peasantry, colonial masses, lower middle class and rank and file of the army.

a- The working class must take the initiative in organizing peasant committees to fight Fascism and win them to the workers solution, presenting an agrarian program administered by these committees, abolition of debts for the peasantry, elimination of usurers and middlemen, and steps toward cooperation with eventual aim of establishing collective farms.

b- The working class must fight for full democracy in the army - against the officer caste system; for the right of the rank and file to elect officers; for the immediate arrest and trial by rank and file soldiers committees of all officers suspected of fascist links; for an end to the draft laws; for arming the whole people.

c- The middle class must be won over to the side of the proletariat against Fascism. Only the proletarian victory will carry with it the solution of the problems of the petty-bourgeoisie.

d- The colonies are an especially sore spot in the sides of French imperialism. The Arabian possession of France, Syria, is in revolt and on the verge of revolution. The oppressed in Morocco, Tunisia, French Indo-China are merely waiting for a word of encouragement from the French working class to rise up against French imperialism. To them the French proletariat must hold forth the promise of the right of self-determination, freedom from the yoke of French imperialism. At the same time the French workers must enlist the efforts of the colonial proletariat to push the colonial struggles to the final goal - the Dictatorship of the Proletariat.

11- Above all, the treacherous, deadening actions of opportunism must be burned out of the working class. There is in France today no Marxian Party that can direct the masses into such channels. From left to right every so-called working class party is opportunist. Blum of the Socialist Party, the Stalinists, and their friend and ally, Jouhaux, stand four-square on the need for capitalism. Their sole program is to convoke parliament and to uphold the former social laws passed begrudgingly by M. Blum.

The outstanding centrist force in France is the party of Pivert, who recently split from social democracy. This party, far to the right of even the POUM in Spain in July 1936, has no perspective outside of a left Peoples Front government. The Trotsky group in France, a section of their new centrist international, stands ess-

(Continued on page 8)

THE SOVIET UNION & MUNICH

The Munich agreement and the resultant sacrifice of Czechoslovakia have dramatically posed the central problem of the day - a new world carnage for redivision of the world market. Unprecedented social and economic decay of international capitalism, plus intensified class and international contradictions once again confirm Lenin's characterization of the present epoch as one of wars and revolutions. War is politics continued by forcible means. The sharpening world economic crisis has torn asunder existing relations between bourgeois states and brings them ever closer to the inevitable imperialist war as a means of "solving" the inherently insoluble problems of a decadent capitalism.

OCTOBER REVOLUTION VS. INTERNATIONAL IMPERIALISM

Altho the individual capitalist nations continue to tear at each other's throats, the basic historical antagonism remains the sometimes veiled, sometimes open war between the October Revolution and international imperialism. The USSR, standing as the most developed and tangible aspect of the October Revolution, is constantly subject to this deeper antagonism. The SU becomes the pivotal point as the object of the drive of capitalism to wipe out the last remnants of October. Thus the class contradictions of a proletarian state surrounded by capitalism, vary dynamically on the basis of the evolution of the USSR and the changes in the world situation. The decisive defeats of the proletariat in Europe and Asia, together with the reactionary, chauvinistic policy of the Stalintern have given the bourgeoisie a new impetus in its attacks on the USSR. This, coupled with inroads that the bourgeois elements have made internally, have placed the SU in an extremely vulnerable position. Nevertheless, regardless to what extent Stalinism makes the USSR an appendage to one or another set of imperialists, the social, economic, and political relationship is the determining factor.

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MUNICH AGREEMENT DIRECTED AT SOVIET UNION

The Munich agreement conclusively established once again that regardless of the ties that the SU may have with capitalist nations, the contradictions of the two social systems are predominant. England attempted to lay the basis in Munich for a four power bloc directed primarily against October, and secondly against US imperialism. In this respect it is not excluded that the US and British imperialisms will submerge their mortal struggle over the world market in order to make a united front to wipe out the last remnants of the October Revolution. Germany already has a gateway to the east as a result of the agreement.

The Munich

It is no accident that the Soviet Union was kept out of the Munich conference but allowed in the previous Non-Intervention Committee with these same big four powers. The Non-Intervention Committee was organized to SMASH THE DEVELOPING PROLETARIAN REVOLUTION IN SPAIN, to beat back the extension of the October Revolution. To conclude this aim the Stalinists officially representing the workers state, in action serving the bourgeoisie to betray it - were needed as the spearhead of counter-revolution. And historic facts prove this to the hilt. But in Munich the four powers excluded the SU because there was no revolutionary situation in Sudetenland or Czechoslovakia. The Munich conference was aimed at the Soviet Union; it was an attempt to solve the imperialist contradictions at the expense of the small capitalist nations and the SU.

STALINIST POLICY

Instead of utilizing the friction among the imperialists over the Sudeten issue, the foreign policy of the SU under Stalinism canalized all the power the SU and Third International could mobilize on the side of the "democratic" imperialists against the fascist imperialists. They became super-social-patriots. This was the logical culmination of the entry into the League of Nations, the Franco-Soviet Pact, the Peoples Front policy, the support of "democracy".

Instead of utilizing the imperialist friction for proletarian ends, Stalinism became a tool of one group of imperialists. Instead of warning the proletariat and preparing them to fight against the imperialist war, Stalinism, like the Social Democrats in 1914 mobilized the workers for the imperialist war. Instead of preparing the working class for independent class action, Stalinism deceived the workers and now leaves them in stupor, unable to grasp the meaning of the "Munich conference" unless the Marxist force can reach broader layers with its analysis and its actions.

The bankruptcy of the foreign policy of support of the "democracies" against the fascist has helped pave the way for the new Hitler victory over Sudetenland. The Peoples Front policy of Stalinism, has strengthened world imperialism against the Soviet Union and has laid the basis for another capitulation to world imperialism by Stalinism.

DEFENSE OF THE USSR A KEY TASK

A war on a large scale, no matter what the origin or perspectives at the beginning, inevitably must pose the question of armed intervention into the USSR as an immediate necessity for capitalism to maintain itself. Therefore on the basis of the above, together with a clear understanding of soviet property relations and the international position of the USSR, defense of the SU is a key task of the Marxists.

But for revolutionary Marxists defense of the Soviet Union does not and cannot consist of protecting the established national bourgeois. Defense of the SU is the struggle to maintain and extend the Proletarian Dictatorship as a social system temporarily hemmed in by national boundaries as a result of the defeats of the toiling masses in Europe and Asia. Events of the last few years have exposed to the hilt the reactionary, bankrupt policy of "socialism in one country". The proletarian revolution cannot be completed within the boundaries of the USSR. Already the planned society of a warped workers state has established its tremendous superiority to that of an anarchistic system of private expropriation. But without the victory of the proletariat in a number of leading countries, the successes of the SU are ultimately doomed to failure. That has been made clear by recent developments in the SU. Russia's salvation can only lie in the world social revolution.

Just as in the capitalist nations a war will bring to a head all the contradictions of class society; so in the SU precisely the same process but at a much faster tempo will take place. In the SU the war will place on the order of the day the open struggle between the proletariat and the counter-revolution. In this situation the Marxists must continue the irreconcilable struggle against reformist Stalinism as well as the bourgeoisie. In spite of the fact that at the beginning of the war the Marxists may find themselves in a small minority, the force of the intensified contradictions will force the masses to orientate themselves at a much faster tempo toward revolution. Proletarian revolution to extend the October of 1917 will face every section of the bourgeoisie. Its ultimate success however will depend on how quickly and how strongly the COMMUNIST FOURTH INTERNATIONAL can be built. To this task we dedicate ourselves.

The fate of the October Revolution, the fate of humanity, lies in our hands. Forward to the world party of Communism!

FRANCE - FASCISM OR COMMUNISM? (Cont. from p. 5)

entirely on the same program. Its present program is far to the right of the POUM program of July 1936. Its capitulations will take the same course as the POUM, only more rapid. A large factor in the disorientation of the left wing advanced workers has been & still is the sharp shift to the right of the Trotskyites ever since the French Turn. Forces such as the Pivert splitoff and a few small splitoffs from Stalinism could have been won over to the Marxist standard except for the centrist vacillations of the Trotskyites, their support of the left capitalist governments (Blum-Cachin), their failure to call for revolutionary defeatism in France

12- The French proletariat can be victorious in this coming skirmish, can give aid to their Spanish brothers who are slowly being
(Continued on page 20)

THE CRISIS & CLASS RELATIONS IN U.S.

For the past five months or so there has been a temporary upturn in business activity from the 1937-38 low in the Roosevelt Depression, which in speed of development was much more rapid than even the 1929-33 depression. It is noteworthy that present levels do not come up even to the 1937 highs. The present "upturn" is merely a temporary phenomenon, growing constantly shorter in time, within the general cycle of decline. It will be followed by another and more prolonged downcurve, the inevitable rule of decay capitalism. Fundamentally such an "upturn", based in part on enormous government subsidies, in part on expectations of future subsidies and war preparations alters nothing. It is merely episodic, a spoke in the wheel of decline - rapid decline - of American Imperialism.

Depressions and crises under capitalism are the result of the conflict between the expanding forces of production and the anarchy of the market, the relative (and later) absolute decrease in consumption markets. Periodically, therefore, capitalism must mark time while a readjustment to the new conditions takes place, while thousands of smaller and lesser capitalists are eliminated from the "freedom" of producing what they please, while surpluses are sloughed off, and the machinery of production can again be put into motion.

During expanding capitalism each readjustment of capitalism after each depression was on an ever higher level, with the introduction of new industries and new fields for the investment of capital and export of goods. Despite the relative decrease in profits, because of the constant rationalization of the means of production, the ABSOLUTE returns on capital were constantly greater.

But in the present era of decay capitalism, not only is the market for world capitalism contracting, not only is there a decrease in the rate of profit, but in decay capitalism there is also a decrease in the mass of profit, except in the special case of negative accumulation, i.e. war preparations. Furthermore, far from eliminating the rationalizing tendencies of capitalism, those tendencies continue, thus intensifying the contradictions between production and the market, and assuring ever greater depressions after ever smaller and weaker periods of prosperity.

For the first 8 months of 1938, 335 of the leading American companies in all fields - according to the National City Bank reports - earned 69.3% less than in the same period in 1937, or about 200 millions to 700 millions. Nevertheless the net worth of these companies rose in that period of only one year by 425 million dol.

lars, or about 4%. So that while the rate of return was only 3.9% as against 13.2% for the year before, rationalization in the plants, mills and roads continued at a very high rate in order to meet the intensified competition both at home and abroad.

Part of the decrease in income is due to increased taxes. In 1913 taxes took about 6% of the total national income. In 1919 it was about 11%. By 1921 it had risen to 15% of the national income, from which it declined sharply and remained at about 10% or 11% all thru the golden twenties. But in 1931 taxes again ate up about 15% of the national income. By 1932 the figure was 20%, the highest percentage in history. By 1936 the figure had again declined to about 16%, but in 1937 it rose back to 19% and there's little doubt that in 1938 it will be at least as high, if not higher, than the 1932 period. In other words, the cost of government takes about one-fifth the national income.

So that not only has production fallen from both the 1936 and 1928 periods, not only has the cost of new machinery and improvements risen, but the proportion of taxes to income has been doubled since 1929.

The yield per dollar of investment continues to decrease. Worse than that, however, under decay capitalism the total yield is decreasing.

The burden of the tightened belt of capitalism finds an outlet in two directions. First and foremost the burden is shifted onto the proletariat. In the period we are discussing, while dividends fell by about 10%, factory employment fell from the index number 105 to 77, or about 25%. The average wage fell from \$27.83 in July 1937 to \$23.92 in July 1938, or about 17%.

The second outlet is the petty-bourgeoisie and sections of the lesser big bourgeoisie. In the first half of 1938 there were 44% more bankruptcies and 66% more liabilities than in the first half of 1937. There were the usual "amalgamations" and "reorganizations".

II

The anarchy of capitalism in the field of distribution and in the planning of production has always been a source of waste and destruction. Nevertheless the expansion of economy in the periods of the growth and development of capitalism more than offset this wastefulness. In the period of decay capitalism to permit such a situation to continue would be positively catastrophic. Readjustment to a lower gear of capitalist production can be accomplished only with a minimum of laissez-faire. Government centralization, government control and regulation in this period are not only inevitable, but they are the only means by which the INTENSITY of the crises can be modified somewhat for the bourgeoisie by eliminating

some of the wasteful costs of the old type of readjustment.

Capitalism can have no other road in this period but greater and greater government regulation, centralization, extension of monopoly. The more intense and prolonged the depression, the more need for government regulation to sustain the props of capitalism.

The 1929 crisis caused a severe reorganization in all spheres of economy. In 1933 Roosevelt began the greater centralization of the banks and greater government regulation. Quite naturally this process also had as its corollary the elimination of many banking forces from the banking scene. In the field of industry, Roosevelt's NRA eliminated large sections of small business, extended monopoly. The sphere in which the readjustment was to be felt most in the Roosevelt plans was in the field of agriculture. The agricultural reorganization is an attempt to meet the needs of the US position as leading exporter of capital. There Roosevelt attempted to reorganize in order to meet the needs of the world market, so that industrial and financial exports shall be favored at the expense of agricultural exports. It goes without saying that here too there was a substantial elimination of farmers from the field, especially the small tenant farmer and cropper. With this plan of regulation and centralization the government pumped billions of dollars in subsidies into industry and finance, and agricultural reorganization which enabled the farmer to pay the banker, while at the same time it threw a few crumbs to the workers to keep them quiet.

The decisive sections of the bourgeoisie were forced by decay conditions to adopt and carry out this plan. Furthermore, at that time their toes were not yet pinched to the point they are now. But with the new depression the antagonism between the various groups of capitalists has increased. The governmental subsidies are nowhere near sufficient to offset the losses in the world market, the smaller market at home, and the increased expenses of capitalism. Furthermore, the less favored groups of capitalists are at loggerheads with those more favored by the government.

The struggle today is therefore not between those who want an internal laissez-faire - no matter what their PROPAGANDA for the time may be - and those who are for the continuation of the present course. BOTH DECISIVE SECTIONS OF THE BOURGEOISIE recognize the need for greater centralization and control. The differences between them revolve only around the question of how to reorganize, which group shall be favored most by the government, and what method shall be used against the workers and oppressed masses.

The new depression has heightened this struggle, has created a greater demarcation between the right and left arms of the bourgeoisie than ever before. Both arms - as in all capitalist countries in this period - are moving toward polar extremes. The pola-

rising force for the left arm is for the moment Franklin Roosevelt despite the fact that right wingers are present in abundance in his political party, the Democratic PARTY. The force of the struggle within that Party may possibly force Roosevelt into the use of a new organization form, other than the Democratic Party. The class relations in the US and for example, France, reveal a great difference in the stage reached and what is "left".

The right arm of the capitalists has made many inroads on the left due mainly to its great economic strength. It blocked the court plan, throttled the so-called anti-monopoly drive, etc. It has been able to block the new centralization plans of the capitalist state until it could be reasonably certain of much greater concessions to itself than in the past period. In that respect in these last two months there is increasing evidence of a compromise deal between Roosevelt and sections of industry and capital dominated by Morgan, such as the railroads, the utilities, etc. Roosevelt has pledged greater subsidies to these fields of endeavor, has promised a new housing plan dominated not by the government but by private industry, with the government merely making the subsidies. What Roosevelt receives in return is not yet entirely evident, although there is a possibility of a concession to the Roosevelt class-collaboration labor policy in railroads and some compromises with TVA, etc.

For the bourgeoisie there is at present the political necessity, based on the economic reality of a new and even more severe depression, of greater government control and regulation. But for the time being the struggles within the bourgeoisie itself are able to slow down the tempo of these moves. The only sphere in which the internal reorganization proceeds with an accelerated tempo is in the sphere of war preparations.

Preparations for M-day - mobilization day - revolve primarily in the industrial field of converting of about 10,000 factories from peacetime to wartime production. These plans have not only been completed but experiments, subsidies, tests, fingerprinting and photographing of employees in these plants in order to assure their patriotism and check on them - all these things continue at an especially more rapid pace since the "peace" of Munich. Subsidies to the marine industry and its corollary of making labor safe thru the introduction of government hiring (fink) halls, and the proposed subsidies to railroads and the similar actions of the factfinding and other commissions are part of this program in the one field of industry - transportation - which capitalism must be able to maintain under its thumb more than any other field during war time.

Armaments are being increased, war propaganda intensified. It can truly be said that the Roosevelt regime has been the most successful and extensive in all history in its preparations for coming wars.

Six years of bourgeois "liberalism" has not only seen the shifting of the bourgeois crisis more and more on the backs of the working class, but the accomplishment of a great measure of "peace" with organized labor - class collaboration. Bourgeois democracy itself could never have accomplished this task; only its belt line of reformism, reaching deep into the ranks of the working class itself, made such a result possible.

Here again the differences between groups of the bourgeoisie are not as to the desirability of such a peace, or as to the recognition that it exists, but primarily as to the method and tempo of maintaining it.

The Rooseveltian New Deal has accomplished what practically no other capitalist administration in the US has ever accomplished. It has not only mobilized all of the Trade Union movement behind it, not only the unemployed movement, not only the whole reformist movement, but objectively centrist organizations become a tail to it as well.

The AFL remains with the right wing of the Democratic Party, still partially on the New Deal bandwagon, altho some of its leaders support Republicans. The CIO is 100% pro-New Deal, altho it is already using a new organizational medium on the political field, something which Roosevelt may be forced to use in the future. The CIO uses not the old Democratic Party, but the new Labor Party and Labor's Non-Partisan League in its support of the New Deal and its candidates. The specific weight of the Labor Party movement is therefore not yet sufficient to supersede the economic movements, the trade unions, as the main prop of the labor support of bourgeois democracy. Nevertheless the Labor Party takes on more relative importance with each election.

That these movements are solid behind Roosevelt's war plans can be clearly understood from merely reading the statements of one of these "left" wing unions, the National Maritime Union, pledging support to the capitalist war when it comes. (See Dec. 1938 EW)

On the unemployed field the victory of bourgeois democracy over the working class is much greater. For while in the employed field the militant class struggle instincts of the masses still pop out in powerful battles against the capitalists, on the unemployed field these instincts lie completely dormant and held in check by the Stalinist-controlled Workers Alliance movement. The WAA uses the Roosevelt pension and relief schemes to derail any class struggle action. It is 100% subservient to the New Deal and its war plans.

Whatever opposition there is to the capitalists and their system,

remains at the bottom, with the rank and file. In that respect there has been a significant change in the last 20 or 30 years. For while the past struggles were essentially American struggles, peculiar only to the American scene in their form, intensity, militancy, etc., the main driving force for the powerful strikes of the American working class in the past were the foreign-born workers. Since the last depression, however, this is no longer the case. The American Workers are today the big driving force in such struggles as auto, steel, maritime, etc. even tho the foreign born continue in their militancy.

This opposition has been most manifest in those unions and industries where the labor fakers, the burocracies, are not yet consolidated (i.e. the UAW) and as a consequence not yet capable of stifling all militant action.

IV

The Roosevelt belt line into the labor movement consists of the bourgeois and social reformists, as well as the centrist Trotskyites and Lovestonigites. Their support, objectively or subjectively of the New Deal is based - aside from their general revisionist line - on the concept that Bourgeois Democracy is the lesser evil to Fascism. In the present depression the concretization of this concept took the form of the slogan attributing the depression to the "sitdown of capital", the propaganda against the 60 families, etc. giving the impression, in other words, that bourgeois democracy can still make progress... if only capital wouldn't sit down, if only the 60 families were not so greedy, and so forth.

The extreme left form of this concept is the plat form of support of a left Peoples Front government, or of a capitalist "Workers and Peasants" government, such as advocated by the Trotskyites.

In content this concept - of bourgeois democracy being the lesser evil to facism - is similar to the concept of German Social Democracy in 1914 - that the democracy in Germany under the Kaiser, with the large trade unions extant, was the "lesser evil" to Russian Czarism.

The present theoretical axis must lead to similar results as those of Germany in 1914. On this platform, in one degree or another, both the reformists ad centrists will (even if some do not yet do so) support the US war plans.

The suction of the defeats of the working class on a world scale and the conscious plans of left bourgeois democracy in the US have pulled all the reformists and centrists far to the right.

In the course of this short period, Stalinism moved from its 3rd period concept of immediate "social revolution" to collective security, to attempts to force an alliance between the US and the

USSR by submerging the class struggle in the United States thru a unity of all classes in the Democratic Front,

The Socialists and Lovestoneites have accepted the isolationism of the "Keep US out of War" committee, were the guiding spirits for this unity with the pacifists on a pacifist program. The Socialists have been decimated to a harmless sect. Its decisive force remains outside its organizational fold - the Social Democratic Federation, which has powerful influence in the trade unions and in local governments in N.Y., Bridgeport, and other places. The degeneration of the Lovestoneites is even more far-reaching. They have become a tool of red-baiting in the union movement, give complete support to the Labor Party moves, support of most of the New Deal "social" legislation, etc.

Probably the most rapid descent of all, outside the Stalinists, was accomplished by the Trotskyites. From an essentially Marxist position, altho one shot full with centrist errors, at the beginning of the Roosevelt regime they are now for the support of left bourgeois governments, of the Labor Party, of "progressive" bourgeois legislation, etc.

The failure of the reformists and centrists to point a clear way out to the working class has strengthened the fascist forces on the one hand, forces which are most certainly growing, and that of middle class movements on the other hand.

The old Townsend Plan - \$200 a month pension for the old aged - has been modified and strengthened to the point where it is receiving the support of one-third of the candidates for national office, on both the Democratic and Republican tickets. The Downey plan in California is one of the forms of this plan - \$30 every Thursday - a long elaborate scheme of issuing self-redeeming scrip to the old aged which must be spent within one week, which is exchangeable at par value thruout the state, and according to its mentors, will pay for itself. This thoroly impractical plan, a plan which will only accentuate the contradictions of capitalism in California by further inflation, by the creation of money-hoarding, etc., is so appealing to the people who have seen no clear way out, that it was able to defeat an old and popular Democrat in the Primaries, McAdoo.

In Wisconsin the LaFollette brothers have organized another middle class party, the National Progressives, a party with a vague, ambiguous program, with almost complete pre-occupation with the problems of the middle class and almost no word on the working class. Like all such parties in the period, this party is doomed to failure. It will bust up, part of its forces going over to fascism of semi-fascist parties, the rest going over to the Labor Party and Democratic Front movements.

Even within the two old parties of capitalism there has been a greater polarization. The Republicans are using more liberal covers, younger men. In the Democratic Party there has developed an extreme left wing which is for a complete purge of the old party of right wing elements, or if failing in that, a new organization.

All of these events and movements, the New-Dealization of the reformists and centrists, the strengthening of the polar sections of the bourgeoisie, the right and left arms, are in themselves an expression of the weakness of the Marxian forces within the labor movement and the lack of a class struggle leadership within the masses.

Historically, the greatest achievement of the bourgeoisie is the further decimation of the Marxian forces, despite the favorable objective situation. The vast shift to the right amongst the centrists without any appreciable left wing splits, is in part a result of the weakness of the Marxists.

Given this continued factor we can predict further reorganization of the economy of scarcity unhindered, no matter which arm of the bourgeoisie dominates.

But "given this continued factor" is an enormous "if". The American working class, most militant section of the class in the world never yet defeated in any major battle, inherently the strongest section of the world proletariat, cannot be expected to remain docile to the attempts to shift the burden onto their backs. Furthermore the schisms within the ranks of the bourgeoisie are bound to increase, the antagonisms grow sharper, with consequent weaknesses and divisions within the ranks of labor's bureaucracies, the labor lieutenants of capital. They will burst asunder under the present strait-jacket being imposed upon them.

It remains for the Marxists, handicapped by this subjective relationship which they found themselves in at the outset, weakened considerably by their sectarian carry-overs from the past, to drive deeper into the class struggle and guide these struggles as they arise.

Editorial Note: In line with our policy of reporting developments in the International Labor Movement, we include below material of, and information about various groups.

DRAFT THESIS ON THE PRESENT WAR SITUATION

(1) Czechoslovakia, the Belgium of 1939, beckons the workers of the world to the slaughter. The ruling class needs an ideological smoke-screen to hide their predatory lust. Spheres of influence, colonies, mandatory territories and the constant fight to weaken rival imperialisms, these are the causes of the crisis.

(2) Germany, which formally adopted the strangle-hold of national self-sufficiency, finds that she is being choked to death; she must expand to breathe. This is the logic of capitalist development.

(3) Fascism arose first in those countries which were the weakest of the big powers: Italy and Germany. These two powers regimented the nation, destroyed the labor and trade Union movement and prepared for war. Not that they really desire war - it spells their finish - but they have no alternative unless the so-called democracies accede to their requests. Unless they can find some way out of the impasse, they must go to war.

(4) One possible way of escape from the present crisis could be found by a joint fight against the Soviet Union whose natural resources and people, by providing new capital investments and markets, would help to stave off the dreaded economic cul-de-sac, i.e. provided the capitalist powers won.

(5) The main enemy is at home. As it was in 1914, so it is today. "Collective Security", "Peace and Democracy" and "Defend Czechoslovakia" are only catch phrases intended to blind the masses to the real aims of the coming war.

(6) In this country, in France and in America, the imperialist bourgeoisie are the "people in possession" i.e. the "haves" therefore they the "democracies" wish to preserve the status-quo as against the fascist powers who are the "have-nots". Chamberlain may accede - must accede - to some of Hitler's demands, not because they wish to "betray" Czechoslovakia but because of their own unpreparedness for war.

(7) In this epoch there can be imperialist wars or wars of colonial countries against imperialist oppression. The Marxists must fight for and on behalf of the oppressed colonial masses in wars

for freedom from imperialist oppression. How about Czecho-Slovakia? Is it a colonial country? No! Just as "poor little Belgium" had a colonial empire - a small one maybe - and exploited and oppressed wage-labour both at home and abroad, so too the Czech capitalists exploit wage-labor generally and in particular, oppress the subject races, Poles, Germans, Hungarians, and etc.

(8) For Czecho-Slovakia as for the rest of Europe and the world there is only one way out - the Proletarian Dictatorship. Wars are not the product of fascism but of capitalist imperialism. Only by destroying capitalism through the armed insurrection and soviet power can the workers and the masses generally be saved from horrible slaughter.

(9) In the event of war, the workers must redouble the fight against the ruling class - the workers have no country - develop the class struggle, fraternise with the "enemy", split the nation. The bourgeoisie, embarrassed as they will be on two fronts, the imperialist war front and the class war front, will be all the more readily defeated on either front. A ruling class victorious in an imperialist war comes out of it immeasurably stronger than a defeated one. Therefore it is in the interests of the workers that by developing the class struggle through strikes and demonstrations but primarily by building and strengthening the revolutionary party, they help defeat their bourgeoisie.

This is high treason to the bourgeoisie.

This is our class duty as workers.

THE ENEMY IS AT HOME. DEFEAT THE HOME GOVERNMENT.

TURN THE IMPERIALIST WAR INTO CIVIL WAR.

DOWN WITH THE SOCIAL-PATRIOTS ("SOCIALIST" AND "COMMUNIST" SUPPORTERS OF THE WAR) THE LABOUR PARTY AND COMMUNIST PARTY.

WORKERS BEWARE OF THE CENTRIST I.L.P. AND TROTSKYISTS WITH THEIR REVOLUTIONARY WORDS AND REFORMIST ACTIONS.

FOR A NEW REVOLUTIONARY PARTY, SECTION OF THE FOURTH COMMUNIST INTERNATIONAL.

FOR THE DICTATORSHIP OF THE PROLETARIAT THROUGH SOVIET POWER.

Leninist League, Glasgow, 18th Sept. 1938

ENGLISH IMPERIALISM TAKES FRIGHT
(Letter from Paris)

The optimistic predictions which we made in our Sept. 9 letter concerning the date of outbreak of imperialist war, seem today to be well on the way to realization.

Tonight, English imperialism ended the agony of Europe.

Chamberlain asked an interview with Hitler. To use the suspicious

phrase of "Huma", journal of the Russian Embassy, from the Berchtesgaden bell.

So doing, Chamberlain showed the world that the imperialist Franco-Anglo-Russian bloc had decided to retreat - for the moment, of course.

The night of Sept. 13-14 and the morning of the 14th were the critical point where struggle is inevitable, when negotiations give way to force if one of the antagonists does not retreat.

In his speech, Hitler had clearly showed that he could not retreat, and he had resolutely burned his bridges behind him, hinting that, tho fooled as to the force and resoluteness of his adversaries on May 12, he had no intention of renewing this hesitation.

Yet, contrary to what we said in our Letter, the Anglo-French bloc didn't retreat.

Were the French and English bourgeoisies no longer masters of the chauvinist forces they had loosed among the proletariat and petty-bourgeoisie?

For a moment, the belligerent attitude of most of the French press at the breaking-off of Czech-Sudeten negotiations, seemed to indicate as much.

But on the afternoon of the 14th, a more careful study of the situation showed us a growing section of the press, one calling on the national principle, another on the insufficient military preparation of France, and one saying that "a political and economic reorganization of Europe was necessary". This last organ was none other than the "Journee Industrielle", organ of the French Confederation of Employers.

The attitude of the press today, approving in the great majority the "deflation" of the Anglo-French bluff, shows clearly that capitalism was able to remain master of the situation thruout.

HUMA rants at the "betrayal of the fatherland" and threatens Chamberlain and Daladier with the thunders of Czech public opinion". We would be wrong to misestimate the threats of the French voice of Russian diplomacy. But military considerations make us doubt today whether Stalin can undertake action alone.

It is probably that Hitler will get the annexation of Sudetenland and a certain amount of control over the politics and economy of the Czech state by the peaceful road.

In any case, the Marxist dialectic tells us that the date of the outbreak of imperialist war is only delayed.

It is the task of those who declare themselves Marxists to prepare conditions which will allow of turning the imperialist war into a civil war for the world dictatorship of the proletariat.

Paris, Sept. 15, 1933
Daly

AUSTRALIAN GROUP WANTS GENUINE INTERNATIONAL

Protesting against the high-handed methods used by the Trotskyists in their call for a new international against the Second and Third Internationals, the Communist League of Australia pointed out to the Trotskyist conference that they wanted to know what parties & groups were invited and what parties and groups were not invited.

They correctly take the position that to establish a paper Fourth International on a non-Marxian basis, and then AFTER the event announce the "birth" of the Fourth International to the class, is to set up a stumbling block on the road to a COMMUNIST FOURTH INTERNATIONAL based upon a Marxian program.

The RWL has already analyzed in its August issue of the FOURTH INTERNATIONAL the document, "death Agony of Capitalism" which deals with the Transition Program for the Trotsky "world" congress held in Europe. The other documents will also be analyzed in our press.

The RWL took preliminary steps toward establishing an international contact committee for the Marxist groups when it sent comrades Oehler and Negrete to Spain. It is continuing in this direction and has as its perspective the establishment of an international bureau, based upon a Marxian program, to coordinate our work toward the establishment of a new COMMUNIST FOURTH INTERNATIONAL.

FRANCE - FASCISM OR COMMUNISM? (cont. from P.8)

defeated with the aid and abetment of this same Daladier, can aid the Russian workers to dislodge Stalinism only if they organize a new Communist Party in France. On the lips of the Trotskyists and other revisionists this need of a new Communist Party, section of a revolutionary Fourth International, has become an empty phrase to cover all sorts of liquidations into reformist and centrist parties, to cover all sorts of left 'organic unity'.

This is the key to the whole struggle. Workers Defense Squads, Committees of Action must be organized at once and the vanguard must organize its party. Negatively, this has been confirmed by the events in Austria, Spain, Germany in these past five years. The Marxists must again tear the mask from the hypocrites, must raise the banner for the new world party of Communism, must especially raise this banner in France today.

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