

BULLETIN

WORKERS PARTY

NO. 7

CONTENTS

1. Approach to Negro Contact Work	Henry Felham	1
2. A letter on the Russian Question.....	Max Shachtman	2
3. Stalinist Russia is a Fascist State.....	J. R. Johnson	7
4. The USSR is a Capitalist Society.....	Freddie James	38
5. Workers Democracy & Party Discipline - some comments on recent events.....	Vox	43
6. Again on the question of Party responsibility and manner of discussion		47
7. Letter to a comrade on manner of discussion..	Max Shachtman	48
8. Some notes by comrade Johnson		51
9. A Statement.....	Dwight Macdonald	51A
10. In reply to Comrade Macdonald.....	The Editors	51B
11. Organizers Report.....	Local Chicago	53

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THE APPROACH TO NEGRO CONTACT WORK

There seems to be a certain amount of ineptitude evidenced on the part of the membership to do Negro work in a serious manner.

Wishful thinking and a detached, smug attitude on the part of most members, due mostly to their bourgeois training (which to most workers is a disadvantage) has limited their appreciation of the aims and aspirations of the Negro. If we do not live, work or associate with people, there is no other method to know them.

This work cannot be done on a mass scale. It requires a slow, patient process, and must be done on a personal relationship basis; wherever feasible, the same workers should follow up contacts until both worker and contact can remember each others' names as well as faces.

Ano's and Andy (radio's oldest team) and Jimmy Scrivener (U.S. System) all Southern born, of course, have associated with and studied Negroes to the extent that they can ape them almost to perfection. Revolutionists can also do this for different purposes.

Comrades say they are welcomed in Negro homes, they they are not very responsive. Why not practice reciprocity? Where it is feasible, invite the most favorable contacts to your homes for a more extended discussion accompanied with coffee or tea and cookies.

There is a tendency among the comrades to spell Negro with a small "n" in their correspondence (this is due to false training in boss schools). This is not widespread, but it should be watched, since it will alienate young Negroes who are bitterly opposed to this practice.

Negro civic, religious, theatrical and sports gatherings should be regularly attended, to make contacts as well as for the purpose of self-education. This of course must be coupled with the systematic reading of the Negro press and literature also for education and discussion material.

Negroes live in a different world from white workers. To have to visit the Negro world to learn it and it cannot be done from the Hills of Olympus.

The abstract statement to a Negro worker that "you believe in social equality" in itself is not enough. You can only break down his innate distrust, which has existed for over 75 years, by placing what you say into practice and being able to convince him that you too, understand his problems.

A short bibliography follows, which will supply much needed material for internal unit-education.

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|---|---|
| a-The Black Worker--Harris & Sporo | g-Race, Science & Politics R. Bonadio t |
| b-The Negro as a Capitalist -- A. L. Harris | h-Bibliography of the Negro in Africa & |
| c-Sex and Race-- J. A. Rogers | i-... America -- Monroe N. Work |
| d-Your History -- J. A. Rogers | j-The Southern Oligarchy--E.F. Proutico |
| e-Black Workers and the New Unions -- Gayton & Mitchell | k-Negro Metropolis - C. McKay |
| f-The Legal Status of the Negro -- G.S. Mangum, Jr. | l-Black Thunder - A. Bentonps |
| | m-Black Majesty--Vandorcock |

Dear J:

...I would like to here, however, take up some points in connection with the "new" Russian discussion.

At the outset, I must say that all the Leading comrades in New York are determined to conduct the Russian discussion thoroughly and come to a decision, but at the same time, to prevent it from becoming the center of our activity in the next period. It is necessary to guard against any tendency to get the Party off the main track by centering its attention mainly upon this theoretical question. The main job is rather the intensification of our work in connection with the war situation. But this does not, of course, mean that the Russian Question is so unimportant that any and every point of view stands on the same foot, and is equally valid, or that, it doesn't really very much matter what decision the Party reaches on this question. We are not a sect which chews over and over again its theoretical cud. But at the same time, we are not opportunists who don't care what condition our theoretical program is in.

It is a little difficult for me to say exactly why, but it seems to me that at least in one or two respects, my article on the Russian question was a dismal failure with some comrades. Discussing the matter with one or two comrades, we tried to explain this phenomenon and there is an explanation. Some comrades, reading the article hastily or superficially, evidently came to the conclusion: Well, he says it is not a workers' state, but that is not very new; Burnham and many others said it a long time ago, and that is that. I see that the theoretician of the Appeal, out of a combination of malice and the usual ignorance, says substantially the same thing. Now I am the last one to claim that the validity of my point of view is based on some "brand new" conception which nobody ever thought of. But the interests of clarity demand that wherein it differs from previous standpoints receive at least the same emphasis as wherein it resembles them.

Let us take first, the famous Burnham position, stated only as recently as September, 1939, when the fight in the SWP broke out. Carter, who knows his position as well as I, quite properly considers the statement that I now have Burnham's position as entirely ludicrous. Wherein is the difference? Burnham proceeded from the same fundamental premise as did the old man, and as the Cannonites do today. That may sound odd, but it is true. The Old Man said, for 15 years, the Stalinist bureaucracy aims to destroy nationalized property, that it is the channel through which the bourgeoisie will restore private property, and as late as his Revolution Betrayed, he insisted that the new constitution was deliberately constituted to lay the juridical basis for the restoration of Capitalism.

substantially, said Burnham, that is correct. Only, he continued, it has already gone so far in wiping out nationalized property that we can no longer speak of the Soviet Union as a Workers State. It is highly interesting to read even now, Burnham's resolution of Sept 1939, which ostensibly served to precipitate the fight. Still accepting Trotsky's premise, Burnham declared that the de-nationaliz-

tion of property, especially in land, has gone so far as to change the class character of the Soviet Union.

Now, both the Old Man and Burnham were wrong. Looking back upon the past 15 years, and allowing for the stalinist zig-zags, the indubitable historical fact is that the bureaucracy has done an enormous work in strengthening and expanding the nationalization of property. Moreover, granted all the contradictions inherent in its work, it far outstripped all predictions so far as industrialization was concerned. We used to say, to put it crudely, there is an inherent contradiction between nationalization and the stalinist bureaucracy's rule. This proved to be utterly false, at least in the sense in which we meant it. The preservation of nationalized property and the intensified industrialization resulted in an enormous hypertrophy of bureaucratism. (From this, it doesn't of course, follow as stupid people like Eastman believe, that industrialization and nationalization 'inevitably' strengthen a bureaucracy.)

Again, if we look back, we must establish it as an historical fact, that the bureaucracy's relationship to nationalized property is roughly comparable to the relationship of social democracy to bourgeois democracy. But its written class-peace program and its practice the social democracy paves the way for fascism, that is, for the destruction of bourgeois democracy. But this does not change the fact that the social democracy stands or falls with bourgeois democracy. When we say, correctly, that it paves the way for fascism, we don't mean, as the stalinists used to say, that it is for fascism, and that it is against bourgeois democracy. For the contrary is the fact. Similarly with the stalin bureaucracy. We used to think that this bureaucracy is, so to speak, consciously and deliberately aiming to restore private property, capitalism. This has not proved to be the case. It rests and can rest only upon nationalized property. It stands and falls with it. To continue the comparison; but its policy of class-peace is so weakens the independent class position of the proletariat as to facilitate the victory of capitalism and world imperialism. That that is by no means equivalent to saying that it wants the victory of capitalism and the end of nationalized property.

With this as one of my points of departure, you can more easily understand how it is impossible for me to accept Trotsky's position on the class character of the Soviet Union, or the revision of it by Burnham and the others holding the same view. I might add parenthetically, that Carter doesn't hold Burnham's view any longer, and has not held it for more than a year. Indeed, at the very beginning of the fight in the U.S., there were in fact four positions on the Russian question, and not three, as the Cannonites thought. I mean among us. There was the traditional position, there was Burnham's position, there was Carter's position which he didn't get a chance to formulate on paper, and there was the notorious Shachtman school of doubters, which I am trying to liquidate.

4

You seem to suggest, in one of your letters, that I am revising the Marxian concept of the state. So far as I see my position, I can't agree with that for a minute. In one sentence, the Marxian concept of the state is: the state is the machinery of repression in the hands of the economically dominant ruling class, calculated to preserve its social rule, its property relations. I continue to hold to this concept. What I think I do - and it is anything but contradictory to the Marxian concept - is to show that these property relations take one form in a social order where property is private (feudalism, capitalism) and another form where property is no longer private; and necessarily so. Where property is private the relations to it are expressed with comparative clarity and simplicity. In the United States or Germany, your relations to property, and mine, are, alas, only too clear. We don't own it! All we have is our labor power. Ford's relations to property or Krupp's are no less clear. They own the property. If it weren't for this little detail of ownership, they would be not one whit different from you and me. They would be like the former Czar's bourgeoisie - taxi drivers and door-men in Paris. But where property is not privately-owned, but state-owned, the relations to it of the different classes is not quite so simple or clear or direct.

Where property is state property, then property relations become, so to speak, "state relations". The Russian bourgeoisie ceased to own the state as well as the property, and so it became taxi drivers and door-men. The Russian proletariat took over state power. The state took over property. That made the proletariat the ruling class. Then, after a long, drawn-out civil war, the proletariat lost the state power, the bureaucracy took it over. Trotsky says the bureaucracy owns the state as its private property, "so to speak" - that is in appearance. In appearance and in fact, as everybody knows or should know. By virtue of its ownership of the state, its relations to state property are clearly established for it - and for me.

What are the relations to Soviet property of the Soviet proletariat? I quote from an authoritative source, an editorial that appeared a few weeks ago in the Socialist Appeal. It said, literally: the Soviet factories are penitentiaries to which the Russian workers are sentenced for life. My dear friend, I could not express the Russian proletariat's relation to Soviet property more brutally or crudely. The eminent Marxists of the Appeal may not know it, but in their characterization they are speaking precisely of property relations.

- 1 There - there and nowhere else - is my own little contribution to the analysis of the Russian question for which I have no particular desire to lay claims for originality

Is the bureaucracy a class? Where did Marx say it was a class? All the pedants rush to Marx to hunt for a quotation on this score. In vain. They won't find one. But neither will they find anything in Marx which declares: it is a supra-historical law that at not time, in no place, under no conditions, do I, Karl Marx, grant

5

the bureaucracy permission to develop into a class. In the Soviet Union not in the United States, not in Germany, not in Iceland, and not in Pierre del Fuego, but in the Soviet Union, where property is state property - the bureaucracy has developed into a ruling class. That is a fact and we really don't have a right to exclude a fact from that accumulation of generalized fact which makes Marxism. The bureaucracy owns the state, and therewith the state property. Production is organized for the benefit of the bureaucracy. Distribution of the National income is decided exclusively by the bureaucracy, primarily in its social interests. It has all the "stability" of a class operating in a transitional, and therefore unstable social order. It could acquire a stability comparable, for example, to that of the traditional bourgeoisie only if we could conceive of the present transitional state in the Soviet Union lasting as long as the bourgeois state has lasted. That is, one or two hundred years. But we never had such a concept and I don't have it now.

These opinions, repeat, essentially, what I wrote in my article. I hope that they also simplify and clarify my point of view sufficiently to remove some misunderstandings that may crop up. I never believed in tampering with the Russian question, or taking it lightly, or falling for the first new-fangled notions that came along. I don't believe in that yet. I assure you that I took plenty of time to think this thing out over and over again. I am truly convinced that I am right, and -

forgive me for this, - that all the others are wrong. Naturally, I don't mean by this that I aim to ram my point of view down anybody's throat. I do mean, however, that I intend to defend it as vigorously as I can in the Party. I am sending this letter to a few comrades. So far as I am concerned, you need not consider this a confidential letter. You can show it to any comrade, discuss it with him. It goes without saying that I would be glad to hear your opinions of it.

With best wishes.

Max Shachtman.

F.S. I just thought of another, and related point. You say that some of the comrades minimize the significance of state property altogether and say that the bourgeoisie will nationalize property during the war. Consequently the Soviet Union is only a bourgeois state. I find it difficult to follow these comrades. Have they visualized just what this bourgeois "nationalization" would look like? When we say state property in the Soviet Union, we mean that it really exists, namely, the state expropriated the bourgeoisie. It not only manages and supervises property, but owns it. In the bourgeoisie state it is entirely different. By nationalization, that state simply means, as a rule, that it takes over the responsibility for managing an industry, and guaranteeing the profits of the bourgeoisie, which, out of incompetence, or for some other reason, cannot guarantee itself these profits by "its own efforts. The

bourgeois state, even in Germany doesn't, however, expropriate the bourgeoisie. No matter how much it kicks them around, no matter how much it puts the screws on them, no matter how much it taxes them for one thing or another (for the expenses of war or for the maintenance of a voracious bureaucracy), it continues, nevertheless, to maintain private property, guaranteeing the fruits of private property, namely the systematic flow of profits. Macdonald says, oh, this is only a matter of external forms. How absurd, absurd especially from the standpoint of the bureaucracy, for, if it were not for this "trifle" of "external forms" the bureaucracy would be a propertyless class, indistinguishable from the only other propertyless class today. If it were not for this "trifle" it would be digging ditches, or working on WP A, with the rest of the proletariat. From this standpoint, this "trifle" means everything or damned near everything. Whatever may be "proved" by speculation and abstract hypotheses, the reality of life has thus far proved that to eliminate the "trifle" only another little trifle is required - the proletarian revolution.

M.S.

STALINIST RUSSIA IS A FASCIST STATE

Towards a Clarification of the Discussion

1. The Russian question is with us again, and this time, in its proper perspective, as a part of our general work. To neglect the struggle against the war, to tear ourselves to pieces over Russia, would be folly. But the party must prove itself capable of analyzing the Soviet Union to its own satisfaction. A decision, however, unanimous, which still leaves the membership as dissatisfied as it has been for years, will take a heavy toll in political plunders and an inevitable moral disintegration. A party, least of all a party without mass backing or strong financial support, cannot live indefinitely in a state of theoretical uncertainty.

2. The failure hitherto, I am now convinced, has been due not to the complexity of Stalinist society, but to the confusion in our minds. The complaint that Stalinist society is easy to understand but difficult to define is a confession of bankruptcy. A society is not a nervous disease or some obscure mineral. If you understand it you can define it. You can define a hermaphrodite without difficulty but must know what a man is and what a woman is.

3. Two things need to be done:

a) To arrive at some common understanding of what we are analyzing, i.e., what is the present condition and movement of the elementary economic facts in Stalinist production, national income, wages, conditions of labor, etc.

b) To arrive at some common understanding of what measurements we shall use for analysis, i.e., what we mean by capitalism, socialism, etc. The simplest arithmetical calculation could disrupt a university if 7 times 12 equals 84 to some people but equals 49 to others. Worse still, if each man used his own multiplication table and changed it at will in the midst of the calculation. It would be very instructive to Macdonald, for instance, if he sat down and defined precisely what he meant by the terms capitalism; monopoly capitalism; state-monopoly capitalism; state-capitalist military trust and syndicate; state capitalist military trust and syndicate and workers' power; socialism. This clarification of terms has not been made. That and that alone is the cause of the confusion; confusion of terms is confusion of things and confusion about Russia will remain until we clarify our terms.

4. To take these two points separately. First, Stalinist Russia.

a) In Stalinist Russia today production is many times what it was in 1913. Yet the large majority of the workers and peasants live in a condition little better than the great mass in 1913*.

*In the writer's opinion, today 1941, it is lower, but that is not essential to my conclusions so I make that concession for the moment. When I do say lower than 1913 I shall give proof.

This is not due to the sacrifices necessary for war. It is during the last five years that the income of the bureaucracy has been increasing by leaps and bounds in comparison with the income of the mass of the population. Such increases are the official policy of the Stalinist regime, disguised under the slogan: payment according to quantity of labor.

b) The bureaucracy completely monopolizes the means of production, and therefore this monopoly is used entirely in its own interest. Such "benefits" as are obtained by the direct producers the workers and peasants, are as incidental as those obtained by the workers in capitalist America between 1863 and 1929.

c) Stalin and Koltov no longer hide the strength of the bureaucracy. They have stated its size, 14 to 15% of the population, some thirty million people in all; they have embodied the bureaucracy in the Stalinist constitution under the name of the Soviet intelligentsia; they have placed it at the head of Stalinist society, as the rulers of and model for the rest of the population, and have called upon the population to obey it and treat it with respect. Trotsky's cherished argument that the Stalinist bureaucracy hides its size, its growth and its income is now a pathetic anachronism, repeated by him in 1939 when many of the facts were on his desk. Though it is still reticent about the total of its income, the bureaucracy established by law the relation between the income of the bureaucrat and the income of a worker, it runs down the workers' share of the national income will be distributed. Unless people want, Stalin to say, "we now have a new exploiting class in the strictly Marxian sense of the term," it is difficult to imagine what more evidence they want. These are matters of recorded fact, and that is what we have to analyze. On other questions, types of trusts, character of the collective farms, etc. there is little likelihood of factual disagreement.

Capital is a Social Relation

5. Next our instruments of analysis. These should be simple and universally agreed upon, after the works of Marx and Lenin. Unfortunately, it is here that the party is in a dreadful disorder. My views are as follows:

a) The first condition of successful discussion is to accept, clearly or repudiate as clearly Trotsky's conception of the nationalized or collectivized economy as a sufficient test by which Stalinist Russia is to be considered a workers' State or not. In my view -- in fact to my certain knowledge -- this view is an invention of his own, false from top to bottom, in direct opposition, both in form and content, to the general and specific teachings of Marx, Engels and Lenin, and repudiated by them on many occasions. This conception is the foundation of Trotsky's teachings. With its rejection, all that he has built on it must likewise be rejected. Though many of his observations, analyses, and predictions are brilliant, profound and permanently valuable, taken as a whole however, they are

false and lead to the grossest misconceptions of Stalinist society and the future of the modern world. This question of the nationalized or collectivized economy is not a question of Russia at all, though the Russian question illuminates it. It is a question of Marxist doctrine that can be decided if the Soviet Union had never existed. It will prove that the nationalized economy in one system of social relations is capitalism, and under another system of social relations is socialism, or in transition to socialism. In direct opposition to Trotsky's theories, I assert that Marx, Engels and Lenin always insisted that capital is a social relation, a relation between people, and never, never limited themselves to an economic or property form. The destruction of one social relation and the substitution for it by another social relation constitutes not only a social but an economic change.

That is what Marx meant by saying capitalism was a social relation and he could have meant nothing else. Marx's life work in political economy consisted solely in demonstrating that modern society has only two roads before it; one, monopolization of the means of production by a minority, giving rise to internal contradictions, economic and social disorder and bankruptcy, or, two, control of the means of production by a majority of the population, i.e., the workers, leading to socialism. There is not and cannot be according to Marx any other form of society in the modern world (except a return to some form of chattel slavery which, barbarous enough in 1850 would be an intolerable barbarism in 1950.) At a certain stage of commodity production, society can take only one of these two forms. There can be a transitional stage between the two, but that transitional stage is to be judged not by economic forms but by political power, because political power is the test of social relations. To say that there is a form of exploiting society which Marx did not foresee, is in my view, to misunderstand completely what he set out to do and did. This is what Marx would say in reply to Trotsky and Shachtman (with MacDonald in the front row of the audience, a little to the right):

"I claimed to have discovered the economic law of motion of modern society, and while you are at liberty to baptize any 'new' society by whatever name you please, you will have to show me where its economic law of motion is different from that economic law which I disclosed in Capital. Once society has reached the stage of huge factories, socialization of labor and internationalization of production and exchange, only one problem remains and can remain: to whom will all these means of production belong, who will monopolize them? I said and I still say that when a minority of the population, a ruling class, monopolized them and enslaves the rest of the population it is that social relations which gives the productive forces the character of capital, and if this is not al-

tered it will ruin human society. Either everybody will control them or a part of society will, a ruling class. There is no other alternative. That class may monopolize the means of production through private ownership or public ownership, it may collectivize property but exercise de facto monopolization, it may rule in the name of God, or Confucius, or, heaven forbid, in my name. I would not have been foolish enough to attempt to foretell history with any such precision. But what I have said and which I stick to is that any "new" ruling class or caste or group or category which you may discover today has no future before it and will share the economic fate of my old-fashioned capitalist class in the way that I described and which was developed by my faithful disciple, Lenin. It is true that collapse has been the fate of all exploiting classes in the past. But this time the new class which will succeed the capitalist class will put an end to all exploitation because of the development of the productive forces and the character of the new class shaped by them. Neither slavery nor feudalism developed the productive forces to the necessary degree and therefore they could not transform the workers into a class able to direct society. This new class, the working class, will create a society constantly progressing and developing the individual. Any other new class, which does not consist of workers, the majority, will continue to ruin society and degrade millions of men to the level of barbarians. The "new" class of some of you seems to be doing that much better than my old capitalist did. From what I hear the disguises assumed by the monopolizing class are fooling many people. They do not fool me. I can tell a capitalist class if it came to me disguised as Volume I of Capital, and least of all can these tricks fool the productive forces, which are rebelling so violently against capitalist social relations in every part of the world, Russia included, that I am astonished at the confusion which exists now among you who claim to be my followers. If you cannot as yet build a party you have my sympathy. That depends on circumstances beyond individual control. But confusion as to the social phenomena of ruin, degradation and barbarism to which the whole world is moving and which parts have reached I find unpardonable, after all the work I did. What disturbs me most is that you have used my doctrine not to open your eyes but to close them. Engels and I said socialism or barbarism. Some of you admit that the Stalinist state is the most barbarous police regime that has ever existed; that this brutality is directed against the workers at home and abroad, that the human intellect is there reduced to a state of degradation never before seen in any society, that the gap between what is professed and what is done is wider than we have ever before seen in this sinful world, that this regime gets worse every day, and is ruining the economic life of the country. And this monstrosity which any normal human being would call barbarism, some of you use my name to prove is a kind of workers' state, or socialism, or state socialism, or transitional to socialism. Many have perverted my doctrines and the idea of socialism, but none worse than you. With the best intentions in the world you have dragged them in the mud."

New Marx may have been right or wrong in his dictum: socialism or barbarism, and nothing else in between. And who thinks he was wrong is perfectly at liberty to say so. But then the question will not be the question of Stalinist Russia, but the very foundations on which we stand and all we have taught for a hundred years. For my part, I am satisfied that Marx was completely correct and specifically repudiated the idea that statification of property and planned economy were in any way socialist or formed the basis of any kind of "new" society whatsoever. It is necessary for Shachtman to express himself clearly and without equivocation on this point. The debate is here, on this issue, and not on Stalinist Russia. Once we settle this elementary question of Marxism - what is capitalism - the analysis of Stalinist Russia becomes today, 1941, a question of great simplicity. I propose now to deal briefly with the question of the nationalized economy not from the angle of Stalinist barbarism but from the economic doctrine of Marx.

6. Marxism and the Nationalized Economy

Ask one hundred present day sympathizers with Marxism what is the benefit of the nationalization of the economy, in the socialist sense, i.e., the expropriation of the bourgeoisie, 99.5 will reply that it is the capacity to plan, to organize production and raise the productivity of labor. They would be 99.5 per cent wrong. The basic contradiction of capitalism is not lack of plan but is expressed in the general law of capitalist accumulation; accumulation of wealth at one end of society and accumulation of misery and degradation at the other. This contradiction can be expressed in a different way: by the tendency of capitalism on the one hand to expand the productive forces absolutely, without regard to limitation, and on the other, to circumscribe production to the inadequate consumption of the masses under the conditions of capitalist production. Socialist nationalization, i.e., control by the great majority the workers, breaks this contradiction, because no controlling majority will ever limit its consumption except in so far as consumption is perforce limited by the productivity of the whole system. This, and this above all, is the basic gain of socialist nationalization. For planning, i.e., capacity to move capital from here to there in the interests of the economy as a whole; standardization; planned consumption, and therefore planned production; all these can be performed by a capitalist class. Capitalist planning within a national society is possible in theory, and it is possible in practice, as witness Germany today. What the capitalist cannot do is extend the market in harmony with the capacity of production. If he did that he would not be a bourgeois but an angel. The limitations and reactionary aspects of Hitler's planning are due to the limitations of his market, to the limitations of planning for profit. He is not limited by incapacity to move capital here or there, or to control it. His contradiction is the Kaiser's contradiction, and it will tear him in half before he is finished. It is the contradiction between the productive capacity of German capital and the limitations imposed on the consumption of the German masses by capitalist production. With worker's power in Germany that contradiction ceases. Where there is now worker's power, the contradiction cannot be avoided, though every member of the ruling class sing the International as many times a day as a Mohammedan prays to Allah. Let us hear Marx himself.

In Volume I of Capital, Marx analyses with great care the inevitable movement of capital towards greater and greater concentration of production and centralization of capital. Then with the confidence and boldness of a truly theoretical mind, he transcends immediate reality and drives his conclusion home: "This limit could not be reached in any particular society until the entire social capital would be united, either in the hands of one single capitalist or in those of one single corporation".*

And for anyone who understands what theory is, the whole question is already settled, though the reader may rest assured that he will not be deprived of all the succulent detail. For, the proletarian revolution excluded, this tendency of capitalism will continue to work itself out and by the time it reaches the single corporation, the ruling class will have the capacity to move capital from industry to industry or from industry to agriculture, to standardize production, monopolize foreign trade, plan consumption and plan production, and fix prices. Yet this single corporation will break its neck, not because it cannot "plan" but: a) because, as Marx insisted, the world market is an inseparable part of capitalism. Hence the plan will not be able to prevent competition in its most simple form or its most violent, outside the national society which would react in turn with devastating effect on the national plan. b) Because the single corporation would extract surplus value and the society would continue to accumulate wealth at one end and misery at the other. Driven to face reality, some romantics would then raise the standard of living of the masses in order to keep capitalism going. If the corporation does that then it would most certainly not be capitalist. Then we would have a really royal class, a philanthropic class, and quite frankly, my competence to discuss such a class is limited.

When Marx wrote the above, in the early sixties, monopoly capitalism consisted of mere dots on the horizon. At the time national anarchy was the prevailing feature of capitalism, and Marx, having carefully established his general line, described as was his habit, what actually existed. All through Capital he belabored the capitalists for the anarchy of production in a national society, characteristic of the time. Marx, however, expected the social revolution before any national society had reached the limits of a single corporation; he was encouraging the proletariat to seize power as far back as 1848. But capital lived a life, in Marx's view, independent of the will and consciousness of men. Capital shaped man; man did not shape capital. It was going its way and only the proletarian revolution or self-destruction would stop it. Take that out of Marx's system and nothing remains. And gentlemen who call themselves Marxists had better think very carefully over this aspect of Marx's work. Yet the prospect of capitalists actually planning completely was for Marx, Engels and Lenin, at first sight, a practical impossibility; Marx almost denied that it could take place at all, but at the last moment changed his mind with a saving clause. In discussing the effect of fluctuations in price, (vol. III, p. 142), he shows how soon the capitalist control of raw materials gives way to the belief that demand and supply will mutually

regulate one another. "And" says Marx, "it must be admitted that such control is on the whole irreconcilable with the laws of capitalist production and remains forever a platonian desire, or is limited to exceptional cooperation in times of great stress and helplessness." That is precisely what we have today: times of great stress and helplessness for capitalist production. The German capitalist at least has learned that in a war crisis supply and demand will not regulate, and if Hitler ultimately had to bang some on the head to include the loss on which he himself learned, he was able to take these liberties only because of their great stress and helplessness. In a footnote to this passage, Engels, writing thirty years later, in 1894, that monopoly was much further advanced, committed himself to the view that capitalist planning was soon disrupted. There are other writings which take another view. But what we have to note, and this is the heart and soul and inner essence of Marxism, is that although Marx and Engels were more or less doubtful of it, they held themselves rigidly to the theoretical prognosis and based all policy, present and future, on that.

In 1878 Engels published Anti-Duhring which Marx read before it was printed. It contained the following: "But the conversion into either joint-stock companies or state property does not deprive the productive forces of their character as capital. In the case of the joint-stock companies this is obvious. And the modern state too, as only the organization with which bourgeois society provides itself in order to maintain the general external conditions of the capitalist mode of production against encroachments either by the workers or by individual capitalists. The modern state, whatever its form, is an essentially capitalist machine; it is the state of the capitalists, the ideal collective body of all the capitalists. The more productive forces it takes over, the more it becomes the real collective body of all the capitalists, the more citizens it exploits. The workers remain wage-earners, proletarians. The capitalist relationship is not abolished; it is rather pushed to an extreme. But at this extreme it changes into its opposite. State ownership of the productive forces is not the solution of the conflict, but it contains within itself the formal means, the handle to the solution"

State ownership of the means of production means a completely planned economy, more planned than Hitler's, for no single capitalist "owns" anything, yet the workers are exploited as wage-laborers by an exploiting minority, and for Engels these people are capitalists. Engels is saying: "Take note, this is not any degenerated workers' state nor bureaucratic state socialism; it is capitalism. Do not allow yourselves to be fooled" Trotsky, however, in all his works, by statement and implication, and specifically in his controversy with Craipeau, held firmly to the belief that state property and planned economy were ipso facto some sort of socialism, or transitional to socialism, but not capitalism. In an Internal Bulletin, in an article of November 4, 1937, he writes of the new revolution against the Soviet bureaucracy, that "since this new revolution must develop on the basis of state property and planned economy, we have characterized the overthrow of the bureaucracy as a political revolution in contradistinction to the social revolution in 1917". This is a direct contradiction of Engels. For to Engels state property and

planned economy under the control of a ruling class which must be overthrown by a revolution is capitalism. And if it is not capitalism then Engels wrote and Marx approved of nonsense; and what is more, went out of their way to do so, in the misguided belief that they were warning the proletariat against danger. To think that Marx would not have known what exenemic forms capital would assume under state ownership, is, in my opinion, impudence, and we can imagine Marx's language if someone had told him that those who, through their state, monopolized the means of production were not a class, because they no longer owned private property in the means of production; or because the laws of the country said that the property was owned by all.

Marx and Engels had no doubt that the question as to whether state property is capitalist or socialist depended exclusively on whether the ruling class minority controls the state, or the workers, the majority. on the very next page of anti-Duhring Engels explains this.

"By more and more transforming the great majority of the population into proletarians, the capitalist mode of production brings into being the force which, under penalty of its own destruction, is compelled to carry out this revolution. By more and more driving towards the conversion of the vast socialized means of production into state property, it itself points the way for carrying through of this revolution. The proletariat seizes the State power, and transforms the means of production in the first instance into State property. But in doing this, it puts an end to itself as the proletariat; it puts an end to all class differences and class antagonisms, it puts an end also to the state as the state."

Engels has himself emphasized the sentence beginning "The proletariat seized the state power" and thereby emphasizes what Marx taught all his life, that the difference between capitalism and socialism was not a question of property form, state ownership, but a question of social relations. Those who think that they are discovering things which Marx and Engels did not foresee will doubtless interpret for us the passage above.

Lenin and the Nationalized Economy

Lenin, like Engels, began by believing that it was impossible for the capitalists to plan completely, though of their capacity to plan to a large degree, he had no doubt. But he also kept the general theoretical line clear, despite his arguments with Bukharin for some three years on this very question, to what degree could capitalists plan. Lenin might doubt (for a time) the capacity of the capitalist to plan completely, he had no doubt as to what a completely planned system would be. In State and Revolution, Chapter 3, Section 3, "The Abolition of Parliamentarism", he says that a witty German Social-Democrat of the last century called the post office an example of the socialist system. "This is very true," says Lenin. But at once separates himself politically very sharply from this wit, "At present the post office is a business organized on the lines of a state capitalist-monopoly", and he himself

underlines the word capitalist. "Imperialism is gradually transforming all trusts into organizations of a similar type. Over the 'common' toilers, who are overworked and starved, there stands the same bourgeois bureaucracy." That for Lenin is a capitalist economy, state capitalism. And what is socialism? "Our immediate object is to organize the whole of national economy on the lines of the postal system so that the technicians, managers, bookkeepers, as well as all officials shall receive salaries no higher than 'workmen's wages' under the leadership of the armed proletariat. It is such a state standing on such an economic basis that we need". It is the workers control that changes the economy. Labor in in the same volume, Chapter 4, Section 4, Lenin notes a statement by Engels that at a certain stage planlessness ceases. Thereupon Lenin, stretching his arm over twenty-four years, shakes his finger warningly at Shachtman. "Here we have what is most essential in the theoretical appraisal of the latest phase of capitalism, i.e., imperialism, viz. that capitalism. The latter must be emphasized because the erroneous bourgeois reformist view that monopoly capitalism or state monopoly capitalism is no longer capitalism, but can already be termed "state socialism", or something of that sort, is very widespread. The trusts, of course, have not created, do not create now, and cannot create full and complete planning. But to whatever extent they do plan, to whatever extent the capitalist magnates calculate in advance the volume of production on a national and even on an international scale, and to whatever extent they systematically regulate it, we still remain under-capitalism -- capitalism in its new stage, it is true, but still, undoubtedly, capitalism."

The point is clear. Lenin has underscored some words. He could not be clearer. At least he would have been in no theoretical dither before the dire phenomenon of Hitlerite Germany. But what I want the reader to note particularly is the method, Lenin's concern to point out whatever may be the decision as to the feasibility or otherwise of capitalist planning, to whatever extent they plan or regulate, that is to say, if even contrary to all his expectations, they were able to regulate in full, we still remain under capitalism. Theory was the life-blood of his method, as it was for Marx and Engels. And for him, as for Marx and Engels, socialism is not a question primarily of state property or planned-production, it is a question of social relations.

In The Threatening Catastrophe, one of Lenin's most important articles written a few days before October, he tells the Russian workers (and whoever else wants to hear) what is the difference between capitalism and socialism. (Lenin, Towards the Seizure of Power, Book I p.211).

"For, once a large-scale capitalist enterprise becomes a monopoly, this means that it serves the entire people. Once it has become state monopoly, this means that the state, (i.e., the armed organization of the population, primarily of the workers and the peasants, assuming there is a really revolutionary democracy) directs the enterprise -- in whose interests?

• Either in the interests of the landowners and capitalists; then we have not a revolutionary democratic but a reactionary bureaucratic state, an imperialist republic; or in the interests of revolutionary democracy; then this is in reality a step towards Socialism.

"For Socialism is nothing but the next step forward from state capitalist monopoly. In other words, Socialism is nothing but state capitalist monopoly made to benefit the whole people; by this token it ceases to be capitalist monopoly"

Let our theoreticians take note, the nationalization of economy control of production and control therefore of consumption, monopoly of foreign trade, these things, capitalist state can have to a greater or lesser degree, and under great stress and helplessness even completely. The test of the change from capitalism to socialism is whether this state capitalist is in the interests of the entire people or not. Whether a minority which controls it is called bourgeoisie or bureaucracy, whether it emerged from a bourgeoisie of the mid-nineteenth century type, or from the rulers of what was once a worker's state, whether it settles its quarrels by way of the market or by way of judicial assassination, is a matter of historical interest, and also of tactical importance; but for a Marxian theoretician, such things are secondary, subordinate, and cannot in any degree alter the basic fact of the social relation, complete monopolization of the means of production by a minority appropriating unpaid labor, and therefore in the letter and in the spirit of Marx, a capitalist class. So that no possible doubt could exist in the reader's mind as to the fundamental economic difference between nationalized economy benefiting a few and nationalized economy benefiting the whole people, I shall give one more statement of Lenin, made this time after the Russian Revolution. He was urging that the Soviet State should do its best to transform such capitalism as existed in Russia into state capitalism. Bukharin opposed, pointing out the dangers of state capitalism, and Lenin replied in one of his most determined polemics. Here is a key passage (Vol. VII, p. 366, Selected Works.)

"At present, petty-bourgeois capitalism prevails in Russia, and it is one and the same road that leads from it to large-scale capitalism and to socialism, through one and the same intermediary station called "National accounting and control of production and distribution". Those who fail to understand this are committing an unpardonable mistake in economics. Either they do not know the facts of reality, do not see what actually exists and are unable to look the truth in the face; or they confine themselves to abstractly comparing "capitalism" with "socialism" and fail to study the concrete forms and stages of the transition that is taking place in our country."

Here, for this article, we shall leave the theoretical question of the nationalized production. State capitalism means, as every dictionary will tell, state control or management of capitalism. The degree and extent of this, its concrete manifestation will vary from country to country as capitalist production and parliamentary democracy vary from country to country and from period to period. But when Trotsky says in the Revolution Betrayed that nobody knows what state capitalism is, he was being merely guilty of another of his incredible errors, large and small, on the Soviet Union, betrayed into it by his false policy. What did he think Lenin meant by "State capitalism" during the seven years that he defined and redefined it in its every recurrent form? The elucidation of these however must wait in a more spacious place.

7. Marxism and the Nationalized Economy of Germany.

In the light of the above, Stalinist Russia is no freak state. Workers power being lost, it is, according to Marx's doctrine and Lenin's, a capitalist state. It is no hybrid. It is part of a world economy, an economic pattern to which all national economies, especially under great stress and helplessness, are tending. Fascist Germany which has never given the slightest difficulty to any Marxist analyst, is all important for understanding Marx's analysis of capital and its application to Stalinist Russia. Let us establish a relation with what we can understand easily. Today, in Germany, we have a form of state capitalism. The German capitalist has titles of property and owns. But with his raw materials controlled, his prices fixed, his salary and profit fixed, and the surplus invested by compulsion in the state, he is as much a state functionary as his brother, head of a trust in Russia, who also has his raw material controlled, his prices fixed, his salary and bonus fixed and the surplus profits of his establishment invested in the state. What is the capitalist class in Germany? In Franco two hundred families ruled; in America sixty. How many are there in Germany? Lenin in 1916 said that three hundred capitalists ruled Germany. Today the probable number is about thirty. These gentlemen, hand in glove with the Hitler bureaucracy, have the average individual capitalist at their mercy. Hitler will have violent conflicts with them as even Roosevelt will have with DuPont, 'but as against the German workers and against the world bourgeoisie their disagreements are tactical, not principled.' Lenin knew this since 1916 and there are many chattering that Lenin did not foresee, when in 1941 they cannot yet see what he saw already twenty-five years ago. When he said that a handful of finance capitalists ruled a country he meant it. That such a group should yield power to a dictator who serves them and yet dominates them is a common-place of history. But thirty capitalists or thirty thousand for that matter, are not so stupid as not to know that they cannot rule a country without a stable social basis. In Great Britain most owners of public houses are at the absolute mercy of the beer barons though most of these clerks are allowed to "own" their inns: a revealing fiction, exemplifying Marx's conception of the character inherent in capital. We must pause here for a while and see that Marx's apparently semi-mystical abstractions are the surest guide to an understanding of Hitler.

One capitalist always kills many. This is not a piece of rhetoric by Marx but a law of capitalist production. It is the nature of capital to separate not only the workers but also the capitalists from the means of production. In every country it is the thirsty desire of capitalists to bring not only the workers but all other capitalists under their control. Through Hitler, a few capitalists of Germany have disciplined not only the workers but all the other capitalists. When they concentrate all capital in the hands of the state, they cannot help themselves. They are going the way capital compels them to go. Whenever he could, Marx warned the reader that the capitalist was merely the agent, the representative, the personification of capital, which was set for an inevitable course, a course which nothing could alter. Accumulate! Accumulate! Centralize! Centralize! The social relation that is capital compels the bigger capitalist to absorb the smaller. Accumulate or perish, the nineteenth century law of capitalist against capitalist, became the law

of trust against trust, is now the law of country against country. As long as the means of production remain monopolized in the hands of a few, being, by that token, capital, this law of capitalist accumulation holds good. What a gross misunderstanding of Marxism is therefore contained in the formulation current among some that Hitler has abolished the profit motive. As if the profit motive were not merely a subjective expression in human terms of capital's objective tendency to greater accumulation through centralization! As if Hitler far from abolishing is not the supreme expression of the profit motive. The starving, tortured degraded workers of Germany will be glad to know that the profit motive is abolished and that they labor now for the use of all instead of for the profit of few. Hitler told them so and they doubted it, but if Marxism thinks so too, then it must be true. We may as well commit suicide if we do not stifle this stupidity with the scorn it deserves.

Far from abolishing capital Hitler is the super capitalist. He has carried to an extreme the socialization of labor and the expropriation of capitalists from the means of production, which is the supplementary half to the divorce of the workers from these means of production. He is a man used and not using. In every country powerful agents, representatives, personifications of capital collectivize the resources of capital, some more quickly than others, some more slowly, but in all countries tend in toward the single corporation. And as they do so, the exploitation and degradation of the masses, the class antagonisms, the burdens of the state, the international anarchy, the destruction of capital by world economic crisis and world war, assume such proportions that I for one can only wonder at mentalities so perverse as to argue that Marx and Lenin did not foresee. It is the social relationship, expressed in the monopolization of the means of production, which, intensified in the hands of the state, brings increasing ruin in its train. Here is the capitalist relationship pushed to an extreme with greater misery for the workers. And yet Marx's analysis of Capital demands the expropriation of capitalists by other capitalists. Is the expropriating capitalist a socialist? Fully pushed to an extreme. Among capitalists this expropriation must take a capitalist form. A proletariat expropriates to destroy capitalism. An agent of capital expropriates to preserve capitalism, to preserve a social relation to the means of production.

Let us look at Germany more closely. For Hitler and his capitalist associates, literally to expropriate, violently to separate their victims from their property, would be madness. They would only have to find bureaucrats to whom, roughly, the same emoluments will be paid. But violent expropriation will not only be economically costly and useless, it will destroy the whole basis of the system which keeps these thirty or three hundred families where they are. Through Hitler finance capital has all the benefits and none of the risks of capitalist expropriation. But expropriation in fact while not in law has its dangers. The capitalist not in the inner councils irks at the control from above, and the further away he is from the center the more he too is "exploited". He rubs his hands at the prospects of Denmark, Norway, France, Africa, but at the same time it is all being arranged without him. In the happy times that are coming after the defeat of Britain and the defeat of America the profits new confiscated for war will go where? Struggle will decide. The in-

ternal or external threat having receded, the weakening, or the overthrow of Hitler by a palace revolution for instance, political shifts and changes, may give the German capitalist class as a whole a possibility to struggle for a more equitable division of the spoils. This struggle may and probably will take the form at first of an exclusively political struggle. Regimentation is not natural to capitalism and the conflict between the tendency to a single corporation and the necessity of maintaining a sufficient social basis of persons interested in the system, while at the same time telling the workers that the system is now, is merely another of the rending contradictions of capitalism in its most desperate stages.

From here we can now extend our analysis to Stalinist Russia.

Stalin also accumulates and accumulates, and as he accumulates capital he accumulates contradictions. He and his bureaucrats have the same relation as the German bourgeoisie to the means of production, monopolization which gives these the character of capital. That is why the more that Russia produces the greater the inequality. But the centralization of capital fell into the lap of Stalin's capitalist class, having been accomplished by the proletarian revolution.* But, whereas for the time being, the state capitalist regime in Germany, despite Hitler's demagoguery, is best knitted together against the workers by the traditional private ownership, Stalin, on the other hand, from the traditional basis of the system from which he and his gang have emerged, finds it equally expedient to maintain against the workers (and his individualistic capitalists as well) the fiction of common ownership, so long as the bureaucracy enjoys practical monopoly. But economically, what Germany is, Russia is. The difference is the difference between a country with little capital and large stores of raw material and a country with large stores of capital and little raw material. The dynamics are different, the tendency is the same.

What capitalist Germany will be and what capitalist Russia, depends on a multitude of circumstances some of which I can touch on here. Again by the old we shall best understand the new. Should Germany's capitalist class as a whole recover political power, it will seek to abolish planning and go backwards as Britain went backwards in 1918 after "War Socialism". Noticing but war, extreme helplessness or the concentration camp will prevent them from competing. But given a serious threat to the present regime from below, the surviving German bourgeoisie may make a deal with the Social Democracy and Stalin, go right through with the fiction of expropriation, perhaps sacrifice the rentiers, call the new regime state socialism, and try to maintain the exploitation of the workers. Stalin, through pressure from a victorious Hitler or as concession to a Junker Germany, may make inroads on the idea of public ownership.

*When the proletariat controlled the means of production these were social wealth, with a law of motion absolutely contrary to the law of motion of capital. The capitalist class was expropriated in Russia, and a new ruling class has once more appropriated the means of production. Whereupon despite the absolute increase in production the relative pauperization of the masses begins at once, a direct consequence of the changed social relations.

A threat from below may cause him or a successor to invite workers to share profits of the enterprises in which they work. On the other hand, a proletarian revolution in Germany or the bourgeoisie masquerading as state socialists would force Stalin to fortify the fiction of common ownership. The possible transformations are infinite and in form entirely unpredictable. The content will not vary. In all cases the workers will be exploited wage-laborers and the capitalist class will control the economy in proportion to its political solidarity. This for the time being will be easier in Russia because the old capitalist class was blown out of existence by the proletarian revolution and the new one is not burdened with the old heritage of capitalist Germany. But in economic terms today they are both the same, and will continue to be the same until their insupportable contradictions compel the workers to seize power. The nationalized economy will then serve the entire people instead of a minority, and the contradictions will cease.

Stalinist Russia and the Marxist Theory of Distribution "

8. It is apparent from the above that there is no need for us to believe that in Stalinist Russia we have a form of society so far removed from anything we have ever seen that we cannot define it according to the doctrines of Marx. Let us now make another type of Marxist approach to Stalinist Russia, the approach according to Marx's theory of distribution.

It is one of Marx's greatest discoveries that the conditions of distribution in any society are identical with the system of production being merely its reverse side. By conditions of distribution Marx meant the method of apportionment of the total product to the different social groups in the population, groups which take their origin, form and development, from their relation to production.

Let us first take a capitalist distribution. In 1928 in the United States, the workers, farmers, and clerical workers, 80.1% of the population, received 48.1% of the national income. The bourgeoisie, 15.9% of the population, received 51.9%. Five years ago, Trotsky calculated that 15% of the population in Stalinist Russia received 50% of the national income and the rest of the population the balance, roughly the same as the U.S.A.. Trotsky always used data for his analyses and was always scrupulously correct in his use of them. His error was one of method. From information since available, his estimates can be accepted as sound for 1935. Today that ratio is much wider in Russia. Hence this similarity?

Trotsky's explanation is that the bureaucracy steals, breaks the principles of socialism. This is no explanation at all and philosophy had a word Trotsky often used for people who set up moral or juridical norms and then blame whole societies for not conforming. Trotsky is here defining the economy by the law. Marx always defined the law by the economy. The equality of distribution under socialism will be based not on laws but on the equality of the social relations arising from production. The inequality of distribution under capitalism is based on the inequality of the social relations of capitalist production. Laws should correspond to and may influence, but they do not decide productive relations. If the law does not fit the economy, then the law is at fault, not the economy. The economy is always right. This is not a verbalism. Marx said

often that on the basis of the social relations of capitalism, the distribution under capitalism was just. We can recognize the justice of Stalin's distribution, on the basis of the immature economy, without ceasing, like Marx, to work for its overthrow. To point out how the law is being broken is the work of a policeman. An economist must constantly strive to see the connection between productive and social relations and only afterwards, for historical or agitational purposes, concern himself with law.

Russia under Lenin was striving to transform an economy fitted only for capitalism, i.e. for a certain social relation to production, into an economy which would create another social relation and thus give the dictatorship its only sure guarantee. In this lay the transition. The indispensable condition was the dictatorship of the proletariat, i.e. the control of the working poor. Who else, I pause to ask, can build socialism? The moment their power is definitively lost, the distribution once more openly assumes the proportionality of distribution under capitalism because that proportionality is the one that corresponds to the social relations arising from the immaturity of the productive forces. The world revolution would have fortified the narrowly based Russian dictatorship and nourished the economically feeble productive forces. The world revolution did not materialize and the reality of social-relations reassert themselves with singular luminousness and clarity in the distribution. What had stealing to do with this? A bureaucrat in an office can steal a lead pencil or a director of a trust can steal a few million rubles, but when your analysis of an economy leads you to state that thirty million people are stealing some twenty-five per cent of the national income, thereby disrupting the natural economic law of motion of that society, then Marx is wounded in his very vitals and his system cannot possibly stand such blows. The income of one man may expand or shrink according to his qualities, moral or otherwise. The income of fifteen million is something entirely beyond their moral control. You cannot blame them for it. To take this seriously is to put oneself on a level with those pettifogging idiots who see the origin of Stalinism in the organizational methods of Lenin. Millions of people do not steal. It is passable agitation, questionable propaganda, but disastrous as economic theory. Lenin said that an isolated Soviet Russia would plunge back into capitalism, and he was perfectly and literally correct. It is Trotsky with his workers' state perpetually degenerating and Shachtman with his "new" society who have opened up holes which will grow deeper and deeper and drown us unless we resolutely wade out of them. As soon as you separate distribution from production the seductive but poisonous waters of idealism are up to your neck.

It is in modern society above all that you cannot afford the slightest maneuvering with production and distribution. In feudal society the landlords and the church owed their position not to their role in the productive system but to their function as theoretical and political leaders. When commodity production becomes the prevailing mode of production, the social hierarchy and the corresponding distribution are based directly upon production. The social crisis is the disproportion between distribution and the necessities of production. In modern society, production, social relations, distribution, form one indissoluble whole. That is why Marx was able, on the basis of his analysis of production, to claim that he had discovered the "economic law of motion of modern society" and to predict its future course with such confidence. Change one and all are changed.

Basing myself on the Marxism of Marx, I make the following assertion. The distribution in Stalinist Russia corresponds so closely to the distribution in capitalist America for the simple reason that the social relations of production in Russia correspond to the social relations of production in America. These social relations, in each country, are: divorce of the great masses of workers from the means of production, leaving them nothing to live by but the sale of labor-power; and on the other hand a monopoly of the means of production by a ruling class, "bourgeois" in the one case, "bureaucrats" in the other, but both societies, from the very character of the social relations, obeying the fundamental laws of capitalist production. Modifications of these economic laws there are, as monopoly capitalism modified the laws of free competition and state monopoly capitalism still further modified them. Other differences there are, due to geographical environment and historical origin. But all these differences are secondary, supplementary, subordinate to the essential fact of the monopolization of the means of production which stamps both economies as capitalist. In one society the capitalists hold this monopoly by means of the laws of private ownership. In the other society the bureaucrats hold the monopoly in violation of the principles on which the state was originally founded. The fact remains that each ruling class holds this monopoly. That is where we must begin. Who opposes this view must deny the fact of the monopoly, or, admitting it, must show in what way the economic law of motion of Stalinist society differs from the economic law of motion of capitalist society.

Trotsky and the Theory of Distribution

Trotsky's whole system is built on an entirely different basis. His basis is the nationalized economy, the form, and not the social relations, the content, and I have to devote a little time to one of the huge, continuous and inescapable blunders committed by Trotsky in his analysis of the Soviet Union. The party will continue to flounder in a theoretical jungle unless it takes distribution, in Marx's sense, into all its calculations. Marx is very clear as to what he means. It is not at all a question of a society producing such and such annually and struggling over it. By conditions of distribution Marx meant "the foundations of specific social functions performed within the conditions of production themselves by special agents in opposition to the direct producers. They imbue the conditions of production themselves and their representatives with a specific social quality. They determine the entire character and the entire movement of production". (Capital, volume III, p. 1025). The actual portion of the product received by the various classes is based on the social relations of production described above by Marx.

Now how could Trotsky analyze the Soviet Union these last ten years and never, never, make that correlation? The reason is because Trotsky is caught in the nationalized economy which he has given a certificate of purity as the basis of a workers state and of a workers' state only, not knowing that it can be the basis of a capitalist state as well. An economy, he says, being nationalized, is transitional to socialism. Error number one. He then goes on to say (and I do not see how he can avoid this) that the big trusts are socialist "in principle". They are nothing of the kind. They are a property form in which the socialization of labor has been carried out to an extremely high degree. Socialism can be reached only through them. But they are no more socialist "in principle" than American Tel. and Tel. or the post office, even though in capitalist demogogy the people "own" the post office. If every inch of capital in America were taken over by the

American government and transformed into trusts like the post office, with the masses of the people subjected to the government as the workers in the post office are subjected today, there would still be no socialism "in Principle" and who think otherwise had better put away their typewriters and take a vow of silence until they have read State and Revolution three times. If a workers' state -- and a workers' state is a state that represents the workers and represents neither the capitalists nor bureaucrats -- if a workers' state can control the distribution of a hundred million peasants, then that society is socialist "in principle". It will be very difficult to do that and impossible to do it for any length of time, the level of productivity being so low. While this control lasts we have socialism "in principle". The socialized property form, filled with a genuine social content makes such control very easy. But the property form by itself solves nothing and is therefore "in principle" nothing. That, the identification of socialized property forms with socialist social relations, is Trotsky's initial error, and from that moment he is lost. At times he will denounce the inadequacy of Stalinist property forms but his analysis betrays his subordination to them. He cannot relate his socialist property forms "in principle" to the growing inequality of distribution. His production is transitional to socialism, his distribution is chasing bourgeois society. Keeping his production headed always to socialism, he sees the distribution moving further and further away from what by the principles of socialism or the old Soviet Constitution they ought to be. Theoretically he straddles a production always heading in one direction and a distribution always heading in the other. His situation is an impossible one and he is analytically powerless. Unable to connect, all he can do is denounce, and his denunciation reaches the frenetic heights of the article on The Bonapartist Philosophy of the State, I.N.I. June, 1939) where he says that the Bonapartist apparatus of the state is an apparatus for the protection of thieves and plunderers and Stalin's chief support are thieves. This, as economic analysis, is a psychological curiosity, an example of analytical frustration, teaching us nothing about either Stalinist economics or Stalinist politics.

It may be said that this is an isolated article. The Revolution Betrayed is not one whit better. It is more carefully elaborated, hence the fundamental errors are more easy to see. On page 244, Trotsky sums up on "Social Relations in the Soviet Union." "Two opposite tendencies are growing up out of the depths of the Soviet regime. To the extent that in contrast to a decaying capitalism it develops the productive forces, it is preparing the economic basis of socialism. To the extent, that for the benefit of an upper stratum it carries to more and more extreme expression bourgeois norms of distribution, it is preparing a capitalist restoration. This contrast between forms of property and norms of distribution cannot grow indefinitely. Either the bourgeois norm must in one form or another spread to the means of production, or the norms of distribution must be brought into correspondence with the socialist property system."

Let us take it sentence by sentence. The Soviet Union in contrast to a decaying capitalism develops the productive forces and to that extent is preparing the economic basis for socialism. Trotsky's theory prohibits him from seeing that after a bourgeois-democratic revolution in Russia, carried out as no bourgeois-democratic revolution was ever carried out before, a backward capitalist Russia, with its enormous resources of raw materials, could not fail to develop the economy. In contrast to a decaying capitalism, for the reason that Russian capitalism would not be a decaying but a regenerated capitalism. Develop them

as a workers' state could, that a capitalist state could not do, but such development as it might achieve would not be preparing the economic basis of socialism any more than Germany in 1870-1900 or America in 1921-1929 was preparing the economic basis of socialism. Russia in 1936 is America in 1863, but whereas world economy was expanding in 1863, in 1936 it was choking on its own contradictions. The appropriation of surplus value and the feverish industrialization are of parallel types. It is their different historical origin and different world environment which drove America forward so long and is ruining Russia already.

"To the extent that for the benefit of an upper stratum it carries to more and more extreme expression the bourgeois norms of distribution, it is preparing a capitalist restoration." Where? Where in production is there the slightest sign of this capitalist restoration which is being prepared? Nowhere. Here is one of Trotsky's most persistent illusions. The bureaucracy holds tightly to the "socialist forms of property", the nationalized economy is as nationalized the monopoly of foreign trade is as monopolized, the state trusts are as trustified as they ever were. Stalin's greatest contribution to Soviet economy is the trustification of the peasantry, not the reverse. It is not bourgeois norms of distribution that are causing individualist tendencies in the collective farms. They would appear today (1941) under any sort of economy. And whenever he can do so Stalin stamps them out without mercy.

Trotsky simply cannot substantiate any preparation, and if he cannot, none of his followers can. Preparations may exist in Stalin's mind, but that is not a subject for economic analysis unless there is concrete manifestation. Trotsky's followers will talk about school- fees for workers' children and titles in the army. But preparations for changing the property forms? Their only evidence is Trotsky's fears. Against the overwhelming inequalities of distribution Trotsky can give only quite mythical "preparations". And his next sentence shows that his initial error still holds him tight. His contradiction is between "forms of property" and "norms of distribution". The contrast is fictitious. His real contrast is between his as yet invisible preparations and the very visible inequality. Had he realized that within these "forms of property" social relations could change, he would have been able to co-relate the changing social relations based on production with his distribution. Instead his last sentence shows how strictly limited he is to the forms of property. "Either the bourgeois norm must in one form or another spread to the means of production, or the norms of distribution must be brought into correspondence with the socialist property system." Behind these rhythmical periods, apparently the perfect expression of a truly Marxian contradiction, is hidden the utmost violence to Marxism and to simple common sense. Excusable, though false, in 1936, in 1941 they are a proof of nothing else but the fundamental inadequacy of the analysis on which they are based. What does it mean, "bringing" the norms of distribution into "correspondence with" the "socialist property system"? It means cutting the income of thirty million people, some by two or three millions by four-fifths, others by two-fifths, others by one-fifth, a transfer in all of some twenty-five percent of the national income. It means distributing a portion of this income among millions of poor and applying the rest to the national economy in an entirely different way from Stalin's. It means organizing a state which will gird itself for the inevitable battle between the implications of the dictatorship of the proletariat and an isolated Russian economy still backward. It means smashing to pieces the state which Stalin has built, it means breaking up the army and reconstructing it as Stalin reconstructed it during fifteen years, with accelerated haste in the last

few years. It means getting rid of the GPU as completely as the October Revolution got rid of the Okhrana; it means above all this making the workers through Soviets and Trade Unions the masters of the factories. In addition to this, the Stalinist State has murdered and imprisoned and slandered so many millions of people that in all probability there is no society in the world where so much hate has accumulated for the ruling state. A successful proletarian revolution in Russia will cause an exodus comparable to the flight of the Tsarist aristocracy. Not only people but ideas will have to be born anew. Some of the present ruling class will join the revolution as in all revolutions, but that does not in the least alter the tremendous transformation, the social revolution, concealed behind Trotsky's "must be brought into correspondence with".* You may almost as well say "The state control of German industry creates a situation in which all that is needed is to bring distribution into correspondence with the possibilities of the state controlled economy". What is the sense in calling "socialist property system" an economy within which such vast contradictions can accumulate as to need a socialist revolution of that scope to resolve them? If Marx, Engels and Lenin had used these terms in that way, it would have been necessary to revise them. They didn't. They espoused such conceptions and to persist in this error today after history has forced it on our notice would be to convict ourselves of a malignant fanaticism. What Trotsky is talking about is socialized property "forms" which exist very well under imperialism. These can produce bourgeois norms of distribution when they are bourgeois, i.e. capitalist. A "socialist property system" must mean a system of property where the means of production are not monopolized by a minority, as in capitalism, but at the start by the majority and afterwards by all. This is the very majority monopolization which prevents bourgeois norms. It is the absence of it which creates them, "socialized property forms" or no "socialized property forms". The means of production are monopolized in Russia by a minority. The social relations of production create bourgeois norms of distribution because the social relations are bourgeois, i.e. capitalist. Let me warn the did-hard workers' staters, the unregenerate adherents of degeneration, the hypnotized nationalized economists. If not already, then before long the working class in Stalinist Russia may be receiving in actuality a smaller proportion of the national income than the American working class. Stalin will make the workers work twelve hours a day, will reduce them to misery, degradation and slavery even greater than today if that is possible; depending upon the course of the European war, may even join Hitler's "new order"; but you, with the noose of a false policy growing tighter and tighter around your neck, will still be blating, "Yes, it is the most barbarous regime on earth. But look, what can I do? The economy is nationalized." No one would be so stupid as to expect a strictly socialist distribution as soon as the workers have seized power. Marx warned that a socialist distribution can be "tainted with a capitalist limitation". But when a "socialist" distribution approaches a capitalist limitation it is time to stop and examine. What we have at best in Russia is a capitalist distribution, tainted with a faint whiff of socialist distribution, chiefly in speeches. Pure water can be tainted with poison without danger. But when the taint of poison continually grows to such an extent that the resulting combination is far more poison than water, then the science which continues to call the water degenerated water is, like Henry Ford's view of history, bunk. I relegate this perfectly clear illustration to a footnote, for illustration it is and no more. The Comintern's practice of conducting economic and political analysis on the basis of Russia being a large trade union is a degrading perversion, and I do not want to start another: Russia is poison and water.

TROTSKY AND THE FUTURE OF STALINIST RUSSIA

A basic mistake like Trotsky's not only falsifies immediate analysis but puts up barriers before open doors. In Chapter VI, "The Growth of Inequality and Social Antagonisms," Trotsky talks about distribution in the first paragraph but soon it is clear that he is talking about the mechanics of the circulation of commodities. On that same page he says, after comparing the Soviet economy to capitalism, "A raising of the productivity of labor on the basis of commodity circulation means at the same time a growth of inequality." Here at last he is on the verge of economic analysis. But he does not follow it up. He proceeds instead to "describe" the inequality, giving examples, and as usual accuses the Stalinist bureaucracy of "graft and speculation". It will be easy for his apologists to quote passages where he appears to be following Marx's analytical method. In reality he is unable to do anything of the kind in this instance owing to his false premises. And whatever significance such passages may have are destroyed by the conclusion of the chapter, one of his best known pieces and yet another example of the gaping deficiency of his analysis. He calculates the distribution of the product and arrives at the conclusion I have quoted above, that 15 to 20 percent of the population enjoys not much less wealth than is enjoyed by the remaining 80 to 85 percent. "The distribution of the earth's goods in the Soviet Union, we do not doubt is incomparably more democratic than it was in Tsarist Russia, and even then it is in the most democratic countries of the West. (let that pass for the moment. - JRJ) But it has yet little in common with socialism". And there Trotsky stops.

But what a place to stop! No Marxist investigator can stop there. In Marxist economics a modern society in which fifteen percent of the population enjoys as much of the wealth as eighty-five percent, is a society doomed to permanent social crises and ultimate collapse. The viciousness of the capitalist system of production is seen most clearly in its distribution. It is the accumulation of wealth at one end and misery at the other, governing the entire character and movement of production, which causes capitalist collapse. Here is a society which reproduces the same tendency in distribution in approximately the same proportions, and Trotsky persists in calling it the basis of a workers' state and transitional to socialist. Nothing can save Stalinist economy, as nothing can save American capitalism where the proportionality of distribution is the same. Trotsky is so far from Marx that he does not even discuss the question of collapse in terms of this distribution, which on the whole is nothing else but an example of the general law of capitalist accumulation. Instead he can only discuss property forms. For him the question of collapse is tied up with whether the bureaucracy will create "forms of property" suitable to itself. If it does, then the general gains of October will be lost, etc. He goes round and round inside these property forms, caged. And as soon as he tries to leave he is driven into idealism. In the polemic with Burnham and Carter he predicates the possibility of the decline of Soviet economy on the "incompetence" of the bureaucracy. What kind of Marxist doctrine is this? Since when do economies decline owing to the "incompetence" of a class? Trotsky knows this very well everywhere else but for him Stalinist economy is a form of "socialist property". It is transitional to socialism. If it should go smash, when to blame? Trotsky can have only one answer. The dishonest bureaucracy, the incompetent bureaucracy. If only the bureaucracy obeyed the ten commandments! Politics has a remorseless logic and a fundamental error in the interpretation of Marxian lands you with both feet in the camp of Christianity. The inevitability of Stalinist collapse is in the distribution and is not dependent upon the property forms the bureaucracy may or may not consolidate,

its honesty or its competence. If the property forms remain exactly as they are, the continual crisis and ultimate collapse are equally certain. The collapse is there already, in the proportionality of the distribution, in the conflict of this proportionality with the development of the productive forces and its effect on the agents of production. The tension in Soviet society is evidence of the strain to which the distribution is subjecting the productive forces. The Russian proletariat will save the Russian economy. But the American proletariat will save the American economy. To introduce the revolution as a corrective is another evasion. Each economy is transitional to crises and collapse, and transitional to nothing else.

Formalism in your analysis of productive relations lead inevitably to formalism in every other part of your analysis. Trotsky, knowing better in theory, is compelled in practice to make a perfectly formal differentiation between a political revolution and a social revolution. Every political revolution is in some degree a social revolution for it affects production and thereby distribution, or vice versa, for the two cannot be separated. It is the extent and degree of this transformation which changes a political into a social revolution. A revolution which changes distribution in Russia to the extent that the proletariat will have to change it, thereby changing the entire character and movement of production, will be a social revolution. Shachtman says so but he does not mean it really. For once he calls his "new" society state-socialism, sanctifying the economic system, Trotsky-fashion; then his revolution will be merely to change the state, i.e. it will be "purely" political. Shachtman will protest. His change of the state means a change in social relations. Then say so, and define your social relations; and do not follow Trotsky in confusing socialized property forms and socialist social relations.

Those who follow Trotsky will please explain why in America the disproportion of the distribution, the complement of production and governing its entire character and movement, will lead to collapse, but similar disproportions in Soviet Russia, also, according to Marx, the complement of production and governing its entire character and movement, have to wait on the consolidation or otherwise of the property forms by the bureaucracy. To say that the distribution will cause the bureaucracy to change the property forms is not only questionable but is to admit that the distribution is the decisive factor, and the distribution has already shown itself for what it is with the property forms unchanged. Which is yet another proof that it is not forms of property but social relations that decide distribution and thus decide for collapse or continuous progress. To believe that collapse is inevitable in one case but not in the other is to believe that somehow Stalin and the bureaucracy at a certain stage will raise the standard of living of the masses. Let us for the moment agree. But then there is no reason to doubt that Hitler and the German bourgeoisie will do the same (after they get enough living space,) and those comrades whose positions lead them to such conclusions need not leave the party but should also join the church which has long experience in the art of moral suasion. Once we accept that distribution, in modern society in particular, is the complement of production, that it governs the entire character and movement of production, and that the distribution in Stalinist Russia leads inevitably to collapse, then to say that an economy transitional to collapse is at the same time transitional to socialism is to talk the most absolute and unqualified nonsense.

The question may be asked: What would be the distribution in a state with a social relation different from Stalin's but backward and preparing for war? If Stalinist Russia were in any sense of the word a workers' state, the tendency of distribution, if even tainted with a capitalist limitation, would have taken an exactly opposite turn to the one it took at the approach of the war after Germany left the League of Nations. Instead of raising the pay of the bureaucracy the workers' leaders would instinctively seek to buttress the proletarian dictatorship by making the necessary sacrifices fall less on the poor and least of all on the poorest. There might be an absolute decrease but a relative increase in the consumption of the workers. Instead, nowhere in the capitalist world preparing for war has there been such ostentatious increase in the consumption of the ruling class as in Stalinist Russia. To call it any sort of workers' state is a mockery. If members of an alien or socially doubtful class had to exercise authority in production or in the army, they would be surrounded by vigilant representatives of the poorest workers, where would be the great strength of the dictatorship. To those social relations the distribution would infallibly correspond, and never more so than in a period of danger, when economic and social realities stand bare. This was Marx's theory, this was Lenin's theory and practice. It was in this way that Russia saved herself in the Civil war. Today in Germany, Russia and America, the exact opposite is happening. The distribution is exhibiting the social hierarchy of production, workers' privation getting proportionately greater at every new stage. At the same time the ruling class gathers its discipline into its hands. Neither Hitler, Stalin nor, Roosevelt rules a state which cannot be defined.

If it would happen that the forms of property should change, the die-hards could raise a howl of triumph, as they will if tomorrow Hitler attacks Russia. They will have been "vindicated". In reality changes in Stalinist Russia's capitalist economy will be dictated by circumstances, economic and political, in the same way that the attack on Britain was dictated by economic and political circumstances and not be any contradiction between British economy and German economy more deadly than the contradiction between the nationalized economies of Hitler and Stalin. Hitler attacks where it suits him best, and circumstances dictate, Britain today, Russia tomorrow, or as it might have been, Russia today, Britain tomorrow. Stalin's political and economic shifts will be similarly opportunistic, dictated by circumstances. To use Germany as a guide. I said earlier that after a war, according to the relationship of forces inside and outside of Germany, the German bourgeoisie may well gain a relaxation of control. It may come from social collapse. Breakdown of transport, for instance, will start simple commodity production all over the outlying areas. But whether through conscious effort or the force of circumstance, this much is certain. The contradictions of capitalism being unsolved, once more the ruling class in Germany will be compelled to bring that economy, if related, into an iron discipline, this time probably going even further in formal nationalization than today. The same circumstance will shape Russia. Internal chaos, due to breakdown or pressure from a dominant Germany, may cause a change in Stalinist "property forms". The trusts may compete with each other. That cannot last. A Stalin or his successor, a Hitler gaulster, even if his name were Romanoff, would be compelled once more to discipline, to nationalize the economy. And in 1950 the Romanoff dynasty may reign over an economy indistinguishable in all essentials of capitalist production

of the imperialist era from Trotsky's degenerated workers' state. Military conquest of Russia by Germany or vice-versa would advance or retard this tendency inherent in capital, but the tendency is there, as inevitable as the river runs to the sea. That is the course of history today, capital moving from chaos and competition to vice-like discipline which will break down into chaos and competition, to struggle to discipline again, the general tendency being to complete nationalization inside the country, particularly in preparation for competition outside, war. War in turn will react upon the internal economic, breaking some up for a time, or strengthening one at the expense of others, whereupon we shall see, we see already, another tendency, the tendency toward one world capitalist state. Lenin, a man of theory, never denied the tendency to one world capitalist state. But, as he said, a lot of things will happen before then. It was Lenin's task to direct the analysis of capital from the national boundaries to which Marx limited himself, to the predominantly international character which capital had assumed by 1914. The anarchy which Marx had so insisted upon in a national society is hammered into unwilling order only to transfer the internal anarchy into the more concentrated and destructive anarchy of world-wide imperialist war. In opposition there is the proletarian revolution, in Germany, in Britain, in India, in Russia, and the nationalist and colonial revolutions. Those will bring an end to the chaos, whether disciplined or undisciplined, by substituting majority control for minority control of the forces of production. These revolutions will take place because capital, a social relation, compels the masses to revolt or perish. Russia is one of the minority-controlled areas, the Stalinist bureaucracy a part of the forces of oppression, the Russian proletarian revolution a social revolution. That is a matter not only of economic analysis but of reading the daily paper.

For years Trotsky, limited by his inflated estimate of the nationalized economy, saw the Soviet Union exclusively in terms of "socialist" order or capitalist chaos. That there is an order which a capitalist government, open or disguised would impose on Russian chaos was beyond his horizon. In 1939 however reality forced itself on him and, to the perpetual confusion of his followers, he took the nationalized economy without workers' power out of its case, drew it to its logical conclusion, and found it capitalist to its bones.

Were Trotsky still living, the opposition to his views here expressed with the unequivocation of the Bolshevik tradition, the importance of the subject and the irreconcilability of the positions, would necessitate no personal explanation, and I do not propose to make any concessions to the ghouls who nourish their thin skulls on vulgarizations of his work, and baffle his memory by hawking scraps of his table-talk. But the uncertainty might be led into the quandary of not being able to reconcile the theoretician of the Permanent Revolution, the historian of October, the analyst of German fascism, and the consistently profound and brilliant commentator on public affairs, with the originator of the grievous errors here expounded. The explanation is not difficult. Once he had made the nationalized economy his basis, he had more and more to torture reality to fit into his scheme. Given this premise everything flowed, but the premise was wrong.

In a more complete study I shall not only further expose Trotsky's monumental errors on the Soviet Union, but shall attempt to trace the steps by which he was led to make them. Those who talk glibly about his psychological weakness for the October Revolution do not know the calibre of the man, and our amateur theoreticians of the unconscious, objectionable enough in private life, are not only

offensive but dangerous as political guides.* As far back as 1922 Trotsky had reservations about Lenin's use of the term, state capitalism. Next, owing to the backwardness of Russia, he and all Bolsheviks, always emphasized the planning side of socialist production. Thirdly, when in 1925 Shlyapnikov took the position that the Workers' State was dead, Trotsky opposed him, and had the satisfaction of seeing the dictatorship of the proletariat, distorted as it was, resist the kulak domination, and make the great effort to establish itself on a sound economic basis. It was a great analytical triumph but it led to his downfall. From there he was led to trust exclusively to the nationalized economy, the basis of the successes of industrialization. Politically the road to error was greased. Not his nostalgia but his experience of the Russian Revolution led him quite rightly to emphasize the qualitative difference between a revolution in which all economic power was concentrated in the state and the moral weight was on the side of the proletariat, and a revolution against a traditional class in which this power was dispersed. Lenin had also recognized the first point so clearly that he was driven into one of his rare cases of exaggeration. For a period, say up to 1935 or even 1936, though 1936 is putting it late, one might talk with reason about a political revolution. Trotsky was first in the breach and would be the last to leave. But the social relations in production, which reached a definitive stage in the resolutions on organization in 1934, had been gradually pushing the distribution in a similar direction. By 1935 the accumulating quantity burst its bonds and distribution, assuming its rightful proportions, and reacting upon production, swept all remnants of the Workers' State out of the way. Stalin, master politician, went with the irresistible tide and broke down every barrier and killed every person standing in the way. Far from weakening, the purges have strengthened Stalin. In destroying every vestige of the Workers' State, he has enormously strengthened his new capitalist state. Trotsky's basic error on the nationalized economy, almost impossible to discern in 1936, by the rapidity of development, can now be seen to have been a blunder of catastrophic proportions. I shall trace this development in greater detail elsewhere. But we must take warning. If we continue to believe that there is something socialist in socialized property forms, another year may find us unable to mention Russia to a worker. While developments in a changing Europe may soon make paper hats of theories made to order.

Shachtman and the Theory of Distribution.

Here then is a fundamental Marxian ~~paradox~~ which the discussion ignores at its peril. Trotsky could never deal with the question of Soviet distribution in the only way that it could be dealt with, as the reflex, converse and complement of production. Marxism is primarily the analysis of social relations, and of property forms only in so far as they express social relations. Capitalism and socialism are social relations, not property forms. Any confusion here is fatal. Trotsky was aware of the problem but could do nothing about it. He is no longer able to answer for himself-- and here as in so many other spheres his intellectual brilliance and his intellectual honesty can never be replaced. From the Cannonites we shall get nothing. We do a grave injustice to Cannon, Dobbs, H. Hansen and Murray Weiss if we do not recognize their sincere belief that Russia is a large trade Union. Furthermore they are busy on the heights of dialectical materialism and in the dregs of personal slander, a practical example of the unity of opposites. But Shachtman will answer:

"Why can't Johnson imagine a society different to what Marx foresaw?" Why, indeed.

How does he correlate distribution and production in his "new" society?

Do the social relations in his state socialism compel a state socialist distribution, i.e. a bourgeois distribution?

Or do the social relations of state socialism compel bourgeois distribution, and if so, wherein do they differ from capitalism?

Is this "new" society headed to collapse and if so by what economic laws? What sort of "new" society is this that was born headed for collapse?

If in its economic structure it is not immediately headed for collapse (in the historic sense) what will be the motive force of the proletarian revolution?

In Marxist doctrine it is the collapsing economic system which compels the proletariat to revolt. What will compel the proletariat to revolt in Shachtman's "new" society? A sense of injustice or historic significance? I repeat, as a question of sober fact, that this is the Church of Christ (state socialist), or of Spengler, but not the school of Marx. Shachtman does not seem to be aware at all of the tremendous implications of his "new" exploitive society, for if he were he would at least have dealt with them. A Marxist who today approves the conception of a new exploitive society is taking on more trouble than God when he created a new world. God could not have known any better, but a Marxist should.

The Marxist Approach and Empirical Pitfalls.

9 With the realization that Stalinist Russia is no freak society but a component part of world economy, with the Marxist standards of measurement clear in our minds, we can then discuss Stalinist Russia in terms of:

- a) the means of production and the labor-power
- b) the means by which these are joined together, wage-labor and commodity production; their differences or opposition or similarity with the capitalist production Marx and Lenin described
- c) the economic law of motion of Stalinist society and the economic contradictions, if any, therein contained.
- d) the possibility of solution or otherwise of these economic contradictions. The consideration of Russian economy in relation to the stages of development of other national economies and in relation to world economy.

This is the analysis of Russian economy and society, and any analysis which omits these questions adds only confusion. Definite positions must be taken on each point, or if a writer wants to suspend judgment on one or others, he must say so clearly. If this analysis is made, according to Marxist criteria, my position is that Russian economy is a capitalist economy. There may be wide room for disagreement as to when it became such, but as soon as there was agreement on the transference of political power from the workers, to the bureaucracy, ipso facto, the completion of this political change, an expression of a change in social relations, transformed the economy from one transitional to socialism, to a capitalist economy.

The contradiction in Russia was between workers' power and an economic system not mature for such a political system. The economic system has conquered, the degeneration consisted in the gradual loss of political power, and with the completion of the loss the degenerating Workers' State becomes a regenerated capitalist state. A degenerated workers State is a Marxian absurdity and the same is true of state socialism. State capitalism? Yes; State Socialism? No. Lenin may have used that word a few times* but the whole body of his work is there to prove that his basic formula was state monopoly capitalism plus workers' power - one foot in socialist. No workers' power - capitalism.

If the economy of Russia is a capitalist economy, then Russia is a fascist state. Between Fascist Germany and Soviet Russia today there is absolutely no difference in the fundamental attributes of capitalist production, so carefully abstracted by Marx from the secondary and supplementary features. Letting the discussion revolve around the comparison of the fascist bureaucracy with the Stalinist bureaucracy, and juridical arguments about "ownership" and non-ownership" must be sternly excluded as showing a pitifully low level of understanding. The Stalinist constitution says that the bureaucrats do not "own". That is proof for whom? For Browder and Carliss Lamont and the sheep they lead. Not for Marxists. What the Stalinist constitution should say is that the bureaucracy does not own the means of production as private property but as the collective property of the bureaucracy. If the constitution does not say so, then we can make the world-shaking discovery the Stalinists are elying. The proof of ownership is not in the books not constitutions but in the social relations of production. The line of investigation should move from basic economic considerations to their more intricate social manifestations.

Thus: The ruling class in Germany consists of industrial capitalists or their agents (extracting surplus value at the point of production) plus merchant capitalists plus financial capitalists plus government administrators plus the Fascist bureaucracy as a new addition since 1933. The bureaucrats play a special role of superintendence due to the antagonism between the direct producers and the exploiters; Germany in 1929 produced enormously without this superintendence.**

* I have seen it only twice after 1917 and both times Lenin was deriding the term. Between Imperialism, 1916, and the April Thesis, 1917, Lenin made a great stride forward. Thus in Imperialism his unit is monopoly capitalism, and not state capitalism at all. There was a deep difference here between himself and Bucharin, which is of the first importance for us but cannot be dealt with in a summary of this kind.

** People who give these enormous bureaucracies, particularly the Fascist, a basic role in production and do not make Marx's distinction between superintendence due to antagonisms, and management of industry, are identifying modern society (and socialism) with huge governmental structures. Thereby they sow the seeds of a thick crop of trouble which we shall have laboriously to cut down.

But this ruling class monopolizes (Marx's word) the means of production, and Hitler decided tomorrow that all property was state-owned but that every capitalist would draw the same income because of quantity and quality of work performed, what fundamental difference would that make to the system of production, in the social relation which is capital, in Germany? How much less could the German capitalists "own"? In Russia the Stalinist bureaucracy consists of the industrial bureaucrats (i.e. the extractors of surplus value at the point of production) plus merchant bureaucrats plus financial bureaucrats plus government bureaucrats plus the bureaucracy of superintendence, i.e. the Communist Party. All together form a ruling capitalist class as the German groups form a ruling capitalist class, monopolizing the means of production and extracting surplus-value by means of wage-labor and commodity production.

A proper comparison is between the Fascist Party and the Communist Party, not between the Fascist bureaucracy and the Stalinist bureaucracy. All this confusion about Stalinist bureaucrats and Fascist bureaucrats comes from looking for classes in orders that mean different things in different countries, like bureaucracy; in old Internal Bulletins, in taxi cabs in Paris and joints in Shanghai, in political constitutions, in Robert Ley's speeches; everywhere except when Marx taught us to look for them - in the social relations of production. Within the German ruling class the specific weight of its various sections will vary from time to time and also will vary from their specific weight in Stalinist Russia. There are tremendous differences in the method of distribution of the surplus-value. We have to examine these carefully, but never forgetting that such ruling class treats labor power in each country as being merely a commodity, the motive power of production being the extraction of surplus-value. In Germany the ruling class is legally married to the means of production, in Russia it is legally divorced and the relation is one of concubinage, but in all the essentials of conjugal relationship, the two couples are models. And since whom are Marxists so concerned about bourgeois respectability? The disposition of the surplus-value among different sections of the bourgeoisie has a greater or lesser significance in the political tactics of the proletariat. But to think that these differences among the exploiters, i.e. among the appropriators of unpaid labor, can be of such a kind as to alter the fundamental economic analysis is to slip off the solid ground of Marxism and to wander in a morass of empiricism and ad hoc definitions, at the mercy of trivial phenomena and plays on words. Plays on words? At a certain period, the monopoly of the means of production takes the form of private ownership. At another period it takes the form of public, i.e. state ownership. But to agree that the Stalinist bureaucracy has absolute control of the productive forces and thereby disposition of the product, but that it does not "own" is a ridiculous formalism, unworthy of serious people. Trivial phenomena? When Trotsky goes so far as to make the question of inheritance decisive in his estimate of class relations in Russian society we have a terrible warning of what happens to those who willingly or unwillingly begin to analyze with plausible but uncritically accepted criteria. Class relations in Russia rest, as they rest in any modern society, on the system of production, and a decree by Stalin instituting inheritance would as little alter the fundamental relations of production and the class society resting upon them, as a decree by Roosevelt abolishing inheritance, would abolish the fundamentally capitalist character of American production. How in the name of heaven can inheritance be decisive in the characterization of an economy? How can it make an economy transitional to Socialist transitional to something else? Inheritance, a legal expression and sanctification of social relations already established, is here made out to be the last straw to break the back of the Workers' State. A truly monstrous error! Every

social worker from New Orleans to Buffalo knows, without Marx, that despite all the froth about equality of opportunity under a democracy, the son of a bureaucrat, though inheriting nothing by law, inherits a place in society. If all the state property is state property and this is owned by the bureaucracy as a whole, then his inheritance is all the more sure. That Trotsky can raise the question of inheritance in Stalinist Russia at all shows the stage to which social relations and distribution have already reached. It could influence, it could accelerate a trend, or retard, but to say that the economy, and we define a society by its economy and classes in relation to economy, to say that an economy is one thing without inheritance but will be another with it, is to invite attention from the thing said to a far more important consideration, how could such a man as Trotsky say such a thing? We come back as always to his violation of Marxism in his estimate of the nationalized economy. Marx's criteria were of a classical simplicity, the reward of genius and labor: wage-labor and ruling class, or common ownership, and, as the Russian experience shows, they cover all possibilities that can arise. Today his basic analysis of capitalist production stands stronger than ever as a perfect example of separating the essential from the unessential. To demand of capitalist Russia not a decade old, with large stores of raw material and a closed market, to demand from it export of capital, stock exchange, and economic crisis of the same type as one sees in British capitalism four hundred years old and unable to feed its population from its own production, is to show a woeful superficiality. All these and similar phenomena Marx put in their place as subsidiary and supplementary, basing his system on the industrial capitalist extracting surplus-value and the general law of capitalist accumulation. Once more I ask my opponents, before you discover "new" societies, or accuse Marx and Lenin of not having foreseen, will you please clarify the discussion by stating what you mean when you say capitalism, and what, according to Marx and Lenin, are the features of an economy by which one decides whether it is socialist or capitalist. For German Fascism the same applies.* If you have other criteria of your own to add, then state them, showing why you find them necessary. Once that is settled the discussion will be over in half an hour. Until that is settled it will end only with the political exhaustion of the disputants.

The political conclusions to be drawn from my analysis are:

1. No defense of the Soviet Union under any circumstances whatever.

No worker needs to die to maintain Stalinist exploitation instead of Hitlerite. Any worker should have been ready to die for Russia in 1919 though the population was starving, for the social relations were equal, though an equality of poverty. Today? No. I stand with Marx, Engels and Lenin that state owned property or the organization of the economy into big trusts like the post office under capitalism is the fullest material preparation for socialism, but, far from being socialism, without workers' power afford infinitely greater opportunities for the exploitation and degradation of the proletariat and multiply the social antagonisms which are crushing society. Stalinist society is the beginning of what Marx, Engels and Lenin meant by barbarism, and barbarism is not to be defended. Under no circumstances, of course, with this "new" society in Russia is in the camp of MacDonald. Sad but true. You give up Marx and you get MacDonald. You elevate Stalinist barbarism and let Hitler bow with modest pride.

circumstances whatever can the Stalinist bureaucracy fight a progressive war. If Stalin joins China in a war against Japan it is for imperialist bargaining or the plunder of China. To defend Stalinist Russia on the ground that thereby imperialism would gain a new lease on life, would also necessitate defending France, Belgium, Holland, Czech-Slovakia and Poland which Hitler will make into colonies, if he can, by incorporating or destroying all or part of their industries. I confess freely that this transformation of a great European power into a semi-colonial country and the acceptance by Pétain of France as an agricultural nation, was beyond my expectation. Fortunately it is not beyond my comprehension, and proves to all who need proof that Hitler can only expand capital in Germany by destroying it elsewhere. If I am to defend Fascist Russia why should I not defend Fascist France? Because France oppresses colonies in Africa and Russia only grabs them nearer home? The thing is absurd except for those who believe that nationalizing an economy is progress. Let the workers of Batavia, Lithuania and Esthonia speak.

The Russian Revolution has a great historic significance but workers do not shed blood for greater or lesser historical significance. Russia is a capitalist state and that is decisive. All other criteria lead in a straight line to theology. Let us above all avoid empiricism or sentimentality. Complications are looming ahead. An occupied France or an occupied Italy will stimulate a powerful trend to a national revolution in those countries against the invader. A weakening Germany may stimulate Pétain to resistance. We may have to oppose an anti-German tide among French workers, and then at the next stage call upon them to defend Russia against Japan fighting over North China, Russia, however, having been "attacked first". People who at all costs "want" to defend Russia have their place. It is in the Stalinist Party.

There is the question of the Russian workers. Today the large majority of them may hate Stalin and yet believe that Russia is a Workers' State. They probably do, for if all of them denied the very political premises of the government they would overthrow it. But workers do not think in political terms of that kind, still less do they act on such, and we need to remember that and sometimes save ourselves unnecessary frustration. That all the Russian workers believed that Russia was to be defended would as little affect my economic analysis and the political conclusions I draw, as the fact that the majority of British workers believe that Britain must be defended would affect my economic analysis of Britain. At a given moment, I trust the Marxian economic analysis more than the judgement of one hundred million workers. A party looks ahead. A worker's ideas are rarely in advance of his actions, sometimes they are behind. The Russian workers may go into the war thinking that the state which Lenin founded is a workers' state. But the economic system will have the last word. The war (or the succeeding disorders) will test my judgment and theirs. If the economic system subjects them to unbearable strain and a distribution fundamentally untenable, they will become defeatist and break the system, war or no war, nationalized economy or no nationalized economy. Should they break it in a war and reform ranks in time, they will fight for the new system on the basis of the new social relations and the new distribution. And if in poverty stricken Russia of 1920 they fought as they did, we can judge what they will do in Russia of 1941. Thereby they will prove themselves in action very good Marxists, showing that they recognize that nationalized economy under a monopolizing class is one thing and under common ownership is something else. Lenin who led a workers' state could ask and get sacrifices unparalleled in history, but those idealists who advise the Russian workers

to continue to defend what is to them an abstraction, i.e. the nationalized economy, irrespective of what the bureaucracy does to them, understand neither Marxian economics nor the processes of a worker's mind. The German worker came to Liebnicht's position because life taught him. The Russian worker came to Lenin's position because life taught him. This is no mere question of one ounce or five ounces of food. The Russian worker starved far more under Lenin during the Civil War than under Kerensky. But under Lenin he felt he was fighting for himself. Under Kerensky he felt that he was fighting for "them". In that way he showed a very profound appreciation of Marx's theory of distribution. In a war the contradictions of the economy and the Stalinist, i.e. the bourgeois distribution, will sooner or later show the Russian worker whether the nationalized economy is his or "theirs", and which way to turn the guns. He will not decide by our theses. Let us therefore analyze the economy, come to our conclusions and proclaim them, not being in the least disturbed whether the majority of the Russian workers think as we do or not. They have their own way of learning. We recognize this and respect it and perforce submit our actions to it but not our ideas.

2. Denunciation of the Stalinists as agents not of a foreign, but of a Fascist power.

This may be a life and death question for a whole generation in Germany. Soviet or revolutionary Germany will buy arms from Stalinist Russia as it would buy them from capitalist America or whomever it could get them. But Russian soldiers, technicians and diplomats, it does not want and must exclude them by war. Their aim will be either to restore the traditional bourgeois state, or, if that is not possible, to reduce the revolution to nationalizing the productive forces with a ruling class in control on the Stalinist model. The tragic example of Spain should warn us that to form any sort of United Front with the Stalinists in their capacity as agents of Stalin is to drink a corrosive poison. If there is anyone in our movement who does not agree that the Red Army, red money, and the GPU entering any country is the noose around the neck of that revolution, then one has to despair of human intelligence. But what is true in principle for Germany is true in principle for America. In the trade unions a Stalinist is a worker, and cooperation is unavoidable. But a Stalinist in his political organization is an enemy, a representative of a system hostile to socialism and which has nothing in common with socialism. He must be fought as such. We oppose any extension of an economic system whose economic law of motion is accumulation of wealth at one end and accumulation of misery at the other, and we oppose always and under all circumstances all representatives of that system in their capacity as such. But we can only oppose and denounce them with the necessary vigor and confidence, always and under all circumstances, if we oppose and denounce what they represent. To accept the Red Army or Stalinist agents in any proletarian organization is to ruin it. If, after Spain, we had said that, then when the Stalinists turned after the Hitler Stalin Pact, we would have been in a position of enormous moral and agitational strength today. Thus we pay politically for weakness in economic analysis.

3. A persistent campaign of explanation to the workers that any form of modern society in which the workers, the majority, do not control production and consumption, must, for economic reasons, end in disintegration and ruin.

That is the quintessence of the Marxian analysis of capitalism. No lesson is more important for the workers, now and always. And it has this virtue; it is so

simple that only a learned man can fail to understand it.

4. A carefully elaborated program for the education of the party in the fundamentals of Marxian economics, The Critique of Political Economy, Capital volumes I, II and III, and the economic writings of Lenin, special attention to be paid to the modifications and extensions of Marx's original ideas and the developments in world economics which necessitated these changes. If the party believes that Marx and Lenin were wrong or that society has outgrown their basic analysis, or that these must be extended, it must say so, not in passing, but definitively in articles and resolutions, to be voted upon at a convention devoted to that question. It is not objectionable to question Marx's clearly stated conclusions, but it is ruinous not to say so clearly.

J. R. Johnson

THE UNION OF SOCIALIST SOVIET REPUBLICS IS A CAPITALIST SOCIETY

"And even when society has got upon the right track for the discovery of the natural laws of its movement - and it is the ultimate aim of this work, to lay bare the economic law of motion of modern society - it can neither clear by bold leaps; nor remove by legal enactments; the obstacles offered by the successive phases of its normal development. But it can shorten and lessen the birth pangs."

Karl Marx in Preface to "Capital", Vol. 1.

I. Political and Social Rule

It was the contention of Comrade Trotsky that the existence of stratified property in Russia was sufficient to characterize it as a workers' state, regardless of the political regime in power. The counter-revolutionary Stalinist bureaucracy, therefore, could and did (though badly) defend the social rule of the proletariat. To thus epitomize the constituent elements of a workers' state is at wide variance with the views held by Marx and Lenin. Let us look at the birth of the Soviet Republic for a verification of their views.

In establishing itself as the ruling class, the Russian proletariat not only expropriated the capitalist and landlord but also guaranteed power to the poor; political power (a state controlled by them through their own organs - the trade unions, the soviets, the Bolshevik Party), and social power, which Lenin defined as the "practical participation in the management" of the state. Lenin emphasized that it was the aim of the Soviet state "to attract every member of the poor class to practical participation in the management." In the same pamphlet, "Soviets at Work" he further elaborated this view: "The proximity of the soviets to the toiling masses creates special forms of recall and other methods of control by the masses". He called for the development "with specific diligence" of these special forms of recall and diverse methods of mass control. By means of "practical participation in the management" of the state the political and social rule of the proletariat are merged and that guaranteed power in the hands of the proletariat. The diverse forms of mass control would paralyze "every possibility of distorting the Soviet rule", remove "the wild grass of bureaucratism". That was his practical interpretation of his theoretical elaboration of the state in his "State and Revolution", to wit: 1) Control by the workers cannot be carried out by a state of bureaucrats but must be carried out by a state of armed workers. 2) in a proletarian state all must be "bureaucrats" so that no one could be a bureaucrat. 3) The state should be so constituted that it begins to wither away and cannot but wither away.

In 1918, Lenin stressed the fact that the expropriation of the capitalists was a comparatively simple problem when contrasted to the more complex one of "creating conditions under which the bourgeoisie could neither exist nor come anew into existence." In the further development of the Soviet state, Lenin once again realized the practical meaning of the dictum of Marx that a society could "neither clear by bold leaps, nor remove by legal enactments, the obstacles offered by the successive phases of its normal development." But he knew that so long as the Soviet state "guaranteed powers to the workers and the poor" that it need not be fatal to it to "implant" state capitalism.

Not even the most pious worker-statist would contend that the workers had any power in the present Soviet state. He would merely reiterate that so long as there was stratified property, etc. etc.. But I deny that the social conquests of October - the conscious and active political and practical participation of the masses in liberating themselves from the yoke of Tsarism, capitalism and landlordism is to be narrowly translated into more stratified property, that is to say, the ownership of the means of production by a state which in no way resembles the Marxian concept of a workers' state, i.e. "the proletariat organized as the ruling class."

II. State Capitalism or Bureaucratic State Socialism?

Comrade Chachtman asks: If the workers are no longer the ruling class and the Soviet Union no longer a workers' state and if there is no private property owning capitalist class ruling Russia, what is the class nature of the state, and what exactly is the bureaucracy that dominates it?" And he answers: bureaucratic state socialism, because, among other things, the new term elucidates the "distinction from capitalism" characteristic of the class nature of the Soviet state.

But how does the mode of production differ under bureaucratic state socialist rule from that under capitalist rule? What is the economic law of motion of this presumably new exploitative society? These crucial points comrade Chachtman fails to discuss. Let me examine the alleged "distinction from capitalism" characteristic of the Soviet Union and see whether it isn't a distinction from a certain stage of capitalism rather than from capitalism as a whole.

The determining factor in analyzing the class nature of society is not whether the means of production are the private property of the capitalist class or are state-owned, but whether the means of production are capital. That is, whether they are monopolized and alienated from the direct producers. The Soviet Government occupies in relation to the whole economic system the position which a capitalist occupies in relation to a single enterprise. Chachtman's designation of the class nature of the Soviet Union as "bureaucratic state socialism" is an irrational expression behind which there exists the real economic relation of state-capitalist-exploiter to the propertyless exploited.

Shachtman correctly emphasizes that: "the conquest of state power by the bureaucracy spelled the destruction of the property relations established by the Bolshevik revolution." Yet he does not see that the "new" production relations are none other than the relations under capitalism. He does not even consider the possibility that the "new" exploitive society is state capitalism. Comrade Trotsky did consider that various interpretation but decidedly opposed defining the Stalinist bureaucracy as a class of state capitalists. Let us see whether he was justified in his opinion.

State capitalism, Trotsky contended, does not exist in Russia since the ownership of the means of production by the state occurred in history by the proletariat with the method of social revolution and not by the capitalist with the method of state trustification. But does the manner in which a thing is accomplished determine the use to which it is put by its usurpers any more than each tool to be accomplished determine the group to execute it. "The bourgeois character of a revolution", wrote Trotsky in polemicizing against the Menshevik thesis that since the Russian Revolution was a bourgeois revolution the proletariat ought to renounce power in favor of the bourgeoisie, "could not answer in advance the question as to which class would solve the tasks of the democratic revolution." In further expounding his theory of the permanent revolution, Trotsky wrote: "Socialization of the means of production had become a necessary condition for bringing the country out of barbarism. That is the law of combined development for backward countries." Precisely! But is it necessary among Marxists to stress the fact that socialization of the means of production is not socialism but as much an economic law of capitalist development as is monopoly. The weak Russian bourgeoisie was incapable of accomplishing either the democratic tasks of the revolution or the further development of the productive forces. "Its" task was accomplished by the masses with the method of social revolution. However, the task of the young proletarian rulers was greatly complicated by the backwardness of Russia; and the treachery of the Social-Democracy left them unaided by the world proletariat. Finally, the Stalinist counter-revolution identified itself with the state. The manner in which the means of production were converted into state property did not deprive them of their becoming capital.

To prove that the particular state-monopoly capitalism existing in Russia did not come about through state trustification but by methods of social revolution explains its historic origin but does not prove that its economic law of motion differs from that analyzed by Karl Marx, Engels and Lenin. It is high time to evaluate "the economic law of motion of modern society" as it applies to the Soviet Union and not merely to retain for state-tified property the same "superstitious reverence" the opportunists entertained for the bourgeois state.

III. No defense of the capitalist society existing in Russia

Because we did not clearly understand the class nature of the pro-

41

sent Soviet state, the Soviet Union's integral participation in the Second Imperialist World War came as a monstrous surprise. The Red Army march on Poland, the bloody conquest of part of Finland and the peaceful conquest of the Baltic states proved that the Stalinized Red Army had no more connection with the spirit, purpose and content of October than has the Stalinist state, whose armed might it is. What an abhorrent relapse from the conquests of October are the Stalinist conquests!

Long before the outbreak of World War II the Russian masses bore the brunt of this "abhorrent relapse". The worker had a first pronouncement of it when as a Left Oppositionist he fought the Thermidorians who deprived him of his job along with his CP membership card. The glimmer of hope that he had when the Stalinist bureaucracy nevertheless adopted the Opposition plank for industrialization and collectivization, faded as soon as he realized that the development of the productive forces did not raise his standard of living. He learned quickly enough that the "socialist fatherland" knew how to accumulate for other purposes. He would have felt the grind of Stakhanovism if the name had not been hushed for him but had the original Ford-Taylor Speed-up insignia. To call the piece work system which is best suited to capitalist exploitation "socialist working norms" does not lighten the degree of exploitation of the bricklayer who has to lay 16,000 bricks per day, or for a typist (if I may be permitted a petty-bourgeois interest in my own trade) to type 45 pages of 30 lines each and 60 strokes in each line per day*. Decreasing "universal, free and equal suffrage" does not make it possible for the 14-year old to vote "no" to being conscripted in the labor reserves, "educated" (read: taught the trade), and at the end of the 2 year training program, being put to work on state enterprises for four consecutive years -- even if this newly educated 16-year-old is guaranteed "the established wage rate". It is not only that the income of the factory worker is 110 rubles a month, and that of the director 1200 a month, but that the whole mode of production produces and reproduces the capitalist production relations. State capitalism, it is true, but capitalism nevertheless. Could we have forgotten that state property forms (and it is only form, not relation, for it is without control by the masses) are the aim of proletarian revolution only as a means to achieve the quicker the fullest development of the productive forces the better to satisfy the needs of man?

No, the existence of stratified property in Russia does not make its defense imperative even were the Soviet Union attacked by other

* The norms must be higher now. The above norms were effective up to June 26, 1940, at which time the working day was changed from 7 to 8 hours. This decree was supplemented by a law instituting this lengthening of the work day by instructing the various institutions "to raise the norms of production and lower piece prices in proportion to the lengthening of the working day."

imperialist nations for purposes of abolishing stratified property (which is less likely just now than the Stalinist State joining the "new order" of Hitler) - unless we are to change our policy and call for the defense of, say, France because the work of the German fascists in dividing the country is of a decidedly retrogressive character.

It is the irrationality of Thachtman's characterization of the class nature of the Soviet Union as "bureaucratic state socialism" that leads him to expound conditional defense of the present Soviet State. It is the real economic relations behind that irrational expression that leads to no defense of the capitalist society existing in Russia.

Freddie James

2/20/41

WORKERS DEMOCRACY AND PARTY DISCIPLINE & SOME COMMENTS OF RECENT

EVENTS

Not very long ago an article written by a Party member, expressing differences with the Party position on class character of the Fascist state and of the war, appeared in a non-party magazine of the leftish intelligentsia. More recently several Party members took the floor during the discussion period at a public lecture run by Labor Action Institute in New York, to advance theories on the fascist state at variance with the Party position. The Political Committee responded to these occurrences with statements that Party members are not permitted to express any opinions in public differing from the Party's position, except with official permission.

This policy conforms to what we generally consider the established tradition of the movement, although this was not the procedure in the Russian Bolshevik Party both before and after the revolution, as we demonstrated to the Comintern during the faction fight in the SWP. We know from recent experience, of cases in which traditional beliefs, when critically analyzed, were found to be erroneous. This should teach us not to accept anything on faith, just because our grandfathers did so, but to examine policies and procedures without prejudice one way or another.

IS THIS PROCEDURE JUSTIFIED?

The writer of these comments most emphatically disagrees with the views expressed in the non-party magazine and at the lecture by the comrades referred to above. Yet, careful consideration leads to the conclusion that prohibition of the public expression of minority views serve no progressive purpose.

No real arguments justifying this procedure have given by the Political Committee. It is true that opportunity for discussion exists inside the Party. But this fact, by itself, is not sufficient to justify the ban on expression of views at a public lecture or forum dealing with a disputed theoretical question. Aside from this, the P.O., referring to this ban, merely states "This is the normal procedure for a revolutionary organization. The P. O. wishes to stress the soundness of this policy in the discussion of issues confronting the organization." (National Information Bulletin, December 27, 1940.) That is all. But it is precisely this "soundness" which has to be, but has not been, proved. Just how, concretely, will the public expression of a minority opinion harm the Party.

The only argument which can be presented in favor of this prohibition is that it is advantageous to the Party to present a united face to the working class, since the expression of oppositional opinions, especially by people known as Party members, causes confusion in the minds of the workers as to what the actual Party position is, and, in addition, reduces the effectiveness of the Party's propaganda. There is an element of truth to this argument. It is true that, to a certain extent, some workers will be less certain as to what the Party position is, and some will be less convinced of our line due to the amount of opposition expressed thereto. It is true, also, that the relative number of speakers on both sides, oratorical effectiveness, etc.

However, it should be noted that, if this argument were carried to its logical conclusion, we would prohibit all discussion at our public meetings, ... by non-members, since oppositional opinions expressed by non-members also tend to create confusion. We don't do this because

- a) the non-party workers in the audience won't stand for it;
- b) the statement of opposing views gives the Party speakers an opportunity to reply, thereby increasing the effectiveness and convincingness of our propaganda. A political position, arrived at after hearing various arguments pro and con, will be much more firmly held than if only one view had been heard. Since our Party speakers have, or should have, confidence in the Party position and ability to defend it, the opportunity thus presented gives us an advantage which far outweighs the harmful effects discussed above.

WHERE IS CONSISTENCY?

The only purpose which the prohibitions under consideration can have is to prevent the general public from knowing of our internal differences, for reasons discussed above. Is it in order to further this purpose that we are publishing Macdonald's views on fascism, and now the Russian discussion, in the N.I.? Surely the N.I. reaches more outsiders than a New York lecture, and if the prohibition is justified for the lecture, why not in the N.I.? ... very next week after the New York City Committee statement was issued, a party program says so-and-so on an important political question, this particular Party member doesn't agree therewith. This Party member then proceeded to advertise a public article had had written expounding his views in opposition to the official program of the Party. Up to this writing it is not known that anyone has brought charges against this Party member for violating discipline. The name of this Party member is Max Schachtman, and the question involved is the class nature of the Russian state. Naturally, the P.C. allowed an exception to the rule in this case. Can it be that it's O.K. for non-party workers to know of our differences on the Russian state, but not on the German state? Apparently not, for several weeks later the P.C., dealing specifically with the Russian discussion, reaffirmed the ban on statement of "unofficial" views at public meetings. Can it be that what is O.K. for Max Schachtman is not O.K. for James Higgins?

MAYBE THIS IS JUST A SCHEME TO INCREASE THE N.I. CIRCULATION.

Just consider, for a moment, this absurdity. Party members may defend, in public, only the "official" position, viz., that Russia is a degenerated workers state. But when a worker, at a public lecture, asks the National Secretary of the Party about the class nature of the Russian state (a subject carefully avoided in the lecture proper, about Russia in the War) --- what does the National Secretary answer? Does he state, in accordance with the "OFFICIAL" position, "Russia is a degenerated workers state"? Not exactly.... The National Secretary apologetically explains.... you see, the Party program officially says yes, but the National Secretary, in his personal capacity, thinks no. Until that moment, virtually nobody outside the Party knew what the "official" position was. It was never defended, scarcely (if ever) even mentioned, in Labor Action, the N.I., or at any public meeting. Since its adoption by the founding convention of the SWP at the end of 1937, it has remained a dead letter in the program until its resurrection by the Cannonites for factional purposes.

The present Workers Party came into being as a bloc of tendencies differing on the class nature of the Soviet Union but agreeing on its non-defense in the present war. We did not, and do not know the relative strengths of these differing theoretical evaluations among the ranks or the National Committee. The question was not discussed. It was only thought about. In actual fact, the Party has no position on the class nature of the Russian state, and had none since its formation. The so-called "official" position is a pure formalism. And now Party members are permitted to defend publicly only this position and no other? Any one, having attended our public meeting, remains unsatisfied and wants more information, he can get the inside dope in print for 15 cents.)

The National Information Bulletin, dated Dec. 27, 1940, specifically includes the Labor Action Institute among the public activities where unofficial opinions by Party and Youth members are banned. Now the courses at the Labor Action Institute this semester include discussion on both the German and Russian states. It is an elementary fact that the maximum benefit from formal courses is obtained, other things being equal, when instructors and students have the freest discussion and interchange of opinion. This, essentially, is why we defend academic freedom. Must Party and Youth members attending the classes at our Institute now keep silent on questions wherein they might run afoul of the censorship? Are we thus going to abolish academic freedom in our own school?

IT CAN ONLY BRING HARM TO THE PARTY

We must not seek to hide from the working class the fact that we have internal differences, and the nature of those differences, where they are important. We should welcome an opportunity to show the workers that our Party is not like the Stalinist organizations; that it is a democratic party, where differences are not frowned upon but are freely discussed on comradely terms, and decisions arrived at by the democratic participation of the entire membership. If comrades of minority views differ only in minor respects, they will either voluntarily refrain from public expression, or, if they do express their opinion in public, no harm can result. If the differences are of major importance, no formal censorship can prevent the non-party workers from finding out. Such a censorship will only make the workers distrustful of a party which tries to keep its differences secret from the working class. Such prohibitions, furthermore, will aggravate internal relations and facilitate splits just as similar procedures in the SWP contributed to a split.

FOR DISCIPLINE IN ACTION!

More discipline is imperatively needed in the Party. But not the formal "discipline" over statements of opinion by comrades! We need discipline in ACTION. Where activity is involved, laziness and non-performance of assignments really does do harm to the party. At present the daily work of the branches, the distribution of our press, the maintenance of headquarters, work in mass organizations, the carrying of the financial burden, rest on little more than a voluntary basis. Discipline is needed -- to activate the inactive comrades, to establish punctuality, to distribute the financial load more equitably. But -- to make possible the achievement of this necessary discipline -- the ideological life of the Party must be recreated with a revolutionary democratic spirit;

we must do away, once and for all, with those habits and behaviors, infected by monolithism, which make comrades look with suspicion on every new idea, and regard every new proposal as crackpot and heretical; in the light of the history of the past quarter-century, we should know better than to fling such nouns and adjectives as "counter-revolutionary" and "anti-Marxist" so lightly from the tips of tongues, fountain pens, and fingers tap-dancing on typewriter keys.

By struggling for a more disciplined, but --- at the same time --- democratic party, a party of vigilance and independent thinking, a party of ideals, of enthusiasm, of sacrifice and devotion, we will become a party whose ranks will really be the best soldiers in the army of the Third Camp and the future victory.

January 8, 1941.

---Vox

47

AGAIN ON THE QUESTION OF PARTY RESPONSIBILITY
AND DISCUSSION

In a recent issue of the Bulletin, it was pointed out that the Political Committee considered fruitless and unnecessary to continue a discussion of the questions involved in an article written for a non-party magazine by comrade Macdonald and an article by comrade Johnson in THE NEW INTERNATIONAL. Since then, however, comrade Macdonald has acted as if the question of his attitude towards the party was more than episodic, but rather represented either an inability or an unwillingness to discharge the elementary obligations of any member towards the party. In the latest issue of the magazine which he edits, is announced a "symposium" of fascism to appear in the following issue. Among the contributors is a well-known deserter from our party, an ex-Stalinist "theoretician" on fascism, a pseudo-Marxist middle-head who is supposed to present the "orthodox" position, and comrade Macdonald himself. Naturally, there is no question of the right involved in organizing such a symposium. What is involved, however, is this: a) although his editorial work on this non-party magazine is, or should be, part of the political party activity of comrade Macdonald, which should normally be conducted in consultation with and under the supervision of the party (like the work of any party member), comrade Macdonald did not find it necessary to advise the party about the plan; or to consult with the party in any form: b) and more to the point, comrade Macdonald did not find it necessary to invite a representative of the party to contribute its point of view to the "symposium" so that the occasion might be utilized to popularize further the position of revolutionary Marxism. It is worth noting, in this connection, that the NATION, none of whose editors pretends to be a Marxist, or a party member, nevertheless did invite a representative of our party to contribute to a symposium which it organized some time ago.

In view of this latest manifestation of comrade Macdonald's lack of responsibility towards the party and party obligations, the Political Committee adopted a motion to inform comrade Macdonald that all his political activity, including his political writing and editorial work outside the party, should be conducted in consultation with the party and under its supervision. It was necessary to adopt this specific motion because, although it is understood by every other party member, it has not evidently been taken into consideration by comrade Macdonald.

Furthermore, in view of his attitude, the Political Committee has suspended its decision to close the discussion referred to above. Therefore, it has authorized comrade Shachtman to publish in the Bulletin a self-explanatory letter he wrote two months ago to a comrade on the question of comrade Macdonald's conduct. Although in the form of a private letter, its contents express the general view held by the committee. In addition, comrade Johnson has been authorized to publish the statement of fact which is to be found at the end of Shachtman's letter. The two documents follow.

Dear Friend:

... What I do want to write to you about is your comment on the Internal Bulletin that deals with the matter of Macdonald's article.

Please do not take it as polemical stiffness when I say that I find it impossible to agree with a single point in any one of the seven paragraphs you devote to the subject. And your mistaken approach to the problem is due, in my opinion, to the fact that you consider it abstractly and not concretely.

What is now the main problem before - no a revolutionary Party in general, but our particular party, now, here, in the United States? Is it, as you write that "we have permitted a mountain of theoretical questions to accumulate since the split and continue to put off the day when we roll up our sleeves and get to work on them"? At the risk of being misunderstood, I say no, that is nonsense. Your own experience in X. which is extremely bad, to be sure, but is not, nevertheless, entirely unique in the party nationally, should have taught you better. Our main problem in the present period, is to convert the entire mass of our membership (leadership included), which you rightly say is not clay, into a militant revolutionary party, which we are not today. That means a relentless wiping out of all light-mindedness, leekadaisicalness, carelessness, and similar vices from the organization. It means imbuing every single member with a spirit of fanatical, yes, fanatical, devotion to the party, its program and activities. With a contempt for dillitentism, with a deep organic conviction that without the party and its Marxian principles, especially nowadays, we are nothing and the labor movement is nothing. The problem is not at all one of tolerance towards those who seek answers to new problems or to old ones in new forms. We have an ample amount of that, I assure you. Nor is the problem even - that is, the main problem - one of actively probing for answers to new problems. That we are doing, probably not sufficiently; but surely not so negligently that it is our main weakness.

I know this is not a question of arguing with you about Macdonald's views, because on that score I believe we see pretty much eye to eye. I do question your estimate of his conduct, and your estimate of how we have dealt with it. I make no defense of all the views expressed by Johnson in his reply. That is an entirely separate matter. I would even go further and for a moment put aside the views expressed by Macdonald in his article. What is important to me in light of which I said above, is that Johnson wrote to defend the party and its principles, whereas Macdonald wrote & writes and in general conducts himself as if there were no party, of if there is, that he owes no particular allegiance to it. I therefore say to myself: good, Johnson I must correct, but Macdonald I must fight. Everything else involved is second and tenth in importance.

You may reply: Yes, but the question is precisely this, how to fight Macdonald? The reply is legitimate. Only, I am for my method. I want to arouse the Party membership against the kind of conduct and attitude that Macdonald represents. I want to make it unpopular in the party to proceed as he proceeds. I want, if I may say so, to infuse the membership with a Cromwellian fanaticism toward their party - which Macdonald would probably call Stalinism. Does Macdonald act that way out of malice? Of course not. He is naive about many things, literally ignorant about certain fundamentals of Party procedure, and so on. That is a pity. But it doesn't alter the necessity of taking the steps we did.

You repeat, with one or two other members, that we act on that basis of the philosophy of: "If you agree with my politics you must endorse my methods". A nice round phrase. But what does it refer to? Except for one specific point, I simply do not know. The one specific point is that Johnson polemicized against a Party member without mentioning his name. In spite of all the lectures that I were read to me by some comrades on this score, I am afraid that I remain as stupid and incorrigible as ever. What in heavens name is wrong, under certain circumstances, with carrying on anonymous polemics against the views of a Party member? It has been done - I repeat, under certain circumstances - a dozen times in our movement, and will probably be done a dozen times more. I emphasize, under certain circumstances, and not always, not merely at will, not for narrow factional malice. Did the circumstances warrant it in this case? More than warrant it! Why?

You say so tenderly that Macdonald was "fumbling, groping for answers that we all seek" and that he should have been reprimanded for not submitting it first to us. Come, come, my dear friend, such restraint is worthier of more attractive objects. Macdonald not only violates elementary Party discipline, which even my 18 months old son would understand, but he humiliates the Party. He makes it possible for our enemies and opponents to ridicule the Party. He makes it possible for LD to write - and write justly - the scathing comments that he wrote. Does this mean that we must jump just because our opponents say something? No. It only means that we must jump when our opponents say something that is true and valid. But that is not all. I said and repeat, his article was an attack on the principles and program of the Party all along the line - not just a misunderstanding of them, but an attack on them. If his article had anything in common with Marxism, I never was a Marxist and am constitutionally not capable of becoming one. And what, after all, did Johnson do? He defended the Party and its program and its good name. That he may or may not have done it wisely or effectively is, I repeat, beside the point; it is another matter entirely. He did what he should have done officially and immediately. He did not mention Macdonald publicly (or for that matter the Party) any more than was unavoidable under the circumstances, and in order - as is often the purpose of anonymous polemics - to make possible a graceful and not too damaging retreat by Macdonald.

I yield to no man, as orators say, in recognizing the number of questions that still need solution or elaboration. I think their number has been exaggerated, to be sure, but there are enough of them. I don't think, of course, that every time some sheep's head or confusionist, or ignorant, or ordinary dove gets the idea that some principle or theory of ours is outlived, or that some old and familiar phenomenon is, in his opinion, brand new phenomenon, that this automatically makes it so. I doubt very much the wisdom of starting all over again from the beginning, every week, of never considering anything in our arsenal as already acquired or established. When these legitimately require new and original analysis or consideration they get it, if I have anything to say about it. But, I want that analysis to be made in the atmosphere of a serious earnest revolutionary party, and not in the atmosphere of an irresponsible little group of serious thinkers, if you know what I mean.

Speaking for myself, I am not ready to hop in, at anything of the night that I am awakened, with a new theory on Russia, on fascism, on the war, on organization and the nature of the party, and other problems. I think about them in a very modest way, and I venture to say something now and then about them only when old convictions have been displaced in my mind by thoroughly acquired and rounded-out new convictions - and not before. I may not always live up to this rule, but I try to. That is the procedure I sought to follow in developing my new opinion on the question of the character of the Soviet state. It is, I think, a little unjust to identify such an attitude toward the problems mentioned with an attitude which most of the leading comrades have in common with me - with neglect of these problems.

I am sure I need not ask forgiveness for the "truculence" of this letter, because you will understand that it is not written in the spirit of polemic or defiance but rather, represents my unfortunate habit of putting forth my views, even in the most comradely discussion, with special vigor, as it were.

Max Shachtman

New York, N.Y.
January 3rd, 1941

SOME NOTES BY COMRAD E JOHNSON

The Party should know the following about comrade Macdonald and the New International. Some months ago Comrade Macdonald informed the other members of the then functioning New International editorial committee, that he wished to write an article critical of Bolshevism, in his column "From Left to Right". This was agreed to on Friday. On the following Monday he telephoned comrade Gates to say that he would not write the article because he had nothing to put in place of Bolshevism.

Comrade Macdonald next asked for space in the N.I. to analyze Fascism. He was granted four discussion articles of 2½ pages each in four issues of our 16 page magazine - comrades Gates, Lebrun and Johnson all agreeing. When comrade Johnson's article, "Society and the War", appeared, comrade Macdonald asked for space, 6000 or 7000 words, to give his views on the article. This was unanimously agreed to. The next we heard from him was his article in Partisan Review, attacking the Party and Marxism since 1917. When I wrote against him he was out of town, and I am informed by comrade Gates, though I cannot remember this, that he arrived when the number in question was actually on the press. In any case, so pressed were the editors at times, that often an article appeared, having been seen by no one except the person who wrote it.

J. R. Johnson

March 10, 1941

Dear Comrade Shachtman:

Thank you for your note of March 8th. In reply I should like to say:

1. The four articles on fascism in the next Partisan Review do not constitute a symposium (in which case the omission of a spokesman for the Workers Party would have been unjustified) but are in fact, and were announced as, "four articles on fascism". Later on, on the basis of these four articles, we may run a symposium of representative viewpoints on the subject.

2. I myself did suggest that comrade Johnson of the Workers Party be invited to write one of the four articles. My colleagues felt, however, that Paul Mattick - whose analysis of fascism seems to be much like that of Johnson - would be more competent to handle the theme.

3. The Political Committee was aware already that two of the four articles were to be printed in Partisan Review: Burnham's, which was announced two months ago; and my own, about the propriety of printing which in PR I myself consulted Comrade Shachtman.

4. The P.C. has never before complained that it did not receive prior notice of political articles (by others than myself) which were to appear in Partisan Review. Is its present action a new policy?

On formal grounds, therefore, I don't think the action of the F.C. is justified. Looking at the matter more broadly, however, I can at least admit the P.C. has a case. But why was I not given a chance to give my side of the story before action was taken? And why was I not at least invited to present my side in the internal bulletin along with the material you inform me will be presented against me? It would seem only the most elementary sort of justice to ask me, before censuring me for the fact that no Party representative (besides myself, presumably!) was invited to take part in what you mistakenly call a "symposium" - to ask me whether I had proposed this to the other editors of Partisan Review. This treatment of the case seems to me to be bureaucratic.

I request that this statement be printed in the same internal bulletin that contains the statement of the views of the P.C.

Fraternally,

Dwight Macdonald

IN REPLY TO COMRADE MACDONALD

Comrade Macdonald's statement is both contradictory and beside the point.

1. Because the symposium on fascism is not give the name "symposium" does not change the fact that that is what it is. Only, it is a poor symposium, not only from the narrower standpoint of the party but primarily from the broader standpoint of a rounded presentation of the subject from all sides, not least of all from the side of Marxism. Comrade Macdonald is quibbling over a word. Later on, on the basis of the four articles, "we may run a symposium of representative viewpoints on the subject." But if these are not meant as a symposium but are merely four articles, which happily and accidentally meet in one issue, why did comrade Macdonald find it necessary, as he writes, to propose to his colleagues that comrade Johnson be invited to write one of the four articles, as a representative of the views of the party?

2. If it were a question of one or another incidental article, no matter who the author, the party could not possibly have any particular interest in the matter. The fact that a number of articles are brought together in what is clearly meant to represent a cross-section of "radical" viewpoints on fascism; that the only representative of a Marxian party who participates in this symposium is comrade Joyce, whose views on the subject are decidedly not those of the party but rather an attack upon them; that the weight of the articles is at least three to one against the Marxian position, with the minority of one representing only a most dubious "variety" of Marxism - these things are of concern to the party.

That it does not occur to comrade Macdonald to discuss such a matter, in advance, with the party, is not due to any malice on his side, to be sure. It is due, however, to his failure to grasp certain elementary obligations that any and every member has towards the party in any political activity he may be engaged in. This failure is repeatedly and clearly manifested in his activities, and is reflected throughout his statement. His attitude, more often than not, is that of one party dealing with another party, or the attitude of a friend of the party rather than of a member. It is not, therefore, surprising that his attitude encourages the outspoken enemies of the party.

4. Hitherto, the P.C. has deliberately leaned backwards in its attitude towards the non-party periodical with which comrade Macdonald is associated. It has absolutely no desire to intervene in this periodical in the capacity of "censor" - least of all in those literary and artistic fields to which this once militant periodical has retreated more and more exclusively since the beginning of the war. However, if, on the political and theoretical front, the periodical is to become increasingly, a forum for enemies of Marxism, opponents of the party, and various political nondescripts, especially to the exclusion of what ~~Macdonald's~~ ~~colleague~~ ~~obviously~~ ~~regard~~ ~~as~~ ~~unrespectable~~ Trotskyists, the question of comrade Macdonald's work on the periodical, where he acts as the outstanding political editor, demands increasingly alert attention by the party. When he asks if our decision on the supervision and control of this work represents "a new policy", we can only reply that this is an old, old policy of the movement whose neglect by comrade Macdonald has occasioned our reminding him of its validity and applicability especially in his case.

5. Comrade Macdonald's renewed complaint about "bureaucratic" action is positively remarkable, to say the least. The only action the P.C. has thus far taken is to notify him that in view of the latest occurrence, he is to bear in mind the party rule that the political (including literary-political) activity of all members is to be conducted under the control and supervision of the party and its appropriate bodies, and that this rule applies to him as well as to all others. What Macdonald understands by the word "bureaucratic" is thus obscure. Anything but obscure, however, is his own political and organizational conduct, for it has clearly proceeded along the line of lack of understanding of the simple responsibilities of party membership and a corresponding failure to discharge his obligations to the party.

The Editors

The following document is the report made by the City Committee in Chicago to the recent convention. It is being sent to all Branches as information and as an illustration of how one City organization attempted to present and organize the discussion of fundamental political and organizational questions confronting the Party.

Branches are asked to study and discuss this document as a means of promoting the political education of the Branch. It must be remembered, of course, that the specific questions arose concretely in one city, and the document is not sent out as a blanket document to cover all places and situations.

ORGANIZER'S REPORT

(Approved by the C.C.)

The Supreme Question:

Every move of the Roosevelt administration, both domestic and foreign, has evidence that the zero hour is at hand. The number of steps that still be taken "short of war", have diminished to near the vanishing point. Unless some unforeseen event completely alters the picture the last fatal step can only be a matter of months.

These months are of extreme importance to our organization. They are our last opportunity to convert the movement, psychologically and organizationally, to a war-time footing. If we are correct in holding that the future of the working class will be determined by the continued existence and activity of the revolutionary Marxist party, then it must follow that our efforts to guarantee that existence and activity must ever-shadow all other considerations.

The supreme question of the moment therefore poses itself as follows: Is our organization in a state of preparedness to withstand the pressures and shocks of war-time existence? If not, what steps are necessary to achieve such preparedness?

It is to determine the answer to this question and take the indicated steps that this convention convenes.

The Period Since the Split:

Though in the past bolstered by an active youth movement that served to conceal the deficiencies of the party, the Chicago organization has for years been a notoriously weak link in the national movement.

Lack of roots in the working class and lack of active participation in the class struggle condemned it to the existence of a propaganda group pure and simple. Party membership could be maintained by people on the Menshevik standard of "agreement in principle and financial basis." Loose organization, absence of positive discipline, and poor party spirit were the accepted rule.

Though the WP was organized with the better elements of the old organization, it inherited all its basic weaknesses and vices. Beginning with this initial handicap, certain factors have operated upon the local

party to depress its spirit and morale to crisis proportions. These are as follows:

1. Effect of war upon membership

The devastation visited upon the radical intelligentsia by the fascist victories, and the democratic bourgeois pro-war propaganda had a much greater effect upon our party than appears on the surface. It could not be otherwise in an organization with such a large petty bourgeois composition.

A Marxist party with a petty bourgeois composition is an anomaly which cannot long endure. It will find its solution in one of two ways: (1) the party will become petty bourgeois in program and spirit as well as in composition or (2) the party will become proletarian in composition as well as in spirit and program.

The greater the pressure from the bourgeois society in which we live, the more difficult to keep a party composed of non-proletarians upon a Marxist course. The worker who has embraced Marxism sees in it salvation from his status as a wage slave. He cannot flee from the class struggle. It is part of his every-day life. However, Marxism to the petty bourgeois can only be an intellectual conviction. The greater the pressure upon him from the bourgeois world, the darker the fortunes of the revolution, the weaker the forces of his party, the more apt is the petty bourgeois to doubt his former convictions

- and doubt the strategical course of the party, doubt the ability of the party to grow and achieve success, doubt the correctness of the Marxist theoretical system.

It is the mental attitude of the doubter that is the greatest obstacle to work in the Chicago organization, above all in the Central Branch.

The passive attitude of the doubter ("No use trying it won't work") infects and paralyzes those around him. The stagnation of the movement breeds additional dissatisfaction and pessimism and the virus of "doubtism" spreads throughout the movement.

3. Lack of Self-Sacrifice

The fatiguing and exhausting eight month long faction fight was followed by a period of general let-down. Factional discipline and activity gave way to the loose organization and inactivity of the newly born WP. A large number of members took advantage of the let-down to turn their attention to personal problems (marriages, family increases, automobiles, building houses, furnishing homes, etc.) It soon became evident that these personal adjustments were part of a tendency to "settle down" and add to personal enjoyments at the expense of party work and financial sacrifice. Affairs of a personal character reduced the party work of some members to such a minimum as to raise anew a question first posed by Lenin in 1903 - "Who is a party member?"

The institution of the 10% revealed for the first time the shocking depth to which party responsibilities had fallen in comparison with personal affairs in the lives of many members. The member with the highest income offered to pay the smallest percentage.

The 10% became an upside-down income tax. The petty bourgeois with an income from \$35 to \$50 offered to pay around 4% - 6% while a worker with an income of \$12.50 pays 10% without complaint.

The disparity of living standards in our party is an unavoidable fact that flows from its composition. But the insistence of members on the comforts and luxuries of a solid petty-bourgeois life at the expense of just contributions to the party is a crime not only against the ideals of the movement, but even against the common decency that exists among honest men. That workers in the party bite their lips and grimly suffer it without letting it affect their morale is tribute to their devotion, not evidence to the harmlessness of the condition.

3. Lack of Agressive Leadership

The above described developments (political pessimism and lack of self-sacrifice) would not only have played a minor role had a strong leadership existed to counter-act it. The city committee, however, far from counter-acting these tendencies permitted them to develop in its own ranks. The committee dragged on a passive existence without showing the energy necessary to root out the delinquencies in the ranks.

The greatest weakness of the committee itself was the failure of the organizer to play an aggressive role in the leadership of the organization. This was worsened by the failure of other members of the committee to show initiative in carrying on the work. Each of the members thought of his work primarily in terms of one of the branches of the party or the YPSL, rather than city committee work. The absence of a central headquarters and the great distances between committee members homes made it all the more difficult for a committee with that attitude to function with dispatch and vigor.

The committee managed to carry out some co-ordinated activities during the summer and early fall -- LD meetings, Stadium distribution, Streater outing, Russian Revolution celebration. Following the full-time employment of the organizer early in October, the committee played solely a passive part in the life of the organization.

III. The Branches

1. The Central Branch-

The existence of political pessimism and lack of self-sacrifice in its most pronounced form is to be found in the Central Branch. Added to its other difficult problems, these evils brought the Branch to a state of paralysis and stagnation where its very existence was threatened.

In addition to the number of tired members, the branch was beset by the difficulty of having its members scattered over widely separated parts of the city and lacking a central focus of activity.

The branch carried on a minimum of work during Aug. and Sept.. This consisted of house-to-house work in the neighborhood of California and North, sales at the NERR yards, and support to the activities of the South Side Branch.

Beginning in October, the branch began meeting in homes. Early darkness made house-to-house work difficult. Sunday mobilizations were failures. During November activity came to a virtual standstill. The election of a new executive committee and Branch organizer brought a slight upturn in the latter part of December.

The Branch at present is involved in a thorough canvass of its contact list for subscriptions to our press and an attempt to systematically place its members in outside organizations.

Those of its problems that are specifically branch problems can find their best solution through the efforts of the branch executive committee. Those problems, however, that stem from the poor morale of its members must be dealt with by the incoming city committee when it determines who has the right to be a party member.

2. South Side Branch

Due to the existence of a field in which to work (Negro area), the comparatively greater youth of its members, and the existence of a YPSL unit, the South Side branch has been less affected by the political pessimism than the Central Branch. However, to assume that the activity of the branch is sufficient evidence of the absence of this evil is to fail to understand its nature and to overlook the composition of the branch. The difficulties in securing just and regular financial contributions do not differ from those in the Central Branch.

Most of the difficulties of the branch arose from an attempt to carry on extensive mass activity with a woefully small number of activists. This was further complicated by the difficulties inherent in work among Negroes by a party composed overwhelmingly of whites. These two factors tended to force the party to continually manuever through various individuals to overcome its handicaps of smallness and white predominance. As a result, much effort was expended on manuevers that led to no permanent gain for the party.

The branch would have gained more had it set itself more limited goals and concentrated greater efforts to make positive organizational gains through recruitment.

The smallness of its numbers and the constant collaboration in branch work resulted in a loosening of formal procedure which drew no sharp line between party members and non-members and the branch and YPSL unit. Such close personal collaboration shows a good spirit of comradeship but can also develop a "closed family" attitude in which gossip and personal bickering are nourished.

These criticisms should not in anyway be permitted to detract from the basic value of the South Side activity which made the name of the party and its press known to political conscious Negroes by the hundreds. The work in the Forum, the struggles of the Action Committee, and, above all, the street sales and house to house work, made our tiny party a political fact among Negro workers. The success of the Coolidge meeting, including the extensive distribution that preceded it, indicate the ability of the branch to reach Negro workers.

The biggest problem of the branch remains unsolved; to capitalize upon its activities through the recruitment of Negro workers. If time does not allow this, we must organize groups of Negro sympathizers with ties to the Party organization. Only such permanence of organization can prevent the nullification of our hitherto extended efforts.

IV. Club organization: (Oral Report)

V. Recommendations:

The new city committee must be authorized and charged with the responsibility to work toward a solution of the basic weaknesses of the organization along the following lines:

1. Ideological Offensive

Pessimism and poor party spirit are basically political problems. Organizational measures by themselves cannot create an active and disciplined movement in a mental atmosphere of doubt and uncertainty. To merely take stern measures against delinquents is to drive the doubters, rather than the doubts, out of the party. The organizational steps must therefore be accompanied by an ideological offensive against defeatist moods.

While the counter-offensive against the tremendous ideological barrage (really an "all out" war) against Marxism on the part of reactionaries, liberal fakery, and rascals is primarily the responsibility of the Political Committee, the local leadership can and must play a decisive part. Its program must proceed along two paths. First, the formal organization of membership discussions, classes, etc. on basic Marxist theory and the modern version of revisionism. Second, the maximum use of personal contact with the membership to imbue them with ideological firmness.

The latter approach is far less tangible than the former. But, in a sense, far more important. In a small organization like ours the mental attitude of the leadership transfers itself immediately to the ranks. If a local leadership is a tower of strength for firmness in Marxist principles, it will imbue the ranks with this attitude. If a local leadership is "openminded" on every new perversion of the principles upon which our movement rests, this attitude will likewise convey itself to the ranks.

Firmness in defense of Marxism is not, however, to be confused with dogmatism that stifles thought. Marxism is a weapon to be used, not a religion to be observed. The application of the methods of Marxism to investigate and analyze new phenomena is absolutely necessary if Marxism is to remain a living science and our movement a political factor. The work of the generation of Lenin and Trotsky vastly enriched the Marxist heritage left by Marx and Engels. The Marxists of today have the duty of carrying on this work.

However, to cite the problems which Marxism has not yet answered as evidence of its sterility is comparable to a navigator throwing overboard his compass because he finds himself upon an uncharted sea. The wise navigator, far from discarding it, will all the more cherish his compass as the only instrument to guide him to safety.

Ours is a Marxist party. This is not subject to debate. Those who want to re-chew the cud of Bernstein a la Burnham and Sartre are in wrong organization.

2. Organization Measures-

The new city committee must show by its attitude that it is serious in carrying out both the letter and the spirit of this report. The organization must be tightened up. Greater promptness and efficiency must be introduced. A system of planned activities must be sponsored. This can, however, only succeed if it makes plain its intentions to end the abominable practice of permitting sympathizers to hold cards as party members. Far better to have a party of 10 activists and 15 sympathizers than 10 activists and 15 inactive members. The 15 inactive are not harmless. They will sooner or later demoralize the activists and dissolve the organization.

We must end the concept that discipline is merely negative -- that the party has only the right to tell members what not to do. Our party is a combat organization. Every member is a soldier at the disposal of the democratically-elected leadership. Our discipline is therefore positive-- the party has the right to tell the members what to do.

A party member is one who not only agrees in principle and makes contributions, but one who places himself completely at the disposal of the party, to do what he is assigned, go where he is sent, etc. The cry of "personal problems" is based upon a concept native to the Republican and Democratic parties. A revolutionist has no mysterious personal problems that interfere with his duties yet remain beyond party concern.

Both branches must work out plans of action to conform to their own aims. The city committee must hear and discuss regularly on the progress of the branches in carrying out such plans.

3. Change the Class Composition -

The continued discussion of the need to become a workingclass party in composition and the continued lack of active work to realize this goal has become intolerable. Unless serious steps are taken to realize the goal, mere talk will have the effect to make us lose confidence in any of our proposals.

It cannot be sufficiently emphasized that a Marxist party must be a party of workers.

History has not known of a class party that succeeded in giving leadership to its class which itself was made up of people drawn from other classes. The isolation of our organization from the labor movement can only be ended by (a) the planned and systematic change in the occupations of our members and (b) the recruitment of new members from the workingclass. Point b. will never be realized without the prior realization of point a.

If we do not take advantage of the present opportunities in industry due to the defense program, we must consider ourselves doomed to a petty bourgeois composition indefinitely.

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