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The C.P.S.U. November Plenum and the Bankruptcy of the Right-Wing Opposition

THE Bolsheviks may seize power, but they will not be able to keep it"; so sang the choir of counter-revolutionary singers "from Miliukov to Martov," and the refrain was taken up in trembling tones by those of the Bolshevik ranks who drifted during the October revolution.

The great proletarian State has stood firmly for twelve years amid an environment of capitalist countries. The wounds inflicted by the civil war and the capitalist interventions have healed long since; the mighty, revolutionary Red Army—blood of the toiling masses' blood, flesh of their flesh—is compelling the whole of the international counter-revolution to delay its declaration of a new counter-revolutionary imperialist war against the land of the Soviets. The Bolsheviks have not only seized but have retained power.

"The Bolsheviks may retain State power, but they cannot use it for anything except destruction,"—such was the second motif of the counter-revolutionary symphony of international social-democracy. And again were

sceptics found among the Bolshevik camp, who denied the possibility of constructing and completing socialism in the U.S.S.R., and declared the inevitability of a Thermidor beneath the pressure of the internal forces of the counter-revolution and the external pressure of the capitalist world.

Under Bolshevik guidance the Soviet Union has long since surpassed the production of pre-war Russia, despite the fact that during the civil war industrial production fell to 18% of the pre-war dimensions, whilst agricultural production fell to 41%. Towards the end of the present economic year the industrial production of Soviet Russia on the new socialist basis will reach to approximately double the dimensions of pre-war production. The technical basis for the industrialisation of agriculture has been built.

"The Bolsheviks might succeed in restoring the national economy, but no socialism would come out of it; they would be forced to return to the road of capitalism; in an ocean of 25,000,000 peasant husbandries socialist islands are impossible"—such is the third item on the

programme of the international counter-revolutionary choir, who sing it rather less confidently, but none the less noisily. And to their voices are this time added those of the opportunists, who propose that we should adjust the situation to the weak spots, that we "should not put everything to the hazard" in the construction of socialism, we should not inflame the class struggle, should make concessions to the class enemy, should await a peaceable "growth of the kulak into socialism."

The Bolshevik-Leninists, who in October were not afraid of taking State power, who held that power through the fire of civil war and imperialist interventions, have established the foundations of socialism on the ruins of the capitalist economy of a backward peasant country, and at the last Plenum of the C.P.S.U. replied to this third item in the programme of the international counter-revolutionary choir in the following words :—

"The violent growth of the socialist forms of economy, the increase in their specific importance in national economy, the strengthening of their influence over the individual peasant husbandry, which is expressed in the elemental movement of the poor and middle masses of the peasantry towards collective forms of economy, all witness to the fact that the complete success of the policy of a socialist attack upon the capitalist elements is guaranteed, and that the work of constructing socialism in the land of proletarian dictatorship can be carried through within an historically minimum period."

These words, accompanied by the gigantic facts of the great socialist construction both in industry and in agriculture, and inspired by the efforts of the hosts of proletarians in town and countryside, are the answer to the "historical doubts" of all the three periods of the struggle for socialism during October and after. The contemptible social-fascist Schtampfer is compelled to recognise in the evening edition of *Vorwaerts* that "It (i.e., the October revolution) has drawn the most backward country in the world into the flood of the world socialist movement." There is nothing left for the counter-revolutionaries of all hues and tints, for the doubting capitulationists and deserters from our own ranks, except to question the possibility of constructing socialism in the land of proletarian dictatorship within the historically minimum period.

THE November Plenum of the C.C. of the C.P.S.U. summarised the results of the first year of the five-year plan of socialist construction, and determined on the control figures for the coming economic year. The question was not whether it would be possible to accomplish the plan of great works at the tempo taken by the Party, with a surpassing of the tasks of the five-year plan in a number of important spheres of national industry. That possibility is now already an indisputable fact. The production of large-scale socialist industry has increased not by the proposed 21.4%, but by 23.7%, whilst the production of means of production has grown by 29.8% instead of the previously determined 25.6%. Although the chemical industry has lagged somewhat behind the plan drawn up for its first year, the growth of all other spheres of industry (electrical construction, heavy and lighter metals and especially of machinery construction) has considerably surpassed the bounds set by the five-year plan, so that the industrial basis of the socialist reconstruction of agriculture is assured. The Plenum found it just as unquestionable that a radical movement in the direction of socialist reconstruction had been accomplished in the form of a vigorous growth of Soviet and collective farm construction, and that this growth had far surpassed the most optimistic estimates of the socialist plan. In 1928-29, instead of the 564,000 husbandries, 1,040,000 husbandries came into collective economy, and this figure embraced not only the poor but also middle peasants. The punctual accomplishment of the grain collection plan, the settlement of the grain problem (which has been the most difficult question of the last two years) the complete collectivisation of enormous areas of the U.S.S.R., the approach to a decision of the problem of machinery supply and the organisation of agricultural labour, taken all together, were an eloquent reply to the declaration of the Bukharin group : "If it is not advantageous for the peasant to produce grain, he will have no desire for tractors, for agricultural instructors ; he will engage in any other line you like ; bee-keeping, bast-shoe making, transport ; he will join the ranks of the town workers and so on." All these assertions are nothing more nor less than a rejection of the entire general line of the Bolshevik Party, a rejection of the socialist attack on the remnants of capitalism which life

has shattered to smithereens. And just as indubitable was the bankruptcy of the entire position of the "right-wing" deviators in whom the well-known "Change the Landmarks" member, Ustralov of Harbin, put such great hope, still hoping to some extent for the capitalist degeneration of the Soviet Union. "For the time being," said Bukharin, "the 'Change the Landmark' members can keep quiet." The "right-wingers" at the Plenum could not dispute the prospects of the coming economic year; the tempo of growth of socialism during the past year completely justifies the most exacting of control figures for the following year. Capital investment in national economy during 1929-30 amounts to 13,000 million roubles,—4,500 million roubles more than in the previous year, and surpassing the figure laid down in the five-year plan by 2,800 million roubles. The growth in the socialist sector does not lag behind the general growth throughout national economy on the contrary, the growth of its specific importance has exceeded the most optimistic expectations. In a peasant country where the Soviet Government inherited a poorly developed capitalist economy, one can speak not merely of the complete safeguarding of the strategic points, but of an undoubted predominance of the socialist sector over the private sector.

There is not a single important indicator of national economy which justifies the denial that the victory of socialism is assured. Towards the end of the economic year 59% of the basic funds of the entire national economy will belong to the socialist sector, which will produce 51.2% of the gross and 75.4% of the production for the market, and through its own trading and distributing machinery will distribute 96.7% of the total turnover. What facts could the "right-wing" deviators at the Plenum attack? What could they dispute? The tempo of industrialisation or of the Soviet and collective farm construction? The methods of settling the grain crisis? But all these problems had been so resolved under the Leninist leadership of the C.C. of the C.P.S.U. that those "right-wing" deviators who proposed to capitulate before the difficulties could do nothing else than cling to the tails of the various correspondents of the bourgeois newspapers such as Scheffer and Farbman and admit that the tempo of industrialisation and collectivisation set by the C.C. is completely realisable. With such realism in

the general plan, it is no less realistic, although it will be more difficult to achieve a complete realisation of a reduction in cost price, an ensurance of the growth of real wages by 12% during the current economic year, an improvement in the unemployment situation and an absolute reduction in its extent, and in general a rise in all the qualitative indicators of national economy.

IT was impossible for them to quarrel with the real dynamic of figures. Their expectation of an economic crisis and speculation on a "decline" came to nothing. There was left only the possibility of counting on social movements in various classes of the transitional society, on difficulties of a political nature in the process of the class struggle. But the dynamic of figures corresponds to the mass social movement. The plan of socialist construction consists not of ideal figures, just as the economic plan is not merely work on paper. The composition and realisation of a socialist plan is a preliminary calculation for the leadership of millions of masses and a movement of those masses. The dynamic of the economic indicators in a situation where socialism is under construction is literally a movement of the millions of the masses. Behind every hundredth part of the indicative figures thousands, tens and hundreds of thousands of workers and poor peasants are working, carrying on a ruthless class struggle. The shock workers at the factories, the staffs of socialist rivalry, the labour enthusiasm and creative initiative of the working masses are all hidden behind these figures. Anyone who essays to quarrel with anything must make up his mind whom he is quarrelling with.

To quarrel with the general line of the C.C. of a Bolshevik Party is tantamount to quarrelling with the toiling masses who find themselves engaged in a ruthless class struggle against class enemies on the front of the socialist offensive.

That is why the "right-wing" deviators decided to call a halt to their open struggle against the general line at this Plenum, whilst continuing their criticism of the socialist offensive.

Actually the socialist offensive is now the main target both for the "right-wing" opposition within the Communist Party and for all the social-democratic and bourgeois press, for all the renegades of Communism in capitalist countries.

The bourgeois-liberal nature of the "right-wing" opposition's views on the socialist offensive is clearly demonstrated by the circumstance that, like the bourgeois and social-democratic press, they identify the socialist offensive with extraordinary measures. It is only necessary to compare the views of the bankrupt "right-wing" opposition on the socialist offensive and on the general situation in the U.S.S.R. with what the "left-wing social-democratic" newspaper *Leipziger Volkszeitung* is writing on the offensive of "socialism in the U.S.S.R." for one to realise at once their monstrous community of views with the *Notes of an Economist* and other documents of the "right-wing" deviators.

The picture supplied by this social-democratic newspaper is extraordinarily similar to that which the "right-wing" deviators have drawn concerning the "military-feudal expropriation of the peasantry," the severance with the middle peasant and the results of the socialist offensive in the villages generally. Whilst recognising the socialist offensive in words, the "right-wingers" even at this Plenum identified the socialist offensive with the application of extraordinary measures. No more than the social-democrats and the bourgeois journalists did they see that the application of extraordinary measures was only one, and that not the most important and most essential instrument of the socialist offensive on the Kulak.

Socialism's offensive on the remnants of capitalism is being carried out by a whole system of State and social measures. It is not that the extraordinary measures are a system of socialist offensive, but that the system of socialist offensive includes the extraordinary measures as a temporary instrument. The actual application of extraordinary measures does not signify a simple application of one of the articles of the criminal code against the kulak sabotegers of the grain supply of the proletarian State. They are applied by the masses of poor, middle and labourer sections of the villages, as a temporary social measure in the class struggle, whilst simultaneously the Soviet State is raising the material and technical level of development of agriculture at a dizzy speed and is reconstructing agriculture on new socialist bases. The "right-wing" opportunists have talked only of extraordinary measures, and not of the fact that in 1929-30 the agricultural machinery factories will have an

output of six times as much agricultural machinery as that of pre-war days, and will turn out 133,000 tractors of 10 horse-power. They do not see that by the end of the five years there will be 800,000 tractors at work, on Soviet land, and that even without the newly-constructed works it will be possible to increase the production of agricultural machinery, and of tractors first and foremost, to such an extent that the material-technical basis of socialism in agriculture will be completely assured within six to eight years. It is not the extraordinary measures (which have been, and which possibly at certain moments may still be necessary for extrication from grain difficulties), which are now the characteristic features of the socialist offensive, but the extraordinary exertions to create the material-technical basis for the reconstruction of all agrarian activity on socialist foundations, whilst waging a tense struggle on all fronts. This is not understood by the "right-wing" deviators to whom all the forces hostile to Communism inside and outside the country are clinging. The identification of the socialist offensive with extraordinary measures means in actuality the rejection of the class struggle for socialism under a proletarian State; it signifies an endeavour to change the Party's general line from being a forcing of the transformation of the country to socialist order, into being a mere marking time. Consequently it was understandable that in addition to demanding a cessation of the offensive on the kulaks the "right-wing" were in opposition on the question of the preparation of fresh technical staffs for socialist construction. The attack on the remnants of capitalism connotes the necessity to replace part of the specialists by our own specialists devoted to the work of socialism. The "right-wingers" who did not want to see the intensifying differentiation in the countryside also did not see the political differentiations proceeding in the towns among the technical and other intelligentsia. In picturing the idyll of the growth of the kulak into socialism they consider that the harm of certain groups of old specialists is only incidental, and not the symptom of an intensified struggle of the class enemy against socialism.

The C.C. Plenum did not take this attitude to the question of preparing fresh specialists. For the Plenum the starting point in the settlement of this issue was not only the quantitative in-

sufficiency of specialists generally, but also the necessity of creating new ranks, qualitatively distinguished from the old technical ranks, of fighters on the front of the class struggle, and for the socialist reconstruction of national economy.

In this regard also the "right-wing" opportunists disagreed from the general line of the Party, for which many millions of toilers are struggling in face of the close attention of the entire capitalist world. But those elements of the "right-wing" opposition which have come into closer contact with the masses could not bring themselves to carry on further an active, anti-Leninist, anti-Bolshevik struggle against the general line of the Party and the proletarian masses standing behind it. These (Kotov, Michaelov, Uglanov, Kulikov) left the "right-wing" opposition. But the ideologists and leaders of the opposition (Bukharin, Rylkov, Tomsky) and the young professorial intelligentsia following them, could not bring themselves to abandon their essentially bourgeois-liberal views. Like the Trotskyists they have carried out a retiring manœuvre in their plan of a new attack on the Party, which at the first convenient opportunity, at the first difficulties that arise, will enable them again to make an extensive attack on the Party's general line. Whilst at the Plenum this group, who follow in the wake of the bourgeois journalists and liberal economists, was forced to bow before the enormous successes of the Party on the front of socialist construction, they simultaneously thought it possible to make demagogic accusations against the Party that in certain spheres it had not fulfilled the plan, and on this basis demanded the cessation in fact of the socialist attack on the kulak. Not in the least withdrawing its monstrous accusations of the "military-feudal exploitation of the peasantry," of "implanting bureaucracy" and of "flight to Trotskyism," to their old slanderous statements they added the assertion that the Comintern had at some time or other recognised the theory of the growth of the kulak into socialism as correct. Of course, the Plenum could not be satisfied with such a declaration, which did not unconditionally recognise the Party general line even in words, and which can quite justifiably be characterised as a double-handed rejection of that general line in fact. The brief interval that has elapsed since the Plenum has shown that the Party and non-Party masses struggling for a

speedier realisation of socialism entirely approve of not only the removal of the principal leader of the "right-wing" deviators, Comrade Bukharin, from the C.C. Political Bureau, but also their firm determination in the spirit of the E.C.C.I. Tenth Plenum that propaganda of the views of the "right-wing" opposition is incompatible with membership of the Bolshevik Party. It is also unquestionable that the entire Bolshevik Party and the Comintern as a whole approves of the clause which declares that in the event of the least attempts on the part of the "right-wing" deviators to continue the struggle against the line and the decisions of the E.C.C.I. and the C.C. of the C.P.S.U. "The Party will not be slow in applying the requisite organisational measures in respect of them." Never was it clearer than in this instance of the "right-wing" opportunists that he who struggles against the C.C. of the C.P.S.U. and its general line is struggling against all the masses of the proletariat.

THE double-dealing of the "right-wing" opposition finds expression in the circumstances that they obstinately keep silent concerning the Comintern's struggle with the "right-wing" danger and the "right-wing" renegades. Com. Bukharin's theory of organised capitalism has become the official theory of all the "right-wing" opportunists inside the Comintern as well as of those who are already outside its ranks. Hitherto the "right-wing" deviators have not considered it necessary to distinguish themselves from Lovestone, Childe, etc., who raise on high the standard of the theory of organised capitalism, declaring after Bukharin that the "problems of the market," of prices, competition, crises, are becoming more and more problems of world economy, being replaced "inside each country" by the problem of organisation.

So far the leaders of the "right-wing" opposition have not considered it necessary to withdraw their slanderous legends, identical with the views of Brandler, Thalheimer and similar renegades, that the Comintern is "disintegrating." This silence in regard to problems of the international revolutionary movement proves that the necessary space is reserved on the new platform of the "right-wing" deviators for the defence of their international followers. Not only the C.P.S.U., but all the sections and lower organisations of the Communist International

have the right to demand of Comrades Bukharin, Rykov and Tomsky that on the basis of the decisions of the E.C.C.I. Tenth Plenum they shall take up a definite position on the question of the "right-wing" danger in all sections of the Comintern, on the question of the growth of the new revolutionary rise and the necessity to find new roads for the struggle against the social-fascists and for the conquest of the majority of the working-class. There is just as indissoluble a connection between the theory of organised capitalism and the demand for the cessation of the attack on the kulak as there is between the establishment of a new revolutionary rise and the forcing of an offensive on the remnants of capitalism within the U.S.S.R. The task of constructing socialism is not the "private affair" of the proletariat of one country. Even the white-guardist Kerensky has noted the existence of such a connection between Bukharin's theoretical views on the development of international capitalism and the policy of permanent concessions to the kulak. In the period between the E.C.C.I. Tenth Plenum and the November Plenum of the C.P.S.U. C.C. Kerensky hastened to establish the correctness of Bukharin's views in the dispute between him and the C.P.S.U. C.C. and the Comintern. "The theoretical dispute between Stalin and Bukharin over capitalism," wrote Kerensky, "is by the very course of things decided in favour of the latter; but in the eyes of their defenders both theories are bound up with a definite practice of economic and State administration."

But besides the inter-connection and unity of all Bukharin's ideology on questions of the development of the international proletarian revolution, his views and those of his adherents in the narrow sense of the word, just as the work of socialistic construction in the U.S.S.R., are not a "private affair," but a matter for the entire international proletariat. Every step forward taken by socialist construction is an enormous political factor in the proletariat's revolutionary struggle for power. The opposition views of the Bukharin group are also a powerful weapon in the hands of the social-fascists of all sorts against the international Communist movement. It is no accident that since the complete disintegration of the Trotskyist opposition all the renegades of the Communist movement as well as the open social-fascists have been directing their eyes, full of hope, on the "right-wing"

opposition inside the C.P.S.U. The opportunist opposition is now enriching the arsenal of all the anti-Communist tendencies and movements in the workers' movement. The task of struggling against the opportunists of the C.P.S.U. is therefore a task of the entire Communist International.

* * * *

AFTER this article had been set up in type we received the declaration made by Comrades Tomsky, Bukharin and Rykov in the C.C. of the C.P.S.U. and that of the last of the adherents among the members of the C.C., Comrade Ugarov. In their declaration, Comrades Tomsky, Bukharin and Rykov write that they consider it "their duty" to state that in this dispute the Party and the C.C. have proved to be right. They admit that the "views expounded in certain documents proved to be erroneous," they promise that they will strain "all their efforts" in order jointly with their Party to carry on a resolute struggle against all deviations from the general line of the Party, and first and foremost against "right-wing" deviations and conciliation, in order to overcome the other difficulties, and to assure the speedier complete victory of socialist construction.

We say, "Better late than never," but we also say that these comrades were somewhat late in renouncing their ideology, which is so dangerous for the work of socialist construction. They have been rather late in reacting to the loud voice of the millions of Party and non-Party proletarian masses. Whilst counselling the Party to make "unbroken concessions" in regard to the kulaks and other capitalist elements they were too long thinking whether they should make concessions to the firm opinion of the Party and the entire proletariat. None the less, they have come to a decision at last. And this proves that only a rigid Bolshevik attitude to all deviations from the Leninist Bolshevik line can safeguard a clear and firm accomplishment of socialist construction. This declaration of the leaders of the "right-wing" opposition is a great victory for the Bolshevik Party and for the Leninist C.C., but it in no wise signifies that the supporters of the general line of the C.P.S.U. and the Comintern can now quietly rest on their laurels. The "right-wing" opportunist elements and the class-hostile elements associated with them will continue to endeavour to undermine the construction of socialism in the U.S.S.R. and the

revolutionary work of the Comintern and its sections. Consequently the struggle against the "right-wing" opportunistic deviations and a conciliatory attitude towards them is not removed from the agenda. On the contrary, it is necessary to carry on the struggle for the complete elimination of all "right-wing" deviations from the ranks of the Comintern with even greater energy. The victory of the C.C. of the

C.P.S.U., the capitulation of the leading ideologists of the "right-wing" deviation must be exploited to show all the sections of the Comintern whither any deviation from the sound Leninist line will lead. A ruthless struggle against all manifestations of opportunism inside the Communist Parties is an even more actual task since the capitulation of Bukharin, Tomsky and Rykob than it was before.

The Change must be Carried Out Plenum of the E.C. of the Y.C.I.

THE Plenum of the Executive Committee of the Young Communist International which is now taking place was preceded by a discussion within the sections of the Y.C.I. The central point in that discussion concerned that change in the activities of the various Communist Youth Leagues—both legal and illegal—which is directed towards guiding the Leagues on the road of mass work, of winning the leadership of the young workers, of winning the majority of them over to the Y.C.I.

At the Fifth Congress of the Y.C.I., which took place immediately after the Sixth World Congress of the C.I., this change was declared to be the most essential task of all Communist Youth organisations. The international situation, the breakdown of capitalist stability, the growing war danger, the approach of a new revolutionary wave, the position of young workers in rationalised industry—all these factors made the change one of urgent and immediate necessity. One of the most characteristic features of the present situation is the growing importance of young workers in the process of production and in the class struggle. We cannot fulfil our task of winning over the majority of the workers unless we bring the young workers under the leadership of Communism. It is therefore not surprising that both kinds of fascists—"pure" and social—who are preparing for war and trying to impose a fascist character on the labour movement, should carry on a fierce struggle against the Communists for the adherence of the young workers, for their support in war and in the suppression of the proletarian revolution.

Young muscles are the most elastic for the transmission belts of rationalised factories, they

are best adapted to the system of the scientific manufacture of human sweat. The generation which did not directly experience the horror of the war is less afraid of the thought of trenches again, of death again. Consequently, the fascists of every description are united in their efforts to win the young workers. We cannot but admit that they carry out their work well. In the most important imperialist countries about 40 to 50 per cent. of the youth have been caught in the nets of the fascist and social fascist youth organisations.

In spite of this attempt to get the young workers into the fascist movement, the process of radicalisation among young workers is proceeding at an even more rapid rate than the leftward development of the working-class as a whole. No wonder! The exploitation of young workers in rationalised factories is not only more oppressive and more intensive, but also much more obvious than it was formerly, when young workers went through their period of apprenticeship. At present only a small section of young workers are apprentices learning their trade in the factories. They are mostly young workers who do the same work as adults. The only difference is that they get less wages for the same work. Consequently, in recent times the young workers are moving to the left more quickly than adult workers.

When this is taken into consideration, the backwardness of the Y.C.I. and its sections becomes very obvious, and demands that decisive measures be taken immediately. The Tenth Plenum of the E.C.C.I., while giving due recognition to the work of the Youth International, directed the attention of the Communist Parties to the stagnation in the Y.C.I.

and to its deficiencies: "The position in the Youth Leagues as far as mass work is concerned," declared the Tenth Plenum, "and their organisational development remain wholly unsatisfactory and point to the urgent necessity of carrying out the changes towards work among the masses which was demanded by the World Congress of the Y.C.I."

The Y.C.I. is now—a year after its Fifth World Congress—still before the change which was described as an urgent necessity at that congress. The change required is the change of the Y.C.I. and of its sections in the direction of the masses.

In spite of several important political successes in the fight against the right danger and the renegades which the Y.C.I. has to its credit since the Fifth Congress, it must be stated that in most countries the Y.C.I. sections remained at a standstill as far as organisation is concerned, and were even incapable of extending their political influence. In many cases they limped behind events, behind the economic and political movements, they were left behind in the general revolutionary development. Nor could they keep step with the development of the Communist Parties. The membership of the German Y.C.L. is 22,000, while the numerical strength of the German Party is more than 140,000. The membership of the Czecho-Slovakian Y.C.L. is less than 5,000, that of France less than 9,000, while in England it is about 600. Only the Young Communist League of Sweden forms an excellent exception to this general rule of stagnation or of an actual decline in the numerical strength of the sections of the Y.C.I. In many sections (Czecho-Slovakia, England, Norway) political and organisational crises have occurred, occasioned by this stagnation or decline in membership and political influence.

In several cases where young workers have engaged in economic struggles, the Communist Youth organisations have not only trailed after events, they have frequently failed to take any notice whatsoever of the movements. Most of the sections have lived and worked in practical isolation from the mass of young workers. The correct decisions of the Fifth Y.C.I. Congress, which imposed on all Y.C.I. sections in capitalist countries the task of making a decisive change in the direction of Bolshevik mass work, have remained for the most part merely paper

resolutions, and when attempts were made to put them into operation, the work was very bad.

The change that is required is therefore one directed to carrying out the decisions of the Fifth Congress on mass work, on organising the whole work of the Youth Leagues for broad mass activity. This is the only way to overcome the unsatisfactory position of the Y.C.I. sections and of fulfilling the task of winning over the majority of the young workers and young peasants. To take this road and to advance along this road with powerful strides is the task of the moment. The services which most of the Youth Leagues have rendered in the struggle against right and left opportunist deviations within the Communist International, cannot be too highly praised. It is incontestable that by this help the leagues have done a great deal in the last few years to strengthen the revolutionary recruiting powers of the C.I. and of its sections. In the meantime, however, a peculiar situation has arisen: while fighting for correct mass tactics within the Communist Parties, the Y.C.I. and its sections have to a large extent neglected their own mass work. They have failed to formulate their policy on youth questions, they have failed to organise their methods of work in special spheres in such a manner as would have exercised a powerful attraction on young workers and peasants. The political-agitational activity of the Youth Leagues has consisted principally in the mechanical repetition of all the general Party slogans, without any serious attempt being made to formulate these slogans in accordance with the special conditions of the young workers. No serious attempt has been made by the Youth Leagues to adapt the daily demands of the young workers to the new conditions and to the particular needs which have been created by rationalisation. Many good opportunities were missed of creating from below a young workers' united front on the basis of these daily demands and of using the united front as a lever to organise and to lead revolutionary mass struggles. The time when it was permissible to use the method of making proposals to the leaders of social democratic organisations for forming a united front, has passed, but the Youth Leagues have failed completely to seek new ways and means of carrying out united front tactics. It is not only political and tactical mistakes which have made the Youth Leagues incapable of organising mass mobilisation. A series of

organisational mistakes and defects have contributed towards the fact that the Communist Leagues have not marched at the head of the Youth movement, but have frequently found themselves at the tail of those movements. The transformation of the Leagues on the basis of the factories is proceeding even more slowly and with greater difficulties than that of the Communist Parties. The Leagues are not based on factory groups, but on area groups which live and work wholly apart from the factories. This separation from the factories is paralleled by the Leagues' agitation and propaganda methods, which take practically no account of the young workers' stage of ideological development or of their daily needs and demands. In many cases they are incapable of expressing the fighting spirit of the young workers

All these defects of a tactical and organisational character explain the lack of systematic mass work in the industrial, cultural and sports Youth organisations, and the absence of any strong Y.C.L. footing in these bodies. Where the Leagues have succeeded in gaining influence in these mass Youth organisations, their work in imbuing them with a revolutionary fighting spirit leaves more than enough to be desired. The Y.C.L. fractions in many young workers' organisations were unable to change their methods of work in such a way as would compel the proletarian youth, organised and unorganised, to admit that the Y.C.L. can really lead the mass struggle differently from the social democratic Youth bodies. Because of lack of contacts with young workers, the Leagues, despite a correct general position, have made utterly insufficient progress in winning the unorganised young workers, through united front bodies, for a revolutionary economic and political struggle. Many cases have occurred when the Communist Youth organisations paid attention to important and large scale economic struggles on the part of young workers only after they had already broken out, and even then they frequently delayed putting themselves at the head of these spontaneous mass movements.

This attitude towards mass struggle which, without exaggeration, can be described as a painful limping after events, this sectarian attitude is due in the first instance to the isolation of the Young Communist Leagues, to their separateness, which is in utter contradiction to the correct, militant Bolshevik spirit. It has to

some extent dried up the life of the Leagues. It may sound paradoxical, but it is nevertheless true that a certain conservatism among the leading members of the Leagues—who were selected not because of their militant qualifications, nor for their contact with the factories—was the chief obstacle in the way of the urgently necessary change.

The Plenum of the E.C. of the Y.C.I. will undoubtedly give a decided impetus to the realisation of this change. The question of new forms and methods for mobilising the young workers is the central point of the Plenary Session's agenda. The Plenum must show the way to making the new methods of applying the united front tactics from below, thoroughly concrete, the way to the masses. The methods of organisation, agitation and propaganda in daily work must be closely adapted to the needs of mass work. The transformation of the Leagues on the basis of factory groups, the concentration of work on the large factories in the most important industries, after the Plenum, must be carried with unflagging energy out of the paper resolution stage into real life. Active and systematic activity in the spheres of organisation and propaganda, must be developed in all mass Youth organisations, particularly in the trade union Youth sections, the sports associations and among the unemployed. The young workers' press must be drawn into this work. A number of more or less free subsidiary organisations must be established in order to give the Leagues broad channels in which to extend their influence and a broad basis from which their ranks can be increased and their membership strengthened by the best elements from young factory workers. Such methods of mass work will enable the Leagues, whose activities have been defective and on the whole limited to small leading groups, to extend their organisations so that the whole membership will be drawn into active mass work. Only this development towards mass organisations will give the Leagues a really militant character and make them capable of carrying the majority of the young workers along with them in the fight for the revolution, and consequently of rendering important assistance to the Communist Parties in their task of winning over the majority of the working-class.

If this is to be accomplished serious self-criticism is necessary in all the Leagues. This

self-criticism must be directed not only at the leaders but at the entire membership, and become effective mass criticism. In this, as in the accomplishment of the whole change, the Communist Parties must help with advice and with work. It is impossible to speak seriously of winning the majority of the working-class, the great mass of workers, for the revolutionary struggle, unless the Communist Parties achieve the leadership of the working-class movement. One of the most important and immediate tasks prescribed by the Tenth Plenum for all sections of the C.I. will not, therefore, be fulfilled unless the Parties exercise guidance and leadership over the whole activity of the Leagues. This means more than formal mutual representation on the League and Party organisations (even this minimum standard has not been reached in several countries); it means effective daily help in every important step taken by the Leagues. This is the Bolshevik way of carrying out the tasks which confront the Communist Parties in the sphere of work among the young workers. In the selection of leaders, in the conduct of the

Youth press, in the Marxist education of the youth, the Communist Parties must render this assistance by deeds, and in particular the Communist T.U. fractions (in revolutionary as in reformist unions) must exert all their energies in helping to organise work among the Youth sections of the unions and in giving real help—in deeds—in the organisation of the young workers' economic struggles. A Youth group in every Party factory group, and an experienced and politically reliable Party comrade in every Youth fraction in a mass organisation, this is an essential and indispensable condition for the complete and correct fulfilment of the Communist Parties' duties towards the Young Communist Leagues. Such help, which does not in the least limit the organisational independence and the political initiative of the Leagues, will not only facilitate the necessary change in the Leagues to real mass organisations, but will also mean that a gigantic step forwards has been taken on the road to winning the majority of the working-class, to the victory of the proletarian revolution.

The International Exchange Crash— Forerunner of the Approaching Economic Crisis

By E. Varga

IN recent months there have occurred in rapid succession great breaks in share prices on all the great Stock Exchanges of the world. The highest point so far was reached in America on 29 October, with a panic on the Exchange "such as has never occurred before" (*Times*, 30-10-29).

The adherents of the theory of "organised capitalism," the theory of a "diminution in internal economic contradictions" (Bukharin) would do well to ponder the events in Wall Street. Losses on the New York Exchange for the last week of October were estimated to be at least 25 milliard dollars*. In San Francisco in one day alone losses on the shares of the

*The significance of this figure becomes clear when one remembers that the entire product-value of American industry ("value added by manufacture"), i.e., variable capital plus surplus value, amounted to no more than 26.8 milliard dollars for the year 1925; losses on shares in one week swept away in nominal wealth as much as the entire industrial life of America created in value and surplus value in a whole year.

Trans-American Bank amounted to more than a milliard dollars. (*Mining News*, 31-10-29.)

The tremendous losses are indicated by the following figures relating to a few well-known shares:—

1929.	Highest Quo'tion	Quo'tion 26 Oct.	Quo'tion 29 Oct.	Decrease % from highest.
General Electric	403	296	250	38
General Motors	97 $\frac{3}{4}$	54 $\frac{1}{8}$	47 $\frac{1}{2}$	51
U.S. Steel Trust	261 $\frac{1}{2}$	203 $\frac{1}{2}$	185 $\frac{1}{2}$	29
International Harvester	142	101 $\frac{1}{2}$	85 $\frac{1}{2}$	42
American Smelting	130 $\frac{1}{2}$	97 $\frac{1}{2}$	80	40
Du Pont de Nemour	231	166 $\frac{1}{2}$	150	35
Chrysler Automobile	135 $\frac{1}{2}$	44 $\frac{3}{4}$	39 $\frac{1}{2}$	71
Standard Oil, New Jersey	83	72 $\frac{5}{8}$	64	23
Radio Corp	114 $\frac{1}{2}$	99	40	65
Westinghouse Electric	292 $\frac{3}{8}$	179	145	50

We should like to ask: Where is Hilferding's "planned economy of organised capitalism" when, in one day, the value of the property of leading capitalist undertakings can fall by 20 to

30 per cent.? Where is the "elimination of anarchy" when rich people can become beggars within two or three days?

Of course, these are all losses on "fictitious capital." The real wealth of capitalist societies remains wholly untouched by the Exchange values of the shares and papers which represent that wealth.* But this does not change the fact that millions of "small people," that is, of small capitalists, traders, artisans, officials, have lost the wealth which was used in the purchase of shares †, that their property or their claim to a certain part of the proceeds of the joint stock companies' property, has been transferred to the large capitalists; that the Exchange crash means the forcible expropriation of the middle-classes and will undoubtedly lead to an intensification of economic contradictions. This expropriation brings with it a shrinkage in the buying capacity of the home market, which has up to the present been the chief foundation of the relative stability of American capitalism, and forces American industry to sharpen its attacks on the world market, which will in turn accentuate the general crisis of capitalism, and draw American capitalism more deeply into the general decline of world capitalism.

At the same time the great extent of the Exchange crash, almost unexampled in history, together with the preceding credit crisis and the collapse of great capitalist undertakings in Europe (Frankfurter Allgemeine, Vienna Bodenkredit Austalt, the Hatry concern) show

*"The stocks of railroads, mines, navigation companies and the like, represent actual capital, namely, the capital invested and used in such ventures . . . But this capital does not exist twofold, it does not exist as the capital value of titles of ownership on one side and as the actual capital invested, or to be invested, in those ventures, on the other. . . . To the extent that the depreciation or appreciation of such papers is independent of the movements of the value of actual capital represented by them, the wealth of the nation is just as great after as before their depreciation."—(*Capital*, Vol. III., pp. 549-551).

†The *Neue Freie Presse* gives the following description of happenings on the day following the last panic: "In the brokers' offices one scene of excitement followed the other. Several persons, particularly women speculators, fainted when they learned that they had lost their capital. Outbreaks of violent despair and fury were quite common. Even the advertisement columns of the papers indicated the effects of the Exchange crash. Several luxurious automobiles of the most expensive foreign make and design were offered for sale by people who were millionaires yesterday. The pawnbrokers all over New York did better business than ever before and in the theatrical district and Manhattan particularly, they could scarcely meet the demands of the money-seekers. . . . The effect of the Stock Exchange catastrophe is noticeable even in the streets. Everywhere one sees desperate and depressed faces."

the instability of the foundations on which "stabilised" capitalism is built. 1930 will certainly be a year of crises which will bring us a good step nearer to our final revolutionary objective.

THE CAUSES OF THE STOCK EXCHANGE CRISIS.

The Exchange crash in New York was not an isolated American phenomenon, but one link in the chain of share falls on practically all the Exchanges of the capitalist world. But America as the most powerful imperialist country, relatively least affected by the decline of capitalism, and with its period of prosperity which has lasted, with unimportant interruptions, for a whole decade, has lived through a longer period of Stock Exchange speculation, and driven the prices of shares higher than any other country. The crash, in consequence, was also greater.

To understand what has taken place we must first of all recall to mind the basis of the formation of share prices. On this subject Marx says (Vol. III., part 2):—

"These shares . . . become commodities, whose price has its own peculiar movements and is fixed in its own way. Their market value is determined differently from their nominal value, without any change in the value of the actual capital. On the one hand then, market value fluctuates with the amount and security of the yields on which they have a claim. If the nominal value of a share, that is, the invested sum originally represented by this share, is £100 sterling, and the enterprise pays 10% instead of 5%, then the market value of the share, other circumstances remaining the same, rise to £200 so long as the rate of interest is 5%, for when capitalised at 5%, it now represents a fictitious capital of £200. He who buys it for £200 receives a revenue of 5% on this investment of capital. The market value of these papers is in part fictitious, as it is not determined merely by the actual income, but also by the expected income which is calculated in advance. But assuming the self-expansion of the actual capital to proceed at a constant rate, the price of such securities rises and falls inversely as the rate of interest.

The speculative character of share prices was made particularly apparent in recent years by the fact that, besides ordinary shares, "shares without nominal value" were also issued, which

usually remained in the hands of the founders, to whom also the greatest part of the profits exceeding normal interest accrued. The connection between the amount of capital invested and the corresponding share in profits is here completely broken. We can lay it down as the principal cause of the American Stock Exchange crash that share prices, in view of the approaching economic crisis, were entirely disproportionate to future proceeds.

Let us consider the growth of American share prices from this standpoint. We quote from well-known share indexes :—

Wall Street Journal Index.

	1926	1927	1928	1929
January	158.5	155.2	203.3	—
August	161.8	184.2	216.8	338.0
September	163.9	191.6	240.4	381.2*
October	159.2	198.4	240.0	230.1†

Practically the same picture is given in the *Annalist* index for twenty-five industrial shares :

	<i>Maximum.</i>		<i>Minimum.</i>	
2 November, 1925	185.36	30 March, 1925	128.83	
21 February, 1926....	186.03	30 March, 1926	137.65	
16 September, 1927	247.45	25 January, 1927	171.40	
31 December, 1928	332.58	20 February, 1928	233.42	
19 September, 1929	469.49	8 January, 1929	326.98	

That is, within a period of little over four years, prices rose from 129 to 469, in other words they practically quadrupled. Within a year-and-a-half—from February, 1928, to September, 1929, they doubled. In the last nine months they rose by 50 per cent.

It is obvious that this rise in share prices is not related to proceeds. It is true that industrial profits increased greatly during the period of good conditions and markets ; it is true that the monopolised undertakings accumulated very large secret reserves, which justified the hopes of the distribution of free shares and extraordinary dividends (bonuses), but the actual amount which was received if a man bought shares at the highest quotation was considerably lower than the amount he would have received had he invested the same sum of money in shares with a fixed interest, or simply deposited it at the bank as interest. The proceeds on the most popular American shares amounted, when quotation prices were at their highest, to no more than 2% to 4%, with a 6% bank rate in New

*Maximum on 9 October.

†Minimum on 29 October (quoted in Ossensky's article in *Pravda*, 1-11-29).

York, and with 8% to 20% for call "money." *

The monstrous wave of speculation could be restrained by no warning. In vain was the warning of the Federal Reserve Bank managers at the beginning of the year ; in vain did they raise the bank rates. Babson, a specialist acknowledged by all, also issued a warning in vain. Early in September he said that it was only the principal speculative shares which were still rising, while half of the shares quoted on the New York Exchange had fallen in price since the beginning of the year. "Sooner or later," he declared, "the share boom will crash just like the Florida boom."†

These warnings were heeded only by the great capitalists ; they withdrew in time from speculation by selling out to the "public" that portion of their shares which exceeded the minimum necessary to control the undertakings concerned, and they sold out at high prices. The millions of small speculators, however, continued to buy, deceived by the "authorities" who assured them of the economic correctness of high share prices. At their head stands Professor Irving Fisher, recognised as America's highest scientific authority. Dealing with Babson's remarks, he said :—

"The high prices . . . are based upon an assured expectation of higher profits in the future. . . . Fears as to an apparent inflation of paper values seem, in consideration of the most recent declarations of high dividends, to be the more unjustified since still higher dividends may be expected in the future. . . . In my opinion a certain increase in returns can be expected, not as a result of a fall in share prices, but as a consequence of higher dividends."

So wrote Prof. Irving Fisher, the guiding star of American bourgeois science, at the beginning of September, when the Wall Street index stood at 381. By the end of October it had fallen to 230. Millions of petty speculators who relied upon the eminent professor and upon similar gentlemen, who could not believe that there would be an end to the good times, have lost several milliards to the small clique of great capitalists who were "in the know."

Mr. Ayres, a big man in the life insurance

*Irving Fisher gives the proceeds on fifty leading shares for the middle of September as "fluctuating around 3%, while in 1928 it was about 5%, and at the end of 1928 only 2½%."

†*Commercial and Financial Chronicle*, 7-9-29, p. 1530.

business, which plays such a large part in America, was equally optimistic, even in October: "A few weeks ago there were some clouds on the horizon, but these have now disappeared, and, apart from seasonal trades, all branches of industry should show a distinct improvement in the last weeks of the year. Those who are in direct contact with our basic industries, such as steel, petroleum, minerals, automobiles, electricity, etc., are unanimously of the opinion that business will be good in the immediate future."*

The theory, announced officially on all sides, of American prosperity being assured for ever, had to retreat before concrete facts, despite all the assurances of Messrs. Irving Fisher and Co. These concrete facts prove that American prosperity is drawing to an end.† American prosperity in the main was a more or less isolated phenomenon in world economy. Of the other countries only Canada experienced the same development. A much weaker improvement occurred in France and the surrounding countries, Switzerland, Belgium and Holland, and also in Scandinavia. In England the effects of general structural decline were so powerful, that the factors making for an improvement were noticeable only as a fitful tendency. In Germany it was the cessation in the stream of foreign capital which prevented an improvement. East of Germany, that is, in Poland, Austria, Hungary, Roumania, etc., there is not even a sign of prosperity, but a serious economic crisis. American prosperity was a comparatively isolated phenomenon within world economy, and this fact hastened its end.

A concrete examination of the marketing conditions for America's most important commodities will give a clear indication of the factors making for the approaching crisis. Let us deal with the most important of them:

Wheat: Prices are maintained artificially by loans from the Farm Board (amounting to \$100 million in the last few weeks) and by the Canadian pool. The value of the wheat stored in public granaries and for the most part already sold amounted to: ‡

End of August in million dollars.		
1927	1928	1928
98.1	100.4	240.5

*Commercial and Financial Chronicle, 12-10-29, p. 2,304.

†This was my contention at the Tenth Plenum of the Comintern.

‡Federal Reserve Bulletin, Oct., 1929, p. 358.

Cotton. As a result of bad business in the European textile industry, prices have fallen by 20% from their highest point in March, although the harvest of 15 million bales is far from good.

In a number of other important agricultural products, wool, sugar, coffee,* there is great over-production and marked decline in price on the world market.

As for mining products: there is a chronic international crisis in coal, over-production in copper, which, in spite of the existence of an international control led to a sharp fall in prices six months ago; in petroleum there is equal over-production in America itself, which has not yet been eliminated despite continuous negotiations.†

Building in the United States is of special importance as a factor making for and indicating prosperity. Building contracts in the thirty-seven Eastern States were as follows:—

Building Contracts valued in millions of dollars.

	1928	1929
April	668	642
May	650	588
June	583	546
July	517	652
August	588	489
September	597	445

We see a rapid fall in building contracts from July; by September the total value is \$150 million behind the previous year. This necessarily brings with it a proportionate decline in the prosperity of the industries producing building materials.

The course of iron and steel production also shows clear signs of declining prosperity, although it is still greater than the previous year. Iron and steel production per working day amounted, in thousands of tons, to:

1929	June	July	August	September
Steel	195	186	182.5	180.4
Iron	124	122	121.0	116

*Coffee prices on the Hamburg market fell from 87 on 1-3-29, to 43½ on 28-10-29.

†Copper production for North and South America in thousand tons:—

	Reserve stocks.	
1929, March (maximum)	164	53
July	154	98
August	149	104
September	134	95

The daily production of crude petroleum, averaged for a week, amounted to 2,505,500 barrels for the middle of October, 1928, and to 2,838,100 barrels for the middle of October, 1929.

The reserves of fuel oil and gasoline amounted in October to 145.2 million barrels.

The decline in steel production can be attributed both to the decrease in building work and to the declining trade of the automobile industry, which is one of the most important industries in the U.S.A. In recent years the productive capacity of the automobile industry has been greatly increased by the competition of the large motor concerns: it amounts to about 10 million cars per year. On the other hand, sales show a falling tendency.

CARS AND LORRIES PRODUCED IN THOUSANDS.
U.S.A. AND CANADA.*

	April	May	June	July	Aug.	Sept.
1926	461	450	408	375	442	416
1928	434	460	425	417	493	437
1929	663	636	576	518	514	417

Within six months production fell by 33 % and in September, 1929, it stood at the level of January, 1926.

Finally, we shall quote the *Annalist* index in order not to overburden the picture with too much detail:

Annalist Index of the course of business for 1929.†

May	June	July	Aug.	Sept.
109.8	107.5	108.5	106.5	105.9

(provisional figure)

The decline was therefore quite apparent before the Exchange crash, and it is difficult to understand how people like Irving Fisher and Ayres could, in all good conscience, speak of the continuation of prosperity.

Very reliable indices indicate—even apart from the consequences of the Wall Street crash—a further decline in the next few months. The *Annalist* price index for raw materials, sensitive to markets (hides, zinc, corn, etc.) shows a drop from 150 at the beginning of September to 141 at the beginning of October. Figures relating to the new orders of the steel trust in relation to capacity are even more characteristic. As percentages they amounted to:

	March	April	May	June	July	Aug.
1929	117	101	91	96	88	67

**Annalist*, 4-10-29.

†The *Annalist* index is based on the production of coal, iron, steel, zinc, automobiles, shoes, electricity; on the consumption of cotton and wool; on tonnage carried. Seasonal fluctuations and minor changes in the general trend of business are excluded; it is a good index of the course of trade.

This sharp fall will necessarily lead to a decline in production in the forthcoming months.

The causes of the American Stock Exchange crash are, therefore, a profound disproportion between the low dividend proceeds and the high share prices, which had to collapse as soon as it became generally realised that prosperity was drawing to an end and that in consequence there was no justified prospect of an increase in dividends.

How great was the speculation in America, how blind the belief in American prosperity, is shown by the statistics of share issues. In September issues to the value of 1,307 million dollars were made, for new capital (i.e. excluding conversions). This is the highest sum that has ever been issued in one month. Including conversions it amounted to 1,615 millions, which is 1,000 million more than the previous record for September. Of this total not more than 8 millions went abroad. (In September, 1928, of a total of 501 million new issues, 105 million dollars went abroad.) All available capital went into shares. The peak of the speculation is shown in the growth of the proportion of investment trusts and holding companies among the new issues. This increased from month to month, and in September reached the huge sum of 643 million dollars.

What is an investment trust or a holding company? It is a concern which does not invest its capital in production, a concern which produces no surplus value. It uses its capital to buy the shares of other undertakings. The capital of the investment trust is therefore potentially fictitious capital. It does not represent real capital, like the shares of an industrial undertaking; it has only the proceeds on the shares which it buys as the basis for its share in the total profit. In September in the U.S.A. 643 million dollars, nearly a half of total new issues, were issued in shares for such undertakings. In August its proportion was 87 % of total new issues. Speculation in paper values completely obliterated the real new investments of capital.*

**Financial and Commercial Chronicle*, 12-10-29. Issues in million dollars for such undertakings with potentially fictitious capital were (in million dollars): 1929—

May.	June	July	August.	Sept.
90	86	222	486	643

CREDIT CRISIS AND STOCK EXCHANGE CRASH IN EUROPE.

As we have already stated, the Exchange crash in America was no isolated occurrence; similar events, although on a lesser scale, took place in Europe before it occurred in Wall Street, and also after. We shall limit ourselves here to dealing with only the most important factors.

The Stock Exchange crises in Europe were not simple parallels of the American Exchange crash, they were conditioned by American speculation. Speculation on the American Exchange swallowed up not only all American capital (we saw that in September only 8 million were issued for abroad), but also attracted short term European capital. This resulted in American gold imports (there was a net import of 230 million dollars in the first nine months of this year), in a money shortage in Europe, a consequent increase in rates of interest, the collapse of several large concerns, falling price shares on account of capital shortage. Events in Germany illustrate this process.

National Statistical Bureau's Share Price Index.

	1924-26 taken as 100.					
	1928 Sept.	May	June	1929 July	Aug.	Sept.
47 shares for heavy industry	132	123	129	130	128	128
166 shares for mfg. industry	149	136	130	128	127	126
116 shares for trade and commerce	167	163	157	155	153	152
329 shares : total	149	141	135	136	134	132

The most important factors were slowly falling share prices with very small turnover, extreme tension on the capital market with small possibility of new issues.

The collapse of a few firms, particularly of the Frankfurt General Insurance Company * was enough to bring about a crisis on the Berlin Exchange, which was only kept in check by the formation at the end of September of a Relief Consortium of the Great Banks.

A few days earlier London received a heavy blow from the collapse of the Hatry concerns. Hatry, an extremely able financier, had founded a number of undertakings and was anxious to form a company with a capital of £8 million to amalgamate a number of heavy industry firms.

*The shares of this undertaking fell from 1000 to 100 marks, and 100 million marks were lost. There was a simultaneous fall in the shares of several other undertakings.

But because of the tension on the money market (a good deal of English money capital was tied up on the New York Exchange), he could not raise sufficient capital and is alleged to have resorted to a swindle. The allegation is that he had copies made of the shares of one of his companies which had already been sold and raised loans on this false security. He was arrested, some of his companies went bankrupt, the public lost about £11 million. The London Stock Exchange, however, was strong enough to avoid a crash.*

In Vienna there was a serious Exchange crisis before the American crash. One of the largest banks, the *Bodenkredit Austalt*, collapsed utterly and within twenty-four hours had to be amalgamated with the *Kreditaustalt*, in order to avoid bankruptcy. Of properties valued at 120 million dollars, 114 millions were of doubtful character.† In connection with the Hatry affair and the fall of the Margarine Union stocks, there was an Exchange crisis in Amsterdam, which was repeated after the crash in New York; on twelve important shares alone there was a loss in twenty-four hours of 440 million florins. Most shares fell by about 50% from their highest quotation; following the American crash there was a crisis in Stockholm, which is closely connected with America by the Kreuger concern, and a much slighter crisis in Paris.

The crash in America was therefore no isolated occurrence, but just the strongest link in the chain of events which in their totality demonstrate the rottenness of "organised capitalism," and in their effects meant actually the expropriation of the petty speculators by the big sharks; they announce the approach of a general economic crisis.

ROBBING THE SMALL PEOPLE.

The well-informed capitalist magnates got clear of the mess in summer, when they sold all the shares above the minimum necessary to control their undertakings, to the "public." When the crash began, they could appear calmly on the scene as saviours. On the 26th the leading bankers had met together at Morgan's, formed a consortium and begun their activity. Their activities consisted in the following

*It is significant of "solid," London that this is Hatry's second collapse; after the war he founded three large concerns which had to be wound up in a few years and the shareholders lost more than half their property, amounting to about £8,000,000.

†*Financial and Commercial Chronicle*, p. 2280.

measures : the large capitalists bought up shares when the panic was at its greatest and prices at their lowest.* Then they and their scientific authorities like Irving Fisher, issued pacifying announcements.† A few companies—to give weight to these announcements—declared higher dividends ; Morgan's railways gave large orders to Morgan's Steel Trust, the London and New York Banks lowered their rates. Finally—and this is most important—the bankers reduced the account payments on share purchases from 50 % to 25 %, in order to facilitate further speculation‡ Prices are now rising again, and the saviours are again selling out to the public at a pretty profit. Since this, however, does not change the basic cause of the fall in prices—declining prosperity—the same process is being repeated. The saviours are always on the spot ; they are expropriating the gullible public and enriching themselves by several millions.

A few figures will show what these American saviours have won. On 29th October, Morgan and Co. bought up when shares were at their lowest. On the 30th General Electric Shares had gone up 10 %, General Motors nearly 20 %, the Radio Corporation 15 %, etc., etc. Overnight a profit of hundreds of million dollars ! But prices will fall or crumble away even further than they did on 29th October, the saviours will buy up shares at even lower prices, they will stop the fall by their actions and sell out again at a good profit. So the small people are systematically robbed, while the robbers enjoy general recognition as "saviours of society." This expropriation, however, leads to the destruction of the

**The World* announced on the 29th that in the conversations among the bankers which took place after the Exchange was closed, it was decided that several milliards should be set aside for "backing." The Bankers' Conference itself, however, issued no declaration, but the President of the Chase National Bank said : "No banking institution with which I am in contact is at present selling shares. On the contrary, we are buying." The President of the Sun Life Assurance Co. declared that his company was using the opportunity to increase its shares investments.

†On 30 Oct., Rockefeller, senr., declared that the crisis had been definitely overcome, the business situation was entirely satisfactory and most shares were being quoted too low. Both he and his son were investing a good deal of capital in "solid" shares. (*Neue Freie Presse*, 31-10-29).

‡A man who wants to speculate on the Exchange does not need to pay out for the shares he buys ; he gives part of the cost (40 to 50 % of the price quoted), the rest is credited to him in security. In America just before the crash these so-called brokers' loans amounted to more than three milliard dollars. In order to revive Stock Exchange business after the crash, the bankers decided to satisfy themselves with a payment of 25 % and to credit the buyers with 75 %.

entire process of circulation and consequently of the process of reproduction.

THE EXCHANGE CRASH AS AN ELEMENT OF CRISIS.

Neither real capital nor real income in capitalist society is directly affected by the loss of several milliards on the Stock Exchange. They are losses of fictitious capital, paper losses. Nevertheless, it would be utterly incorrect to believe that an Exchange crash would not, in its effects, form an element accelerating and intensifying the course of an approaching crisis.

From September, 1928 to September, 1929, American shares rose by about 50 %. Everyone of the millions of small people who had bought, say, a thousand dollars' worth of shares, was convinced of becoming richer to the extent of 500 dollars within a year. The rise in share quotations was reflected in the minds of a million petty speculators as an increase in their income, as an addition to their purchasing power and they raised their standard of life accordingly. They bought new cars—mostly on credit, new furniture, clothes, etc. So the Exchange activity formed a driving force for extending the markets, an element of rising prosperity.

An Exchange crash on the other hand leads to an immediate and great decline in the buying capacity of the internal market. The millions of small people who have lost their property, disappear as buyers, and indeed appear as sellers—of automobiles, luxury goods, etc. Tradesmen, artisans, small manufacturers are threatened with bankruptcy and throw their goods on the market at very low prices. Latent over-production becomes acute over-production.

The American automobile industry was affected most directly by the results of the Exchange crash. Ford dismissed 30,000 of his 100,000 workers ; his production was to be reduced by half in the month of November, Chrysler also dismissed several thousand employees. The cessation of payments on purchases on the instalment system will increase the supply on the motor-car market, the crisis in the motor-car industry will make the crisis in the iron and steel industry more acute, and so on. If the Exchange crash in America was set in motion by the growing decline in prosperity, in its turn it helps to accelerate the approach of the latent economic crisis.

This does not necessarily imply that the

economic crisis in America will follow directly upon the Exchange crash, although this possibility is by no means excluded. It is also possible that the large capitalists will succeed in postponing the crisis for another few months. But this much we can safely say : that 1930 will be a year of crises in America. This means that Europe as well, whose weakest sections (Austria, Hungary, Rumania, Poland) are already in a critical position, will be drawn into the crisis ; we can safely say that we are approaching a general economic crisis which will embrace the whole capitalist world.*

ECONOMIC CRISIS AND CLASS STRUGGLE.

If we are correct in stating that next year will be one of economic crisis, we must deal with the political effects of this fact and the tasks of the Parties.

Economic crisis means an intensification of class contradictions. It means that numerous lives, previously independent, are ruined and brought down to the level of the proletariat. The division of capitalist society into a small section of haves, and a huge mass of have-nots, is proceeding rapidly. The petty bourgeoisie of small dealers and artisans are ruined, officials and better-paid workers are dismissed. The class struggle between the bourgeoisie and the proletariat is embittered. Chronic unemployment is being increased by millions of unemployed. At the same time capital is given an opportunity to make new attacks on the wages and labour conditions of the proletariat. The reformists, by appealing to the great unemployment and to the bad condition of the industry,

*Temporarily the Exchange crash may bring relief to European economy, by setting free for production purposes part of the loan capital previously engaged in Stock Exchange speculation. This will to some extent moderate the credit crisis and the lack of loan capital (e.g., reduction of London bank rates).

will sabotage every wage struggle even more openly and shamelessly than at present. The task of warding off the attacks of capital, of leading the proletariat's struggle against capital, will fall exclusively to the Communist Parties and to the revolutionary trade unions and trade union oppositions which they influence.

The prohibition of the Communist Parties in more countries, the dissolution of red trade unions and of local organisations controlled by the revolutionaries, will follow naturally from this situation. Our Parties must prepare themselves for illegality in the forthcoming years.

The economic crisis will expose the problem of markets to its fullest extent. In particular, American industry will flood the world market with cheap goods. The fight to control areas not yet divided up, (such as South America, China, the Far East) will become much sharper. Imperialist contradictions are growing more acute. The loss of the Soviet Union as a sphere for capitalist exploitation will be felt even more intensely. The contradiction between the Soviet Union, where the proletariat is working with feverish zeal and brilliant success at building up socialism, and the capitalist world, struggling in crisis and throwing millions into unemployment and poverty and throwing thousands of revolutionary workers into prison, will appear before the world proletariat more clearly than ever before. The danger that the bourgeoisie will see a way out of its crisis in war against the Soviet Union, or in an imperialist war, is imminent.

The Communist Parties are therefore confronted with the necessity of being fully prepared for struggle. All the factors of the third period which intensify class contradictions will develop more fully in the next year or two and will lead to acutely revolutionary situations in several countries. . . .

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The Third Period and the Mass Political Strike

By M. Yablonski

BY the very development of the third period the mass political strike has been placed on the agenda of the day. During the past year the class struggle has flung up the mass political strike as the actual means of mobilising the masses at the given stage of the developing collisions between labour and capital; between fascism and social-fascism on the one hand, and Communism on the other. On this question the Tenth Plenum provided most valuable material, in its summary of the experience of the International Communist movement and particularly the brilliant experience of the May Day campaign of the German C.P.

The first call for a political strike was made by the German C.P. in connection with the prohibition of the May Day demonstration by the social-fascist chief of police of Berlin. Zoergiel prohibited the May Day demonstration, and the answer to this provocation was supplied by the workers of the metal works: "Askania." It was a brief, but very significant reply: if the police dare to bring arms into action against the demonstrators we shall declare a political strike. Tens and hundreds of other factories supported this call to a revolutionary struggle, hundreds of thousands of workers demonstrated on May Day under C.P. slogans. Zoergiel did not retreat from his threats, but the Berlin workers also kept their word. On the evening of May Day the affair reached the stage of barricade fights, and the following day 20,000 workers followed the C.P. decisions and entered the political strike. The struggle of the Berlin workers found a response throughout all Germany, and the number of strikers rose to 50,000. That was still an inconsiderable figure. Undoubtedly only the foremost workers entered into this open revolutionary battle, the first since 1923. On the other hand, we have to take into consideration the fact that this strike movement, which broke out under the slogans of open political struggle, continued for only three days, and that it began in the absence of an immediate revolutionary situation. So much the greater was its revolutionary significance, so much the more in-

dubitable is the conclusion which we are justified in drawing from it; when a strike movement continues not for three days but for months, it will embrace not tens of thousands, but hundreds of thousands and millions of strikers. This sums up the whole tendency of development of revolutionary struggle, a tendency typical of the "third" period. If anyone fails to see that the political strike, breaking out in connection with barricade battles, and in the given conditions constituting the sole sound and revolutionary reply to the provocation of the bourgeoisie and social-fascists, has, despite its inconsiderable number of strikers, qualitatively quite a different character from all previous strike battles, he fails to see this fundamental tendency also. If anyone fails to realise that a political strike in Berlin developing as the result of barricade battles is in its turn characteristic of the whole of the present period of class battles as being the eve of fresh barricade battles, he does not understand the true sense and the specific tasks of the third period.

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Such is the superficial picture of the first political strike in Germany, which found a vigorous response in other countries also. Even before May Day the Berlin organisations were confronted with a number of important tactical problems which arose around the question of this strike. These problems were the direct consequence of the still unrealised importance of a mass political strike at the present stage of the struggle. They have an international importance. And in our study of the question of the role of a mass strike in the third period we start with them.

What was the dispute about? In the first place it centred around the question of the character to be given to this strike if the police dared to shoot at the demonstrating workers. Was the strike to have a purely demonstrative character, or was it to be carried on from the very beginning as a militant strike, as a strike developing into a series of other strikes. Should we call the workers out on a "general political

strike," or confine ourselves "merely" to a mass political strike? Further, was it necessary to propose a strike for a definite period (24 or 48 hours) or to "come to hand grips" with the enemy, to begin a struggle without previously determining the limits of the strike? All these discussions now seem somewhat abstract, and do not seem to reflect the definite problems and tasks which confronted the Communist Party. But unquestionably behind these disputes was concealed an endeavour to understand the peculiar nature of the political strike as a new weapon of the struggle in conditions where an immediate revolutionary situation was not present, but when its pre-requisites were being created. It seemed clear from the very beginning that a simple "demonstration" strike was not to the purpose, it smelt too much of a "constitutional" spirit, it would restrict the struggle, instead of extending it. On the other hand the "general" political strike was also rejected because it was not known what forces we should succeed in bringing into the struggle and to what extent the strike movement as a whole would be developed. It was necessary to take into consideration the inequality of development, it was necessary first and foremost to see that the most devoted sections of the proletariat would join in the struggle and that this would afford us the possibility of shaking up the backward, still sleeping masses. But it was difficult to foretell the extent to which these masses would follow the example of its leaders, its revolutionary advance-guard, at the first time of asking. Thus as the result of these deliberations and discussions the conclusion was reached that it was necessary to declare and carry out a "mass political strike" in answer to Zoergiebel's provocation.

That is the history of the circumstances in which the question of a mass political strike arose in connection with the May Day events in Berlin. We see that the idea of a political mass strike was hanging in the air as it were, and the workers themselves had some elemental, unconscious, very uncertain realisation of it. If on the other hand, we take into consideration the circumstance that the barricade battles broke out quite unexpectedly on the evening of May Day, at a time when the political strike had already been foreseen, we have a very clear reflection of not only the complexity of the situation arising during the notable May Days

of 1929, but of all the dialectic of the class struggle during the third period of post war development.

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By the example of how our German comrades "gropingly" approached a sound application of the weapon of the mass political strike we have seen how many were the difficulties in the actual setting of the problem, in the estimate of the "place" and the importance of the mass political strike, both in relation to the revolutionary reply which had to be given to the Zoergiebel provocation, and in general to those new tasks which were most closely bound up with the movement of class forces and with the intensification of the class battles during the third period. The Berlin proletariat and their revolutionary advance-guard came to a sound decision on the problems raised by the barricade battles.

After the May Day events it was necessary to summarise the results of this new "third period" experience of revolutionary struggle and at the same time to make it common to all the Comintern sections. The Tenth enlarged Plenum of the E.C.C.I. accomplished this task, by providing not only a definite analysis of those objective conditions which now make the mass political strike an inevitable result of the intensification of class struggle, but also by elucidating all the new political tasks which the C.P.s had to accomplish by means of a political strike. The Tenth enlarged Plenum clearly indicated that in present conditions economic strikes develop into mass political strikes, that the bourgeoisie bring all the weapons of oppression of the capitalist State into action against the strikers, which in turn should evoke and will evoke more and more strikes of protest, strikes of solidarity of a very definitely political nature. "This confronts the Communist Parties with the problem of the political mass strike as the decisive problem of the immediate period. The application of the weapon of the mass political strike will enable the Communist Parties to introduce greater unity into the scattered economic actions of the working-class, to carry out an extensive mobilisation of the proletarian masses, to increase their political experience in every way and to lead them up to the direct struggle for the dictatorship of the proletariat." (Tenth Plenum, Theses on the International Situation: 3, The Rising of the New Tide.)

This formulation includes all the main factors

which must make the political strike the "link" which has to be seized, which makes it the lever of struggle by means of which our C.P.s must transform the revolutionary attitude of the masses into their active revolutionary uprising, and their active revolutionary uprising into mass revolutionary fights. What are these factors? First there is the closest interlocking of economic strikes with political demonstrations. The political strike grows out of the economic struggle, but in its turn it reacts on that struggle, drawing more and more masses into the struggle for the improvement of their position, and not only the masses of the proletariat but the exploited masses of peasantry and petty urban inhabitants into the movement. Secondly, the political strike is a most important weapon for uniting the struggle of isolated divisions of the proletariat, for binding into a single unity the entire offensive of the revolutionary advance-guard—the pioneer of the revolutionary struggles—with the offensive of the entire masses, thus leading those masses up to the positions where the decisive struggles are developing. Thirdly, the political strike has the effect of accomplishing the task of a revolutionary teacher; it teaches the masses by their own experience of struggle, by their experience of victories and defeats; it demands of our parties the intelligence to guide not only tens but hundreds of thousands and millions of working masses and the masses of all the exploited people. In revolutionary epochs the chief tasks of Communist agitation and propaganda can only be accomplished on the basis of the revolutionary demonstrations of the masses themselves; "in revolutionary days," said Lenin, "agitation and propaganda are learnt on the street;" and unquestionably the A.B.C. of this mass education is the political strike.

It has to be said that our Parties have hitherto not been successful in translating the significance of the Tenth Plenum formulation of the political strike into their own practice. But meantime—and this has to be repeated incessantly—the political strike is, as the Plenum said, "the decisive problem of the forthcoming period," in the sense that it constitutes the chief means of passing from the given stage of the struggle—"the eve of barricade battles,"—to the next stage, when in the existence of a favourable situation the political mass strike will become the basis of revolution.

At the present an immediate revolutionary situation does not yet exist. That has to be underlined very clearly. "The eve of revolution" may be "tormentingly long," as Lenin said before January 9th, 1905. But the "eve" may also be very brief, and as Comrade Molotov rightly said at the Plenum, it is nowhere laid down that the present stage of the new revolutionary rise is divided from an immediate revolutionary situation as though by a Chinese wall. The development from one stage to another depends first and foremost on the extent to which our C.P.s are able to exploit the political mass strikes as a lever for revolutionising the masses, for consolidating and mobilising them and leading them into the immediate struggle for the dictatorship of the proletariat. What is called for now first and foremost from our C.P.s is to realise in Leninist fashion that "the chief means of this transition is the mass political strike," to learn to combine this form with all the other forms of struggle which arise at the stage when the political strike has to be based on the broad foundation of economic conflicts, when from this peculiar interlocking of the political with a mass strike we get what Lenin called a "revolutionary strike."

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What is the Leninist understanding of a political mass strike? To start with, one can establish four important features which constitute the core of a Bolshevik analysis of the political strike, in distinction from the views not only of the Mensheviks, but of Rosa Luxemburg, as expounded in her well-known work on the mass strike.

The Leninist conception of the political strike starts from the general dynamic and prospects of the revolutionary process and the task of preparing and carrying through an armed rising. It goes without saying that the different stages of the revolutionary process will in turn throw up first one then another aspect of the mass political strike, as a lever for revolutionising the masses. In dependence on whether the chief task at the given stage of revolutionary struggle is carrying the masses into the struggle for the proletarian dictatorship, or whether the task of direct preparation and carrying out of an armed rising is the central feature of our tactic, there is a modification in the combination of the individual tasks, and so to speak in the separate functions of the political mass strike. In the

first case the centre of gravity of the political strike is transferred to the very closest interlocking of the political and economic struggle, whilst the task of armed rising is not yet on the agenda ; but in the second instance, when an immediate revolutionary situation is already in being, the centre of gravity lies in the close uniting of the political strike with the preparation and accomplishment of the armed rising. In this second instance also, a maximum interlocking of the economic and the political struggle is of course not excluded, but, on the contrary, is presupposed.

To vary this thought, one may say that during the period preceding a direct revolutionary struggle the chief task of the political strike is the revolutionary mobilisation of the masses by the experience of their struggle, the conquest of leadership by the proletariat in that revolutionary struggle and, which is inseparably bound up with this, the C.P.'s conquest of the direct leadership of the proletariat. Of course at this stage of revolutionary development the Communist Party is confronted not only with the mobilisation of the masses but with the most difficult problems of creating a series of organisations of a new type : "To awaken the revolutionary determination of the proletariat, to aid it towards revolutionary activity and to create a corresponding organisation in accordance with the revolutionary situation and for work in this direction."* During the period of the immediate revolutionary situation this task has further added to it that of such an organisation of the masses as will allow the proletariat and its advance-guard to oppose the State machinery of the bourgeoisie with the new instrument of insurrection, the Soviets of workers delegates ; and this in turn will afford the possibility of uniting the political mass strike with the armed rising.

The importance that Lenin attached to the "peculiar interlocking" of economic and political strikes is evident from the ruthless struggle which he waged against the liquidators during the years of revolutionary rise from 1911 to 1914. In full accord with Rosa Luxemburg, Lenin never ceased at that time to say that this interlocking alone would constitute the difference in principle of the mass strike as the specific weapon of the proletarian struggle, and that it alone would guarantee the growing power and

exceptional dimensions of a revolutionary movement. This is the first feature of the Leninist conception of a political strike, one which is common to all revolutionary Marxists. "It would be an incorrigible error for the workers not to understand all the peculiarity, all the significance, all the necessity, all the importance in principle of this very "interlocking." (Lenin) "The Economic and the Political Strike," 1912.,

Why is this interlocking so especially important at the given stage of development of the revolutionary struggle ? To what extent is it capable of uniting the attack of the revolutionary advance-guard with its widest possible mass basis ? Lenin gives an exhaustive answer to this in his famous report on the 1905 revolution : "The interlocking of the economic and the political strike during the revolution was exceptionally peculiar. There is not the least doubt that only the very closest association of these two forms of strike guaranteed great strength to the movement. The wide masses of exploited could never have been drawn into the movement in any fashion if those masses had not seen before them the example of how the hired labourers of various spheres of industry had forced the capitalist into a direct and immediate improvement of their position." (Lenin : "The Ninth of January," 1917).

But this task of the widest possible capture of the proletarian masses and their attraction into the revolutionary struggle by means of economic strikes is inseparably bound up with the rôle of the advance guard, with the rôle of outpost and pioneer of the mass battles, which has to be played by the leading workers under the guidance of the C.P. By what means has this alliance between the revolutionary advance-guard and the great mass of workers to be achieved ? "Of course, to this end it is necessary that the leading division of the workers should not take the class struggle to mean a struggle for the interests of the small upper section, as the reformists have too often tried to suggest to the workers, but that the proletariat should really act in the capacity of advance-guard of the majority of the exploited, should draw this majority into the struggle, as was done in Russia, and as ought to be done, and beyond all doubt will be done in the coming proletarian revolution in Europe." (Lenin : 9th January).

The opportunists of all shades and the renegades of Communism are chuckling at the

*Lenin : "The Fall of the Second International," 1915.

advance-guard battles which our C.P.s are carrying on in all countries at the present time. Naturally they deny the specific rôle of the revolutionary advance-guard, in order to depreciate the political importance of the growing class battles and to force the C.P. to be dragged at the tail of social-fascism. Our C.P.s, which are now throwing their best divisions against the positions of the class enemy in order to force a breach in them, are following the finest traditions of the revolutionary movement. "At the head were the very finest elements of the working-class, drawing the vacillating behind them, awakening the sleepers and encouraging the weak." (Lenin. *Ibid.*) To fight not merely for oneself, to fight as the advance-guard of the majority of the exploited masses; that is what Lenin taught the Bolshevik Party in regard to the proletariat; that is what Lenin taught the proletariat in regard to all the exploited masses generally, and in regard to the peasantry first and foremost. On the basis of the experience of the first Russian revolution Lenin showed that in the mass political strike the proletariat had acquired the specific instrument for mobilising the mass of peasantry and oppressed nationalities, and because of this was able firmly to establish its hegemony. "In a political strike the working class acts as the leading class of all the people. In such circumstances the proletariat plays the rôle not simply of one of the classes of bourgeois society, but that of hegemonist, i.e., of leader, guide, advance-guard." (Lenin, "The Economic and the Political Strike." 1912) And Lenin confidently emphasised that "This ought to be done and undoubtedly will be done in the coming proletarian revolution in Europe." (Lenin: 9th January.)

The task of consolidating the proletarian leadership in the revolutionary struggle constitutes the second feature of the political mass strike. It is inseparably bound up with the first feature, with the task of interlocking the proletariat's economic and political struggle, but it is not covered by that feature. The accomplishment of this task of the conquest of hegemony, the conquest of the majority of the working-class for Communism and the conquest of the toiling masses generally for the proletarian struggle, is the basic prerequisite of bringing the masses into the struggle for the proletarian dictatorship. Only thus will the political strike declared in conditions where an immediate

revolutionary situation prevails become a broad basis for carrying out an armed rising. Rosa Luxemburg did not see this last task. And on this point as in a number of others Leninism has absolutely surpassed the left-radical Marxism of Western Europe even when represented by its finest representatives, the best of its experts on the revolutionary tactic of the proletariat.

In close connection with these two fundamental features of the political strike is its rôle and significance as a specific method of mobilising the mass of the workers. "The Russian revolution was the first to develop this proletarian method of agitation, stimulation, consolidation and attraction of the mass into the struggle on any broad scale. And now the proletariat is again applying this method and with a still firmer hand. No other force could achieve what the revolutionary advance-guard of the proletariat is achieving by this method." (Lenin: "The Revolutionary Rise." 1912.) We have already remarked that during a revolutionary rise the masses learn revolutionary agitation and propaganda, chiefly on the street. This leads us to throw light on and consider yet another aspect of the political mass strike, namely, its inseparable connection with revolutionary street demonstrations, with mass revolutionary meetings. This third feature of the political mass strike needs to be particularly emphasised in the present stage of development of the class struggle, especially in those countries where our Parties are illegal or semi-legal. Lenin attached enormous importance to this combination of a revolutionary strike with revolutionary demonstrations and meetings during the beginning of a general revolutionary rise. In this "struggle for the street" our C.P.s will be using the best means possible of getting their revolutionary ideas into the largest groups of masses and of organising a systematic campaign against all and every repression and interdiction of the bourgeois fascist governments and their social-fascist executioners. There ought not to be a single economic strike or any large-scale demonstration of the proletariat which was not complemented by the carrying out of revolutionary demonstrations and revolutionary open meetings. By this transference of our agitation to the street we shall be able to paralyse our class enemy's attempts among the widest sections of the masses to isolate our struggle, to cut off our devoted leading fighters

from the great mass of workers. We shall not allow the social-fascists and fascists to pass over in silence or to distort the revolutionary struggle of the proletarian advance-guard, we shall succeed in informing the widest strata of toilers of that struggle if our Parties really realise all the importance of the instrument of revolutionary demonstration. Thus we shall be more successful than hitherto in achieving the conduct of strikes of solidarity, and so shall prepare the ground for the organisation of mass revolutionary strikes.

The most important feature of the political mass strike during the higher stage of mass revolutionary struggles is naturally its "transition," its growth into the armed rising. In this direction also the Russian proletariat has provided the entire world proletariat with unforgettable models of revolutionary tactics. And this experience has been worked over and assimilated by Leninism. As we have already more than once emphasised, at the present time the question of this "transition," of the application of the political strike as the mass basis of an armed rising organised by the Party, is not on the agenda. But does that mean that we must renounce for the present all propaganda of the necessity for combining the political strike with the armed rising when all the necessary prerequisites to this will have been established and prepared by the present course of the struggle? In no wise. We contemptuously repulse the slanderous attacks of all the renegades and "right-wing" opportunists, who are seeking to impute "putschist" intentions to us on the ground that we are calling for the accomplishment of a political mass strike. But at the same

time we do not want and we cannot give up the propaganda of the idea of an armed rising among the great masses even at the present time. Lenin taught us to do so, Leninism commands us to do so, and we shall never renounce that action.

These are the four basic features of the Leninist conception of a political mass strike; its interlocking with the economic strike, its function in the conquest of hegemony by the proletariat and Communist Party, its tasks as the basic means of revolutionary education, and finally its higher function as the basis of a victorious proletarian rising, organised and led by the Communist Party.

The task of all the Communists and revolutionary proletarians at the present time consists in seriously and attentively betaking themselves to the study of this Leninist conception of the political mass strike. This will afford us the possibility of applying it in practice on the broadest scale, in so far as the necessary conditions of carrying through a political mass strike are already present, and in so far as the tasks set by the Tenth enlarged E.C.C.I. Plenum arise from the actual objective situation of the revolutionary struggle at the present time. These problems are urgently dictated to us by the course of the developing battles between fascism and social-fascism on the one hand and Communism on the other. Our Parties will succeed in resolving these problems if they prove able to apply to them the Leninist instrument of the mass political strike as the lever of the transition from the masses, revolutionary attitude and revolutionary uprising to the mass revolutionary battles.

The Question of Proletarian Defence

By L. Alfred

THE question of proletarian defence or self-protection covers a wide area embracing a number of lesser questions concerning principles, tactics and organisation. It would be too bold to attempt to solve or to "exhaust" the problem in one article. What we want to do is to refer to some facts and some conclusions drawn from general experience which should make it easier to approach the problem from the correct angle. An exchange of opinion on this question is urgently necessary, the more so since this problem, which is an immediate one, has received very little attention in the Communist Press.

The organisation of proletarian defence is a practical necessity for the working class in the whole capitalist world. This necessity arises from the intensive preparations for civil war being carried on by the international bourgeoisie and from the more frequent use of civil war methods on the part of the bourgeoisie in its struggle against the working class.

These facts are not new in themselves; for the bourgeois state has always been a machine for the forcible subjection of the working masses. Elements of civil war have never been lacking in the régime of bourgeois democracy. Throughout the entire periods of its domination, the bourgeoisie has continually made use of armed force, of direct methods of civil war, in its fight against the working class.

Nevertheless, there is a tremendous difference between the bourgeoisie preparations for civil warfare now and, let us say, before the war. The international bourgeoisie has drawn all the lessons and practical conclusions from its experience in its struggle against the revolutionary movement during and after the war. The capitalists are aware of the fact that the coming imperialist war against the Soviet Union will also signify a civil war against the working class all over the capitalist world. This gives rise to what is new in their preparations for civil war.

After the world war the international bourgeoisie worked out quite new methods to suppress revolutionary mass movements, to suppress "internal unrest." It introduced new and previously unknown forms of organising its armed forces for this job. There is also something new in the intensity with which this problem is now being handled by the bourgeois war experts who are now trying to co-ordinate the international experience of the fight against the working class and working class organisations.

In bourgeois military literature the question of the armed suppression of revolutionary mass movements has become a central question, while before the war there was very little written on this subject. In almost all capitalist countries, particularly in those where great armed class struggles have occurred, a very comprehensive literature has arisen in which the military specialists and police experts of the bourgeoisie have examined, entering with great thoroughness into the least detail, the experiences of these struggles and have worked out the methods for suppressing such struggles in the future. On the other hand, very little indeed has been done to make available to the working class the rich international experience of the armed class struggle.

In Germany, which has more experience of civil war than any other capitalist country, this literature is very rich and comprehensive. The most famous of Germany's civil war strategists are Generals Maercker, von der Goltz and Löffler, Police Officers Hartenstein, Schmitt and their social democratic colleague Schützinger and the bloodhound Noske, with his memoirs *From Kiel to Kapp*. We must recognise the fact that the German civil war strategists have formulated the tactical and strategical principles of civil war against the working class better and more clearly than any other sections.

Activity in the sphere of civil war theory can be observed not only in Germany—it is an international phenomenon. We shall

quote just a few facts from the great number which prove this contention: the book which appeared a short while ago by Rowecki, a Polish colonel, on street fighting; the French General Staff's famous "Plan Z" to suppress insurrections and riots among the Paris workers; detailed instructions on street fighting in England, North America, Sweden; the plentiful civil war literature in Finland, etc.

Another fact that is new and characteristic of the post-war period of the bourgeoisie's civil war preparations is indicated by the special methods of army organisation, the desperate struggle for a reliable army, which is one of the most essential peculiarities of bourgeois militarism in the present period. The armies of general defence, the "people's armies," have shown themselves to be unreliable from the point of view of the bourgeoisie when it comes to a question of armed struggle between the classes. Consequently the bourgeoisie has set up special civil war armies, armies of mercenaries, recruited from reliable or declassed elements. This tendency is expressed more or less clearly in all capitalist countries. Another peculiarity is the arming of volunteer bourgeois military organisations, formed from members of the ruling class and from those elements which are ideologically akin and devoted to it. Examples of such organisations are the *Heimwehr* in Austria and the *Steel Helmets* in Germany.

These avowedly counter-revolutionary, fascist military organisations are not the only ones which form part of the bourgeoisie's system of civil war preparations against the proletariat; there are also semi-fascist and social-fascist bodies such as the *Schutzbund* in Austria and the *Reichsbanner* in Germany. Recent events in Austria show this very clearly. The social democratic *Schutzbund* is declared by the leaders of Austrian social democracy to be the proletariat's only possible defensive organisation against fascism. But the more openly the fascists attack, the clearer becomes the real purpose for which the social fascist leaders are using the *Schutzbund*. More and more frequently sections of the *Schutzbund* turn out in close alliance with the police against the revolutionary workers. This was the case on 15th July, 1927, and in recent months also during the frequent encounters

between workers and fascists. The *Schutzbund* is an organisation to make the Austrian workers defenceless, to defeat and suppress their revolutionary activities; it is an organisation fighting for the bourgeoisie against the proletariat. It is only differentiated from the *Heimwehr* in the fact that the majority of its members are workers, who are not fascist and among whom, on the contrary, there exists an honest desire to fight fascism, but who have not yet fully realised the social fascist rôle of the *Schutzbund* and of Austrian social democracy.

These "scientific" civil war preparations of the bourgeoisie are characteristic of the whole post-war period. From a superficial examination they might appear to be an indication of the strength of present-day capitalism. In reality they are a characteristic phenomenon of capitalism in decline. If capitalism felt itself to be strong, it would have no fear of the revolutionary, suppressed workers; it would not think it necessary to take such desperate and terrorist measures to maintain its supremacy. On the contrary, capitalism would use other and more refined methods of holding the masses in check. Although the international bourgeoisie's feverish preparations for civil warfare are a sign of the internal weakness of the capitalist system, it would be a crude error to underestimate their danger to the working class. These preparations show that the capitalists have decided to maintain their supremacy at any cost.

* * *

In the question of workers' defence, as in all practical questions of the class struggle, we must first of all decide on the nature of the question in the present phase of the struggle. We can only find the answer to this question by a thorough examination of the peculiarities of the present moment.

To-day the preparations for civil warfare have passed beyond the scientific and organisational stage; they have entered upon a new stage. The whole machinery of bourgeois suppression is finding more and more practical employment, acts of open violence are a daily occurrence all over the capitalist world, even in "civilised" countries, in countries of complete bourgeois democracy, such as France and Austria, where, a few years ago, they were

rare and isolated cases. Every day the newspapers publish reports of such acts of violence, of armed attacks on workers' meetings and demonstrations, of the armed occupation of local headquarters of workers' organisations, of mass arrests of the most active revolutionary workers, etc. The international character of this attack was demonstrated on 1st August, when the capitalists everywhere mobilised their armed forces and in many cases engaged in an actual fight. It would be very instructive for revolutionary workers to learn about all the details of the bourgeoisie's mobilisation and use of its forces before and on 1st August. From the great abundance of material on this subject we quote, as a characteristic illustration, from the issue of 31st July, 1929, of the French newspaper *Le Messager d'Athènes*, published in Athens:—

"Yesterday evening, at the Home Ministry, a long consultation took place under the chairmanship of the minister Argyropoulos. There were present the commander of the 1st Army Corps, the Prefects of Attica and Boetia, the commanders of the Gendarmerie, the police presidents of Athens and Pyrea, leaders of the "security services" and ministerial departmental chiefs. The discussion dealt with the measures that should be taken to maintain order to-morrow, 1st August, in connection with the events announced by the Communists. . . . The Minister for Home Affairs accepted the plan of M. Calyvitis (Athens police chief) to suppress any Communist demonstration in Athens. According to this plan the capital will be divided into twelve sectors; in each of which groups of police will be concentrated, while gendarmes will patrol the rest of each sector. . . . Each sector will be placed under the command of a high police officer, who will have at his disposal a company of infantry. Public buildings will have a military guard. At the same time a number of arrests will be carried out (it is said about 500)."

It is also characteristic of the present phase of the class struggle that the workers have begun, quite spontaneously, to take up their defence against the civil war methods of the bourgeoisie. This has happened before, but only in isolated instances and isolated countries. In general proletarian defence against

fascism and against capitalism's preparations for civil war bore, even last year, a preponderantly ideological and propagandist character. An ideological campaign against bourgeois terrorism is more necessary than ever now. The idea of proletarian defence must be systematically and emphatically spread among the workers. The establishment of anti-fascist defence corps to spread this idea must now be taken in hand with the utmost energy. But an ideological struggle will no longer suffice. The intensification of the class struggle, the bourgeoisie's activities in suppressing the workers, the growth of working class militancy have all proceeded so far that it is essential to deal in all seriousness with the question of the direct, physical defence of the workers and their organisations against the acts of violence carried out by the bourgeoisie's armed bodies of suppression.

It must be strongly emphasised that the question of the concrete forms of proletarian defence cannot by any means be limited to the question of special defence organisations, particularly in the present phase of the struggle. The question will have to be dealt with in a much broader fashion if we are to approach it correctly. We think it will be useful at this point to recall Lenin's words in his article on *Guerrilla Warfare*:

"In the first place Marxism differs from all other and more primitive forms of Socialism in that it does not bind the movement to any particular form of struggle. It recognises the most varied forms of struggle, and it does not "invent" them, but only generalises, organises and endows with consciousness those forms of the revolutionary class struggle which arise spontaneously in the course of the movement. Hostile to all abstract formulæ and doctrinaire recipes, Marxism demands the closest attention to the mass struggle which is proceeding and which, as the movement develops, as the class-consciousness of the masses increases, as economic and political crises grow more acute, gives rise to new and most varied methods of defence and attack."

If we want to attack the question of proletarian defence from the correct angle, we must first of all have the greatest possible elasticity in the tactics and organisation of defence. It is, for example, quite clear that the question

of the creation of special organisations is one whose correct solution is possible only on the basis of the practical needs of the mass struggle in strike movements, in the defence of workers' organisations and their headquarters, etc.

In particular we must develop new tactics in street demonstrations. With increased police provocation, prohibitions and attacks on one hand, and the growth of working class militancy on the other, demonstrations must keep clear of the old pattern. Until quite recently even Communist demonstrations in most countries were in general modelled on the old social democratic example. Demonstrations were made with the permission of the police. The demonstrators walked through the streets, accompanied by the police, to the traditional meeting place, where the traditional programme was run through.

Although on 1st August the demonstrations in many cases were on the old pattern, that day and the whole of the summer of 1929 gave numerous examples of a quite new and different form of demonstration, important indications of growing proletarian militancy. By learning from these concrete examples of characteristic episodes of the class struggle today, by generalising, organising and giving consciousness to the forms of struggle which arose in their course, according to Lenin's advice, we shall approach correctly the question of proletarian defence.

Demonstrations nowadays must be freed from all the old organisational traditions, must keep in mind all possible provocations by the police and by fascists. This requires very careful preparation and the working out in good time of concrete plans for every single demonstration. These plans must keep in view possible measures of police repression and take counter-measures accordingly. The chief thing in organising demonstrations is to assure firm and unbroken leadership of the demonstrating masses by the Party. A leadership must be created for every demonstration. This leadership, the demonstration "general staff," must be equipped with all the necessary means of following the course of the demonstration and of reacting as quickly as possible to events. In no case should the militant workers on the streets be left without

the leadership of the Party. Even on 1st August cases occurred where speakers as well as slogans were not on the spot which, during the course of the demonstration, became centres of mass resistance. It happened that the speaker waited alone at the appointed meeting place for the arrival of the demonstrators, while these, left to themselves, fought the police in the streets. With even little preparation, the existence of a demonstration leadership which was aware of the enemy's counter-measures and was in contact with the marchers would have made such grave mistakes impossible.

What measures are necessary to mislead the police, what is to be done in case of unprovoked attack, how far the organisation of mass resistance should go, whether the demonstration should disperse and re-assemble at another place, whether special divisions should be allocated to protecting the main body, to hold up the police until the main body is secure, how the demonstration leadership should maintain contact with the different columns of demonstrators, how to organise and conduct the "shock troops" for calling the masses on to the streets and into the demonstration, what steps should be taken to protect speakers, local headquarters and papers—we shall not enter more closely into these and similar questions of the practical organisation of demonstrations now. If we make a correct judgment, concrete and thorough, of the situation, the forces and possibilities of the enemy, the feeling of the workers, it will not be difficult to find a correct answer in every case. The chief thing, which cannot be too strongly emphasised, is that this work must be handled in a practical and concrete fashion. Then everything else will fall into line.

Demonstrations must throw off their festival appearance and become means whereby to mobilise the activity of the masses. This means the organisation of demonstrations straight from the factory, with or without a strike, marching from one factory to another, calling upon the workers to join the demonstration. These demonstrations should not make for the traditional meeting-place, but for such places as government buildings, Parliament, town halls, barracks, in order to exercise revolutionary mass influence

on the soldiers; to the prisons and police stations to demand the liberation of political prisoners and of workers arrested in the course of demonstrations.

The appearance of the demonstrations is very important. They must have a revolutionary and proletarian aspect, they must be effective. This requirement is met by demonstrations straight from the factories of workers in their working clothes, of cripples and invalids of the imperialist and civil war, demonstrations of women workers and orphans, etc.

With the accentuation of the struggle, proletarian defence in the factories has new and varied tasks to meet. It may be observed that a worker who does not yet dare to fight the police is ready to fight against the strike-breaker, the spy and the fascist in the factory. During strike movements proletarian defence in the factories is absolutely essential. If we consider that the main weight of the whole proletarian struggle is concentrated in the factories, and that even street demonstrations are more and more taking the factory as their starting-point, it is clear that proletarian defence must be built up on the basis of the factory.

As far as the special organisations of workers' defence is concerned, they can be developed gradually from the practical measures of defence which are taken in the course of the struggle in different instances, and which have been proved expedient. Only on this basis is it possible to create a living organisation of workers' defence which will fulfil its purpose.

These defence corps should not be secret fighting organisations within the Communist Parties, but united front organs of Communist, non-party and social democratic workers, whether they are broad mass organisations or small groups for special purposes. If possible, they will be legal, if not, they must be established despite their prohibition, of course on the basis of the practical requirements of the revolutionary mass movement.

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It is the armed forces of capitalism, the army, the police and fascist bodies, against which the workers have to defend themselves in the first instance. It is these forces which

are used against strikers and demonstrators, which carry out arrests, confiscate the newspapers and occupy the premises of local working class organisations. Consequently the question of the workers' attitude to these bodies is one of the most important questions of workers' defence.

This attitude cannot be the same to the different kinds of capitalism's armed forces. While the workers recognise methods of bitter struggle against openly fascist, bourgeois military organisations, it would be a great mistake to take up the same attitude to all the forces, particularly to those which are recruited mainly from proletarian and semi-proletarian elements. This applies particularly to the army. In regard to the army, the most suitable tactics, particularly in the present stage of the struggle, are those of fraternisation, with the object of drawing the soldier masses over to the side of the revolutionary working class, or of neutralising them during the struggle. With this object in view the soldiers must be kept informed by widespread propaganda work, of the workers' struggle; the slogans of the common struggle and the idea of fraternisation of soldier and worker must be popularised among the greatest possible mass of soldiers. If this fraternisation is to be carried out in fact, active and courageous preliminary work in this direction must be carried on among the soldiers.

It may be objected that fraternisation tactics are only correct in conscripted armies, but that in the case of modern mercenary armies and police forces, which are the first to be set against the workers, these tactics will accomplish nothing.

It is true that with the growing tendency to create reliable mercenary armies serving the bourgeoisie, our job of disintegrating capitalism's armed forces becomes more and more complicated. This emphasises the necessity of active defence against those forces. But it is possible to exaggerate the bourgeoisie's success in its efforts to create a reliable army. For example, the German *Schutzpolizei* is a typical example of the civil war army. It won its spurs in this field during the May Days in Berlin. But, consider-

ing that a large number of members of this police force voted for the Communists during the elections, it is evidently possible to win some success among them by active work.

We have already mentioned such semi-fascist and social fascist organisations as the *Schutzbund* in Austria, the *Reichsbanner* in Germany, the *Strzelec* in Poland. The attitude of the proletariat towards these organisations is at the moment one of the most important questions of proletarian defence.

As far as the particular position in Austria is concerned, where the question of proletarian defence is at the present moment very acute, there can be no question of serious proletarian

defence against fascism in actual practice, if the Communists do not succeed in making the workers in the *Schutzbund* quite clear as to the real, social fascist rôle of that organisation and in leading them in the struggle against the social democratic leaders and against fascism. This requires more than the formulation and publication of expedient slogans in the Party press; it requires active, courageous, day-to-day and thorough work, agitational and organisational, among the members of the *Schutzbund* directly. To underestimate the importance of this work and to neglect it would be a serious political mistake at the present time.

The Minority Movement

By W. Rust*

A PROCESS of profound change is taking place in the Communist Party of Great Britain.

The Party is at present going through a critical period of transition, it is making the first serious steps towards changing from a propagandist organisation into a stalwart leader of the proletariat in all its struggles, a mass Party based on the factories. The question of a mass Communist Party in Great Britain is now the order of the day. The first stages of this transition finds the Party in a difficult situation, because the rapid march of events, the transformation which has come over the political and economic life of Great Britain in the last three years, ushered in by the titanic struggle of the General Strike, has confronted the Party with the necessity of energetically overcoming the elements which clung tenaciously to the old tactics because they could not see the new period.

The growing wave of economic struggles, the heralds of the mighty class conflicts of the future have found the Party, in many respects, unprepared and too weak to organise the striking workers independently and to lead them against the combined forces of the social-fascist bureaucracy, the State and the employers.

The Party is finding that the independent leadership of the struggles cannot be secured merely by means of leaflets, manifestoes and declarations. A Party which is not firmly rooted in the factories cannot hope to win the

confidence of the striking workers by coming in from the outside after the struggle has commenced. Moreover, such a Party will never breathe the spirit of the masses and will never be able successfully to work out and apply the tactics of revolutionary struggle.

One of the most urgent tasks of the Party in its present stage of transition and struggle against the deeply rooted opportunist traditions is the widespread application of united front tactics on the basis of the factories, without which the small British Party will not be able to break through the barriers of isolation.

At the present time the Party is confronted with the pressing need for establishing new revolutionary united front organisations for the leadership of the economic struggles. One lever in the hands of the Communist Party for coping with this task is the Minority Movement. On a correct attitude to the Minority Movement depends the possibilities of penetration into the factories, of establishing factory committees and committees of action. On this, too, depends to some extent, the development of the Communist Party itself. The question of a mass Party in Britain is at the same time a question of the Minority Movement, its transformation and development into a mass organisation. This is one of the foremost problems which must be brought right into the centre of the Party dis-

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cussion and boldly and resolutely tackled in the forthcoming Party Congress.

It is in the sphere of trade union work that the British Party has made many of its worst opportunist blunders which have been reflected in the daily work of the Minority Movement and are expressed in the wrong conceptions which are held regarding its rôle and tasks. It is now being recognised by the Party—somewhat belatedly—that the Minority Movement in this new period has a different rôle and has much broader tasks to fulfil than was the case when it was formed six years ago. The Minority Movement was launched as a militant opposition in the reformist trade unions, fighting for the adoption of a class programme and for the replacement of the bureaucrats by revolutionary workers pledged to this programme. Now, however, the hard facts of the class struggle are bringing the recognition that the M.M. must re-equip itself with new weapons and take on a new rôle. This is already recognised in an empirical manner; the necessities of the class struggle, the radicalisation of the masses, the growing activity of the unorganised, the fascist development of the trade unions and the strike-breaking rôle of the bureaucracy are compelling the Minority Movement to face the fact that it can no longer be a trade union opposition but must take the field as an independent organiser of the economic battles of the working-class, under the leadership of the Communist Party.

The Minority Movement must be transformed into a genuine mass organisation, based upon the new revolutionary bodies which the British working-class is beginning to forge in the fire of the class struggle, the factory committees, the committees of action, the revolutionary unions, the revolutionary opposition in the reformist unions and the local industrial councils. From which it follows that the basis of the Minority Movement must be not in the trade unions but in the factories.

A Minority Movement conscious of its true rôle will give aim and purpose to the activities of the growing army of militant workers, it will give a tremendous impetus to the development of new organs of struggle and the achievement of the united front of the working-class, both organised and unorganised, against the united front of the social-fascist bureaucracy the employers and the state.

The development of a mass Communist Party in Great Britain is inseparable from the development of a mass M.M. The Minority Movement is the most important organisation for spreading the policy of the Party amongst the workers and of drawing them into struggle on the basis of that policy.

What are the causes of the present weaknesses of the M.M.? Why does it remain a small organisation operating on the fringes of the struggle instead of leading it? The answer may be given in two parts: firstly, because the Party does not understand how to apply its leading rôle in the M.M., and secondly, because the traditions of trade union legalism weigh heavily on the Party organisation.

The elimination of this latter characteristic depends essentially on the solution of the former. The present discussion in the Party and the recent conference of the Minority Movement disclosed the fact that considerable confusion exists regarding the relations between the Party and the M.M. At the last M.M. conference 50% of the delegates were Party members yet no attempt was made to explain the leading rôle of the Party. Some comrades regard the Party and M.M. as parallel and competitive organisations, and there even exists a tendency in favour of the liquidation of the M.M. on the grounds that it prevents the Party from reaching the masses directly.

It must be clearly and emphatically stated that the leading political rôle in the Minority Movement belongs to the Communist Party. At the same time, it is just as necessary to emphasise that it is impossible to establish this leadership through mechanical means. Correct leadership depends upon the ability of the Communist Party really to follow the revolutionary tactics of the Comintern, energetically reacting to all immediate requirements of the class struggle and thus capturing the leadership in the economic fights and in the Minority Movement.

This brings us to the question of the specific functions of the M.M. which to-day is still largely a propagandist organisation, isolated from the masses of workers and having very weak connections with the factories. This was glaringly revealed in the case of the lockout of half-a-million textile workers in Lancashire, where the Minority Movement was never in the picture.

The fact that both the Communist Party and Minority Movement are not mass organisations based on the factories, the fact that both organisations often come into the struggle from the outside, to play a propagandist rôle, and that very often the M.M. in the locality consists of a small group only carrying on propaganda explains why a considerable misunderstanding exists as to the respective functions of both bodies and explains how the conception arises, especially when strikes are in process, that the M.M. is a parallel and competitive organisation. This confusion exists because neither the Party nor the M.M. is fulfilling its particular functions.

The M.M. must be based on the factories ; only on this basis will it succeed in becoming a broad mass organisation, capable of mobilising the workers for struggle, to becoming a powerful weapon of the Communist Party instead of a small propagandist body. But the M.M. can only be built up in the factory by the factory groups of the Party, which will constitute the Communist leadership within it. The Party must resolutely turn its face to the factories, must go to the masses and must become the steel framework around which the broad mass organisation, the M.M., will be built up.

The problem of the Minority Movement is one of the foremost political tasks of the Communist Party. It is closely bound up with the task of the immediate establishment of a daily paper. Without a daily paper, the Communist Party cannot possibly become a mass organisation and the leader of the working-class in action. On the other hand, unless the launching of the daily is combined with energetic measures for building up the Minority Movement, the paper will not be a mass organ, will not be a leader and organiser, will not be based on the support and co-operation of the masses and will not breathe the spirit of mass struggle.

The transformation of the Minority Movement is no mere organisational task, although naturally there are many big and difficult organisational problems which must be worked out. Its solution depends on the eradication of opportunism in the ranks of the Party, on a clear understanding of the revolutionary character of the present period on an assimilation of the new tactics which the Party must energetically apply. By this means the Party will fulfil the task now confronting it—of winning over the majority of the working class.

