POLITICS

Is the Russian Revolution a Bourgeois Revolution?

by Karl Radek

In April 1918, in a speech by comrade Lenin, the Soviet government attempted to define our next tasks and to point out the way which we now designate as 'The new economic policy. It attempted to conclude agreements with the capitalists and to transform private capitalism into capitalism controlled by the proletarian state. Comrade Lenin said that we must learn from the trust funds how to reconstruct our industries. At the same time the Soviet government had to act in just the opposite manner in the country, where the prerequisites for Socialism were not present. In order to obtain grain it had to arm the workers and the village poor, and to form village committees against rent-profiteering. Capitalism which had been destroyed by the war had not left us sufficient means for the exchange of manufactured articles for grain. The Soviet government was not yet sufficiently fortified, and was in control of too weak a machine to be able to get grain by means of the tax in kind. The peasants, who had thrown off the yoke of the large landowners, the Czar and the bourgeoisie with the aid of the workers, wanted no restrictions whatsoever from their former masters. They desired a free, natural life, with no obligations to the workers' and peasants' government. The grain producers were willing to exchange their grain only for the greatest possible part of those goods which were still in the country; this would have injured the state, the working-class and the poor villagers.

But the third class, the bourgeoisie did not want to hear of limitations either. It refused to accept the compromise with the Soviet government, as offered by Lenin in 1918. With the aid of the world bourgeoisie, it had begun the fight for life against Soviet Russia. During the summer of 1918 the Russian bourgeoisie declared at one time to Lithuania, another time to Poland, a third time to Estonia, then to the Ukraine and Germany respectively, that thanks to the protection of German imperialism it was not compelled to accept the compromise, with the Soviet government. After the Czech-Slovak uprising, particularly after the Allies had defeated Germany, the Russian bourgeoisie-Living its hopes upon aid from the Allies, started the most bitter struggle against the Soviet government. It refused to lease its enterprises because it hoped to retain them as its property. In order to make it possible, therefore, to carry out the new economic policy, it was necessary to knock the bourgeoisie down not only in law but in fact. It had to be knocked on the head in a two-years' war.

We had to prove to the bourgeoisie and to world capital that the Russian industries belonged to the proletarian state and not the bourgeoisie. We had to do this before we could make use of the bourgeoisie in the further development of production. The war inevitably brought about a complete nationalization. This nationalization was brought about not only by the necessity of destroying the ruling class and ending its political power, which was based upon economic power; we had to nationalize for other reasons also. We had to nationalize because it would otherwise have been impossible to carry on the war begun by the bourgeoisie. Our unlimited centralization was nothing more than the aristocracy of the whole country in order to obtain all the industrial products necessary for carrying on war. As comrade Lenin rightly states in his pamphlet on the tax in kind, the military measures led to military Communism in the cities and to requisitioning in the country, that is to grain-plundering for the support of the army and the cities. Was there any other possibility of getting a sufficient amount of metal and of grain which we needed? The state could not possibly have left our limited sources of manufactured goods to the discretion of the speculators. And how could we possibly have left grain to be taken care of by the tax in kind, when we lacked the necessary government apparatus for controlling this tax correctly? The grain of Central-Asia (until 1919 Siberia and the Ukraine did not belong to us) was so small that it was not possible to obtain any surplus whatever; moreover the peasants could receive nothing in return for this surplus on the free market, if there was any, because all the manufactured goods were confiscated.

Outside of the political, strategic and economic necessity for the policy of war, there was another social-psychological factor. If even at the beginning of the revolution the victor-class could not leave the material sources in the hands of their enemy and thus enable the bourgeoisie to lead a life of luxury in a legal manner, how then could the proletariat have possibly done this at a time when Russia was one big battlefield, when the workers and peasants had to undergo so much suffering in order to be victorious in their fight against the bourgeoisie? Was it possible, at a time when the hungry and freezing workers were on the verge of the army day-dispatches and under poor fight, to permit beautifully laid and rich displays in the stores to mock the suffering fighters by showing how well the bourgeoisie lived and enjoyed life? This was impossible! The Soviet government had to institute the Spartan manner of living, because it was the only one which corresponded to the gray soldier-cast of Soviet Russia.

War Communism was a contradiction to the structure of Russia and its economic relations. War Communism was a contradiction as far as the land was concerned, in the cities however, the possibility of success was not altogether negligible. If the world revolution had come as early as 1909, before the disarmament of the European working-class took place, or even in 1920, during our advance towards Warsaw, the reconstruction of the Russian large industries as a whole on the basis of state ownership and according to our economic plans would not have been historically impossible. The Soviet government could then have thought of retaining the large industries as a whole in its own hands, because it could have received the necessary machines from the European workers. Even in case the world revolution had not been victorious on a European scale, even if we had only conquered Poland and then stood armed at the gates of Germany, it would not have been altogether impossible to force the bourgeoisie to accept a compromise with us after we would have gotten the means of production from the world bourgeoisie for our state industries in European Russia, in return for concessions in the bordering regions of Russia, Siberia, Caucasus and Turkestan—and for the right to develop production in these distant regions on the basis of concessions.

What would then have been the social relations in Russia under such circumstances? All the industries and means of transportation would have been in the hands of the workers.
The land would have been in the hands of the peasants. The reconstructed industries would have made it possible for the proletariat to have achieved the requisitions in the country and to receive grain partly through the tax in kind and partly by exchanging goods with the state industries. This would have been no Communism, but it would have been the most significant of all: socialism; it would have led the way towards great progress in electrification, and towards creating the necessary conditions for the advance of the peasantry towards a higher collectivist system of production.

In this we did not succeed. The long drawn-out civil war has weakened us economically. Now that it is at an end, the question of classes becomes as crucial as ever. Our compromise with the world bourgeoisie is advantageous to us. The uncertainly of our foreign relations gave the bourgeoisie the opportunity of getting greater concessions from us and of starting the negotiations for concessions under conditions which were less favorable to us. We must therefore first permit the restoration of the small and middle-sized industries on the basis of lease. This will of course restore a part of the Russian bourgeoisie. We are compelled to grant concessions under less favorable conditions. We must grant concessions in Central Russia; we must permit foreign capital to start those industries running which are already there, instead of developing those productive forces which are now being used in the communal industries. We shall tax the main industrial undertakings in the hands of the workers' government. We are consciously preparing ourselves to co-operate with the bourgeoisie; this is undoubtedly dangerous to us. But just at present the victory is not able to carry out its program completely, not even that program in the economic field our present concessions are a transition policy. But it is a transition policy nevertheless. Our goal remains the same - the industries in the hands of the workers' government. But just at present the government industries constitute only a part of the productive forces of the country; hence, we have a sufficient reason for maintaining our position for the proletarian government. What does that mean? It means that we have retreated; that we are holding those positions only which are necessary to maintain the power of the workers and peasants.

Does that signify the defeat of Capitalism? May we then speak of our revolution as having lost its revolutionary character? Were all our efforts and the whole three years' struggle a futile sacrifice?

We shall begin with this last question. The whole course of development shows that the bourgeoisie would not have had to become our lessers, if we had not beaten them on the economic field, if we had not expropriated them, because they were owners of the means of production. If we had not beaten them, there would be no talk of a transition policy. But it is a program which in Russia, a petty-bourgeois country, seems based upon a longer period of time, but which, as a program, is based upon the monopoly on industrial production as against the peasantry.

Our present task is to retain the monopoly of industrial production as against the peasantry. The history of the Russian revolution establishes the fact that it was the first Socialist and the first proletarian revolution. It is a proletarian revolution in a petty-bourgeois country. For this reason the petty-bourgeoisie cannot be the ruling political class. Even in the case of the working-class in Russia made economic concessions to the bourgeoisie, it nevertheless continued in power for quite a long time. It is true that the economic concessions were temporary, but the political concessions and finally by the capitulation of the large landowning class. But the reason for this lies in the fact that the large landowning class was the end of a decaying branch of development; it was a dying class. From this point of view the working-class of the world revolution can be defeated. But just at present the working-class of the world revolution can be defeated. That is why the working-class of Russia can refuse to make political concessions to the bourgeoisie; since it is justified in hoping that its power will grow on a national and international scale more quickly than will the power of the Russian bourgeoisie.

The history of the Russian revolution establishes the fact that the peasants? Our enemies point out that the peasants are already won by the revolution. Does that signify that the revolution is a non-Socialist revolution? Does that signify the decisive victory of the working-class over the bourgeoisie? Even if we look at the world revolution as having lost its socialist character? Even if we look at the world revolution as having lost its socialist character? What does that mean? It means that we have retreated; that we are holding those positions only which are necessary to maintain the power of the workers and peasants.

Does that signify the revolution is a non-Socialist one? No! It only signifies that the victorious working-class is not able to carry out its program completely, not even that program which in Russia, a petty-bourgeois country, seems theoretically possible. But the class which must retreat because of the great resistance of the other classes, in our case because of the resistance of world capitalism which is not yet overcome, does not cease to be the victorious class, the ruling class. When that great resistance begins to be overcome, when the period of revolution begins, then it is a transition policy nevertheless. Our goal remains the same - the industries in the hands of the workers' government. But just at present the government industries constitute only a part of the productive forces of the country; hence, we have a sufficient reason for maintaining our position for the proletarian government. What does that mean? It means that we have retreated; that we are holding those positions only which are necessary to maintain the power of the workers and peasants.

Japan and the Washington Conference
by Sen Katayama.

Just now the world press is busy with the Washington Conference. What will be the outcome? Many predictions and forecasts have been made. But what is under discussion is the whole future of Japan. If we look at Japan in all its national features, it is non-European in character. It is a country with a history of 300 years. It is a country with a government which is non-European in character, either in its form or in its content. It is a country with a history of 300 years. It is a country with a government which is non-European in character, either in its form or in its content.

The Washington Conference was initiated by Harding for the purpose of preparing world opinion for the coming world war. It is intended to convince the American people that war with Japan is something inevitable. The Washington Conference is a smoke screen for the American masses to conceal the real aim and purpose of American capitalism and imperialism and to prepare for the next war centered in the Pacific.

One of Harding's chief objects in calling the Washington Conference is to do away with the obnoxious Jap-Briton alliance. Will the Conference accomplish it through the pressure of public opinion supported by the press of the English-speaking countries? The alliance is a great menace to America. But it is indispensable to Britain as well as to Japan. During and after the war of 1914-18 it was the greatest necessity to England and in spite of the English public, press and some spokesmen denouncing Japan, it was not possible to do anything to the cultivation of a closer friendship with America. British Imperial statesmen felt the need of some such alliance with Japan. Lloyd George still wants it, but he does not like to lose the American "dollar friendship". Thus he suggested the alliance of England, America and Japan. The Washington statesmen flatly rejected this idea.

Why does England want the alliance to continue? This rather awkward question never appeared in the English press. England won the war and gathered the largest booty and above
all crushed her deadly rival—Germany. But lo! There arose a still more dangerous rival than the one she had just annihilated—America. For the first time in history, England, the world's greatest naval power, is now faced by a rival in the Far East. The Japanese, long accustomed to the isolation of the past, are now determined to achieve military parity with England. Thus the race for naval power is no longer an English monopoly. Moreover, it has grave difficulties in Ireland and India. England cannot by any means lose its American friends, but at the same time it is not well assured of its safety in losing Japan's friendly relations which means immediate danger of weakening its grip on India which is at present in a most revolutionary condition. For the sake of India alone it cannot afford to trade the relations for a vague American understanding, unless Uncle Sam can oblige. Besides, there is the Far Eastern question. There would be a great deal to talk about a British-American alliance. Those who hold the idea of the white domination of the world will support it heartfully. But the English statesmen are shrewder than the sentimentalists of white supremacy. They see that this alliance practically means the submission of the pound to the dollar.

The abrogation of the Jap-British alliance will certainly weaken Japanese imperialism. It would mean that the path of the Indian revolution would be easier than it is at present. However, the loser by the non-renewal of the said alliance would be England, and she would have to make her policy in the Far East, but that does not mean that it would be beaten in the coming war. Besides, non-renewal of the alliance does not necessarily mean war. Japan can wait until the unite of Great Britain is dominated by the United States. For England, as is generally predicted, England must meet the dollar in the oil supply. England will not yield to the gradual shrinkage of the pound without a struggle. Thus English statesmen have a very hard job to do. Diplomatic efforts of China, France, and America will scarcely retain both the friendship of the dollar and the alliance with Japan. But at the same time it cannot very well expose itself to the danger of strengthening the anti-English sentiment movement by gaining the hostility of Japan in siding openly with America. This is the reason why the possessions on the Pacific are great and many. Australia and New Zealand cannot as yet stand on their own feet without English protection, and its sphere of influence in China will be weakened rather than strengthened through its friendship with America.

But if the Conference is successful in destroying the said alliance in some way or other, what will be the prospect in the Far East? Japan will not take up arms against America single-handed. Supposing America and England agree in the joint exploitation of China, ousts Japan and crushing its aspirations in the Far East, which, from the American standpoint, I think impossible. But supposing this to be the case, then China will be met by a country not only not be the kind of conditions on which the Chinese are based and the owners. Naturally enough this will not satisfy the Chinese statesmen, although China asserted before the Conference that it is prepared to accept and apply the "Open Door Policy" to all parts of the Chinese Republic without exception. But it is already sufficiently awakened to utilize the Shantung affair to its advantage and make it a national educational issue. It will not be satisfied with driving out the Japanese alone, the English and French will soon have to follow. This will be a chance for Japan to regain its prestige in China. The Conference may repudiate the Lansing-Isibashi agreement regarding Japan's special interests in China, but the geographical, radical as well as linguistic advantages remain all the same. If America becomes the master of exploited China, as it already is of Cuba, Haiti and Mexico and to some extent of Central and South America, the Chinese will use the same weapon against it as they successfully used against Japan and already threaten to use against England if it does not give up its alliance with Japan. The chief and most effective weapon against an aggressive power is the boycott of its goods. Japan will make good use of such an opportunity. Its people can speak Chinese without much difficulty and can travel inland as a Chinese and above all trade without the Comprador (intermediary) upon whom foreign merchants of all nations inevitably depended—now in the treaty ports!

The Washington Conference will accomplish nothing but will accelerate the next war. It may agree on some sort of slowing-down in the competitive naval race, but that means very little. Japan will not do much about it and will still add to its armament but on submarines, airplaned and gas. As I have already intimated the conference is an American organ used to crystallize the war sentiment against Japan and represent it as the Prussia of the Far East.

The Washington Conference will not solve any of those grave problems hanging over the Pacific—such as the immi-
grant problem, racial discrimination, and the exploitation of China. No power except Japan will ever solve them. The problems of the Far East by conferences or even by war. But as long as the capitalist system continues, war will remain the only method of liquidating such disputes.

The very curiosity of the Conference is the representation of the Far Eastern countries. Japan is, of course, fully represented while only part of China is represented. The southern half of China is not represented at all in spite of the statement of the foreign ministers that the Boycott of China is impossible. While Russia is entirely ignored. The Far Eastern Republic as well as the Soviet government demanded representation but Harding ignored both. Of the nine nations at the Conference only two, China and Japan, are from the Far East. All others are mere interlopers in the Far East. To discuss the Far Eastern problems at such a conference is at first glance ridiculous and any agreement will never be satisfactorily carried out. The Russians, Russians and Chinese of the south will object and will not consider themselves bound to anything which the Conference may decide. China is the greatest market in the world. Every nation wants it as its own market. But since they all want it, they will have to come to some kind of an agreement. A joint exploitation of China would be the best solution of the problem. But America is a newcomer which has not as yet established any sphere of influence. Although the Americans have rich concessions they cannot utilize them on account of the prior concessions.

China is now well divided among the different nations. Japan is the largest. If China is not in the non-renewal of the said alliance. But it will not get out as quickly and easily as some desire. It will say that it will get out if the English and French get out of Hong Kong. Wei-ho-Wei, Canton, Shanghai and Amoy which places the latter two before a disagreeable alternative.

There is some hope of avoiding the coming conflict, namely, the progress of the Russian Revolution. Soviet Russia is now successfully recuperating after long and weary civil and foreign wars. The Russian Revolution is not dead. It is advancing successfully in all directions. Japan has also been profoundly influenced by the Russian Revolution. Workers and peasants are deeply impressed. The fall of the Czar and the Kaiser together with the defeat of German militarism made the Japanese workers and peasants see that their militarism is also not invulnerable. The yellow labor unions have changed into red revolution unions and demand control of industries. The Japanese Communist Party has been formed and is working hard in spite of the rigid police and gendarmerie oppression. Strikes, sabotage and labor demonstrations of gigantic nature are occurring from time to time with increased force and success. They will not have changed the face of Japan as a whole has been awakened politically and socially. The people to day hate militarism and above all conscription. Evaders and slackers are increasing enormously every year. Even the youths of the upper and middle classes, who used to be very patriotic, are taking up arms and we do not know how many have begun to evade conscription. For the last few years the army authorities have been having a hard time in getting recruits for military colleges and academies. In the last few years so many young and promising officers have left the service, that the authorities adopted a rule which will deprive those who resign of their military position and pension if they do not have reason for resignation.

Until very recently, every discussion about reducing the armaments was an empty talk. The eyes and ears of the commander of the army and navy is His Majesty—The Emperor! But today reduction of armaments is very popular; there is a movement against it led by the ex-minister of justice. The Japanese people have last summer realized that militarism will not do much for the welfare of Japan, and now they discredit militarism," wrote the chief editor of the Oriental Economist, Mr. Tazan Isibashi. He added, "If the white peoples knew the real present thought of the Japanese youths, they would surely change their attitude toward Japan.

The Japanese militarists will try hard to convince the people of the inevitability of the coming war. But the youths and workers as well as the peasants will not be misled by them as in the past, because the living corpses of present Europe bear witness to the futility of war. The first war has affected the Far East profoundly and has turned it toward a new light that shines from Russia. Japan underwent its own political revolution sixty years ago conducted entirely by the youths of that period. The youths of today are awakened to the task of a second revolution—the social revolution.
The Central European Crisis

by Paul Louis (Paris).

The crisis in Central Europe places the French, German and English proletariat before a vast problem. It is a problem of far reaching significance. The Central European situation is not the result of a mere coincidence of circumstances; it is the result of fundamental tendencies which prevail both in France and Germany. These tendencies are not merely local, but are by no means unimportant in their influence upon the course of world events. They are part of a world-wide movement and my prediction, therefore, is a very grave one, that this crisis will be a turning point in the history of the world. It will not be a crisis like the world crisis of 1914, which was a war crisis. It will be a crisis of social and economic factors. The capitalist war, if it comes, will not retard or change the course and progress of the social revolution in Japan, as elsewhere. In all probability the capitalist war will come sooner than the socialist revolution, because the workers and youths have only started to organize peoples from yet little power and influence. As I said above, the Washington Conference will accelerate the future war, thus accelerating the fall of capitalism and imperialism.

The English bourgeoisie is suffering the consequences of the fluctuations in the mark. On one hand German industry offers the English competition more formidable than in the past; and unemployment across the channel is increasing alarmingly. On the other hand, German shares have increased in value because the mark is too low. The more the German issues paper money to cover its deficits the more the mark will sink. Every fall in the value of the mark creates a new danger for the French, German and English proletariat. That is why the London Cabinet desires a revision of the financial agreements before that of the Pact of Versailles.

One can see what separates the French and the English bourgeoisie. The latter tends to a rapprochement with German capitalism in order to save its own market. The French, on the other hand, is dreaming of new ventures to mask its own difficulties. The latter tends to a closer rapprochement with the French proletariat. Great events are in the making. There is a struggle for power between the French and English bourgeoisie and the French and English proletariat. The struggle is not merely between two classes, but between two nations, and two political parties. The struggle is a struggle for the future of the world. It is a struggle for the future of the working class. It is a struggle for the future of the world.
the centers of world trade has retarded its development as an export manufacturing country. However, there is a large volume of imports, and the country handles a considerable commerce. With respect to the total population it possesses a fairly large industrial proletariat. There exists a big export trade in wheat, wool, frozen meat, hides and mining products which more than balances the volume of imports. As in other capitalist countries production has been centralized, resulting in congestion in all the big cities, thus denoting the country of its rural population. This centralized industry explains the large support given to the Labour Party of the country's industrial population.

The economic development of the country is reflected in the composition of its political parties. Thus there exists the Country Party representing the agrarian interests, which holds the balance of power in both the Federal and the Victorian Parliaments. It is mainly composed of representatives from New South Wales and Queensland legislatures; the agrarians are represented by 222,622 agricultural holdings from one to 50,000 acres in size, forming a compact class with bourgeois private property interests opposed to the Communist program of social revolution. The liquidation of their resistance is a problem for the Communist Party to solve and calls for the drawing up of an agrarian program.

10% of the country's population, the financial and industrial capacity of the country's working-class, remaining 90% only 30% of the wealth. Exploitation as in European countries is organized on a scientific basis. The position of the working-class at the present time is very bad owing to the widespread unemployment and high cost of living. Taxation has increased and at the present time stands at a high level.

Prior to the formation of the Communist Party last December the Australian Labour Party was the only political expression of the proletariat, acting as its vanguard. It was resting on the trade-unions for support—being in fact merely the political form of the organized working-class. Early in 1914, it obtained control of the Federal Government, having big majorities in both the House of Representatives and Senate. Having defeated the Liberal Party, the only opposition it had to fight at that period. The rural vote was responsible for its victory, as it got the support of a large percentage of the country electors together with the united trade-union vote from the big industrial constituencies. A large section of the former supporter has been lost owing to the rapid rise and growth of the Country Party. This support was previously given and received at the price of the Labour Party's development as a working-class body, as many concessions had to be granted to the petty-bourgeois to retain it.

The A.L.P. appeared to have a golden future ahead of it, for besides the Federal victory, it had majorities in all the State Parliaments, with the exception of Victoria. This support was expected to last a block of Labour government up to date, except for about five days, when the party was used in the fight of the bourgeois parties for the political plums of office. The worker's economic position during that period was considered good and this was the cause of the other section of the eyes of many Australia was a worker's paradise—the absence of a proletarian revolutionary political party may be taken as a proof of the lack of sharp divisions in the class-struggle. All attempts that were made to form, one were liquidated, those in existence has been lost owing to the rapid rise and growth of the Country Party. The A.L.P. appeared to have a golden future ahead of it, for besides the Federal victory, it had majorities in all the State Parliaments, with the exception of Victoria. This support was expected to last a block of Labour government up to date, except for about five days, when the party was used in the fight of the bourgeois parties for the political plums of office. The worker's economic position during that period was considered good and this was the cause of the other section of the eyes of many Australia was a worker's paradise—the absence of a proletarian revolutionary political party may be taken as a proof of the lack of sharp divisions in the class-struggle. All attempts that were made to form, one were liquidated, those in existence has been lost owing to the rapid rise and growth of the Country Party. The A.L.P. appeared to have a golden future ahead of it, for besides the Federal victory, it had majorities in all the State Parliaments, with the exception of Victoria. This support was expected to last a block of Labour government up to date, except for about five days, when the party was used in the fight of the bourgeois parties for the political plums of office. The worker's economic position during that period was considered good and this was the cause of the other section of the eyes of many Australia was a worker's paradise—the absence of a proletarian revolutionary political party may be taken as a proof of the lack of sharp divisions in the class-struggle. All attempts that were made to form, one were liquidated, those in existence has been lost owing to the rapid rise and growth of the Country Party. The A.L.P. appeared to have a golden future ahead of it, for besides the Federal victory, it had majorities in all the State Parliaments, with the exception of Victoria. This support was expected to last a block of Labour government up to date, except for about five days, when the party was used in the fight of the bourgeois parties for the political plums of office. The worker's economic position during that period was considered good and this was the cause of the other section of the eyes of many Australia was a worker's paradise—the absence of
ECONOMICS

Germany's Declining Industry

by E. Ludwig (Berlin)

The black first of December on the Berlin Stock Exchange is being followed by other black days and weeks. The short-lived rise in the dollar exchange, which after its first fall at the end of November crept to 250 marks to the dollar, has been wiped out in a new decline. At the present time the dollar is fluctuating around 165, which represents a decline of about 150 points in a few weeks.

The catastrophe of the mark's depreciation has been followed by the catastrophe of the mark's rise. The stock quotations, which were driven up thousands of per cent by the wildest speculation, are now falling since their support, the dollar, is on the decline.

The fact that for the first time in years bank failures have occurred demonstrates how profoundly shaken the Stock Exchange really is. At first the "Flossische Bank" with about 100,000,000 marks capital and reserves in Ludwigshein closed its doors because of foreign exchange speculation on the part of its Munich agents. The next to collapse was a bank in Düsseldorf with losses aggregating at least 200,000,000 marks. The depositors of the bankrupt banks are now at the mercy of the giant banking enterprises.

It would, however, be incorrect to explain the Stock Exchange crisis and bank failures as the result of merely the state of the conflict between England and France and the moratorium negotiations. Of course, the grievances constitute the postmortem of the catastrophe. Germany's reparations payments furnished the initiative for the collapse of the Stock Exchange rise. This change for the worse on the Stock Exchange is the forerunner of a decline in the well-being of Germany's entire industry. Now after the false splendor of the high dollar quotation has faded, the exhausted body of German industry stands exposed in all its nakedness.

"Of course, "the situation is still good"; the factories are still very busy. "The increase of prices of industrial products is still going on", according to the "Berliner Börsenzeitung" of the 9th of December. But this "still" with which the financial writer instinctively speaks of the contradiction between increase of prices and rise of the mark, demonstrates the collapse of the present wave of industrial activity. The premonitory creaking of the timbers in the economic structure can be more clearly heard in the report of the Prussian Chambers of Commerce on the economic situation in November. It states that, in general, in spite of industrial activity a slowing-down is everywhere making itself felt.

The decisive factor which led all branches of industry to fear a decline of prices was the crisis in November, the Stock Exchange crisis—in the feverish days of November—was the continual rise of prices and the scarcity of raw materials. Both of these phenomena are present not only in those industries which depend on foreign countries for their raw material supply and which therefore were seriously affected by the high dollar exchange of the first half of November, as for example, the textile industry, but also make their appearance in the domestic raw material market, above all the coal market.

The change in the foreign exchanges must under these circumstances have grave consequences. The raw materials bought previously depressed the market for German "dumping" at the same time comes to an end. English competition, of late, has been able through radical price-cutting to seriously hinder this "dumping" even when the mark was very low. The manufacturing industries are also complaining of the scarcity and increase of prices of raw materials, as for instance, the porcelain earthenware and paper industries. Scarcity of raw material, especially of coal, is especially noticeable in the mining and iron industry, which is followed by the following excerpt from the Chambers of Commerce report:

"In November the coal scarcity, particularly of coal of the better grades, made itself felt to a serious degree. . . . No improvement was recorded in the provision of the pig-iron industry with the necessary quantities of coal. . . . The price of pig-iron was the reason for the_listening on the 1st November. The pig-iron industry was very active and many firms could not accept all orders since they could not obtain raw materials at a reasonable price. . . . The price of the finished product could not keep step with the developments in the raw material market. The number of new orders began to decrease somewhat about the middle of the month. . . . The iron industry is still going for some time, but new orders have decreased in number on account of the uncertainty in the market due to the price movement. . . . In the locomotive industry there is still employment for several months. The railway car industry has sufficient old orders to keep it going for some time, but new orders have also decreased in number on account of the uncertainty in the market due to the price movement. . . . In the electrical industry the domestic orders for future needs have continued to expand, in some quarters even gained in volume, but other quarters have begun to decrease. . . . The electric lamp factories found it very difficult to obtain the necessary raw and half-finished materials on account of the high prices and the fact that foreign future deliveries are also being returned. Shipyards are also suffering from a grave scarcity of raw materials. The cutlery industry was satisfactorily busy. The quantities of steel demanded, however, were only in part delivered.

"The metal prices attained on November 5th, on account of the depreciation of the mark, the highest level of the year."

While the costs of production were thus through the increase in the price of raw materials continually rising on December 1st the price of coal was raised to about .79 marks the ton—and the selling price was thus compelled to continually increase, a completely opposite movement was taking place in the iron market. The export order of coal and iron represented the price of iron and steel in the world market also suffered severe reductions. German competition is becoming more and more difficult. In fact, the export of iron finished products from Germany has not increased, in spite of the depreciation of the mark.

Of late, the transport crisis has been added to the increase in the price of materials and the scarcity of raw materials. The report of the Chambers of Commerce shows that all industries are suffering under a lack of the required car space. In the Ruhr region alone the shortage of cars was in November 14,000 or a quarter of the output of the German railways. The very shortage of domestic raw materials, which are not immediately dependent upon the financial difficulties of the Reich, especially the coal scarcity, shows that the beginning crisis is more than a crisis due to the foreign exchange situation. It shows that the underlying cause of the crisis is the decay of German capitalism. Although there are today in the Ruhr district 550,000 miners—27,000 more than on December 1, 1920 and 160,000 more than in 1913—the production of the first eleven months in 1921 was only 29,916,201 tons as against 105,804,960 tons in 1913 and 91,204,234 tons in 1910. The figures on the production of the underground workers per capita working hour clearly demonstrate how much the efficiency and productivity of the mining industry has receded. While in 1913 it was 0.915 tons per man and in 1921 only 0.679 tons with a total of 91,204,234 tons, in 1913 it was 1.162 tons per man and in 1921 only 1.162 tons per man. That shows a decrease in the total production of 70,000 tons was recorded and in November a decrease of 280,000 tons.

The impoverishment of the German workers, the source of all the profits arising out of the industrial activity following upon the fall of the mark and the failure to replace or to repair the mining equipment worn out in the reckless mining production of the war is now beginning to react on German industry itself. The production capacity of German capitalism is being curtailed because its production efficiency has been lowered. Because of the lack of coal, twenty blast-furnaces are cold, although the inquiries for pig-iron are far beyond their production capacity even if they were operating at full blast. "Many factories are facing a partial shut-down today, because they can no longer produce as a result of a lack of important iron shapes", according to the report of the Chambers of Commerce.

Many divisions on the state railways have only three days' coal reserve, the freight traffic is in confusion and the express train service has had to be curtailed. This represents a return to the worst times of the war.

The profit policy of German "big business" which exports coal and, in order to obtain control of the railroads, cuts off their coal supply, only intensifies the contradictions inherent in present-day German capitalism which are leading to a crisis.

The working-class is about to enter upon the period of the great social strikes. In September the "Black Days" was for the working masses a time of ever-increasing prices of growing misery. In spite of the nominal wage increases of many trades, they have not been able to keep the price set by the rise of prices. While Ger-
man wages have risen, at most 1300-1400% since 1913, prices have jumped at least 3000-4000%. The cost of living index of the government statistical bureau, which gives only an incomplete average of the price-increase conditions in Germany, rose from 1126 in October to 1397 in November. That represents an increase of 22.8% as against October, of 48.3% as against January and 58.9% as against November, 1920.

In these times of the bitterest want and of the worst increase of prices, the wave of high production threatens to collapse. Soon there will appear unemployment, then the employers will report to their usual practice, shut down factories and through wage reductions reducing the workers' standard of living still lower, in order thus to be able to tide over the crisis.

In order to emerge from this period of panic, German capitalism will work for the pledging of German industry to foreign capitalists. After all, in order that the allied governments grant them a moratorium, it will press with all the resources at its command for the carrying out of the provisions of the Weisbaden Agreement.

Struggles are going to commence, more serious and more extensive than ever seen before. The joining of the working-class into an united front, which the Social Democratic lackeys of class-justice are seeking to hinder, will in the misery of the days to come, in spite of all obstacles, become an unavoidable necessity.

THE LABOUR MOVEMENT

The Present Condition of the English Trade Unions.

by Coates (London).

Prior to the war the English trade-union had a total membership of something less than 3,000,000. During the war, owing to the enormous increase in the cost of living, and the consequent pressure upon the workers to unite for the obtaining of the wage increases necessary to maintain their living standard, the trade-unions practically doubled their membership.

In the early days of peace, as trade was good and the government made some show of keeping its wartime promises, the working hours were reduced even below what had always the goal of the British trade-union movement—the 48-hour week. Many well-organized unions succeeded in having their hours of their members reduced to as low as 44 and even 42 per week, and the railway clerks even pressed for a 38-hour week. In addition to these gams, substantial advances were made in other fields. The government through the dread spectre of Bolshevism, yielded to almost every demand of the workers without putting up much of a fight. The employers, as well, were demoralized by the insecurity of governments in general all over Europe in the post-war period, and did not offer much resistance to the demands of the workers. However, the temporary prosperity was purely artificial. This artificial prosperity came to a sudden end with the setting-in of the world crisis. The capitalist class immediately began to attack the shorter hours won by the workers. Big employers in various industries quoted cases in which they had lost contracts, owing to the longer working week in other countries. It is necessary here to mention that unemployment aid was granted practically all unemployed at the close of the war.

At the same time that the capitalists attacked the length of the working week, they also advanced against the unemployment allowance, which was reduced by 25%. They alleged that many workers would prefer to lose on unemployment pay rather than to continue to be returned to the unions. In August of this year, the capitalist class displayed considerable skill in their attack, first dealing with trades least able to put a good resistance and after having won the first round, fighting one industry after another. Here one is left to a future historian.

Having won a victory in the hours question the employers next turned to wages. In their second attack, the employers were aided by a very clever move on the part of the government. The miners and railways were still under government control, and were not to be returned to the owners in August of this year. The government, however, removed control from the mines at the end of March with the object of dividing the miners and the railwaymen. The miners fought splendidly but the employers were enabled, through the agreements they accepted terms which represented a living standard less than the pre-war level.

The collapse of the miners was a signal for a general wage reduction. Undoubtedly unions to-day are as a whole considerably weaker than they were two years ago. Owing to widespread unemployment men in work are very loath to risk employment by striking. Tens of thousands who flocked into the unions during the war were not trade-unionsists by conviction, and when the last came they deserted the colors. At the same time, the allowances still paid to unemployed are considerably higher than any paid in the pre-war days. In addition to allowances paid by the state, the trade-unions are giving supplementary support. The latter, however, must soon come to an end, as many of the local authorities are on the verge of bankruptcy.

The general situation in England to-day thus falls under three heads.

1—Trade-union movement is still very large but with practically exhausted funds.

2—Unemployment is widespread with a tendency for the unemployed to organize themselves nationally, demanding from the government trade-union rates of wages while unemployed.

3—A growing paralysis of industry.

There is no doubt that the government sees the red light. The government knows that the one hope of the return to normal conditions in England is to re-establish the Continental and world markets. If foreign markets cannot be re-established and should chaos in Europe continue to increase, it is difficult to see any other development in England but an appearance of law and order. At the same time it is undeniable that the fact that, owing to the traditions of the last few hundred years, the British have a profound respect for what they call "Law and Order". Many hold that a Labor Party government will first have to come into power before the questions will be one for immediate legislation. The first labor government will undoubtedly be strongly to the right, but circumstances will drive it to the left in order to mitigate a growing general misery.

The policy of the Communists in England. Communists should be inside the local Labor Parties, Trades Councils, trade-unions and the National Labor Party, seeking election to various official positions, showing the masses on every occasion the wisest steps to take and advocating a revolutionary but sane policy. The time has passed in England for mere theoretical expositions of general Communist principles. The policy of the Communist Party must be the application of Communist principles to the working-class problems of to-day.

The Italian Syndicalist Union.

by...

The U. S. I. (Unione Sindicale Italiana) was born in 1907 at a split in the C. G. L. (General Confederation of Labor). The Italian Socialist Party and together with it the C. G. L. was then divided on the lines like the French and Spanish Socialist parties, etc. in the direction of bolshevism. The revolutionary members of the unions who would not bear responsibility for such policy, separated themselves from the C. G. L. and organized their own revolutionary party, the Unione Sindicale Italiana. Its membership quit at the same time the Socialist Party without, however, forming a political party of their own.

Contrary to the French syndicalists, the membership of the U. S. I. held a position of extreme intransigence during the war. A small group of war enthusiasts led by the Ambriis was forced to leave the U. S. I. They organized the Unione Italiana del Lavoro (Workers' Union) with a small and constantly dwindling membership although it recently turned one more to the left.

In 1919 the U. S. I. decided to join the Communist International and sent one of its most prominent members, Armando Borghi, to Moscow to the Second Congress of the Communist International. He reached Moscow too late to participate in the work of the Congress, but when the resolutions adopted were shown to him he declared that with a few minor exceptions the U. S. I. could subscribe to them. Later he added that the U. S. I. being anti-parliamentary could not participate in elections at all, and that the party of Labour—the Sinn-fein in Ireland, the Russian Bolsheviks and the Spanish anarchists, and that the latter should remain a member of the Third International. However, he had no opportunity to represent this view before a larger audience, for shortly after his return
from Moscow was arrested and imprisoned for months. After his release from prison Brown changed not only his attitude to the Comintern but also his views on Russian affairs. Whereas, before his arrest, he gave a very favorable account of all he saw in Russia, he now in all his speeches and writings expressed disapproval of the policies of the Russian Communists most bitterly.

Within the U.S.I. there exist two tendencies that differ widely in the question of international affiliation—a fact that may possibly lead to a split at the next Congress in the winter or spring of 1921. The Anarchists demand that the U.S.I. should remain disinterested in all political parties and that the U.S.I. should be allowed to continue its present activities as the International. The Syndicalists, on the other hand, propose that the U.S.I. should become affiliated with the International and that the U.S.I. should participate in the political activities of the International. The Anarchists deny on principle all political influence in the unions, attempt, nevertheless, to maintain their own political view, and to get possession of the leadership.

In the Summer of 1921 the U.S.I. sent representatives to the Congress of the Red Trade Union International with instructions to vote for the resolution of the National Congress of the U.S.I. to leave the Moscow International. The question was to be decided by a general congress of the U.S.I. The two representatives of the U.S.I. at the Moscow Congress belonged to the Syndicalist wing and thought the resolution of the Congress could not be accepted. They accompanied this to be their personal opinion and not that of their organization.

At the Convention of the National Council of the U.S.I. held in the early part of October, a resolution on international affiliation was presented. The resolution did not at all clarify the situation. The resolution was neither definitely for nor against affiliation with the R.T.U.I. On the other hand it demanded the calling of another World Congress outside of Russia to escape the influence of the Russian Communists. This Congress is to revise those Moscow resolutions that treat of the relations between the trade union and political Internationals.

The Anarchists are going to introduce a motion at the next Congress of the U.S.I. that the latter break with the R.T.U.I. and start the organization of a new Trade Union International. The probabilities are that the majority will vote to remain in the Moscow International. It is questionable whether the Anarchists will continue their membership in the U.S.I. after that.

In the question of a united proletarian front, i.e., the union of the C.G.L., the U.S.I., and the Railroad Union, the railroad men have an organization independent of the C.G.L. and the U.S.I. and the Syndicalists have their own organization, too. For tactical reasons, its Anarchist wing for reasons of principle. The Syndicalists criticize the Communists for having demanded, in their propaganda for a united front, that the members of the U.S.I. leave their unions and join the C.G.L. Had the C.G.L. remained in the Moscow International the U.S.I. would have demanded that the three organizations, without dissolving, co-operate in a joint working association. Taking into consideration the present situation the U.S.I. is prepared to unite with the Communist Unions. However, the resolution of the National Council upon this question flatly refuses the mediation of any political party. The resolution of the Red Trade Union International on the question of the relations between the trade union and political Internationals is not binding on the U.S.I. for any of its members to represent a political party in Parliament. The Syndicalists, on the contrary, see in a lack of provision for the exclusion of the two members, since the union allows the borrowing of various political parties provided these members accept revolutionary methods and sanction direct action.

The resolution of the Anarchists was adopted by a large majority of the National Congress, it is, however, an indication of the relative strength of the two tendencies, since the vote was counted according to delegations contrary to the procedure at a General Congress where votes are counted according to membership. The revolutionarv Syndicalist wing will take a definite stand for an united proletarian front, having already accepted it in principle.

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**RELIEF FOR RUSSIA**

For the Suffering in Russia.

An influential group of Greek intellectuals have signed the following appeal for starvng Russia, published in the official organ of the Communist Party of Greece, "Rizospastia".

Maxim Gorki, spiritual father of all literature and with him the most representative intellectual workers of the world, has addressed a moving appeal to the intellectuals of all countries independent of their social and political opinions and invite them to assist in the European and American organizations which have as their object the saving of that part of the Russian people which is the most dispossessed and poor. In parentheses the mortal climate in Russia is otherwise doomed to die of hunger.

The most terrible disaster has descended upon this immense and heterogeneous earth where today the human mind is attempting its most ambitious flight. We do not need to discuss the events in Russia, for it is impossible to do so. All of us. Posterity will judge them when they will have disposed all the facts. It would be criminal to discuss at a moment when millions of human beings are in danger of death. At this moment when the funeral cortège of death passes before us, let us respect Russia's sorrow and let us think only of the horrible scourge raging over that distant country.

We Greek intellectuals as well are the spiritual children of Dostoevsky, Tolstoi, Gorki, Andreyev and of all the other Russian masters who have aided us to see artistic truth and the path of civilization more clearly. We cannot refuse to recognize all the sacrifices which the Russian mind has never refused to make for deliverance and the purification of humanity. We, the Greek intellectuals, appeal to the intellectuals of all lands, to realize our debt at the time when cruel nature is torturing Russia.

Our country, as all other civilized countries have already done, must aid these people in danger of death by starvation. Russia, which is doing all in its power to rid the world of the disasters of a rigorous climate, will no doubt be able to extricate from the terrible situation in which it now finds itself. But we Greek intellectuals, as all disinterested men, are obliged to show our devotion and must not behind in the great moral work undertaken to save the Russian people, tormented and killed by hunger.

Even enemy countries and lands where opinion is against the Russian regime are doing all in their power to help Russia; Our country is passing through difficult days. Poor, ruined and hungry, it can not be of much material aid to Russia, but our moral assistance, independent of political opinions, ought to be given without reserve.

All you who have drunk of the spiritual milk of Russia and have been guided by the Russian flame, all you Greek intellectuals who recognize the necessity for human mutual aid, do not forget what we owe to Russia and how much poorer our ideas and our feelings would be if we did not know the Russia of great writers and of great creators.