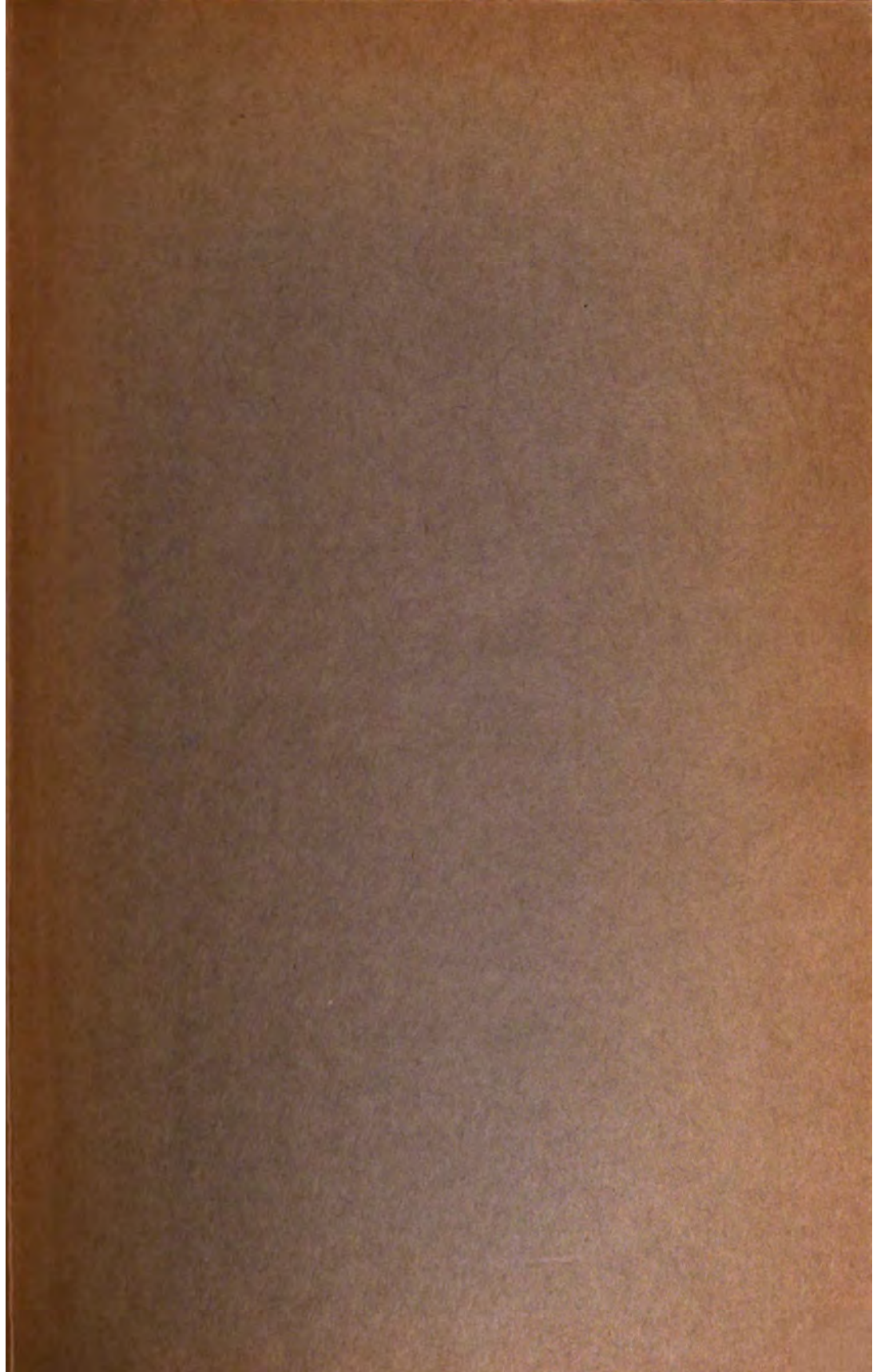
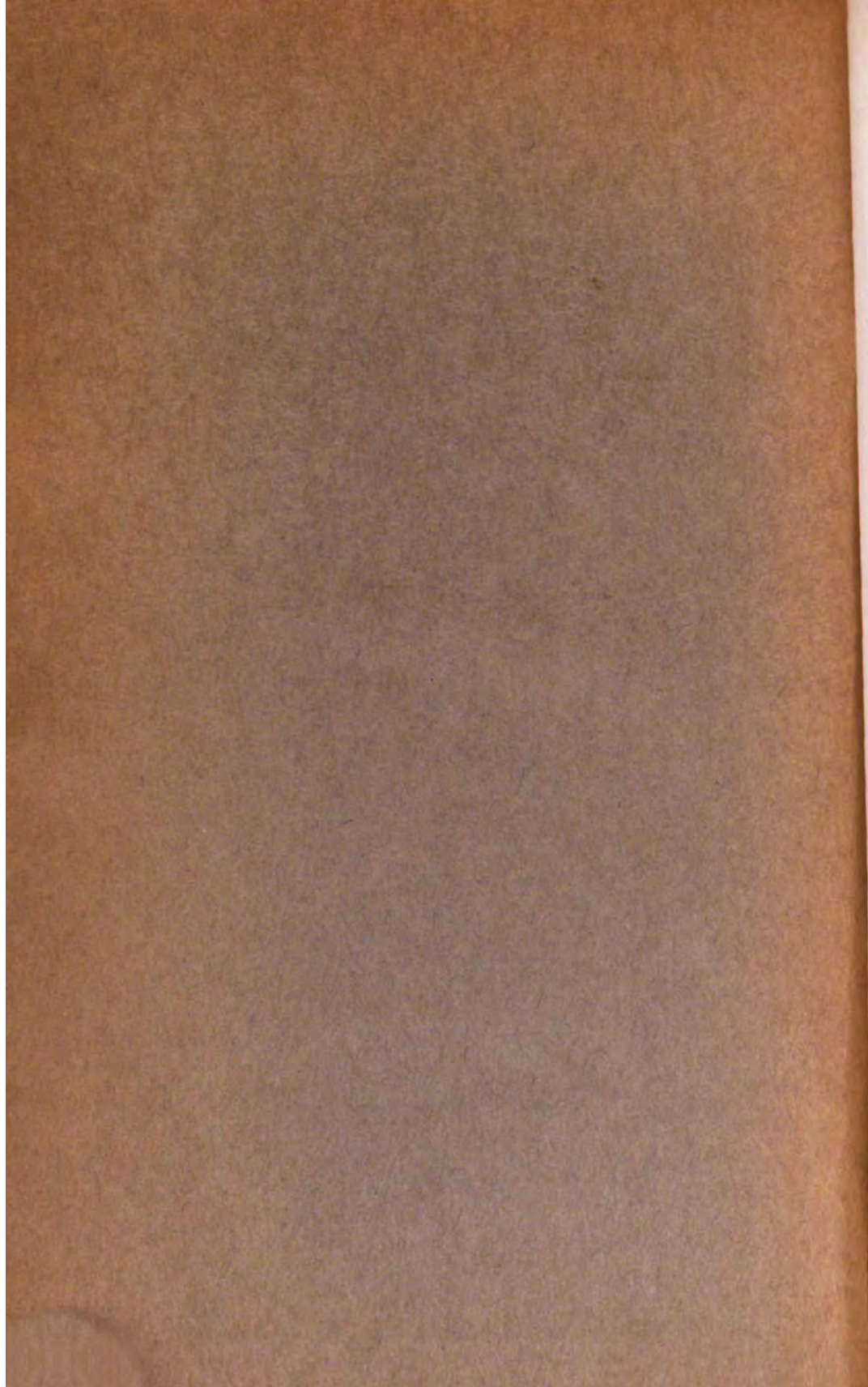


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THE
LABOUR
MONTHLY

A MAGAZINE OF INTERNATIONAL LABOUR

Editor : R. PALME DUTT

Volume 10

January, 1928

Number 1

PRINCIPAL CONTENTS

Notes of the Month

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AND OUR TASKS

R. P. D.

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E. R. ROUX

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CONTENTS

Notes of the Month - - - - - Page 5
*THE NEW PHASE OF THE LABOUR
PARTY AND OUR TASKS* By R. P. D.

The Significance of the Miners' March - „ 23
By ARTHUR HORNER

The Left Wing in 1928 - - - - - „ 31
By ANDREW ROTHSTEIN

The Problem of British Export of Capital - „ 49
By DR. F. STERNBERG

Agrarian Revolt in South Africa - - - - - „ 55
By E. R. ROUX

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To Friends of the "Labour Monthly"

CRITICAL times are in front of the Labour Movement. The new wave of reaction, the prospect of a second Labour Government, the preparations for war, and the renewed industrial storm brewing—all these are tests in front. There is need as never before for the strengthening of all honest left wing forces in the Labour Movement, for clear and strong leadership, for informed and reasoned criticism.

The LABOUR MONTHLY counts to do its duty in the times in front.

For this reason we wish to strengthen and enlarge the scope and influence of the LABOUR MONTHLY—in order to be ready. We call upon all our friends and sympathisers to help in this.

During the past three months we have written to all our individual subscribers to assist our work by financial aid. There has come in response an encouraging stream of donations and tributes from every side—many gifts not easily spared, most small in amount, all rich in the revolutionary spirit of giving for the common work and exhortation to go forward in the line of the class struggle. Miners, woodworkers, sailors and engineers; doctors, teachers, scientists and technicians; from England, Scotland, the United States, Canada, Australia, South Africa, Sweden, China and Japan; have all written in appreciation of the LABOUR MONTHLY and given their help. To all we return our thanks.

Now we wish to extend our appeal to a wider circle—to all readers of the LABOUR MONTHLY. The individual subscribers are only a fraction of our public. The bulk of our sales go through the working-class organisations. To all readers and friends of the LABOUR MONTHLY we now make our appeal.

There are two ways to help the LABOUR MONTHLY.

The first, from all those who can afford it, is by giving money. The need is very serious. Our expenses are bare expenses of production ; but the complete boycott of advertisements, which the standing and circulation of our journal would otherwise easily obtain, makes inevitable a loss. That loss can only be met by donations. We appeal to all who can spare it to give up to their means.

The second way, no less important, and within the reach of all, is by winning new readers and subscribers. We make especial appeal to all our readers, many of whom are too hard hit to be able to give money, to win each at least one new subscriber, and to see also that their organisations, trade union branches, trades councils, local labour parties, I.L.P. branches, Communist locals, and meetings literature-sellers take up and maintain regularly the sale of the LABOUR MONTHLY. The circulation of the LABOUR MONTHLY in the organised working-class movement and in the factories is the mainstay of its circulation and the measure of its political value and influence. This task is a task, not only of assistance to the LABOUR MONTHLY, but of strengthening the militant forces of the working-class movement.

To all willing to assist, who write to The Manager, LABOUR MONTHLY, further suggestions will be made of what to do.

THE LABOUR MONTHLY.

NOTES OF THE MONTH

*Labour Party Future — Transformation — Hardie's Lament —
1915-1927—Left Protests—Coalition Question—Inevitable Process
—No Going Back—Marxism and Labour Party—Hyndmanism
versus Marxism—Marxist Task To-day—Hardie and Morley
— Original Contradiction — Evolution Backwards —
Coalition Next—Third Party of Bourgeoisie—German
Model — Second International and Coalition —
Consequent Questions — Tactical Problems —
Positive Policy Needed—Revolutionary Initiative*

THE future of the Labour Party is the central question to-day, both of the British working-class movement and of the entire British political situation. In the General Strike the highest point was reached of the struggle of the working class, acting through the trade unions, to impose its will on society. The failure of that attempt revealed the shortcomings of the trade union machine, and laid bare the dominating issue which no trade unionism can solve—the conquest of political power. Henceforward, a deadly blow is struck at the old trade union exclusivism and self-sufficiency: on the one hand the trade union bureaucrats are increasingly compelled to drop their airs of feudal independence and take refuge under the wing of the Parliamentary Labour Party leaders; on the other hand, the revolutionary industrialists are increasingly compelled to recognise the primary task of building a revolutionary political party. But at this point the Labour Party endeavours to stand forward as the medium of the new period, as the means of the conquest of political power through Parliament. The new stage of the final testing and discrediting of the Labour Party claims, as the old trade unionism was tested and discredited in the General Strike, is now at hand. Increasingly as the Labour Party approaches power (or rather, the parliamentary simulacrum of "power"), it is transforming its character, dropping its Socialist aims from the foreground and becoming an old-style alternative government party. This process is no accidental degeneration, but an essential part of the advance of the class struggle. It is

the parallel to the transformation of trade unionism, in proportion as it grows large enough to threaten the State, into a clipped and hamstrung company unionism under the Trade Union Act and the new "constructive" period. *It is the steady closing of every avenue of peaceful, constitutional, gradual change, in proportion as the class struggle advances, until there is no issue or outcome remaining save revolution.*

ON all sides it is agreed that the Labour Party to-day is undergoing a transformation. Favourably or unfavourably, capitalist and Socialist observers alike, panegyrists and critics note the evolution. to a "responsible" governing party of the existing capitalist order, the adaptation process that was carried forward with a sweep by the experience of 1924, and has been advanced a still further stage by the decisions of Blackpool preparing for the elimination of Socialism from the practical programme. The Labour Party is turning into something very different from what many of the old Socialist pioneers dreamed or aspired. Some of these old Socialist pioneers have become "statesmen" repudiating Socialism in practice; others have been or are in process of being expelled; others are heard from time to time raising their voice in complaint or bewilderment at the strange surroundings and alien company in which they find themselves; many of the most famous and strongest local centres have been broken up by headquarters. Meanwhile, the aspirations of millions and millions of workers, as never before, for fundamental social change, for the advance to Socialism, is gathered up for the time being into the Labour Party as the sole vehicle, sweeping it on still to fresh successes and growing power (though not without danger signals already of apathy and disillusionment in the strongest industrial centres, as in Glasgow at the municipal elections, contrasting with the rest of the country). Thus on one side the conditions dreamed of by many of the old Socialist pioneers are at hand. The capitalist anarchy grows increasingly conspicuous and discredited; millions and more millions turn to Socialism, to the Labour Party; the Labour Party draws closer and closer to governing influence in the State; the hoped-for moment of replacing the capitalists approaches.

And yet, the closer the Labour Party draws to power, the more it changes its character, the more it appears to drop Socialism from the forefront, the more its features stiffen and rigidify into the old familiar features of one of the old-style parties, in essential unity with the whole mechanism of State and foreign policy and empire. What is the meaning of this process and of this contradiction? Where will it inevitably lead? In the answer to this question lies the key to the future of British politics, and to the future of Socialism and the working-class struggle in Britain.

ALREADY in 1915 the principal founder of the Labour Party died broken-hearted at what he believed the failure of his work: not the failure of the machine and the movement—that went on and goes on—but the failure of all that he meant it to stand for and express. MacDonald has described the last stage in strong words (he is rebutting the common legend that it was “the war”—*i.e.*, the suffering of humanity in general—that killed Hardie; he shows that Hardie was well enough prepared and steeled for the horrors of the war and of the peace that would follow it; it was the breakdown of the Labour Party that killed him):—

He saw the Treaty of Versailles before 1915 was very far spent, and he was content to endure and wait. *That is not how he was wounded. The deadly blow was given by the attitude of his old colleagues.* When he returned from his first meeting in his constituency on the outbreak of war, he was a crushed man, and, sitting in the sun on the terrace of the House of Commons where I came across him, *he seemed to be looking out on blank desolation. From that he never recovered.* Then followed the complete mergence of the Labour Party in the war-lusty crowd. The Independent Labour Party kept as trusty as ever, but he felt that his work was over, that all he could do in his lifetime was to amount to no more than *picking up some of the broken spars of the wreckage.*

(J. R. MacDonald: Introduction to Stewart's *Life of Hardie*, 1921.)

The founder of the Labour Party died “looking out on blank desolation,” hoping at the most to “pick up some of the broken spars of the wreckage.” We shall presently see that this tragic picture of the end of the truest and most honourable English workers' leader of the past generation is of profoundest significance

for the whole history of the movement and worthy of the deepest and most serious reflection. It will be well for all those who to-day indulge in the facile confidence and self-satisfaction of small officialism and opportunist successes to think, and think again, upon this picture until its meaning and its lesson are burned into their consciousness. For the tragedy of Hardie is not merely the tragedy of an individual; it is not even merely the tragedy of the movement; it is the deepest truth about many things, and the inevitable ending of many things, which Hardie himself held dear.

THAT was in 1915. *But to-day the process of 1915 has gone very much further.* The attempt now fashionable to regard the war record of the Labour Party as an unfortunate and irrelevant episode to be forgotten is dangerous and dishonest self-delusion and evasion. The Henderson and Clynes of to-day are the same as the Henderson and Clynes of 1915, only more so. The only change is that MacDonald, Snowden, &c., have abandoned their partial, temporary opposition and joined up with them, making their peace with the unchanged Foreign Office and financial imperialist diplomacy as the price of their return to practical politics. 1915, 1924, and—shall we add—1929 are a continuous process. The crude novices in parliamentary ministerialism and the acceptance of things as they are of 1915 have become the finished adepts of to-day. And to-day we find another picture that can be set beside the picture of the founder of the Labour Party “looking out on blank desolation” in 1915. To-day we find the chairman of the Labour Party—the chosen spokesman and safety-valve of harmless “rank and file” sentiments—publicly declaring and lamenting his fears that in the Labour Party they have only created a Frankenstein, like the Liberal Party of old, which will devour their endeavours without result and defeat all the objects they had at heart.

THIS utterance of the chairman of the Labour Party is only a weak reflection of the process that is going on, of the questionings that are arising in a growing portion of the membership, and particularly of the active membership, of

the Labour Party. In all parts of the country, strongest in just those regions where the workers are strongest and most conscious, is to be heard the voice of criticism, dissatisfaction, discussion. It is notorious that in certain industrial regions the Labour Party leaders can barely obtain a hearing before meetings of workers, so intense is the deep and justified anger and contempt. The Independent Labour Party endeavours to place itself forward as a channel of this criticism, though its leaders are in fact in no closer contact with the workers than the Labour Party leaders. Demands are made for a "bold" policy. Warnings are issued against the corrupting influence of power, of parliamentary procedure and the behind-the-scenes agreements of the Front Benches. Isolated issues are taken up, though never to a definite conclusion. In Left Wing circles there is widespread talk of the "degeneration," of the "Liberalising" of the Labour Party, and anger at the new Right Wing leadership distorting and disrupting the movement. Individual Right Wing leaders most clearly embodying the dominant policy are attacked. Demands are made for the necessity of a strong stand to check the new process, to resist the distortion of policy and disruption of the movement, to stem the middle-class invasion; and win back the Labour Party for Socialism and the workers. All these are important signs of the process that is going on, of the unrest and conflict, and of the feeling after something different. But they are not yet a full voicing of the issues.

IN particular, the issue of coalition is coming more and more to the front as a growingly dominant question. Suspicion is voiced, and not without reason, that the next government may be based upon some form of Liberal-Labour understanding. It is pointed out that the next election is widely expected to result in a Conservative defeat and a joint Liberal-Labour majority, and that in such a situation the next government may be, if not a direct Liberal-Labour coalition, at any rate a nominal Labour Government based in reality on an agreed programme with the Liberals. This suggestion is officially denied; the independence of the Labour Party and opposition to any coalition is still strongly affirmed. These denials, however, do not explain what is to

happen, and what is to be the policy, in the event of such a situation of a Liberal-Labour majority after the next election. The official policy thus ends in an unanswered question mark on the principal issue of the immediate political future.

ALL the laments and tears over the "degeneration" of the Labour Party, which can be heard from many old-timers and are widely current in much Left Wing expression to-day, fall far short of a full understanding of the real process, charged with the most powerful positive revolutionary significance, which is taking place. For what is taking place is not so much a departure from some imagined primitive working-class purity and Socialist idealism (formally, the Labour Party is much more "Socialist" than it was, though 1927 has certainly receded from 1918), but *on the contrary a working out and unfolding of the real inevitable character and contradiction of the Labour Party, implicit from the first in its basic programme*. If the founder of the Labour Party died "looking out on blank desolation," it was not because he saw the basic root of the error that had been made (such an understanding leads to consciousness of the remedies, to realisation of new tasks, to strength, not to despair), but because he was an honest workers' leader and saw that all he had held at heart, all he had believed in, had gone wrong. But he did not see, and could not see, that he himself had originally implanted the error which had grown to such monstrous fruit. For the cornerstone on which he had built the Labour Party, the central hope which he had held out, was the dream of the peaceful, gradual, constitutional advance of the workers to Socialism through the road of Parliament and their representation in Parliament. And the fruit of that dream is ever ashes.

THE Labour Party is in fact the combination of two contradictory elements. On the one hand it represents the drawing of the working masses into politics through their working-class organisations. This has been the positive and permanent achievement of the Labour Party in the working-class movement. This positive achievement is in reality at bottom Marxist in character, in the sense of the basic conception of the

union of Socialism and the working-class movement, of the understanding that the path to Socialism lies, not through isolated educational preachings and conversions in a classless ideal world of pure discussion, but through the independent activity and struggle of the mass movement reaching through experience and battle to clearer and clearer consciousness. But this essentially Marxist work was carried through by liberal-reformist leaders, who stamped upon the whole work the impress of their outlook. From this contradiction follows the whole inevitable growing conflict. The liberal parliamentary-democratic limitations of the constitution and programme imposed on the Labour Party are at war with the class character of its component organisations and with the needs of the class struggle which drive the workers within it forward. This conflict cannot diminish or be smoothed over, but can only grow with the whole development of the Labour Party, with the growing consciousness of the workers on the one side, and the advance of the liberal democrats to office and identification with capitalism on the other. *The idea of going back, therefore, to a primitive state of the Labour Party in which this conflict was still relatively latent is in its whole essence false; we can only go forward to the victory of one side or the other, leading finally to the emergence of new forms.* This is the critical stage that we are approaching.

IT is worth noting that the essentially Marxist character of the conception which is partially realised in the positive side of the Labour Party—the drawing of the working masses into politics through their own organisations, even though at first on a limited programme—is not only a question of general principle, but is more specific. Already in 1886 and 1887 Engels was indicating the general type of a Labour Party as the correct line of advance for the British working-class movement as a stage to a revolutionary proletarian party. But there was not yet any Marxist leadership ready and strong enough in Britain to realise this task; and this fact is of cardinal importance for the whole history of the movement. Despite the active and able militant working-class elements within the early Social Democratic Federation, who did the real pioneering of Socialism in

Britain at a time when the Fabians were still drawing-room ethicists and Hardie and MacDonald were still in the Liberal Party, nevertheless that body failed to evolve a revolutionary Marxist leadership, but was dogged and doomed from the first by the middle-class limitations of the Hyndman leadership, which (despite the services of Hyndman to early propaganda) was fundamentally removed from Marxism in outlook, and even a barrier between the British working class and the understanding of Marxism. (Further investigation into the conditions of the 'eighties might show the reasons for this: the workers were ripe, and threw up an abundance of magnificent fighting leaders, such as Burns, Mann, Tillett, Thorne, &c.; but the intelligentsia in England was backward, relatively to other countries, owing to the greater capitalist prosperity and corruption, and sunk in middle-class torpor, and contributed only weak, vacillating, semi-revolutionary elements; thus the amalgam of the proletarian movement and the revolutionary intelligentsia, which formed the basis and starting point of Socialism in other countries, never happened in England; and finally the majority of the workers' fighting leaders themselves sunk under bourgeois influence.) Engels' violent condemnation of the whole Hyndman leadership, and refusal even to meet Hyndman (characteristically treated by Hyndman as a mere "personal" question), is a hundred times justified by history. Marxism thus lost its historic right and opportunity, earned alike by its pioneering work of working-class Socialist organisation in England in practice, as by its theoretical marking out of the path in front, to lead the new stage of the British working-class movement, through the paths of the new unionism and the Labour Party, strong and ready into the present revolutionary epoch.

AND here let it be noted (for these origins are of vital importance to-day, when we are now faced with their full working out and the consequent problems) that the legend of the "rigid Marxist" character of the Hyndman leadership of the S.D.F., to be found in all the text-books, is one of the principal parts of the reformist distortion of British working-class history, by which the whole history of the movement since

its Chartist beginnings has been concealed and twisted at every stage for the benefit of Fabianism. (It recurs as usual in Cole's *Short History*.) In fact, Hyndman was notoriously at variance both with Marx and with Engels, and even significantly destroyed the whole of his correspondence from Marx. Engels repeatedly attacked the sectarian character of the Social Democratic Federation, and even for a period gave his assistance to the Morris-Aveling secession and attempt at the Socialist League (it may be observed that Aveling, the son-in-law and translator of Marx, later worked at the new unionism in connection with the Gas Workers' and General Labourers' Union, was active in the formation of the Independent Labour Party and a member of its first executive, and later we find him at the 1897 Conference of the S.D.F. proposing and carrying a resolution for the intensive organised work of the S.D.F. in the trade unions and the co-operatives, thus giving throughout an indication of the Marxist line). Most significant of all for the whole line of the movement, at the two Congresses of the founding of the Second International in Paris in 1889, the Marxist and the Possibilist Congresses, the Marxist Congress was attended by Keir Hardie and William Morris, along with Liebknecht, Guesde, Bebel, Adler and the other leaders of international Socialism; while the Possibilist Congress, which was repudiated and denounced by the Marxists, was attended by Hyndman and the Fabians, along with Burt, Fenwick, &c. Readers of Ryazanov's *Marx Symposium* in the Martin Lawrence series will remember the article of Lenin on "Hyndman on Marx," in which the bubble of Hyndman's repute as a Marxist is finally smashed in a few pages. All these questions, however, will need further treatment in the general re-working out and deliverance from the mass of reformist distortion of the true history of the British working class, which has still to be done in the near future, as part of the necessary task of the awakening to understanding and self-consciousness of the British working class to-day.

THE effect of this failure of the evolution of a Marxist leadership in Britain in the 'eighties, and the imposition instead of the Hyndman distortion, has been twofold.

In the first place, it has led to a complete misunderstanding of Marxism in England, and to a certain extent in all English-speaking countries, as a sterile, dogmatic and passive creed, remote from the working-class movement, instead of as the living, active, scientific, ever-developing revolutionary dynamic theory and practice of the entire international working-class movement; so that only to-day, under the vivifying influence of Leninism, the first steps are beginning in England of a real understanding of Marxism, and the obsolete empty-headed jests and japes of the Shaws, Webbs, &c., on the subject, who never troubled to stretch their slipshod drawing-room thinking enough even to attempt to understand international Socialism and Marxism, are to-day passing into the dust-heap they deserve along with the illusions of imperialist prosperity and progress which provided their material basis. And in the second place, corresponding to this arrested theoretical development of Marxism in England, has gone the practical loss of leadership of the modern Labour Movement for a generation, so that the new Socialist stage since the 'nineties has been carried out, not under the leadership of the Marxists, but of Liberals and ex-Liberals. To-day we have to face this inherited position; and Marxism has to fight an uphill fight against a deeply entrenched official Liberalism at the centre in order to win anew its rightful leadership of the Labour Movement.

FOR the fact that the evolution to a Labour Party—the gradual entry of the trade unions into politics, at first on a limited programme—took place, not under the leadership of the Marxists, who should have been leading the new stage of the working-class movement and guiding the first advance from liberalism to independent politics, but under the guidance of Liberals and ex-Liberals with still one foot in the Liberal camp, has had the most deep and lasting effect upon its history. It may be noted that even after the formation of the Labour Representation Committee, seven years after the formation of the Independent Labour Party, Hardie could still appeal openly to

Morley to come and lead a combination of "earnest Liberals" and the Labour Representation Committee:—

"A section of very earnest Liberals are thoroughly ashamed of modern Liberalism and anxious to put themselves right with their consciences. Working class movements are coming together in a manner, for a parallel to which we require to go back to the early days of the Radical movement. Already 212,000 have paid affiliation fees to the Labour Representation Committee. What is wanted to fuse these elements is a man with the brain to dare, the hand to do, and the heart to inspire. Will you be that man?"

Hardie: *Open Letter to John Morley*, 1900.

THUS the "independence" of Labour representation which Hardie advocated was not connected in his mind with any basic working-class conception of politics (only Marxism could have given him that), but was perfectly compatible with union with "earnest Liberals" on no other basis than their earnest Liberalism. How this was compatible with the "independent working-class representation" which Hardie was at the same time advocating, as in the constitution of the Scottish Labour Party the same year, if the real aim was Left Liberalism entirely free of any class conception, Hardie would probably have had some difficulty to explain. The truth is that his early direct experience of the class struggle led him straight to the fundamentally Marxist conception of the necessity of independent working-class politics, to which he clung all his life, but that then, instead of Marxism coming his way to assist him and illuminate his instinctive proletarian understanding with a comprehensive social and political theory and programme corresponding to it, when he came to study politics all that was available was the liberal superimposed ethical-religious philosophy of his masters, which taught him that politics must be free of any class conception, and so led him to a political conception and programme entirely at variance with his initial proletarian impulse and starting point. It was this contradiction between his basic proletarian instinct and the liberal superimposed philosophy he had learnt which was the tragedy of Hardie, and led him in the end to have to view with growing bitterness the development of the Labour Party to which he had given his life into something very different from his aspirations.

IN this way the "independent working-class politics" for which Hardie fought, and which was nominally and formally achieved in the Labour Representation Committee and the Labour Party, was lost and given away again by the absence of an independent working-class programme and outlook, and the domination of a liberal-constitutionalist outlook, *i.e.*, an outlook of dependence on capitalism. From the liberal-constitutionalist-democratic outlook must necessarily follow, more and more clearly as the party grows larger, acceptance of the existing order (pending constitutional change), acceptance of the existing state and regime, acceptance of the responsibilities of government, acceptance of the defence of the capitalist state, acceptance of the task of maintaining law and order, and so finally complete acceptance of capitalism, imperialism, class co-operation and coalition—in complete contradiction of the original aspiration of independent working-class politics. Instead of the nucleus of working-class politics, embodied in the simple demand for independent working-class representation, being allowed and assisted to grow into a complete working-class policy and programme, finally throwing off the outgrown original liberal-democratic shackles, the reverse has happened. The liberal-democratic formula has been emphasised and pressed forward as the decisive test and basis of the Labour Party, even to the inevitable destruction of the original comprehensive working-class basis and denial of independent working-class politics, and so to the defeating even of the original aim and inevitable ending in coalition. The Labour Party, politically speaking, instead of developing forwards, has developed backwards.

SO we reach a point at which the leaders of the Labour Party can declare with a perfect show of reason: "After all, why should we not enter into a Coalition? If by that means we can defeat the forces of reaction, if we can ensure the victory of the progressive forces, if we can carry a certain programme of measures and repeals on which our hearts are set, why should we let an abstract sterile formula stand in the way of our doing so? On the contrary, it would be completely in accord with the whole philosophy and policy of the Labour Party. We

do not stand for barren refusals; we believe in accepting responsibility; we believe in advancing step by step, instead of insisting on all or nothing; we believe in co-operating with all classes and sections who are ready to co-operate with us. It is true that the solitary plank on which our party has been built is the plank of 'independence,' 'independence of the capitalist parties,' &c. But this is a formula of our infancy, necessary when we were small and in danger of being engulfed, no longer necessary now, when we are the stronger party. We have all agreed that we are not a class party; therefore why object to co-operation with a capitalist party, if they will agree to a given programme? Our programme may not amount to very much, but it is better than nothing, and better than a Tory Government, and until we have an absolute majority, we cannot hope for more. As for independence, we shall, of course, always retain that, since we are always free to leave the coalition."

THIS kind of plea is not yet being used openly and directly by the leaders of the Labour Party. *But it can be said with absolute certainty that it very soon will be.* For there is not one single part of this plea which is at discord with the whole present policy and propaganda of the present leaders of the Labour Party, save for one thing and one thing only—the final dropping of the last empty husk of a formula whose whole meaning and content has long been thrown away. And yet with this last slight change, the final remnant of a sign of the Labour Party as a party of working-class politics against capitalism disappears; the Labour Party stands revealed as a party of co-operation with capitalism and suppression of the workers, using its parliamentary position to support, strengthen, apologise for and defend the whole capitalist regime and empire and machine of coercion, and its control of working-class organisation to check and stifle any independent working-class expression or action. The whole original aspiration of Keir Hardie is defeated. And yet it is only the seed that he implanted, the liberal-capitalist-democratic seed, that has borne its fruit. This is the inevitable working out of present-day social democracy so-called

of the Second International, *i.e.*, of workers' or "Socialist" parties basing themselves on capitalist democracy, and, therefore, inevitably developing, so soon as they advance in size, from abstract and impotent opposition, into "the third party of the bourgeoisie."

WHAT the full working out of this amounts to can be seen most clearly from the present-day German Social Democracy, just as last month we had occasion to see in relation to trade unionism that the German trade unions reveal a more advanced stage of a similar process, on which this country is only just entering. German Social Democracy to-day has long ago cast off all relics of Marxism save the name, the revolutionary Marxists having long ago left it, and has worked out instead a complete system of reformist collaborationist politics (including collaboration with the White Terror, when necessary). One of the most complete recent expositions of this system is provided by Hilferding's political report to the Kiel Congress of the German Social Democratic Party last summer on the rôle and tasks of Social Democracy (*Vorwärts*, May 27, 1927). In this report, which endeavours in effect to present a whole philosophy of the Second International to-day, Hilferding covers a series of points with which it does not concern us here to deal, although many would be of value to take up on a future occasion, as they express more clearly much of what is implicit in English reformist propaganda to-day: in particular, the denial of any "economic collapse theory" of capitalism and assertion that capitalism will only fall by the "will" of the working class (this opposition is a complete abandonment of Marxism); the theory of the advance to a higher stage of "Organised Capitalism," opening the way to social regulation; the theory of the advance to a pacific period of super-capitalism with the League of Nations as an instrument of peace; the theory of the democratisation of industry by participation of the trade unions in control; and finally, the definition of the task of Social Democracy in the present period as "the organisation of capitalist economy with the aid of the State," thus developing gradually into Socialism. What, however, concerns us here is his definition of the rôle of Social Democracy in relation to the State.

HILFERDING argues that the Marxist definition of the State as the instrument of domination of the ruling class is not exactly inaccurate as a description of the facts, but is inadequate to present conditions as a theory of the State. (In reality, of course, the Marxist definition of the State is the only basic and universal theory of the State, fitting the facts, in comparison with which the bourgeois treatments are either superficial descriptions of machinery or else idealist projections at variance with the facts: but to admit the Marxist definition would be to destroy the whole Hilferding and reformist conception of the "classless State," to the rudder of which one or another class can come in turn.) Instead, Hilferding puts forward the suggestion that the modern State consists of three elements: (1) the Government of the moment; (2) the machinery of force; (3) the citizens, organised in parties, representing classes, which parties exercise an influence on the direction of the State. The struggle of parties is the struggle of classes "for the content of the State, for influence on the direction of the State." Thus, parties are "an essential element of the modern State." From this follows his grand conclusion: "*Social Democracy is to-day an indispensable part of the modern State.*" Hence Coalition is its necessary policy, since it shares in the responsibility of the State. And he rejoices to add, in contrast to previous Congresses, where remnants of the old Social Democracy were still protesting against the policy of coalition with the bourgeoisie: "*To-day we have no longer in our party a single opponent in principle of Coalition.*" Here is the perfectly clear, perfectly logical statement by the leading theorist of the Second International to-day, of coalition with the bourgeoisie as the essential principle of the Second International. How long will it be before the same language begins to be used by the reformist leadership of the Labour Party?

THE question which it is now necessary to ask, in the light of this analysis of the whole line of development of the Labour Party and its significance in the history and growth to consciousness of the British working class, is this: At what stage are we in the line of development of the Labour Party, and what is its significance from the point of view of

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Marxism to-day, from the point of view of the Left Wing ? We have seen already a war-coalition of an extreme and **flagrant** type, but which is still regarded as a temporary violation of, or at any rate exception to, the normal principles of the party. We have seen a veiled coalition of 1924, which is accepted as a correct expression of the policy of the party. We may see a more open form of coalition in the next few years. In respect of policy, the Labour Party Front Bench now acts in close alliance with the Government Front Bench in all major questions especially of imperialist policy, as notably in the recent India issue, and even uses the machinery of discipline to prevent the registering of votes of even the handful of Labour members who are prepared to vote against the Government. In respect of organisation and discipline, the reactionary bureaucracy has tightened up its machine steadily during the past five years in the face of the move of the masses to the left, so as to compel an exactly contrary process in the Labour Party (the unreality of the process being revealed wherever there is any remnant of free expression of the workers, as in the question of the London May Day demonstrations and complete retreat and failure of the reactionary bureaucracy on this, unable to rally in all their local demonstrations more than one-fifth of the workers following the Communist and Left Wing flags); the bureaucracy has only been able to maintain its position by increasing expulsions, extending to whole organisations, to Left Wingers as well as Communists, and even reaching to trade union membership. All this process is still incomplete, but is already fully on the march. Recently the reformist bureaucracy has advanced to the further offensive of deliberately disrupting the political working-class front in the elections (as in the placing of a scab "Labour" candidate at Battersea against the Communist member)—an offensive which will inevitably lead to heavy sequels.

IN consequence a point approaches at which it becomes necessary to frame the question explicitly. How far is the Labour Party still serving as a means to draw and organise the backward masses of the workers into some elementary form of political expression, however limited, for their class ? Or how

far has a point been reached, with the development of the class struggle, with the increasing domination of the Right Wing leadership, and with the moving of the masses to the left, when the machine of the Labour Party has become primarily and overwhelmingly a means to hold back and stifle the political expression and advance of the working class, and to tie the workers as a body to corrupt reactionary politics, which a considerable mass-section of the workers has outgrown? And if the latter is the case, what are the tactical consequences to be drawn? In what way is the growing revolutionary consciousness within the working class to find political expression, in proportion as the avenues of expression through the Labour Party become increasingly closed to it through the tightening discipline of the reformist machine? And at the same time, how is this independent political expression, which is of paramount necessity in the present situation, to be most effectively combined with the task of propaganda and organisation within the wider masses in the Labour Party, as in the trade unions, to win them to a revolutionary consciousness and policy? It is obvious that on these questions heavy issues hang. Discussion of these questions is urgently important in all bodies and groups of the militant working-class movement. It is obvious that the militant Left Wing within the working class and within the Labour Party will have to face these issues, and will not be able to maintain a permanently static attitude in the face of a rapidly changing process and situation, but will need to take into survey the whole line of development, and endeavour with clear eyes to see the future.

THE Coalitionists in the Labour Party have their policy and know it; they are in numbers a minority, but they hold the control; they are seeking to impose a policy of political class co-operation on the working-class movement in defiance and reversal of the whole painfully won stage of advance from liberalism to a first measure of independence a generation ago; and they are ready to disrupt the working-class organisations, and are doing so, in pursuit of their policy. But the Non-Coalitionists, the spokesmen of the mass of the membership who still believe in "independence" as the cardinal principle of

working-class politics, where are they and where do they stand? They still hold a formal majority in the Labour Party for "no coalition" and "independence." But their majority hangs on a very thin thread. For while they are anxiously expressing their opposition to a possible future Coalition Government with the Liberals after the election, and receiving pledges and assurances of the inviolable independence of the party, they are failing to see that *Coalition is already here in the whole daily policy and practice of the party*, and that the question of a possible future alliance with the Liberals is a merely formal question, dependent and consequent on this.

THE fight for independence only becomes real when it becomes the positive fight for revolutionary working-class politics against the whole reformist-democratic tradition of co-operation with capitalism. This is the stage to which the whole militant Left Wing needs to advance. It is necessary to cease looking backward to the dead (and largely imaginary) ideal of an old-time purity and independence of the Labour Party, and look forward instead to the revolutionary working-class future in which alone true political independence, only partly achieved in the transitional stage of the Labour Party, can become fully realised. It is necessary to go beyond a merely negative defensive opposition to the reformist Right Wing leadership, who are themselves continually taking the offensive and intensifying the fight against the Left, and instead to advance to the offensive against them. The revolutionary Left must lead. The workers cannot afford to lose the measure of hard-won independence in politics they have in the past gained at the expense of so many battles, by being now in the day of their growing strength dragged at the tail of the coalitionist Labour leaders into the support of capitalism and the stultification of all their fight. The duty of the guardianship of that independence lies with the revolutionary Left. In the political, as in the trade union field, whatever the attempts of the reformist leadership at coalition and class-co-operation, the fight must go on. The banner of revolutionary working-class politics must be raised directly against MacDonaldism.

R. P. D.

THE SIGNIFICANCE OF THE MINERS' MARCH

By ARTHUR HORNER

THE South Wales Miners' March to London is ended, but the lessons it taught those who participated in it will never be forgotten. Its varying phases covered in miniature fashion the whole gamut of our potential experiences in the struggle for class emancipation. "Those starving in the backyards of the capitalist class" now see with a clearer vision the causes of poverty, and recognise the forces which can be expected to render assistance in the endeavours to secure relief. The question of Britain's economic decline is no longer hypothetical to those who are the first to express the symptoms of this condition. Capitalism's greatest contradiction is springing up out of the growing consciousness of its victims.

The march was at once the expression of the rapid decline of capitalist Britain, first demonstrating itself in her basic industry, and an indication of the capacity of the mass of the workers to express themselves over the heads of capitalist repression and its natural accompaniment, reformist sabotage. It was an effect and not a cause, and it was expressive of a deep under-lying consciousness that improvement could only be hoped for in consequence of nation-wide class unity expressing itself in national action.

It has been alleged by those anxious to justify treachery that the march was the artificial outcome of Communist intrigue. This is an obvious lie. All who are in touch with conditions which exist in the mining areas know that it emerged out of a mass consciousness of local impotence. Isolated as we are from the mass of our kind, shut in like cattle in pens, with the means of subsistence rapidly disappearing, we sought strength through united action, in order to prevent a complete stoppage of supplies to those who could not act for themselves. The capitalist State, which is but the instrument in the hands of the employing class of this country, operates from London, and the present stranglehold upon the mineworkers' life is maintained from there. If

once the situation in the coalfields is appreciated there need be no searching for the justification of the march, since it is obvious to any who care to visit them in order to learn the truth.

The situation in the mining industry is becoming progressively worse. The conditions of those in work are only slightly better than those of the unemployed. Short time is general, the average for the country, from May to October, 1927, inclusive, is only 4.66 days per working week, whereas from January to March, 1926, inclusive, it was 5.40 days per week. Thus it is necessary when calculating mineworkers' weekly wages for this period to use the multiple of $4\frac{2}{3}$, and not 6, as would be done in the case of those workers who have succeeded in securing the guaranteed week.

Under-employment is not uniform throughout, as in some cases only one or two days per week are worked. It may be thought that all workers who only work three or more days per week are entitled to and are paid unemployment benefit for the idle days. This, however, is not so, for there are scores of thousands who, because of long periods of past unemployment, are regarded as Extended Benefit men, and as such are not entitled to benefit if they earn 50 per cent. of their average weekly earnings. Even where they actually lose more than 50 per cent. of the possible working time, they are often manœuvred out of benefit over given periods by the order in which stop days are determined by the coalowners. Thus in South Wales there are scores of thousands of men in receipt of 8s. 0 $\frac{3}{4}$ d. per day who are regularly earning 24s. 2 $\frac{1}{4}$ d. or less per week, and even this sum is usually reduced by approximately 2s. stoppages. Some districts are even worse than this. Durham, for instance, has only 6s. 8 $\frac{1}{2}$ d. per day as a subsistence wage.

The pieceworkers have suffered, relatively, to an even greater extent; in fact, all wage cuts to date in South Wales, and it is generally so throughout, have come from these men. These vary from 4d. per ton in the eastern division to 1s. 2d. per ton in North Wales, and this notwithstanding an extra hour added to the working day which, it is estimated, has made possible a saving of from 2s. 1.31d. per ton in South Wales to 8d. per ton in the eastern division where 7 $\frac{1}{2}$ -hour shifts are worked. The average

saving, secured by the extension in the working day, for the country being 1s. 6.56d. per ton, and by wage reduction, 5d. per ton, a total of 1s. 11.56d. per ton. Notwithstanding this extension of labour time, for which less wages are paid per shift, and the exceedingly low weekly wage, aggravated by short time, the coalowners are still dissatisfied. The agreements signed last year are in three cases now the subjects of review.

In Durham, where the one year's agreement reached its proper termination on November 30, 1927, a step has been taken which has rendered the Federation machinery incapable of defending the men, except by argument, before an alleged independent chairman. True, the clause which has been introduced into the Durham agreement was already contained in the two years' agreement now operating in Northumberland, and the three years' agreement in South Wales, but this is no justification for saddling Durham with an acknowledged heavy handicap. The net effect has been to make wage reductions possible there without other than wordy struggles in two months' time, whilst South Wales, as from January 1, 1928, is faced with a request for a 3 per cent. reduction on standard rates to pieceworkers, 6 $\frac{3}{4}$ d. per day reduction for married wage workers, from 8s. 6 $\frac{3}{4}$ d. to 7s. 6d., and 1s. 6 $\frac{3}{4}$ d. per day to unmarried wage workers, *i.e.*, from 8s. 0 $\frac{3}{4}$ d. to 6s. 6d. per day. In this subsistence wage category now in receipt of 8s. 0 $\frac{3}{4}$ d. per day are approximately 50 per cent. of the total employed.

The South Wales Miners' Federation are urging an increase of 7 per cent. on standard rates, and a general increase in the subsistence wage from 8s. 0 $\frac{3}{4}$ d. to 8s. 6d., but this merely means that action will take the form of argument before an independent chairman, who will be presented with evidence from the coalowners to show that the industry is rapidly becoming bankrupt, and that huge deficiencies are accumulating, whilst the workers' representatives will plead for a wage more commensurate with the cost of living. Here will meet the two irreconcilable forces—declining capitalism and a section of the working class who cannot live on less than their present starvation rates. The coalowners have said that if they have to continue present rates the pits must rapidly close down. The men all say if they have to live on less

than the present, they will soon be closed up in coffins. So, one or the other must go—either the system now operating which openly admits its bankruptcy, or the bare means of existence for the workers.

The owners think that the workers will not struggle against an adverse decision for two reasons:—

- (1) Because the leaders will “honourably” carry out the terms of the agreements they have signed.
- (2) Because of the huge mass of helpless unemployed miners, who are rotting in the derelict mining areas.

To the first, the answer must be that none of the agreements were voluntarily arrived at, all are the products of terrorism and starvation, imposed upon the miners after a seven-months' lock-out. These agreements have no sanctity, and should not be allowed to operate one day after it is possible to break them. Coalowners' power made them; working-class power alone can end them.

In the struggle for power the menace of thousands of half-starved unemployed workers is real, though up to date the loyalty of the unemployed miners has been remarkable. The coalowners know and realise the potentialities of this reservoir which they hope to tap and utilise to break down the resistance of those at work. Starvation and destitution are relative, and bread is a luxury when there is little or none to hand. They hope, therefore, to take from the unemployed the last vestige of a livelihood, in order that they may be forced to work for bread. The number of persons engaged in the mining industry is being rapidly reduced, and this in spite of the fact that even before the 1926 lock-out there were more than 200,000 unemployed miners. The following figures show the total number of wage earners employed at the collieries in the following periods:—

1926		1927	
January ..	1,099,694	August ..	984,528
February ..	1,107,526	September ..	982,555
March ..	1,111,912	October ..	983,103

The number of mineworkers registered as unemployed under the Unemployment Acts at the end of October, 1927, was 223,691. This figure excludes those who have exhausted benefit. There are no definite figures of the exact number of these persons,

but they amount to scores of thousands. A low estimate will give one-fourth of the normal number of miners as unemployed, whilst in Durham, South Wales, and Northumberland probably one-third are so placed. The extent of unemployment in the British coalfields is between two and three times as much as that which prevails in industry generally.

In order to appreciate properly what it means to be unemployed in the mining areas, it is necessary to recapitulate briefly some facts relating to the experience. In the first instance these areas are one industry areas, that is to say they depend wholly or mainly on coal mining being carried on. There are little or no compensating industries; if coal stops these little worlds are finished. The local authorities are quickly forced to seek outside assistance to carry out their normal obligations. Their source of supplies is quickly dried up by the reduced income from colliery and other property which is dependent upon it.

The ability of local councils to carry on even moderate relief schemes is immediately prejudiced, whilst new measures to meet the worsened situation are seldom discussed as practical possibilities. Side by side with this reduced income there arise demands for extra expenditure, as follows:—

- (1) Milk for babies and nursing mothers.
- (2) Feeding of necessitous school children.
- (3) Subsidiary relief to Unemployment Benefit.
- (4) Relief when benefit has been discontinued.
- (5) Plans for schemes of work to absorb unemployed.

They generally remain demands, for a number of reasons, not the least of which is the timidity of local Labour representatives on authorities where Labour is well represented, who have sought to defend their limitations by posing as responsible statesmen, who should work within practical limits. True, there have been notable exceptions, such as Bedwellty and Chester-le-Street, which have suffered because of the failure of the others to march forward in line with them. These areas have now to submit to the dictatorship of non-elected Commissioners who have superseded the Guardians, and whilst the distress of these areas is terrible to witness it is only slightly worse than what obtains in those localities where the Boards are permitted to remain on condition that they do pretty much what the Commissioners generally do

where they operate. The District Councils will not feed the school children, whilst the Board of Guardians refuse to subsidise wages or Unemployment Benefit under any circumstances. They go further, and upon instructions from the Ministry of Labour they will not contribute anything towards the upkeep of so-called able-bodied men.

Thus we have hundreds of thousands of mineworkers, locked away in separate areas, who have to exist for years on 18s. per man, 5s. for wife, 2s. per child, but of this meagre total, rent amounting to approximately 10s. per week has to be paid as the only means of evading eviction. To make matters worse, there is the constant threat of being refused further benefit on any one of a number of pretexts, such as, that they are not genuinely seeking work; are not likely to secure work in an insurable occupation; have not worked a reasonable period in past two years; or on the ground that family income will permit relatives to maintain applicant, &c., &c.

On these and other grounds scores of thousands have been struck off, and this means that if a single man is involved, he is not granted a single penny from anywhere, whilst if married, the wife receives 10s. per week, and the children 2s. or 3s. per head from the Board of Guardians, on loan, though the man is not assisted at all, with the only possible result that he must starve or take the woman's and children's food.

Thus, a man, wife, and three children are in most cases in receipt of 16s. minimum or 19s. per week maximum, out of which, approximately, 10s. rent has to be paid, leaving 6s. or 9s. per week to feed, warm, and clothe five persons. This is impossible; people are starving daily, and malnutrition is general.

The Medical Officer for the Rhondda Urban District Council recently reported to the Health Committee that 2,313 school children were suffering from semi-starvation, and this is not the worst part. Clothes are far from sufficient to keep warmth in the kiddies' bodies, whilst boots are a misnomer for the things that cover the perishing feet. Yet when the M.F.G.B. deputation described this condition of affairs to the Ministry of Labour recently, Mr. Betterton, Parliamentary Secretary, replied: "I know all that you say is true. I have visited both Durham and

South Wales recently and seen for myself." Yet when asked what was to be done, he simply flung the question back, and replied, "What can we do?"

There are scores of reformist leaders who have asked, just as helplessly, the same futile question, with the intention of conveying the impression that nothing can be done. So it was with the miners' march; when A. J. Cook threw out the suggestion he voiced the sentiment which lay dormant in the minds of all his hearers. Demonstrations to Guardians for improved relief, deputations to local and Divisional Officers of the Ministry of Labour to protest against the disqualifications from Unemployment Benefit, appeals to District and County Councils to put into operation the Necessitous Children's School Feeding Act, all had been in vain because capitalism was centralised and directed its activities against the workers through the capitalist State with headquarters in London. "Go to London," was the general cry. "Let the other workers see your misery and be persuaded to join you, for they must follow if you go down. Gather your strength on the road to be used when you get there against the new Unemployment Bill, which will completely ruin more hundreds of thousands."

The imagination of those in and out of work was touched—new wage reductions threatened, a new Unemployment Bill would be before Parliament in the six weeks' Autumn Session. No ordinary measures would do, constitutional means were inadequate in both cases. The agreement would determine the wage cuts automatically, whilst the huge majority possessed by the Baldwin Government made Parliamentary resistance alone a farce. The unemployed looked first to the S.W.M.F. E.C., but they looked in vain, for instead of help they met with delay and scarcely veiled opposition. The London Trades Council, the Bristol Trades Council, these agreed to help, but some force moved and the renegade progressive, A. M. Wall, came out with unfounded lies, inviting the capitalist Press to call for police intervention against the "Marchers." Then came the General Council, using the fact that the M.F.G.B. E.C. had not authorised the march as the pretext to send out a circular which was tanta-

mount to an instruction to the local bodies to refuse to assist in finding food or shelter for the marchers.

The march went on, and whilst far from being the huge success it might have been, had it been backed by the leadership of the British Labour Movement, it nevertheless revealed many things which before were merely thought to be so by large numbers. It showed beyond all manner of doubt that in the choice between starvation and struggle the workers will struggle.

These half-starved men, who for months before had never had sufficient to eat, ill-clad, in bleak November weather, braved it all, without guarantees of food or shelter, in the teeth of reformist opposition, without fear, following the leadership of the Communists in the working-class movement, for with a few notable exceptions all others had failed them.

They know now why these people failed, they know that traitors who deserted in 1926, thus permitting these things to come about, could not condemn the results of their treachery in 1927. They know that the Blanesburgh Report is partly the responsibility of the Labour Movement, for were not Hodges, Bondfield, and Holmes signatories to that which is now the basis of Baldwin's new Unemployment Bill.

To have made clear the rôle of the reformists, in such a fashion that the most simple might see, and again to have demonstrated the courage and capacity of the workers for sacrifice on behalf of our class, is even more important. To have permitted the revolutionaries to act with and to lead the workers in struggles, when all other had deserted, is of the utmost value for the future.

There are, however, lessons which were learned on the way. When the march commenced the future prospects were doubtful, very little was sure. The edict had gone forth into the localities to treat us as pariahs. It was a choice between Eccleston Square domination and class solidarity. The test came, even as we were on the way, and the result in every case was that class solidarity won the victory.

The Movement is sound at heart. The march shows that when the great tests come, though at the beginning the odds may be on the side of reformism, in the struggle we shall generate strength, and the barriers will fall.

THE LEFT WING IN 1928

By ANDREW ROTHSTEIN

(1) *The Reformed Leadership in 1927*

IN many respects 1927 was a momentous year for British labour. In particular, it threw a fierce flood of light on the question: "Which way is the reformist leadership taking the British working-class movement?" Here, perhaps, 1927 was even more illuminating than 1926.

Let us take the principal political issues with which the Labour Party was faced in 1927. They were, in chronological order: China, the Blanesburgh Report, the Trade Union Bill, the breaking off of diplomatic relations with the Soviet Union, the General Council's rupture with the Anglo-Russian Committee, and India (the Simon Commission).

How did the Labour Party leadership act in each case?

On China. Baldwin's policy is to intervene actively in China, on the plea of the "excesses" of the revolutionary Chinese masses. MacDonald agrees with Baldwin about the "excesses," and further gives Baldwin's Foreign Office credit for wanting peace: he only "protests" against the "provocative propaganda" and "ostentatious despatch of troops" by the War Office. The Parliamentary Labour Party, for one fleeting moment, vote against estimates for the troops, but then return to MacDonald's allegiance, confining their opposition to "protests." The National Joint Council makes broad hints to the Chinese revolutionaries about "excesses," expresses a little sympathy for them, and formally opposes any mass movement *outside* Parliament (*i.e.* to form "Hands Off China!" Committees) to support them. The I.L.P. leadership expresses great sympathy for the Chinese Revolution, does nothing about any mass movement to support it, and formally refuses to join in the Communist Party's campaign for "Hands Off China!" Committees. The Lansbury group embraces Chinese Nationalist generals at Brussels, but boycotts the very mention of "Hands Off China!" Committees in their paper.

Thus Baldwin is supported by MacDonald, MacDonald by the Parliamentary Labour Party and National Joint Council,

the Parliamentary Labour Party is not opposed by the I.L.P. and the Lansbury group. And all of them are positive that there must be no mass action to stop guns, troops and ships. *An unbroken chain of active and passive support for British Imperialism from Baldwin to Lansbury.*

On the Blanesburgh Report. Baldwin's policy is to drive down the conditions of the unemployed, and thus create a starving "industrial reserve army" for use against the employed workers. Prominent Labour leaders, led by Margaret Bondfield—a member of the General Council—co-operate with him in producing a Report which does these things (and serves, in all essentials, as a basis for the later Government Unemployment Bill). The official leadership of the movement, at a Joint Conference on Unemployment in April, oppose a motion to condemn this conduct, and carry a motion suggesting that "reasoned amendments" in the House of Commons (where they know there is a Tory majority) is all that is needed. When Margaret Bondfield and the Blanesburgh Report are condemned (at the Labour Party Women's Conference in May and the Trades Union Congress in September), it is in the teeth of the official Labour Party leadership and General Council spokesmen respectively. The I.L.P. "regrets" the Report, but fails to support any movement to condemn its authors. The Lansbury group opposes any attempt to "put the blame on leaders."

Miss Bondfield co-operates with Baldwin, the Labour Party and General Council leaders uphold Bondfield, the I.L.P. and the Lansbury group will not organise any opposition to the Labour Party and General Council leaders. *An unbroken front of active or passive support for British Imperialism against the unemployed, from Baldwin to Lansbury.*

On the Trade Union Bill, Baldwin's policy is to utilise his huge majority in Parliament to strike a blow at the British trade union movement, which will considerably embarrass the Labour Party, but will be even more valuable when British Imperialism takes the offensive, either against Soviet Russia or against the British workers' wages and conditions. The Parliamentary Labour Party, the Labour Party Executive, and the General Council concentrate all attention on the Parliamentary

debates about the Bill, and on the "future Labour Government" which one day will repeal the Bill. The General Council organises special regional conferences for this purpose, refusing to allow resolutions in favour of a mass fight against the Bill *now*, through a General Strike. The I.L.P. and the Lansbury group denounce the Bill, concentrate all attention on the future Labour Government, and deprecate talk of a General Strike. The Lansbury group seizes the occasion for venomous attacks on the Minority Movement—the revolutionary trade union opposition which is fighting for a General Strike—in much the same terms as Baldwin and the General Council.

Thus the reformist leaders all refuse to rally the masses for a fight against Baldwin here and now, and pin their faith to resolutions (which Birkenhead publicly jeers at). The sham "Left" support them in this, and turn their attack on those who urge a fight. *A united front of active and passive support for British Imperialism against the millions of members in trade unions, from Baldwin to Lansbury.*

On the break with Russia. Baldwin's policy is to prepare for the rupture by a long preliminary campaign of slander, to "test feeling" by staging a rupture in China, and then to carry out the Arcos raid, which makes a break inevitable even though no evidence justifying the raid is forthcoming. During the period of preparation, many well-known Labour Party leaders carry out a poisonous Press campaign against the U.S.S.R. without any official check: when the break takes place, the Labour Party leaders (inside and outside Parliament) ask for an "inquiry": the General Council record their "protest" (against the injury to trade): but neither lift a finger to mobilise the masses against the rupture. The I.L.P. leaders and the Lansbury group even insinuate that there may be something in Baldwin's charges, and also remain silent as to how the workers should fight the rupture and the growing danger. When Voikov is murdered in Warsaw (June 7), not a single reformist Labour organisation raises its voice in protest—although the murder is obviously the result of the new encouragement given by Baldwin to the Whites. But when, four days later, the Soviet Government executes 20 known White spies and counter-revolutionary

terrorists, Clynes, the Labour Party Executive and General Council, Maxton, Brockway, and Lansbury echo all that is said in the capitalist press to condemn the action.

Thus the Labour leaders co-operate with Baldwin in preparing the break, and do nothing to rouse mass action against Baldwin and against the war danger after the break. The sham "Lefts" refuse to denounce the official majority, or to put forward an alternative policy. All unite actively when it is a question of stirring up feeling against the Soviet Government. *An unbroken chain of active and passive support for British Imperialism against the first Socialist Republic, from Baldwin to Lansbury.*

On the Anglo-Russian Committee. The capitalist Press has for months been urging the General Council to break the Anglo-Russian Committee : an obvious move in the war campaign. The General Council prepares the way for months, slowly but systematically: refusing for fifteen months to fulfil the Scarborough decision about summoning a meeting between the Amsterdam International and the Russians, refusing during the General Strike to accept the "mutual aid" provided for at Scarborough (although money was accepted from other countries), refusing in November, 1926, to send fraternal delegates to the Soviet T.U.C., tabling a motion for the Amsterdam International Congress which *in effect* goes back on the Scarborough pledge to fight for an all-inclusive International, and instead prepares the way for inviting the Russian unions to enter Amsterdam. None of these moves is exposed by the I.L.P. leaders or the Lansbury group, and some are even approved (e.g. the refusal of Russian aid during the General Strike). The General Council justifies this course of action by the Russian unions' criticism of their policy during the General Strike, on the Trade Union Bill, and particularly after their attack on the Soviet Government's execution of White terrorists. The I.L.P. leaders and the Lansbury group re-echo the General Council's attacks, failing to point out that there were millions of British workers who said the same. In September, at Edinburgh, the Committee is broken up. The General Council officially ridicule the idea that the breaking of the Anglo-Russian Committee will increase the war danger : the "Left" I.L.P. (now including the Lansbury group) fail to expose them.

Thus Baldwin requires the breaking-up of the Anglo-Russian Committee, to further his war plans. The General Council's action meets his wishes. The I.L.P. makes no fight against the General Council's action. *An unbroken reactionary front, from Baldwin to the I.L.P. leaders, of active or passive hostility to Anglo-Russian trade union unity.*

On the question of India. In 1919 sham reforms were "granted" to India, which required the setting up of a Commission to investigate the whole situation in 1929. Baldwin's policy is to continue the British capitalist exploitation of India from 1929 onwards, no less than before that date: the problem is how to do so with due regard for the forms of "democracy." The form decided upon is a mixed Tory-Liberal-Labour Commission, *reporting to the British Parliament, i.e., the exploiters' Parliament.* Instead of exposing the whole character of the "reforms" and of British rule in India, instead of fighting for full Indian independence—including the right of complete separation—and showing the British workers how their own interests require such a fight, the Labour Party Conference at Blackpool—led by the I.L.P.—accepts the idea of such a Commission, providing it "enjoys the confidence of the Indian people."

MacDonald, by private negotiations, determines with Baldwin that to include Stephen Walsh and Attlee in the Commission is sufficient to ensure Indian "confidence." When this turns out to be not so, the I.L.P.—without demanding the withdrawal of Attlee and Walsh—puts forward the idea of a parallel Indian Commission, *also reporting to the British exploiters' Parliament, i.e., acknowledging the ultimate supremacy of British Imperialism.* In view of Baldwin's announcement that even this show of a concession will not be granted, the official Labour Party leadership makes its protest—but *votes for the Commission and sends its representatives.* The I.L.P. expresses its "condemnation" of official policy—but *continues to press the parallel Indian Commission as the "alternative," and refuses to demand of Attlee and Hartshorn, both members of the I.L.P., that they withdraw.*

Thus Baldwin wants a Commission which will show a united front of British capitalists and workers against the wishes of India. MacDonald and the Labour Party leadership support

him. The I.L.P. leaders refuse to fight the Labour Party leadership, and put forward a scheme at the bottom of which lies Baldwin's principle of the supremacy of the British Parliament, *i.e.*, of the Imperialists. Baldwin and MacDonald say that Hartsorn and Attlee must be in the Commission, Brockway and Maxton do nothing to make them withdraw. MacDonald utters sneers and jeers at the Indian people's boycott, the I.L.P. tactfully say nothing about him. *The chain of active or passive support for British Imperialist rule over India is unbroken, from Baldwin to Brockway.*

This is the balance which the Labour movement can strike, when it reviews in cold blood the facts of 1927. Of course, there will always be protestations of good intentions, of international solidarity, of sympathy with unemployed workers and with peoples oppressed by Imperialism. But, in the long run, what counts in politics are actions, not words. A review of the actions of the last twelve months show that the whole reformist machinery of the Labour movement has been consolidated into one *bloc*, the purpose of which—more or less avowed—is to serve the interests of British Imperialism within the Labour movement. Of course, there is strict division of labour: one part mouths Liberal principles, another part mouths Socialist principles: one part speaks of "industrial peace," the other part "opposes" it: one part expresses its contempt for the colonial peoples, the other part loudly proclaims its sympathy. But the differences in words only serve to mark unity in deeds: this division of labour only helps to secure the effective working of the various parts of the machine in a more harmonious and co-ordinated manner than hitherto. The reason is clear: the spectre of growing mass impatience with Imperialism, of growing mass revolt against Imperialism, in short, of "the swing to the Left" of the British workers. But what are the results?

(2) *The Fruits of Reformism.*

It must be noted, however, that on each of these issues only the Communist Party put forward, and fought for, a policy which sought to weaken British Imperialism instead of strengthening. Only the Communist Party sought to stop troops and guns for China; to have Margaret Bondfield repudiated; to secure a

General Strike against the Trade Union Bill, and to combine it with mass action in defence of peace with Russia; to maintain the Anglo-Russian Committee; to mobilise the British workers on the side of India instead of against her. Hence it comes about that, all through 1927, the reformist leaders display, in expelling and slandering the Communists, all the energy and venom which desert them when they face the capitalists.

The British workers are long-suffering, but there is apparently a limit to their patience. The policy of consistent and persistent surrender to capitalism, and collaboration with it, might have passed off well enough in an age of expanding capitalism, such as Britain passed through from 1850 to 1870, or such as the United States has been passing through since the war. In such a period the capitalist class can confer enough privileges upon the upper "aristocracy" of labour, and from time to time make sufficient concessions to groups of the mass of workers, to make class collaboration appear worth while.

But nowadays there is less and less of such a material basis for the propaganda and practice of the united front with Baldwin. Wages, hours, conditions, in industry after industry are being attacked. The last two years have hastened this process. And the workers are having their eyes opened by hard facts to the need for an anti-capitalist policy and a sound anti-capitalist organisation. It was natural that their eyes should turn first of all to the Labour Party and to the trade union officialdom which is associated with the Labour Party. However, we have seen that, on every vital issue during 1927, the whole reformist Labour leadership more and more openly and cynically abandoned the workers' interests.

What was the result? Let us take the figures of the votes cast at the three Parliamentary by-elections which have been held this year in predominantly industrial constituencies—Leith, Southwark, and Brixton—and compare them with the voting at the General Election of 1924.

	<i>Labour.</i>		<i>Liberal.</i>		<i>Conservative.</i>	
	1924.	1927.	1924.	1927.	1924.	1927.
Leith	11,250	12,350	16,569	12,461	—	4,607
Southwark.	8,115	6,167	7,085	7,334	3,305	3,205
Brixton.	7,210	6,032	4,871	5,134	15,755	10,358

These figures show (i) that, contrary to the tendency at previous by-elections in industrial constituencies, the Labour vote only increased where there was a Left Wing candidate (Wilson at Leith), who actually is now being seriously questioned by Eccleston Square. In the other two areas, the Labour vote actually fell. (ii) That, even though there was a falling poll, as at Brixton and Southwark, the party which shows a relative or absolute net gain is the Liberal Party (at Leith, although the Liberals lost 4,607 votes to the Tory candidate, who had not stood in 1924, their net vote fell by 4,108).

Thus the candidates who stood for a Liberal-Labour policy lost the votes of the workers, while the votes of the lower middle class for which they were angling went, not to them, but to the out-and-out "middle-class" candidate. The peril of this is all the more obvious when we remember that the Liberal is in reality the representative, not of the middle class, but of the same Imperialism as the Tory, in a different dress. The Communist Party hastened to explain the position quite clearly to the workers. In the words of the *Workers' Life* editorial on the by-elections :

A Liberal revival will take place only to the extent that the Labour Party leadership is allowed to continue its adherence to a Liberal policy. The workers of this country are being roused to political consciousness by the growing sharpness of the class struggle. But the Labour Party leadership, which should be guiding them towards political activity, has been engaged instead in betraying the miners, betraying China, betraying Russia, accepting the Trade Union Bill, expelling Communists and Left Wingers. Obviously the workers will be rallied, not by, but rather in spite of, such a Liberal policy.

Again, large sections of the lower middle class are being alienated from the capitalists by the latter's continued failure to give them peace, security, and prosperity. Increasingly they are turning to Labour. But the middle class is by nature hesitating, wavering, uncertain. It must be sure of a strong lead, if it is to follow. And when it sees the Labour Party leaders afraid to fight the capitalists, pursuing a Liberal policy of co-operation with them, it loses heart. "If a Liberal policy is all MacDonald can offer, why not follow the Liberals?"

Again, following the Brixton by-election, the Central Com-

mittee of the Communist Party issued a statement pointing out that :—

It is quite clear that such complete bankruptcy on the part of the Labour leadership cannot have the effect of rallying the workers to the banner of Socialism, but, on the contrary, creates the danger that large sections of the less class-conscious workers may be alienated as they were in Italy. (*Workers' Life*, July 1, 1927.)

Naturally, even the policy of consistent class collaboration on the part of the leadership cannot, at all events at first, prevail against the objective conditions of declining British capitalism, which are driving the British workers to the Left by sheer pressure on their homes and their children, on their elementary rights and liberties. No doubt scores, maybe hundreds, of thousands of workers, awakened to political life for the first time by that pressure, are voting and will vote for the Labour Party without any critical examination of their policy. It is significant that the marked increases in the Labour vote at by-elections in 1927 were in the less industrially developed constituencies, such as Market Bosworth (2,500 increase) and Southend (1,300 increase).

But the test of a workers' party is its ability to strengthen its hold upon the politically *foremost* workers in the first instance : and it is in just this respect that from Brixton and Southwark, in particular, came the quite definite and circumstantial evidence that the most active workers were disgusted with the Labour Party policy, and that it was difficult to arouse them to enthusiastic work for the candidate as in the past. In elections to capitalist Parliaments, based as they are upon extensive territorial constituencies, the work of the committeeman, the house-to-house canvasser, the leaflet distributor, the eve-of-the-poll whipper-up, is all important. It is in this drudgery that one is accustomed to find engaged the most devoted, energetic and militant spirits of the local Labour movement. And it is precisely these workers who had not only been alienated by the policy of class collaboration, but in many cases (certainly in the two concrete cases in question, Southwark and Brixton), actually pushed away by the local reformist officials.

Thus, when we speak of the policy of class collaboration and of Liverpool tending to drive the working-class *soul* out of

the Labour Party, this is no mere figure of speech. What actually goes on is the driving away of that militant core of active workers who necessarily must constitute the brains, muscles, nerves and soul of any *working-class* political organisation.

The Ninth Congress of the Communist Party (October, 1927) summed up the position as follows, in its resolution on the political situation in Great Britain (Congress Report, pp. 85-86):—

(16) While the Labour vote increased enormously in the by-elections during the General Strike and the miners' lock-out, recent by-elections, while continuing to record a catastrophic fall in the Government vote, have also recorded a fall in the Labour vote. This is due to (i) the apathy following a prolonged struggle; (ii) growth of scepticism with regard to the prospects of the Labour Movement under the present leadership; and (iii) the break-up of the unity of the local Labour Movement by the application of the splitting Liverpool decisions. Thus, while the Tory Government is steadily losing the support of the workers and the petty bourgeoisie who have hitherto supported it, the Labour Movement is unable, owing to the splitting policy of the bureaucracy, fully to rally them to its side.

(17) The united Liberal Party has increased its influence amongst sections of the petty bourgeoisie, and even amongst a small section of workers, disgusted and disheartened by the opportunist tactics of the Labour leadership. This fact, added to the general difficulty, under the present mode of election, of getting a Labour Parliamentary majority even if there is a Labour electoral majority, renders possible a repetition of the Parliamentary situation of 1924 after the next General Election, with the certainty that the Liberal Party will endeavour to force an open coalition with Labour.

Was the summing-up given by the Communist Party Congress correct? The answer was given, in less than a month, at the municipal elections on November 1. At first sight this may seem a strange test to apply: is it not a fact that Labour gained another 111 seats, on top of the 150 seats gained in 1926? Is it not a fact that Labour now controls 4 per cent. of the English and Welsh municipal councils outside London, as against 2 per cent. before November 1? These are the facts, but a very different picture is revealed when we look at the votes cast. It is the votes that give a clear indication of the working of the local Labour Party machinery, rather than the seats won: and the voting results are startling.

Results of the November Municipal Elections

	Conservative Vote			Liberal Vote			Labour Vote		
	1925	1926	1927	1925	1926	1927	1925	1926	1927
City									
Glasgow ..	117,233	88,404	121,503	—	—	—	110,429	108,286	104,941
Manchester and Salford	77,817	59,907	71,498	23,543	22,374	32,727	77,768	78,329	61,420
Birmingham	69,181	56,856	85,923	2,924	7,070	3,004	48,576	68,013	71,307
Liverpool ..	59,167	49,472	56,208	7,905	3,578	9,627	48,153	53,630	63,909
Sheffield ..	34,919	41,536	50,166	—	—	—	35,719	65,718	51,692
Leeds ..	26,120	38,630	45,907	23,969	18,584	23,035	39,633	54,987	47,699
Edinburgh ..	38,552	29,914	53,626	—	—	—	25,872	31,318	37,372
Bristol ..	47,046	38,992	45,374	—	—	—	36,983	36,726	38,662
Bradford ..	23,985	15,704	26,333	23,700	28,618	20,638	33,655	42,431	43,194
Newcastle ..	18,761	24,629	11,747	—	—	—	14,669	22,306	15,001
	512,781	444,044	568,285	82,041	80,224	89,031	471,457	561,744	535,197

NOTE.—(1) Where there was only one capitalist candidate, he has been classed as Conservative.

(2) "Freak" candidates and Independents who were not obviously Tories have been left out of the totals.

It should be observed here that the collection of municipal election statistics is not one of the easiest tasks. No central record of municipal election voting, either official or unofficial, appears to exist : and, to make a complete analysis, probably the only way is to go through the files of every local newspaper published in the United Kingdom. The method has, therefore, been selected of taking the ten largest industrial centres in Great Britain of which statistics could be fairly easily obtained, since obviously the greatest strength of the Labour Party machinery will be found in the areas where the proletariat is most concentrated and best organised. Even so, there is the disadvantage that the results for West Ham and Hull, which strictly precede Bradford and Newcastle in order of population, could not be easily procured. But, in the aggregate, the results are sufficiently representative and sufficiently clear—viewed always from the angle of where the local machinery is strongest.¹

It will be noticed that the aggregate Labour vote has fallen, while the separate and aggregate Tory and Liberal votes have risen. Even where there were increases in the Labour vote, compared with 1926—as at *Birmingham* (3,000), *Liverpool* (10,000), *Edinburgh* (6,000), *Bristol* (2,000), *Bradford* (700)—the corresponding increases in the capitalist vote have far outdistanced them (23,000, 12,800, 23,000, 6,000, and 3,000 respectively).

The same general tendency can be seen in many other industrial towns. Thus, at *Stoke-on-Trent* the Labour vote increased from 17,784 last year to 18,503 this year, but the capitalist vote went up from 18,340 to 24,930 in the same period. At *South Shields* the Labour vote fell from 9,769 to 7,515 ; the Tory vote (there was no Liberal list) fell from 8,226 to 8,075. At *Huddersfield* Labour made no progress, increasing its vote by 89 while the capitalist vote increased by 153. At *Nottingham* the capitalist vote fell from 33,475 last year to 33,005 this year, a decrease of only 470 votes. But the Labour vote fell from 34,354 to 25,495, a decrease of 9,012 votes. Even allowing

I am indebted to the Secretary of the Proportional Representation Society for permission to inspect his records.

the 545 votes received in one ward by a Communist candidate; the balance in favour of the capitalist candidates is enormous. And so on.

What is the explanation of these figures? As the December *Communist* points out :—

It is not a smaller poll than last year, the reverse is the case. Nor is it any sweeping difference in the actual seats contested; substantially the voting was over the same wards in each municipality.

But the bourgeoisie, and the middle class who follow in its wake, have been so heartened by the spectacle of a Government which steadily and persistently pursues a class policy, that—in the areas referred to above—they have cast 120,000 new Tory votes, while the workers, disgusted with a leadership which pursues a policy of Liberalism and of class collaboration, and is relentless only in its enmity to revolutionary workers, have cast 25,000 less votes for the Labour Party.

Whereas last year the Labour vote was larger than that of the Liberal and Tories combined, this year the Tory vote alone is larger than the Labour vote.

How it strikes the local militants is seen from the statement published on November 18 by the Sheffield District Committee of the Communist Party, commenting on the heavy poll of the Labour vote in that city :—

The policy of the official Labour Movement, nationally—opposition to mass struggle, the liberalising of its programme and the expulsion of militant workers—accounts for the general depression in the working-class movement throughout the country. In Sheffield this has been aggravated by the Right Wing leaders' willingness to kow-tow to Ecclestone Square, and by the *Labour Council's pursuit of an anti-working-class policy* :—

The repudiation of their responsibilities to the organised Movement, and repeated evasions of its mandates.

Their haste to supply the vicious principle of compounding rates with rents, entailing more and more distress to the poorest of the city.

Their refusal to insist upon the abolition of task work.

The granting of contracts to scab contractors, in face of repeated pressure upon the Trades and Labour Council to insist upon full trade union rates and conditions.

"These things," says the statement, "together with their hob-nobbing with bitter enemies of the workers (Neville Chamberlain), are the explanation of the vote." It calls on the movement to "insist that the Council pursue an aggressive working-class

policy, irrespective of the interests of the capitalists or landlords. Only in this way shall we succeed in arresting the decline in Labour's support."

In the first part of this survey of 1927, we have seen that all shades of opportunism, in the era of Imperialist aggression, of capitalist breakdown, of growing militancy amongst the workers, constitute nothing but parts of a single machine which does the work of capitalism within the Labour movement. Now the electoral results of 1927 irresistibly lead to the conclusion that, even in the field of "democratic" Parliamentary and municipal action which the opportunists have selected as their particular and special field, disillusionment and disgust await those active workers who sincerely pin their whole faith in a majority Labour Government.

Imperialism, in its final phase, is decaying. If the present opportunist leadership, which has shown itself the agency of Imperialism within the working class by all its practical activities, remains in office, it is bound to serve as a channel whereby the decay will tend to spread into the Labour movement. Only the most drastic cutting-out of every link between Imperialism and the working-class movement can counteract this serious danger. That is the big lesson, above all others, of 1927.

(3) *What is to be done ?*

Viewed from this angle—the standpoint of the policy of the National Left Wing, within and on behalf of the working-class movement—what obligations for 1928 do the experiences of the last twelve months impose ?

First, *the need for sharpening the fight against reformism of every shape or colour, at all times calling in the workers themselves to redress the balance of the official machinery of the movement.* The experiences of 1927 show that the revolutionary Left Wing has nothing thereby to lose and everything to gain. The examples of London's May Day, of the Sacco and Vanzetti demonstrations, of the Workers' Delegations to Russia, of the Miners' March, of many other similar struggles on a smaller scale, show that, if the reformists have the machinery as yet, the revolutionary Left has the ear of the masses : and in the

long run the masses are heavier than the machinery. Therefore —“ more *political* meetings, demonstrations, marches, interventions at reformists' meetings, and mass political action of all kinds, including industrial,” must inevitably be the slogan of all revolutionaries ; more and more intense political activity, in order to give the workers a wider and wider field for expressing their growing revolutionary spirit.

But, unless this goes hand in hand with the sharpening of war on reformism as such, whatever its form or hue, the action of the masses will not conquer the reformists. The open agents of capitalism will, perhaps, retire into the background, while those who are more cunningly masked will come to the front. The experience of 1927 shows us, again and again, that unbroken chain from Baldwin to MacDonald, from MacDonald to Eccleston Square, from Eccleston Square to Lansbury, from Lansbury to the I.L.P. leadership. The revolutionary Left Wing will be feeding itself on illusions, and thereby the workers too, unless it both recognises, and takes every possible opportunity to make clear to the workers, the vital necessity of cutting that chain at the link which is (in outward show) *nearest* to the workers, not merely at that which is farthest away. Naturally, this fight requires the utmost clarity of ideas within the ranks of the Left Wing itself.

Above all, the illusion that the policy of the united front (of the workers against capitalism)—which must of necessity be the main plank in any revolutionary Left Wing platform—in any way implies acceptance of a *bloc* with, or suppression of criticism or exposure of, those who passively help capitalism against the workers, is becoming particularly dangerous. The overcoming of this illusion : the exposure of the “ sham Lefts,” of all groups and shades, who played their appointed part in all the betrayals of 1927, and are still playing it : the unmasking of all the little ambiguities, double meanings, mental reservations, hollow “ Socialist ” phrases, at which the I.L.P. leadership in particular are past masters : this constant, daily and universal struggle on all fronts (locally no less than nationally) is imposed on the revolutionary vanguard of the Labour Movement by considerations of sheer self-preservation.

At the time when the reformists of *all* colours are working more and more closely together as Baldwin's machinery in the Labour movement ; when British Imperialism itself is taking the offensive on a number of fronts ; when the workers are becoming more and more politically active and class conscious under the heavy blows of capitalism ; it would be *sheer suicide* for the revolutionary Left Wing opposition within the Labour movement to allow the slightest doubt to arise in the workers' minds as to the sharp, clear, definite boundaries on every political issue between itself and—say—the Brockways, Lansburys, or Wilkinsons, not to speak of the "ex-Lefts" of the General Council.

Secondly, *this war on reformism will remain a mere war of words unless it takes concrete shape in a bitter, systematic and universal fight for a real "change of leadership."* Once there has been a whole year's experience of the united *bloc* of reformist officialdom on the side of Imperialism, it is sheer self-deception for any Left Winger to set before himself—as the *central* task—the exertion of "pressure" on the reformist leadership. If 1927 teaches anything, it teaches that the latter has finally and irrevocably gone over to capitalism, and that the "pressure" which was of good service in 1925 must be transformed into something stronger in 1928 if capitalist influences in the movement are to be fought. It is no longer sufficient, for example, to advance the slogan of the Anglo-Russian Committee without telling the workers plainly that the struggle for that Committee can and will make headway only in the measure that reformists are replaced by revolutionaries in the trade union leadership. Similarly with the slogan of "One Miners' Union"; the campaign for industrial unionism ; and the campaign for an "aggressive working-class policy" in the Sheffield City Council, &c. On all fronts experience irresistibly drives us to the conclusion that the fight against Liberalism (reformism) can take concrete shape at the present time only around the fight to "change the leadership."

Why is it that this particular fight needs to be intensified at the present time ? Because there is ample evidence of widespread lack of appreciation of its importance in many localities.

Elections of delegates, officials, committeemen, municipal and Parliamentary candidates, are allowed to slip by without an attempt to oppose the spokesman of reformism by a spokesman of the working class ; or too late comes the realisation that three or six months previously was the time to begin surveying the ground, planning, organising, propaganda. A moral factor of enormous importance in this regard is the realisation of the fact that the workers will be with the Left, not with the Right, if the Left have the determination and the ability to go to them directly. Here the experience of the Communist victories in the Fife and Lanark Miners' Unions, in South Wales and even in Durham, show what can be done.

Thirdly, *the changing of the leadership assumes a specially concrete form for the Left Wing, namely, the changing of the reformist Parliamentary candidates—partly because it is the Left Wing, partly also because of the approach of the General Election.* Many practical proofs have been given that the active militants can lead the mass of the workers against capitalism, in spite of the opposition of the reformist leaders. Yet, in constituency after constituency where the experience of the workers themselves tells against the reformists, this is not taken advantage of to replace a reformist by a genuine fighter through the selection conference. Particularly does this apply to mining areas, and to the constituencies of the Labour Party leaders : where there is no part of the experiences of 1927 which could not be driven home to the local trade unionists and active workers, in a fashion which would relate the fight for China, against the Blanesburgh Bill, against the Trade Union Act, &c., with the need for clearing out the reformist.

It goes without saying that for this fight there is still a vast field within the Labour Party. Neither Communists nor other Left Wingers have been expelled from the trade unions ; the trade union branches are still, in 99 cases out of 100, free to send whom they please into the Party of which they are the financial mainstay. For the National Left Wing to set before itself the concrete task, during the next twelve months, of replacing fifteen, twenty or thirty leading reformists, enemies of Workers Russia, supporters of British Imperialism against the colonial

peoples, by the same number of honest revolutionary fighters, as the Parliamentary candidates officially endorsed by the local Labour movement of their constituency, is far from being an impossible task, albeit admittedly difficult. And such an achievement would be politically more effective than the sharpest criticism in words, for it would be criticism by deeds.

Lastly, *every other political task suggested by the experiences of 1927 comes up against the central and perpetual obligation of organisation.* Without organisation of the movement as a whole, the best possible plans locally, the clearest and most uncompromising exposures of reformism, will help very little. The reformists have at their disposal not only the bulk of the official machinery of the Labour movement, but also (against the workers and their revolutionary leaders) they have the whole propaganda machinery of capitalism. Undoubtedly, as was said above, the working masses in the long run are heavier than all of them and will bear them down. But to give the masses cohesion, direction, and purpose, to co-ordinate all sectors of the vast struggle and pool experiences for the benefit of all, strong organisation is essential. The building up of Left Wing groups, local and district committees, and the National Movement ; the utmost help for the Left Wing's elder brother, the Minority Movement, who often steps in at Labour Party committees and delegate conferences to redress the balance of forces on the side of individual Left Wingers ; the development of the Left Wing Press, weekly and monthly ; the building up of the Communist Party, which has given abundant proof during 1926 and 1927 that it alone holds the key to the real comprehension of events and to genuine working-class policy and tactics—these tasks remain the background of any real fight against reformism. And carried out, they increase the effectiveness of such a fight an hundredfold.

THE PROBLEM OF BRITISH EXPORT OF CAPITAL

By DR. F. STERNBERG

THE British Press is full of optimistic official reports on the outlook for British industrial development. The most difficult period is said to be over. Triumphant prophecies are made that the year 1928 will be the best as regards industry and trade since the war. The grounds for this optimistic estimation of the economic situation are obvious: the Conservative Government would not be able to conduct any election campaign if it was forced to confess that England has ceased to be a country of rising capitalism, but instead is a country of capitalism in decline.

It is not sufficient, however, merely to discover and expose the motive of an opponent, it is necessary also to examine the basis which he himself puts forward. It is proposed in this article to analyse some of the questions connected with a subject which is always especially stressed by the exponents of economic optimism in England, *viz.*, British exports of capital. England, before the war, was the leading creditor nation in the world and had always been able to facilitate the liquidation of economic crises by its heavy exports of capital. In the post-war period, it is true, that Great Britain has had to cede the first place as regards export of capital to the United States, but its own exports of capital are said to be still so important that with their help it is claimed much lost ground can be reclaimed. Is this correct? Is it true that British capitalism has stabilised itself to such an extent, and obtained so favourable a balance of payments, that by means of new capital exports it can give vital support to the struggle of British industry in competition with the other imperialist states? At first sight this appears to be the case. British exports of capital during the first five months of 1927 are estimated at fully fifty million pounds sterling, or slightly higher than the figures for the same period in either of the two previous years which were at a level of about forty million pounds. It is necessary

first of all to inquire how the British bourgeoisie have succeeded in bringing this about when the already unfavourable balance of trade has been further catastrophically heightened as a result of the General Strike and the miners' lockout. To explain this an analysis of the British trade balance is required.

The negative character of the British trade balance (excess of imports) is no post-war phenomenon, it existed in very large dimensions even before the war. But, besides minor items of the "invisible" trade balance such as payments on account of commissions, services, and insurance, there were two extraordinarily important major items, *viz.*, payments for shipping freights and the return on capital invested abroad. The first of these two alone yielded a surplus which was about equal to the excess of imports, so that Great Britain was able to use the whole return on previously exported capital for new capital exports. Thus, exports of capital from Great Britain in the years before the war were reckoned at almost £200 millions annually. During the first years after the war, Britain retained its favourable balance of payments, but this decreased year by year in proportion as the excess of imports grew larger and larger. According to a report of the League of Nations,¹ the British excess of imports during the years 1923, 1924, and 1925 amounted respectively to £195, £324, and £386 millions sterling, while the favourable balances of payments during the same years were respectively £153 millions, £63 millions, and £28 millions, and the amounts of capital invested abroad during these years were £136, £134, and £88 millions.

During these years, therefore, there has been a continuous growth of excess imports, and consequently a decrease in the favourable balance of payments. Already in 1924, it is seen that the British exports of capital amounted to more than £70 millions above the positive balance of payments, and even in 1925 there is a difference of £60 millions. How is this difference to be explained? In considering this, it must be emphasised that the figures for the balances of payment are not very exact, and may even contain very considerable errors. The report of the League of Nations itself provides evidence of how great these errors may be, for in

¹ *Mémoire sur les Balances des Paiements et sur les Balances du Commerce extérieur*, 1911-1925. Genève, 1926.

the same report issued a year previously to the one quoted above we find the favourable balance of payments for the year 1924 estimated as £29 millions instead of £63 millions, a difference of no less than £34 millions. Further, the excess of capital exports over the favourable balance of payments in 1924 and 1925 may be partly explained by the fact that in 1922 and 1923 the whole amount of the favourable balance was not employed for long-term foreign capital investments, but partly for short-term credits so that considerable reserve sums were available which, however, by the year 1925 are likely to have been used up.

It has been noted above that it is not easy to make an accurate estimation of the balance of payments for any country. On the other hand, it is, of course, possible to indicate definite sources of error, even if it is difficult to estimate the exact value of factors which have been neglected. It can be established that the figures for the total British balances of payments represent matters too unfavourably for Britain, because they neglect a factor which is for her of especial significance. Looking at the figures of the British trade balance, one finds that they include only items which occur also in the trade balance of other countries, such as foreign trade, return on capital, shipping freights, commissions, and services. No account, however, is taken of the fact that Great Britain possesses the largest colonial empire in the world, that it is the greatest imperialist exploiting State. The British payment balances do not take any account of this, still less the exploited countries. For example, it can be established from Indian sources that the pensions that have been paid to British officials formerly serving in India amount to several hundred million pounds sterling. Estimates vary between £300 and £700 millions. What applies to India applies also, even though in a smaller measure, to the whole colonial Empire. The British favourable balance of payments is improved owing to this factor, not only for the last few years, but in general.

Another factor giving a certain elasticity to the figures is the flight of capital which has occurred as a result of inflation in the Mid-European countries, a flight that was to a considerable degree directed towards England. Consequently there were available, temporarily at least, for British capital export, not

merely the sums due to its own favourable balance of payments, but also the foreign capital placed at its disposal.

All these factors would be sufficient to explain the development up to and including the year 1925, but they are insufficient to explain the developments during 1926 and the first half of 1927. Since 1925 the British foreign trade balance has become still further unfavourable, yet British capital exports have not become smaller than in 1925. Take, first, the figures of foreign trade. The following table shows the average monthly value of exports and imports in 1913 and the post-war years, and the actual monthly values for each month of the first quarter of 1927.

BRITISH FOREIGN TRADE
(Values in £ millions)

Period (Monthly average)	IMPORT		EXPORT	
	Total value	Raw materials	Total value	Manufactures
1913 ..	54.9	18.1	43.8	34.3
1920 ..	143.1	49.0	111.3	93.4
1921 ..	81.7	18.4	58.6	49.1
1922 ..	75.0	20.3	60.0	47.5
1923 ..	81.6	21.5	63.9	48.4
1924 ..	95.0	27.0	66.2	51.5
1925 ..	97.4	27.9	64.4	51.4
1926 ..	93.2	26.7	54.3	44.8
1927—				
January ..	103.7	33.7	55.4	43.7
February ..	83.0	22.9	52.9	41.6
March ..	102.8	29.0	62.1	49.1
April ..	88.9	23.2	52.6	41.5

(After April 1, 1923, all values refer to Great Britain and North Ireland with exclusion of the Irish Free State.)

In 1926, the unfavourable balance of trade increased to an average monthly value of £39 millions, as contrasted with an average of £33 millions monthly in 1925. Nor has the unfavourable balance decreased in the first months of 1927. How is it that, in spite of this, British exports of capital have been possible? If we suppose that the British favourable balance of payments in 1925 had been underestimated by £30 millions, the amount paid to England for pensions, &c., then the favourable balance

Problem of British Export of Capital 53

of payments in that year would be £58 millions instead of £28 millions. Even so, this is £30 millions less than the amount of capital exports in 1925, and in the year 1926 it would be entirely absorbed by the increased unfavourable trade balance, even if other factors remained the same. Other factors, moreover, did not remain the same, for the whole of economic life of Great Britain suffered owing to the miners' lock-out. Nevertheless, exports of capital amounted in 1926 to some £100 millions, and in the first five months of 1927 to about £50 millions.

Here, indeed, appears to be a problem! Yet it is a problem which is very easy to solve. The fact is that, if by export of capital is meant an extension of ownership of capital in foreign countries, if that is "genuine" export of capital, then there exists to-day no British export of capital. For the export of capital during the recent period has not resulted in any increase in the amount of British capital invested abroad. *It has taken place at the expense of the already existing British foreign investments.* In part, expired bonds have not been renewed, and in part old shares and bonds have been sold. In American estimates of the extension of American capital investments abroad, it is frequently remarked that in this connection regard must be paid not only to the number of capital issues in the United States, but also to the amount of securities purchased in the open market. A great part of these securities have passed from British into American hands.

Why does the "City" carry on export of capital, if it is not in a position to undertake "genuine" export of capital? This is also easy to explain. The City naturally derives considerable sums from new investment. Further, an attempt is made in this way to hold the position against New York, which can to-day already command as much return from investments abroad as London, and in addition has a favourable balance of trade and consequently is able to maintain an extraordinarily large "genuine" export of capital. The "City" wishes to maintain its position, which, as regards the total British trade balance, is a very important one. It is estimated, for instance, that the gains derived from handling capital issues and from other services have amounted in the last few years to about £50 millions.

There is then no longer any genuine British export of capital, or at best, with the insignificant improvement in the trade balance during the later months of 1927, only in a very restricted degree. Nor is that a matter for wonder. It is the inevitable consequence of the fact that Britain, before the war the greatest creditor nation, has now to bear the burden of currency depreciation throughout the world. When debtors to Britain had to pay £200 millions in interest before the war, and pay the same sum now, this is only the same sum on paper, for the £200 millions paid before the war would buy goods which would now cost £300 millions. Thus, even if no other factor had changed, currency depreciation would have caused the British balance of payments to become worse to this considerable extent. The same thing applies also to the income for shipping freights. World trade, reckoned in pre-war values, has only in 1926 for the first time recovered the volume of 1913, but the number of ships is almost 50 per cent. greater than before the war. Consequently, the income from shipping freights, reckoned in pre-war values, is much lower. To these two essential points, which mean a worsening of the position of British capitalism, is added the chronic crisis in export industry. All this worsens the British balance of payments to such a degree that there is no longer any surplus of importance. It is true that the excess of imports in 1927 is not quite so large as it was in 1926, but it is far greater than in 1925. In the first ten months of the current year, imports were valued at £1,006.8 millions and exports at £579.7 millions, giving an excess of imports amounting to £427.1 millions. For the whole of 1927, therefore, the unfavourable trade balance will be about £500 millions, an amount which will entirely absorb the *invisible* trade balance.

The whole thing results in a vicious circle. The position of British export industry might be improved if a greater export of capital were possible. But the position of British export industry has already so worsened the balance of payments to England that an extensive "genuine" export of capital is no longer possible. Thus, the analysis of this problem demonstrates that all talk of a favourable development of British industry is mere phrase-making. Britain is irretrievably the land of capitalism in decline.

AGRARIAN REVOLT IN SOUTH AFRICA

By E. R. ROUX

THE "land question" looms largely in all countries, and particularly in South Africa to-day, where the colour line throws into sharp relief all those political manœuvres which find their beginning and their end in the ownership of land. Here is a study in black and white with very few half-tones.

The old tradition was that whenever a European came to South Africa he became a member of the ruling caste, at the very worst an "aristocrat of labour." Highly-paid jobs for whites and "kaffir work" with "kaffir pay" for blacks was the motto. This was the boon which South Africa gave the newcomer who responded by helping to "keep the nigger in his place." It is the increasing tendency of this system to break down which is causing so much anxiety to-day among righteous "Africans." Already the white population is too large to be comfortable, numbering a million and a half out of a total population of seven millions. There are over 200,000 "poor whites," a class of parasitic plebeians for whom there are no overseers' jobs and who are quite incapable of doing unskilled work under existing conditions.

The 1921 census revealed the fact that the rate of increase was greater among Europeans than among natives, although immigration from Europe had practically ceased. The proportionately smaller increase of the non-European population was in part due to the influenza epidemic of 1918 which swept away half a million natives and "coloured" people. Apart from epidemic diseases, there are other and less spasmodic factors which tend to offset the natural fecundity of the native African. The chief of these is a system of indentured labour whereby hundreds of thousands of adult males are separated for considerable periods from their homes in the native reserves. Less than 10 per cent. of the land in the Union consists of native reserves. Natives are prohibited from acquiring land outside their tribal

areas. In some of the reserves overcrowding has produced a condition of semi-starvation, *e.g.*, in certain parts of the Cis-Kei, in the Eastern Province of the Cape, where scurvy is said to be endemic in the native kraals—a sure sign of chronic malnutrition.

The burden thrown on the native women is stupendous; for these must raise crops (by agricultural methods as primitive as any in existence and often from a soil none too fertile) not only for themselves and their children but also in part for their husbands, whose annual earnings bear no relation to the needs of their families, and are often insufficient to maintain even a “native standard.”

In spite of the pressure of hunger and taxation and the activities of labour recruiting organisations, the “available supply of native labour” is totally inadequate for the needs of the Witwatersrand gold mines. Seasonal fluctuations in the amount and incidence of the summer rains cause the price of “Kaffirs” (gold mining shares) to rise or fall on the London market. For instance, in 1924, South Africa was blessed with rains that came at the right time and in sufficient quantity. The resulting “record” maize harvest had its sequel in a serious shortage of native labour on the mines, which affected the rate of gold production considerably.

In recent months, the supply of labourers from across the Mozambique border has been curtailed by the Portuguese, who now desire to keep this asset for their more exclusive use. The white miners’ trade union has urged the Nationalist-Labour Government to demand from the Portuguese authorities the withdrawal of this limitation of the right of South African labour recruiting organisations to indenture native labour from beyond the Union’s borders. The Chamber of Mines had replied, in answer to a request that it should relieve white unemployment by engaging additional white miners, that this could not possibly be done in view of the shortage of native labour. If further supplies could be obtained, extra whites would be taken on, in the proportion of ten whites to every hundred additional natives. The ratio of blacks to whites has been for many years approximately 10 to 1. The ratio would be much less favourable to the whites if it were not for the colour bar, which prohibits natives

from doing skilled work and is maintained by the politically organised white workers in the face of the opposition of the mining magnates. With white miners earning average wages of nearly one pound per day and native wages between two and three shillings, it will be evident that white labour to an appreciable extent shares in the exploitation of the native miner. There is no trade union organisation whatever among native miners.

The rapid growth of agriculture in recent years, and particularly since the war, has created a labour shortage on the farms no less serious than in the towns, and the urban-agrarian conflict has taken the form of competition for sources of native labour. The "Flag controversy" (now settled) may in part have been a symptom of this antagonism; for though agrarian interests were represented on both sides in the dispute, the main line of cleavage was between the Afriander farmers, on the one hand, and the Smuts party, representing the cosmopolitan interests of the Chamber of Mines, on the other. The present compromise between the rival factions has been dictated by the growing danger of a native revolt. The new flag symbolises "the unity of Boer and Briton" and a "determination to tackle the native question on non-political lines." South Africa takes her place in a "commonwealth of free nations"; but "South Africa" here does not include the five million aboriginals.

One of the main "problems" now under consideration is how to increase and cheapen the farmers' native labour supply. The Government proposes to reduce the number of "idle" natives by drastic alterations in the law relating to native "squatters." The squatter is in most instances the original owner of the soil, now living on the white man's farm under a sort of feudal system. The number of days of compulsory labour demanded from a "labour tenant" will be raised from 90 to 180 per annum and no native will be allowed to live on European-owned land unless he becomes a labour tenant. It is contended that many farmers have more than sufficient natives living on their land to supply their own needs and all "surplus" natives should be compelled to go where they are needed.

While the unequal land laws provide a basis for native helotry, there is a vast amount of ancillary legislation which ensures that

native labour shall be cheap and submissive and its supply directed and controlled. Natives are taxed in order to compel them to go and seek work. There is a poll-tax of £1 on every adult male and a hut-tax of 10s. on every dwelling. With average monthly wages of £2 to £3 in industry and 8s. to 15s. in agriculture, it will be evident that taxation is no light burden. And this takes no account of the taxation incidental to the passport system, and of indirect taxation of all kinds.

South African natives, after they leave home to go to work, are subject to the special attention of the police. They must be prevented from running away before the completion of their terms of contract. They must show their "passes" to any policeman at any time of the day or night when called upon to do so. They must stay indoors after nine o'clock at night (unless they have "special passes") on pain of imprisonment if they are caught. They must keep out of "public" parks and off the pavements when white ladies are shopping. They are not allowed in public halls. They must not ride in the trams or buses. In short they must "stay in their place" and remain satisfied with their conditions.

The colour bar is absolute : exceptions would destroy it. It depends for its continuance upon the monopoly of property, of skilled employment, of the franchise and of education in the hands of the white community. Any breach of the colour bar is visited with instant punishment. White South Africa believes that the smallest trickle through the dyke would soon become a mighty flood which would sweep away the whole artificial structure in its surging tide. That is why, except for what some may learn at inadequate mission schools, natives are barred from education over most of South Africa and the educated native is anathema to the white man ; even to the white worker, trade unionist and "socialist" though he style himself.

The Industrial and Commercial Workers' Union of Africa

Under such conditions as these, the native labour movement has grown in the last eight years. It is obvious that the bitter oppression resulting from the colour bar, together with a tightening up of the anti-native laws, would cause any revolutionary movement

among the natives to spread like wildfire. It is equally plain that the leadership of such a movement must inevitably, at the beginning, be in the hands of a few men.

The educated native with any knowledge of politics or organisation whatever at once becomes a power in the land. His co-racialists look to him as they would to a tribal chief. Unfortunately the majority of I.C.U. leaders are irresponsible opportunists who like to "show off" before their compatriots by aping the white man. These leaders, young natives in many cases, with a smattering of Bible-learning, prefer to speak English of a very flowery kind rather than the plain Zulu or Sesutu which their audience understands. Often succeeding speakers will contradict each other on every possible point. One will advocate strike action ; the next will recommend prayer. One will deliver a religious sermon ; another will say that religion is dope and a white man's stratagem. There will be long oratorical meanderings, parables from the Bible, all in an incoherent jumble, from which one gathers eventually that there is something wrong in South Africa and the native's life is not a happy one.

But in spite of his faults the speaker often rouses his audience to a high pitch of enthusiasm. He speaks the white man's language and wears good clothes ; he reads the white man's books and quotes them against him ; he confounds the white man with his arguments ; he proves that the white man is a hypocrite and a fool in addition to being a bully ; he carries the war into the enemy's camp.

Speaking English with difficulty or not at all, illiterate, clad in a blanket or the cast-off clothes of Europeans, timid, afraid to answer back when he is cuffed or beaten, the native worker looks on and applauds. He identifies himself with his leader. The leader knows what is best and will deliver him out of Egypt. It is a tribal idea, and it has been strengthened by the missionary teaching which many of the natives have acquired. It is an outlook which will pass away with the passing of the tribe and with the maturation of the young labour movement. At present it exists and must be reckoned with. In England the danger that labour leaders will divert and betray the movement is prominent enough. In Africa this danger is increased a hundred-fold.

In his article, "The Old and the New Africa," in the *LABOUR MONTHLY* of last October, Mr. Clements Kadalie sketched the growth of the I.C.U. (or the Industrial and Commercial Workers' Union of Africa, to give its full title). It has been a truly remarkable development and one in which Kadalie's own energy and ability have played no inconsiderable part. But while giving due credit for what has been accomplished, it is necessary to discuss critically Kadalie's recent actions and the danger of a temporary collapse of the native union through the seduction of its leaders by the ruling powers.

The attitude of the S.A. Government towards the I.C.U. is illuminating and explains the rôle Kadalie has played of late. While his recent conversion to "sane trade unionism," his renunciation of the strike weapon, and the expulsion of three Communist members from his Executive may have pleased the Department of Native Affairs, it has scarcely moderated the anxiety of the Africander landowners. These white farmers are not concerned with, and often not even aware of, Kadalie's political acrobatics. What concerns them is the fact that their formerly docile labourers are carrying trade union cards, attending meetings, becoming "cheeky." They demand that the Government should suppress the I.C.U. completely. The idea of parleying with native leaders is quite repugnant to them. One does not argue with a rebellious slave : one simply thrashes him and sends him back to work.

The Government officials, however, had evidently entertained the idea that it was possible to emasculate the I.C.U. by personal concessions to its leader, under the impression that it was very largely a "one man show." Perhaps that is why they allowed Kadalie to visit Europe this year. But however willing Kadalie may be to play the part of a Havelock Wilson, and however willing his lieutenants may be to co-operate with him (as shown by recent gross betrayals of native strikers), they cannot hold in check a movement which, from the nature of its setting, must develop on revolutionary lines. This fact now seems to have become plain to the authorities.

There seems little doubt from recent events that the Government's policy towards the I.C.U. has now become definitely one

of repression. Farmers are alarmed at the spread of the union into districts where it was previously unknown, such as the northern Orange Free State, the eastern Transvaal and Natal. Not long ago a Natal chieftain joined the I.C.U., together with all his tribesmen. The I.C.U. organiser was received after the manner of a Christian missionary and conversion followed *en bloc*. The Government took alarm at this and induced Dinizulu, paramount chief of the Zulus, to express in public his disapproval of the I.C.U.

The latest development of all is a pronouncement by the Governor-General (October, 1927) prohibiting all meetings in native compounds and locations, religious services alone excepted. This shows quite plainly the Government's intention. The I.C.U. must resist now or go under for the present. There is no doubt about the enthusiasm of the rank and file: if the leaders will lead, they will follow. But they cannot be expected to continue to pay contributions or maintain their enthusiasm if the present policy of "do nothing" is continued.

It is now many years since the I.C.U. conducted a strike of any magnitude. There have been threats of strikes, resolutions, protests. The threats were never carried out. The I.C.U. lost members rapidly in the Cape districts, where its main strength once lay. But the total membership continued to increase, because thousands of new recruits joined up in Bloemfontein, Johannesburg and Durban. More boastings and threats, and again no action. This was followed by the "clear out the Reds" campaign. The union then affiliated to the I.F.T.U. and Kadalie visited England, Paris and Geneva. In his absence strikes broke out among native coal-miners in Natal and among railway workers in Johannesburg. In both cases the strikes were repudiated by Kadalie's henchmen.

Since the beginning of this year the main growth of the I.C.U. has been in the country districts. This has maintained the strength of the union and paid the salaries of an increasing number of officials. But, once more, unless action of some sort is taken there will be disappointment and inevitable decline.

A general attack on the native workers is now in progress. The Colour Bar Act (1926) and the Native Administration Act (1927) are but intimations of worse to come. The rival white

factions have composed their differences—for the time being at least. Hertzog's "segregation" proposals are being debated now. The four new native bills aim at perpetuating indefinitely the servile status of the black man in South Africa. Native workers can ill afford splits in their ranks. They will not be wise to forgo Communist help and guidance in exchange for the doubtful friendship of the League of Nations and the I.F.T.U. in the present crisis.

PUBLICATIONS RECEIVED

- Disarmament and the Coolidge Conference.* By Professor Noel Baker. (The Hogarth Press, 53 pp. 2s.)
- The International Accounts.* By Cleona Lewis. (Geo. Allen and Unwin for the Institute of Economics, 170 pp., 10s.)
- Industrial Prosperity and the Farmer.* By Russell C. Engberg. (G. Allen and Unwin for the Institute of Economics, 286 pp., 10s.)
- Co-operation.* By A. H. Enfield. (W.E.A. Outlines. Longman, Green and Co., 90 pp., cloth 2s., paper 1s.)
- The Cornish Miner.* By A. K. Hamilton Jenkin, M.A. (Allen and Unwin, 351 pp., 12s. 6d.)
- English Local Government.* By members of the Staff of Ruskin College, 63 pp., 6d.
- Local Taxation in the British Empire.* By the Rt. Hon. J. C. Wedgwood. (English League for the Taxation of Land Values, 23 pp., 3d.)
- Marxism and History.* By John S. Clark. (N.C.L.C. Publishing Society, 80 pp., cloth 1s. 6d. paper 1s.)
- The Path to Peace.* By James H. Cousins, D.Litt. (Ganesh and Co. Madras, 60 pp.)

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Volume 9 November, 1927 Number 11

PRINCIPAL CONTENTS

TO THE FIGHTERS IN THE OCTOBER REVOLUTION

N. LENIN
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The Russian Revolution and the British Workers A. J. COOK
The World Revolution and the U.S.S.R. N. BUCHARIN
The Lessons of the Chinese Revolution M. N. ROY
Capitalist Exploitation in Indian Agriculture CLEMENS DUTT
Capitalism and Trade Unionism in Egypt U. ZIMRING
The Industrial Development of the U.S.A. J. WILENKIN
The Downfall of Tsarism HAROLD GRENFELL
Book Reviews The World of Labour

Volume 9 December, 1927 Number 12

PRINCIPAL CONTENTS

Notes of the Month

THE "NEW COURSE" R. P. D.

Congress of Workers' Delegations in Moscow EMILE BURNS

Possibilities of 1928 J. R. CAMPBELL

Capitalist Exploitation in Indian Agriculture CLEMENS DUTT

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LABOUR MONTHLY

A MAGAZINE OF INTERNATIONAL LABOUR

Editor : R. PALME DUTT

Volume 10

February, 1928

Number 2

PRINCIPAL CONTENTS

Notes of the Month

THE GENERAL ELECTION

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M. N. ROY

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CONTENTS

Notes of the Month - - - - -	Page 67
<i>THE GENERAL ELECTION - - - By R. P. D.</i>	
Industrial Peace - - - - -	„ 77
<i>By HARRY POLLITT</i>	
Socialism and the Empire - - - - -	„ 85
<i>By M. N. ROY</i>	
Co-operation in the U.S.S.R. - - - - -	„ 95
<i>By JOSEPH REEVES</i>	
The Cotton Workers' Fight Against Imperialism	„ 101
<i>By HUGO RATHBONE</i>	
The Beginnings of the Entente - - - - -	„ 114
<i>By W. N. EWER</i>	
The World of Labour - - - - -	„ 124
<i>The Norwegian T.U. Congress—The Programme of the Irish Workers' League</i>	
Book Review - - - - -	„ 126
<i>Herr Ludwig on Bismarck and the Kaiser By R. P. A.</i>	

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NOTES OF THE MONTH

*Northampton — Below 1923 — Municipal Elections 1926-7 —
Industrial Workers' Disillusionment — New Lead Needed
— Labour Party Evolution — Changes Since 1920 —
Capitalist Offensive — Seven Years' Exposure —
Labour Government and General Strike —
The General Election of 1928-9*

THE Northampton bye-election raises in a very striking form a number of questions of the present stage of development of the working-class movement and of the Labour Party, confirming and reinforcing many of the most important issues which it has been attempted to bring forward during the past two months in these "Notes," and which have also been examined, under various aspects, in the accompanying articles by J. R. Campbell on "Possibilities of 1928" in the December number and by A. Rothstein on "The Left Wing in 1928" in the January number. These issues are of such importance for the whole future of the working-class movement, and with the nearing approach of the General Election take on such a dominant and sharp form, that no apology is needed for returning to them in the present number.

THE essence of the Northampton bye-election result consists in this: that in a stronghold of the industrial workers, overwhelmingly proletarian in character, with a typical opportunist Labour candidate following openly and fully at the heels of MacDonald and Thomas and spurning the militant workers (in this particular case, a commonplace renegade careerist—nowadays a very common type of those to whom the reactionary Labour Party leadership looks increasingly for its support—in fact, a very fair specimen of the modern "Labour" candidate), the Labour vote, after all the experience of the past four years, after the Labour Government, Red Friday, the General Strike, the Trade Union Act, and three years of the Baldwin Government reaction, actually fell below the level of 1923, at the same time as the Conservative vote tremendously increased above

its figure of that year. This is a very striking fact. If the Labour Party were simply an old-style opposition party, seeking to pick up its strength from the discrediting of the government in power, then, after three years of extreme Conservative reaction and anti-popular legislation, this result would already be a very surprising result, suggesting something wrong with the style of the "opposition" practised. But when the Labour Party claims to be the party of the working class, and when the working class has been subjected to the most intense attack, worsening of conditions, social and political reaction and legislative persecution since the inception of the organised working-class movement (compared with which the Taff Vale judgment, that originally made the fortune of the Labour Party in its early days, was a mere skirmish), that under these conditions the Labour vote in a stronghold of the working class should go down—this event is a portent which suggests that something very basic indeed is involved.

FOR Northampton does not stand alone. It is only one example of a process, the signs of which have become increasingly visible of late : a process by which the Labour Party, although still advancing in the backward and agricultural areas, is already beginning to lose its hold in the industrial centres of the working class, in just those centres, that is to say, which were once its strength and basis, and which must be and always will be the strength and basis of the real working-class movement, of the real fight for Socialism, and of the victory of the working-class revolution in Britain. This new tendency has been already most powerfully confirmed by the municipal elections in 1927, the figures of which were analysed by our contributor, A. Rothstein, in his article in last month's issue. The results of this analysis throw a very valuable and instructive light on the present stage of development of the working-class movement and of the Labour Party, all the more valuable in that, while a General Election can be influenced by a hundred not easily calculable factors, municipal election results can commonly serve to show, under less disturbed conditions, and with less of the irrelevance of the casual whipped-up voter, the effective fighting strength of the opposing forces.

WHAT did these results show? They showed that in the ten largest industrial centres in Britain for which statistics were available (Glasgow, Manchester, Birmingham, Sheffield, Leeds, Edinburgh, Bristol, Bradford, and Newcastle) the aggregate Labour vote between 1926 and 1927 had decreased by 25,000 or 9 per cent., while the Liberal vote had increased by 9,000, and the Conservative vote had increased by 120,000 or 28 per cent. This is already amazing testimony to the effectiveness of MacDonaldite reformist leadership (effectiveness for the bourgeoisie) with its mingled feebleness, treachery and disruption, when three years of Tory misgovernment had played into their hands to make it easy for them, and in a period during which the revolutionary working-class forces had actually abstained from independent contests and, despite the disruptive provocations of the reformist leaders, had with disciplined unity maintained their stand as a body behind the opportunist Labour candidates in order to make possible a united working-class fight and allow the workers to see the consequences of such leadership and such candidates. But more than that. In 1926, in the year of militant class struggle, when MacDonald and Thomas were wringing their hands at the direction the working-class movement was taking ("I did not want it," "I grovelled for peace"), the aggregate Labour vote in the ten industrial centres shot up to its high point and actually exceeded the total capitalist vote, Liberal and Conservative, combined—thus pointing the way forward with unmistakable clearness to the future dictatorship of the working class. But in 1927, in the year of Industrial Peace, when MacDonald and Thomas were able to have their own way with industrial peace talk, imperialist co-operation, wooing the bourgeoisie, reactionary discipline in the Labour movement and expulsion of the militants (for, in their own view, "sane," "reasonable" politics, likely to appeal to the electorate frightened away by militancy, strikes and red perils), the Labour vote sank down, and the Conservative vote shot up, so that the Labour vote was not even equal to the Conservative vote alone. This lesson should go deep in the consciousness of every worker and every honest socialist in the Labour Party. *The policy of Industrial Peace, the policy of coalition and co-operation with capitalism, is death to the Labour Move-*

ment. The policy of class struggle, the policy of the General Strike and revolutionary battle with capitalism, is life and giant growth and advance in every field, even in the limited electoral and parliamentary field.

BUT to what does all this process point? There is no question here of mere backwardness, of unsteady booms and slumps of workers unused to organised and sustained activity. On the contrary, the Labour Party is going forward just where the workers are most backward and least organised. But here in the big industrial centres is just where the workers are most organised and most conscious, where the real strength and will of the proletariat lies. And just here the Labour Party is beginning to lose hold. This is a phenomenon of the most decisive social and political significance for the future. The Labour Party may still for a while go on growing in the country as a whole. Under exceptional conditions of contest its candidates may still for a while rally the industrial centres again. But the move has begun. The centre of interest is shifting. The signal for a new stage has sounded. The Labour Party, though it has still got its grip on the reformist trade union machine, is losing its hold on the industrial working class. The machine discipline and expulsions cannot conceal this, by their very desperateness only make it more manifest. The inevitable answer to the reactionary machine discipline is the silent turning away of the working-class voters. *The industrial working class is moving, is moving away from the lead of the official Labour Party, to—to what?* This is the question on which the next stage turns. At present there are no alternative candidates, there is no alternative expression to give the means of expressing their will. But it is clear, a hundred times clear, that there is no question here simply of "apathy," of "indifference" in the ordinary sense in which it might be applied to backward sections of the working class before their awakening to consciousness. It is comparable rather to the "apathy" or "indifference" of a class-conscious worker, if confronted with a choice between a Liberal and a Conservative candidate: he can see nothing to choose. In the present case it can be mistaken; the most highly disciplined workers can still see that it is better to fight behind some sort of candidate of the organised workers, however reactionary, until

there is a better, than not to fight at all, and that, when the time comes to change policy, it must be done in an organised fashion by the whole militant working class. But the silent sign is there, for all that care to read. It is something very much more serious than simple "apathy"—at once tremendously more hopeful, and at the same time, if the lesson is not learnt, more ominous : for it can be followed by real apathy and decay, if the new lead does not come. A growing body of workers are looking for new political leadership. They are expecting to find that new political leadership expressed at the election. And the problem of the General Election for us is how that new political leadership can best be expressed, so as to give the growing body of workers turning from reformism the opportunity to express their will, which is at present distorted and misrepresented by the official Labour leadership and representation in Parliament.

THERE is danger of thinking statically on these questions, of seeing the situation in terms of the past, instead of in terms of the future ; of seeing only the overpowering weight of existing institutions and forms, instead of seeing in terms of an ever-changing and dissolving process leading to new forms and stages, advancing according to necessary laws of social development, in which what is powerful to-day dissolves and crumbles, if it is based on what is declining, and what is still only in germ to-day may yet be the most important from the point of view of the future, if it is correctly based on growing forces—in short, of seeing only Tsarism and romantic revolutionaries and peasants in early twentieth-century Russia and not seeing Bolshevism. The history of the Labour Party is itself only a history of twenty-eight years, since it was itself no more than a conception and a committee, in the century-long history and development of the British working class. Of those twenty-eight years, ten or over one-third have passed since the war ; fourteen or one-half since the outbreak of war. The Labour Party of 1928 is not the Labour Party of 1918 ; of 1918 not that of 1906 ; of 1906 not that of 1900. Up to 1918, or even 1920, the Labour Party was still politically advancing—with a very heavy reverse side to the picture, it is true—but was still advancing in the most general

sense of widening its social and political aims and programme in the direction of socialism : from the limited trade union aims of 1900 to the passing of the socialist resolution as an expression of opinion in 1907 ; from the passing of the socialist resolution in 1907 to the incorporation of socialism in the programme and constitution in 1918. But in the last period, in the last third of its career to date, the Labour Party has been receding politically, despite its growth in numbers ; has been pushing socialism more and more into the background at conference after conference, so that a detailed examination of its propaganda and policies to-day would reveal a startling and hardly yet realised contrast with the propaganda and policies of the period of the " New Social Order " ; has been transforming its character and composition by the abandonment of the old unified basis and increasing exclusion of the revolutionary section of the working class : has been turning more and more visibly into a governmentalised institution of " His Majesty's Opposition," or " His Majesty's Government," as the case may be, operating through the shell of the old Labour Party, but ever more removed from the working class.

WE still speak of the present period by force of habit as the " post-war " period ; and yet, in view of the gigantic process of development that has taken place in the past ten years, we might as well speak of it as the " post-Victorian " period. It would be more reasonable to speak of it as the *pre-war period—the period before the Second World War*. This would at any rate serve to give a more correct angle of vision to the real issues in front and the consequent basis from which we need to be judging already present problems. The post-war period proper, the period of the rocking and shaking of the capitalist social order from the effects of the war, of revolutionary working-class unrest, of the artificial post-war boom and inflation, of a myriad new policies of social reconstruction and ramshackle humbug to stave off the revolution, this period reached its height in Britain in 1920 (highest point of wages, highest point of working-class organisation, Council of Action), and ended in the collapse of 1921. During this period the Labour Party was proclaiming on every side its gospel of the " New Social Order " ;

the workers were streaming to it in hope as the first form of expression of their newly forming revolutionary aspirations ; during this period it was all important for the revolutionary workers to assist and hasten this development, in order by the exposure of the consequent Labour Government and its inability to carry out its promises to ripen the situation to advance to the direct revolutionary struggle (first a Henderson-Snowden Government, as Lenin said with this direct revolutionary perspective of the post-war situation manifestly in view, then immediately by the disillusionment of the workers to " overthrow " the Henderson Government and advance to the proletarian dictatorship).

BUT since 1921 the whole situation and line of development has basically altered. The post-war revolutionary wave spent its force without immediate fruit, because there was not yet the revolutionary leadership ready and strong enough, and therefore the reformist leaders were able to betray the movement. The actual perspective of events turned out, in Britain as elsewhere, different from the perspective immediately hoped for and expected. The process of revolutionisation has gone forward, but it has followed a different path. There has followed since 1921, not the rapid advancing offensive of the workers, but the long capitalist decline, worsening conditions and unemployment, the ceaseless blows of the capitalist offensive, intensified economic and political reaction, and ever intensifying defensive struggle of the workers. *The Capitalist Offensive—this has been the reply of History to the failure and unreadiness of the working-class movement to carry through the revolution after the war.* These seven black years of suffering and reaction, redeemed only by heroic struggle and learning from bitter experience, have been nothing less than part of the price of the failure to carry through the revolution after the war, of the victory of " peaceful progress." Let the lesson be burnt in for ever into the consciousness of every worker, in readiness for the next revolutionary period when it comes, that the chance shall not be lost again; and let this resolve in its turn be translated into the iron determination to-day to expend every effort and energy to prepare, and to let no weakness rest in the movement, while there is yet time to prepare.

BUT the *Capitalist Offensive* has been the school of the working class. The sanguine hopes, the easy confidence and inner weakness of the working-class movement in Britain in the post-war wave, have been exposed without mercy. The proletarian movement has been forced, as the price of failure, to go back on itself and learn in a hard school. Year by year, ever more completely, the Capitalist Offensive has been at work, shattering with its blows more and more the whole old basis of the working-class movement, striking down the old aristocratic status and sectional privileges and pride and isolation, exposing mercilessly the shams and unrealities and deep-set rottenness and corruption of the whole structure, tearing down the democratic pretences, laying bare the naked dictatorship of capitalism and the brute struggle of class power, and so ever more profoundly and more deeply—in a new and different way from that expected—revolutionising the working class from the bottom. It is in this struggle that the steady, ever more complete and searching exposure of the reformist leadership before wider and wider masses has been taking place during over seven years, not only in the Labour Government of 1924, but even more in the General Strike of 1926 ; and it is in this struggle that the revolutionary consciousness of a growing mass-section of the working class has grown strong and ready to advance to a further stage of struggle to win from the domination of the reformist traitors the majority of the working class.

THE Labour Government of 1924 and the General Strike of 1926 are the two all-important points in the process of exposure of the reformist leadership. The Labour Government of 1924 exposed in experience the inevitable character of the reformist leaders in office ; so that any subsequent experience can only strengthen and reinforce, but not add to, the exposure. Not only that, but it effected the decisive transformation of the official Labour Party from an aspirant opposition to a conscious governmental coalition party of co-operation with the capitalist machine in every department, even in "opposition" curbing all genuine opposition and using its discipline to assist the Baldwin Government. From this political transformation (implicit

from the start of the Labour Party in its parliamentary-democratic basis, but only then reaching its full growth and revelation) inevitably follows the structural transformation on the basis of exclusion of the revolutionary sections of the working class, so that the entire increasingly controlled expression, propaganda, candidatures, &c., of the Labour Party move to the right, at the same time as the workers are moving to the left. The General Strike carried forward the process of exposure from a new angle before millions of workers, exposing the entire reformist leadership, so-called "left" as well as right, as incapable of leading the workers' struggle, just because of their entanglement and identity with the capitalist state and constitution, and so at the same time revealing the workers' struggle as advancing beyond parliamentary forms. The lesson of these exposures has still to be driven home to the mass of the workers (just as in Germany the majority of the workers still follow the Social Democratic Party despite the Scheidemann-Noske exposures, and it is the task of the Communist Party there by the sharpness of its fight to drive home the process of disillusionment day by day; and in Russia even after the successful proletarian revolution the majority of the working masses in the elections to the Constituent Assembly were not yet fully disillusioned in the petty-bourgeois Menshevik and Social Revolutionary candidates, though they soon after showed in the fight that the disillusionment was complete and the masses stood solidly behind the Bolshevik Government in the civil war against the White Menshevik united front). But the basis of exposure now exists in the experience of the working class; and it is the task of the revolutionary workers to drive home the lesson of the exposure by advancing to sharper struggle against the reformist leaders, and so in the struggle to win the effective majority of the working class.

IN consequence when the Labour Party leaders come before the workers in the coming General Election, to ask for their support to realise a second Labour Government, they come as leaders whose character in office has already been exposed, both in office and also in their character of their "opposition" to the Baldwin Government, as a simple rôle of administration of

capitalism. It is even the case that they are so conscious of this as almost to say it openly in their propaganda, urging the workers not to expect too much of them, deprecating the high-flown hopes that were fashionable in 1918-1921, and explaining beforehand the impossibility of nationalisation, capital levy, or other basic changes ; while they are visibly preparing the possibility of an understanding with Liberalism in regard to the next Government. In consequence the prospect of a Labour Government has no longer the same significance for the working class as in the elections of 1918, 1922, and 1923, before the experience in practice. The reformist leaders may, no doubt, continue to play their rôle still for some time ahead ; they may form, if the situation permits, a second " Labour Government " or Coalition Government, and a third and a fourth (as in Sweden), without yet losing their hold, unless the situation moves very sharply. But the first Labour Government and its sequel has already given the signal for the advance to a new stage. The voting of the industrial workers at the bye-elections and at the municipal elections shows already that the situation is urgent, that the process of disillusionment has reached an ominous point, and that there is critical danger of decline and decay if the new leadership is not able to force its way to the front and win the response of the workers and transform the disillusionment into advance. The primary question of the coming General Election, the primary interest for the working class can no longer be the faded banner of the so-called " Labour Government " (really Government for the administration of capitalism) which MacDonald and Thomas still hold out. The primary interest of the coming General Election for the working class is the possibility of advance to a new stage, of advance to real working-class politics and representation—that is to say, to revolutionary working-class politics and representation. If this can be achieved in a certain number of cases, no matter how slight the initial range and extent (it will grow), then, and then only, the working class will have genuinely advanced in the coming General Election. This also is certain, that for the leadership which can realise this advance for which more and more workers are beginning to look, a great accession of strength is waiting.

R. P. D.

INDUSTRIAL PEACE

By HARRY POLLITT

THE shameful betrayal of the General Strike has been followed by a steady succession of defeats for the working class, but the final and complete betrayal of the Trade Union Movement to capitalism has been brought about by the decision of the General Council to open up negotiations on future industrial relationships of the T.U.C. and the employers.

This is the last resort of leaders who are afraid to face the implications of the present period. It is not because some of them do not understand what the present situation means to the working-class movement, but because they realise that the struggle for the elementary conditions of trade unionism to-day has become a revolutionary issue in which they are brought up against the whole political resources of the capitalist state. This they are not prepared to face.

The present situation is revolutionising the outlook of the masses and is resulting in a movement to the "Left." The leadership which is now openly renouncing the idea of class struggle is endeavouring to propagate the idea of class peace as a necessary preliminary to a Liberal-Labour Coalition. In other words, the leadership is deliberately deceiving the workers by presupposing a peaceful transition to Socialism via economic democracy within the confines of the capitalist system, and is endeavouring to persuade the workers that a new period of prosperity is opening out in which the trade unions will be able to exchange the class-struggle basis for co-operation with the capitalists in the reconstruction of capitalism.

It is necessary once more to cite the events which have taken place since the General Strike in order to obtain a clear picture of the evolution of the present situation. Immediately after the General Strike and the defeat of the miners in 1926, the capitalists began a new offensive against the workers at home and abroad. The policy of armed intervention against the Chinese Revolution, the Arcos Raid, the severance of relations with the U.S.S.R., the Local Authorities Audit Bill, the New Unemployment Insurance

Act, and finally the Trade Unions Act, were all definite stages in this offensive.

In each stage the masses were betrayed by their leaders. Yet, in spite of the victories hereby engendered for the capitalists, trade shows no signs of a revival, the decline in the basic industries continues, and although the economic and political rights of the trade unions are destroyed by the Trade Unions Act (at least, from the legal point of view), the capitalists still find it necessary to prepare a new offensive against the wages and hours of other sections of workers.

It was no accident that at the end of July, immediately the Trade Unions Act was on the Statute Book, the Prime Minister, Mr. Baldwin, and Sir Alfred Mond (who, it will be remembered, left the Liberal Party in order to join the Conservative Party because it was fighting Socialism more determinedly than the Liberal Party), commenced to make speeches in favour of industrial peace. In September open overtures were made by the Prime Minister with the idea of getting the Trades Union Congress to make a gesture that would open up a new period of industrial co-operation.

In due course the necessary gesture was made by Geo. Hicks, the so called Left-Winger, who was deliberately chosen by the Right-Wing of the General Council to make the open capitulation to capitalism because of his one-time revolutionary activities. His speech was accepted by the entire Press of the country as an indication that the General Council was prepared to enter into negotiations with the capitalists.

The Blackpool Conference of the Labour Party, held subsequent to the Edinburgh Trades Union Congress, adopted a series of resolutions which clearly indicated that the Labour leaders were preparing for a coalition with the Liberal Party either at or after the next General Election. This coalition, of course, is the direct corollary of the policy of industrial peace: both represent the theory that the revolutionary issues confronting the working class may be avoided and better conditions brought about by labour and capital pooling their ideas.

Since these two conferences there has been more propaganda on behalf of class collaboration than at any time during the history

of the British working class. The most remarkable feature about it is that, whilst innumerable articles are being written and speeches made in favour of industrial peace, it is calmly taken for granted that nothing is wrong with the existing trade union structure, and that this has reached the height of efficiency. This is well-expressed by Mr. Citrine, the Secretary of the Trades Union Congress, in his article in the *Manchester Guardian* special supplement on "Industrial Relations" (30.11.27), in which he says :—

Trade unionism has reached the end of a definite stage in its evolution. It has established a virtually unchallenged control of the organised power of the workers.

One would assume from the above paragraph that there is unity of policy and action in the Trade Union Movement, that there are no rival opinions or official jealousies standing in the way of such action, that there is a common policy on all the fundamental questions facing trade unionists. Strangely enough at the Edinburgh Trades Union Congress itself, trade union re-organisation ranked as one of the most important debates. The General Council had set up a special committee to consider this vital question ; a long report was printed and there was general agreement in Congress that something would have to be done to adapt trade union structure to the needs of the existing situation.

It is, of course, common knowledge that the important resolution on Factory Committees passed at the Scarborough Trades Union Congress in 1925 has, since its adoption, been sabotaged by the existing leadership, and subsequent to the Edinburgh Trades Union Congress there has not been a single pronouncement by any member of the General Council in regard to re-organisation of the Trade Union Movement. Not a single attempt has been made to initiate a campaign for 100 per cent. trade unionism, factory committees, unification and amalgamation of rival unions, etc. Everybody has taken it for granted that the existing machine is perfect, and that all that is necessary now is for the trade union leaders to meet the capitalists and explain how they could run industry better than it is being run by the capitalists without causing any inconvenience to the working class.

As was intended, this propaganda enabled the capitalists to understand the mentality of the General Council leaders, with

the result that they issued an invitation to the General Council over the names of twenty-four of the most prominent capitalists in this country who represent an aggregate capital of £100,000,000, 159 public companies, eighty-one chairmen, two past presidents, six vice-presidents, and four other members of the Executive Committee of the Federation of British Industries, as well as the chairman of the Council of the National Confederation of Employers' Organisations, covering the following industries—chemical, coal, banking, iron and steel, shipbuilding, transport, dyeing, motors, tobacco, tinplate, rubber, silk, railways, electrical engineering, cotton, flourmilling, insurance, gas lighting, textiles and engineering.

In December, 1927, the General Council decided to accept the invitation to explore the possibilities of establishing better relations between employers and employed. In order that there should be no doubt as to who was responsible for initiating the policy of class collaboration, the *Observer*, January 1, 1928, published certain statements made by Sir Alfred Mond in an interview on the outlook, including the following :—

At the last meeting in September of the Trades Union Congress the desirability was discussed of a fuller use of the machinery for joint consultation and negotiation between employers and employed. Mr. George Hicks, who was then president of the Congress, stated that nothing at that time had been done to establish effective machinery at joint conferences between representative organisations entitled to speak for industry as a whole.

Public statements made by representatives trade union leaders subsequently encouraged me to approach a representative group of employers, who issued an invitation to the General Council of the Trades Union Congress to a conference.

The Labour correspondent of the same journal reviewing the situation makes a frank statement on the position in the following passage :—

For the trade union leaders who have taken the decision to discuss with influential employers the possibility of increasing the efficiency of industry within the capitalist system the outcome of the discussions will be of critical importance.

They have placed before the membership the clear-cut issue whether the unions, believing that the collapse of decaying capital is assured, will adopt a policy designed to accelerate the collapse, or whether they will collaborate with the employers to get the best out of industry, on the assumption that the existing system may be modified

gradually, and that in any event it is stable enough to continue for a very long time.

The Industrial Peace Conference took place on January 12, 1928. The Press of the country was full of it, and loud in its regrets that there was one dissentient voice, that of A. J. Cook. A full report of the speeches at the conference has not been made, but sufficient is already known for it to be clear that the trade union leaders attained the heights of servility and kow-towing. The following passages are indicative of the sort of speeches that were made :—

The great thing was to make each other's acquaintance.

I am glad to have lived to see this day.

Once I stood for destroying capitalism; now I know that if capitalism was destroyed the workers would suffer most.

I stand for co-operation between the workers and the employers.

I am glad that at Edinburgh I initiated the idea that led to this conference.

There is another school of thought abroad that fights against co-operation. We (leaders and employers) must fight together against this school.

The most significant speeches, however, were those made by Sir Josiah Stamp and Sir Douglas Milne-Watson. The one by Stamp, we are informed (the speeches have not been printed), indicated that in view of the parlous condition of British capitalism the only way out for the capitalists was by co-operation with the trade unions. Watson suggested that those present at the Conference should sign a short statement indicating their support of co-operation between labour and capital, the settlement of industrial disputes by conciliation machinery and not by strikes and lock-outs, and, most important of all, that any change necessary in the economic situation be brought about by constitutional methods.

The only leader at this conference who voiced the working-class position was Cook, but immediately the Conference was over he was bitterly attacked in a way that the leadership would never dare to attack the capitalists. In this connection the statement made by Citrine is particularly interesting, as it is an open threat that disciplinary action will be taken against Cook because he has been disloyal to the General Council and loyal to the working class. Citrine's statement will rank as a classic example of intimidation. It is as follows :—

I feel bound to point out that the suggestion attributed to "the

employers' representatives " is a malicious exaggeration. The statement thus distorted was made by an individual employer, speaking, just as did Mr. Cook at the Conference, on his own responsibility. Mr. Cook's suggestion that the General Council intends to keep the movement in the dark as to these proceedings is known by him to be entirely false. Mr. Cook's action is now a matter for the General Council itself to consider.

(Glasgow Herald, January 16, 1928.)

This was followed by a speech made by Tillett in which he makes the following remarkable statement :—

The bunglers and mischief-makers in our own movement, as well as in the capitalist movement, have done their worst not only to destroy the trade of the country, but to jeopardise the livelihoods of our people. and there are to-day millions of women and children suffering through the wantonness and criminal idiocy of this type of man.

Anybody who spoke against the conference of employers and trade unions doing the work of an industrial Commission, was a mendacious charlatan.

(Glasgow Herald, January 16, 1928.)

Thus we have arrived at a position where any leader who dares to fight openly against the treacherous policy of the present leadership is made the victim of a joint attack by the capitalists and the trade union leadership. It is reported that at the Conference Citrine himself actually referred to the fact that there was another school of thought in existence which was against industrial peace, and there must be collaboration between the employers and trade union leaders to defeat this school of thought. Obviously, he meant the Minority Movement.

What does the whole of this propaganda mean ? It means that once again the trade union agents of the capitalist class are being used, as they have been used in the past, as the medium through which new attacks are to be launched on the working class.

At the very moment that the Conference was sitting the Lancashire textile workers were and are facing attempts to reduce their aggregate earnings by 12½ per cent., and increase their hours from 48 to 52½. The Yorkshire textile workers are faced with reduced wages and increased hours. The Durham miners are faced with a reduction of their minimum wage to 6s. 1d., as against the present 6s. 8d. per shift, and their piece rates, so that hewers at the coal-face instead of earning 9s. 2d. per shift will only earn 6s. 8d. per shift. All the recent speeches made by railway company

directors and Mr. J. H. Thomas deal exclusively with the menace of road transport competition, obviously in an effort to prepare the way for new attacks upon the existing standards of the railway workers. What is more significant, however, is the fact that this idea of class collaboration on such an open and elaborate scale was not voiced until the Trade Unions Act became an accomplished fact. Immediately the Act was actually on the Statute Book and its decisive clauses in operation, the new wages and hours offensive was launched.

It is these facts and experiences which justify the revolutionary opposition to the existing leadership. The whole industrial peace campaign is just another of the many methods used by the capitalists in order to increase their profits at the expense of fresh sacrifices from the workers.

Not a single one of those members of the General Council, who are talking so glibly about re-construction and rationalisation, will publicly declare the only conditions upon which he is even prepared to meet the employers in any sort of conference, namely, withdrawal of the Trade Unions Act ; universal wages for the workers ; full rights of trade union activity in the workshops ; ending of victimisation and the "Black List" ; withdrawal of present demands against textile workers and miners. On the contrary, they have tumbled over each other in their eagerness to get into the Conference. Why ? In order that they may prepare even more effectively for the coming General Election and the Liberal-Labour coalition, and in order (as one of the General Council spokesmen has said) "to put themselves right with public opinion."

Rationalisation has taken place in Germany on an unprecedented scale, and the result is seen to-day in the servile condition of the German working class. It may be possible to introduce new methods into various industries (which, let it be remembered, have been ruined by the capitalists themselves) so that temporary increases of wages may be given to certain favoured sections of the working-class movement. But do what they will, as long as the capitalists control industry, then industrial peace simply means increased unemployment, lower wages, and intensified competition for the working class as a whole.

What then is to be done in this situation ? The first essential is a ruthless exposure of the pro-capitalist activities of the existing leadership and their replacement by honest and determined working-class fighters, who are out, not to lend the strength of the organised working-class movement to making capitalism safe for the capitalists, but to build up the organised power of the workers for the purpose of obtaining the best possible conditions at the present moment whilst gathering strength for the abolition of the capitalist system altogether. This entails increased activity in the workshops and trade union branches, a steady campaign for 100 per cent. trade unionism, a strong fight for every trade union position with candidates pledged to support Minority Movement policy, and continuous propaganda and agitation for the formation of workshop committees and the amalgamation of rival unions. Only thus can the unification of the British Trade Union Movement be realised and its forces rallied under a fighting leadership to combat the intensified attack of declining capitalism. Capitalist industrial peace means economic servitude. Industrial strength as expressed by the Minority Movement policy means economic freedom and victory for the workers.

VOLUME IX

(January-December, 1927)

NOW READY

See particulars on

page 66

SOCIALISM AND THE EMPIRE

By M. N. ROY

If there was a revolution required in this world, it was a revolution that would upset the existing conditions in a country where all working class people were living only on one meal a day.—A. A. PURCELL in a speech delivered in Calcutta in the beginning of December, 1927.

The other method (for the Indian people to attain self-government) is by the constitutional weapon. To adopt this method means acknowledging that India is part of the Empire, and that its constitution must be obtained from Westminster.—JOHN SCURR in *The New Leader*, January 13.

MR. PURCELL went to India as the official representative of the British Trades Union Congress. His task is to investigate the conditions of the working class in India. If the object of Mr. Purcell's investigation were not academic, to acquire knowledge for the sake of knowledge, one should expect the British Labour Movement to accept his report as the basis for its actions concerning India. Mr. Purcell has not yet reported. But it is generally known from the speeches he made in India what he has seen there. If he will report what he has seen and his report will contain a correct conclusion and recommendation, its main theses cannot be other than what is expressed in the quotation above. The conditions of the Indian working class are revolting. They can be changed only by a revolution. Consequently, what the British Labour Movement must decide is whether it should support a revolution in India or not.

The other quotation above, which represents the official and considered views of Eccleston Square, is frankly hostile to a revolution in India. It is not maintained that Mr. Scurr is the authoritative spokesman of the headquarters of the political and industrial Labour Movement. But the above quotation from him, chosen at random, puts in a nutshell the official point of view. The authoritative leaders, both right and "left," can be quoted at length expressing similar opinions. Mr. Scurr's succinct formulation of the official opinion may, therefore, serve as the text of this discussion.

If one of the gentlemen quoted above represents the British Labour Movement, the other does not ; because there cannot be two other views so mutually exclusive. One view is that India needs a revolution ; and the other is that India must ever remain inside the British Empire. The two views can be reconciled only by admitting that a social revolution can take place in India without disrupting the British Empire. India needs a social revolution. Anybody who knows anything about the conditions in India knows that she is in the throes of a social revolution. It remains to be seen whether Mr. Purcell will have the eye to detect this basic feature of the Indian situation and boldly recommend the British Labour Movement to adapt its policy to the reality. As it is, he has only spoken hypothetically. He is not sure if a revolution is at all required in this world. But he does admit that if it were, India is the place where it is most needed. On the other hand, the spokesman of the official view, Mr. Scurr, while waiving off the very possibility of a revolution in India, admits almost in the same breath that it is imminent there. In the letter to the *New Leader* from which the quotation at the head of the article is taken he writes : " A fierce economic struggle between the classes is bound to break out with fierce intensity during the next decade." With better information about India he could have seen that " a fierce struggle between classes " is not a future issue, but it is there, developing under the very nose of those political quacks who prescribe all sorts of constitutional concoctions to avert the disaster of a revolution in India. And Mr. Scurr is one of them ; for he says that " at present the workers are taught that the British Raj is the enemy. The granting of Home Rule will dispel the illusion." Thus Mr. Scurr unbelievably maintains that British imperialism is not responsible for the present economic conditions of the Indian workers which are driving them to revolt. Further, he recommends the grant of Home Rule as the measure to thwart the revolt of the Indian working class.

The complete united front of the Parliamentary Labour Party with the Tory government on the subject of the Indian Commission has been justified on the ground that the interests of the Indian masses cannot be defended by supporting the demands of the bourgeois nationalist leaders. On the face of it, it is quite a

plausible plea ; but it cannot stand the test of scrutiny. The Indian bourgeois nationalist parties do not represent the interests of the working class ; but do the British imperialist bourgeoisie rule India, and insist on continuing ruling, as " guardians of her dumb millions," as they pretend ? Can any leader of the British Labour Movement answer this question in the affirmative ? Still the policy of the British Labour Party in connection with the Indian Commission, indeed on all vital questions concerning India's relation to the Empire, has been such an affirmative answer. The Tory government denies India the very elementary rights of self-determination on the pretext that neither the nationalist parties nor the elected members of the Legislatures represent the interests of the masses who must be protected by the benevolent British Raj ; and, it does not matter on whatever pretext, the Labour Party supports the Tory government. Can this position be maintained as in conformity with the principles of Socialism which the leaders of the Labour Party profess ?

It has been made abundantly clear that the leaders of the Labour Party, of the Right and Left, are of the opinion that India must remain inside the British Empire. So, if we should believe that as Socialists they are concerned with the economic conditions of the Indian working class, they think that the Indian working class can free themselves from capitalist exploitation while remaining subjects of the British Empire. They propose that within the Empire India should be raised to the status of a Dominion. Supposing that sooner or later India will be granted that status, will that liberate the Indian working class from capitalist exploitation ? Obviously not. The working class of those parts of the Empire which became self-governing Dominions decades ago are still victims of capitalist exploitation. It may be argued that it will be a great advance for the Indian working class to reach the standard of living enjoyed by the Australian or Canadian or New Zealand workers. Quite true. But the question is, will Dominion status inside the Empire raise the standard of living of the Indian workers to that level ? The comparatively higher standards of living enjoyed by the workers in Canada and Australia are not due to the fact that they live in a British Dominion ; it is the result of special conditions in those countries which India does not have. The

conditions of the Negro workers in South Africa prove that the fate of the Indian workers will not be much improved when their country becomes a self-governing British Dominion. There are economic reasons why the granting of Dominion self-government will not essentially alter the conditions of the Indian working class. We shall come to these reasons presently.

The leaders of the Labour Party refuse to support Indian Nationalist demands (although they do not want anything more than self-government within the Empire) on the ostensibly Socialist pretext that they do not think it would be a wise policy to deliver the Indian working class to the native capitalists. MacDonald maintains that the inclusion of a few Indian bourgeois Nationalist politicians will not make the Indian Commission more representative. He also does not think that elected members of the Indian Legislatures can speak on behalf of the entire people ; therefore, the Labour Party does not support the nationalist demand that the future constitution of India should be framed by a Round Table Conference with representatives of the elected members of the Legislature. In short, the Labour Party pretends that as a Socialist body it approaches the Indian problem only from the point of view of working-class interests. How can this ostensibly pure Socialist policy be reconciled with the remedy of Dominion status which, according to the Parliamentary Labour leaders, will cure all evils in India ? Grant of Dominion status will mean that British imperialism agrees to share political power with the Indian bourgeoisie. Further, how could the leaders of the Labour Party calm their ostensible Socialist conscience when they welcomed the Montagu reforms, which enfranchised less than 2 per cent. of the Indian population, as a great step of constitutional advance for India ? Then, the advice that MacDonald wisely gives the Indian Nationalists is that a committee set up by the elected members of the Legislatures should draw up a constitution and present it to the Simon Commission. He is assured that the suggestions made by this committee set up by the elected members of the Legislature will receive serious consideration from the Simon Commission and the British Parliament. Thus, the representative character of the elected members of the Indian Legislatures is not altogether disputed. They should be given a hearing only if they submit

themselves to the superior authority of the imperialist Parliament, and act as a docile adjunct to the "God's Seven Englishmen" appointed to judge India's fitness to govern herself. This is the meaning of the policy of the British Labour Party as represented by its Parliamentary section. It is not a Socialist policy. Far from it. It is not even a democratic policy. It is an imperialist policy pure and simple.

To grant India self-government within the British Empire is the policy of enlightened imperialism. The application of this policy will not be beneficial for the Indian working class. It will strengthen and broaden the basis of imperialism. This we will show presently. But before that it can be stated that the Liberal leaders of the British Labour Party do not seriously advocate even this. Why do not they demand that India should be granted Dominion status immediately? In that case they will at least demonstrate the honesty of their purpose. If they do not think that the present Legislatures are representative, why do they not demand that Indian constitutional reform should start from the establishment of a Constituent Assembly elected by universal adult suffrage? If they did that, they would at least be democrats. Instead, they support imperialist absolutism, and do it shamelessly with a Socialist gesture. They visualise even Dominion status for India as a future issue which should be reached by India through successive stages of probation. India's fitness for self-government should be judged by the imperialist Parliament.

By no stretch of imagination can this policy be connected with Socialism. The denial of the right of self-determination to India is dictated by the interests of British capitalism. It will not advance the cause of Socialism in England or improve the conditions of the Indian working class. In defence of this frankly imperialist policy the leaders of the Labour Party like parrots repeat the hackneyed arguments about the communal, religious, and sectional antagonism and other features of social backwardness prevailing in India. It is not for us to deny that such antagonism is there, and that India must get rid of antiquated social customs some of which are utterly indefensible. But if the Labour leaders think that these justify the British domination in India, they are, then, believers in the doctrines of "white man's burden" and "civilising mission."

These are doctrines of colonial conquest. The deplorable features of Indian political and social life, that are so often cited to prove India's unfitness for self-government, are the result of foreign domination. Religious and communal antagonism has its historical background. Which country was free from such antagonism in mediæval conditions? Allowed a normal social development, India would have outlived the mediæval conditions as other countries did. Or do the "Socialists" of Eccleston Square believe in racial inferiority—that the non-white races are ethnologically unfit for a higher stage of civilisation? Anyone reading Indian history of the last hundred years without preconceived notions can find how much foreign domination has contributed not only to galvanise, but sharpen these antagonisms. The Hindu-Moslem question is in reality more political than religious. This has been adroitly fomented by administrative favouritism. The undemocratic system of communal representation sponsored by the Liberal Morley and endorsed in the Reforms of 1919 has contributed to shift the Hindu-Moslem question from religious to political ground. The ugly religious appearance that this question assumes now is only the reflex of its more serious political side which is the creation of British imperialism.

The responsibility for the communal antagonism and other forms of social backwardness lies more fundamentally with imperialist domination. Social progress of a country depends upon its economic growth. British domination obstructed the economic development of India, thereby condemning her to social backwardness. In addition to economic stagnation, for more than a hundred years India remained in a state of complete intellectual isolation. The revolutionary thoughts of the nineteenth century could not penetrate India. Firstly, because British conquest prevented the creation of material conditions suitable for those thoughts; and, secondly, because imperialist rulers, for their own benefit, encouraged the reactionary social ideology. India could have intellectual connection with the outside world only through Britain where the youths from her well-to-do classes went to imbibe only the superficialities of modern civilisation. This intellectual isolation did not really break down until after the world war.

The undeniable social backwardness of India is not an argument against, but in favour of, her need for political freedom. It is indeed curious logic to condemn the Indian people to perpetual imperialist subjugation, because as a result of this subjugation they are to-day in a comparatively backward condition. It is not surprising that the imperialist bourgeoisie should use this fallacious logic. They base their claim on a much stronger logic—the logic of force. Therefore, they cannot be argued out of India. Their logic must be met with similar logic. But it is remarkable that people calling themselves Socialists should mouth the arguments of imperialism—that pacifists should use a logic which in the last analysis is the logic of force.

Now let us see how India will fare if she accepts the advice of the British Labour leaders. Their Socialist conscience does not permit these to deliver the Indian working class to the mercies of the Indian Nationalist bourgeoisie. How are the interests of the Indian workers going to be protected when India becomes a self-governing British Dominion, and in the intervening period of probation which promises to be rather long? Let it be taken for granted that in a year or two India will get some sort of a constitution. The Indian bourgeoisie will have more political rights in addition to the considerable economic concessions that have already accrued to them as result of the post-war crisis of imperialism. In those circumstances who will guarantee any protection for the Indian workers? Lately the British Labour leaders have shown some concern about the fate of the Indian workers. They have come to see how the brutal exploitation of the Indian, indeed all colonial, workers affects the conditions of the proletariat at home. They propose to organise the colonial workers in resistance to imperialist exploitation. Some of them went out to India with the mission. Their proposition obviously is to organise trade unions in India for “collective bargaining” on the British model.

This desire, which is apparently plausible, cannot be realised. There are great difficulties in the way. Cheapness of colonial labour is the foundation of imperialism. Consequently there is a limit to the standard of living of the workers of India as long as she remains inside the British Empire. There must be sufficient margin for super-profit. Otherwise it will not be worth while for

the British bourgeoisie to undertake the arduous mission of civilising India. Here the Socialists of Eccleston Square may come with their theory of gradualism, and say that constant elevation of the standard of living of the Indian worker will eventually encroach upon the margin of super-profit and imperialist exploitation will cease to be. This theory of gradualism can be maintained only upon the supposition that the imperialist giant would meekly submit itself to the operation recommended by the Steinachs of Eccleston Square. But the realities are against this supposition. As modernisation of Indian economy is the present policy of imperialism, the conditions of the Indian working class will gradually rise above the lowest level of primitive capitalist exploitation. But under no circumstances will it come anywhere near the margin of super-profit, unless the political power of imperialism is challenged and overthrown by the working class in a revolution.

The second difficulty is that the conditions in India are not the same as those in which British trade unions developed with the programme of "collective bargaining." Success of "collective bargaining" pre-supposes capitalist prosperity. Industrialisation of India is expected by imperialism to help it overcome the present crisis. Therefore it cannot have upon the Indian working class the same effect as it had in Britain half a century ago. Industrialisation of India under the hegemony of imperialist finance cannot appreciably improve the standard of living of the Indian working class. For in that case it would not have the expected relieving effect on the crisis in which British capitalism finds itself. If the cost of production in India is not considerably lower than in Britain, industrialisation of India will not produce the desired result. The perspectives, therefore, are rather for the standard of living of the British proletariat to be reduced to meet the slightly raised Indian level than *vice versa*. Then, Indian workers do not possess the political liberties that obtained in Britain when trade unionism developed there on the basis of "collective bargaining."

It has been made quite clear that, just for asking, British imperialism will not give India even the least amount of political freedom. Even Dominion status will not drop upon a gratified India as a gift from Westminster. Under the present unequal relation, any concession, political or economic, made to India

is in the interests of imperialism. These concessions are made and will be made to the Indian bourgeoisie in order to win them over to the side of imperialism as against the danger of revolution. British imperialism will buy the co-operation of the Indian bourgeoisie with a share of the profit that it makes by exploiting the Indian workers. It will permit the Indian bourgeoisie to draw upon the reserve which until now has remained a British monopoly. Industries developed in India with native capital cannot possibly be expected to provide the workers a decent living. Their ability to compete with the older, more developed and better organised industries of other countries depends upon cheap labour. That means that the eventual collaboration between the Indian bourgeoisie and British imperialism, the political expression of which collaboration is self-government within the empire, can take place only on the basis of the exploitation of cheap labour. The textile industry of Bombay is a glaring example. With the support of the British Government the Indian owners have reduced wages by stages almost to the pre-war level. A third attack has now begun. This has had its disastrous effect upon the Lancashire workers. Neither the visit of Mr. Tom Shaw nor of the Secretary of the International Textile Workers' Federation to India could find a way out of this vicious circle. Pious speeches were made. Indian workers were asked to organise themselves. They were promised help. But the attack upon the workers in Bombay and in Lancashire continues. While the competition of Bombay textile industry, owned almost entirely by Indian capital, is making havoc in Lancashire, the British Government found it necessary to revoke all the disabilities placed upon the former and even to go to the extent of granting it a considerable degree of protection. If the Bombay workers could attain a standard of living equal to that of the Lancashire workers, imperialist policy would be defeated. It will be naïve to believe that the British rulers would allow such a thing to take place as would frustrate all its plans.

India will attain self-government within the Empire when it will be profitable for the imperialists to raise her to that status. A condition, under which the Indian working class will be obliged to produce surplus value for the Indian capitalists in addition to

what they are already doing for the imperialist rulers, cannot be conceivably conducive to their interests. Stabilisation of British imperialism with greater profit from India and with the collaboration of the Indian bourgeoisie will hardly render the prospect of Socialism brighter in Britain.

The answer of the leaders of the Labour Party to this can be easily anticipated. They will say: the next Labour Government will grant India Home Rule, and help her working class defend their interest against capitalism. This is easy to say, but hard to believe. The Labour Party may come into office next year. The pretext on which the Labour leaders to-day support the Conservative Government's refusal to grant India the elementary rights of self-determination will still hold good, providing the Labour Government with sufficient pretext for not granting self-government to India.

The next Labour Government will not grant India self-government, because India cannot have self-government until it will suit the interests of the British bourgeoisie. The Labour Government will not have the power to act against the will of the bourgeoisie. The Labour policy towards India does not reflect the interests of the working class. It is in conformity with British imperialist interests. If the Labour leaders' insistence upon India's staying inside the Empire is not in defence of the British capitalist interests, why do they not support India's right of complete national independence? The defence of imperialism with a haughty gesture of Socialism does not deceive people with knowledge of the situation. It will not for long deceive the British proletariat, which must fight for Socialism as capitalism has brought them into a blind-alley; and the fight for Socialism cannot be reconciled with the defence of imperialism. The Empire must be burst before Indian people can be really free and the British proletariat can realise Socialism. Alliance with imperialism must force the Parliamentary Labour leaders to drop their mask of Socialism. Snowden has blazed the trail. MacDonald and others will follow. The British proletariat will join hands with the colonial masses in a revolutionary struggle against imperialism, as the only road to Socialism.

CO-OPERATION IN THE U.S.S.R.

By JOSEPH REEVES

(Secretary, Education Committee, Royal Arsenal Co-operative Society)

I VISITED, with other co-operators, the U.S.S.R. in November last at the invitation of the All-Russian Co-operative Movement to celebrate the Tenth Anniversary of the establishment of the first Workers' Socialist Republic, and I say unhesitatingly that the October revolution was the greatest event in world history. The years of despair through which the workers and peasants and Russia's finest intellectuals passed prior to October, 1917, contrast strangely with the years of exaltation and achievement which succeeded the revolution.

One cannot visit Russia without realising that the war of 1914-18 gave the proletariat of Russia its unique chance and that this chance was used to the full by that great and incomparable leader, Lenin. The war was the handmaiden of the revolution, Lenin was its genius. Lenin was an idealist with an analytical mind, an idealist without sentimentality and a realist with a vision. It soon became apparent to Lenin that it would not be possible to impose a complicated system of State Socialism upon a peasantry living only one remove from feudalism. He, therefore, determined to build Socialism from beneath through the medium of voluntary co-operation. Here are his words:—

Now we may say that the simple growth of co-operation is for us identical with the growth of Socialism. Our next task consists in cultural work for the peasants. This cultural growth of the peasants, as an aim, is pursued mainly by co-operation. Under conditions of complete co-operation we would be already standing firmly upon Socialist soil.

Thus one hears the slogan "Socialism through Co-operation" repeated on all hands throughout the U.S.S.R., and the astonishing progress of the co-operatives can be accounted for only by the ideological impetus given to them by the Socialists. To "build Socialism in our country," as the Russians say, it is important that the least class-conscious group and the most numerically

strong should be liberated from tradition and illiteracy, and the Co-operative Movement is deliberately organised to accomplish this among the peasants.

If, therefore, this conclusion is true, a study of the multifarious forms which the co-operatives assume in Russia may give us a key to an understanding of the economy of the great union of Soviet Socialist Republics.

A Glimpse at a Co-operative Beehive

We were fortunate in that we were guests of Centrosoyus, the great Co-operative Wholesale Society and Union, because we were enabled to prepare a programme of visits which would provide us with a maximum of information within a short period. Our programme was compiled from suggestions made by us. We were very anxious to study first and foremost the organisational forms which co-operation assumes when functioning within a complementary economic order of Society. Thus we visited large town consumers' societies in Leningrad, Moscow, Kief, Kharkov, and Rostov; primary, handicraft, agricultural, and credit societies in small villages; agricultural museums and exhibitions; and last, but not least, the offices of district, regional, and national co-operative unions. So that we should see how co-operation affects other aspects of life, we visited boot and shoe and tobacco factories, welfare centres and crèches, a welfare laboratory, a Red Army barracks, and a State house of correction (known in England as a prison). We also interviewed the chairmen of Centrosoyus; Wukospilka, the C.W.S. and Co-operative Union of the Ukraine; Knigosoyus and Knigospilka, co-operative book publishing unions; a village school; a workers' urban school, which was built to celebrate the October revolution; and a co-operative college. Having experienced all this I have no hesitation in stating that the progress which has been made during the past five years is, to state the unvarnished truth, simply phenomenal.

Urban Co-operation

Consumers' co-operation, which is the result of the Rochdale experiment in organising the sale of goods upon the basis of

eliminating profit on price, is developing at such a rate in the U.S.S.R. that in another ten years there is every reason to believe that it will control practically the whole of the retail trade of the country. We visited towns where 80 per cent. of the retail trade is already in the hands of the co-operatives. In such towns as Rostov, where science and rationalisation have been applied to store-keeping, progress has been simply astonishing. The local co-operative society at Rostov, known as "EPO," with an insignificant share capital of £70,000, is able to conduct an annual trade of £6,600,000, and it is so developing its services that it is now able to provide the workers in membership with 75 per cent. of their daily requirements. Were it not for the fact that "Epo," with its 276 branches, functions under conditions where loan capital is obtainable from Government and co-operative banks at very low rates of interest, it could not exist upon such a small share capital.

When it is realised that the co-operatives are now conducting 56 per cent. of the wholesale and retail trade of the country, and that 70 per cent. of this trade is organised by the consumers' societies, the enormous part that this form of co-operation assumes in the economy of the U.S.S.R. can be fully realised.

L.S.P.O., a union of the six co-operative societies of Lenin-grad, where, by the way, there were three hundred societies five years ago, has grown at such a remarkable rate that its whole system of store-keeping has had to undergo a revolutionary change. Great building schemes are in hand so as to provide members with more convenient means of trading than those which the old stores and the private traders' establishments taken over by the society can provide. A large bakery with travelling ovens is now in course of erection, which when completed will be the largest in the world, and great central shops are being built which will be an object lesson to the co-operative movement in other countries.

On all hands one saw evidences of great co-operative development, and when it is argued that the new economic policy of Soviet Russia has a tendency to rehabilitate capitalism, it is necessary to contrast the position of private trade in 1923-24 with similar trade to-day. When the new economic policy was

first put into operation the trade of the "Nepmen," as the private traders are called, amounted to 59 per cent. of the trade of the country, to-day it has been reduced to 37 per cent.

Reductions in Prices

Progress has been accomplished by a campaign to reduce the prices of goods retailed by the co-operatives. This campaign was carried out with such determination that prices were reduced from 15 to 20 per cent. below the prices of the private trader, which has had the effect of increasing the real wages of the Russian worker. It is estimated that in textiles the prices charged by the co-operatives are as much as 30 per cent. below the private trader.

The high prices charged by the private trader can be accounted for by the fact that the demands of the purchasing public have been, for some time, considerably above the power of the Russian market to satisfy them. But for the presence of the co-operatives the private trader would have had a fat time.

Russia is bending all her energies to build a self-supporting Socialist society, and a sustained effort is being made, as she builds, to find out the weak spots. Great efforts are being made so that the Union may be independent of foreign textiles. We were informed by many store managers that they could not meet the demands of their members for textiles, and truly in the matter of clothing the workers had more money than they could spend, for supplies are definitely limited, although this is a state of affairs which will gradually disappear as the new factories are completed.

Education

The Co-operative Movement, being a purely voluntary movement, spends large sums of money in advertising to non-members the advantages of mutuality and in endeavouring to train members along class-conscious lines. Thus they follow the lead of the Rochdale Pioneers and devote a percentage of profit to educational and cultural services. The Leningrad Union of Consumers' Societies, for instance, actually allocates 10 per cent of its surplus to such services, which is seen in a

whole net-work of educational, social, and recreational activities. A large number of societies publish newspapers which are distributed, in many instances, free to members, and an effort is made to provide every factory and store with a co-operative corner where literature on co-operative theory and practice may be on sale or for free distribution. The co-operative employee is encouraged to attend classes, to study not only the technical side of the movement, but also its economic and cultural side. Scholarships are offered to employees so that they may obtain a higher education, and many employees who were with the movement prior to 1917 have voluntarily submitted themselves to a re-training course. Hundreds of technical schools are promoted by the co-operatives, not only for the training of the employees but also for the training of those who are elected to manage the society or who aspire to such positions. At Kief, in the Ukraine, the co-operatives have a technical institute which has no equal in the co-operative world. Although the institute has been in existence for only eight years, over 400 students from the college occupy leading positions, both executive and administrative, in the Co-operative Movement. This college, which is divided into the faculties of agriculture, credit and consumer, which are again sub-divided, has 797 students, so some idea of its size may be obtained. The students are made up of 151 workers, 327 peasants, 258 employees (clerks, Government and Co-operative officials, &c.), the remainder being working intellectuals. There are 403 students holding scholarships in the school, 203 of whom are provided by the co-operatives, and 200 by the State. There are eighty lecturers and professors attached to the college, and it possesses a library of 10,000 books. The Government make a grant to cover 70 per cent. of the cost of conducting the college, and the Co-operative Movement the remaining 30 per cent. One of the students addressing a great gathering of students who assembled to greet the English co-operative delegation, said:—

They had realised that Socialism could only come permanently as and when the people themselves built up their co-operative organisations in all fields of action. As we built our Socialist State so we intend defending it. We have a book in one hand and a rifle in another.

In responding, I said I hoped he would be permitted by the imperialist countries to spend all his time with his book and none, or very little, with his rifle, and that we would do all in our power to bring about this consummation.

Active Women Co-operators

It is very strange that whilst women are the preponderating element in the British Co-operative Movement, men occupy that position in the U.S.S.R., 75 per cent. of the membership being males. A great campaign is now being conducted to induce women to become members in their own right, and preferential treatment as to the amount of obligatory share capital is being accorded. Women propagandists and canvassers are being appointed all over the country to engage in the work of making known the principles of co-operation to the womenfolk, and we met many of these keen workers who were thirsting for knowledge of the most effective propaganda methods.

The more I saw of the Co-operative Movement in the U.S.S.R. the more I realised that Socialism can only be achieved by the proletariat, for the reason that it cannot be super-imposed upon people from above, but must be built by the collective efforts of the whole working class through their many and varied co-operative organisations.

THE COTTON WORKERS' FIGHT AGAINST IMPERIALISM

By HUGO RATHBONE

The Beginning of the New Offensive

THE cotton employers have declared war on their workers. This is no mere attempt to get back to "normality." This attack marks the beginnings of a new stage in the decline of British capitalism. The first stage was marked by the attack on the miners. The mineowners said, "If we can but reduce the price of coal, then British industry will be able to reduce its own prices and compete once more on the world markets." The miners resisted; the leaders, amongst whom, it should be noted, were the cotton leaders, led their members to desert them. The miners were defeated. The mineowners reduced their prices.

But the sacrifice of the miners has proved vain. British capitalism shows no sign of getting a lasting benefit. On the contrary. The capitalists in the oldest and most important branch of manufacturing industry in Britain (cotton) have taken up the offensive, the offensive not to return to "normality"—that has long been abandoned as an impossible task—but to reach a competitive level on the world market. That is to say, the cotton employers recognise that British manufactured goods have lost not only their world monopoly of trade, but their power to compete on the world markets. This is made all the more clear by the way this attack has been received by the capitalist Press. Unanimously this Press chides the cotton employers for their alleged inability to learn from the experiences of the mineowners, unanimously they describe the attack as the last desperate throw of men too impatient with the remedies that have been so kindly showered on them from their fellow capitalists or capitalist experts, unanimously they self-righteously condemn the cotton employers for the suddenness of the attack and hypocritically assert that the workers con-

sequently have a perfect right to resist, *but unanimously they agree that in the end wages must come down.*¹

That is to say, British capitalism as a whole agrees with the cotton employers in their resumption of the offensive. The cotton workers then are the first in a long line of workers in all the manufacturing or finishing trades to be put up against this new offensive. The leaders of the cotton unions have replied by refusing to entertain any wage reductions or longer hours. Yet they have agreed to meet the employers to discuss with them the "rationalisation" of the industry, even going so far as suggesting in advance that they have several "remedies" to put forward. That this latter suggestion already endangers the life and death struggle of not only the cotton workers, but of all the workers in the remaining great industries of Britain, is proven by the fact that those same leaders are taking part in the Industrial Peace manœuvres of the General Council of the Trades Union Congress.

The Basis of the New Offensive

The mass of the workers, not only the cotton workers, are faced with an offensive on a scale undreamt of in 1925. What is the basis of this new offensive. In order to put the answer to this question correctly and determine why it is on the cotton workers that the blow is first to fall, let us first establish the relative importance of the cotton industry in the development of British economy.

The cotton industry was the first big manufacturing industry to be transformed by machinery into modern factory industry. This was one of the industries wherein was realised the genesis of the industrial capitalist. Marx in Vol. I of *Capital* has

¹ It will be said that the capitalists' tame economist, J. M. Keynes, has opposed this attack. This is not true. Maybe, like the others, but only in a more forceful form, he has opposed the *method* of attack and has not officially said that wages must come down—he proved it, of course, in a neatly disguised form some years ago in his pamphlet "The Economic Consequences of Mr. Churchill"—but by advocating the method of what he calls "rationalisation," wages *will* be reduced, as the miners well known to their cost; for their wages not only *have* been reduced directly but *are* being continually cut into by the rationalisation schemes now being effected. Proof of this as regards cotton, however, will have to be left to another article.

described in bitter words the method of transformation employed in this industry. "Like the royal navy," he said, "the factories were recruited by means of the press gang."

Then after describing how the development of the slave trade to America to supply labour for the cotton plantations of the south was the necessary concomitant of the development of the cotton industry in England, Marx writes :—

In fact, the veiled slavery of the wage earners in Europe needed, for its pedestal, slavery pure and simple in the new world.²

Nobody then could challenge Marx when in conclusion he said :—

If money, according to Augier, "comes into the world with a congenital blood stain on one cheek" capital comes dripping from head to foot, from every pore with blood and dirt.³

But your smug petty bourgeois or naïve bourgeois will tell you "All that is over long ago. We don't do things like that now. It wouldn't be allowed. Why, man, the Factory Acts . . ." &c., &c. To which we answer : It *is* being allowed. The present day representatives of these same capitalists *are* actively assisting in its perpetuation. But before we describe the how and where, let us first trace the reason *why* this is still possible, and for capitalism inevitable.

The inevitable development of this factory industry meant that production outran the limits of the home markets and necessitated the conquering of the world market. The rapid expansion of this industry involved a rapid expansion of the textile machinery industry, and in the same way over-production of machinery for the home market resulted. Consequently, the world market for this industry also had to be won. Now this expansion of industry, necessitating the conquering of the world market, has been the principal lever in transforming competitive capitalism into monopoly capitalism leading inevitably to the present imperialist stage of capitalism. The profits, the super-profits, gained from exporting these cotton goods to backward countries became the mainstay of imperialism.

But the export of cotton machinery set up a contradiction for imperialism by providing the material base for challenging the

² P. 833, American edition of 1912.

³ *Op. cit.*, p. 834.

supremacy of British imperialism in the world market. This supremacy has already been challenged by western countries, the competing centres of imperialism. Now it is being challenged by the eastern centres of colonialism, by the subjected countries from which imperialism derives its greatest source of strength—super-profit. Imperialism itself is being challenged, its basis is being undermined by the system of colonialism which it itself has developed in order to enrich itself. Its source of strength is being sapped, its very existence is being threatened by its own inner contradictions. It, therefore, turns in blind fury on its wage slaves at home, seeking to force them back into the period of the horrors of child and sweated labour, described as we recalled above by Marx. In this situation the present leaders of these wage slaves are spinning miasmas of Industrial Peace in central council with the colleagues of these same employers. They announce they have “remedies” to put forward. But the employers’ “remedy” is wage reductions and longer hours. The workers’ remedy can only be resistance, but how? Again we must defer our answer.

The Relative Importance of the Cotton Industry

The cotton industry to-day is one of the most important of British manufacturing industries—“perhaps the most powerful of our manufacturing industries.”⁴ It accounts, according to the Census of Production of 1907 (the 1924 Census figures are not yet available, though in all probability they will show a small decrease in the proportion), for just over 7 per cent. of the total net output of all the industries and trades of the then United Kingdom of Great Britain and Ireland. But its importance to British imperialism in its present stage, when that imperialism’s supremacy is being challenged, is even more evident when it is stated, according to this same Board of Trade Committee from which we have already quoted: first, that about 80 per cent. of the products of this industry are exported and, secondly, that these exports accounted before the war for 31 per cent. of the exports of “wholly or mainly manufactured goods,” and “over 24 per cent. of the total exports of the produce and manufactures”⁵ of the United

⁴ Board of Trade Committee on Textile Trades after the War, p. 45. (Cmd. 9070. 1918.)

⁵ *Op. cit.* p. 45.

Kingdom. That is to say, four-fifths of this industry is faced with world competition and this four-fifths represents just one quarter of all the exports of British goods.

Now it may be asserted that a large proportion of this four-fifths is not in fact faced with any competitors as it represents the finer qualities of cotton goods which as yet are not exported at all or not even produced by any other country. There are three answers to this contention. In the first place this is not the most important section of the trade to the capitalist, quite apart from the fact that roughly only 30 per cent. of the total spindles, both for the home and foreign trade, spin the finer qualities of yarn. It is on the coarser goods sold to the backward countries that the capitalist makes his super-profit, and it is this super-profit that is most vital to his existence. In the second place, it is admitted by the more serious of capitalism's representatives, *e.g.* by the Balfour Committee on Industry and Trade, that the loss of trade in the coarser goods cannot be made good by an expansion of finer goods production. They said :—

It is, of course, unlikely that any compensation of the kind indicated above (*i.e.*, the greater production of finer goods.—H. R.) would of itself be sufficient to counterbalance the decline in external demand for the commoner grades of goods.*

In the third place even the contention itself is becoming less and less true. Not only are the rivals of British capitalism in the West extending their production of finer goods and adapting their machines to take coarser grades of raw cotton and to work them up into those finer qualities, but the rivals of British imperialism in the East, mainly the subjected nations, are every day developing their production of finer goods.

Thus in general it remains true that nearly 25 per cent. of British capitalism's total profits from overseas trade is immediately threatened. Now in the imperialist stage of capitalism this has much greater significance than would appear from the actual figures. For its reactions are obvious on the ability of British imperialism to maintain its export of capital, in this period a vital necessity for its existence.

*Survey of Overseas Markets, p. 11, quoted by R. P. Dutt in *Socialism and the Living Wage*, p. 54.

The Rate of Development in Relation to the World

Now let us look a little closer into this situation. First as to the relative rate of development in recent years of the industry in Britain compared with other countries. The Master Cotton Spinners' Federation report, on which is based the present attack on the workers, quotes figures showing that whereas between 1900 and 1927 the total number of spindles throughout the world had increased by 67·82 per cent. the number of British spindles had increased only by 42·40 per cent. In the case of looms, the difference is more striking ; the world increase amounted to 63·29 per cent. for the same period, while the British increase was only 18·36 (*Manchester Guardian*, January 10, 1928). When it is remembered, even in July, 1927, according to a calculation based on figures taken from the November, 1927, issue of the *International Cotton Bulletin*⁷ that the number of spindles in Britain was still 35 per cent. of the world total, the rate of development of other countries is plainly much greater than that represented by the figures given in the Master Cotton Spinners' report quoted by us above.

This is made clear, for instance, by the following statement by the Government's Chief Inspector of Factories in his report for the year 1925, p. 3, who, in referring to the fact that two new spinning mills had been erected during the year in the Oldham district, *i.e.* the district which mainly spins the coarser grades of cotton, said that they were "the first completely new mills to be built in this district, it is believed since 1914." But contrast the implications of this statement with Indian development between 1900 and 1924 as shown by statistics given in the Indian Tariff Board (Report on the Textile Industry in India, pp. 5 and 228). The production of yarn is shown to have increased by just over 40 per cent., but the production of cloth has increased by 340 per cent. enabling an increase in exports of cloth of 105 per cent. in spite of an increase of 30 per cent. in its home consumption.

Now if we take the export position of Lancashire, the relative decline of British cotton capitalism is made still more evident. While world trade in cotton goods based upon weight and yardage in the period 1921-25 had declined to 84 per cent. of the trade in

⁷ Official organ of the International Federation of Master Cotton Spinners' and Manufacturers' Associations.

1909-13, British exports had declined to 66 per cent. of the 1909-13 total ; or looking at it in another way, while British exports of piece goods amounted to 73 per cent. of the total world exports of piece goods in the period 1909-13, in the period 1921-25 they only amounted to 57 per cent.⁸

The Loss in the Eastern Markets

Keynes, in an article in the *Nation*, November 13, 1926, estimates that:—

We appear to have lost, not just in an isolated year, but as a phenomenon extending over the whole of the post-war period, something approaching *half* of our former trade (say 45 per cent.).

But it is from a further examination of the kind of trade that has been lost that the growing desperate position of British imperialism will be more fully realised.

The Departmental Committee on the Textile Trades after the war gave the following significant table showing the principal markets for British piece goods in 1923:—

	Percentage of Total Exports of Piece Goods
British India	36
China	12
The Continent and United States ..	10.4
Central and South America	9.5
Turkey, Egypt and the Levant ..	8.4
Miscellaneous Far Eastern Markets ..	8.5

From this table it can be seen that 65 per cent. of the total exports were to countries with a low standard of life. Now what has been the trend of development since ? The statistics we have already given with regard to India will prepare us for the figures given by the Master Cotton Spinners' report (quoted by the *Manchester Guardian*, January 10, 1928), which show that, whereas in 1913 Britain supplied India with 85.67 per cent. of its requirements of yarn, it supplies only 30.92 per cent. in 1926. In China, as B. Ellinger showed in a paper read to the Manchester Statistical Society (*Manchester Guardian*, November 10, 1927), in 1913 two out of every three cotton piece goods came from Lancashire, but in 1925, three out of every four piece goods came from Japan.

⁸ Figures taken from an article in the *Manchester Guardian*, 13-12-27.

It is therefore clear that this 45 per cent. of the export trade has mainly been lost in the Eastern markets, that is in those countries with a low standard of living. Keynes, in referring to previous articles of his, asserts in the *Nation*, November 19, 1927, that in those articles he "gave figures to show that the prospect of Lancashire's recovering her pre-war trade was remote."

In the best style of Marx's cotton capitalist of the early nineteenth century, a certain Mr. Armitage, in an article in the *Manchester Guardian*, January 12, 1928, gives his solution.

Why then has this trade been lost? There are several main reasons, but the greatest is this—yellow labour and brown have attacked white. Two and six a day has attacked ten shillings a day, and has done it wearing the arms and armour of ten shillings.

And his solution. Well, naturally it is: Reduce 10s. to 2s. 6d. Bring down the level of the workers' conditions in Britain to the very worst, such as, for instance, in China.

The "Remedy" of Rationalisation

But it will be said that the prosperity of the cotton industry can be restored by "rationalisation." The capitalists, however, are not prepared to admit that any schemes of rationalisation are "immediately practicable," except such as constitute an attack on the workers. The cotton industry in particular, being one of the oldest British industries, has the most antique organisation and chaotic competitive basis. It now lacks the profit-making ability which will attract capital for rationalisation.

This situation of course is intensified by the immense burdens of a parasite character such as rents, mortgages, royalties, way-leaves, &c., which, owing to its comparatively long historical development, must strangle at birth any attempt by British capitalism in each and every industry to rationalise itself.

Conclusions from the Economic Survey

What then are our conclusions? That the cotton textile workers are the first to meet the new stage of the capitalist offensive, which marks the realisation by the employers that the depression is due not to the high cost of production of the essential raw materials for industry, but to the competition of workers operating the same kind of cotton on the

same kind of machines but receiving one-third to one-fifth of British wages and working often twice as many hours per week. Further it is the first dim realisation by the employers that it is only on this latter "competitive" basis that they can hope to receive any assistance, any capital, to rationalise themselves (and that even on this basis the dead weight of debt and royalties and rent will prevent the full rationalisation dreamt of immediately after the war)—it is this realisation that is making them as obstinate and as brutally frank as their ancestors of the first days of the factory system or their colleagues in India, China and the Malays.

This attack must be resisted at all costs, first because it is merely a prelude as we showed to attacks on the wages and hours of the workers in all other industries in Britain and, secondly, because the employers will not and cannot be satisfied with the spoils of the present attack, if conceded them. They will come again and demand more "concessions." It is therefore a life and death struggle. Any talk of Industrial Peace at the very moment of this fresh onslaught can only mean "the Peace of Death." But resistance is the prelude to further struggles!

It is in this situation, if resistance is at all effective, that the capitalists will become truly desperate for their very existence, and it is in such a situation that Labour will be able to press home its counter-demand for more wages, shorter hours and better conditions. In such a situation it will be able to achieve in the revolutionary struggle for power a real control over the industry, and then, and only then, will the present dreams of rationalisation be possible. For the deadweight of debt, mortgages and rent will be gone, the deadweight of the parasite capitalists will be gone and so it will be possible to make use of all that wonderful skill and accumulated knowledge acquired in the painful struggle for existence over many generations that the Lancashire cotton workers have stored away.

But before that stage can be reached there is one essential lacking. British Imperialism must be overthrown. Are the cotton workers prepared to give a lead in this gigantic task.

Are the Cotton Workers Prepared?

The cotton industry until the war had for close on one hundred years been one of the staple, and most stable, industries in Britain.

At the same time owing to its highly competitive character the organisation of the workers developed on highly sectional and craft lines, and only in recent years has there been some attempt at centralisation and amalgamation. Resulting from these general conditions, the basis of wages is highly complicated, necessitating specially trained negotiators to understand the various lists, and in some cases special examinations are held in order to choose the trade union officials.

The leaders of the unions, though they might be technically efficient in negotiating on wages when capitalism was in the ascendant, but rarely took any prominent part in the politics of the Labour Movement.

Secondly, as we said above, the cotton workers have an immense store of knowledge and traditional skill which the employers respected—in so far as they saw a prospect of making a profit out of it. It is entirely significant in this connection that for five years after the war during the depression the employers felt sufficiently impelled to organise a system of short time by which the hours of every worker were reduced throughout the section. Likewise it is just as significant that only last year did they finally decide to give it up.

This system was not organised merely from a humane desire to try and mitigate the horrors of unemployment or anything of that sort. The employers merely wanted to ensure that a sufficient number of skilled workers remained in the industry when the hoped for revival of trade came.

The pamphlet of the National Minority Movement, "What's Wrong in the Textile Industry," p.15, describes the effects of this short time in particular "in draining of union funds and the life savings of the workers" until to-day the workers are financially ill prepared to face any attack of the employers. On the other hand we have shown that resistance is necessary or else another attack will come on the top of the present threatened reductions when financially the workers will be even less prepared.

But we said above that it was also intensely significant that the employers have abandoned short time. It can only mean, in view of their former attitude, that they themselves are convinced that rationalisation and a smaller industry is their inevitable lot.

But is it inevitable? Inevitable, yes, under the present system which has no use for skill unless it can make profit out of it. But the whole working class, not only the textile workers, cannot afford to let this mass of accumulated skill be lost to the workers' cause. They therefore, if only for this reason, must unite with the cotton workers to defend their threatened conditions and to move forward out of this slough of despond into which capitalism is pushing the whole industry, and move forward to attack the citadel of capitalism itself.

The Fight Against Imperialism

Thirdly, can the workers be prepared if they merely organise the defence on a national scale? Must it not be international? Yes, but why?

As we have shown, the cotton industry depends largely for its existence on its exports, and these exports are largely to the colonial countries. Therefore the cotton workers' wages depend very largely on the super-profits made out of the exploitation of the toiling masses in the subjected countries. But capitalism owing to depression at home has been intensifying its exploitation of these masses of workers, peasants and the petty bourgeoisie in the colonies. The consequence is that their power to purchase the British made goods has to a great extent disappeared; they either seek other and cheaper goods or do without. The workers in Lancashire are threatened, they no longer can be called a section of the aristocracy of labour receiving small concessions from the employers out of the profits from imperialist exploitation. But their leaders still retain this imperialist ideology.

The reports from the localities in the *Worker*, January 20, 1928, give a very clear picture of the effect of this new attack. It can be seen that the workers for the most part are thoroughly roused, though even here in certain places the full realisation of the seriousness of the position has not yet been brought home. But amongst the officials there is a complete absence of any sign of a desire to stir from their offices, let alone to take the lead in a fight of resistance to a wage attack. In one case even, in the case of the Card Room Operatives, so far are they from realities that after four successive attempts only recently did these officials triumphantly

secure from their union a 15 per cent. increase in salaries. Can officials such as these be trusted to lead the fight?

But what more is necessary? The workers are stirring, but can they achieve real freedom on the basis of the continued exploitation of the colonial peoples? The capitalists assert that it is the competition from the Indian and the Chinese worker with his low wages that is cutting at the British product. But it is the British capitalists in India and China who are keeping down the wages of the Indian and the Chinese workers. Remember how once British troops shot down the Bombay strikers when on strike to secure decent conditions. Remember that now at this very moment these Bombay workers are out on strike resisting an attack on their conditions by the cotton employers led by those mills which are owned by British capitalists. Remember that these capitalists are putting forward exactly the same arguments as the Lancashire cotton capitalists. They say they cannot meet the competition of imported goods, of goods not only from Japan, from Italy, from the United States, but—yes, they have the effrontery to say it—from Lancashire also. Remember how every day a Chinese worker is being beheaded or tortured, beaten or flogged, merely for joining a trade union in order to get higher wages, and remember that British troops are in China in order *precisely to assist those forces in China who are willing to keep down the Chinese workers' wages*. This assistance is being given to the Chinese bourgeoisie in return for a share in the profits from this disgusting and revolting intensity of exploitation: 12, 14 or 16 hours a day, 7 days a week, 52 weeks a year; such are the hours of work, and immediate dismissal if the miserable pittance that is given as wages is insufficient to provide enough food to keep up enough strength to stand this hideous rate of exploitation. Such is the lot of great masses of Chinese workers; the Indian workers' lot is but little better.

Such are the conditions that are being perpetuated for the profit of British capitalists with the aid of British troops and British ships, and the workers here are aiding and abetting it. For Lenin said, in referring to Marx's proposal for "the separation of Ireland . . . (as) the only possible form of Irish liberation which

must be included in the programme of the British Labour Party," that it was :—

" A means for obtaining the freedom of Ireland, of hastening the social development and emancipation of the British workers ; *for the British workers would never become free themselves so long as they assisted (or even permitted) another nation to remain in slavery.*"⁹

The workers here are thus assisting the capitalists to reduce their own wages by failing to compel the immediate withdrawal of all troops from China, and the immediate granting of full independence to all colonial peoples. For it is these troops that are keeping down the wages which are now being used against them by their capitalists. There must be a fighting alliance between the British textile worker and the textile workers of China and India and all other countries, based on mutual assistance to force wage increases, especially in the wages of the at present subjected races. This can only be achieved by mutual trust and understanding, which in turn can only follow this slogan coming from the workers in the exploiting country : For the immediate withdrawal of all troops and ships from China, and for the immediate granting of complete independence to all subjected countries. In China the revolution, though at first defeated by the combined forces of the Chinese feudal lords and bourgeoisie, supported by the Imperialist bourgeoisie together with their Social Democratic hangers-on, is now developing on to a new stage in which the demands for better conditions play a still more active rôle and the resistance of the bourgeoisie becomes still more fierce. But British troops remain to stifle the demands of the revolution, to prevent the Chinese workers from obtaining any better conditions whatsoever. The British workers must clear themselves of responsibility for such actions. They must start the organisation of a Hands off China campaign, not "soon," but "now." And finally their political demand in the present struggle must be : No wage cuts, no longer hours. Withdraw all forces from China. Immediate independence for all colonial countries ! A fighting alliance between the British workers and the colonial workers to overthrow imperialism.

⁹ P. 7, *Lenin and Britain*. C.P.G.B. 1s.

THE BEGINNINGS OF THE ENTENTE

By W. N. EWER

THOSE who look in Europe for the explanation of Great Britain's European policy (past, present, or future) are making an initial mistake which leads them finally into all sorts of absurdities. Finding no rational explanations (for the simple reason that they are searching in the wrong place) they invent irrational ones. They become metaphysical and talk about the Balance of Power, or they become mystical and burble of the Spirit of Locarno or the League.

All their trouble comes from the failure to see the obvious pikestaff of a fact, that British political interests are determined, not by metaphysical conceptions or mystical emotions, but by the economic interests of the British ruling class: and that for three centuries and more those interests have, for the most part, lain not in Europe, but in all the other Continents.

It is in those other Continents—in Asia, in Africa, in America, in Australia—that Great Britain has worked out her predatory destiny, conquering and exploiting an area equal, in extent and in riches, to many Europes. Busy with this lucrative game; Europe has only concerned her—she has only concerned herself with Europe—when and in so far as other European nations, scrambling for the same plunder, have come into conflict with her.

Chatham's "I will conquer America in Germany" might stand for a summary of British policy in Europe from the reign of Elizabeth to the reign of George V.

How completely in our own days the explanation of Great Britain's entry into the European alliance system in 1903, and so into the Great War in 1914, is to be found outside Europe, the first two volumes of the *British Documents on the Origin of the War*¹

¹ *British Documents on the Origin of the War, 1898-1914.* Edited by G. P. Gooch and Harold Temperley. Vols. I and II. H.M. Stationery Office. 10s. 6d. per vol.

almost ludicrously emphasise. These two volumes cover what were the really decisive years.

And here are the chapter heads of Volume I:—

Russia and Far East; Great Britain, Germany, and Portugal (which is all concerned with the Portuguese colonies); Great Britain, Germany, and Samoa; Anglo-French Relations (West Africa, Fashoda, North Africa, Muscat); The Hague Peace Conference; The South African War; The Powers (General, Balkans, Afghanistan, Abyssina, the Suez Canal).

European questions, you note, are not even mentioned. Even in the one sub-chapter—17½ pages out of 350—which is vaguely labelled "General," 15 of the 17½ pages are chiefly concerned with—Tripoli.

It is an almost arithmetical demonstration that to Great Britain the affairs of Europe in those years were of insignificant interest; that in the moulding of British European policy, European considerations played an entirely secondary and subordinate part.

The editing of the documents is curiously unsatisfactory. That the collection should be complete was, it may be admitted, out of the question. The bulk would have been overwhelming, the cost enormous. Selection and omission were essential. But either the editors have not had access to all the material, or they have been over hasty in some of their omissions. A significant note in their foreword—significant for the revealing light it throws upon diplomatic methods—suggests that the fault is not entirely theirs. They cite Sir Eyre Crowe himself in evidence that the records are "sadly incomplete," and that not only some but "*all the most important business*" was "*transacted under the cover of private correspondence.*" That furtive and dishonest practice may have decreased. It certainly has not been entirely abandoned. Secret diplomacy prefers to hide its closest secrets from Cabinets, and to leave no trace of them in archives.

The result, to the reader, is curiously irritating. It is like reading a serial story and missing the most exciting instalments.

Let me take an example at random: it is the dispute with France in 1899 over her desire to establish a coal depot near Muscat. We opposed the plan so vehemently that we threatened to bombard the city if the Sultan (whose independence we had

pledged ourselves by solemn treaty to respect) dared to grant the French a privilege which we already enjoyed. The two Foreign Offices used the sharpest language to each other over this petty dispute. The possibility of war was mentioned. The French pressed their demand. Lord Salisbury was adamant.

The French Ambassador, wrote the Foreign Secretary on October 7, 1899, "expressed, in very strong language, his regret that we were not able to accede to the wishes of France."

And then—at the very crisis of the story—sudden and complete silence. An editorial note explains that in April, 1900, M. Cambon announced that France was prepared to accept a proposal that the two countries should divide the site where the British coal-sheds were situated.

But that is six months later. What had happened in between? How came it that a dispute which in 1899 was acrimonious and even dangerous was, in 1900, easily settled. The documents are entirely silent? It is as though one had left the heroine bound and drugged in the power of Black Jake, and had turned over the page to find the wedding bells ringing.

And that same curious phenomenon—the omission of precisely the most important part of the story—occurs again and again and again. In other places one meets the almost equally irritating phenomenon of references to, or even quotations from, important documents which are themselves not published. This rather glaring incompleteness enormously lessens the value of the collection. It leaves us still in the dark as to many of the most important and significant happenings of those critical years.

But if much is still concealed, certainly very much is revealed. And patient comparison and collation with other "original authorities" should reveal a lot more.

The revelations do not destroy, indeed they tend rather to confirm and to substantiate, one's general view of the processes which brought about that dramatic and pregnant change in the methods—though not in the ultimate aims—of British policy.

During the nineteenth century—from the close of the Napoleonic War and its epilogue of Conferences—Great Britain had remained carefully, almost ostentatiously, aloof from European affairs. Save where the "Eastern Question"—which is not a

European matter at all—was involved, her interventions had been perfunctory and half-hearted. The whole political structure of the Continent was altered; Germany and Italy consolidated themselves; Napoleon III rose and fell. But Great Britain remained all but unconcerned. Not even the Queen's burning personal interest in dynastic affairs could arouse her Ministers to action.

Disraeli frankly expounded the reason:—

It is not because England has taken refuge in a state of apathy that she now almost systematically declines to interfere in the affairs of the Continent of Europe. England is as ready and as willing to interfere as in old days when the necessity of her position requires it. There is no Power indeed that interferes more than England.

She interferes in Asia, *because she is really more an Asiatic Power than a European*. She interferes in Australia, in Africa, and in New Zealand, where she carries on war often on a great scale.

There, indeed, was the matter in a cynical nutshell. While Europe was exhausting its energies in destroying the laborious and clumsy work of the Vienna treaty-makers, Great Britain, under the urge of a rapidly developing capitalist production, was devoting her energies to the more lucrative task of overseas conquest. While the European Powers waged costly wars in Lombardy, in Lorraine, in Bohemia, and coped with national insurrections from Belgium to the Balkans, Great Britain was annexing, settling, and exploiting enormous territories all over the world.

For two generations this process went on without let or hindrance from any European Power. The Russian advance through Central Asia was somewhat disturbing. French or Russian interest in the countries around the Eastern Mediterranean provoked a series of crises (and one war). But over the greater part of this wonderful new Tom Tiddler's ground British commercial enterprise and British military prowess had it all their own way. In campaign after victorious campaign we proved that the skill of British generals and the valour of British troops could (given the requisite supplies of shells, breechloaders, and machine guns) defeat even the fiercest of "native" warriors. True, there were a few unfortunate incidents. But British pluck invariably triumphed in the end. Ulundi followed Isandhlwana and

Kandahar Maiwand. Only Majuba and Khartoum remained for a space to vex a generation which grew up in years of ceaseless victory and irresistible expansion.

It would, I think, be wrong to say that that generation *believed* in the divine right of England to conquer the earth. Belief implies at least the possibility of doubt. And doubt could not occur to them. They expanded as a child grows, under the pressure of unnoticed forces: at an astounding pace, since there was no more formidable obstacle than the spears of Cetewayo or King Koffee, or the antique rifles of the followers of King Theebaw or the Akhand of Swat.

The psychology of that generation—the first to think “Imperially”—is important. The expectation of continuous and unhampered territorial and commercial expansion had become with it a mental habit. The disturbance (at the end of the period) of that habit, the thwarting of that process, produced a violent reaction. Great Britain, from being comparatively unconscious of Europe, became exceedingly conscious. Indifference to the activities of European Powers gave way to irritation and to indignation at their unfriendly, unseemly, and almost impious behaviour; then to sudden alarm.

It was in the 'eighties that the trouble began. The great European Powers, with the exception of Austria-Hungary, showed themselves determined to take a hand in the game which Great Britain had come to regard as her exclusive right. Free, for the time being, from Continental wars, urged forward by their own developing capitalism, France, Germany and Italy all began or resumed careers of colonial expansion. Russia, moving slowly southward in Asia, reached regions which had been counted as, however vaguely, within the British sphere of influence. An epoch of acute colonial conflict opened.

In Africa something like a wild scramble for territory began. The French struck southward across the Sahara, eastward from their old coast settlement of Senegal, northward from Dahomey. They seized the French Congo and the Ubanghi three years later. They established a protectorate over Madagascar. They occupied Tunis. The Germans in one swoop staked out their claims in Tanganyika and Togoland, in the Kamerun and in “German

South West." Italy hoisted her flag in Eritrea and in Somaliland. Even Portugal strove to extend her ancient and somewhat dilapidated Empire.

England, angry and alarmed, made swift counter-strokes, cutting in first at one spot, heading off a threatening movement in another, protesting vehemently against an infringement of her rights in a third, striking a bargain in a fourth; contriving out of the scramble to acquire for herself no less than 2,500,000 square miles of African territory inside a dozen years.

In Asia the pace was less rapid, but the general effect the same. Russia's appearance from the North brought British countermovements from the South into the mountainous borderlands. There were sixty-four Indian frontier wars in twenty years. France took Annam and Tongking, and pressed on Siam. The British retort was to annex Burmah. The two Powers clashed angrily in disputes over the Mekong Valley. In the Pacific rival cruisers raced to hoist the flag first on remote islands.

Every such race, every such struggle, was envisaged by the English of that generation as a defence of their own rights against insolent trespassers. They looked upon European colonial adventurers very much as a squire looks upon a poacher. Their moral indignation was intense and sincere. And combined with it was a magnificent sense of outraged social superiority. They were at no pains to hide from French or Germans, and foreigners generally, their enormous and sweeping contempt for them as upstarts. The French or German colonist was a favourite butt of the comic papers. Every schoolboy knew what a ridiculous figure they cut in their dealings with natives; why, even their sun helmets were of an absurd shape; they called "lamas" "bonzes" as Mr. Kipling jeeringly noted in a famous passage of *Kim*. They were the very embodiment of the upstart, not quite accurately aping his betters—and that, as every dreary number of *Punch* bears witness—is the one joke of which English snobbery never tires.

Mr. Kipling was the poetical expression of that generation. "Land of Hope and Glory" was its final summary in song.

Nor was this attitude of contemptuous irritation towards continentals confined to comic papers, Mr. Kipling, and the like.

It was fully shared by those in authority, and they showed their feelings quite as openly as did the most irresponsible of journalists. Lord Salisbury's disdain for foreigners was not hidden from the foreigners themselves. Mr. Chamberlain's scathing comments were duly read and noted.

The French were not indifferent to the opinion of the British Ambassador in Paris. That opinion, one gathers from an astonishing report by Lord Dufferin to Lord Salisbury, was that they were morbidly vain, snobbish, excitable, untruthful, ignorant, corrupt, spiteful, and vindictive. Through the whole despatch runs the note of burning contempt and dislike. He looks upon a Frenchman almost as a British diplomat to-day looks upon a Bolshevik. And beyond any doubt he behaved accordingly.

To the Germans the manner of British statesmen was not different. "Lord Salisbury," complained the Kaiser (ever sensitive where his vanity was touched) to his grandmother in 1898, "has treated us as if we were Portugal, Chili, or Patagonia."

Can it be matter for wonder that towards the end of the 'nineties Great Britain was cordially detested in every country in Europe? That equally Europeans were cordially detested—and despised—here.

The British saw these damned Continentals everywhere encroaching upon their own domain—pushing here, intruding there, making ridiculous claims and nurturing preposterous ambitions. At one moment the Kaiser was sending telegrams to Kruger; at another an absurd Frenchman had had the insolence to reach Fashoda before Lord Kitchener; at another the Russians were doing something quite unspeakable ("unscrupulous machinations" is a characteristic phrase, Lord Lansdowne's as it happens). We had constantly to be mobilising a special squadron, or preparing to mobilise the whole fleet, or sending the China squadron to sea with sealed orders, or something of the sort.

The European Powers on the other hand saw Great Britain, incomparably the biggest colonial power in the world, everywhere opposing any expansion by any other Power. They could not move anywhere in the world without coming up against a British outpost or a British interest. Their ships could only move about

the seven seas by kind permission of the British and by leave to use the British coaling stations. (How sore a point this was the row over Muscat, which I have mentioned above, shows.)

The French point of view is not unfairly summed up by Lord Dufferin:—

Resentment has been fomented and exacerbated by the way in which our expanding commercial interests and our colonising enterprises anticipate and impede the corresponding efforts of their Government and of their merchants. They have a feeling that we are always getting the better of them all over the world and crossing their path at the very point when it is about to open on some extraordinary advantage.

With the German, with the Russian, it was much the same. And this sense of material grievance was continually aggravated by the feeling that the Englishman who everywhere thwarted them also despised them. On a neurotic temperament like the Kaiser's this feeling had tremendous influence. The passionate desire to assert his equality, the equality of his Germany, with these overbearing islanders became a morbid obsession. His vanity was wounded by them at every turn, and must be appeased. Hence much of his frantic craving for limelight, for theatrical demonstrations, for "stunts." He was strutting and playing to himself, in order to forget British jeers. And the more he strutted, the more they jeered.

The Kaiser's psychological infirmities became important towards the end of the period. At the beginning there was little enough friction between England and Germany. France and Russia were the enemies.

The reasons are clear enough. France and Russia impinged upon British interests in their most sensitive spots—in Asia, in the Near East. Germany did not begin her expansion until a little later. And even when she did, it was in areas where we had not as yet developed very delicate nerves. There were a few incidents, but only of a minor character. Germany as a colonial power was not seriously regarded. She had no navy. She must depend, like Portugal or Holland, on our goodwill. The tremendous significance of her economic development was not appreciated. As the enemy of France she was, indeed, rather to be encouraged. Lord Salisbury, in 1887, could write; "It is very difficult to

prevent oneself from wishing for another Franco-German war, to put an end to this incessant vexation " from France. Projects for a definite Anglo-German alliance were discussed in 1875, in 1877, in 1880, in 1889. It was only reluctantly that Salisbury decided that he must "leave the idea on the table" for fear of Parliamentary opposition to Continental entanglements.

With France and with Russia on the other hand, in the 'eighties as in the 'nineties conflict was incessant, crises recurrent. Common hostility to England was not the least of the causes which brought about the Dual Alliance.

It is in the 'nineties, after the fall of Bismarck, after the Heligoland treaty, that rivalry with Germany becomes as acute as rivalry with the other two. German mercantile development begins to threaten British trade as neither the French nor the Russians could do. "Made in Germany" becomes a slogan of the new Protectionist movement; and, as always, English anxiety expresses itself in sneers. German colonialism begins to make it clear that it is not satisfied with the share allotted to it by agreements. It begins to show an interest in South Africa—now become a highly sensitive spot. German shipping challenges Great Britain's almost monopoly. Plans are laid for the establishment of a German navy.

Germany, in short, becomes, and becomes consciously, a World Power, as France or Russia are World Powers: no longer a convenient instrument of anti-French policy, but an Imperialist Power with ambitions and aspirations of its own. Great Britain is now faced not by two rivals but by three. The serio-comic episode of the telegram to President Kruger is the dramatic revelation of the new position. A few months earlier the possibility of diplomatic co-operation between France, Germany, and Russia had been shown in their joint action at the end of the Chino-Japanese war.

England, stumbling into a war in South Africa which was to strain her military resources and, for a moment, almost to destroy her prestige, was faced by a Europe united in detestation of her. The Continent was solidly pro-Boer, not from any love of the Boers, but from hatred of the English. British defeats were greeted everywhere with popular rejoicings. The injuries and the

humiliations of twenty years were being avenged, alike for French and Russians and Germans, on the Tugela, at Stormberg, and at Magersfontein.

There was talk, and indeed far more than talk, of joint intervention by the Continental Powers. The truth about that curious intrigue is still hard to get at. There has been much hard lying about it since. But it is clear enough that it was a near thing, that only the impossibility of adjusting rapidly their own jealousies and suspicions prevented the formation of an anti-English alliance. Perhaps if Bismarck had overruled Moltke thirty years earlier and Alsace had not been annexed——

But though the European alliance did not materialise it came near enough to materialisation to drive home into the heads of even the more stupid British statesmen some understanding of the dangers of the situation they had challenged, at first with unconcern, and lately with much irritation, incurring, by their colonial policy, the enmity of all the other Powers. They saw themselves faced now by the possibility of an alliance which could outnumber even the British navy on the seas and overwhelm the British army by land—an alliance of France, Russia and Germany, with the dismemberment of Great Britain's Afro-Asiatic Empire as its objective.

The more far-sighted—Chamberlain in particular—had seen the danger earlier, and had realised that the counter-move must be to abandon the policy of "splendid isolation." Great Britain must re-enter Europe in order to divide Europe before it would coalesce against her. She must break the alliance before it could form by offering either to Germany her co-operation against France in the event of a war of revenge, or to France her co-operation against Germany in a war of revenge.

(To be continued)

The World of Labour

NORWAY

The Trade Union Congress

THE Twelfth Congress of the Norwegian Trade Union Federation met at Oslo on December 4, 1927. The most important discussion at the Congress was on the question of international relations. The Congress once more declined to affiliate to the I.F.T.U., and by 84 votes to 152 passed a resolution advocating the fusion of the I.F.T.U. and the R.I.L.U. in the form of a common world organisation. The Congress adopted the policy of reciprocal agreements with the trade union federations in Denmark, Sweden, Finland, and the Soviet Union. It advised its affiliated organisations to establish agreements on the same lines, and various agreements between individual unions in Norway and in the Soviet Union have already been made. The Norwegian Trade Union Federation is to invite the trade unions of Finland and the Soviet Union to a conference to discuss reciprocal agreements and united activity on an international scale, in the near future. A permanent international committee of five was elected.

The other decisions of the Congress also show the movement to the Left of the Norwegian workers. For instance, the Congress by a large majority decided to deprive leaders of their votes at conferences unless they have been mandated by their organisations for the Congress. The Congress categorically condemned the existing anti-trade union laws, which impose compulsory arbitration and imprisonment in defence of strike breakers, and accepted the Communist motions against blacklegs. The Congress most emphatically declared against the policy of capitalist stabilisation; and urged the unions must do all in their power to prevent such stabilisation of capitalist exploitation. The Congress supported the resolutions of the Congress of Friends of Soviet Russia, and called upon all true friends of peace to defend the Soviet Union against imperialist attack.

IRELAND

The Programme of the Workers' League

THE following are the basic points in the Programme of the Irish Workers' League, on which the three candidates fought in the recent elections, when Jim Larkin was returned to the Irish Parliament.

Irish Workers' Republic

The chief aim of the League is the setting up of an Irish Workers' Republic, which is to be obtained by :—

The establishment of a Workers' Party based upon the principles of the class struggle, embracing the industrial workers, agricultural labourers and peasants of Ireland, in association with the revolutionary workers' parties of other countries.

The abolition of the parliamentary constitution of the Free State and of the six counties of Northern Ireland and the substitution of a workers' constitution for the whole of Ireland, which shall safeguard the lives, liberties, and properties of the working class and working farmers.

Repudiation of the so-called national debt, and of all payments, annual or otherwise, to the British Government.

Nationalisation of all industries, banks, transport, and distributive services. The co-ordination of all resources towards the economic reconstruction of the country. Public ownership and control of all electrification schemes, etc.

Nationalisation of the land for the use of the agricultural workers and poor farmers in the general interest of the nation.

Demobilisation of the standing army of the Free State and the special constabulary of the Northern Government, and the replacement thereof by a workers' and peasants' army based on voluntary service.

State monopoly of foreign trade. Formation of alliances with other workers' republics.

Immediate Demands of the League

The Irish Workers' League participates actively in the daily struggle of the workers, and is putting forward the following immediate demands:—

Repeal of the Public Safety Act, and all other coercive and undemocratic Acts which interfere with the liberties and rights of the people. Immediate release of all political prisoners.

The abolition of administration through commissioners and the restoration of democratically elected county councils, municipal, urban, and rural administrative bodies. The police force in urban and rural areas to be under the control of the elected administrative bodies of such areas.

Immediate work or full maintenance for all unemployed workers at trade union rates. Anyone in receipt of a pension from any government or public body not to be employed by the State or in any public institution if there are unemployed persons capable to fill the position. No person shall hold more than one paid position.

Trade Union Policy

The Irish Workers' League will fight for trade union unity, national and international, and for the withdrawal of the machinery of British unions from Ireland, and the transfer of the members of such unions to national unions.

A maximum eight-hour working day, forty-four-hour week; a national minimum wage. Special protection for women engaged in industry. Full trade union rights for women with equal pay for equal work.

BOOK REVIEW

HERR LUDWIG ON BISMARCK AND THE KAISER

Bismarck: The Story of a Fighter. By Emil Ludwig. Translated by Eden and Cedar Paul. (Published by George Allen & Unwin, Ltd., 1927. Royal 8vo, pp. 646, price 21s.)

Kaiser Wilhelm II. By Emil Ludwig. Translated by Ethel C. Mayne. (Published by G. P. Putnam's Sons, 1926. Crown 8vo, pp. 459. price 21s.)

Genius and Character. By Emil Ludwig. (Published by Jonathan Cape, 1927, price 12s. 6d.)

REVOLUTIONS not only open a new chapter for mankind but entirely alter the meaning of the preceding chapters. All history is revised after a revolution. In the latest books on astronomy we learn of the stars whose mass makes all the space around them to be curved. In the space of human affairs, revolutions play the role of stars. History itself must bend before a revolution. So, too, the task of the social astronomer is to find the exact degree of curvature which such a revolutionary mass must have caused and to express the field equations of social revolution. All estimates of events that left revolution out of their reckoning are becoming obsolete and new estimates must be made in their place. A revolution not only affects what comes after it, but the whole meaning of what has gone before.

Not only is this true, and obviously so, of the greatest revolutions (the long procession of the Tsardom is now become but the prelude to 1917), but even of partial or defeated revolutions. Thus the German revolution of 1918 compels a re-statement and re-explanation of a century of Central Europe, while at the same time it opens the hidden archives by means of which a new explanation is doubly proved. For revolution also makes possible truth-telling on the largest and most devastating scale—an operation which must fascinate not only the German workers in this case, but the workers in every country. Here is an opportunity not only to estimate the Bismarckian state but also to follow up its development into the imperialist epoch while Wilhelm II (always known in this country as "The Kaiser") strutted and rode abroad in shining armour.

What use does Herr Ludwig make of this opportunity? Sufficient at any rate to win him the fullest approval and popularity in the most divergent circles of British opinion. His books as they were translated straightaway won the full approval of the I.L.P. papers. They ran in serial form in *The Times* and the *Daily Telegraph*. Higher recognition cannot be afforded by the bourgeoisie. Amongst the intelligentsia he began to be regarded as the German Lytton Strachey. In the new friendly orientation of British diplomacy towards the German Government, Herr Ludwig's books played the part of creating an atmosphere in the same way (though much more subtly) as the pro-German series of films now being shown here.

What is the basis of this popularity? Let us consider the volumes in question. Immediately it becomes clear that the manner of writing has much to do with it. The career of Bismarck clamours for a biography. This Prussian junker, during his twenty-eight years as Prime Minister of the Kingdom of Prussia, maintained the royal power by the expedient, novel for a Ruler, of setting class against class. By a series of successful wars against Denmark, Austria, and France in turn and by a still more successful series of diplomatic moves he was able to appear as the unifier of the German nation and so to carry through the dreams of the revolutionary Liberal bourgeoisie of 1848 while robbing them of all revolutionary content. Such a figure enraptures a biographer. Herr Ludwig surrenders himself readily. Bismarck at once becomes a drama, a painting, a hero of romance. Accordingly like the subject of a drama this biography runs:—

Book One	..	..	..	The Wanderer.
Book Two	..	..	..	The Striver.
Book Three	..	..	..	The Builder.
Book Four	..	..	..	The Ruler.
Book Five	..	..	..	The Outcast.

While the foreword begins:—

A chiaroscuro form, fully equipped, shines forth from the twilight. Bismarck resembles the faces painted by Rembrandt, and must be so depicted. For the last eighty years, partisan hatred has flashed its lightnings around him. In his lifetime he was little loved, because he loved little; after his death he was condemned to figure as a statue, because his inner man remained hard to penetrate. Thus among the Germans he became a Roland carved out of stone.

The aim of this book is to limn the portrait of a victorious and errant warrior. Here Bismarck is depicted as a character filled with pride, courage, and hatred—the basic elements from which his actions resulted.

After the reader has heard this introduction with its full orchestration, it is his own fault if he takes Herr Ludwig for a serious historian. However, it must be clear that to the extent to which the author is successful in his object, to that extent it will be less and less true history. Nor does the author fall below his purpose. The interest grows with the story of Bismarck's life up to the crash when, in 1890, the young Emperor Wilhelm II drops the old pilot—whose bitter commentary on the young emperor during the remaining eight years of his life goes on rumbling like the rolling of thunder.

It is only when this Eroica Symphony has ended with the full crash of gloomy prophecies for the Kaiser's future that Herr Ludwig's audience realise the magic of his art. For he has given the same complete picture of heroism contrasted with feebleness and poltroonery as Dumas gives his picture of Richelieu, or Scott in his portrait of Cromwell, or Browning in his drama of Strafford. In fact we recognise Herr Ludwig has created a new form of art. At one time he wrote a trilogy of plays in which Bismarck was the central figure. Now he picks up Mr. Lytton Strachey's method of portraiture and, careful as Mr. John Drinkwater in his amassing of correct details and conversational fragments, he builds up a work of art called Bismarck. The same method is pursued in the companion piece in which the Kaiser, "unwept, unhonoured, and unhung," is portrayed by his

intimates and out of his own mouth: and its main interest lies in the details of the picture already revealed in broad outline to all the world in November, 1918, when the supposedly bold and fearless villain of the piece fled ignominiously into a neutral country and showed he was made of pasteboard.

But when we season our admiration at Herr Ludwig's skill by submitting them to a test, their value begins to diminish. It is in the third volume on *Genius and Character*, a series of thumbnail sketches, that the deficiencies of his skill show up. His sketch of Lenin is melodramatic rubbish, having rather less value than Dumas' picture of Cromwell in *The Three Musketeers* series. It becomes clear that historic fullness or accuracy only hinders Herr Ludwig's sense of melodrama. But this is a minor test. The major test is the adequacy of biography in relation to history. Here the method of Herr Ludwig breaks down even more completely; like Plutarch he conceives of history not as the movement of classes but as the lives of illustrious men; and here perhaps we find the secret of his attraction for the I.L.P. No wonder that a profoundly unhistorical view of history makes its author so popular amongst the bourgeoisie (and amongst the intellectual mendicants of the I.L.P.). For it is clear that an honest picture of the class background in Germany would have wounded the British bourgeoisie—and away would go the author's popularity. Nor do the pro-Social Democratic sympathies of the author make up for these deficiencies. True, he places Lassalle in striking contrast to Bismarck as the only contemporary European figure of similar stature. True, in an imaginative passage he places in contradiction to Bismarck Bebel and Liebknecht, "the voiceless and angry contention of two conflicting and irreconcilable worlds"; while he more than once quotes Karl Marx as authoritative chorus to the play. But this is not insight: it is mere aftersight and playwright's skill. In a Germany whose succession runs from Bismarck and Emperor Wilhelm to ex-saddler President Ebert it is impossible not to rise at any rate to this level. But it is just because he fails to go beyond this; fails to follow up the hint that Engels gave in 1884 when he spoke of "the new German Empire of Bismarckian make, in which capitalists and labourers are balanced against one another and equally cheated for the benefit of the degenerate Prussian cabbage-junkers"; and falls into the literary man's servility to strong personalities and their doings (exemplified in Goethe and Heine and Shaw) that his study of Bismarck can be classified as an example of the pseudo-scientific individualist psychological studies—the Kaiser and von Bismarck are both described as neurotics—that filled the twentieth century in the absence of a social psychology and the backwardness of physiological science.

R. P. A.

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PRINCIPAL CONTENTS

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CONTENTS

Notes of the Month - - - - -	Page 131
<i>THE NEW WAVE OF WAGE STRUGGLES</i> By R. P. D.	
"The Normal Condition of the Labour Party" ..	148
By HUGO RATHBONE	
The Indian Struggle for Independence - - ..	155
By CLEMENS DUTT	
The Struggle of the Chinese Workers and Peasants - - - - -	163
By M. N. ROY	
The Beginnings of the Entente - - - ..	171
By W. N. EWER	
The World of Labour - - - - -	181
Sweden—Norway—U.S.A.—International	
Book Review - - - - -	187
Lenin's Fight against Philosophical Reformism, By FRITZ RÜCK	

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NOTES OF THE MONTH

New Wage Attacks—Industrial Peace Talk—Contrasts—Decline 1921-28 — False Conclusions — Revolutionary Significance of Decline — Mond Letter — “ Without Prejudice ” — Abolishing Poverty — Capitalist Revival Propaganda — Facts of 1927—“ New ” Industries Myth—Rationalisation and Unemployment—Profits Record in 1927 — Working Class in 1927 — Revival on Backs of Workers — Workers’ Revival — The New Phase.

SHARP in the wake of the new wave of Industrial Peace talk, and, in fact, this time even alongside of it, has taken place the new wave of wage attacks, in wool, cotton and coal, threatening the railwaymen, and with signs of renewed struggle in the engineers. This follows the regular line of process of the capitalist offensive. Just as the “Peace in Our Time” speech of the spring of 1925, which was so rapturously received by the Labour members, was followed by the attack on the miners in the summer ; just as the nine months of “armistice” and the Samuel Commission (actually of capitalist arming and labour disarming) were followed by the violent provocation and smashing of the general strike and by the coal lock-out ; just as the Industrial Peace talk of the first months of 1927 was followed by the attack on China, the break with the Soviet Union and the Trade Unions Act : so the new wave of Industrial Peace talk has been followed and even accompanied by the new wave of wage attacks, the offensive against Indian Nationalism and the visible growth of war preparations and armaments competition. Every defeat has been followed by further peace appeals from the reformist leadership ; every peace appeal has been followed by further attacks. There is no longer any question of the possibility of “illusions” ; the fact that the Industrial Peace propaganda was only interrupted by the Trade Unions Act, the most concentrated attack on the whole working-class movement since its inception (in relation to which it may be noted that even the Webbs in 1920 declared that any attempt to limit the existing rights of the trade

unions would be met by a general strike of the whole movement and revolutionary action), and which was in fact followed, not by any attempt at resistance, but by the most servile Industrial Peace campaign, shows that the reformist leaders are completely conscious of their rôle. Inevitably alongside this goes the ever more reckless campaign of suppression, discipline and exclusions against the revolutionary workers, extending now far beyond the Communists; and with this goes the danger-signal of the fall in the Labour vote, in which the lessons of the municipal elections and of Northampton have been confirmed again by Lancaster, where a Labour vote of 9,000 in the black year of reaction of 1922 has been turned into a vote of 6,000 in 1927. All this is a picture of the decay of the old reformist Labour Movement, corresponding to the capitalist decline. The time is ripe, and more than ripe, for the rapid advance of the new revolutionary leadership of the working class, based directly on the workers' struggle, and able to lead the way in the period in front.

AT no time has the contrast between the realities of the British situation and the official propaganda of the Conservative, Liberal and "Labour" spokesmen been more extreme. The reality shows an advanced stage of capitalist society in decay without parallel: intensified class division and increasingly open capitalist dictatorship; yearly narrowing monopolist concentration of wealth and parasitism on one side; worsened conditions, reductions, increasing pauperism, unemployment and closing down of works and dismissals on the other; sharpening capitalist repression, economic and political, victimisation, and a wholesale offensive against working-class organisation; surrender, disruption and bankruptcy of the existing leadership and policy within the working-class movement; new wage attacks and deeper struggles preparing at home; the issue of imperialism and revolution gathering force abroad; and the shadow of imperialist war approaching closer. But the propaganda that accompanies this situation, the propaganda of all the capitalist statesmen, economists, bankers, journalists, Conservatives, Liberals and "Labour" leaders, is the propaganda of a new era of capitalist revival, scientific reorganisation of industry, rationalisation,

Americanisation, industrial harmony, democratic reforms, democratisation of industry, wider distribution of ownership, dissolution of Imperialism in a free Commonwealth of Nations, and peace and disarmament.

A GAINST a background of Mond - General - Council Conferences, Liberal Industrial Reports, Bank Chairmen's optimistic speeches, Living Wage programmes and Liberal - Labour coalition preparations, the real attack on the workers, on their conditions of life and on their organisation, and equally on the colonial workers, goes forward more barely and brutally than ever. This contrast is so startling that at first sight it would seem incredible there could be so great a divorce between the living experience of the mass of the population and the entire official expression. But, in fact, the contrast is itself an essential part of the picture : it is no accident, but an expression and symptom of the advanced stage of decline. For a point has been reached in which the facts of the decline and of the increasing class struggle are so bare and open that the entire existing official expression and institutions of capitalism (of which the reformist labour leadership is only a part) can attempt nothing save to lie, openly, shamelessly, and without limit in every direction, in order to endeavour to conceal from the workers the plain revolutionary lesson to which all the facts of the situation point.

THE fact of the capitalist decline in Britain is now universally recognised ; it is the commonplace starting-point of every economic and political discussion. Seven years ago the bankers, economists and politicians were all advocating the return to " pre-war," to " normalcy," after the " unsettlement " of the war, as their definition of the problem. The *LABOUR MONTHLY* at that time was almost alone in insisting that there was no question of the possibility of a return to " pre-war " ; that the war was not the cause of the crisis, but only an accelerating element in a deeper process, of which the war itself was only a symptom and effect ; and that there were more permanent factors affecting the British situation, which would only increase, and not diminish in force, with the passage of years. To-day, all this has become a commonplace : it has become the theme of bankers'

speeches, of Liberal industrial reports, and of labour leaders' profound and statesmanlike surveys. The real issue to-day is different.

IT is no longer necessary to show the fact of the decline; by now this stares in the face of the dullest. But what has happened is that the decline, now that it can no longer be denied or minimised, is used and emphasised, not as a proof of capitalist bankruptcy and the necessity of revolutionary reconstruction, but as an argument for the necessity of rebuilding capitalism, joining hands in the common task, and abandoning, or at any rate postponing, policies of Socialism or class struggle. The reformist labour leaders, being unable any more to build on the practical prosperity of capitalism and the certainty of immediate benefits for, at any rate, some of the workers, and having to face, instead, the certainty of continuous defeats and reductions, endeavour to build on the gravity of the crisis, to argue the suicidal impossibility of fighting in the conditions of capitalist decline, and to stress the necessity of joining hands with the employers in a united effort to "save British industry." In other words, their remedy for the disease to which the inevitable development of capitalism has led is to take a little more of the poison that caused the disease.

IN this way, even when the damning fact of the capitalist decline has become bare and unmistakable, the only logical sequel of reformism becomes, not the recognition of its error, but open coalition with capitalism and the denial of Socialism at the time when Socialism is most needed. For this reason the task of the revolutionary propagandist in the present situation in Britain takes on a special character. It is not enough simply to show the fact of the decline: this can be left to the capitalist and reformist Jeremiahs. *It is necessary to show that the decline is inevitably bound up with the class structure of society*; that there can be no reconstruction which does not strike at the roots of this class structure; that there is no "common crisis" in which capitalists and workers are equally involved, but that on the contrary the capitalists are drawing increasing profits from the very causes which are striking the

mass of the nation down; that the only hopes of capitalist "revival" and improvement are based on the further degradation of the workers; and that, in consequence, the only path forward for the worker in the period of capitalist decline is the path of revolutionary struggle right up to the revolutionary conquest of power and Socialist reorganisation of society.

TWO examples may be taken of the current expression on the decline to show the line that is being taken. One is from the Mond letter of invitation which was accepted by the General Council as the basis of the present Mond-General-Council Conference. The other is from a statement of the Chairman of the General Council in defence of the Conference. Both together reveal the complete lie and fallacy on which the whole Conference is based as a policy for the working class. The Mond letter invited the trade union representatives to enter into "discussions to cover the entire field of industrial reorganisation and industrial relations" with a view to formulating "definite and concrete proposals," and went on:—

The prosperity of industry can in our view be fully attained only by full and frank recognition of facts as they exist, and an equally full and frank determination to increase the competitive power of British industry in the world's markets.

The General Council accepted this invitation "without prejudice." Here in this acceptance "without prejudice" is already contained the complete surrender of the whole position. For by this acceptance is implied that there are common problems of "industrial reorganisation" to discuss with the employers. There are not, and whoever accepts that there are has already passed over to capitalism. The surrender does not consist, as the apologists of treachery falsely try to misrepresent the working-class criticism, in the mere fact of meeting employers. The workers' representatives may often have to meet the employers, and to negotiate with them, and to reach temporary agreements; but they meet as generals of opposing armies, to negotiate terms in a particular struggle on the basis of the workers' fight. Here, however, the character of the meeting is different. It is a meeting to discuss common problems of "industrial reorganisation,"

the "prosperity of industry," and "the competitive power of British industry." This is a meeting, not of enemies, but of allies in a common task. It is as if the British and German generals during the war were to have met to discuss the "common problems of the Western Front." There are no common problems to discuss. The only working-class policy of "industrial reorganisation" is by the elimination of the capitalists; and this the employers refuse to discuss. *The working-class representatives, in order to enter the Conference, have to place Socialism on one side. But the employers, in order to enter it, do not have to place capitalism on one side. On the contrary, capitalism is the basis of the Conference.* It is thus not a conference between equals, but between masters and servants; and the employers are the masters.

IT is in this way that, despite all the whining apologetics and protestations of having only entered the Conference "without prejudice," the mere acceptance of the invitation is already the complete "prejudice" of the whole issue and betrayal of Socialism and the working-class struggle. This is made clear by the basis of the invitation. The basis of the invitation is the "full and frank recognition of facts as they exist"—in other words, of capitalism and capitalist class domination. But the working-class movement exists precisely to challenge this. If this basis is accepted, no useful discussion of British industrial problems is possible, and no solution can be found to the crisis. The acceptance of this basis is thus already the betrayal of the working-class movement. But the basis is even more explicit. The second part of the basis defines the objective as the "full and frank determination to increase the competitive power of British industry in the world's markets." The most elementary principles of Socialism, to which every member of the General Council has nominally subscribed, have made a hundred times clear that the path of competition leads only to the morass, and to an ever-deepening morass. The entire experience of the international working-class movement has demonstrated a hundred times that the objective of "the competitive power of British" (substitute French, German, American, Japanese, Indian) "industry" means only the division of the workers in cut-throat

competition for the benefit of "their" capitalists, the glutting of the world market and the intensification of the crisis. But the General Council members, abandoning Socialism and the international working-class movement, have committed themselves to this basis ("without prejudice"), and chosen to enter on the path of competition as the solution of the crisis. To what does this lead? Every competitive advance in one country is met by intensified competitive advance in the others. The only outcome is the smashing of the international working-class movement, the setting of one group of workers against another to work harder for the profit of the capitalists, and, finally, the outcome, through intensified international competition, in imperialist war, when the divided workers are set to cutting one another's throats for the profit of the capitalists. And the General Council members profess pained astonishment and indignation when their policy is described as betrayal of Socialism and the working class. What else is it?

THE second statement, that of the Chairman of the General Council, is even more revealing. Endeavouring in a reformist Socialist journal to reconcile his policy with the principles of Socialism, and in particular stung by the criticisms and denunciation of Cook, Ben Turner writes:—

He has no deeper and more abiding faith in Socialism than I have. I am certain that Socialism is a practical policy and would be the creation of a new social order. I am not afraid of it. I will continue to work for it. *But I want something to be done to ease the lot of the poor now, and to make tracks to abolish poverty.*

(Ben Turner, in the *New Leader*, December 16, 1927.)

(The reformist I.L.P., it may be noted, takes the same view as the General Council: it finds the criticism of Cook "premature. The T.U.C. had a plain duty to discuss with any representative body of employers means of meeting the present disastrous industrial situation."—*New Leader*, December 30, 1927.) Thus the I.L.P., admirers of the "Socialism In Our Time" campaign may note, also renounces Socialism in practice and looks to capitalism for the solution of the crisis. In this expression the whole fallacy is so nakedly stated that a child can see it. For forty years Ben Turner has been preaching that capitalism is the

cause of poverty, and that only Socialism can remedy it. Now he turns round and informs us that he is as good a Socialist as ever, *but* that he wishes to get rid of poverty and therefore he intends to co-operate with capitalism to do it. And he is indignant when he is told that this means that he has in practice abandoned Socialism and passed over to capitalism, since he insists that he still has a "faith in" Socialism. What determines a political position, however, is not "faith," but practice. The only practical outcome of this policy will be, not the abolition of poverty—no capitalist policy can abolish poverty; the whole history of capitalism and the failure of the reformers demonstrates that—but purely and solely the actual practice of co-operation with capitalism, and therefore the intensification of poverty. By co-operating with capitalism he weakens the working-class fight, which is the only practical form of fight against poverty within capitalism. It was by a peculiarly fitting irony, which should educate even the dullest I.L.P. sentimentalist, that, at the same time as he was indulging in his industrial peace flirtations with the employers, the 12½ per cent. wage cut attack was let loose on his own wool workers. Instead of doing his duty and organising resistance to this, he sabotages resistance, disarms the workers, and encourages the employers by his industrial peace campaign. Thus in his eagerness to "ease the lot of the poor now" and "abolish poverty," he assists, so far as is in his power, to fasten a 12½ per cent. wage cut on his former comrades. This is the inevitable working out of the I.L.P.-General-Council type of "Socialism."

WHAT is the basis of the talk of capitalist "revival," signs of "improvement," the "turn of the tide," "upward curve," new scientific organisation, rationalisation, &c., on which the reformist leadership, in alliance with the capitalists, endeavour to build the hopes of the workers and to stifle the workers' resistance against wage-cuts, longer hours and unemployment? We shall presently see that there is a certain basis for this talk; but it is a very different basis from that which the reformist leadership imagine. In order to determine this question, it is necessary to survey briefly some of the most important

features of recent economic development in Britain, with a view to deciding whether there has been any sign of basic change in the situation in 1927 such as to necessitate a revision of the general revolutionary estimate of the character of the capitalist decline in Britain, on which the policy of the *LABOUR MONTHLY* since its inception in 1921 has been based. Is there any change in the essential character of the decline in respect of production, exports and imports? Does the recent advance of trustification, concentration and so-called rationalisation, which has been proceeding at so gigantic a pace in the present period, show any signs of solving or even diminishing the real problems of the crisis? Do the "new" industries show any sign of being able to compensate for the decline in the basic industries? And if not, what is the basis of the renewed capitalist "hopes" which are being trumpeted abroad at present even more loudly than the unfounded hopes of previous years?

ON the face of it, the figures of 1927 do not show any basis for talk of improvement. The exports of British goods were £64 millions below the level of 1925, which was itself a decline on previous years. The exports of manufactured goods were £52 millions below the level of 1925. Even after allowing for the change in price level between 1925 and 1927, there is still no effective basis for the suggestion of improvement, especially in comparison with other countries and the general figures of world trade. The visible "adverse balance" of goods, or excess of imports of merchandise and bullion over exports, reached the record total of £392 millions, or £8 millions above the level of 1925, and the highest figure reached apart from the stoppage year of 1926. Even this figure would have been still higher but for a heavy decrease in imports, as compared with 1925, of over £100 millions; of which the decline in the import of raw materials amounted to £72 millions (reflecting future decline of production), the decline in the import of raw cotton alone being £58 millions—thus pointing to future crisis. The figures of production, so far as available, are not much more encouraging. The output of coal, after all the triumph of the coalowners and imposition of the eight hours, stood at 258 million tons, or below the level of 1924 by

11 million, and of pre-war by 29 millions or 10 per cent. ; coal exports were heavily below 1924, and nearly 30 per cent. below pre-war. The output of pig iron was below 1924, and 30 per cent. below pre-war. Iron and steel products showed a slight advance on the previous years, but still heavily below pre-war. Shipbuilding showed a decline of 15 per cent. in tonnage launched on 1924, and of 36 per cent. on pre-war. The disastrous decline in textile exports is at the moment prominent as the occasion of the present crisis. Thus on a simple survey of the figures there would appear no basis in the facts of 1927 for the capitalist expressions of optimism at the opening of 1928 ; and it may be added that the available figures for January, 1928, only reinforce this.

DO the " new " industries or luxury industries show any sign of compensating for the decline of the old ? The Westminster Bank chairman had occasion to discuss this question. He pointed out that the three principal new industries—electrical, motors and artificial silk—did not employ between them more than 700,000 workers, as against a total of twelve million insured workers in industry, or less than 6 per cent. He went on to the conclusion, embodying small comfort for the reformists who see the solution of the crisis in the " second industrial revolution " and " the shift of industry from north to south " :—

As yet it is an illusion to suppose that the prosperity in the new industries counterbalances the depression in the old . . . The time is yet far distant when the full attainment of prosperity in this country will be possible, unless the old trades of coal, iron and steel, shipbuilding, cotton and wool are also enjoying full activity.

This is even more clear when the new industries are considered in relation to exports. Thus the production of the motor-car industry rose in value between 1912 and 1927 from £7.3 millions to £50-£55 millions ; but the exports in the same period only increased from £2.5 millions to £8.8 millions ; or the proportion of production exported actually decreased from over one-third to roughly one-sixth. Five-sixths of the much boomed motor-car industry production is thus only for home consumption and does not affect the total situation of British capitalism in the world position ; and since a very great proportion of this five-sixths is not for productive use in industry, but only for the luxury spending

of the bourgeoisie, it represents only a further burden on production. The myth of the solution of the British economic crisis by the "new" industries is certainly the feeblest myth that even the apologists of capitalism in decline have attempted to produce.

DOES rationalisation and the process of increased trustification and concentration show signs of solving the crisis? Certainly this process is of very great importance for the leading monopolists and their profits. But as a method of solving the crisis, its effect is the contrary; since its whole process is to limit the area of production, either by directly restricting production, or else by extracting the maximum intensity of production on the minimum basis of workers employed, and so in either case to close down the less profitable works, throwing fresh numbers of workers on the market without resource, and driving down and intensifying the exploitation of the remainder at work. On this process Sir Alfred Mond wrote on the question of "Rationalisation and Industrial Relations" in the *Manchester Guardian* Industrial Relations Supplement:—

If complete economy is to be effected, it may entail the shutting down of obsolete or unprofitable plant, the scrapping of redundant agencies and departments. Obviously, unless there is an immediate expansion of production, temporary unemployment must follow from this, but in any case most certainly it should only be temporary. The increasing volume of business must in time absorb all those temporarily thrown out of work, and further lead to increased employment.

This facile and baseless assumption is the old "consolation" of capitalist economic theory for the dismissed workers; and to-day it is more false than ever. Sir Alfred Mond endeavours to justify his assertion on the basis of the German experience (which in any case reflects markedly different conditions from the British, not the least difference being the inflation process which wiped out a whole mass of debt, mortgage and fixed-interest capital burden from industry, as against the exactly opposite process of doubling this burden on British industry owing to the domination of parasitic rentier financial capital in British capitalism in decline). He quotes the process of unemployment in Germany, which, after rationalisation, shot up to 1,749,000 in December, 1926, but had fallen by October, 1927, when he wrote, to 540,000. Unfortunately for

these figures, the return of unemployment in Germany has shot up again from 450,000 in October, 1927, to 1,189,000 in December, 1927—and this despite the most strenuous bureaucratic methods to force down the figure and strike the unemployed off the register in Germany as in Britain. The now rapidly advancing United States economic crisis, with four million unemployed or as high a proportion as Britain, and wage attacks and struggles developing on every side, is beginning the first stage of the lesson on a gigantic scale of the inevitable working out of the process of Americanisation and rationalisation, even under the most highly favoured natural conditions.

BUT if we turn from the picture of the actual process of production in Britain under capitalism, which offers no ground for optimism, to the picture of the profits, incomes and investments of the capitalist class, we begin to find some reason for their satisfaction and expressions of optimism. The *Economist* figure of representative industrial profits, based on the reports of 1,669 companies (many of the highest profits are, of course, earned by private companies, whose accounts are not published), shows an average dividend on ordinary capital of 10.8 per cent., as against 10.3 per cent. in 1925, 9.8 per cent. in 1924, 9.3 per cent. in 1923, and 8.4 per cent. in 1922. This continuous rise through the period of the decline is only interrupted by the episode of the 1926 stoppage, which is covered in the 1927 reports and thus leads to a slight decline of the 1927 figure from the 1926 figure of 11.1 per cent. The *Bankers' Magazine* figure of Stock Exchange movements shows a rise in the value of the 365 representative securities reviewed by no less than £269 millions during the course of 1927 or an appreciation in value of 4 per cent. Thus the value of £269 millions fell as a gift into the pockets of the passive holders, at the same time as the workers' wages were being cut to the bone ; and meanwhile the workers' "representatives" and the employers were meeting amicably with mutual compliments to discuss the common problems of "the present disastrous industrial situation." New capital issues, according to the Midland Bank figure, reached the record total of £314 millions, the highest on record of the post-war years with the exception of the 1920 inflated

total of £384 millions, and therefore in fact, allowing for the changed value of money, far and away the highest total since the war. Forty-four per cent. of this went directly abroad : in fact, a very much higher proportion, since a very large amount of the London registered capital is known to be for use abroad. By the last quarter of 1927, the *Economist* notes, no less than 70 per cent. of the new capital raised was directly for abroad, or something very near the pre-war proportion. The bourgeoisie might well imagine they were getting back to the halcyon days of pre-war (falsely, for the real basis of this extravagant lending is not yet covered by the trade figures, and has still to be extracted from the workers by further squeezing). Finally, if we turn to the income tax returns, we find a startling advance of the ever narrowing process of concentration. The super-tax income total touched record. But the total national income above income tax level went down. The gross national income reviewed by the Inland Revenue Commissioners fell by £44 millions. The number of persons above income tax level fell by 350,000 from 4,600,000 to 4,250,000. But the number of super-tax payers rose from 97,000 to 98,000, the highest on record ; and their aggregate income from £562 millions to £568 millions, the highest on record (this also represents a rise in the average income per super-tax payer). Thus not only the workers went down in wages ; but the mass of the middle class also went down (in complete contradiction to the revisionist picture of a vast expanding " new middle class "). Only the handful of monopolist capitalists on top went forward to undreamt-of heights. Well might they find their bludgeoning triumphs of the smashing of the General Strike, the coal lock-out, the Trade Unions Act and the final Mond fooling worth while in its results in the golden year of 1927.

AND now, if we turn to the condition of the mass of the population in 1927, what a contrast ! Wages, already heavily lowered, were still further reduced by a recorded net total of no less than £359,000 weekly, or an annual total of £18 millions (which, as a basis of calculation it may be noted, would represent on a 5 per cent. annual return an increase in capital values for the bourgeoisie of £360 millions—with which may be

compared the recorded increase of the 365 representative securities reviewed by the *Bankers' Magazine* by £269 millions). Unemployment, despite the most stringent bureaucratic measures to force down the figure, remained at a registered total of round about one and a-quarter millions (actually, therefore, considerably higher for all workers) : in the first week of January, 1926, it stood at 1,251,700 ; in the first week of January, 1928, it stood at 1,336,300—a recorded increase of 84,600. Legal pauperism, again despite the most stringent and intensified regulations, remained about one to one and a-quarter millions, or nearly double pre-war : the return of the Ministry of Labour for thirty-one selected areas showed in these, for the quarter ending October, 1927, an average of 424 per 10,000 of the population, or one in twenty-five of the people, reduced to the poor law. A significant sidelight on actual living conditions is shown by the decline in the birth-rate, which reached its lowest record in 1927, with an estimate rate of 16.8 per thousand or less than the previous low record of the war year 1918, which touched 17.7. The short-sighted bourgeois reformers and theorists of both camps who see only an independent social-ethical question in the population question, and are unable to see how it is bound up and dependent on the whole set of existing material conditions, discuss the sensational fall in the birth-rate as a change of "habits" and "outlook" since the war to be approved or disapproved according to taste. Unfortunately for this shallow treatment of the "new post-war ethics and psychology," they fail to explain why in that case the birth-rate, after falling to the lowest level in the abnormal war years, shot up again to 25.5 in the boom year 1920, when wages reached their peak, and then, with every blow of the capitalist offensive on the standards of the people, has steadily fallen to the low record of 1927. There is here, in fact, in this sharp change a very powerful indicator of the lowered physical condition of the people under the capitalist decline and of the consequences of the capitalist offensive. Alongside this may be noted the no less significant fact, indicative of the weakened vitality and physical conditions, that for the first time the death-rate increased in 1927 to 12.5 per thousand, as compared with 11.6 the previous year ; 16.8 for births and falling ; 12.5 for deaths and rising : the

figures draw close. A little more, a few more turns of the screw, and the capitalists will have begun to "solve" the problem of the "surplus" population in Britain after their own fashion.

FROM this survey it should be abundantly clear what is the real basis of the capitalist talk of "revival" and optimism in the midst of the conditions of decline. It has one basis, and one basis only—the driving down, smashing, degradation and intensified exploitation of the mass of the workers. It is precisely the Industrial Peace, precisely the Industrial Peace which the Turners and Citrines in union with the Monds, the MacDonalds and Thomases in union with the Baldwins, hold out to the workers as their hope, which is the basis of the capitalist optimism and "revival." In 1927 the number of working days "lost" in industrial disputes amounted to 1.1 million as against 162 millions in 1926 and a previous post-war lowest of 8 millions; less than in any of the war years, less actually than in any year for the past thirty years. And in 1927 wages and conditions reached their lowest level. In 1927 super-tax incomes reached their highest record. Is there any one so blind as not to see the meaning of Industrial Peace? In 1927 the entire reformist labour leadership went about preaching defeatism and "Never Again" as the lesson of the General Strike; at the January Special Conference, and at Edinburgh and Blackpool they touched low-water mark; the Trade Unions Act was received without a blow. And in 1927 Stock Exchange securities soared up in value by £269 millions to 22 per cent. above their 1921 value. All the Bank chairmen in 1928 gave praise; and in the speech of every one of them it will be found that the praise, the optimism, and the revival is based explicitly on the prospect of Industrial Peace. Is there any worker so blind or so indifferent as not to see the real meaning of Industrial Peace, or of the hopes of capitalist "revival" which the reformist leaders hold out?

BUT in fact the workers in 1928 are already awakening to new struggles, in spite of all the poison-gas, paralysis and ham-stringing on the part of the reformist leaders. A hundred signs from all over the country, in local disputes

maintained with unflinching sacrifice and determination against heavy odds and in the face of official reformist opposition, reveal the deep-lying forces and renewed determination to fight. *The black reaction of 1927, imposed on the movement from above, will be thrown off, and is being thrown off, more rapidly than ever before.* Those of the capitalists who imagine that, with the aid of Mond Conferences, they have the working-class movement down and out, and build their golden visions for the future, will find they have never made a greater mistake. For this determination to fight is no recklessness of desperation, flying in the face of facts. On the contrary, it is right, and a hundred times right, as all the facts of the years since the war show. What brought the concessions of 1919-20? What brought the concessions of Red Friday? What brought the tricked-out offers of the Samuel Report, which were removed as soon as the workers' ranks were broken? In every case, the offers of the capitalists have been precisely in proportion to the fighting strength of the workers. Every breaking of the ranks, every gesture of defeatism and industrial peace, has been paid for in the flesh and blood of the workers. In the present period, no longer the old-style financial-strategic calculations of the reformist officials, but only the militant mass-strength of the workers can extort concessions from the capitalists' profits. The wage-struggle is indissolubly linked up with the revolutionary struggle, as the General Strike showed. The revolutionary advance of the working class to the struggle for power, which alone can finally solve the economic crisis, is at the same time the strongest means and the most practical weapon in the daily economic struggle at the present stage. But this new phase of struggle which is opening out, and which raises a whole series of new problems of tactics and methods, can only be realised through a new revolutionary leadership, which is built and based on an understanding of the character of the present period and the task before the working class, which is in close contact with the workers and free from entanglements with capitalism, and which is ready and steeled to go forward with the struggle at every stage without hesitation. Without this new revolutionary leadership the struggle of the workers in 1928 will inevitably go to self-destruction as in previous years. This is the most important lesson of the present period.

IN this way the economic survey of the present situation of British Capitalism and the class struggle in Britain only reinforces the lesson which it has been attempted to drive home in the last three issues of the *LABOUR MONTHLY* : that the continuance of the economic decline and crisis has inevitably thrust the reformist leadership into complete coalition with capitalism and reckless disruption in the ranks of the Labour Movement to forestall their own bankruptcy ; that their policy has now nothing to offer the workers but surrender, betrayal and increasing degradation at home, and imperialism and the advance to war abroad ; and that the time is ripe, and more than ripe, for a new phase of the direct independent revolutionary leadership of the working class, which must advance rapidly to the front, if the working-class struggle is to be saved. Recent decisions announced make it clear that the workers will be able to count on independent revolutionary candidates to voice their fight at the next election. This is to be welcomed. But the issue is far wider than an issue of the election, which is itself only one form of expression, and not the most important, of the fight. On every field the fight has to go forward for the independent revolutionary leadership of the working class, which alone can lead the working-class struggle forward in the present period of intensifying capitalist decline and in the critical issues ahead both at home and on the international field.

R. P. D.

"THE NORMAL CONDITION OF THE LABOUR PARTY"

By HUGO RATHBONE

The importance of Liverpool is not that it indicates a set-back for Communism. It lies in the fact that it has been a revelation of the normal condition of the Labour Party. The situation has not been so much changed as clarified. Therefore, the principal difference I think Liverpool has made is that the organisation of political stunts will be more difficult. At this conference we have not concerned ourselves with electoral considerations . . . (We have) concentrated on making perfectly clear what the Party stands for. . . . Naturally, I hope it will improve the electoral prospects. . . . I know there are many people who have refused to vote for us or who have actually voted against us . . . they were not quite sure about the matters that Liverpool has made plain.—Ramsay MacDonald in a special interview with the "Observer," October 4, 1925.]

1425
AT the Liverpool Conference of the Labour Party there were two species of decisions arrived at. One marked the commencement of the active policy of exclusion of members of the Communist Party, and though organisational in form was of the deepest political significance. The other was a programmatic decision embodied in the series of resolutions which were collectively known at that time as "A Co-ordinated Policy of National Reconstruction and Reform." Mr. Ramsay MacDonald in the quotation above was referring to both these types of decision when he maintained that they merely constituted "a revelation of the normal condition of the Labour Party."

It is intended in this article to deal only with the programmatic type of "clarification"—to use the terminology of MacDonald. In order to do this we intend to examine the process of this clarification as exemplified in one sphere, that of colonial policy, dealing with the attitude of the Labour Party to the Empire from

the time of the adoption of the programme embodied in "Labour and the New Social Order" in 1918 down to the present day. In this way we hope to throw some little light on what is meant by MacDonald when he refers to "the normal condition of the Labour Party."

In "Labour and the New Social Order" there is an unqualified repudiation of "an enforced dominion over subject nations, subject races, subject colonies" (p. 4). But further on we find the following :—

If we repudiate, on the one hand, the Imperialism that seeks to dominate other races, or to impose our will on other parts of the British Empire, so we disclaim equally any conception of a selfish and insular "non-interventionism," unregarding of our special obligations to our fellow citizens overseas ; of the corporate duties of one nation to another ; of the moral claims upon us of the non-adult races . . . (pp. 21-22.)

In the light of this then should be read the following :—

The Labour Party stands for its (the British Empire's: H. R.) maintenance and its progressive development on the lines of local autonomy and "Home Rule All Round" ; the fullest respect for the rights of each people, whatever its colour, to all the democratic self-government of which it is capable . . ." (P. 22.)

At the 1918 General Election this policy was simplified in the following manner :—

Freedom for Ireland and India it claims as democratic rights, and it will extend to all subject peoples the right of self-determination within the British Commonwealth of Free Nations.

At the 1919 Conference a plain unqualified demand was made, that "the principle of self-determination be applied to the Government of Egypt." In 1920, this same principle was again unanimously and unreservedly affirmed. But in the same year a resolution was moved on behalf of the Executive, and carried (so ran the report), "the whole assembly standing" as if to emphasise the solemnity of the occasion, defining more exactly the application of this principle to India in particular, though certain generalisations were also made. It was, indeed, a most interesting and important resolution.

It first reaffirmed its conviction that only on the principle of "democratic self-determination" could "a stable and satisfactory settlement of the world be arrived at." But then it immediately

qualified this by saying that this principle "is applicable to all peoples that show themselves *capable* of expressing a common will." (Our italics : H. R.) Therefore, this principle should be applicable to India "in such a way as to satisfy all the *legitimate* aspirations of the Indian peoples. (Our italics : H. R.)

Yet the resolution "emphatically protests against the militarist and repressive methods adopted by the present British Government. It denies the right of any government to govern a country against the will of the majority." Finally, however,

while expressing the hope that all the peoples of the British Empire will prefer to remain as parts of that Empire so soon as their aspirations have been dealt with in a thoroughly *conciliatory* manner by the granting of adequate measures of autonomy, *it declares that the final decision must rest with those peoples themselves.* (Our Italics : H. R.)

In a resolution on Ireland passed in the same conference, again we find that

the principle of free and absolute self-determination shall be applied immediately in the case of Ireland, confirming the right of the Irish people to political independence. . . .

In 1921, the general resolution does not include the right of self-determination, but there is a demand for

a relationship with *the non-adult races* which will secure the political and economic development of their countries exclusively in the interest and for the benefit of the inhabitants and in accordance with their own desires ; the extension to them of the greatest *practicable* measures of self-government. . . . (Our italics : H. R.)

At the same conference a resolution on War and Imperialism was carried, which declared that "Imperialism distracts public attention from domestic affairs and introduces ideas of government by a dominant race which are inimical to the principles of democracy." It then goes on to assert "the right of self-determination of all peoples" though in the resolution, quoted immediately above, quite definite limitations were placed on this "right" as far as concerned these "non-adult races."

In 1922, we get a very interesting position. The conference passed a resolution welcoming the support given by the Parliamentary Labour Party to the Government of India Act (the Montagu-Chelmsford reforms) and urging them to support any further legislation "in the direction of securing to the people of India the same measure of self-government which is in operation

in Canada, Australia and South Africa." Mr. Tom Shaw, in replying to the debate, in which it was asserted that the policy of non-co-operation was due to "strong opposition" to the Government of India Act, pooh-poohed the idea underlying this assertion—namely, that the Labour Party was thus condemning non-co-operation. "Why," he said, most innocently, "the resolution itself was a declaration that the Indians should manage their own affairs. . . . *The Government of India Act was a mere detail in comparison with the real principles underlying the resolution.*" (Our italics : H. R.)

Unfortunately, however, for Mr. Shaw, this view which he with such brazen effrontery slipped across the conference is quite other than the view as expressed in a resolution passed by the National Joint Council, of which he was then a member, on February 21 of that year (1922). "Whilst realising," so it ran in the best imperialist manner of a Joynson-Hicks, "the necessity of preserving order in India," it had the impudence to go on "to deplore the political arrests . . . , etc." Returning, however, most speedily to its Joynson-Hicks manner it continued: "the Council deplores no less the action of the non-co-operators in boycotting those Parliamentary institutions recently conferred (a real majestic word : H. R.) upon India by means of which grievances should be ventilated and wrongs redressed." (Nothing here about self-determination or self-government—merely grievances and wrongs—the true Goose Club conception.) Of course, the resolution ends by appealing for a joint conference "to set a time limit," amongst other things, "for the transition stages of partial self-government."

But in the General Election programme of 1922, owing to the need for a short slogan, happily divorced from explanation, the Labour Party could still come forward advocating "the recognition of the real independence of Egypt and self-government for India." The unwary amongst the electors might think that the change in words as applied to Egypt and India were mere accidents, but, as we have seen, the purpose of self-government was merely that "grievances should be ventilated and wrongs redressed."

The references to Ireland, in the same programme, also are very illuminating ; for the programme calls for "the prompt

and cordial acceptance of the new constitution of the Irish Free State " thus most effectively trying to stamp out every remaining scrap of sympathy amongst British workers for the struggles of the Irish workers and peasants against the exactions and oppression of their capitalist Free State.

X In 1924, in spite of the experience of the Labour Government, the position was still unclear enough for a resolution to be passed calling for steps to be taken "to stop the persecution of workers for political or industrial reasons, particularly in India and Egypt; to provide adequate protection for the subject races of the Empire in their struggle for freedom . . .; to find ways and means . . . to the speedy attainment of self-government throughout the British Empire . . ." The manifesto at the General Election in 1924 was even more shameless, for it claimed that the Labour Government "has maintained and even strengthened the ties of sentiment with the Dominions upon which, rather than upon either force or any Imperialism, the very existence of the British Commonwealth of Nations depends." Not a single word about what good things it had achieved for the Colonies—how through its mouthpiece, MacDonald, it immediately, on taking office, peremptorily warned the Indian people against any attempt to revolt against British capitalism; how it had shot down strikers in Bombay and bombed peasants in Iraq; how it had laid the foundation in Bengal by the ordinances of that province for an intensified campaign of political persecution.

At the annual conference of 1925 the only reference to self-government occurring in the general resolution, headed "A Labour Policy for the British Commonwealth of Nations," was contained in one paragraph which invited the League of Nations to appoint an "observer" to all mandatories and dependencies whereby they "may benefit from the impartial supervision of the League of Nations pending full self-government."

The separate resolution on India, however, begins in the time-honoured way by recognising "the right of the Indian peoples to full self-government and self-determination." It goes on, however, to welcome "the declarations of representative Indian leaders in favour of free and equal partnership with the other members of the British Commonwealth of Nations . . . with a

"Normal Condition of the Labour Party" 153

view to a new atmosphere of friendly discussion that all coercive measures and repressive legislation should be withdrawn." Finally, it ends up with a demand for the calling of a conference of representatives of the various India parties "with a view to the immediate application of a constitution in accordance with the wishes of the Indian people."

The resolution on Egypt affirms its right to self-government, suggests that it should be admitted into the League of Nations, and that the reserved questions, as, for instance, the keeping of a British military force to guard the Suez Canal, &c., should be referred to the League. In so far as, when Zaghlul Pasha came to negotiate these questions with the Labour Government and demanded that Britain should recognise the independence of the Sudan, negotiations were summarily broken off by MacDonald, this achievement would seem to be still further from the reality.

Finally, we come to the year 1927, when, with regard to India, the affirmation *re* self-government was repeated, leading to the time, so it went on, "at the earliest possible moment" when India would be an "equal partner" in "the British Commonwealth." It called for the appointment of the Royal Commission under the Government of India Act, and laid it down that it should be so constituted, &c., "that it will enjoy the confidence and co-operation of the Indian people."

The process of clarification on the colonial question to "the normal condition of the Labour Party," however, had still to go one step further.

This was achieved by Mr. Ramsay MacDonald himself. For after the repeated refusals of the Labour Party to withdraw the two Labour members from the recently appointed Simon Commission in spite of the nation-wide movement in India for the boycott of the Commission, MacDonald considered that the time had come to send the following message to his colleagues on the Commission:—

It is reported here that if your Commission were successfully obstructed, a Labour government would appoint a new Commission on another and non-Parliamentary basis. As you know, the procedure now being followed has the full confidence of the Labour Party, and no change in the Commission would be made. (*Times*, 16.2.28.)

Here at last is clearly stated "the normal condition of the Labour Party." Not a word about "democracy," "self-determination," "self-government," "free will of the people themselves," &c., &c. What remains implicit is the "*legitimate*" desires, "the *progressive* development," the *moral* "claims upon us of the non-adult races," "our *special* obligations to our fellow citizens abroad," "*practicable* measures of self-government" and all the other similar phrases that we have found were so innocently scattered amongst the great and magnanimous resolutions expressing "democracy," "self-determination," &c. These phrases are all governed by what the British Government considers are "legitimate," "practicable," &c. The expressions of the will of the "non-adult races," or as MacDonald puts it, the "obstruction" of the plans of the British Government, would not move the great British Labour Party one inch from carrying out "its moral claims" towards "these non-adult races."

So the normal condition of the Labour Party is one of frank imperialism. It only remains to be embodied in the coming new version of the Labour Party programme which, as the resolution of the 1927 Conference laid down, would form a "A programme of Legislation and Administrative Action for a Labour Government."

As Mr. Henderson reminded the Conference in speaking to this resolution, "thirty-three years ago he had voted at the Norwich T.U.C. for the socialisation of all the means of production, distribution and exchange, and he was still fighting for it." But then he proceeded to say :—

They wanted to get on, and the use of phrases, now that the Party had reached its present stage, was not going to assist them to get on as he thought they ought.¹

Precisely, Mr. Henderson; "the non-adult races," such as the Indian peoples, take you at your word when you declare for "self-determination" and naturally are inclined to "obstruct" your progress on the path of imperialism when they find that it is only a "phrase" and that you intend "to get on" only on that path of imperialism—"the normal condition of the Labour Party."

¹ The quotations from resolutions, speeches, &c., where no other references are given, are taken from the official reports of the Labour Party Conferences.

THE INDIAN STRUGGLE FOR INDEPENDENCE

By CLEMENS DUTT

THE session of the Indian National Congress held in Madras at the end of 1927 marks a turning point in the history of the Indian nationalist movement. It makes it necessary to examine very carefully the nature and significance of the new developments and, especially in view of reactions here, brings us sharply up against the question as to what should be the attitude of British labour towards the Indian struggle.

The focus of attention has been the boycott of the Statutory Commission appointed in accordance with the provisions of the Government of India Act of 1919, "for the purpose of inquiring into the working of the system of government" and to "report as to whether it is desirable to establish the principle of responsible government, or to extend, modify or restrict the degree of responsible government existing" in British India. The appointment of the Commission has raised the fundamental issue of acceptance of the right of the British ruling power to determine the character of the Indian constitution, and is noteworthy for the intensity and unanimity of the opposition and hostility it has evoked, but it is not itself the central feature of the present situation. The boycott of the Commission has been embarked upon for a variety of reasons and, while in itself an act of opposition to British imperialist interests, does not necessarily involve any fundamental antagonism.

The most outstanding immediately apparent mark of the new stage is the development of the struggle to one directed against British imperialism as a whole. This is very noticeably expressed in the new resolutions of the National Congress. In spite of the return of some right wing politicians, like Mrs. Annie Besant, who had long ago abandoned the Congress on account of its "extremist" character, the Madras session showed a pronounced move to the left. Decisions were taken which were even unexpected and surprising to the leaders themselves.

For the first time, it was proclaimed in clear terms that "the Congress declares the goal of the Indian people to be complete national independence." This, at last, puts the nationalist movement on a level which goes beyond the aims of the upper-class Indians, and which was not previously reached even at the height of the non-co-operation movement. At that time Gandhi defined the object of the non-co-operation programme to be the "redress of the Punjab-Khilafat wrongs" and the establishment of "Swaraj," an indefinite term which came to be accepted by the chief leaders as meaning merely Dominion Status within the British Empire.

Another characteristic sign of the present anti-imperialist standpoint was the decision to join and support the International League against Imperialism, founded at the Conference in Brussels in February, 1927. A resolution was passed opposing the war preparations of British imperialism in India and announcing—

that in the event of the British Government embarking on any war-like adventure, and endeavouring to exploit India in it for the furtherance of their imperialist aims, it will be the duty of the people of India to refuse to take any part in such a war or to co-operate with them in any way.

A further indication is to be seen in the resolution recording "assurances of full sympathy with the people of China in their fight for emancipation, who, in the opinion of the Congress, are the comrades of the Indian people in their joint struggle against imperialism."

The Chinese people are engaged in a mass struggle against foreign imperialism and against the agents and allies of foreign imperialism among themselves. Do the resolutions of the Indian National Congress then mean that the Congress forces are similarly pledged to a life and death struggle with British imperialism? It is here that the contradictions within the Indian Nationalist movement make themselves apparent. The definitely anti-imperialist character of the resolutions adopted by the Congress represents a notable advance, indicating the forces at work inside the movement, but the leaders of the Congress give no sign that they intend to translate them into action, which would involve a mass revolutionary struggle.

The Congress leadership is predominantly in the hands of the Indian middle class, who are connected by a thousand ties,

economic and political, with the system of British domination and exploitation. They are in the main the same leaders who were responsible for stifling the mass revolutionary movement in 1920-22. The right wing is openly hostile even to the attitude of anti-imperialism, is against the independence declaration, and only supports the boycott of the Simon Commission for tactical reasons. The Swarajists or Congress party, who constitute the largest section of the elected members of the legislatures based on the present narrow propertied franchise, look upon the independence resolution as a gesture, a reply to Birkenhead, rather than as a real aim for the attainment of which practical measures need to be devised. Up to the eve of the Congress, the old Swaraj party leaders maintained their opposition to the independence demand, and in the draft Constitution prepared for the Congress it finds no place. >

/ The standpoint of the right wing was frankly expressed by Lajpat Rai, himself an ex-member of the Swarajist Party, who made the following comment :—

We feel that any talk of complete national independence at the present moment by our own efforts is mere moonshine. The practical politician in India directs his energies to a compromise with the British Government on such a basis as may be profitable to both . . . But those negotiations the British Government will not enter into. That is why I am wholeheartedly in favour of boycotting the Commission.

< This betrays the whole vacillating character of the bourgeois opposition to British imperialism. Even if the bourgeois nationalists do not admit, as Lajpat Rai does, that their object is an adjustment of relations with British imperialism which shall be "profitable to both," yet they are in spirit opposed to their own Congress resolutions and averse to realising the consequences of their own decisions. Even on the boycott itself they are not united. Although those opposing the boycott are numerically insignificant, as shown, for example, in the large majority by which the Legislative Assembly determined that there should be no committees set up by it to co-operate with the Commission, there is a section of landholders and big capitalist interests that hold out, while some of those who oppose the Commission only do so because of the non-representation of Indians on it, and not in

principle, while still more are opposed to the organisation of hartals and mass demonstrations. >

< What then determined the character of the anti-imperialist resolutions of the National Congress and their acceptance by the bourgeois leaders? The cause is to be found in the pressure from the rank and file of the nationalist movement which drove the leaders to take up a left position in order to prevent the leadership being taken out of their hands. Between the defeat of the non-co-operation movement in 1922 and the new forward move in 1928 is a period not merely of passive recuperation and recovery after defeat, but of active development and class differentiation. It was a period of intensified industrialisation and economic exploitation. The ranks of the working class were augmented and their organisations strengthened and rendered more class-conscious. The gulf was deepened between the proletarianised peasants and petty bourgeoisie and the Indian capitalists, who were more and more attracted towards union with British imperialism on the basis of the latter's policy of economic concessions. Thus, while the bourgeois leadership moved steadily to the right, the petty-bourgeois left wing and the mass following of the Congress moved to the left and developed a more and more articulate voice in expressing its discontent with the policy of the leaders. 7

< Take, for instance, the independence resolution. This has always been a demand of the left wing, and has been repeatedly put forward to the Congress by provincial organisations. The *Mahratta*, a leading right wing organ, in commenting on the passage of the resolution at Madras, notes that already in previous years, "Mahatma Gandhi had to use all his tact and influence to induce Congress men to reject the proposal." Just prior to the Congress, in November, Pandit Motilal Nehru, the leader of the Congress Party, declared :—

The only result the present action of the Government is likely to lead to is to strengthen the hands of that growing body of Indians who are working for complete independence. I am afraid those who are still for full responsible Government within the Empire will find it difficult to maintain the majority which they undoubtedly have at present.

It is clear that the leaders, who in November still felt that they had the majority, decided in December to bow to the storm,

and to put forward the left wing resolutions themselves, rather than face the possibility of being defeated. Under the pressure from below, which especially easily influences the petty-bourgeois left wing, which is already conscious of the bankruptcy of bourgeois nationalist policy, the bourgeois leaders have been compelled to proclaim that they too stand for uncompromising struggle with imperialism. >

The right wing elements, who are outside the Congress, naturally consider that this is a dangerous policy. They already see the red light and are alarmed. Thus, we find Sir H. S. Gour, a loyalist moderate, declaring :—

The mentality of the Congress has been the mentality of the proletariat. It is run by those who advocate the doctrine of Bolshevism. The under-current of its methods of work is Bolshevik. >

This is interesting as an instinctive expression of class feeling, but, actually, as we have seen, it is untrue. In spite of its radical declarations, the Indian National Congress remains in the hands of the Indian bourgeoisie and cannot provide the leadership for a revolutionary mass struggle. Consequently, its anti-imperialist resolutions, although significant of the pressure from below, have not the importance of a new revolutionary policy. > If there was no force ready to challenge the present bourgeois leadership, it could not be said that the Indian national movement had advanced to a new stage.

But the real significance of the new phase of the movement is to be found precisely in the emergence of such a challenge. The awakening revolutionary forces of the masses are beginning to group themselves under their own independent political leadership expressed through the Workers' and Peasants' Party. This party developed during the last two years through the alliance of left wing nationalist groups with politically conscious working class elements, and its growing activity and influence was one of the most significant features in the history of the past year. /

At the meeting of the All-India Congress Committee in May, 1927, the representatives of the Workers' and Peasants' Party put forward a proposed programme for the National Congress which attracted considerable attention, although discussion on it was ruled out of order. The programme demanded the adoption of

complete national independence as the goal of the Congress, and called for the preparation of direct action by the masses, including the organisation of a general strike as a political weapon, through agitation in support of a programme of demands for economic and political rights and organisation for the workers and peasants. >

< The Workers' and Peasants' Party played a prominent part in the Bengal-Nagpur railway strike, and in working-class and peasant demonstrations during the year. At the same time it has an influential hold on the Congress organisation in Bombay, and, in a lesser degree, elsewhere. It addressed its own Manifesto to the National Congress proposing the calling of a Constituent Assembly on the widest possible basis in order to determine a constitution for India, and a programme of action in support of it. Most noticeable of all is the fact that the mass demonstrations of workers which greeted the arrival of the Simon Commission in Bombay were organised under the direct leadership of the Workers' and Peasants' Party.

< This is a clear indication of the entry of the masses into the struggle as an independent political force. This it is that marks the new stage into which the Indian struggle for independence is entering. As yet the demands of the Indian workers and peasants have been given little heed to by the nationalist movement as a whole. In proportion as their political organisation increases in strength, the centre of gravity of the Indian national struggle will shift to their fight. Already this process is seen in the emphasis on the struggle against imperialism, for the overthrow of imperialist exploitation can only be realised through the independent revolutionary action of the masses. Every stage in the development of revolution, as Lenin has said, means a change in the mutual relations of the classes in the revolution. Such a change is taking place now in the Indian national revolution, when the leadership is passing from the hands of one class, the bourgeoisie, into the hands of another class, the proletariat, which itself carries with it and leads the struggle of the peasants. ✓

✓ Should the British working-class support the Indian struggle for independence?

The British Labour Party has already by its actions answered this question in the negative. Not merely does it refuse support to

the mass struggle of the Indian nationalists, but, by the actions and declarations of its leaders and by the participation of its representatives in the Tory Government Commission, it has affirmed its solidarity with the policy of British imperialism in India.

While the leaders of the British Labour Party openly justify their solidarity with imperialism, proclaiming their faith in the Empire, in capitalist policy towards India and in the supreme rights of the British Parliament, there are some who defend their opposition to Indian nationalism on the ground that the Indian nationalist movement is led by capitalists and landlords who are only out for their own interests. This, for example, was the basis of the attack on Motilal Nehru which appeared in the *Glasgow Forward* as an answer to his criticism of the Labour Party.

Mr. Mardy Jones, M.P., speaking in India, in November, 1927, made the following observations on the attitude of the Labour Party towards Indian self-government :—

The [Labour] Party would not agree to place political power in the hands of wealthy merchants and landlord classes without a guarantee that the right of political citizenship should be extended to the people generally. . . . They would require very strong proof that the political and industrial leaders of India were sincerely prepared to secure the betterment of the workers and peasants of India.

This kind of argument implies, in the first place, that Indian political freedom is a gift which the British Labour Party can bestow and not the outcome of a struggle against British imperialism. Secondly, it assumes that it is the wealthy classes to whom power will have to be given, provided only that proof of their good intentions is forthcoming.

But we have seen that the whole significance of recent developments is that the independent political struggle of the masses of the people is making headway even against the opposition of the upper class leaders. It should then follow that the attitude of distrust of the latter on the part of British workers should involve support of the political demands of the workers and peasants. The leaders of the Labour Party, however, condemn the bourgeois nationalists not from the point of view of the left wing, but from exactly the same standpoint as the reactionary merchants, landholders and flunkies. MacDonald applauds the attempts of the Simon Commission to get the right wing nationalists to desert the Congress

and join the reactionaries, and so does the *Daily Herald*. In such cases, therefore, the claim to oppose the selfish interests of Indian capitalism is only a cover for support of British imperialism.>

△ The real struggle of the Indian masses is already coming into the forefront and will become more and more prominent. Since the existing British imperialist exploitation is the greatest oppressor of the Indian masses, the struggle of the latter must be waged under the slogan of complete national independence. Solidarity of the British and Indian Workers' movements demands, therefore, first of all support of the Indian struggle for independence. This support must be given to the Workers' and Peasants' Party as the political leader of the revolutionary mass struggle. Only by full support of the anti-imperialist struggle in India will it be possible to prevent British imperialism using India as a weapon against the workers in this country. Unity in the fight against imperialism is the foremost need of the hour. 7

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THE STRUGGLE OF THE CHINESE WORKERS AND PEASANTS

By M. N. ROY

ON December 10, 1927, armed workers and peasants occupied Canton. A part of the regular troops joined the Workers' and Peasants' army. After two days' resistance the counter-revolutionary armies completely evacuated the city and concentrated themselves on the island of Honan, facing the city. This strategical move immediately exposed the relation between Chinese counter-revolution and foreign imperialism. The island was so situated that it could not be attacked by the revolutionary forces without, in course of the operation, touching the foreign settlement of Shameen and the foreign battleships of the river. In an island so situated the counter-revolutionary army found the base from which it could attack Canton practically under the protection of imperialist guns and battleships.

Even under such favourable conditions the counter-revolutionary generals would not willingly risk an attack, unless they were encouraged in that by the imperialists, for they were afraid that more troops would go over to the revolution. The soldiers are all poor peasants driven out of their land by landlords' and usurers' exactions, and the programme of the Workers' and Peasants' Government, set up in Canton, would have a strong appeal for them. On the other hand, it was necessary to drive them into a military operation before they had time to be aware of what the new Government of Canton stood for.

The required gesture of encouragement for the counter-revolutionary forces came from the Americans, who, on December 13, that is on the very day after the counter-revolutionary army had been completely driven out of the city, landed field-guns "to defend the Consulate." The American Consulate in Canton is so situated that guns mounted for its defence were at the same levelled against the city occupied by the workers and peasants. It was an obvious hint for the counter-

revolutionary forces, if it was not indeed more than a hint. In all probability the object of the action had been explained beforehand to the counter-revolutionary generals roosting on the island of Honan. It was a broad hint to them that they could attack Canton under the cover of American guns. The presence of imperialist battleships, whose number was increased, on the river also served the same purpose. As a matter of fact, the counter-revolutionary troops crossed the river under the protection of those battleships. The revolutionary troops could not effectively hinder the crossing without running the risk of firing upon foreign boats lying on the river. Any such act would have provided the desired excuse for open intervention by the imperialist forces in order to overthrow the Workers' and Peasants' Government.

It was reported by imperialist news agencies, such as Reuter, that the presence of Chinese battleships on the river helped the counter-revolutionary general Li Fu-Lin's troops to cross the river and that the troops landed under the cover of the bombardment carried on by the guns on those ships. There were no Chinese battleships at Canton which could perform such feats. It is known that practically all the serviceable units of the laughable Chinese Navy had been taken to Shanghai by Chiang Kai-Shek so that they might not fall into the hands of his untrustworthy subordinate Li Chin-Sin, the dictator of Canton. One or two Chinese war vessels present on the scene do not possess the "heavy guns" which are reported to have been used in bombarding the city. It is obvious that, in order to help the landing of counter-revolutionary troops and the defeat of the revolutionary forces, Canton was bombarded with imperialist guns.

It is also reported that the counter-revolutionary general, Li Fu-Lin, used artillery to bombard Canton from the other side of the river. It is known to all acquainted with the conditions of the Chinese armies that no such artillery was previously in the possession of Li Fu-Lin. If he really used artillery in his attack upon Canton, he must have got it since his flight before the Workers' and Peasants' army four days before. And the only conceivable source from which he could be supplied so quickly was either the foreign settlement of Shameen, or the imperialist war vessels on the river, or Hong-Kong.

Thus it is clear that the Workers' and Peasants' Government of Canton was overthrown with the help of foreign imperialism. The generals, who call themselves "nationalists," became the hangmen of the imperialist robbers. The reign of terror they established to suppress the workers and peasants is unparalleled even in the bloody history of Chinese militarism. They were afraid of letting their troops come into close contact with the Workers' and Peasants' army. Therefore they began by making full use of the imperialist guns placed at their disposal and demolished a considerable section of the city before they entered it. In the face of overwhelmingly superior forces the revolutionary army withdrew, and the masses of Canton, which had enthusiastically supported the Workers' and Peasants' Government, became the victims of infuriated counter-revolution. In the first two days, December 14 and 15, no less than 5,000 workers were massacred. Those suspected of being Communists or of having Communist sympathy were shot, hanged or beheaded in the streets as soon as they were arrested. The massacre continued for days.

An extraordinary feature of the situation was the outrageous attack upon the Soviet Consulate and the arrest and murder of seven Soviet citizens, including the Vice-Consul and two women co-workers of the Consulate. This unprecedented act of violence against the U.S.S.R., which stood loyally by the Chinese people while it was the object of attack by the imperialist world, indicates how the feudal-bourgeois "nationalists" have become abject instruments of imperialism. This act and similar acts of violence committed against the Soviet Consulates in Hankow and Shanghai and the rupture of relations with the U.S.S.R. indicate, as Tchitcherin pointed out in his Note of protest, that the Chinese bourgeoisie desire to have relations only with those foreign governments who refuse to deal with the Chinese people on a basis of equality.

The Chinese bourgeoisie capitulated so completely to imperialism because their nationalism would not countenance the least change in the existing social relations of barbarous, primitive exploitation. The masses of the workers and peasants, whose enthusiastic and revolutionary actions made the nationalist movement such a tremendous force, enabling the Southern

Nationalist armies to defeat the Northern feudal militarists and to strike terror in the camp of international imperialism, were demanding some concrete benefit as a result of the movement. This the nationalist bourgeoisie would not concede. Therefore they allied themselves with feudal reaction, bloody militarism and foreign imperialism against the workers and peasants, and met their demand for land and bread with a reign of terror.

It is well-known how heroically the workers and peasants of Kwangtung have fought for years to defend the nationalist base against imperialist aggression. But for their support the nationalist centre of Canton would have been destroyed long ago, thus obstructing seriously the development of the nationalist movement. The Kuo-Ming-Tang won the confidence and enthusiastic support of the masses only after it had included in its programme the revindication of the demands of the workers and peasants, only after it had promised land to the peasants and protection from the excesses of capitalist exploitation to the workers. This programme was adopted by the Kuo-Ming-Tang in 1924, when the Communist Party entered it. In the short period of two years, it was mainly by the untiring efforts of the Communists that hundreds of thousands of workers and millions of peasants rallied under the banner of the Kuo-Ming-Tang. The famous three principles of Sun-Yat-Sen and the three policies which he recommended to his followers as his political testament attracted the masses to the Kuo-Ming-Tang. The three principles were : Nationalism, Democracy and Socialism ; and the three policies : to support the demands of the workers and peasants, to co-operate with the Communist Party, and to maintain the alliance with the U.S.S.R. The Kuo-Ming-Tang has completely violated the principles of its founder and has abandoned the policies recommended by him.

The workers and peasants and the Communist Party, under whose leadership they participated in the nationalist movement and supported the Kuo-Ming-Tang, did not insist upon the realisation of their demands until the Nationalist Government was in a position to grant them. They fought, suffered and sacrificed for more than three years so that the National Revolution could develop, so that the nationalist army could defeat its reactionary opponents and establish the Nationalist Government in Wuhan, in

the heart of the country. The National Revolution having triumphed politically and militarily in all the south-eastern provinces of the country, the workers and peasants demanded their share in the victory. The peasants demanded land and liquidation of the feudal-patriarchal social relations in the country-side. The workers demanded limitation of the excesses of primitive capitalist exploitation that prevail in China. These demands were within the limits of Kuo-Ming-Tang programme, and had been repeatedly supported previously by its resolutions.

A social differentiation then took place in the nationalist ranks. The Kuo-Ming-Tang had to choose between the feudal landlords and the workers and peasants. On this issue it split. The right wing representing the feudal and big capitalist interests, under the leadership of the military dictator, Chiang Kai-Shek, openly refused to fulfil the demands of the workers and peasants and began repressing them on the pretext of fighting Communism. Nevertheless, the workers and peasants under the leadership of the Communist Party still stood firmly and loyally by the National Revolution. They supported the Left Wing of the Kuo-Ming-Tang which still professed loyalty to the principles and policies of Sun-Yat-Sen. The Nationalist Government of Wuhan could not exist one single day without the support of the revolutionary workers and peasants.

But the basic problem of social affiliation still remained before the Kuo-Ming-Tang. It was compelled to take sides. After four months of wavering the Left of the Kuo-Ming-Tang also gave in to the feudal and capitalist interests and turned fiercely upon the workers and peasants. It was again Communism that was declared the bogey. Why this hatred against the Communists? Because the Communists relentlessly defend the interests of the workers and peasants, leading them in the National Revolution to overthrow foreign imperialism and native reaction. When the Kuo-Ming-Tang, Right and Left, betrayed the National Revolution, violated its own principles, refused to abide by its own resolutions, and sought an alliance with foreign imperialism to crush the revolutionary movement of the workers and peasants, the Communist Party declared war upon it and led the workers and peasants against it. Otherwise it would have lost the confidence

of the working class ; any other policy would have been a betrayal of the interests of the working class. Class antagonism cut deeply across national antagonism. The exploiting classes united to defend the right of exploitation, and in this they found a basis of agreement with foreign imperialism. Under this condition of the grouping of class forces the National Revolution could no longer go on under the banner of Democracy. The nationalist bourgeoisie, who had hoisted this banner, tore it down and soaked it in the blood of the workers and peasants. The working class had to fight on its own programme. The revolution still remained a national revolution, as imperialist domination had still to be overthrown ; but it was left for the workers and peasants alone to carry it on to the final victory.

The struggle for power begun by the workers and peasants in July, 1927, after the Kuo-Ming-Tang had completely turned against the revolution, developed in the face of great difficulties. The capture of Canton was one of the stages. The workers and peasants were defeated in Canton by the united efforts of foreign imperialism and native reaction ; but that was only a local defeat. Millions and millions of workers and peasants are still engaged in the revolutionary struggle throughout the south-eastern provinces.

Rent by inner dissensions, personal jealousies and mutual suspicions among the various factions, the bourgeoisie are not able to cope with the powerful revolutionary movement of the workers and peasants. Without help from outside they are doomed. Therefore, every day they come closer to the imperialist powers against whom they fought for so many years. They can now save their class interests and the interests of their feudal ally only by selling China to the imperialists, and this they have decided to do.

The logical consequence of the violation by the Kuo-Ming-Tang of the principles of Sun Yat-Sen was the repudiation of the policies recommended by him. When the Kuo-Ming-Tang abandoned the principles of Nationalism, Democracy and Socialism by suspending the struggle against imperialism, by surrendering itself to feudal reaction and by launching upon the policy of persecution of the working class, it was a foregone conclusion as to what would happen to the policies it had inherited from its founder. It broke its friendly relations with the Com-

munist Party, and finally betrayed the friendship with the U.S.S.R. The rupture of relations with the U.S.S.R. signifies the orientation towards the imperialist powers. While issuing the order for the closure of Soviet Consulates in the nationalist territories, Chiang Kai-Shek admitted that "in the early stage of the revolution Soviet assistance was beneficial," but his position now is that as the nationalist bourgeoisie are now engaged in the task of massacring the workers and peasants, they need assistance from an entirely different quarter.

The rupture of relations with the U.S.S.R. coincided with the issue of the following statement by Kuo Tai-Chi, Assistant Minister of Foreign Affairs of the Nanking government. In a Shanghai gathering of Anglo-Americans and Chinese students educated in England and America, Kuo Tai-Chi discussed the comparative advantage to be derived by China from "Soviet or Anglo-American orientation" and said :—

Since Western-educated Chinese are convinced that the Anglo-Saxon road is best for China, they will exert this influence in support of the nationalist government to bring about a new orientation of Kuo-Ming-Tang policy.

This very significant statement was prefaced by the declaration that "China was determined to rid herself of communist influence." Of course, Kuo Tai-Chi meant the Chinese propertied classes. From this statement of the worthy spokesman of the Chinese bourgeoisie a very valuable lesson can be learnt by other oppressed peoples, namely, that fight against Communism delivers the nationalist movement to the protection of Anglo-Saxon (imperialist) capitalism.

Thus spoke the "enlightened" representative of the Chinese bourgeoisie on December 14. The day before, in New York, there took place a very important meeting attended, among others, by Sir Frederick Whyte, former president of the Indian Legislative Assembly, Rockefeller, jnr., and Thomas Lamont. Both Whyte and Lamont had just returned from the East. The meeting discussed the relations in the Pacific. Whyte said :—

China having, at least temporarily, spurned Russian influence in her internal affairs, is now open to the help that America and Great Britain could give her, and would welcome it.

The Wall Street magnate, Lamont, also spoke optimistically about the situation in China and expressed his wish as follows :—

If only our friends the Chinese, realising how keen our sympathy and interests are, could compose their differences to the point of jointly inviting the amicable co-operation of foreign interests, I am certain that the American, British and Japanese would go a long way in sinking national interests in an earnest and sincere endeavour to serve the common cause.

When these speeches, delivered in New York, are read together with that made by Kuo Tai-Chi in Shanghai, the Chinese problem will be understood in its international relations. The debacle of the Kuo-Ming-Tang, the betrayal of the national revolution by the bourgeoisie, the rupture of relations with the U.S.S.R., are hailed by international imperialism with great relief. It is fervently hoped that with the aid and encouragement of imperialism the Chinese bourgeoisie will defeat the revolution and make China once again the happy hunting-ground of finance capital. Kuo Tai-Chi's declaration as regards Anglo-Saxon orientation was objectively, if not deliberately, made as the invitation that Lamont asked from the Chinese. It still remains to be seen if the Chinese bourgeoisie will be able to compose their internal feuds sufficiently to deserve the full confidence of the Anglo-American bankers. This deficiency they are compensating for by the ferocious attacks upon the revolutionary movement and by their hostility to the U.S.S.R. And imperialism is satisfied with this. If the Chinese bourgeoisie can beat down the revolutionary movement of the workers and peasants, they will do such a great service to imperialism that it will reward them even with the revision of unequal treaties.

It is against a formidable block of imperialism and native reaction that the workers and peasants of China must fight. By themselves the native forces of counter-revolution are not strong enough to defeat them. Without the support of imperialism they would be swept away by the rising tide of revolution involving tens of millions of workers and peasants. But even the protection of Anglo-Saxon imperialism will not save the Chinese bourgeoisie. A movement of millions cannot be crushed. The Chinese revolution will yet be victorious in overthrowing imperialism and native reaction.

THE BEGINNINGS OF THE ENTENTE

By W. N. EWER

(Continued from LABOUR MONTHLY, February, 1928.)

CHAMBERLAIN'S Leicester speech in November, 1899, just before the "Black Week" in South Africa, was the first definite announcement of a new policy.

"Every far-seeing English statesman," he said, "had long desired that we should not remain permanently isolated on the Continent of Europe."

It was natural that the first thought should be of a German alliance. The rivalry with Germany was newer than the rivalry with France and Russia. There were no outstanding troubles of the moment as with Russia. The Kaiser's telegram was nearly four years ago, the Fashoda affair barely twelve months. Indeed Chamberlain had already discussed with Eckardstein in 1898 the possibility of an Anglo-German entente.

It was only natural that the Colonial Secretary should conclude his declaration by the suggestion that

from the moment that aspiration was formed, it must have appeared to everybody that the most natural alliance is between ourselves and the great German Empire.

But the essential thing was this—that, haunted by the fear of a European coalition against her in colonial affairs, Great Britain was seeking a European ally. The diplomatic history of the following years, the history illustrated in these documents, is, in all its tortuous intricacies, the logical working-out of the consequences of that pregnant decision. The policy of "splendid isolation" had first justified itself and then destroyed itself. Those very colonial preoccupations which had drawn Great Britain for nearly a century out of Europe were drawing her again into it. She had gone out in order to amass an enormous colonial booty; she re-entered in order to safeguard her acquisitions.

The Diamond Jubilee of 1897 was the crowning moment of that astonishing Victorian era of unchecked economic and territorial expansion: a festival of exultant pride in achievement and of superb confidence in the future. But when the

shouting and the tumult died others than Mr. Kipling began anxiously to wonder whether the exultation and the confidence were justified.

The pressure of the competition of the newly, but rapidly, developing capitalisms of the Continent and of America was beginning to make itself felt. The very thrill of the Jubilee orgy aroused uneasy consciousness of foreign envy. The conflicts which rapid imperial expansion had provoked were growing more serious. At the end of the Jubilee year serious trouble threatened with Russia in the Far East, with France in Western Africa : relations with Germany had not—despite the Kaiser's Jubilee visit—recovered from the dangerous consequences of the " Kruger telegram " ; in the Near East, Austria was alarmed at the anti-Turkish attitude of the British government ; Italy had been irritated by opposition to her Red Sea enterprise.

Great Britain had not a friend among the European Powers ; everyone was a potential enemy ; nearly everyone was a colonial rival. Her isolation might be splendid ; it was undoubtedly a fact ; and it might well seem a dangerous fact at a moment when there were already campaigns afoot in the Sudan, in West Africa, on the Indian frontier : when the Empire had actually 100,000 men on active service ; and when it was every day clearer that another war—though on what a scale was guessed by nobody—was coming in South Africa.

The haughty old aristocrat who was both Premier and Foreign Secretary was not perturbed. He was proudly convinced of England's ability to hold her Empire against any possible attack : he placed his trust—as he haughtily told the German Ambassador—in " her navy and her white cliffs " : he was disdainfully sure of his own domination (since Bismarck's fall) of the European diplomatic world and of his ability to thwart any hostile moves and to break up any threatening combinations.

But Salisbury's confidence in his country and himself was not shared by his younger colleagues, quicker than he to sense the changed conditions. Chamberlain, in particular, took alarm at the possibility of a combination of all the European Powers against Great Britain. Either, he felt, the policy of isolation must be abandoned, and an alliance formed with one or other of the two

great Continental groups ; or the policy of colonial expansion must be dropped, and Britain must so conduct herself that, at whatever sacrifice, all cause of dispute with foreign powers must be avoided.

But, for all Chamberlain's personality and energy, the old Marquess still dominated the Cabinet : his will still dictated policy. It was only the accident of his serious illness in the spring of 1898 that gave the Colonial Minister an opportunity. He took it with characteristic swiftness. The private negotiation which—while Salisbury was prostrated by the after effects of influenza—he opened with the German Ambassador is the turning point of British foreign policy.

Of that negotiation, vitally important though it was, there is no record at all (other than two casual references, several months later) in the two volumes of *British Documents on the Origins of the War*¹ which profess to tell the story of these years. It is to the German archives that we have to turn for the narrative.

Chamberlain lost no time. He saw the situation as already critical. Russia was on the eve of occupying Port Arthur ; the conflict with the French in West Africa was acute. He proposed bluntly to the German Ambassador that Britain and Germany should form an alliance of which the first objective would be to oppose any further Russian advance in the Far East. The days of isolation, he said frankly, were over : England needed an ally ; he would prefer that that ally should be Germany ; but if Germany were unwilling she must try to come to terms with France or Russia.

The effect in Berlin was one of mingled delight and alarm. The Kaiser could not hide his glee that the "Jubilee swindle" had collapsed ; that his proud grandmother and her arrogant ministers were being driven to solicit his assistance. He and his ministers saw, too, in England's confessed need a splendid opportunity for extorting colonial concessions as the price of German support. But at the same time they shrank from the prospect of an alliance which would mean an open breach with Russia, which might lead rapidly to war—to that dreaded "war on two fronts," the

¹*British Documents on the Origin of War, 1898-1914.* Edited by G. P. Gooch and Harold Temperley. Vols. I and II (H.M. Stationery Office. 10s. 6d. per volume.)

avoidance of which had been the prime object of German diplomacy ever since 1870. Certainly Germany was in the Triple Alliance, Russia in the Dual ; but the conflict between the two groups was not, at the moment, sharp. Relations between Berlin and St. Petersburg were more than cordial : the Wilhelmstrasse had hopes of weakening, or even of breaking, the Franco-Russian connection. Those hopes would be destroyed, grave dangers evoked, by falling in with Chamberlain's plans.

Hatzfeldt was ordered to temporise : to explain the impossibility of an immediate and anti-Russian alliance : but to suggest that instead a *rapprochement* should be sought by way of concession and compromise in Africa and elsewhere.

That was the end of the matter for the time being. Chamberlain curtly replied that concessions would only be possible on condition of an alliance and hinted that he would turn to Paris and St. Petersburg (a hint that was greeted with derision in Berlin). Salisbury came home and stamped heavily on the whole scheme.

But for all the privacy of it enough had leaked out (and indeed, the Kaiser deliberately told the Tsar all about it, in a panic lest the Prince of Wales—Edward VII—should get his story in first) to let all the governments of Europe know that Great Britain was preparing to abandon her isolation and was seeking to do business on the diplomatic market.

Particularly Delcassé, just come to office in Paris, noted it and began to ponder the possibilities of a deal with London that should secure for France Great Britain's friendship and even her co-operation in a future Franco-German war. That and the detachment of Italy from the Triple Alliance were to become the main objectives of his policy.

The task at the beginning must have seemed well-nigh impossible. In Berlin they were sure that it was quite impossible ; that it would be a good thing if the attempt at a Franco-British understanding were made. For it was certain to fail ; and when it had failed the British statesmen, realising that they could not pick and choose their allies, would be driven to purchase Germany's friendship on Germany's terms. The calculation must have seemed a sure one.

As though to clinch the matter came the Fashoda crisis in the autumn of 1898. Marchand's occupation of a swamp town in the Equatorial Sudan was on the face of it a trivial matter. But it was seen by the world—not least by London and by Paris—as a deliberate challenge thrown down by France to England. It was the test of nerve and of strength. And it was France that gave way, yielding quite visibly to the threat of war.

For the moment nothing was possible. Salisbury's overbearing attitude and brusque manners over such an affair as that of the Muscat coaling station in 1899 made it hard even to keep on formally friendly terms. But Delcassé swallowed the insults of the old Premier and waited patiently until he should die or retire and give place to a Foreign Secretary with whom one could talk without encountering an aristocratic rudeness varied by recurrent threats. The wave of French sympathy with the Boers interposed a further formidable obstacle to any understanding. Again all that Delcassé could do was frigidly to reject Muraviev's suggestions of joint intervention by France, Russia and Germany, and to make it clear that—since Russia had not seen fit to support France over Fashoda—France had no intention of being dragged into supporting Russia against England in China.

His patience was rewarded : he managed to keep office in five successive Cabinets until the war had ended and Salisbury had gone. By the close of 1902, the way was clear. The British Government had become more than ever convinced by the experience of the war years that unless a European ally could be secured an anti-British European coalition was sooner or later certain. And even Chamberlain had finally abandoned hope of coming to terms with Germany, whose economic competition was, moreover, becoming more and more intense every year, and whose avowed determination to create a navy "that the strongest enemy would not attack without hesitation" was arousing increasing apprehension and irritation in Whitehall.

That Great Britain and Germany, despite several attempts, had not succeeded in establishing an *entente*, let alone an alliance, was in part due to this growing commercial rivalry. Territorial squabbles such as those with France in West Africa had been

susceptible of settlement by compromise. But the conflict of British and German capitalism in every market of the world could not be so adjusted : the days of international cartels, of price agreements, of market delimitations, had not yet come. The British merchant and the British manufacturer found themselves everywhere faced by a determined attack by their German rivals. The French and the Russians were of less importance. Russian troops might be in Port Arthur : but German merchants were in Shanghai. The steady work of German commercial travellers was a far greater menace than any number of Marchand expeditions. Germany, not France, was the commercial enemy. Nor, under Delcassé's guidance, was France even politically troublesome. The public opinion of the most powerful sections of the nation was growing more and more anti-German. Inevitably policy began to reflect this intense economic rivalry.

And, in addition to this, German diplomacy had, in the five years that had passed since Chamberlain's first overtures in 1898, behaved with an almost inconceivable ineptitude.

Three men controlled German policy during these years—the Kaiser himself, von Bülow and von Holstein. The Kaiser, neurotic, unstable, vain and histrionic, was an intermittent, incalculable, violently disturbing force. Bülow, suave and sycophantic, subordinated all else to the endeavour to please his erratic master. Holstein, able, industrious, efficient, was nevertheless as neurotic, though in a different manner, as the Emperor himself. Morose, misanthropic, morbidly suspicious, he knew nothing of men. He played diplomacy, from his hermit's cell in the Wilhelmstrasse, as a complex *Kriegspiel*. The one chance of an Anglo-German *rapprochement* was on the lines of a frank business deal. Of that none of the three leaders in Berlin was capable.

Nor, indeed, on the English side were the personalities more auspicious. Chamberlain, had he had full power, and had he found someone of similar temperament to deal with, might have succeeded. But he was neither Premier nor Foreign Minister. The haughty, irascible old Marquis still controlled affairs : and to Salisbury the German Emperor, the German Empire and every one connected with them were a set of troublesome upstarts for whom he could not be bothered to conceal his disdain and dislike.

They irritated him, and his unconcealed aversion—even more his unconcealed contempt—infuriated them.

So, in spite of all Chamberlain's efforts, in spite of the Kaiser's intermittent and spasmodic outbursts of friendliness, matters went steadily from bad to worse. The story of the years from 1898 to 1902 is the story of successive attempts to reach agreement, every one of which broke down either because of Salisbury's ill-manners or obstinate opposition to any Continental *mésalliance*, or because of some bungling ineptitude of the Kaiser just at the wrong moment.

Chamberlain's first move was followed by two attempts on the part of Germany to wring colonial concessions from Great Britain. One failed, the other succeeded : but both served to intensify ill-feeling and suspicion between London and Berlin.

It was immediately after the failure of that first move that the German Government learned of the negotiations for a British loan to Portugal, and realised that these were a step towards that acquisition of Delagoa Bay—and possibly of other portions of the Portuguese colonies—for which it was known that British Imperialists had been scheming for years. Hatzfeldt promptly filed a claim on behalf of Germany for a share in the loan and the ultimate loot : offering in return that Germany would disinterest herself in the Transvaal. The offer—with everything blowing up for war—could not be refused. Salisbury grumbled and agreed : signed a secret treaty for the eventual partition of Portuguese Africa between Britain and Germany : and then double-crossed the Germans. In return for Portuguese promises that, when the Boer War came, Delagoa Bay should be closed to the Boers but open to the British, he signed a second secret treaty, guaranteeing the integrity of the Portuguese colonies. The planned partition was indefinitely postponed. Salisbury, when the Germans became suspicious, assured them that nothing had changed since his treaty with them. But they knew well enough that he was lying and that they had been bilked.

There followed the squabble over Samoa. This time Germany got the coveted territory, but it was only after the stubborn opposition of Salisbury had brought matters to such a pitch that the Kaiser threatened a rupture of relations. Downing Street looked

on the Wilhelmstrasse as a set of blackmailers ; the Wilhelmstrasse on Downing Street as a set of dogs whose manger was the whole exploitable area of the world.

But still the pertinacious Chamberlain continued his efforts. The South African war came. Great Britain's isolation was more obvious, more clearly dangerous than ever. The Continent was aflame with sympathy for the Boers—and with a far more real detestation of the great colony-grabbing Empire. But the Kaiser, rather unexpectedly, stood by the assurances he had given, and steadily resisted all attempts, whether from within or from without, to induce him to adopt an anti-British policy or to join an anti-British coalition. Only—with the fatal faults of his character—he contrived to do this in a manner almost more irritating to the British statesmen than open hostility would have been. They might have tolerated his enmity : but his patronage was insufferable. Moreover anti-English feeling in Germany was now so intense that, with all the goodwill in the world, he would have found it hard to accept Chamberlain's new offer of an alliance. So it came that when, in the winter of 1899, Chamberlain did publicly repeat the offer, the reply from Bülow was cold and discouraging.

Twice within two years the attempt had been made and had failed. It was repeated for a third time in 1901. And this time it came nearer to succeeding ; for Salisbury had left the Foreign Office ; Lansdowne was in charge ; and Lansdowne, himself a Liberal Unionist, was very susceptible to Chamberlain's influence. But Salisbury, though no longer Foreign Secretary, was still Prime Minister. He remained resolutely opposed to any formal alliance. Edward VII, now on the throne, threw the weight of his own authority against it : and again the negotiations collapsed, either side accusing the other of not having played straight during the negotiations.

It was the end. Chamberlain himself abandoned the idea of an entente with Germany. Within a few weeks he had delivered his famous Leicester speech, which was denounced by von Bülow in the Reichstag as an insult to the German army. Within a few months Delcassé was hinting again at the possibility of an agreement over Morocco.

The second turning point had been reached. In 1898 it had become clear that the period of isolation was over, that Great Britain, in pursuit of Imperial ends, was about to seek a European ally. Between 1898 and 1902 successive attempts to negotiate an Anglo-German alliance had broken down, partly because of the obstinacy of Lord Salisbury, partly because of the neuroses of Holstein and the Kaiser ; but, at bottom, most of all because of the ever deepening commercial antagonism and of the embittered feelings which it engendered. By 1903 that plan was clearly dead ; the alternative which Chamberlain had envisaged in 1898—of a French entente—held the field. Salisbury had gone. Victoria had gone. The chance was there. And Delcassé jumped boldly with a proposition for a general settlement—Egypt, Morocco and the rest : with the additional lure that France could “ exercise a salutary influence over Russia ” ; and the additional hint that it was “ necessary to hold German designs in check.” Two years later a Liberal Government was considering military plans for the invasion of Schleswig-Holstein in the event of a Franco-German war.

The story of those abortive negotiations with Germany, of the earlier quarrels and final entente with France, as told in the *British Documents*, is by no means satisfactory. The gaps are so large ; the suppressions are so many. Despatches that carefully conceal important facts were accompanied by private letters which have been destroyed. There is a strange air of dissimulation, and of dishonesty—even in the most confidential despatches. And an historian who should rely on these volumes alone for his facts would get and give a hopelessly false and distorted picture of the events. To get at the truth—or at an approximate truth—about those tortuous and intricate dealings needs a careful collation of these with other available evidence ; in particular with the equally partial, but often more naïvely frank, German documents published in the forty-odd volumes of the *Grosse Politik*. By themselves—and the warning is perhaps a necessary one—the *British Documents* are a completely unsafe guide.

One turns from reading them with a very vivid impression of the diplomats and their diplomacy. For all their reticence, for all the official formality of their style, they give themselves away

in every line. The whole business—when one remembers the climax to which it was leading—is a tragedy of inadequacy. These men are moving in a little world of their own, playing a curious game according to the rules, securing or losing points, intriguing and counter-intriguing in a maze of suspicion and distrust. And all of it, all the time, seems artificial, remote from the actual world, unconscious of the actual world. The pieces on the board are England and France and Germany. There are lesser pieces—existing to be lost or taken by the bigger ones—called Samoa or Fashoda or Wei-hai-wei, or what you will. Sometimes reality breaks through and one sees the hand of financiers hankering after coal or oil or railways. But even this is curiously rare. Downing Street in those days was further than it is now from Lombard Street. The diplomats seem strangely unconscious of the economic forces behind them. Of the masses of men and women making up their “Englands” and their “Germanys” they are completely and entirely unconscious. “England” is Downing Street and Buckingham Palace, with a dash of Lombard Street and Fleet Street and the Houses of Parliament. Germany is the Wilhelmstrasse and Potsdam, and, occasionally, the Reichstag. Outside these little areas they know nothing, and they care nothing. In their high politics the masses of the peoples have no part and no importance. The whole history is the history of the intrigues of a select coterie.

So it went on until 1914.

And so, with amazingly little change, it is going on in 1928.

The World of Labour

	Page
SWEDEN : Lock-out of Miners and Paper Workers	181
NORWAY : Trade Union Congress and Labour Government ..	182
U.S.A. : Trade Union Educational League	184
INTERNATIONAL : General Council of the I.F.T.U.	185

SWEDEN

Lock-out of Miners and Paper Workers

THE present struggle in Sweden is only the latest move in a long drawn out offensive directed against the workers' standards, which has been going on since 1920. At the end of the war considerable concessions were granted by the employers, mostly without a struggle, on account of the militant mood of the workers, and particularly in view of the Russian and German revolutions. The most notable of these concessions was the granting of the eight-hour day.

Ever since that time the employers have been engaged in winning back all the points gained by the workers ; an attack in 1920 reduced wages by 30 to 40 per cent., and a further one in 1925, in which over 100,000 workers were locked-out, brought fresh victories, and prevented the workers from claiming advances to keep pace with the rising cost of living, with the result that wages have been reduced by half in the last seven years. There is no government unemployment scheme, but voluntary relief was being given at the beginning of this period. This has now been dropped, under pressure from the employers, and in many cases the State has prevented the municipalities from making payments to the unemployed, who now number 120,000 to 150,000.

On January 2, 18,000 paper, pulp and cellulose workers and 4,000 miners were locked out, on refusing the employers' demands for further reductions. The Swedish paper industry supplies about a quarter of the world's production, and large profits have been made since the war. In spite of this fact, wages were lowered by half in 1920, and have risen only slightly since—not at all since 1923. The minimum hourly wage is fixed at 91 öre (about 1s.), but as the work is mostly piece work, the rate is probably a little higher. Pay is based on production, which is at present 47 per cent. above normal, but the employers desire to raise the level of "normal production," above which additional pay is given. The reductions, therefore, amount to 500 to 600 kronen yearly, or 10 per cent. in basic rates, 15 per cent. on overtime, and 25 per cent. on Sunday rates. The workers are well organised, about 80 per cent., and the struggle is likely to be a bitter one.

The mines affected are the iron and copper mines of Central Sweden, where the position is less favourable, owing to the organisational difficulties. In the first place, the 11,000 workers are divided among a large number of

small mines, run on antiquated lines, and in the second place, for more than fifteen years, the miners have been split into two organisations. The majority of those in the larger undertakings are organised in free Trade Unions, while those in the smaller belong to the syndicalist "Central Organisation."

The syndicalist body was formed in 1910. In the first years of its existence, it claimed to be very revolutionary, and refused, on grounds of principle, to conclude collective agreements with the employers' organisations. Its methods were obstruction and the use of "intelligent sabotage" as well as the strike weapon, and, relying on class solidarity, it rejected the idea of strike pay. The organisation includes only 35,000 workers (mostly in mining, building, and agriculture) out of a total of 850,000 engaged in industry, compared with 500,000 in the reformist unions. It now shows signs of breaking up, owing to the splitting tactics of its leaders, who have recently excluded the whole Western district of the organisation, without consulting the members. These leaders are now no more revolutionary than their reformist rivals, and only the usual vested interests keep the organisations apart, but the employers still refuse to negotiate with them, and they have no strength to fight on their own. At present members of both unions in Central Sweden are locked out, and the workers of the big North Swedish mines have since come out in sympathy, which has strengthened the position, as they are stronger and better paid, and has also struck a blow at the employers, as these mines are used for export to Germany. In reply to the employers' demand for reductions of 10 to 15 per cent. and a three-years' agreement, the miners are asking for an increase in wages of 12 per cent. and a reduction of working time to 42½ hours for underground and 45 hours for surface workers. As the result of a mutual agreement recently come to between the Swedish and Russian miners' leaders, and the formation of a joint Russo-Swedish Miners' Committee, the Russian Unions are supporting the Swedish Unions by a contribution of 3 kronen (about 3s. 4d.) per week, per head of the members engaged in the struggle.

The reformist leadership has had to yield to pressure from below, but it has shown itself anxious to limit the sphere of the struggle and to discourage sympathetic strikes. It limits itself to complaining of the "unreasonable" attitude of the employers, and calling upon the Social Democratic Government to intervene on behalf of the workers, which the latter has so far shown no signs of doing. Meanwhile the workers have rejected all attempts at mediation, the employers are replying by further lock-outs; dockers and chemical workers may be drawn into the struggle. A lock-out in the saw-mills began on January 30, affecting 18,000 workers, and is to be extended to the paper mills on March 5 unless a satisfactory settlement of the paper pulp dispute is reached; this will involve a further 13,000 men.

NORWAY

Trade Union Congress and Labour Government

IN connection with the December Congress of the Norwegian Trade Union Federation, certain facts concerning the political tendencies and relations of the delegates are worth noting. The 237 delegates were divided politically into three sections: Social Democrats, numbering 70;

Communists, 63 ; and a large Central Group, with M. Tranmael as leader, which broke with the Communists at the time when the majority of the Unions decided to disaffiliate from the R.I.L.U. To this last, all the other delegates belong, with the exception of a few Syndicalist-Anarchists.

The Social Democrats and the Centrists came to terms in January, 1927, and have since been allied in a united Labour Party, but their differences at the Congress show that the alliance is of a mainly formal character. It frequently happened that some of the Tranmaelites voted with the Social Democrats against the rest of the Tranmaelites and the Communists.

In the discussion at the T.U. Congress on the subject of international relations, there were three distinct points of view :—

(1) Unconditional immediate affiliation to the I.F.T.U., favoured by the Danish and Swedish delegates, and the Norwegian Social Democrats, and, with certain reservations, by the President of the T.U. Federation, Halvard Olsen.

(2) The formation of a Norwegian-Finnish-Russian Committee, as a step towards international Trade Union unity on the basis of the class-war, supported by the Norwegian Communists and the delegates of the Russian unions.

(3) No affiliation with any existing International, but efforts to be made to achieve international unity, and agreements between the T.U. Centres of Scandinavia, the U.S.S.R., and Finland.

None of these resolutions obtained a clear majority, but the compromise adopted by the Congress (and recorded in last month's *LABOUR MONTHLY*) represented a triumph for the Left Wing, and an advance on the original Centrist project, and on this important question Social Democrats and Centrists voted in opposite camps. It is noteworthy that the resolution expressly states that the Congress especially emphasises that it is not in agreement with the attitude of the majority of the secretariat towards the Amsterdam International.

On the other hand the Executive's proposal to grant 100,000 kronen for the election propaganda of the Norwegian Labour Party was carried by 161 to 51 votes, in spite of the Communist objection to spending union funds on one party to the exclusion of the others represented at the Conference.

Meanwhile the Labour government, which was formed on January 26, after the fall of the Radical government, and the failure of the Agrarian Party to form a government, was itself defeated on February 8, after only a fortnight's existence. The Labour Party, under the leadership of M. Hornsrud, holds 61 seats in the Storting out of 150, and is the largest single party, but its dependence on the Radicals was shown by the election of the Radical shipowner, M. Mowinckel, as Speaker in opposition to the Labour nominee, and as soon as the financial interests in the Storting felt themselves threatened by schemes of higher taxation, a motion of censure was introduced by M. Mowinckel himself, and carried by 86 votes to 63. The *London Times* of February 13 makes the frank comment in its leading article that "since the Conservative and Radical Parties had been so socialistic in their conduct of affairs, there was manifestly an opportunity for the Socialist Party to adopt a conservative attitude and restore stability." M. Hornsrud tried to "outrun his predecessors." To-day his predecessor, M. Mowinckel, is back in the saddle, to give the Socialists a lesson in continuity.

U.S.A.

Trade Union Educational League

THE third Conference of the T.U. Education League was held in New York on December 3 and 4, 1927, and was attended by 297 delegates from the United States and Canada. All the industrial districts were represented, and there was a strong contingent from the miners now on strike in Colorado and elsewhere. The number of workers represented is estimated at not less than 300,000.

The Conference reported abundant indications of a general industrial crisis: growing unemployment, business slumping, and an employers' offensive developing, especially in the mining and textile areas. This situation has to be met by workers who have no State unemployment relief, and no effective Union organisation, for the employers are transferring the centre of production to the unorganised districts, wherever possible.

The Conference, therefore, set itself to work out an extensive programme of action and organisation, to engage in the task of organising the unorganised workers in the mining, steel, motor, rubber, textile, and transport industries, and the bringing in of the unskilled, the women and young workers, of coloured and immigrant labour. Where possible these workers must be brought into the existing Unions; where no organisation exists, or where the existing Unions refuse to admit the unorganised masses, new organisations must be formed, which will fight for their inclusion in the Trade Union Movement.

The relation of the T.U.E.L. to the I.W.W. was also laid down. It is the latter who are leading the mining strike in Colorado, and it was decided to join in an organising campaign with the best elements of the I.W.W., while making no concessions to the ideas and policy of their leaders.

The Conference declared its hostility to the industrial peace policy of the A.F. of L., to trade union capitalism and Labour Banks, and desired to cleanse the Unions of the taint of company unionism, which affects even the A.F. of L. itself. The Co-operatives, as working-class organisations, were to be supported, however much the League might differ from them in policy and outlook.

The Conference declared war on the employers' policy of applying for injunctions threatening the right of combination of the workers, and forcing them to join company unions. The case of the Interborough Rapid Transport Co. of New York is a case in point. An injunction has been granted under which the A.F. of L. and every one of its 2,800,000 members are prevented from even attempting to organise the employees of the company. The A.F. of L. propose an appeal to the Courts, but the Conference declared that such a situation can only be met by disregard of legal injunctions and mass resistance.

The economic programme of the League includes a claim for higher wages, while threatened reductions are to be answered by the strike weapon; a shortening of the hours of labour, with eight as a maximum, and where possible a forty-hour and five-day week, with a free week end. They demand a State unemployment scheme, and announce their hostility to Rationalisation schemes.

Politically, the most important task before the American workers is the

creation of a Labour Party. The A.F. of L. leaders are content to rely on one or other of the bourgeois parties, but examples were given by various speakers, showing that the "Democratic" Governor Adams in Colorado was just as bitter against the workers as the "Republican" Governor Fisher in Pennsylvania, and that the workers had nothing to gain from either party.

In the international sphere, the Conference supported the unity move of the R.I.L.U. and the world-wide unity of the Trade Union Movement. It was also decided to support the Pan-Pacific Labour Conference Secretariat, and to work for closer relations with the Russian workers.

INTERNATIONAL

General Council of the I.F.T.U.

A MEETING of the General Council of the I.F.T.U. was held in Berlin on January 16 to 20. The chief subjects under discussion were organisational questions, *i.e.*, the appointment of a president, general secretary, and the question of the future headquarters of the I.F.T.U.

On the first point, the Council received a report of the meeting in London in November, 1927, between the E.C. of the Federation and the General Council of the T.U.C., at which the British representatives had put forward two points :—

(1) That while Great Britain made no special claim to the presidency, it required representation on the E.C.

(2) That it could not agree to a candidate for the E.C. being nominated without his consent and that of the country to which he belonged.

The matter was referred, after discussion, to a special meeting to be held in six months' time. It is understood that a British representative will then be asked to fill the post, and in an interview in the *Daily Herald* of January 21, Messrs. Hicks and Citrine professed themselves satisfied with the position. On the other hand, *The Times* Labour correspondent remarks that the British delegates appear to have acknowledged the technical right of the Federation to reject a particular nominee, and the departure of Mr. Purcell to India looks as if the British T.U.C. do not intend to nominate him again; thus a way out of the *impasse* may be found.

The filling of the vacancy caused by the resignation of M. Oudegeest from the post of general secretary, following on the revelation of his secret letter to M. Jouhaux about relations with Russia, behind the back of the Federation (cf. *LABOUR MONTHLY*, October, 1927), was the next point, and this also was left undecided. All the national centres are to be asked if they desire to put forward a nominee within the next four months, and in the meantime Herr Sassenbach is to act as secretary.

A further point arises out of the secretaryship, for M. Oudegeest has also been acting as the chief representative of the I.F.T.U. in the I.L.O. and the League of Nations, and a further "Oudegeest Letter," which we reproduce below, was sent to the Council, and reprinted in the French Socialist Press, showing that the Council has by no means done with its late secretary.

FOR THE GENERAL COUNCIL MEETING FROM JANUARY 17 TO 20, 1928
Amsterdam, *January 4, 1928.*

To the Executive Committee of the I.F.T.U., Amsterdam.

DEAR COMRADES,—So far, I have had no further information concerning the correspondence carried on between August 7 and October 19, concerning (a) the continuance of my work at Geneva; (b) the preparations for the International Labour Conference, so that I desire to regard the whole of this correspondence as an integral part of this letter.

I further beg to inform you that from January 1, onward, I have been appointed paid president of the Social Democratic Labour Party of Holland. The appointment was unanimous, with the exception of one or two votes. The salary for this office was fixed in consideration of the wish expressed by me to have for the present an opportunity to continue my work at Geneva, for which purpose I demanded to be free to devote myself to my work at Geneva for two or three months in the course of a calendar year.

I desire to ask you, therefore, at your forthcoming meeting to consider whether your Executive Committee deems it desirable that I should retain my position on the Governing Body of the I.L.O. after May, 1928. If you intend to appoint some one else then of course the seats on the Disarmament Commission and on the new Economic Advisory Commission will also automatically become vacant.

If, as your letter of August 9 would seem to suggest, your intention is that I should continue to hold these offices after May, then I should be glad if you would kindly take the necessary steps for fixing the remuneration due to me for fulfilling these functions during the period which begins on September 1, when the compensation for salary which I am now receiving from you will have expired.

Yours fraternally,

(Signed) J. OUDEGEEST.

With regard to the third question—the choice of a new headquarters—a number of different places were put forward. The British favoured Brussels, or, failing that, the Hague, or as a compromise Frankfurt; the Germans, supported by the Austrians and Scandinavians, favoured Berlin; while the French wished to remain at Amsterdam. The German *bloc* was the strongest, but was finally forced to give way before the threat of the Entente *bloc* to split the Federation. This matter, therefore, like the other two, was deferred for six months.

The one organisational question that found its solution in Berlin was the position of the Trade Internationals. Following the lines laid down at the Paris Congress, these were declared to be mere advisory bodies, which are to deal only with their own industrial affairs, and to leave wider political matters to the I.F.T.U. The voice of Edo Fimmen was vainly raised in protest.

The question of securing better working relations with civil and professional workers was deferred. The meeting further decided to ask the South African T.U.C. its reasons for not accepting affiliation.

Finally, the Council decided to start a general international campaign for the ratification of the Washington Eight-Hours Convention, and May 1 was solemnly set apart for the purpose of inaugurating the campaign.

BOOK REVIEW

LENIN'S FIGHT AGAINST PHILOSOPHICAL REFORMISM

Materialism and Empirio-Criticism. By V. I. Lenin. Collected Works. Vol. XIII. (Martin Lawrence, Ltd. 10s. 6d.)

"THE fight is absolutely inevitable," wrote Lenin to Gorki in March, 1908, after his study of the works of the Empirio-criticists. And in his exposition of the foundations of Marxian theory he threw the whole of himself, of his strength and his stupendous ability into the fight, just as in everything else that he did. The book under review is the worthy product of this labour, which has at last appeared in an English translation. It is late, but not too late. For it is as much of living interest now as at the time of its first appearance, as much of current importance as it was in that period between the first and second Russian Revolutions.

This decisive attack on the modern branches of idealist philosophy, on Mach and his followers, arouses a special interest to-day in connection with the remarkable phenomenon of so-called Marxists and Socialists professing a religious Socialism. We are still involved in the same struggle as that in which Lenin engaged with his inexorable dialectic. As the last stage of metaphysical speculation, Machism, which has found fresh support in recent years through the barren philosophical outgrowths of the relativity theory, no less than Austro-Marxism in the political sphere, is the last barricade of counter-revolution.

Who are the Empirio-criticists, and what do they want? Why does Lenin throw himself with so much tenacity and energy into the fray, which, to the worshippers of "practical reality," appears mere empty scholasticism, dull theory, fruitless quibbling and word splitting? What connection is there between the Machian theory of perception or the crisis in theoretical physics and the proletarian class struggle?

Without revolutionary theory there can be no revolutionary practice: this is one of the fundamental tenets of Marxism. And the Machian attack on materialism was, and is, an attack on revolutionary theory.

"Whoever asserts the primary character of spirit in contrast to nature, accepts in the last resort a cosmic creation of some kind—the position of idealism; and this creation in the case of some philosophers, e.g., Hegel, is far more distorted and impossible than in Christianity; all such are in the idealist camp. The others, who regard nature as primary, belong to the various schools of materialism," so wrote Engels in *Ludwig Feuerbach*. In what is to be found the acceptance of a cosmic creation among the Empirio-criticists, and what is the meaning of the idealism, which by the Machians, who have left the Marxian camp, is decked up in the colours of materialism? The God of the Empirio-criticists is social experience, human perception. "The physical world, that is the social world brought into conformity, socially harmonised, in a word socially organised experience"; thus Bogdanov defines it. The physical world, the world of bodies, of the powers of nature, of colours and forms exists only in so far as human knowledge extends. Here lies the central point of Empirio-critical philosophy. The relativity of human consciousness

becomes for them the relativity of the material world. Human consciousness assumes the role of cosmic creator, not the God of the Bible, who created the world out of chaos in seven days, but a god who, by means of "socially organised experience," has created the world and is perpetually creating it afresh.

"Are we to proceed from things to sensations and thoughts, or from sensations and thought to things? Engels sides with the first—materialism; Mach with the second—idealism." Thus Lenin expounds it (p. 23), and in another place (p. 34) he says:—

Such is the view of materialism; that matter, acting on our sense-organs, produces sensations. Sensation depends upon the brain, nerves, retina, &c., upon matter organised in a certain way. The existence of matter does not depend upon sensation. Matter is of primary nature—sensation, thought, consciousness are the highest products of matter organised in a certain way. This is the doctrine of materialism, in general, and of Marx and Engels, in particular.

Starting from this solid foundation, Lenin deals fully with the various arguments of the Machians, explains the varieties of Empirio-criticism from Avenarius to Friedrich Adler, and shows how every deviation from a materialist basis is bound to end in idealism. With biting sarcasm he lashes the sophistries with which Mach and his followers try to disguise the idealistic character of their philosophy, and the inconsistency with which they combine materialist and idealist trains of ideas. It is exactly this characteristic which has procured for Machism an entry even into Marxist circles. "Mach's own theory is subjective idealism, but when a moment of objectivity is required, he unceremoniously adopts in his arguments the contrary principles of the materialist theory of knowledge," says Lenin (p. 43), and he rejects the claim of Mach and Avenarius to rise above materialism and idealism, as Fichte, one of the most advanced representatives of subjective idealism, had claimed. For the idealist there is no object without a subject; Lenin indicates in his examination of the question "Did nature exist prior to man?" how this fact compels the Empirio-criticists to invent theories openly favourable to theological interpretations. For the materialist the object exists independent of the subject; he recognises the existence of things outside and independent of human consciousness, in which the objective world is more or less correctly represented.

With incomparable clearness Lenin lays down the fundamentals of materialism.

The materialist elimination of "the dualism of mind and body" (materialist monism) consists in this, that the existence of the mind is shown to be dependent upon that of the body, in that mind is declared to be secondary, a function of the brain, or a reflection of the outer world. The idealist elimination of "the dualism of body and mind" (idealistic monism) consists in an attempt to show that mind is not a function of the body, that mind is primary, that the "environment" and "self" exist in an inseparable connection in the same "complex of elements." (p. 65.)

Lenin's examination of the questions, "Does Objective Truth Exist?" and "Absolute and Relative Truth" is especially important at the present time, when a philosophical theory of relativity is coming into fashion.

From the standpoint of modern materialism, or Marxism, the relative limits of our approximation to the cognition of the objective, absolute truth are historically conditioned; but the existence of this truth is unconditioned, as well as the fact that we are continually approaching it . . . Historically conditioned are the circumstances under which we made progress in our knowledge of the essence of things. For example, the discovery of the electronic structure of the atom was historically conditioned; but it is unconditionally true that every such discovery is a step forward to "absolute objective knowledge." In a word, every ideology is historically conditioned, but it is unconditionally true that to every scientific theory (as distinct from religion) there corresponds an objective truth, something absolutely so in nature. (p. 107.)

The efforts of the Relativists to steep everything in the night "when all cats are black" and the human mind is sunk in scepticism—"we neither know nor can know anything"—Lenin opposes the masterly formulation:—

The materialist dialectics of Marx and Engels certainly does contain relativism, but it is not reduced to it, that is, it recognises the relativity of all our knowledge, not in the sense of the denial of objective truth, but in the sense of the historical conditions which determine the degrees of our knowledge as it approaches this truth. (p. 108.)

And at the end of this chapter, which is specially valuable for the positive development of the Marxian conception, Lenin declares:—

Following in the direction of the Marxian theory we shall draw nearer and nearer to the objective truth (without exhausting it); following another path, we shall arrive at confusion and falsehood." (p. 114.)

In connection with his attitude towards the Relativity theory the section on "Space and Time" is particularly interesting. Here Einstein's discoveries have introduced tremendous changes in our previous conceptions, yet it is a splendid proof of the fruitfulness of Lenin's dialectical method that his conclusions are in no way shaken.

Lenin sets out fully the internal and external connections of Empirio-criticism with frank philosophical idealism. He begins with the Kantian philosophy, whose characteristic feature is the attempt to reconcile materialism and idealism. While Marx and Engels moved to the left of Kant to materialism, neo-Kantianism and Empirio-criticism take their start from the reactionary side of the Kantian philosophy. A later chapter shows the connection of the theoretical crisis in natural science with the abandonment of the materialist standpoint and the adoption of the idealist outlook.

The final chapter of the book compares Empirio-criticism with historical materialism, and examines the "excursion of the Empirio-critics into the domain of social science." Here Lenin speaks of the political consequences of the philosophical analysis, and shows how reaction has succeeded in taking Empirio-criticism into its service and in using the Machian doctrines as a weapon against revolutionary theory.

This new book of Lenin's is an extremely valuable addition to Marxian literature. It fills a great gap and, in the living form of a critique of idealism, is a real text-book of materialist dialectics.

The source of Lenin's superiority in the theoretical as well as the political field is particularly marked in this work. Lenin is the most profound dialectician

since the deaths of Marx and Engels. The use of the Marxist method in a sphere as far removed from the daily proletarian struggle as that of Empirio-critical philosophy shows its value with especial clearness. The method of inquiry is that of inexorable criticism, which tracks down and castigates without mercy all the weaknesses, deviations and ambiguities of an opponent. But the chief importance of the book arises from the productive form of this critique, from its positive formulation of the fundamental materialist theses. The Empirio-critical philosophers are embedded in Lenin's expositions, like the fly in the amber. There is nothing of special interest in their writings, any more than in the theories of Herr Eugen Dühring, whose refutation by Engels forms one of the masterpieces of Marxian literature. Dühring's philosophy is dead, but Engel's criticism of it is as alive to-day as ever. Similarly, the Empirio-criticism will long ago have been relegated to the curiosity shop of the history of philosophy, while their theoretical annihilation by Lenin is still being eagerly studied.

The book, in consequence of its abundant references, will present certain difficulties to the worker, which can only be overcome by hard study of the theoretical ground work of Marxism. Yet it must be in every working-class library and on the shelves of every proletarian fighter, not for show, but for use, as a weapon in the struggle for Socialism, which will destroy not only the exploitation of the worker by means of capital, but also the philosophical superstructure of bourgeois domination, acting openly through religious teachings, and obliquely through metaphysics.

Fritz Rück.

PUBLICATIONS RECEIVED

- No More Poverty.* By Will Craig. Preface by J. M. Alexander. (Ruskin Press, Melbourne, 103 pp.)
- The People's Year Book.* (Co-operative Press Agency. 312 pp., cloth 3s., paper 2s.)
- The Life and Death of Sacco and Vanzetti.* By Eugene Lyons. (Martin Lawrence, 208 pp., 6s.)
- The Dictatorship of the Oil Trusts.* By Francis Delaisi. (U.D.C., 16 pp., 2d.)
- England and Wales: Philip's Handy Administrative Atlas.* (George Philip and Son, Ltd., 133 pp., 6s.)
- Misleaders of Labour.* By William Z. Foster. (T.U.E.L., 336 pp.)
- Soviet Russia To-day: Report of the British Workers' Delegation, 1927.* (L.R.D. 96 pp., 6d.)
- The Legal Status of Agricultural Co-operation.* By Edwin G. Nourse. (Geo. Allen and Unwin, 543 pp., 12s. 6d.)
- Soviet Intrigues in China.* (Publicity Bureau for South China, Hong Kong. 96 pp.)
- A Commonsense View of Religion.* By a Business Man. With an introduction by Sir A. Conan Doyle. (The Psychic Press. 61 pp. 1s.)
- Progressive Tendency in the Labour Movement.* By Robert Clausen. (Los Angeles. 90 pp. 50 cents.)
- All for the Golden Age, or the Way of Progress.* (Allen and Unwin. 223 pp. 4s. 6d.)
- Russian Economic Development Since the Revolution.* By Maurice Dobb. (Routledge. 415 pp. 15s.)

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PRINCIPAL CONTENTS

Notes of the Month

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Volume 10 February, 1928 Number 2

PRINCIPAL CONTENTS

Notes of the Month

THE GENERAL ELECTION R. P. D.

Industrial Peace

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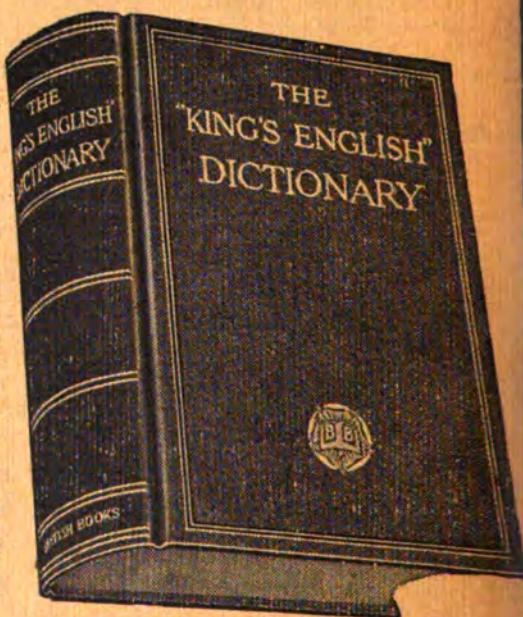
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Editor : R. PALME DUTT

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APRIL, 1928

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Editor: R. PALME DUTT

CONTENTS

Notes of the Month - - - - -	Page 195
<i>THE UNITED FRONT</i> By R. P. D.	
Australia and the LABOUR MONTHLY - - - - -	215
The Problem of Rationalising British Industry - - - - -	217
By E. VARGA	
The World Wide Coal Crisis - - - - -	227
By A. J. COOK	
God, Sir Austen, and the East - - - - -	232
By W. N. EWER	
Electricity Control in Britain - - - - -	239
By D. J. F. PARSONS	
Capitalism and Surplus - - - - -	245
By M. H. DOBB	
The World of Labour - - - - -	251
India—Germany	
Book Review - - - - -	255
Misleaders of Labour By T.	

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NOTES OF THE MONTH

Election Votes—Exclusion Sequel—Lenin on Split—Reformist Disrupters—Reformist Sectarianism—Wanting It Both Ways—“Broad” Freedom—Lansbury’s View—Democracy Without Representation—“We Smashed the Branches”—Gain or Loss to Labour Party?—Contradictory Expressions—International “Orders”—United Front “Exposed”—What is United Front?—Against Capitalism—Two Capitalist Blocs—Left Permeators’ Impotence—Liberal - Labour Bloc — Labour Vote — “Assisting Reaction”—Marx’s View—Marx on Social Democracy—Marx on Communist Candidates.

WITH the recent County Council elections the first stage has opened of the direct conflict between the militant working-class elements, represented by the Communists and the disaffiliated Labour parties, and the official Labour Party. The results are encouraging. In the eleven constituencies contested in the London area, the Communists and Independent Labour candidates obtained 11,126 votes, as against 30,946 for the official Labour candidates, or well over one-third of the official Labour vote. Of the total vote in these constituencies 26 per cent. went to the official Labour candidates, and 9 per cent. to the Communists and disaffiliated Labour parties. This is already a respectable result for a first contest, with inevitably weak finance and machinery; and gives ground for confidence that in the political future in Britain the revolutionary working class is going to press the reformist Labour Party hard, and with increasing intensity. Signs from the country are also encouraging, particularly in the industrial areas and coalfields, as in the sweeping gains in Nottinghamshire, where the campaign was openly fought in union with the Communists against both Spencerism and the General Council Industrial Peace betrayal, and thirteen gains were registered. The fight that is here opened is no isolated flash in the pan, like the sporadic Independent Socialist candidatures of before the war. It is only the first opening of a systematic,

organised fight of the entire revolutionary forces, which will gather volume and go forward, through many forms, to the eventual revolutionary hegemony in the working class. It is not, as is sometimes ignorantly asserted, a denial of the united front. On the contrary, it is a carrying forward of the united front to a new stage, the united front of the militant working class against the Baldwin-MacDonald united front. And it will be of value for all those who are concerned with the future of the working-class movement in this country to consider the significance of this new stage, what are the forces that have brought it about and made it inevitable, and their own relation to it.

FIVE and a half years ago, when the first exclusion policy was introduced in the Labour Party, it was at the time pointed out in these Notes that this policy would inevitably lead, sooner or later, to a split all along the line in the movement, reaching eventually even to the trade unions, and destroying completely the old "uniquely British," "unitary," "tolerant" character of the movement (actually the reflection of the easier conditions of capitalist world monopoly and prosperity, on which the old Labour movement depended, until the loss of the monopoly and sharpening decline has brought sharper issues). During the past five years this prediction has been fulfilled, is being fulfilled (the process in the trade unions is still only beginning), with relentless precision; and every step in the process has been initiated and forced through by the reformist leadership themselves. This fact, and this history of five years, is all-important to recall to-day; because it is essential to realise that the split in the working-class forces is not only the inevitable political consequence of the policy of betrayal pursued by the reformist leadership, but is also, in its immediate causing and organisation, at every step the direct and deliberate creation of the disruptionist bureaucracy of the Labour Party and of the trade unions. The truth of this can be sufficiently established with chapter and verse from the proceedings of every Labour Party Conference for the past five years, and from every speech of every reformist leader. Therefore, whoever has right to complain, they have not. There is, however, a deeper significance in the whole question

than the question of immediate responsibility, and it will be worth while to come to this.¹

LENIN in his *Imperialism and the Split of Social Democracy*, of which it is hoped shortly to publish a translation in this journal, made clear the inevitable character of the split in the working-class movements in the imperialist countries, the split between a section of the leadership and upper strata of the movement united with the bourgeoisie in receiving a share of monopolist super-profits and the vast mass of the working class with their interests opposed to the bourgeoisie. In this sense it is true that the split was bound to come, apart from any particular question of tactics on either side, was indeed in essence already here, and has only advanced to a new form and stage. In fact it may be said that, not until the split with opportunism and imperialism has been fully carried out can the real unification of the working class as a proletarian class force be realised. It is a significant fact to-day that the Russian working class, among whom the revolutionary split with opportunism has been most completely carried out in the past (to the bewilderment and protest of the majority of the international Socialist leaders before the war who completely failed to understand Lenin's tactics and treated them as "sectarianism"), is to-day not only the strongest but the sole united and cohesive working class in any country in the world; while in all the other countries, where the movement was built on a sham and deceptive unity of concealed and glossed-over compromise with bourgeois influence, the working-class movement is to-day hopelessly divided. In this sense it is

¹ A characteristic example of reformist hypocrisy and distortion on the whole question is afforded by the *Manchester Guardian* London correspondent, purporting to give the mind of the Labour Party on the new policy:—

"The message from Moscow has naturally interested the Labour Party, and is being earnestly discussed. Nobody in or out of the Labour Party expects Communist candidates to get in. The only Communist member is Mr. Saklatvala, member for Battersea. *When the Communists put candidates in a number of constituencies, the Labour Party will certainly put up a Labour candidate in Battersea, and Mr. Saklatvala will go out, whoever may come in.*"

Actually, the "scab" Labour candidate against Saklatvala in Battersea had been put up many months ago, before there was any question of the new policy; and this fact was one of a chain of facts helping to determine the new policy (see the *LABOUR MONTHLY Notes* for January, page 20).

true that the so-called "split" is at bottom no split, but a move towards the true unification of the working-class forces, the mobilisation of the mass forces of the working class on the only basis on which enduring unity is possible, the unity of the revolutionary class struggle.

NEVERTHELESS it has been the case during the past seven years that, given the actual stage and situation in Britain, the revolutionaries have been prepared to act and work through the inherited federal unitary form of the Labour Party, in order on this basis to conduct their fight against the reformist leadership and win over the majority of the workers. They have been perfectly prepared to accept the necessary conditions and limitations of such work, subject to the one essential proviso of their own liberty of agitation ; and they have been perfectly prepared in good faith to make the attempt, if it were possible, to carry through the inevitable transformation to revolutionary policy and leadership of the working class in, as it were, a "peaceful," "constitutional," "evolutionary" guise through the medium of the Labour Party. But in fact no such "peaceful," "constitutional," "evolutionary" transformation of the working-class movement without sharp breaks and struggles is possible, any more than the no less unrealisable dream of a "peaceful," "constitutional," "evolutionary" transformation of society into Socialism; and in both cases for essentially the same reason; not because of the "violence" and "impatience" of the revolutionaries, who would be only too glad of an opportunity of a peaceful, orderly advance, if that were possible, but because of the violent resistance of those in power, who, so soon as they feel their position threatened, fling all considerations of law, peace and democracy to the wind, and prefer to smash the machine rather than lose their power.

THE reformist leadership, threatened with the democratic penetration of the working-class movement by the revolutionaries, have preferred to throw democracy to the winds ; have struck out, expelled, suspended, disaffiliated; reconstructed, disrupted, imposed new rules and doctrinal

disabilities right and left, and preferred to smash the old unitary Labour Party rather than lose their power. They claim that they have the same right to impose what discipline they choose as the leadership of any other party. In this they conveniently forget the original unitary working-class basis of the Labour Party, still revealed in its collective organisation on the basis of the trade unions, the whole meaning of which they have smashed. Nevertheless so be it, the power to smash is theirs. But in that case let them face honestly what they are doing. Let them honestly proclaim that they are creating a secretarian opportunist party, which has no more claim to support than the extent to which its wishy-washy Liberal-Reformist doctrines have appeal. Let them cease to build on the mass organisations of the working class. And let them cease to complain of the disruption of the working-class forces which they have themselves created.

THEY cannot have it both ways. They cannot both claim the Labour Party as a unitary body of the working class, to oppose which is treason ; and at the same time expel from the Labour Party all the most representative militant working-class elements in the name of highly dubious liberal parliamentary doctrines which have nothing to do with the working-class or Socialism. Either the Labour Party is a unitary body of the working class, in which case the Communists must be admitted to full rights and membership, or else the Labour Party is a sectarian instrument of the reformists ; in which case the revolutionary workers must be admitted as being fully justified to oppose it. But the reformists endeavour to have both at once, and to shuffle from one to the other. Thus at one moment the *Daily Herald* leader-writer announces loudly the complete indifference of the Labour Party at the new policy and prospect of revolutionary candidates: " their intervention will be welcomed by the Labour Party . . . the resultant gain to the Labour Party will be considerable." (*Daily Herald* editorial, " Communist's Candidates," February 22, 1928.) But a fortnight later, when the intervention of these same candidates is judged to have led to the loss of three precious seats to the reformists, the *Daily Herald* leader-writer sets up a loud howl in the editorial " Eight Gains, But——," and

proceeds to complain that the intervention of these candidates is thwarting the advance of the Labour Party and of Socialism, and to claim that the Labour Party is "broad" enough to have room for Right, Left and Centre inside itself :—

"The Labour Movement is a broad one. There is room in it for those of the Left Wing, the Right Wing, and the Centre, who, although they differ on practical questions of immediate policy, are united in objective and in a belief in the efficacy of democratic political machinery." (*Daily Herald*, March 10, 1928.)

THIS last sentence is a masterpiece of hypocrisy. The veriest tyro who has just entered the Labour Movement knows that the whole division between Right and Left in the movement, between reformists and revolutionaries, turns precisely on "the efficacy of democratic political machinery" (*i.e.*, of bourgeois democratic machinery). And this little detail is the only limitation on the complete "broad" freedom of Right and Left. The sapient *Daily Herald* editor might as well have written :—

The *Daily Herald* platform is a broad one. All views in the Labour Movement, Right, Left or Centre, can find expression in it, whatever their policy, provided of course that they accept the policy of MacDonald.

Or to take an even simpler example :—

The Second International is a world-embracing International and knows no discrimination of colour. White, Black, Brown, Yellow—all are welcome in it, provided of course that they accept the domination of European Imperialism.

The complete distortion and contradiction of the whole reformist position in relation to the Labour Party, which for financial purposes they still base upon the mass organisation of the workers, while in their policy and programme denying all working-class basis, could not be more simply exposed.

LANSBURY, the chairman of the Labour Party in the most reactionary period in its history, writes that the new revolutionary policy of fighting directly the reactionary leadership of the Labour Party is "an unparalleled misfortune: the kind of misfortune which in the past has again and again broken up democratic working-class movements." (He is

mistaken: the "break-up" of the "democratic working-class movement" called the Labour Party has been going on for five years already at the hands of the reformist leadership, and never more than in the last six months under his chairmanship. Taken more deeply, the cause of the invariable break-up of these "democratic working-class movements" has never been the intransigence or excessive demands of the revolutionaries, but invariably the passing over of the "democratic" leaders to capitalism in the name of order, and consequently the revelation of the gulf between bourgeois democracy and the working class: this history has repeated itself in a thousand forms from 1848 to 1918, and again to the present day. To this question, and Marx's treatment of it and very clear indication of the correct working-class line, we shall return. It will be noted that the chairman of the Labour Party, with his pronouncement of "an unparalleled misfortune," is in complete contradiction to the official organ of the Labour Party with its declaration that "the resultant gain to the Labour Party will be considerable." In this respect, Lansbury, who has been selected as spokesman of the bureaucratic machine solely in order to maintain a line of contact with the masses, has a clearer understanding of the seriousness of the situation and of the meaning of the cutting of the line with the militant working class, than the flunkies of the *Daily Herald*, who can only give vent to their short-lived glee at thinking themselves free of a troublesome problem. But what defence or explanation has Lansbury to offer, in common with many others with him, who were once on the left in the working-class movement, that now, when the line of division has come, he finds himself on the extreme right in union with the bureaucratic machine against his former militant comrades? This is the question which the new policy forces on the many would-be "left" spokesmen in the Labour Movement, compelling them to range themselves.

FORCED to face this question, Lansbury begins with the oracular declaration that "blame must be shared by all protagonists in the struggle"; after which he proceeds to blame the Communists with the usual charges ("utterly stupid," "obsessed with their own importance," "all who disagree with

them, they say, are either fools, knaves, or traitors to the working class," &c.—what pitiful subjective complaints against hard words, in place of dealing with the hard facts and serious issues which the Communists are trying to express in plain language, because they care about them). Compelled at length to put forward some kind of argument, Lansbury finds his refuge in the holy ark of "democracy." The reason, he declares, why the trouble has come about and why the Left Wing has not been able to develop as "a real active Left-Wing movement within the Labour Party" has been "lack of discipline and loyalty to majority decisions." He goes on:—

We can only continue together if we accept our constitution and democratic methods of rule, procedure and government, and when beaten by a majority accept our defeat, but work might and main to alter the decision.

The effrontery of this takes one's breath away. What else have the revolutionaries been demanding save democratic rights within the Labour Party? And who has been responsible for denying them save Lansbury's own colleagues, with whom he now stands shoulder to shoulder? What are "democratic methods" where there is no right of expression, no right of free appointment of officers, no right of free selection of delegates, no right even of membership? Democracy has been defined as the right of a minority to become a majority. But supposing that minority is expelled at the outset? Supposing that, as fast as ground is won by the uphill work of persuasion and conviction, it is destroyed by the wholesale exclusion of sections and denial of rights of representation? Supposing that this exclusion policy is openly defended and explained because, as the General Council member declared at the Bournemouth Trades Union Congress, otherwise "within a short time the Minority Movement would become the majority": What then? What else is the minority to do but fight from outside? Is not this the logical consequence? And then to turn on this minority and condemn its fight in the name of "democracy"—is not this the final limit of shamelessness? By comparison it is almost possible to respect a clear unscrupulous enemy of the MacDonald-Thomas type, who expels, deliberately forces and wishes for a fight, and is glad to be separate from the militant workers. But a sainted Uriah who first expels the

militant workers, and then comes to them with pious apologetic explanations and appeals about "democracy," "accept our constitution and democratic methods"—this is really taxing the patience of the workers a bit too far.

IT is possible to put the issue still more sharply in this case. For in Lansbury's own union, the National Union of General and Municipal Workers, the dominant reformist bureaucracy has carried through the most notorious extreme policy of disfranchising and driving out the revolutionary workers. This is how one of their own leading officials, W. G. Sherwood, has described the process, speaking as fraternal delegate to the American Federation of Labour at their Convention last year:—

Branches of our organisation in London, over 15,000 strong, refused to comply with the instructions of our General Council. Well, Mr. President, *we simply smashed the branches.* . . . We had on our General Council two men who *represented great areas* in our country, but they were going to Minority meetings, and we said: "Sign a declaration or get out." Well, *they had to get out.*

To which the President of the American Federation of Labour very naturally responded:—

We were made happy when we listened to those words. We felt that our own position had been thoroughly vindicated, that the traditional course of the American Federation of Labour had found additional approval from our older brothers across the sea.

Is this what Lansbury means by "our democratic methods"? If it is not, why is he not leading the fight of the militant workers in his own Union against these infamous methods and the gang responsible for them? Why is he lending the weight of his enormous influence to cover, and not to smash, these practices? But if it is, if this is what he means by "our democratic methods," then he must not be surprised if the contempt of the workers may issue sometimes in those ugly words which cause his polite susceptibilities so much more pain than the ugly facts in the working-class movement.

BUT indeed the whole reception of the new line of revolutionary policy by the reformists (and for the matter of that in the capitalist Press also, since the treatment is practically identical) deserves analysis; for it is deeply instructive.

It throws a flood of light on the actual stage of reformist development, and on the type of arguments that will need to be met. It has already been observed that the first and most general characteristic of the whole reception is its completely contradictory type of expression. At one moment the fight is "welcome," the "resultant gain to the Labour Party will be considerable" (*Daily Herald*); the Labour Party never had anything to do with the revolutionary working class, and now at last there will be proof positive of this, and "a welcome and a clear issue" drawn (MacDonald); candidates will tumble over one another, we are told as a fine joke, with "frantic requests" to secure the advantage of a revolutionary opponent (*Forward*); &c., &c. At another moment it is "an unparalleled misfortune"; the working-class vote is split; the revolutionaries are disrupters; reaction is assisted, &c. (Lansbury, *Daily Herald* second editorial; *New Leader*; *Vorwärts*).

THIS contradictory expression is not entirely a reflection of the usual frivolous irresponsible character of all opportunist expression on all issues. The contradiction is deeply symptomatic of the actual stage of the reformist Labour Party. For, on the one hand, the reformist leadership wish to free themselves from all ties with the working class, from all connection with the working-class revolution, and from their own past, so as to be the more free to woo the middle class and to travel along the path of capitalist statesmanship. But, on the other hand, they still require the body of the working class as the material basis of their own political existence, without which they would have no longer any rôle; if they lose control of the workers, they lose their value to the capitalists, and would fall at once into the political nonentity of a Barnes, Burns, or Roberts. Thus, on the one hand, they welcome with glee the prospect of a clear line of division from the working-class revolution to free them once and for all from an old incubus and vindicate them in the eyes of the bourgeoisie. But, on the other hand, they view with the utmost anxiety the prospect of the workers passing to a new revolutionary leadership, despite all their efforts at suppression and exclusion. Hitherto the loyal acceptance of these measures by the revolu-

tionary workers has saved them. But now a new stage opens, in which they are no longer safe; and though it is the logical sequel of their own exclusion policy, it is unwelcome. They wish at the same time to keep the Labour Party as the sole party of the workers, to which the loyalty of all workers is demanded; and yet to keep it free from any working-class outlook or basis as a correct bourgeois "classless" party. This is the dilemma which results in their contradictory expression.

FROM this follows the second general characteristic which runs through the whole treatment; and this is a noticeable hearkening back to the old tactics of the revolutionaries as better, wiser, more suited to British conditions, &c., in order on this basis to denounce the new policy as the alien "orders" of a foreign body called the International wholly unsuited to British conditions. (They forget that the original policy was also worked out by the entire international working-class movement, and only with considerable difficulty won the conviction of a large body of the British revolutionary workers.) This is a curiously amusing and uniform character of the general reception. The way in which the entire united capitalist and reformist Press solemnly intermingles itself in the internal affairs of the Communists and gives its portentous approval to the older line of policy as "wiser," "better understanding the industrial and political position," better suited to "the British temper," &c., in order on this basis to denounce the ignorant un-British policy of the International and prophesy ruin for the British Communists if it is adopted, is as comic as it is instructive. Thus *The Times* :—

Acting upon explicit instructions from the Communist International, the British Communist Party is *compelled, none too willingly*, to declare open warfare upon the Labour Party. . . . The British Communists had developed another set of tactics, temporising and equivocal as well as more discreet. They can, indeed, be credited with a *better understanding of the industrial and political position in this country and of the British temper and mode of thinking.*

(*Times*, February 25, 1928.)

The *Manchester Guardian* :—

It is quite likely that any attempt to *enforce* the new decrees *will lead to disintegration in the British Communist ranks*, as on their own expectation it *will certainly lead to political disaster.*

The *New Leader* :—

Wiser in their own generation, British Communists have refrained except in some isolated cases from putting forward nominees against Labour candidates.

(*New Leader*, February 24, 1928.)

The *New Statesman* :—

We can well understand that this edict has created consternation among our Communists, who would prefer to make fools of themselves in their own way rather than in Moscow's way, and who had in fact put forward a *rather less insane plan of campaign*.

(*New Statesman*, February 25, 1928.)

The conception of "orders" from an alien International reveals, of course, the usual vulgar failure to understand the workings of working-class internationalism, in the same way as it has been displayed on every occasion for the past eighty years of the history of the international movement by bourgeois national prejudice, to whom internationalism is a closed book. But this striking unanimity of the capitalist and reformist Press as to the better course to follow for the revolutionary workers is as touching as their solicitously hopeful prophecies of "disintegration" and "political disaster" for British Communism. There could be no more cheering indication of the excellence of the path to which the revolutionary workers have set themselves.

THE third general line of argument, however, that is put forward is the most important, because it brings us to the heart of the real problem. The new policy is universally declared to be the breaking and repudiation of the united front. This argument, also, is exactly uniform in the capitalist and in the reformist Press. *The Times* declares that "the mask of the united front is torn off." *The Daily Herald* announces that "it will put an end to the unctuous and insincere talk about the 'united front'." MacDonald proclaims that "the order exposes the humbug of the 'united front'." *The New Leader* finds that, if the proviso of not letting the capitalist candidate in is dropped, "the united front tactics is at once exposed as a hollow pretence." There is, thus, here complete agreement in the capitalist and reformist view. *In their conception*

the united front means the passive acceptance by the revolutionaries of complete suppression and expulsion, while the reformist leaders betray the workers undisturbed. This is their conception of the "united front" which they now indignantly proclaim is being broken and exposed as a sham. Unfortunately for this treatment, this conception has nothing to do with the united front, as the slightest trouble to acquaint themselves with the facts would have let them know.

WHAT is the United Front? It is worth while, for the benefit of those who are now so loudly proclaiming that the united front is being broken and the united front tactics are being proved a sham by the new policy, to remind them of what the united front is, and of the original definition of these united front tactics to which they refer. Let us turn to the statement of the fourth Congress of the Communist International in 1922, which was the first Congress at which the United Front tactics were proclaimed:—

The tactics of the United Front should by no means imply the forming of electoral combinations of leaders for the pursuit of certain parliamentary aims. The tactics of the United Front is the call for the united struggle of Communists and of all other workers, either belonging to other parties and groups, or belonging to no party whatever, for the defence of the elementary and vital interests of the working class against the bourgeoisie.

(Fourth Congress Thesis on Tactics, 10.)

Let us turn to the Fifth Congress in 1924:—

The tactics of the united front is only a method for agitation, and the revolutionary mobilisation of the proletariat for considerable periods. All attempts to interpret these tactics as a political coalition with counter-revolutionary Social Democratic parties are opportunism, and are repudiated by the Communist International.

(Fifth Congress Thesis on Tactics, 8.)

This is all perfectly simple and plain, and perfectly clearly stated from the outset. There is no excuse for misunderstanding. *The United Front is the united front of the workers in the immediate struggle against capitalism.* The United Front is from the very first proclaimed to have nothing to do with electoral combinations with the social democratic parties, which would be a mere betrayal of the working class. Yet when this perfectly clearly

proclaimed policy is carried out, a united howl arises from the Social Democrats that the united front tactics are being broken and violated and proved a humbug. The humbug is elsewhere.

THE United Front is the united front of the working class in the immediate daily struggle against capitalism, and nothing else. Where there is no struggle against capitalism, there can be no united front. This is common sense. And it is just this that makes the I.L.P. type of appeals for "Unity," "International Unity" in the abstract, *i.e.*, unification of the Second and Third Internationals, meaningless; since the Second International only exists and acts as the agent of capitalism in all its policy. The only unity can be the actual unification of the workers in the struggle behind concrete demands against capitalism; and just this, the only intelligible meaning of the united front, the I.L.P. invariably refuses. *There can be no united front behind the Labour Party's policy of imperialism, suppressing the Indian workers, bombing in Iraq, armaments, industrial peace and capitalist continuity.* If the leaders of the revolutionary workers were to enter into such a "united front," it would be no united front, but simple betrayal of the working class. Such a "united front" would in truth be a "humbug" and a "sham." But the real united front, so far from being a "humbug" and a "sham" and a "pretence" and "insincere talk," has been going on in fight after fight, is going on to-day, in the heart of the working class in the British Movement. In locality after locality, where the workers of all parties and no party are standing together in a common struggle, as in Notts to-day, the united front is going forward; and the reformist leaders are striving in vain to smash and break it. When the miners fought in union with the Communists and the Minority Movement against Baldwin, against the coalowners, and against the entire reformist leadership including the defeatism of the I.L.P.—there was the united front. In the fight for Hands Off China, in the Miners' March, in the May Day demonstrations—there was the united front. And, to-day, the united front is going forward to yet another stage in the fight for a working-class

programme, and policy and working-class candidates in the elections.

IT is impossible for anyone who faces the facts of the political situation to-day not to see that we are essentially confronted once again with the familiar two camps of capitalism: the "reactionary" camp and the "progressive" camp; on the one side the Conservative bloc of big capital, on the other side the "Labour" bloc of petit-bourgeois democracy drawing the workers after it, with the Liberals splitting and vacillating in between, and moving at present increasingly to union with the Labour bloc. But the fight for independent working-class politics has still to be fought. The fight for independent working-class politics, which Hardie attempted to raise, but was unable to carry through owing to his entanglement with bourgeois democracy, resulting in the stultification of all his plans, has still to be fought from the bottom on the basis of a conscious working-class programme against the capitalist state. The Labour Party is conspicuously to-day in its whole programme, policy and leadership, the alternative governing party of capitalism. The fact that it still holds the majority of the workers in its sway is no more evidence of its working-class character than was the similar fact of the Liberal Party a generation ago. The Labour Party holds to-day, relative to the changed situation, the same position that the Liberal Party formerly held. It is the spokesman of "progress" and "reform" against "reaction," but not of working-class politics against capitalist politics. As MacDonald declared in one of his recent speeches: "The only issue is between Tory reaction and Labour progress." Already every basic issue of the capitalist State and Empire has become "above party." Every new issue as it arises, every change in the programme is confirming this trend. The dropping of the capital levy, the new Blackpool programme, the new mining programme, the Simon Commission—who does not see where all this leads? It is unnecessary to go through the essential unity of the Labour Party with capitalism in every fundamental issue, in imperial policy, in financial policy, in police and armaments, in trade policy, and in its relation to the working-class struggle.

THERE are those who recognise these facts—as who can fail to see them?—but still imagine that they can change the trend from within the official machine without an open struggle. It is the old story of the Liberal Party and the conception of “permeation” in place of an open fight. The imagination that by a few Left Wing phrases which affect nothing in policy, by muttering the incantations of Socialism, by impotent “ginger groups” and the like, they can change the trend is nothing but complete blindness to the real process which is taking place and the real forces which are making them impotent. They do not see that the discipline to which they have to submit turns their Left Wing phrases into a support and cover of the reactionary bureaucratic policy which they have to support in practice, and makes them its tools. They live in a world of make-believe. A “ginger group” is only useful in a party in which the leadership is moving in a certain direction, but needs to move faster. *But in this case the leadership is moving in the opposite direction and needs to be fought.* This is the basic fallacy which leads to the phrase-making anæmia and impotence of the I.L.P.-Lansbury-Wilkinson type of would-be “Left Wing” by intrigue, permeation and phrases on top, instead of by open mass struggle from below on clear issues against the Baldwin-MacDonald-Mond united front. Only such a clear and open mass struggle can raise real political issues and carry the working-class movement forward.

ACTUALLY the advance to a Liberal-Labour bloc is going forward more rapidly than ever. It is not long since Lansbury, just before he became chairman, wrote of the “almost universal belief that conversations have taken place between leading members of both parties. Two courses, it is said, are being discussed: one is a Liberal-Labour Coalition Government; the other an agreement between the Liberals and ourselves on a five years’ programme as the price of whole-hearted support being given to a Labour Government” (*New Leader*, July 29, 1927). Since then the movement to a common programme advances. The Labour reception of the Liberal Industrial Report as “stolen from the Labour Party,” and the Liberal reception of the new Labour mining programme as

practically identical with the Liberal, are recent evidences of this. Thus, on the Liberal Industrial Report, Henderson writes in the *New Leader* :—

It is in fact the spirit of Socialism and not of Liberalism has that dictated the new industrial programme of the Liberal Party.

What is true and useful in this Report has been said before, and the really practical parts of its programme are borrowed from the Labour Party.

In so far as suggestions in the Report are sound, it should be obvious to all who support them and realise their logical implication, that *the only practical way of ensuring that they will be carried into effect is through the Labour Party and a Labour Government.*

(*New Leader*, February 10, 1928.)

THIS is called "Labour's Reply" to the Liberal Industrial Report. And this is what the Liberal organ, the *Nation*, has to say of the new Labour mines programme:—

The latest scheme, introduced by Mr. Ramsay MacDonald and Mr. Herbert Smith, has nothing of Cloud Cuckoo-Land about it; there seems indeed to be little in it that Liberals would not be prepared to accept, and much that is inspired by Liberal propaganda. . . . These proposals collectively make up a coherent scheme, and *both the Liberal and Labour Parties are to be congratulated on its adoption* by the Conference.

Short of the inevitable sparring of rivals up to the election, there seems little more wanted for the banns of marriage to be proclaimed. The extreme probability of there being no absolute majority after the election reinforces this trend, since the Labour Party is unable to put forward any strong policy to win the support and enthusiasm of the mass of the workers (a recent table in the *Economist* shows that in the forty by-elections since the General Election the aggregate Labour vote actually represents a lower percentage of the total vote than in the General Election—32·8 per cent. against 33 per cent.—and for the last twelve months heavily lower—25·8 per cent. or a drop of 7·2 per cent.).

THE workers will be told that they must support the Labour Party at the election in order to "defeat reaction," and in consequence to regard the intervention of the militant working-class candidates as a breaking

of the front. It is an old story, and was told to the Labour Party in its early days when they "split the progressive front." In the same way in France, in 1924, the workers were urged by the Socialists to vote for the Left Bloc in order to defeat the reaction of Poincaré. They did, and gave the Left Bloc a majority. What happened? To-day this same Left Bloc majority has put Poincaré back in power, and is supporting the entire reactionary programme which the workers were called upon to defeat. Those who imagine they are going to "defeat reaction" by voting for the Labour candidates are going to have a bitter awakening. *The only way to defeat reaction is by the fight of the militant working class. Every vote for a militant working-class candidate is a stronger blow at reaction than a hundred official Labour votes.* This is not to say that the difference between the two blocs of capitalist politics is of no importance from the point of view of the working class. On the contrary, every difference within capitalist politics and between differing capitalist sections, and still more between the big capitalist and petit-bourgeois sections, is of very great importance for the working class. But the difference is not of such a character as to weigh in the scale for a moment in comparison with the paramount importance of the independent fight of the working class.

THE question of the relation of the workers' party to petit-bourgeois democracy is an old one; and it is worth while recalling the Marxist treatment of this question, because it was handled by him with especial clearness. Marx's principal treatment of this question is to be found in his "Address to the Communist League" (1850), which is the indispensable pendant to the "Communist Manifesto" of 1848 as the clearest short statement of Marx's outlook on the principal tactical problems confronting the working class. Despite the lapse of time and changes of conditions, the essential principles here set out are as clear and living as ever. Marx is discussing the relation of the revolutionary working class, represented by the Communists, to "the petit-bourgeois democratic party" who "call themselves Socialists" or "call themselves Social Democrats" (it will be seen that we are very close here to the

type of the Second International and Labour Party). This democratic petit-bourgeoisie, he declares, which is "very powerful" and "embraces the great majority of the town population," "is more dangerous to the working man than the Liberal Party was" and will repeat the treacherous rôle of the Liberal Party; "the part which the Liberals played in 1848, this treacherous rôle will be played at the next revolution by the democratic petit-bourgeoisie." The democratic petit-bourgeoisie "call themselves Socialists," but "so far from desiring to revolutionise the whole society, are aiming only at such changes as would make their life in existing society more comfortable and profitable." For this purpose they advocate "the transfer of the public services and as many industrial undertakings as possible to the State and municipal authorities," and for the workers "higher wages, better labour conditions, and a secure existence." These demands "can never satisfy the party of the proletariat. . . . With us it is not a matter of reforming private property, but of abolishing it; not of hushing up class antagonism, but of abolishing the classes; not of ameliorating the existing society, but of establishing a new one."

WHAT then is to be the relation of the revolutionary working class to the petit-bourgeois democracy who have succeeded to the Liberals and call themselves Socialists? They appeal for a united opposition to defeat reaction.

At the present moment when the democratic petit-bourgeoisie are everywhere oppressed, they lecture the proletariat, exhorting it to effect a unification and conciliation; they would like to join hands and form one great opposition party, embracing within its folds all shades of democracy. That is, *they would like to entangle the proletariat in a party organisation in which the general social democratic phrases predominate, behind which their particular interests are concealed, and in which the particular proletarian demands should not for the sake of peace and concord be brought forward. Such a unification would be to the exclusive benefit of the petit-bourgeois democracy and to the injury of the proletariat.*

Marx then goes on to deal with the necessity of an independent revolutionary working-class party of the proletariat, of its needing to have a parallel illegal and legal organisation, of the tasks in the revolution, of the formation of workers' councils to set up a

revolutionary workers' government, of arming the workers, &c. —all which is not of immediate concern for our present purpose, though of the deepest permanent importance and buried many thousand leagues below the sea by the "Marxists" of the Second International. (What a supreme irony, which he himself would have appreciated, that the very petit-bourgeois democracy "calling itself Socialist" which he was most concerned to attack as a menace to the working class should in its final stage of counter-revolutionary treachery be calling itself—"Marxist"!) The immediate concern for us, however, for our present purpose is Marx's treatment of electoral tactics. On this Marx writes:—

Beside the bourgeois democratic candidates there shall be put up everywhere working-class candidates, who, as far as possible, shall be members of the League, and for whose success all must work with every possible means. Even in constituencies where there is no prospect of our candidate being elected, the workers must nevertheless put up candidates in order to maintain their independence, to steel their forces, and to bring their revolutionary attitude and party views before the public. *They must not allow themselves to be diverted from this work by the stock argument that to split the vote of the democrats means assisting the reactionary parties.* All such talk is but calculated to cheat the proletariat. *The advance which the Proletarian Party will make through its independent political attitude is infinitely more important than the disadvantage of having a few more reactionaries in the national representation.*

This advance, "the advance which the Proletarian Party will make through its independent political attitude," "infinitely more important than the disadvantage of having a few more reactionaries in the national representation," is the advance which will be achieved by the new militant working-class united front at the elections against the Baldwin-MacDonald united front.

R. P. D.

AUSTRALIA AND THE "LABOUR MONTHLY"

HOW many of our readers are aware that the LABOUR MONTHLY is officially banned from Australia?

This extraordinary decision deserves the widest publicity as an example of the "free" workings of the British Empire—not only in the case of the subject nations who compose the majority of the Empire (the LABOUR MONTHLY has long been banned from India), but also in the case of the so-called "free," "advanced," "democratic" Dominions, which are held up as models by our own reformists.

This decision has been taken by the Commonwealth Minister of Customs, Mr. Pratten, by virtue of the Customs Act, Section 52 (g), which runs:—

"The following are prohibited imports: all goods the imports of which may be prohibited by proclamation."

Under this luminous definition, it may interest our readers to know, thirty-six specific books and pamphlets, and eight periodicals have already been placed on the list of "prohibited imports." In this new index expurgatorius of democratic Australia are such works as:—

Marx and Engels: "The Communist Manifesto."

Trotsky: "Where is Britain Going?"

Marcy: "Shop Talks on Economics."

Lenin: "Imperialism."

Lest the Australian Mr. Podsnap should be thought unworthy of the sires that begat him, it should be added that the Australian Press, at the same time as the decision of these prohibitions, which have been passed over in complete silence, spread broadcast the spurious tales (originating apparently in the "Manchester Guardian" and the so-called "Russian Writers' Letter") about the supposed suppression of Kant, Hegel, &c., in Russia, and on the basis of this proceeded to issue editorials on "Communists' New Tyranny," and to proclaim loudly that

"in any country under the British flag the freedom of a man's mind to think and read and believe what he likes is absolute."

("Sydney Morning Herald," September 9, 1927.)

The question of the LABOUR MONTHLY has been taken up in the

Commonwealth House of Representatives, in the Parliamentary Library of which the file of the LABOUR MONTHLY has hitherto been regularly kept. The Minister has accepted responsibility for the exclusion, and added with a brilliance worthy of the Mother of Parliaments that

"if action had been taken which was not in accordance with law, the owner of the property would have the ordinary legal remedy."

The proprietors of the LABOUR MONTHLY are much obliged for this assurance. Mr. Pratten should go far.

Agitation is being taken up on the question in Australia in the Labour Movement. Protests have also been expressed by Professor John Anderson, Professor of Philosophy in Sydney University, Professor J. F. Bruce, of Sydney University, and others. We wish to thank our Australian friends for their assistance (and in particular the splendid campaign in the Australian "Workers' Weekly"), and to wish them all good luck in the fight.

In the meantime we would call the attention of readers outside Australia to a special aspect of the question.

Our circulation in Australia has up to the present run into several hundreds of regular sales every month. We shall see that our magazines continues to reach Australia, but our bulk sales are now cut off. This follows on the same cutting off of our sales in India. By this means it is sought, not only to cut off the workers in the Empire and the English-speaking countries from a common organ of their struggle, but at the same time to deal a blow at the circulation and material basis of the LABOUR MONTHLY.

For this reason, pending the re-establishment of our connections with Australia, we ask our readers elsewhere to demonstrate their contempt and indignation at the action of the Australian authorities by winning for us in other directions double the circulation lost in Australia, so that our magazine may only be the stronger for this attack.

The general circulation of the LABOUR MONTHLY, we are glad to report, is at present rapidly rising. Last month's issue was sold out.

In the new and sharpened phase of struggle in Britain, as well as on the world scale, any work to increase the circulation of the LABOUR MONTHLY is also to serve the advancement of the working-class movement.

THE PROBLEM OF RATIONALISING BRITISH INDUSTRY

By E. VARGA

[The questions of the British economic situation raised by Comrade Varga in this article, which he has specially contributed for the LABOUR MONTHLY, are of very great importance, and discussion is invited. Subsequent articles will appear next month and after from other comrades from varying standpoints; and it is hoped that this discussion may provide the occasion for a systematic review of the most recent questions of the British economic situation and their bearing for the revolutionary working class.—ED., LABOUR MONTHLY]

A PROCESS of rationalisation is in progress in British industry. The question arises as to what are the prospects of rationalisation enabling British industry—as a whole, not its individual branches—to regain its position in the world market and earn an average rate of profit on its industrial capital; industrial capital being used in the Marxist sense, that is, productive capital invested in industry, agriculture, and transport.

Before turning to the special problem of rationalisation in *British* industry, we shall first of all give a brief outline of the essence of rationalisation itself.

Rationalisation covers two processes. In its broader sense it is understood as consisting of all those measures taken to increase the profits of a particular undertaking or of the total capital invested in one particular branch of industry. In this sense rationalisation is the term used for increase in profits won at the cost of the profits of other capitalist undertakings, that is to say, a redivision of the total profits among the capitalists themselves in the process of the formation of monopolies¹, a decrease in the share of the total profits taken by loan capital, &c.

¹ We assume here that the workers are still receiving the value of their labour power in their wages, that the surplus profits of the monopoly do not mean a reduction in the real wages of the workers.

Real rationalisation, however, means an increase in the rate of surplus value. This can be obtained by *increasing the productivity and intensity of labour*; by economising labour time through better organisation, as well as by simple raising of the degree of exploitation through wage reductions and increases in hours of labour: in short, through decreasing the length of time required to produce the unit quantity of product.

Rationalisation in its broader sense means a redistribution of the total profits of capitalist society in favour of those sections carrying out the process of rationalisation; rationalisation in its narrower sense means an increase in the rate of surplus value, and a decrease in the workers' share of the value of the product. We shall deal with both forms of rationalisation, but the distinction must be retained theoretically.

It is clear from the above description that, although the word rationalisation is new, the phenomenon itself is of ancient lineage. Increased productivity and intensity of labour are inseparable from capitalist development; they are the economic expression of technical progress. Nothing could be more fallacious than to believe that rationalisation is a privilege of German capitalists. . . .

We shall now examine the special position of British industry in relation to the possibilities of rationalisation.

It is incontestable that the technical basis of the old British industries presents greater obstacles to rationalisation than was the case in the industries of Germany and America. (It is important to emphasise "old"; for the "new" industries, such as chemicals, motors, artificial silk, electric, &c., are not in the least behind Germany in matters of technique.) The long period during which England was "the workshop of the world" has resulted in specialisation of enterprises in particular commodities with comparatively small concerns. There are cotton-spinning concerns in England which spin the same number of yarn throughout the year; there are tinplate works which always produce one particular brand of tin. The possibility of supplying the whole world with a particular industrial product has led to a horizontal specialisation accompanied by neglect of the advantages of vertical concentration. This explains the existence of the comparatively large number of small concerns in the old industries.

This also explains the fact that the machinery of production in British industry is concentrated much more strongly on producing for the world market than is the case in either Germany or America. For the same reason, in consequence of the unimportance of the home market, the transition of British capitalism to high protective tariffs has not been completed.

Specialisation for the world market and the absence, until recently, of protective tariffs have resulted in a much lower stage of monopolisation being reached in England than is apparent in other industrial countries less dependent upon export trade: Germany and America.²

This state of affairs has organisational and ideological effects; in economic policy—the ideas of individualism, free trade and *laissez faire*; in the trade union movement—the great number of organisations catering for the same industry and maintaining the right of their members to be employed on certain kinds of work within the same branch of production. Both these factors are obstacles to carrying out a process of rationalisation.

The different methods of financing industry employed in England and Germany are of particular importance. British industry is to a large extent financed by loan capital: by capital which, in the form of debentures and preferred shares, receives a fixed share of the profit, not partaking of the “reward of enterprise,” but also entailing a decreased risk. The British banks themselves do not finance industry by purchasing ordinary shares, as the German banks do, but by granting loans against special securities.

In consequence of this method of financing industry, the fusion of industrial and banking capital to form finance capital has not reached so high a stage in England as in Germany. Since the banks and the owners of loan capital are protected by special

² It would be incorrect to believe that there are no powerful monopolies in England. In his valuable book (*Industrial Combination in England*, London, 1927), P. Fitzgerald gives the following examples of monopolies:—

	Capital (Million £)		Capital (Million £)
Coats Cotton Trust	.. 28	Levers Soap	.. 64½
Cotton Dye Trust	.. 10	Mond Chemicals	75
		Royal Dutch Oil	70

This suffices to show that certain organisations are not behind the largest German concerns, such as the International Dye Trust and United Steel Works, in capital strength.

securities, and receive their fixed rate of interest before the actual industrial capital, in the form of ordinary shares, takes any profit at all, the owners of capital bearing a fixed rate of interest, the "vested interests", are even indifferent to the fate of industrial capital so long as the profits are sufficient to cover the payment of their fixed rate of interest. While in Germany industrial and banking capital are amalgamated in finance capital, and form one unit, as distinct from vested interests, in England industrial capital and vested interests are separate, and have contradictory interests.

This difference—and here we come upon one of the most important differences between England and Germany in the post-war period—is responsible for the fact that in the former country there was a policy of deflation and in the latter one of inflation. That meant that in England *all interest paid on capital from the profits of industrial capital had to be paid at gold value*³, while in Germany the share taken by vested interests from the profits of industrial capital was reduced to a minimum, and the rentiers were, in fact, expropriated in the interests of industrial capital. Deflation signified the victory of loan capital over industrial capital, while in Germany and Europe generally the process was reversed, and industrial capital won the upper hand. That such was the case in England is, of course, no accident. This victory of loan capital was the consequence of the overwhelming importance of stable exchanges for British banking capital, and for England as the centre of world finance. But deflation has also a most important class significance, for England is the only European country which has no peasant class.

In England the capitalists and the workers are directly opposed to each other, without any protective middle section such as is formed in other countries by the peasantry. Precisely because of the absence of a peasantry it was essential for British capitalism to maintain the rentier class, and not to expropriate them, so as not to add the revolt of the numerically large rentier strata to the revolt of the working class.

³ The largest British iron works have in the last six years had to pay away their entire profits as tribute to the vested interests. Ordinary shares received no dividend at all.

All these circumstances have made British industry backward in comparison with German industry, so that, as a French writer aptly expressed it, "British industry has still to complete its transition from the nineteenth to the twentieth century"⁴, consequently, *rationalisation on a large scale has become a vital necessity for British industrial capital*. This rationalisation of industry has become more urgent for British capitalism because of the intensified competition of German industry which has already been reorganised ; it has become more urgent because of the intensified American competition ; it has also become more urgent because profits from colonial exploitation have diminished as a result of colonial rebellions, and because at the present moment monopolies in raw materials are yielding a lower profit in consequence of falling prices.

Is there any possibility of a large scale rationalisation of British industry ?

We believe that in spite of certain difficulties arising from the historical development of British industry, difficulties to which we shall return later, *the comprehensive rationalisation of British industry is theoretically possible*, that, indeed, there are certain factors more favourable to such a process than were present in Germany. These factors are :—

(1) *The lower rate of interest on loan capital necessary for the reconstruction of production*. While German capitalists had to carry out industrial rationalisation by means of very expensive foreign capital, of loan capital for which they had to pay 10 per cent per annum, England possesses enough capital of its own for this purpose, which is at the disposal of industrial capital at low rates.

(2) There is a tendency for the cost of living for the working class to fall. In the last two years there has been—according to official figures, which may be somewhat exaggerated—a drop of 15 per cent.

(3) The capitalists hope that, in alliance with the Trade Union leaders, they will be able to carry through rationalisation without any great opposition from the

⁴ A. Siegfried. *The Times*, January 11, 1928.

workers, who have not yet recovered from the defeat of 1926.⁵ The whole "Peace in Industry" campaign serves this purpose.

What, on the other hand, are the difficulties in the way of rationalisation? We have already referred to the most important in our description of the peculiar conditions of British industry :—

(1) The small size and technical backwardness of many concerns in the old industries. A much more extensive reconstruction of actual machinery must be undertaken in England to reach the present world economic level of productivity than was necessary in Germany. This means that a larger proportion of concerns which are still working must be closed down as "morally obsolete."

(2) The low stage of monopoly formation demands much greater *organisational* improvement than was necessary in Germany. In this connection the historically determined ideology of free trade, of "individualism," held by the British capitalists is an obstacle. But it is, of course, obvious that this ideology will not in the long run be able to withstand the necessity for rationalisation resulting from the changed economic basis.⁶ The relations of the big banks to industry will also change under the pressure of conditions.

(3) It has been asserted that the opposition of rentier capital, of vested interests, is the chief obstacle to rationalisation. The peculiar manner in which British industry is financed, and the special privileges of loan capital are certainly obstacles. But we believe that it is fundamentally impossible for vested interests to prevent rationalisation. The interest going to rentier capital is a portion split off from the profits of industrial capital. It can scarcely be maintained that the particular interests of that section of capital should bring about the ruin of industrial capital,

⁵The miners' defeat led to large reductions in the wages cost per ton of coal and to cheaper coal; also an important factor in rationalisation.

⁶It is significant that Keynes, perhaps the most outspoken apologist of British capitalism, has written a book with the title: *The End of Laissez Faire*.

thereby drying up the source of its own interest. As banking and loan capital achieved a victory over industrial capital in the matter of deflation, so industrial capital will win the upper hand in the question of rationalisation, which is a vital question for British industrial capital, and industrial capital is the basis of vested interests.

Summing up, we may say, therefore, that the prospects of rationalisation in England must be neither under-estimated nor over-estimated. Among the so-called basic industries, which suffered the most in the post-war crisis, there are a few where rationalisation is obviously feasible. These are the heavy industries, machine construction and shipbuilding. No valid reasons can be brought forward why rationalisation in these industries should encounter any insuperable obstacle. There are particular difficulties in the textile industry. In this case it is not possible to carry out rationalisation in the sense of making the textile industry capable of competing on the world market to the former extent. In the section of the textile industry handling coarse cotton goods, *i.e.*, about two-thirds of the cotton industry (no crisis existing in the remaining third which spins fine cottons), a part will be ruined, because it cannot compete with the new industry of the Colonies.

The *mining industry* also offers special difficulties. There is an international coal crisis, caused by the opening up of coal production in areas which formerly imported coal ; by technical economies in the utilisation of fuel, and by the replacement of coal by oil and water power. The formation of cartels among mine-owners, in connection with agreements with the German and Polish coal industries, would solve the crisis by raising prices on the world market—*for the capitalists, but not for the miners* !

Thus, with the exception of a section of the cotton industry and coal-mining, there are no insuperable difficulties in the way of a rationalisation of British industry. The existing difficulties are more or less counterbalanced by the advantages detailed above, particularly the low rate of interest on loan capital. Above all, it must not be assumed that British industrial capital, amounting to about five to ten milliard pounds, will passively acquiesce in its own destruction and will not make every effort to regain its position as a competitor in the world market; that is, to carry out

a process of rationalisation. Actually, rationalisation has already begun. Let me enumerate the facts briefly :—

- (1) Large amalgamations in heavy industries.
- (2) Formation of district cartels in the mining industry.
The export cartel in the mining areas of Lanarkshire, Nottinghamshire and Derbyshire, has already commenced activity : for every ton sold in the home market, 3d. is paid into a central fund for subsidising exports. Similar agreements are in process of formation in other areas.
- (3) Formation of cartels in the cotton industry, although it has not so far succeeded, will be an accomplished fact in the near future.
- (4) Large scale electrification in the South of England.
- (5) The growing influence of the big banks in industry, &c.

There is only one possible obstacle in the way of the further development of rationalisation: a general resistance on the part of the working class to the intensified exploitation which is inseparable from rationalisation. Whether this will occur is a question which we shall not discuss here.

If British capitalism succeeds, by rationalisation, in reconstructing and improving its machinery of production to a large extent, it will mean—for the period of reconstruction—a break in the decline of British industry, a certain stimulus for the industries producing means of production (division 1 of Marx) and, connected with that, increased activity in the industries producing consumption commodities. It cannot be disputed that the reorganisation of the production apparatus widens the market in division 1 ; industrial capital produces for itself.⁷ The extent of the boom caused by rationalisation will be greatly influenced by the intensity of the economic crisis now beginning in Germany and the United States.

⁷The rationalisation which has so far taken place has already led to increased capital investment in England itself. Statistics of capital issues are very unreliable, for all capital invested in a concern which is registered in England, whether it has its operation in India or South America, is registered as being invested "at home." Since, however, this faulty method has *always* been used, it may be assumed that at any rate a part of the given increase in capital invested in the home market in recent years really does mean increased investment at home.

This by no means implies that the boom will last after the period of rationalisation has ended, or that the general tendency towards disintegration of the British Empire will come to an end owing to rationalisation.

After the period of rationalisation (we are concerned only with the end of a particular stage, for rationalisation is inseparable from capitalist development) the struggle for world markets will become still sharper than it is now. This means that the desire to decide the problem of markets by the employment of military methods will be intensified.

Nor does the rationalisation of British industry in any way signify the end of the process of decline in British capitalism as a whole. Not only is this the case because this decline is merely one phenomenon in the general decay of European capitalism, but also because the particular causes of the decline of British capitalism will not be removed by the rationalisation of British industry. These particular causes are: the continual disintegration of the Empire because of the efforts towards independence on the part of the Dominions; the growing resistance of the subject Colonial peoples to British rule; the transference of financial predominance from England to the United States; America's successful attack on England's monopoly of raw materials, &c.

Just as little does rationalisation, *after it has been carried through*, mean the solution of unemployment in England. Rationalisation means that less labour time than formerly is spent in producing the unit of production. Therefore, in order to employ even the previous number of workers, it must be followed by a considerable extension of the market for industrial commodities. But with the tendency towards industrialisation in all countries—every country, to ensure its own means of defence, must develop its own industry—with the powerful competition of American, German, French and Italian industry, all of them countries where the home market is assured by high protective tariffs, and which engage in dumping on the world market, methods which, because of the historical structure of British industry, could only be employed in England after an extremely widespread re-building of the apparatus of production, it is impossible to count on such an extension of the market in the period of the decline of world capitalism as would

absorb the unemployed. The German example shows that rationalisation does not by any means dispose of the problem of unemployment.

In conclusion, we may say that the British capitalists are about to carry through rationalisation on a large scale. The possibilities for this exist, in spite of certain historical difficulties, if the workers offer no determined and successful opposition to it, and that is not very probable after the severe defeat of the British working class and the treacherous acts of the reformist leaders. Rationalisation will bring with it a temporary improvement in the position of British industrial capital, lasting about two or three years, but it will not put an end to the general process of decline in British capitalism.

THE WORLD WIDE COAL CRISIS

By A. J. COOK

THE world war in the coal industry has created an entirely new situation and threatens to assume ruinous proportions throughout the entire coalfields of the world. Prior to the War, Great Britain held the field and dominated the whole of the European market with its huge export of coal, amounting to 73,400,000 tons. This has led many ignorant observers to believe that Great Britain could still maintain the same proportions. There is a very true saying, "There are none so blind as those who will not see." There is no need to elaborate to any great extent to our readers facts that should be apparent to all who understand anything about the international economic development of the coal trade.

The increased production throughout the whole of Europe as well as in America has created an entirely new situation. While new processes of developing power by use of electricity and oil have intensified the competition in the coal trade, up to the present there is nothing that could be termed organisation existing in the industry. All these various changes, hastened by the operations of the politicians, with their Peace Treaties, Reparations, and Dawes Scheme, have created chaos and conflict. In every country the struggle is intense, and although it may take on different forms, they all lead to the same end. In every country the coal industry presents a classical example of the bankruptcy of capitalism. While the miners are suffering from unemployment, underemployment, and semi-starvation, the coalowners are complaining that they are going through severe crises.

It is necessary to examine the position very clearly. At one period it was only the export countries, such as Great Britain, Germany, Poland and America, that were suffering. Now it has spread in an even worse form to countries, like France and Belgium, that are importing coal. An illustration that speaks for itself will suffice. During 1926, as a result of the British Lock-out, 12,000,000 tons less of coal were produced in this country, which

led people to suppose that there would be a shortage. But we find that although all this amount less was produced in Britain, the estimated aggregate output of the whole world in 1926 was 1,184,102,000 metric tons, which is only 3,000,000 metric tons less than in 1925. In Europe 40,000,000 tons more were produced, mostly from Germany, while in America 71,000,000 tons extra were produced. This shows that the producing capacity is exceeding by leaps and bounds the consumptive capacity, because of the changes already mentioned.

Thus, the miners of Europe, with the exception of Russia, in 1926 prepared for their own funeral by refusing to act with the British miners in preventing longer hours and lower wages. [By the end of 1927 unemployment had increased in every coal-producing country and struggles between the mineworkers and their employers have taken place in several countries, including America, Poland, Czecho-Slovakia, and Sweden, while in other countries accommodations have been made in wages and hours, and negotiations are still in progress in which the employers are demanding longer hours and lower wages. Besides this, we have seen the introduction of restrictive measures in Germany, France, Spain and Portugal, and indirect subsidies resorted to in Poland, Belgium, Czecho-Slovakia, and other countries, to ease the strain imposed upon the industry by the intensified competition, especially of Great Britain.

In Britain our position is more desperate than ever before. Three hundred pits have been closed down during 1927. While the coal output is more than 30 per cent. below potential capacity, inland consumption has shrunk enormously owing to the condition of the great iron and steel industries, which consumed so much coal. Imports of foreign iron and steel, which are dumped on the British market, have increased rapidly. In short, Great Britain is dumping coal on the Continent at lower prices than it can be produced there, and from the Continent steel is being dumped in this country.

Various attempts are being made to meet this serious international coal crisis. Rationalisation and international cartels are being suggested, while the miners on the Continent are suggesting restriction of output by international arrangements, with certain

quotas allocated to each country. The Governments in various countries have been approached to deal with the matter, but all they suggest are purely artificial means, such as reducing cost of production, especially wages, which would lead only to further intensified competition, chaos, and conflict.

The International Miners' Committee have discussed the position on several occasions, but have failed to arrive at any agreed uniform principles on which to cope with the situation. The fundamental difference between the British and the Continental representatives is that while the European representatives want to refer the matter to the League of Nations and I.L.O. for further inquiries and investigation, the British representatives want to arrange uniform working hours and conditions, to prevent exploitation at different rates putting means of intensified competition in the hands of the owners. In short, the British representatives believe in laying down uniform working conditions, and in the nationalisation of mines in each country, as a first step to internationalisation. We believe it is impossible to deal with the question of output, or wages and hours, satisfactorily except through the trade union organisations, and by nationalisation, with workers' control of industry.

It is impossible even to discuss these questions satisfactorily until the Miners' International has been reorganised on a different basis, which will include all the miners of the world. This must include the Russian miners, who, being at present the best organised and the strongest financially, and having experienced the great transformation since the Revolution, are able to give both help and advice. The opposition to the inclusion of the Russian miners in the International comes from the Continental miners' leaders, who are in favour of joining with the employers in their rationalisation schemes, instead of pressing forward for nationalisation with workers' control.

The International Labour Office, instead of doing a service to the miners of the world, has done a great disservice in an inquiry just concluded, the report of which will be printed and circulated under the name of Albert Thomas. By the methods of comparison and the periods taken, this inquiry gives the impression that in Great Britain wages and conditions are too high to meet the requirements

of competition. The British miners have protested against this misrepresentation of the position in the British mining industry. I have no faith in either the League of Nations or the I.L.O. to deal with the question of the world coal crisis. It is fundamentally an international economic question, which is created by all the contradictions inherent in the capitalist system, which, as everybody who understands economics knows, is like a badly constructed machine in which one part is constantly interfering with the movements of another. The attack on the miners everywhere will grow more and more ferocious, as is shown by the brutal treatment of miners in America and Poland, unless the miners of the world unite in one all-inclusive Miners' International,

It is useless to try to accommodate ourselves to an impossible capitalist system which cannot save itself from destruction even by scientific development. All the new methods, new processes of treating coal, low carbonisation, extraction of by-products, pulverisation, &c., serve no use since they cannot increase consumption which has been reduced by lack of purchasing power. The coal-owners do not want to shut down old pits, and they cannot prevent the opening of new pits with new methods, nor can they stop the use of water, oil and electricity. Their only solution—and that only a temporary one—is a further attack on wages and hours, therefore any artificial remedy by means of the accommodation of the miners to capitalism, as the General Council is trying to accommodate itself to Mondism in Great Britain, is indeed "Moonshine." It will only lead to disillusion, and will further cement the power of the monopolists to exploit the workers of the world by means of the servile state, a new form of economic scientific slavery, the rationalisation of the mines, and the rationalisation of the miners. This is what we are being led into, but it cannot operate, or even temporarily solve the problems of the present situation.

I sincerely hope that the International Miners' Conference, to be held at Nîmes at the end of May of this year, will face up to the situation boldly and prepare the necessary machinery to enforce either a seven or six-hour day, bank to bank, and a minimum wage that will give economic security, with uniform holidays, pensions, compensation, and insurance for the men in the industry. That would be the first step towards international unification of mine-

workers' conditions, through the power of the international miners' organisations. Resolutions that are mere pious expressions of opinion will be useless at the present juncture, for they will not create the confidence necessary for building up the international organisation.

For Great Britain there is no possibility of returning to the position of 1913. Post-war problems must be met in a different way from pre-war problems. Countries, like France, that used to import millions of tons of coal, are fast becoming self-supporting. Newer countries like Australia, India and Africa are increasing their production over their industrial requirements, and coalfields are being developed in Japan and China. This provides them with raw material for use in producing other commodities that used to be purchased in Great Britain. Apart from international nationalisation, or international socialisation of the mines, the above proposals are the only ones that can deal with the problem.

To declare, as M. Delattre, the present secretary of the Miners' International, has done, that the remedy for the world coal crisis lies in the limitation of production by international agreement is sheer nonsense, as anyone understanding the economic complications in each coal-producing country realises. There can be no permanent remedy under the capitalist system, as any form of international cartels would further sacrifice the miners and leave them at the mercy of international capitalism. The various coal-owners who have suggested this do so from an ulterior motive, that of protecting themselves.

If this internecine war continues it will lead to the destruction of the mineworkers, as well as the mineowners, for each country is prepared to fight the others for possession of the markets of the world. It is quite clear to me that the problem is an international one, and not until we secure international agreements on hours and conditions, as stated above, will there be any effective control of prices, markets and output. Under private ownership there will be unrestricted competition and price-cutting, with "the devil take the hindmost." Therefore I refuse to accept the politics of Mondism, and urge the miners to stand for a real working-class programme that will compel them to think and act internationally, and will lead not to attempts to accommodate ourselves to capitalism but to eliminate it.

GOD, SIR AUSTEN, AND THE EAST

By W. N. EWER

THE chief task of British foreign policy is to maintain, to consolidate and to develop the control of the British ruling class over those tropical and sub-tropical areas upon the exploitations of which its wealth and its power more and more depend. To that task everything else is, and must necessarily be, subordinated. Great Britain is only interested in Europe in so far as European politics may affect colonial affairs; in America, in so far as nascent American Imperialism may compete with colonial exploitation (as in the cases of oil and rubber) or may challenge the sea power upon which colonial dominion, in the last resort, rests.

Now of the vast colonial territories of Great Britain (from which the self-governing dominions must be excluded) the greater part is grouped around the Indian Ocean and the adjacent seas. Outside that area there are only West Africa, the West Indies, and a few inconsiderable trifles. Inside it are all the North and East African colonies (Egypt, the Sudan, Uganda, Kenya, Zanzibar, Tanganyika, Nyassaland, Northern Rhodesia), Iraq, India, Burma, Malaya. Of these Egypt, Iraq, and Tanganyika are, in name, not colonies or "possessions"; but we are concerned rather with facts than with names. And to them must, in some sense, be added Southern Persia, the Dutch East Indies, and portions of China, which, though not subject to British political control, are in large measure fields of exploitation of British capitalism.

Now the strategic key to the control by Britain of that great area fringing the Indian Ocean lies in the Middle East, in the group of countries which lie between the Indian Ocean and the Mediterranean. Singapore may be an outpost to the East. India a main base in the centre. But the vital lines of communication

with Great Britain itself, whether by sea, air, or land, run from the Mediterranean by way of Egypt, Palestine, Iraq, and Arabia. The alternative is the long voyage by the Cape.

Therefore, for well over a century—ever since, at the close of the eighteenth century, the wealth of the Indian “ nabobs ” superseded the wealth of American and West Indian “ planters ” as the controlling force in domestic politics—British diplomacy has concentrated its attention in that area. During the nineteenth century the “ Eastern question ” overshadowed all others. In its third quarter Great Britain began to aim, not merely at keeping rival powers off the ground, but at occupying it herself. The swift imagination of Disraeli, realising quite clearly that “ England is an Asiatic power ” laid hands on Cyprus and the Suez Canal. Gladstonian Liberalism, a little bewildered by its own actions, established military control over Egypt. Sir Edward Grey, under the Rosebery regime, laid claim to the whole Nile valley, a claim which Salisbury, a few years later, risked war to assert. Right of suzerainty—again at the risk of war—was asserted over semi-independent principalities of the Persian Gulf. Salisbury, in 1898, meditating an eventual partition of the Turkish Empire, unhesitatingly claimed “ Arabia and the Valley of the Euphrates below Bagdad ” as the British share. Grey ten years later struck a bargain with Tsarist Russia which recognised all Southern Persia as a British “ Sphere of Influence.”

When the war came the chance was avidly seized. A Protectorate was declared over Egypt. Palestine, Transjordan and Iraq were Britain’s share of the Turkish loot. A subsidised puppet kingdom was set up in Arabia. A determined and only just unsuccessful attempt was made to bring all Persia under British “ protection.”

Then came the inevitable reaction. Persia asserted her independence. The puppet King of the Hedjaz was chased from his throne by a ruler who, while accepting British subsidies, scornfully rejected British control. There were revolts and bloody suppressions in Egypt and Iraq. A nationalist struggle against the new British dominion developed through the whole area. British Governments, confronted by the prospect of a conflict for which a war-exhausted country was not prepared, purchased

temporary peace by promises and proclamations. Egypt was dramatically declared an independent State, and its "Sultan" gratified with the more august title of King. Iraq was promised that her period of mandatory "tutelage" would be ended and her independence recognised as soon as possible. Ibn Saud was granted recognition as lawful monarch of three-quarters of Arabia. Riza Khan, in Persia, was petted and encouraged to make himself Shah.

It was a wise and a timely retreat. But the position which it created was an entirely unstable one. Hopes had been aroused which could only be fulfilled by a complete withdrawal. And complete withdrawal was the very last thing which the British Government proposed. They had made concessions in words; they were not prepared to make concessions in fact; they were determined at all costs to maintain their effective control of the ports of the Levant, of the Red Sea, of the Gulf, of the Canal; of the land and air routes from the Mediterranean to the Persian oilfields, to India, and to East Africa.

Yet it was necessary, while preserving the realities of control, to maintain the pretence of release. For so it would be possible, if not to disarm Nationalist opposition, at least to divide it, to drive a wedge between "sane" Nationalists, who would be content with the shadow (and personal material advantages associated therewith), and "extremists" unreasonable enough to insist upon the spadeness of a spade and upon the inadequacy of formulæ as a substitute for facts. And so also it would be possible to satisfy that large section at home whose sensitive consciences made it necessary for their peace of mind that the practice of imperialism should be reconciled with the profession of democracy.

This has been the main object of recent British policy alike in Egypt and in Iraq. Egypt was taught, in a series of sharp, practical demonstrations, that the Declaration of Independence was a fraud; that no Egyptian Parliament, no Egyptian Government could last a day without the approval of the Residency; that all the essentials of power lay still with the High Commissioner and the British "advisers." She was brusquely reminded that England has a stranglehold on the Nile water—without

adequate supply of which Egypt must die of famine. Warships off Alexandria emphasised the British Government's warning that it would not allow any strengthening of the Egyptian army or any attempt to bring it under the control of the Egyptian Parliament.

That naval demonstration last June was intended not only to settle the "Army crisis." It was the essential preliminary to negotiations for a "settlement." It was a gesture like that of the German General in 1914 who, negotiating with Burgomaster Max for the surrender of Brussels, opened the conversation by banging his revolver down on the desk. Sir Austen opened his talk with Sarwat by banging down three battleships on the desk; after which he called Sarwat's attention to the fact that "neither of them could escape from the situation in which God had placed them." Sarwat must have been uneasily conscious that for Egypt at any rate, escape was for the time being certainly impossible. But whether he accepted Sir Austen's pious thesis that "the conditions had been imposed upon the Egyptian people by Providence"; or whether he was irreligious enough to ascribe some share in the coercion to the guns of the "Barham," "Malaya," and "Royal Sovereign," to the rifles and machine guns of the British garrison, to the bombs of the Air Force squadrons at Heliopolis—does not appear on the records.

Anyway, whatever his views on Sir Austen's theology, the Egyptian Premier was left in no doubt as to Sir Austen's determination to dictate an "honest and generous" treaty by which Egypt, in return for a few fine phrases, would agree to recognise and to legalise permanently that British military occupation of her territory which has existed illegally for half a century. Sarwat wriggled; was, indeed, encouraged, for appearance sake, to wriggle; this was to be a "settlement by negotiation, not by dictation." But in the end he agreed to the essential clauses, hesitatingly, doubtfully, but under a pressure amounting to coercion.

But to intimidate Sarwat in London was one thing; to intimidate the whole Wafd in Cairo was another. Impiously refusing to bow to the will of God as declared by the mouth of his prophet, Austen; childishly insistent on blurting out, with a

total disregard of good manners, that a spade is a spade; impudently refusing to play the big game of make-believe which was intended to humbug both the Egyptian and the British people; the Wafd unanimously rejected the whole treaty and compelled the miserable Sarwat to tell Lord Lloyd that:—

“My colleagues have reached the conclusion that the draft, by reason both of its basic principles and of its actual provisions, is incompatible with the independence and sovereignty of Egypt, and moreover that it legalises the occupation of the country by British forces.”

That naive statement of the simple truth was greeted with a roar of indignation in England. “A total inability to appreciate the realities of the situation,” snorted the Home Secretary. “Extremist influences have prevailed,” said Sir Austen. The British Press echoed the same theme in varying keys. A just and generous settlement, based on the ideals of Locarno and of the League, had been rejected by wild, unreasonable, irreconcilable politicians. Britain had done her best. For anything that might follow Egypt had only herself and the Wafd to blame. Lord Lloyd’s note was a hint that something *was* to follow; that if Egypt stood by the Wafd she must suffer the consequences.

So ends the first stage of the game. The attempt to get a settlement (of the possibility of which, after Zaglul’s death, both the Foreign Office and the High Commissioners had been naively assured) has failed. But its very failure has been adroitly capitalised; the blame has been thrown on the Egyptians; Sir Austen has added another jewel to his crown of self-righteousness; the conscience of England is appeased; we can now continue to hold Egypt by force in the sure and certain faith that we are executing a task which “Providence has imposed upon us,” and that, if the Egyptians object, that merely shows that they are as stiff-necked as their ancestral Pharaoh, and that like him they thoroughly deserve anything that is coming to them.

The same game of humbug, with the requisite local adaptations, is being played in Iraq. Here it is not a question of legalising an illegal military occupation, but rather a question of evading a series of embarrassing pledges. The Iraqi government under the Military Agreement of 1924 was:—

"At the earliest possible date, provided that it shall not be later than four years from the date of the conclusion of this agreement (March 25, 1924), to accept full responsibility both for the maintenance of internal order and for the defence of Iraq from external aggression."

With a view to being ready to take over that responsibility, the Iraqi Government planned last year a scheme of military reform whereby the present small and inefficient costly force would have been replaced by an army of adequate size recruited (in view of the financial situation) by conscription. The British High Commissioner at once vetoed the plan. Inspired articles in the London Press pointed out that whatever the agreement of 1924 might say, Iraq would still need "British advice and support"; that the Iraqis could not provide the necessary air-defences; that Great Britain was bound to carry out its obligations as a mandatory Power.

In that atmosphere King Feisal and Jafar Pasha arrived in London to negotiate a new treaty, and, as they hoped, to secure admission to the League of Nations and the evacuation of Iraq by the British forces. They were quickly undeceived. Every request was met by a flat refusal. Even Feisal was goaded into anger; he broke off the conversations and sent Jafar Pasha home. This was precisely the situation at which the British negotiators had aimed. Quietly it was pointed out to Feisal that if he *did* go home empty handed, if he *did* at the same time quarrel with the British, the prospects of his retaining his throne were exceedingly slight; whereas, if he would only be reasonable, the British Government would be delighted to insert in the treaty a formal recognition of his independence and sovereignty. Under the joint influence of threats and promises Feisal yielded. Jafar was hastily recalled. The Treaty was signed.

But, as in the case of Egypt, it proved easier to "persuade" a Premier in London than a Parliament in Iraq. Two members of the Cabinet resigned immediately. Jafar, himself, unable to fill their places, followed their example. The first act of the new Government was to ask for a dissolution. It dared not submit the treaty to the existing Chamber.

The result of the elections remains to be seen. But the odds are distinctly against a majority for ratification. In Iraq, as in

Egypt, the attempt to disguise the reality of a military occupation by obtaining treaties of consent from intimidated governments has failed. But the reality of the military occupation none the less remains.

It remains, and it is being intensified. The Air Force in the East is to be strengthened. The army in India is to be strengthened by the addition of a strong, mechanised, mobile expeditionary force, which could be thrown into action within a fortnight in any part of the whole area.

On the pretext of Wahabi raids, Koweit is being occupied and converted into a strong military base. Over against Koweit, on the Persian side of the Gulf, is Muhammarah. The Persian Government is being asked to restore its Sheikh (a gentleman who had been for long years a pensionary of the Indian Government) to his "independence." If the Persian Government agrees (either willingly or under threats) Muhammarah will rapidly follow Koweit. Further down the Gulf British claims to the Bahrein Islands are being asserted. That whole Arabian coast of the Gulf had long been marked down as a reserved area; thirty years ago we threatened France with war if she dared to rent a coal-shed at Muscat. Its occupation is coming very soon now. And opposite lies the South Persian coast, where we are asking to be allowed to establish aerodromes—aerodromes which would at once become units as vital as the Suez Canal itself in those "lines of communication of the British Empire" the protection of which Sir Austen regards as a task allotted by Providence to "God's Englishman" and to "His Britannic Majesty's armed forces."

ELECTRICITY CONTROL IN BRITAIN

By D. J. F. PARSONS

THE struggle for control of the British electrical industry is now fairly set. It is part of the general struggle between American and British finance; but it presents certain peculiar features due to the position of the electrical industry itself.

The development of electrical power is a matter to which the capitalist class as a whole—acting through the State—cannot be indifferent. Electricity is both a monopoly and a key industry; on both these points the capitalist State has been driven to interfere with it. The fact that by nature it is a monopoly gave rise to the closely hammered network of local monopolies in the hands of private companies or municipalities, which were characteristic of its development in the early years of the twentieth century. The growing realisation that it was a power supplier to industry which was more efficient and cheaper than steam power made further intervention essential. For the earlier legislation, by setting up hide-bound monopolies over small areas, actually hindered the rapid progress of the industry which demands large areas supplied from a few huge generating stations with standard equipment.

The bad organisation of the electrical industry and still more the general comparative inefficiency of British industry, due to its historical development, caused the backward application of electrical power to industry. The output per head in Great Britain in 1925 was 282 units. This compares with her industrial rivals as follows :—

Canada ..	1,150	Belgium ..	291
Switzerland	1,000	Italy ..	195
United States	710	France ..	250
Germany ..	318		

A rather better comparative table is provided by taking the degree of industrial electrification in Britain, Germany and the United States. The figures are :—

Great Britain 48 per cent. (1924)	Germany, 66 per cent. (1925)
U.S.A., 73 per cent. (1925)	

The degree of electrification in Britain varies considerably between different industries. Of the total power used in 1924, electrical power accounted for over 90 per cent. in engineering and shipbuilding, but just over 40 per cent. in coal mining, 42 per cent. in iron and steel and only 26 per cent. in textiles.¹ In agriculture the percentage is much lower again.

The pushing-on of electrification was therefore necessary for the competitive efficiency of home industry. It is not that electricity would solve all the problems of British industry; at best it would knock only a small percentage off costs. But it is necessary to be at least on a par with the chief rivals. The further application of electrical power to industry, as it comes in for renewals, and to new plants is inevitable.

The designs for wide scale plannings, however, came up against the existing interests and capital investments. In this industry, however, unlike many of the older industries, the basis for compromise existed in that the industry was an expanding one. The output has risen from 1,600 B.T.U. in 1914 to 5,000 in 1921, to over 8,000 in 1926, and 1927 and a possible 10,000 in 1928. The capital in authorised supply undertakings (almost exactly divided between company and municipal) increased from 98 million pounds in 1913 to 129 million in 1920, and to 282 million in 1927.² The capital investment will quite possibly double again in the next ten years. The profit return is steadily increasing. On all classes of capital (of companies) the average rate of dividend rose from 5 per cent. in 1920 to 6 per cent. in 1927. The results now being announced show even higher returns.

In these circumstances the re-organisation of electrical supply was a matter, put briefly, of buying out the existing legally-protected monopolies or of giving them sufficient inducement to take part as units in a wider scheme. This has proved a lengthy business. A series of Acts passed between 1919 and 1926 have set up a central authority with powers to create electrical areas,

¹ These figures are published by B.E.A.M.A., the Electrical Manufacturers' Association.

² Garke: *Manual of Electrical Undertakings*.

to centralise electrical generation and to arrange for transmission &c., in these areas. But this merely relates to what may be called the wholesale side. The power stations are to be owned by or under the supervision of the Electrical Board, and provide current to the existing supply companies. In London the scheme has entrenched the private monopolists to a remarkable degree. In general, as the director of the Electrical Manufacturers Association has complained

“There is a very serious danger of the national scheme . . . becoming merely a consolidation of existing interests instead of a powerful instrument for the realisation of economic and industrial prosperity.” (*Financial Times*, November 28, 1927.)

As the Weir Committee, whose recommendations were the basis of the 1926 Act, put it, under the scheme their “monopoly will become more valuable.”

That is, the general scheme of developing electricity as part of the rationalisation of British industry (the process is really more one of stopping the slide) has been built into the existing framework of capitalist interests. Nevertheless, the provision of power is now recognised to be a matter which must be centralised as a concern of the capitalist State. This means, incidentally, that the proposal to “nationalise” electrical power is simply to carry out a trifle more logically the needs of capitalist reconstruction.

The distributing side is in the hands of some 330 public municipalities and of some 486 private companies. There is in addition a considerable output—over 40 per cent.—on the part of industrial and transport concerns, as a by-product to coal plant or to provide their own power. The size of the various authorised undertakings varies considerably. In some cases the power companies which have rights of supply and generation over a large area anticipate the schemes under the Electricity Act.

The control of these undertakings is naturally different. With the municipalities the capital investment is indirect in the shape of municipal stock and of a purely rentier character. With the private companies there is also a considerable element of investment purely for a good return. There are also, in many cases, links with important local firms and interests. Finally there is the interest of the electrical equipment manufacturers—the cable makers, plant engineers, &c. It is this element that provides much

of the spring and movement in the electrical industry; the struggle for control of the world electrical power industry is taking place between electrical plant manufacturing interests, who want control of supply companies because they want a safe market for their products. The importance of this factor is freely recognised. Thus, last year, the British Electrical and Allied Manufacturers' Association published a book³ showing how the European supply industry was organised and how it was falling into the hands of American engineering companies operating through finance companies which acquired control of European manufacturing concerns. The moral of B.E.A.M.A. was "go thou and do likewise." *The Times Trade Supplement* in reviewing the book said

"It is shown that not technical skill nor excellence of product, but quite other considerations decide the course of trade."
(B.E.A.M.A. advert.)

He would indeed be a simpleton who imagined that technical skill in excellence of product had any weight in the scales against directoral pressure or financial pull.

It is not possible here to describe in detail the connection between the British supply industry and electrical engineering firms. We may take, however, a dozen of the leading "power" companies. Power Securities Corporation Ltd., a subsidiary of Babcock and Wilcox and British Thomson-Houston (a branch of the American G.E.C.) is connected by directors with five, Callenders is directorally connected with four, the British Electric Traction group (which owns Brush Electrical Co.) with four; shareholding connections would carry us further. The grip that rests on the power supply companies vibrates with something more substantial than current. The return on all classes of capital to manufacturing concerns in 1927 was 9·3 per cent. (*Garke*).

Not all companies demanding electrical plant are connected in this way and municipalities not at all. Moreover, the production capacity of British plants necessitates extensive exports.

The home market is worth 70-80 million a year and exports are about a tenth of this. The organisation of British electrical engineering companies into B.E.A.M.A. appears to meet this

³ Combines and trusts in the Electrical Industry ; the position in Europe in 1927.

problem. B.E.A.M.A., which is connected with the leading lights in the electrical manufacturing world, has many general objects and an excellent statistical service. But it has knowledge, to say the least, of the more definite price arrangements against which the Southern Railway and the Stockport Council bumped recently. In the book referred to above it states that

“the electrical industry has through effective combination and observance of reasonable standards of production and price maintained its position.”

And in another publication, *The Electrical Industry and the Consumer*, the policy is defended at some length. The combination is not, however, quite as tight as is desired and we find Sir Philip Nash at a company meeting advocating

“Co-operation in the industry by the elimination of avoidable competition, by the pooling of research, and concentration of engineering, development and manufacturing facilities, also by standardisation of product.” (*The Times*, March 17, 1928.)

There is little doubt that an electrical engineering trust will come as a factor in the struggle against the American expansion and finance-control of the supply company markets.

The stake is undoubtedly valuable. Control of the electrical power of Britain, the profits of monopoly and the £250 million odd orders coming for plant are at issue. The question is posed around the American interest—especially the General Electric Co (of America). The finance offshoots of the American engineering concerns have widespread interests already (in Europe they control the principal electrical manufacturing companies in France, Belgium, Spain, Italy, Denmark, Holland, and, it is believed, Czecho-Slovakia, and in Germany the A.E.G. and Siemens-Schukert, (*Financial Times*, March 12). The British interests in turn control subsidiaries in Poland, Greece, and the Empire (or some of it).

The British electrical manufacturing companies have for some time been carrying on an agreed export policy; B.E.A.M.A. has been advocating greater resistance as a means of fighting America, though last October we find B.E.A.M.A. advocating an international combine. The *Financial Times* makes it clear that

the formation of an international cartel on the lines of the steel cartel would represent merely a central trust controlled from America.

It advocates that British firms

work more closely together and so oppose a united body of resistance⁴ to the American proposals.

American interests are setting the pace by pushing into the British field. On B.E.A.M.A. itself there are sitting representatives of British Thomson-Houston, a subsidiary of the American G.E.C. A million and a-half, so it is said, is being spent on buying up supply companies in South-East England on behalf of the G.E.C. (American). The chairman of the company handling the deal over here is Sir Philip Dawson, who is consulting engineer to the Southern Railway, and chairman of the electrical equipment firm, Johnson & Phillips.

There is also the incident of the Metropolitan Vickers Electrical Co., which controls 50 per cent. of the British export, and is a key company in the struggle. It was acquired recently by the American interest but repurchased by Mr. Dudley Docker (of the Midland Bank, Southern Railway and Vickers) as a nucleus of :—

“an electrical engineering corporation resting on sound foundations, and so organised that it can compare favourably with the undertakings in Germany and America.” (*The Times*, March 17, 1928.)

The immediate future for the electrical engineering concerns is doubtful. Conditions exist which make a temporary (and jealous) suspension of open struggle possible, though not, of course, by any means inevitable. But the issue is not, as we have shown, confined to the fortunes of a single industry. Control of these approaching engineering monopolies means a share in the control of other vital state-protected power and light supplies and a complete control of the provision of the essential machinery for electrification.

⁴ “Assistance” is obviously a misprint. (*Financial Times*, March 12.)

The World of Labour

		Page
INDIA:	All-India Trade Union Congress	251
GERMANY:	The German Metal Workers' Strike	253

INDIA

All-India Trade Union Congress

THE All-India Trade Union Congress held its eighth annual session at Cawnpore in the last week of November, 1927. Out of fifty-seven affiliated trade unions, with a total membership of 125,000, only twenty-seven were represented at the Congress by about 100 delegates.

In his presidential speech, Mr. Chaman Lal advocated the collection of a large central fund of ten lacs (£75,000) for the development of trade union organisation. On the Simon Commission, he called for the withdrawal of the British Labour members and declared that it was necessary to warn the British Labour Party that "their party as a whole had betrayed the confidence we had placed in it."

The report for the year shows the affiliation of two new unions. Many more had been formed during the year, but by a resolution recently adopted no trade union can affiliate until it has been in existence for more than a year. By Government orders, two of the postmen's unions had withdrawn from the Congress and others were likely to follow. Even the Cordite Factory Union in Madras Presidency had been told by the Government that it should withdraw from the Congress if it hopes to get recognition, although its workers are not under Government rules. Of the 57 affiliated unions, 13 were railway unions, 11 textile, 10 general labour, 7 transport (other than rail), and 4 seamen's unions.

No meeting of the Executive Council of the T.U.C. had been held during the year, nor was any strike authorised by it but, as the report says, "there occurred some strikes and lock-outs in which the officials of the Congress had to interest themselves." By issue of circulars to the Executive Council members it had been decided to send delegates to the session of the I.F.T.U. at Paris in August, 1927.

The proceedings of the Congress showed the presence of an active Left Wing group, mainly representatives of the Workers and Peasants' party, who succeeded in getting discussed the Simon Commission, the threat of war to the U.S.S.R., the League against Imperialism and Colonial Oppression, &c. The influence of the delegates from the British Trades Union Congress, Messrs. Purcell and Hallsworth, was actively exerted on the side of the Right Wing and they obtained the support even of Mr. Chaman Lal. The Purcell-

Chaman Lal group, together with Mr. Joshi, the General Secretary, opposed the resolutions on the League against Imperialism, on war danger and on the Pan-Pacific Conference, but they failed to secure a vote in support of the I.F.T.U., the Congress re-affirming its decision to press for unity between the I.F.T.U. and R.I.L.U. >

Besides resolutions dealing with general labour demands, housing, unemployment, factory inspection and the special grievances of textile workers, railway workers, miners, seamen, &c., the following resolutions were also passed :—

Royal Commission on Reforms

(a) This Congress realising that inasmuch as the appointment of the Statutory Commission on Reforms violates the principle of self-determination for India, and inasmuch as the Commission as at present constituted is, in its opinion, but an attempt to find ways and means to perpetuate the imperialistic domination of Great Britain over India, declares that the Statutory Commission should be boycotted and requests the Parliamentary Labour Party to withdraw its two Labour representatives from the Commission.

(b) Further, the Congress declares that meanwhile a sub-committee should draw up a Labour Constitution for the future Government of India which should be presented to the Executive Council and to the working classes in the country and that Mr. P. Spratt should be the convener.

Council of Action

This Congress, realising the urgency of organising a mass movement of the workers and peasants of India in order to extricate them from their present condition of abject poverty, hereby resolves to appoint a Council of Action consisting of representatives from each province.

The Council of Action will from its appointment undertake the work of :—

- (1) Organisation of peasants and workers in co-operation with the existing unions.
- (2) Propaganda for the assertion of the rights of workers and peasants.
- (3) The setting up of a publicity Bureau and a Central Press.
- (4) The Collection of funds for the above-mentioned objects.
- (5) Mr. Chaman Lal shall act as President and Mr. S. H. Jhabwala as Secretary of the Council of Action.
- (6) The Council will be subject to control by the Executive Council and must present the Executive Council with a programme of the work to be done, and from time to time a monthly report of its activities.

International Trade Union Unity

This Congress deplores the failure of the Anglo-Russian Unity Committee and urges that further efforts be made to bring about Unity between the I.F.T.U. and R.I.L.U. >

Protest Against Imperialism

This Congress re-affirms that it looks upon Imperialism as a form of capitalist class Government intended to facilitate and perpetuate the exploitation and slavery of all workers, both white and coloured, in the interests of the capitalist class, and declares that the only safeguard against exploitation lies in the creation by the working class of a corresponding measure of class unity, solidarity and consciousness.

This Congress therefore expresses its willingness and desire to bring about the greatest possible solidarity and co-ordinated activity on the part of the Trade Unions throughout the world and oppose Imperialism. >

Soviet Anniversary

This Congress congratulates the U.S.S.R. on having attained the tenth anniversary of the first workers' Republic in spite of Imperialist Intervention to break it.

China

This Congress reaffirms its whole-hearted approval of the magnificent advance made by the people of China towards the attainment of national freedom and in pursuit of the principle of self-determination. The Congress warmly appreciates the valuable work that has been done by the Trade Unions and the Peasants' organisations which, under the leadership of Kuomintang, have frustrated the aggressive designs of the united Imperialistic Powers. The Congress, while pledging its full support to the movement of liberation in China, expresses its firm conviction that the cause of Indian Nationalism and the struggle of the working classes against exploitation should profit from the example of solidarity of the Nationalist Movement and the workers, and the workers' and peasants' organisations as set by China.

This Congress vehemently protests against the action of the Indian Government in furthering the aims of Imperialism by sending Indian troops to China, and calls upon the Government of India to recall all such troops.

GERMANY

The German Metal Workers' Strike

EVER since the beginning of the year big upheavals have been taking place in the German industry, which threaten not only widespread dislocation of trade, but also the very existence of the conciliation machinery set up in October, 1923, on whose working the Minister of Labour has just issued a report.

Early in January, the German Metal Workers' Union gave notice to terminate the collective agreement for the industry in the Halle, Magdeburg and Anhalt districts, and demanded an increase of 15 pfennigs an hour, from 75 to 90 pfennigs. An award of 3 pfennigs was rejected by the workers on the ground that wages had for a long time been far too low, and that the system of compulsory awards had on previous occasions prevented a sufficient rise.

The union Executive Committee at first contented itself with issuing a manifesto objecting to the award and refused even to take a strike ballot, but subsequently yielding to pressure from below and with an eye on the forthcoming elections, it declared a strike without waiting for a ballot, and called out 20,000 workers on January 16. The employers replied by closing down all their works in the district the following week, thus locking out a further 30,000 men.

The reformist leaders, alarmed at their own success, began to turn their attention to damping down the fires they had helped to light. They proceeded to prevent the strike from broadening its basis by discouraging sympathetic action, refusing offers of help from Socialist municipalities, or from co-operative sources, &c., even going so far as to declare that "we regard any support from other quarters as uncalled for and criminal interference." In spite of this fact, the Soviet unions sent 20,000 marks for the support of the strikers and promised further aid if necessary.

But, above all, the attacks of the leaders were directed not so much against the employers as against the Left Wing elements in the struggle. Special

efforts were made to counteract the Communist influence in the whole district and particularly in Halle. Communist Trade Union officials were threatened with expulsion for moving resolutions at Town Council meetings in favour of making grants to strike funds, although, many of those on strike and locked out were unorganised and consequently received no strike pay.

The capitalists meanwhile were pursuing opposite tactics. The central German Steel Cartel promptly gave its support to the Metal employers, and the Employers' Associations of other districts made common cause with them. The National Association of German Metal Manufacturers, which had raised a fighting fund of 15,000,000 marks since September, in anticipation of a big wage conflict, decided not only to grant financial assistance to the owners in the district, but to close down all the metal works in the country on February 22, which would involve the lock-out of about 800,000 workers.

In order to avert this crisis, the Labour Minister again intervened and induced the employees to suspend notices for a week. On February 18, he issued a revised award of 5 pfennigs an hour, which was accepted by the owners, whose main purpose in threatening a lock-out had been to force the hand of the Minister, and compel him to resort to compulsory arbitration. They gained their end, for this time the award was declared binding—after the workers had unanimously rejected it—and yielding to pressure from the Social Democrats, who urged that further resistance would endanger the prospects of collective bargaining, the District Committee of the union decided to submit, with only four dissentient Communist votes, in spite of widespread dissatisfaction among the rank and file.

Hardly was this struggle ended when a fresh conflict arose—this time among the Berlin tool makers. As far back as December 12 they had put forward demands for a uniform minimum of 1.50 marks an hour, the abolition of piece-work and the standardisation of working conditions, and at the time, counter threats of a lock-out of 200,000 metal workers appeared in the bourgeois press. On February 27, 1,000 tool makers struck work, and being "key men" their action affected all the works in the Berlin district. The Siemens-Halske and Siemen-Schuckert works instantly threatened to close down, and others prepared to follow suit, so that 60,000 men were to be locked out unless the tool makers came to heel by the end of the week, with a possible extension to cover the whole 200,000 men in the Berlin metal industry.

The workers replied by calling out the 3,000 remaining tool makers, but in the meantime an award had been issued on March 10 and confirmed on March 12, which met none of the workers demands, fixed minima as a basis for fresh negotiations, retaining piece-work and substantially the present rates. In spite of acute disappointment and indignation among the strikers, the union at once capitulated, and ordered the men back to work on March 14.

But this is not the end of the struggle. Nearly 250 wage agreements are due to expire in the course of March and April, involving more than 300,000 workers; and everywhere demands are being formulated to cover the rising cost of living and give the workers some share of the economic revival of recent years. The employers, however, are strongly organised and prepared to resist, threatening to close down their works rather than concede to the workers' demands.

BOOK REVIEW

GRAFT

Misleaders of Labour. By William Z. Foster. (Trade Union Educational League, 2 West 15th Street, New York City.)

CAPITALIST society, in every country, is shot through and through by corruption. There are different types—grading insensibly from the crudest bribery to the subtlest inducement. There is social corruption working as a deadly ally of, insensibly preparing the way for, financial corruption.

Your business man, in franker and more cynical mood, will admit it candidly: will confess that without the payment of secret commissions, the granting of secret discounts, the giving of presents, the doing of "favours," he could not carry on for a week.

"Five per cent. on our costings," said the head of a big firm to me once, "represents what in plain English are bribes. I hate it. But what can I do? It is that or put up my shutters, put myself as near the workhouse as makes no odds, and a few thousand men on the dole."

The self-righteous Englishman loves to dwell upon the corruption of the Oriental. There is enough flat bribery done in the City of London in a week to corrupt all Asia for a year.

From business the taint spreads naturally into politics, since there is no border line between the two. "Imperial" politics and local politics alike are tainted from top to toe. Those in the know laugh leniently or cynically. Those not in the know preserve their illusions about democracy, and only wonder occasionally how So-and-so comes to be so well off.

That, functioning in such a society, the Labour Movement itself cannot hope to be immune goes without saying. A diseased army will infect its enemies by mere proximity; and in this case there is not merely proximity but the deliberate attempt to spread infection. The use of germ-warfare in the class war has been carefully studied and is extensively used by capitalist leaders. They have adopted it instinctively, and they have, ready for its use, a highly developed technique of bribery.

The corruption, by bribery, by blandishment, by flattery, of its leaders is indeed one of the most obvious, as well as one of the most deadly, weapons that can be used against a movement of revolt by an established and wealthy order.

That that weapon is at the moment being used in the United States, William Z. Foster's book reveals with the deadly precision of a charge sheet. Coldly, objectively, Foster sets down the items in his damning indictment.

Granted that it is an indictment, not a judgment; that it is the case for the prosecution. Yet since its publication not a word has been said to refute the charges; not a reply has come beyond hysterical attacks on Foster as a "Red."

Bribes from employers; graft inside the unions; is the double charge, backed up by names and dates, and facts and figures on every page.

I open the book at random and happen on the history of John Mitchell, who Debs once thought was the coming man, but who (as 'Gene noted later) became "the plutocrats' beau-ideal of a Labour leader." In 1900, Pierpont Morgan refused to meet him. By 1919, when he died, he had become a close friend of Morgan's, of Roosevelt's; he left hard on quarter of a million dollars.

Or take a later miners' leader—Frank Farrington, of Illinois, who only a few years back came to England as fraternal delegate to the British Trades Union Congress.

Farrington's salary was 5,000 dollars a year. But he charged fifteen dollars a day "expenses" on top of that.

And then he quarrelled with John L. Lewis. He and Lewis mutually accused each other of taking bribes. And Lewis had the goods on Farrington. He was able to prove that this highly-paid miners' official was receiving a little honorarium of 25,000 dollars a year from the Peabody Coal Company.

Farrington had to own up and quit. He hurriedly went back to the States without putting in an appearance at the T.U.C. He is now Labour Adviser to the Peabody Company.

So one could go on and on with the quotations. The cumulative effect is terrific, and needs no emphasising by a reviewer.

But there is one word which an English reviewer must say to an English reader. For God's sake do not shut this book marvelling at the corruption of the States and thanking heaven that we are not as these Americans.

We are! The scale may be less magnificent; the methods may be often more subtle. But corruption is to-day the gravest danger that threatens the British Labour Movement.

It is the graver because the law protects and safeguards corruption against exposure. Unless you can not only prove, but prove to the satisfaction of a bourgeois court, you dare not so much as hint in public that a public man is corrupt. A book like Foster's book, treating of England, could never be published here.

I know myself of perfectly definite cases in our own movement. I know definitely that — has taken illegitimate money. I know who paid it, and when, and what for. But I cannot give his name here, or the slightest clue or hint as to his identity. If I wrote it the printer would refuse to print it—and quite rightly, since he would be risking prison if he did so.

Now, mark you, in this case I am thinking of, though I know the facts, I cannot *prove* them as a court would understand proof. There are—naturally enough—no documents in existence. The principals would, of course, deny the transaction on oath. Their word against mine. A scandalous attack on the reputation of a public man. Lecture from the Bench. Six months for criminal libel. And the grafter has cleared his name.

Wherefore, neither the printer nor I is going so much as to whisper that, or any other English name in connection with this book of Foster's.

Only, as you read it, don't forget that the United States of America has no monopoly in graft.

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Volume 10 February, 1928 Number 2

PRINCIPAL CONTENTS

Notes of the Month

THE GENERAL ELECTION R. P. D.

Industrial Peace

HARRY POLLITT

Socialism and the Empire

M. N. ROY

Co-operation in the U.S.S.R.

JOSEPH REEVES

The Cotton Workers' Fight against
Imperialism

HUGO RATHBONE

The Beginnings of the Entente

W. N. EWER

The World of Labour

Book Review

Volume 10 March, 1928 Number 3

PRINCIPAL CONTENTS

Notes of the Month

THE NEW WAVE OF WAGE
STRUGGLES

R. P. D.

"The Normal Condition of the
Labour Party"

HUGO RATHBONE

The Indian Struggle for Independence
CLEMENS DUTT

The Struggles of the Chinese
Workers and Peasants

M. N. ROY

The Beginnings of the Entente

W. N. EWER

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Volume 10

May, 1928

Number 5

PRINCIPAL CONTENTS

Notes of the Month

THE I.L.P. AND COMMUNISM

R. P. D.

Rationalisation and British Industry

II. - - J. R. CAMPBELL

III. - - EMILE BURNS

Mr. Citrine and Trade Union Democracy

JOHN A. MAHON

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VOLUME 10

MAY, 1928

NUMBER 5

Editor : R. PALME DUTT

CONTENTS

Notes of the Month - - - - -	Page 259
<i>THE I.L.P. AND COMMUNISM</i> By R. P. D.	
Rationalisation and British Industry - . .	273
II. - - - - - By J. R. CAMPBELL	
III. - - - - - By EMILE BURNS	
Mr. Citrine and Trade Union Democracy - . .	295
By JOHN A. MAHON	
The Strike Wave in Egypt - - - - -	303
By J. B.	
The World of Labour - . . . - .	312
U.S.A.	
Book Reviews - - - - -	315
The Struggle for a Workers' International By T. A. J.	
A Marxist Text-book with Pictures By M. H. D.	

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NOTES OF THE MONTH

*British Economic Situation — Connection with New Policy —
I. L. P. Conference — Self-Questionings — Reflection of Labour
Party Transformation — Not Dead Yet — Political Weaken-
ing — Snowden's Obituary — Defections to Communism —
I.L.P. as "Alternative" to Communism — The
"Third Alternative" — Is there an I.L.P. Line?
Parliamentary Experience — Identical Policy
No Differences — Revolutionary Heroics
— Practical Prudence — Real Role
of Independent Labour Party.*

THE attention of readers of the LABOUR MONTHLY is called to the controversy on the British economic situation and the prospects of rationalisation, which was opened by E. Varga in our last issue, and is carried forward by J. R. Campbell and E. Burns in the present issue. The question here raised, and the correct estimation of the coming period, is the dominating question of the British situation to-day. Further contributions will be printed in forthcoming issues, and the collaboration of all revolutionary Marxists is invited in assisting to reach a collective judgment on the questions raised by the newest developments of British Capitalism.

THE question of the new stage of British Capitalism is closely connected with the question of the new stage of militant working-class policy, which has now reached general acceptance and passed into action. The new militant policy is in fact a necessary response to the new stage. An integral part of the new reorganisation attempt of British Capitalism, and indeed one of its central pillars, is the attempt to draw the organised working-class movement through the collaboration of the reformist bureaucracy into the apparatus of re-organised capitalist production and make it a part of the machinery of the new State Capitalism. Against this new policy, exemplified equally in the

Mond Conference, the new directives of the Labour Party and the expulsion and disfranchisement campaign against the revolutionaries, it is a life and death necessity for the militant working class to sharpen the line of fight in every possible way, as the sole means to save the independence of the working class. In previous issues of the LABOUR MONTHLY during the past half-year this question has been examined from a variety of standpoints bearing essentially on the line of development of the Labour Movement and of the Labour Party, and pointing all to the same conclusion. A fresh aspect of this question is afforded now by the Conference last month of the Independent Labour Party ; and to this, and the lessons from it, it will be of value to turn.

THE importance of the Independent Labour Party Conference held last month at Norwich lies not so much in the question of the Independent Labour Party itself, which is at present very weak and a political shadow, but in the light it throws on the present stage of the Labour Movement and of the Labour Party. The picture here revealed has a very important bearing on the whole question of the Labour Party, and confirms from a fresh aspect the correctness of the new line of policy of open fight against the official Labour Party, to which the militant working-class elements are now addressing themselves. For here, in the present unhappy state of the Independent Labour Party, is laid bare the inevitable working out of the alternative to the open fight. The self-questionings, the contradictions, the dilemmas and unrealities of the I.L.P. Conference have been a matter of universal comment. But the real basic reason for this situation, and the tactical conclusion to which it points, has not been so clearly brought out. *What the contradictions and dilemmas of the present stage of the I.L.P. demonstrate with living power is the impossibility and impotence of a "left reformist" or "loyal opposition" policy within the Labour Party*, and the consequent necessity for all honest socialist working-class elements to advance to the stage of open fight. This is the special significance of the I.L.P. Conference and of the present stage of the I.L.P. The I.L.P. claims to be the "socialist soul," and "leaven" within the Labour Party. Here, in the proceedings of the Easter Conference, may be observed the

reality. The analysis of these proceedings is a thankless task : to wade through the phrase-making contradictions and irresponsibility of the resolutions and discussions is like trying to cut a way through miles of thick glue ; to criticise them feels as wanton and cruel as to criticise a child's sand-castles for not being solid. Nevertheless, it is a necessary discipline. For here, more convincingly than any theoretical demonstration could do, is exposed the whole fallacy of the "ginger group" conception in relation to the present formed and hardened Labour Party.

THE I.L.P. has for the past twelve months been going through a Hamlet-like process of introspection and self-questioning—to be or not to be. Its Press and its publications, its chairman's speech and its propaganda, are all concerned and overweighted with this curious problem of its own existence. What is behind this manifestation ? In general terms, the question is not a new one. The question of the rôle of the I.L.P. has been canvassed and discussed at various stages ever since the foundation of the Labour Party. Since the transformation of the Labour Party after the war into a fully-fledged reformist socialist party, with a nominally socialist programme and individual membership, the question has naturally become more intensified. Nevertheless, this situation has gone on for ten years already without reaching any crisis ; and in the earlier part of this period the leaders of the I.L.P. and of the Labour Party, such as MacDonald and Snowden, professed themselves convinced, and loudly proclaimed their conviction, of the necessity of the separate existence of the I.L.P. The current explanations, therefore, that interpret the present crisis in terms of the events of ten years ago, are not adequate and do not touch the special character of the present situation.

WHAT has happened in the interval ? Have serious differences grown up between the I.L.P. and the Labour Party ? Not at all. The political "differences" between the I.L.P. and the Labour Party are very much slighter and more intangible than in the war period or the period immediately succeeding the war. The submergence of the I.L.P. in

Parliament is more complete than ever, and is even the subject of dissatisfaction and unrest among the membership. The explanation of the present crisis is to be found not so much from inside the I.L.P. as in the whole new stage of the Labour Movement and, in particular, in the new stage of the Labour Party. With the increasing sharpness of the issues of class struggle in Britain, between complete capitalist domination, rationalisation and surrender on one side, and advance to revolutionary struggle on the other ; with the increasing differentiation in the working class ; and with the transformation of the Labour Party from a loose social-democratic party to a *disciplined* social-democratic party, corresponding to the new stage of capitalist reorganisation, the scope for the I.L.P. rôle of sham "left" "opposition" sentiments becomes more and more exiguous and precarious. The show of opposition to MacDonald has to be dropped at the very time when MacDonald is moving, not less, but more openly to the right ; the private schemes and policies of the I.L.P. have to be made more fantastic, cloud-spun and remote from all reality whatever, in order that there may be no trenching on the practical politics of the Labour Party, with regard to which there has to be absolute identity ; and so the basis of the I.L.P.'s "left" appeal grows weaker and weaker at the same time as the right discipline upon them increases. From this follows a turning away of the workers, dissatisfaction in the membership, confusion of the lead, and a dwindling of the whole body, both politically and in organisation.

THIS does not necessarily mean, as some facile critics hasten to assert, that the I.L.P. is already entering on its final decline and approaching an early demise. Those who make this prophecy take insufficient account of the deeper and more lasting factors in the situation in Britain. The roots of Centrism are not so easily extirpated ; in one form or another the weed will spring up anew right into the period of revolution ; its overcoming will demand a long, patient and laborious struggle of the revolutionary forces, a struggle which is still in its early stages. When a new ascending wave of mass struggle develops, there will once again be a rôle for the Centrist allies of Social

Democratic treachery, in order to conceal the too open class-collaboration, which at present finds no concealment necessary, in a new "Left" wave. Even if the I.L.P. should in the interval have been forced to be absorbed into the Labour Party, this only means that some new form will be found ; its death will have been more formal than real. But, in fact, it is possible that the I.L.P., after its present period of weakness, may be endeavoured to be used for a new reformist Left wave after the next Labour Government, and may on this basis attempt to enter on a new blossoming. The exposure of Centrism, and hardening of the militant working class, has only passed through its first stage ; and it is necessary to be prepared for a series of further stages before the final victory.

NEVERTHELESS, it is the case that at the present time, in a period of reaction when the line of class division is sharp and bare, between capitalist dictatorship with reformist surrender on one side, and obstinate hard-pressed struggle of the conscious workers on the other, there is less scope for the fanciful pirouettings and half-measures of the I.L.P. type, and their platform grows more and more exiguous and precarious. The dominant elements of the Labour Party, no longer concerned to conceal their true policy, find them a nuisance, with their sentimental moralisings and exhortations and laments and criticisms, and do not hesitate to say so and to threaten stronger measures. The workers who are seriously concerned to face the new conditions of struggle find them empty and useless phrase-makers in the face of very ugly realities and exacting tasks, and leave their vapourings ignored to go forward with the real fight through the Minority Movement and the Communist Party. Like the petty bourgeoisie crushed between the upper and nether millstones of capitalism and the proletariat, the I.L.P. finds itself ever harder pressed between the Labour Party and the Communist Party ; and the problem of its own existence begins to become the most urgent question on its order of the day.

CORRESPONDING with this weakening and diminution of its political platform goes a process of "peeling" of its membership and support at both ends. On top, the

dominant reformist elements of the Labour Party, the former "big" figures of the I.L.P., increasingly drop their connection with it like a poor relation, criticise it, snub it, scold it, and even, as in the case of Snowden, giving the signal for others to follow, ostentatiously get free from it with a parting message of wishes for its death (the humble I.L.P. of course replying that they hope "personal friendly relations" will continue unimpaired). Eight years ago Snowden could declare at the Glasgow Conference of the I.L.P. in 1920, speaking from the chair which he was vacating :—

I never could leave the I.L.P. It has been too much to me for nearly thirty years. It has had all my interest, all my effort, all my thoughts, and *if I left the I.L.P. I could never be the same man again.*

(Snowden at Glasgow I.L.P. Conference, 1920 : Report, p. 102.)

Irreverent comment might suggest that he spoke not untruly : he is not the same man. But the comment would be superficial. In fact he is the same man, despite all the glaring contradiction of his semi-revolutionary utterances of 1917-1920, of the Workers' and Soldiers' Council period. ("The New Order is being born in blood and suffering. Over two thirds of Europe the Red Flag of Socialism, red with the blood of our martyred dead, floats where but yesterday despotism held the people in vile subjection. If the revolution has to be achieved in Great Britain by violence it will come in that way because of the resistance of the Old Order to the New Birth. If those who now control Governments and economic power hold on and resist, when in the course of historic and economic evolution the end of their epoch has come, they will have to be dispossessed. Now that the fateful hour has struck, we who boast that we have in us the blood of heroes and of martyrs will not shrink from our grave task. We will not betray our comrades in other lands who are dying for International Socialism." —Snowden at the I.L.P. Conference, 1919.) It is a long way from that to the Dawes Report and the appointment of the Agent-General for Reparations, to the idol of the City of London and the upholder of Gladstonian finance. And yet the change is not so great, on a true understanding ; not the man, but events have changed. The Centrist, with his ambiguous revolutionary phrases

without action to trick the workers, is always the embryo of the future Statesman, the model of propriety and the saviour of the bourgeoisie. That is an old story. All that has happened is that when the social reformist leaders still needed the I.L.P. they were not yet secure in the Labour Party ; to-day they hold in the Labour Party a bigger machine, they have the certainty of office and are established in the world of bourgeois statesmanship, and they kick away the ladder that they no longer need (the ladder humbly craving that they may still be " personal friends ").

ON the other side, down below, the workers pass out from the I.L.P., disillusioned, to take up more serious struggle, and pass over to the Communist Party. Week by week comes news of further defections of old workers in the I.L.P. passing over to the Communist Party. The number of branches falls heavily down ; the figures of membership are not published. Most significant of all is the movement in the I.L.P. Guild of Youth ; despite all the efforts of central officialism, the movement towards the Young Communist League takes on irresistible dimensions ; there are wholesale movements in district after district to common working, to closer unity, to fusion ; the Scottish I.L.P. Guild of Youth votes as a body, the reformist minority seceding, to pass over into the Young Communist League. The young workers, the best elements, are being inevitably drawn to the serious militant struggle, to the international revolutionary movement. This is a process of profound significance for the whole future of the British working class. The official apparatus of the I.L.P. becomes more and more concerned with the problem of the drift to Communism. The monthly organ of the party declares :—

Those who have recently been in touch with young people in the movement report that *the Communist issue is the only one that is being discussed. Nobody will attend to anything else.*

(*Socialist Review*, July, 1927.)

And the keynote of the I.L.P. Press will be found to be more and more a discussion of the alternatives to Communism, the arguments against Communism and the fight against Communism.

SUCH a point is reached in this process that the official I.L.P. begins to become conscious and openly expressive of its rôle, not simply as the "Socialist Left" in the Labour Party, but primarily, and with more and more emphasis, as the *alternative to Communism*. They do not realise that with this claim they automatically wipe out their former "left" claims, and reveal themselves for what in reality they are, despite all their seeming utopian leftism—the instrument of the Right in the working-class movement. They defend themselves to the Labour Party chiefs, when the problem of their separate existence is raised, by openly putting forward their rôle as the best method of countering Communism. Thus *Forward* frankly declares, writing editorially on "The I.L.P. as a National Necessity," in the discussion following Snowden's resignation :—

If there were no Independent Labour Party, or no body similar to it carrying on its functions, *many Socialists would be driven in sheer despair to the ranks of the Communist Party.*

(*Forward*, January 7, 1928.)

And the *Socialist Review*, writing editorially on "The Future of the I.L.P.," puts forward as the necessary object—

to attract the really important and aggressive working-class forces which are growing up, and which at the moment are hesitating painfully as to whether or not they must enter the Communist Party.

(*Socialist Review*, February, 1928.)

WHAT, then, is the character of this alternative which is put forward to either the dominant Right Wing in the Labour Party or to Communist "extremism," and aspires to voice the militant working class and socialism in the Labour Party? The basis of the claim rests on this proposition : that the I.L.P. represents a *third* alternative to either the policy of the Labour Party or Communism ; that it is neither the one nor the other ; that while criticism of the "gradualism," co-operation with capitalism, continuity, &c., of MacDonald and the dominant Labour Party policy is admitted, the correct alternative is stated to be, not Communism, but the I.L.P. policy. It is, therefore, necessary to examine the character of this I.L.P. policy in order to discover what kind of "alternative" it presents. We

are here concerned not so much with the vagaries of the I.L.P. programme, which is an attempt to translate this philosophy of the third alternative into a gospel of proposals ; these proposals we have already had occasion to criticise in previous issues of the LABOUR MONTHLY during the past three years, and elsewhere, and they are no longer believed in with much conviction even in the ranks of the I.L.P. (the last blow being delivered to their central pillar by this year's Conference itself, in converting it, against the wishes of the platform, into the old familiar hardy annual of an aspiration for a universal minimum wage, without further regard to possibilities or practical meaning, thus destroying its whole intended distinctive character and converting it to pious rubbish). But the important present question is the *line* which the I.L.P. presents as the *alternative line* to the Labour Party and Communist Party. What is the character of this line ?

ON this question the Conference threw a very instructive light. For precisely this question of what is the supposed distinctive I.L.P. line was brought out with striking clearness by the discussion on Parliamentary policy, which was the most important and valuable discussion of the Conference. The I.L.P. is primarily a Parliamentary party. In the current struggle of the workers, as in the present textile crisis, it plays no direct part and recognises no responsibility of leadership. This was strongly shown in the mining discussion, where no thought was given to the present problem of the action of the miners and the working-class movement, but only to the question of what scheme a hypothetical Labour Government should adopt. If no Labour Government should come for seven years, the I.L.P. would also have no policy for seven years. This is already in fact the abdication of its whole claim to leadership. In the current struggle of the working class there is the line of the reformist bureaucracy clearly marked out ; there is the line of the Communist Party clearly marked out ; there is no I.L.P. line. But the Parliamentary test is the final exposure of the myth of an I.L.P. line. For here, if anywhere, the line should at last become visible. In Parliamentary questions, at any rate, the I.L.P. can no longer remain immured in its vacuum of pious aspirations for the millennium ; it has to

take a position on actual questions ; it has to show what is its "alternative."

WHAT did the Conference find? The Conference found that out of 157 Labour representatives in Parliament, 112 are members of the I.L.P. Thus, on the face of it, the I.L.P. holds the overwhelming majority of the Parliamentary Labour Party. Every decision of the Parliamentary Labour Party is a decision of an overwhelming I.L.P. majority. There is no question here of discipline submerging a minority and preventing it from expressing its views ; though, even if this were the case, it would be already a sufficient exposure of the valuelessness of such "voicing" of the claims of the militant working class and of socialism. But here the entire policy and every decision is the policy and decision of an I.L.P. majority. *The entire policy of MacDonald and the Parliamentary Labour Party, which the I.L.P. professes to criticise from outside, is the direct responsibility of the I.L.P. representatives themselves.* This was the ugly fact which the Conference had to face and could not. For with the recognition of this fact, the whole pretence of professing to represent an alternative falls to the ground. Under these circumstances, what hypocrisy to criticise MacDonald, when MacDonald is chosen as leader by the I.L.P. vote ! What hypocrisy to criticise the shameful participation in the Simon Commission, and profess before the Indian nation to represent a different policy, when the two "Labour" representatives on the Simon Commission are I.L.P. representatives, chosen and appointed to sit there by a majority I.L.P. vote, in defiance even of the last Labour Conference resolution !

IF the I.L.P. had any alternative policy, if the I.L.P. represented any alternative line, then it inevitably follows that that policy and line would become the policy and line of the Parliamentary Labour Party. On this point Campbell Stephen, M.P., was explicit :—

With this overwhelming majority of I.L.P. members in the Parliamentary Labour Party, it would follow obviously that if the majority were expressing the I.L.P. point of view, the general position

to be taken up in connection with parliamentary business would be that of the I.L.P.

And again :—

The group in the House was not a fourth party. It was a part of the Labour Party, but *a part which had a majority and could make itself effective in regard to the carrying out of the whole I.L.P. policy.*

(Campbell Stephen, M.P., at the I.L.P. Conference :
Times report, April 9, 1928.)

What follows from this? One of three things. Either the existing policy of the Parliamentary Labour Party is in fact the policy of the I.L.P. ; in which case there is no basis to profess to represent an alternative. Or the I.L.P. has no alternative line, or policy to propose, to the existing policy of the Parliamentary Labour Party, and therefore acquiesces in it ; in which case also there is no basis to profess an alternative. Or, finally, the I.L.P. has an alternative policy, but this policy has no bearing whatever upon the action of the majority of its leading representatives ; in which case the I.L.P. has no basis to appeal for support for itself as representing an alternative. Whichever of these three is chosen is equally damning to all claim of the I.L.P. to leadership as representing an alternative to Labour reformism or Communism. From this dilemma there is no escape.

THE speeches of the I.L.P. Parliamentary representatives at the Conference were even more merciless in destroying the whole " independence " illusion and stating the real facts. Opposing the complaint of the London delegates at the absence of any distinct I.L.P. line, Roden Buxton, M.P., declared :—

Mr. Skinner and many I.L.P. members thought they were going to remain an independent group and exercise a powerful influence on the Parliamentary Party . . . The whole thing was a delusion. I.L.P. members of Parliament inevitably became and would more and more become loyal members of the Labour Party in Parliament, and think primarily of the Labour Party and its immediate duties in Parliament. *The I.L.P. in Parliament was doing exactly the same thing as the Labour Party was doing. There could be no difference of opinion on fundamental issues. The fact was that they were doing the same day to day work.*

This was to give the whole game away with a vengeance, and blow sky-high the whole propaganda of the I.L.P. " third alterna-

tive " and " independence." Maxton tried vainly to make it easier for the delegates by adding his usual touch of parson's soft soap :—

It was very difficult to do just exactly what he knew the party in the country wanted and at the same time to play the game quite completely with the Parliamentary Party in the House as he had always tried to do and intended to go on trying to do. The general rule that guided him and the Executive in the House was to bring to every bit of work they were doing the I.L.P. philosophy.

Quite so. The famous " I.L.P. philosophy," like the parson's God, is always on tap to cover a multitude of sins. But the actual policy, whether on " fundamental issues," or on " day to day work," represents " exactly the same thing " as the policy of the official Labour Party—thus showing how adaptable the best mystical and spiritual " philosophies " can always be.

FROM this practical identity with the entire actual daily policy of the reformist bureaucracy of the Labour Party and the Trade Unions follows necessarily the character of the resolutions. The resolutions are the safety-valve or the exhaust of this policy of servility ; they can express the free " left " soul of the I.L.P. ; they can indulge in the boldest social aspirations of taxing the rich and endowing the poor *ad infinitum* ; they can call for the sun, moon and stars to be brought down to earth within our generation, within a year, within a month, by next week, each resolution and each speech outbidding the other in the magnificence of its generosity ; and from the lofty standpoint of their aerial castles they can look down with contempt upon the poor revolutionaries toiling and moiling in the dust and mud in the plain along with the workers in their struggle, speaking only of harder struggles coming and long-deferred benefits, perhaps not even for our generation at all, in front only the battle to the end ; with such poverty of spirit they can triumphantly contrast their own boundless generosity—all on one condition only, that they trench not one iota upon the practical policy of the reformist bureaucracy, that in their practical policy they accept without question the action and the leadership of the reformist bureaucracy, which means the betrayal of the workers and their surrender to starvation, exploitation and slaughter.

SO follows the host of familiar *eunuch resolutions*, which are the hall-mark of the I.L.P. ; the most sweeping aspirations will be carried without question, but a sudden hasty prudential retreat and amendment will be added if there seems any danger of a question of action. Wars are to be resisted to the uttermost ; but a proposal of working-class resistance to war raises undesirable revolutionary questions and had best be shelved. MacDonald may be criticised with eloquence ; but unanimous I.L.P. votes must continue to be given for MacDonald's leadership, to avoid any suggestion of division. Unity of all the Internationals, Yellow and Red, may be loudly demanded ; but a little practical unity at home for immediate working-class demands is obviously undesirable, and it is better to help forward the Eccleston Square policy of expulsions and disruption at home. Industrial Peace propaganda is a snare and a delusion ; but a suggestion of disciplinary action against I.L.P. representatives taking part in it would raise the most inconvenient diplomatic questions and is obviously akin to mere heresy-hunting. Wages ought to be raised to heights undreamt of by Conservative, Liberal, Labour and Communist pessimists ; but the question of resistance to present wage-cuts is manifestly a technical question, which can safely be left to the trade union bureaucrats. And so without end. For it is the part of wisdom to make the best of both worlds.

WHEN the house of cards of "opposition" to the existing reformist Labour leadership and of an "alternative" policy has collapsed, what remains? It is not true, as has been suggested, that nothing remains. Something remains : the other half of the alternative. The alternative to the existing reformist Labour leadership is a myth, which vanishes on inspection. But the "alternative" to Communism remains. And here is revealed the real rôle of the I.L.P. *The I.L.P. is not an organ of the "left," but of the Right in the working-class movement.* If we trace it down to the localities, we shall find it time and again the instrument of official reaction and disruption in the local working-class movement. A direct organisation of MacDonald and Eccleston Square (or is it now Smith Square?) could not exist as a popular organisation, any more than, say, the

present S.D.F. The I.L.P., to exist, has to appear to be "advanced." But the "advanced" character disappears on inspection. The I.L.P. professes to stand half-way, and to face both ways. But it turns a very different face in the two directions. The "criticism" of MacDonald and reformism never turns into action, but always ends in identity of action. The criticism of Communism from the first turns into action, very energetic action of disruption. The show of "opposition," the paper programmes, the trumpeting of a distinctive socialist policy, are all a farce, and a tedious farce, which at first it seems incredible that adult human beings should spend their days to play and not see through it. But the farce has a purpose. The purpose is to win those workers who are disillusioned with reformism and the betrayals of the official reformist machine, to win them with empty talk and spurious promises from passing on to the serious militant struggle of Communism. And this is the final basis of identity with the official reformist machine, despite all differences in immediate method—the identity in the fight against Communism. Despite all differences of method, the objective is the same—to counter Communism. Joynton-Hicks seeks to do it with his police; Eccleston Square with its agents and expulsions; the I.L.P. with loud proclamations of "socialism" and "advanced" policies, combined with practical support of reformist treachery. And it is against this common front of anti-Communism, that is, of hostility to the militant working-class struggle and to the socialist revolution, that the new militant struggle, the united front of the working class, goes forward in the present stage.

R. P. D.

RATIONALISATION AND BRITISH INDUSTRY—II

By J. R. CAMPBELL

THE question of the prospects of rationalising British Industry so as to arrest, if only for a short period, the decline of the basic industries of Great Britain, is naturally a very important one. If one cannot agree with all the conclusions of Comrade Varga, he is at least to be congratulated on raising the issue, thereby forcing us to make a fresh examination of the actual situation of British industry.

Before discussing the possibilities of rationalisation, it is necessary to define the word itself. Undoubtedly, the word derives a considerable amount of its attraction from its association with the word "rational." The present organisation of British industry is derided as chaotic and anarchic and is contrasted with a rational organisation of industry to secure the maximum possible output, profit and wages. Whether the rational organisation of industry that is being propagated by our Labour and Capitalist rationalisers is rational from the point of view of the capitalists or rational from the point of the workers, is left unexplained. If we take not the ideal interpretation of the word, but the actual process of rationalisation as seen in its application to industry elsewhere, we find it consists of three processes, sometimes interlocked with each other in their application, but which can be separated for purposes of exposition. Those processes are :—

- (1) The pressure of the capitalist class on the working class involving lower wages, increase of working hours and intensified speeding up on the basis of existing equipment.
- (2) The reorganising of the productive apparatus within the individual factories and units of production, the introduction of the latest equipment and the adoption of schemes of scientific management to ensure the utmost possible output from the individual worker.
- (3) The development of some form of combination, covering

the industry as a whole, the concentration of production in the most efficient plants and the development of a uniform policy throughout the industry.

Those three processes, taken together, constitute rationalisation. They may in some industries be operated almost simultaneously, in others they may be operated one after the other, the one process leading logically to the other.

In a sense those processes are always taking place more or less in industry. When we ask the question, therefore, as to the possibilities of rationalisation in Great Britain, we are inquiring as to the possibility of the intensive introduction of those processes on a sweeping scale calculated to transform the labour conditions, the productive processes, the relations of the firms in a given industry to each other to such an extent as to produce the speedy technical transformation of British industry, having for its result a greater unit of output per individual worker, a greater rate of exploitation and profit, the increased competitive capacity of the various industries on the markets of the world. It will not do, therefore, to deduce signs of a rationalisation boom in Britain from the fact that here and there consolidations are taking place, that here and there equipment is being improved. Those things are always going on. The question that we are discussing is whether there is a possibility of them being developed to such an extent as to produce an effective technical transformation of the basic industries of Britain within a relatively short period.

It is a commonplace that the basic export industries of Great Britain, which are most depressed at the present day, are lagging behind those of their leading competitors in technical efficiency. This was the case even before the War, although the full effects of the technical superiority of our competitors were not felt, because Great Britain had a longer start in the race for the control of the world market. The British capitalists had long-established connections in the world market. London was the financial centre of the world, the chief supplier of capital for the opening up of new countries. Our great export industries, particularly those manufacturing means of production, were

able to maintain their position to some extent, not because of their technical superiority, but because of the fact that the countries borrowing money for the purpose of capital development from Great Britain had often to spend that money in this country as a condition of the loan. The fact that Britain was a large exporter of capital helped to keep our heavy industries going, in spite of their growing technical inferiority in comparison with those of our leading competitors.

The war showed up the weakness of the basic export industries of Great Britain, and from 1917 onwards a whole series of Government Committees sat to consider the possibility of improvement in our basic industries on the lines of greater co-operation between all the firms in these industries, leading to an improvement of production and marketing. One of these reports may be cited as an example of what was recommended by those committees. The Committee on the Iron and Steel trade, impressed by the contrast between the individualistic and relatively inefficient industry of this country and the highly efficient iron and steel industries in Germany and the United States, recommended (1) that an organisation of British manufacturers be formed for the purpose of obtaining suitable supplies of iron ore ; (2) that a national selling organisation be formed to market British iron and steel products, and (3) that the British iron and steel manufacturers form combinations for laying down well-designed new units, aid to be given by the Government, if necessary.

When the war was over, most of these great reconstruction plans were forgotten in the midst of the feverish boom which then took place. A fever of speculation took place in all industries. Enterprises were bought up at inflated prices by the big engineering firms, thereby burdening the industry, when the depression came, with a load of watered capital. These combines were more financial than technical, and did not get down to the rational use of the productive capacity in the various industries ; the frenzied financial boom in other industries, particularly cotton and its effects are sufficiently well-known.

In the midst of this boom, the reconstruction reports were forgotten, all of the industries looking forward to years of

exceptionally good profits. The opportunity for rationalisation was allowed to pass.

British capitalism in those post-war years was faced with a double task of (1) the rationalisation of British industry up to the level of the efficiency of its leading competitors ; and (2) the restoration of the gold standard as a means to restoring the financial prestige of British capital. Those two aims were in contradiction to one another. The first aim required an expanding market for British goods. The carrying out of the second aim necessitated a restriction in credit, a shrinkage of the market for a time, and increasing unemployment in British industry. After a short, sharp struggle within the capitalist class, the interests of finance carried the day, and a deflation policy was operated. Thus, while the leading European competitors of Great Britain (France and Germany) were, on the basis of an inflation policy, reducing the burden of loan capital and debentures on industries, reducing the burden of war debt, and on the basis of this inflation, were carrying through the technical renovation of their industry, British industry was stagnating, whilst the burden of dead-weight loan and debt charges that it was bearing was increasing enormously. Already, therefore, the leading competitors of Great Britain have had years of start in the rationalisation of their industries. Those industries are burdened with less debt than British industry. *On the other hand, British capitalism can only rationalise on the basis of the complete recognition of the heavy debt charges which have hung, like a millstone, round the neck of British industry in recent years.*

In order to appreciate the main difficulties in the way of effective rationalisation of British industry it is necessary to outline the main features in which British capitalism differs from that of its competitors. They are as follows:—

(1) *British industry, having developed years before that of its competitors, is burdened by the presence of a great number of small and relatively inefficient units of production in its basic industries.* It would be a mistake, of course, to think that there are no large units of production within the basic industries of Great Britain, but they are relatively fewer than in those of our leading competitors.

The following characterisation of the iron and steel industry of this country as compared with its leading competitors will be of interest :—

Modern plants which offer all the metallurgical and engineering economies known to scientists are common in Germany and the United States of America. *The construction of such plants in this country would involve the scrapping of the great majority of existing plants. . . .* The most recent plants erected in this country are built on the foreign model, *but even these are smaller than the largest German plants.*¹

Not only are the units of production in Great Britain on the whole smaller and more inefficient than those of their competitors, but there also exists an extreme divergence in the technical capacity of the various firms. The following table, from the Samuel Coal Commission Report showing profit and losses per ton of the various colliery firms in 1925, will illustrate what we mean :—

No. of firms	Loss per ton	No. of firms	Profit per ton
35	7s.	98	between 1s. and 3s.
21	between 5s. and 7s.	32	between 3s. and 5s.
58	between 3s. and 5s.	7	between 5s. and 7s.
163	between 1s. & 3s.	7	between 7s. and over
119	under 1s.		

The same is shown in other industries, such as, for instance, in iron and steel. The Balfour Report on Industry and Trade of the Government asserted that :—

While the average profit on turnover shown by the seven² groups of industry as a whole declined but slightly as between 1912-13 and 1922-23, the uncertainty of the results of business appears to have been much greater in the latter year, as is shown by the much wider 'dispersion' of the recorded rates of profit and loss. . . . To put the matter another way, we find in 1912-13 the proportion of aggregate turnover which was attended by an actual loss was only 2 per cent. while the proportion on which a profit of 20 per cent. or more was realised was also 2 per cent. In 1922-23 these proportions were 14 and 6 per cent. respectively. In cotton the percentage of aggregate output produced at a loss in 1912-13 was only 1 per cent. ; in 1922-23 it was 30 per cent. of the whole . . . while in the iron

¹ Professor J. H. Jones, M.A. *Pitman's Economic Educator*, p. 266.

² *I.e.*, cotton, wool, iron and steel, miscellaneous metal, food, wholesale and retail, distribution.

and steel and kindred trades (in which the average profit also rose slightly) the proportion carried on at a loss rose from 2 to 17 per cent.

(*Factors in Industrial and Commercial Efficiency*, p. 52.)

The effect of this on the combination of firms with a view to the effective rationalisation of industry will be considered later.

(2) *The extreme specialisation in a number of industries.* Cotton is a good example of this. In a debate in the House of Commons Lieut.-Colonel Astbury, M.P., characterised this as follows:—

If honourable members took the trouble to think for a few minutes they would see that cotton has to go through a number of hands. There is first the broker who wants his profit; then it is delivered to the spinner, who makes a profit, and then to the weaver, who has to make a profit, then to the dyer, the printer, or the bleacher, who also make a profit and then it has to be delivered to the merchant, who also makes a profit and then it has to be delivered to the merchant, who wants a profit, and eventually it goes to the retailer. . . . There are six hands through which these goods have to go, and if you put the low estimate of a profit of 5 per cent. you have 30 per cent. profit to make before you calculate anything else for wages or overhead charges, and I am confident in my own mind that it is only in this direction that a real solution of the depression in the cotton trade can be found. . . . I am quite sure that the time will come when these five different sections of the trade will have to combine to produce goods as one firm, and purchase goods as one firm.

(*Hansard*, April 2, 1928.)

(3) *Over-capitalisation in a number of leading industries.* While it is true that over-capitalisation in ordinary shares does not enter into cost of production, a great deal of existing over-capitalisation is in the form of debenture stock, loans, and bank overdrafts which do enter into the costs of production. While the policy of inflation, pursued by our competitors, to some extent reduced those charges in the past, the policy of deflation has increased the weight of those charges on British industry to a considerable extent.

(4) *The relative greater importance of merchant capital in the economy of Great Britain as contrasted with its leading competitors.* It will be remembered that Great Britain was a powerful commercial country, dominated by merchant capital before it developed on industrial capitalist lines. The Balfour Report stated:—

There can be little doubt that, other things being equal, the more comprehensive and self-contained business (*i.e.*, those doing their

own merchanting : J. R. C.) is the more likely to join itself to other similarly organised businesses so as to build up a giant consolidation or cartel, and it is not improbable that the relatively slow growth of combinations in Great Britain may be partly connected with the prominent position in British industrial and commercial economy occupied by the merchant house and other types of middlemen.

(*Factors in Industrial and Commercial Efficiency*, p. 14.)

(5) *The dead-weight of the war debt as compared with those countries in which the industrial capitalists, by a policy of inflation, have succeeded in reducing the effective weight of the debt.* It may be claimed that this is not a burden, as the capitalist class is getting back on the one hand what it pays with the other. That is, however, only correct on the assumption that the bulk holdings of the debt are spread equally over the class as a whole. This does not appear to be the case as applied to British industry. According to Mr. Hugh Quigley, who is on the research staff of the British Electrical Manufacturers' Association, the situation is as follows:—

The annual charges represented by the war debt now total £350,000,000. . . . It is paid out to investors and financial institutions very largely for re-investment. The tendency is for the industrial undertaking to sell its holdings of national war-stock as trade depression continues and the entire debt capital to be concentrated in the hands of the non-industrial investors and institutions. The annual interest disbursements on national debt account are ceasing to return to industry in the same volume as before, while industry must find in taxation, direct and indirect, the sum required for the service of this debt. . . . Industry, against the competition of national and other gilt-edged securities, must offer higher and higher rates and provide a greater surplus of material assets. Even high class industrial undertakings must offer 7 to 8 per cent. interest on debenture stock, and few undertakings can meet effectively an annual interest charge of 10 per cent. including new capital.³

(6) *The antiquated system of land tenure existing in Great Britain which hampers the development of industry in this country as compared with those of its competitors.* This is clearly seen in the question of royalties. According to the Balfour Report:—

In the figures of Coal Mining in Table 1 of Appendix I, royalties amounted to 5.35d. per ton in 1913 and 6.33d. per ton in the period May to July, 1925, and accounted for 4.71 per cent. of the total cost of production in 1913 and for 2.93 per cent. in the later period. It was stated in evidence that in the Cleveland district the royalties

³ *Towards Industrial Recovery*, p. 175.

payable by ironmasters in 1925 were approximately 6d. per ton on ironstone and 6d. per ton on coal, and that as some $3\frac{1}{2}$ tons of Cleveland ironstone are smelted to yield a ton of pig-iron and some 4 tons of coal are needed to convert the ironstone into finished steel, the royalty cost in a ton of finished steel was estimated at slightly less than 3s. 6d.

(*Further Factors in Industrial and Commercial Efficiency*, p. 89.)

The effect of the weight of royalties in the industries, where competition is so keen as the steel industry, need not be stressed. It is true that as regards our Continental competitors, royalties are paid to the capitalist State. But those royalties help to swell the revenue of the State and thereby lighten taxation on the capitalist class in other directions, whereas the royalties in Britain are paid to purely parasitic persons.

It would be a mistake, of course, to assume from these facts that there is no combination in British industry. The idea that British industry is run on a nineteenth century *laissez-faire* basis will not bear examination. In quite a number of industries combinations of various kinds exist, and there is hardly an industry in which there is not some attempt on the part of some sections of industry to pursue a policy of price fixing. It must be emphasised, however, that the most effective combinations are those in industries catering for the home market, such as food preparation, soap, wall-paper, margarine, dairy products, printing, flour milling, and furniture manufacture. The export industries which are most in need of rationalisation still continue to be run on the basis of cut-throat competition as far as the export markets are concerned.

Let us deal then with the operation of the above-mentioned factors as barriers to the effective rationalisation of British industry. The effect of the factors outlined in point one will be apparent to everyone. The existence of large numbers of productive units of varying degrees of efficiency is undoubtedly a barrier to effective combination.

Thus, for many of our basic industries, the process of rationalisation is hindered by the difficulty of bringing into one, or even a few great concerns, all the innumerable undertakings which exist in those industries. Either those undertakings are bought up at the price their owners demand, in which case the new

combine is burdened right away by the dead-weight of inflated capital, or no agreement can be arrived at, and the competitive process drags on for a further period.

It would be a mistake, however, to assume that the inability of the capitalists in a number of leading industries to come together is due to the persistence amongst them of an ideology of *laissez-faire*. The advantages (from a general capitalist standpoint) of a trustified and rationalised industry are as well understood in Newcastle and Manchester as in Detroit or Essen. It is on the question of the terms of the consolidation that the attempt to bring the firms closer together generally breaks down. This is particularly the case with the depressed export industries suffering from an excess of productive capacity. Sir Josiah Stamp illustrates this when he says:—

Of the two fields in which rationalisation takes place: viz., that of a remedy for depression and a form of self-defence, and, secondly, that of self-advancement in industries which are in no way “under the weather”—*perhaps the practical events of the year have fallen in the main into the second class* (emphasis ours: J. R. C.). Public opinion is more inclined to support movements in the former for obvious reasons, whereas it is movements in the latter which are the more easily possible in practice. For no great difficulty arises when two successful firms get together to improve their position, whereas when two unsuccessful concerns are fighting to maintain their capital valuations, clinging to prospects of revival, hating to face present facts as permanent, obviously there is much greater room for difficulty in negotiation.⁴

A further difficulty with which our depressed industries are faced is that effective consolidation and scientific equipment of industry requires considerable expenditure. Capitalism, however, is production for profit, and the capitalists are not likely to invest their money in depressed industries for the purpose of rationalising those industries up to the point of paying a living wage in spite of the appeals of Labour leaders for them to do so. They will only invest in the depressed industries if they consider that the prospects of realising a good profit are present. Up till the moment they have found the prospects elsewhere more attractive. Thus the industries most in need of rationalisation are those which have

⁴ Sir Josiah Stamp, *Manchester Guardian Commercial Annual Review*, January 26, 1928.

the least chance of attracting the new capital necessary for their effective rationalisation.

The fullest utilisation of the productive power of industry in the interests of the maximum competitive efficiency and the maximum profit, depends not only on productive efficiency, but on scientific marketing. Here the rationalisers are confronted with the resistance of the old merchant houses in Great Britain.

It is not we believe without significance that those industries which are now finding it most difficult to hold their own, are the old established industries in which the merchanting system has struck its deepest roots. In the new industries which have grown up in recent years it has been comparatively simple to adopt modern marketing arrangements. But where an elaborate merchanting system is already in existence, it may prove, by its very virtue an obstacle to the development of new methods. The Manchester Royal Exchange represents the most perfect expression of our traditional marketing arrangement. But it is far from clear that it represents the methods which are really best adapted to enable the Lancashire cotton industry to recapture its lost trade.⁵

In spite of those tremendous obstacles to rationalisation, the urge to rationalisation in the growing world competition is undoubtedly there, and the British capitalists, in attempting to commence rationalisation, are bound to fall back more and more on what we might call the first process of rationalisation, namely, the pressure on the working class with a view to reducing wages, lengthening hours, and intensifying production on the basis of existing equipment. Sometimes the process will take the form of speeding up without any alteration in wages and hours. Sometimes it will take the form of the compulsory introduction of a system of payment by results. This is the process now going on in the engineering industry, where the employers first cut wages to a starvation point and then forced through a system of payment by results, not on the basis of collective bargaining, but on the basis of the individual bargaining of the worker with the representative of the management. More and more the capitalist class of Britain is going to intensify this process of pressure on the working class, and will as a result of the industrial peace conference do so with the approval of the trade union leaders.

Thus the capitalists in the depressed industries hope to

⁵ *Liberal Industrial Report*, p. 134.

accumulate sufficient profits to enable them to begin to improve equipment and commence a process of self-rationalisation in their various industries. The obstacles to the comprehensive technical rationalisation which would bring British industry up to the level of its leading competitors are, however, tremendous. It is impossible to conceive as speedy a development of such technical rationalisation in our basic industries as took place in Germany and France after the war. It is extremely unlikely that our basic industries can in a few years catch up in efficiency with our leading competitors. It is also certain that such rationalisation as does take place will be on the basis of the recognition of heavy financial charges such as are not carried by our competitors.

Comrade Varga sees the signs of rationalisation in a number of industries, and it is worth while examining those somewhat. His third point is: "Formation of cartels in the cotton industry, although it has not so far succeeded, will be an accomplished fact in the near future."⁶ We do not know what reasons Comrade Varga has for making this statement. The cotton industry, as is indicated in the quotations from Lieut.-Col. Astbury, M.P., is divided into at least five different sections operating, in most cases, in different establishments. A cartel in the cotton industry would mean the competing firms in those five different sections of the cotton industry agreeing to establish for a definite period a joint selling agency for the exclusive sale of their products, each of the individual firms being allowed a definite share in the total output, those exceeding their quota paying a fine, those falling short of it receiving an indemnity. In most cases the selling agency, or syndicate, would be registered as a company in which the individual firms were shareholders with votes in proportion to their output. The individual firms would fix a basic price for their products, covering costs of production, selling the products to the syndicate at an accounting price somewhat higher; the syndicate would then market the product on the world market at the highest price it could obtain. This is, indeed, what I, at least, understand as a cartel. What is under discussion in the cotton trade at the moment is a combination of the firms in one of the five sections of the cotton industry, namely, the spinning section,

⁶ LABOUR MONTHLY, April 1928, p. 284.

a combination that its promoters are endeavouring to form, not over the whole spinning section, but in that depressed American section of the spinning trade. This project is meeting with enormous opposition, but even if carried through would be far from being a cartel in the sense that that word is commonly used.

Comrade Varga also discovers large amalgamations in the heavy industries. This is undoubtedly the case, but that is far from involving a speedy rationalisation in the heavy industries. Take, for example, the steel industry:—

This industry is in deep depression owing to lack of demand, and most of the concerns are losing money heavily. . . . If an agreement could be made to distribute the orders among the different works in such a way that each would have the most continuous possible work on the smallest variety of sections, there would be a substantial saving. It simply means organising the industry for mass production. *It is understood that proposals of this sort have been before the industry for ten years, and that every one agrees in principle that this should be done and that great economies would result. No steps, however, seem likely to be taken.*⁷ (Emphasis ours : J. R. C.)

Then we have the district cartels in the mining industry. It is no doubt a big step forward from the capitalist point of view when the British coalowners in some of the main districts are bringing their organisation as far as the marketing side is concerned up to the level reached by the Rhenish-Westphalian coal syndicate in the year 1893. The stability of some of those schemes is somewhat in doubt. At the moment they are leading, not merely to a cut-throat competition between the British coalowners and their foreign competitors, but between the districts in the British coal industry themselves. The success of those schemes depends on the ability of the coalowners to secure by their operation an adequate profit which would enable them to undertake the rationalisation of the industry on its productive side. So far, there is no sign that this accumulation is taking place, and we are doubtful of the permanence of any but the Five Counties scheme based on new and relatively up-to-date collieries.

Then Comrade Varga cites the Government electricity scheme. This scheme, or a similar scheme, was first elaborated during the war for application immediately after the war was over. Sabotaged by the interests immediately after the war, it was not

⁷ *Liberal Industrial Report*, p. 127.

until 1925, when our leading competitors had a long start of us in electrification, was it revived again. Readers of D. J. Parsons' article in the *LABOUR MONTHLY* for April will see that the output per head in Great Britain compared unfavourably with its leading industrial rivals, the figures being as follows:—

Canada, 1,150 ; Switzerland, 1,000 ; United States, 710 ;
Germany, 318 ; Britain, 282.

With regard to the extent of industrial electrification, the figures are: United States, 73 per cent. ; Germany, 66 per cent. ; and Great Britain, 48 per cent.

Thus the British electricity scheme which, of course, will improve the technical efficiency of British industry considerably, will for a number of years to come be merely trying to overtake our foreign competitors. Comrade Varga thus over-estimates the importance of the rationalisation measures already undertaken, and under-estimates the resistance towards rationalisation, though he is undoubtedly right as to the increasing necessity of the British capitalist class pressing towards rationalisation.

In my opinion it is doubtful if the effective rationalisation of British industry, up to the level of its leading competitors, is possible without considerable pressure being brought to bear on the capitalist class in our basic industries by the capitalist State. There is undoubtedly a strong pressure of the banks for rationalisation, and those banks would approve of any State measures undertaken to speed up the process. Here, it will be noted, the policy of the Liberal Party closely coincides with that of the Labour Party. The Liberal Party is actively engaged in advocating rationalisation in our basic industries, and given a Labour Government after the next General Election dependent on Liberal support, there is no doubt that that Government will bring the pressure of the State to bear against those interests in the basic industries resisting the effective carrying through of rationalisation. In other words, the next Labour Government will be a Government not of "nationalisation" but of "rationalisation."

The effects of rationalisation on the working class are fairly evident. Its first effect is to increase the output and the rate of exploitation. This must lead in our basic industries (which are

precisely those industries where world capacity of production far exceeds those of markets) to increasing unemployment. The increasing unemployment will enable the employing class to bring pressure on the workers and prevent wages increasing in accordance with increased production per worker. This has got to be remembered when we hear Labour leaders impressing the capitalist class with the necessity of carrying out rationalisation in the interests of higher wages. The policy which the Unions should adopt in regard to rationalisation is, however, material for a second article.

Our conclusions therefore are :—

- (1) That the barriers to the effective rationalisation of British industry up to the level of our leading competitors are tremendous, and while it would be a mistake to deny the possibilities of rationalisation it is equally a mistake to over-estimate those possibilities, particularly the possibility of rationalisation restoring British industry to a temporary period of prosperity. To do this would be to share the illusions propagated by the capitalist rationalisers and their agents in the Labour Movement.
- (2) Legislation or State pressure will probably be necessary to break down many of the barriers to the effective rationalisation of British industry. The Labour Government is likely to be a Government of rationalisation. The fight against the evil effects of rationalisation of the working class is, therefore, a fight against the Labour Party preparing to pursue a rationalisation policy.
- (3) The main task of the Labour Movement is to unite the workers and prepare to fight against the intensified exploitation of the working class by the introduction of measures of speeding up and intensified exploitation, and for that purpose the whole Trade Union Movement must be united on a fighting policy.

In conclusion, I agree with Comrade Varga that even if rationalisation could be carried out speedily on the lines of our competitors it would not alter the basic situation of British capitalism which is in the process of decline, but I consider he over-estimates greatly the immediate possibilities of effective rationalisation.

RATIONALISATION AND BRITISH INDUSTRY—III

By EMILE BURNS

COMRADE VARGA'S article in last month's *LABOUR MONTHLY* bristles with points on which considerable discussion is necessary. But before entering on the detailed questions which arise, it is important to examine exactly what is meant by rationalisation, and in what sense it "strengthens" capitalism. Varga distinguishes two kinds of rationalisation : one which merely brings to its makers a share of other capitalists' profits—such as the creation of a monopoly ; and the other, which might be called rationalisation proper, is the saving of costs, cheaper production through better technique, better organisation, more output per worker, or lower wages. Rationalisation in the first sense does not lower costs or prices ; in the second sense, it lowers costs but may or may not lower prices. In the first sense it does nothing to strengthen British capitalism in general, unless the monopoly is exercised against foreign capitalist groups ; in the second sense it may strengthen capitalism by increasing the *rate* of surplus value in so far as prices are not lowered, while if prices are lowered in correspondence with the reduction in costs capitalism is not directly strengthened, although the *volume* of surplus value may increase if the lower prices bring a larger turnover.

It is clear that the essential mark of the decline of British capitalism is the decline in accumulation, so that in each turnover the expansion is less than in the previous turnover, showing itself in a stationary or even declining level of production. Rationalisation can stop the decline in so far as it makes it possible for British capitalism to increase its accumulation ; but it is far from clear that the actual *process* of rationalisation can arrest the decline, even for a single moment. Varga speaks of rationalisation meaning " for the period of reconstruction, a break in the decline of British industry, a certain stimulus for the industries producing means of production." This statement cannot be accepted as it stands. An individual capitalist who is reconstruct-

ing his factory provides, in a sense, a special market for means of production ; but how does he pay for them ? Only by means of his own or borrowed capital ; surplus value already accumulated, already seeking investment. For capitalism, as a whole, there is no new market ; if the capital goes into reconstruction it does not go into other productive channels. It is not as a rule important whether the capital is invested at home or abroad ; in practice investment abroad usually means that it is sent in the form of capital goods. On these grounds, therefore, it is difficult to see how the *process* of rationalisation can arrest the decline in production, unless it is to be carried out with foreign money (as reconstruction in Germany was carried out) ; but this is hardly a practical possibility on a large scale.

Moreover, Varga assumes too easily that the process of rationalisation in Britain must involve the reconstruction and improvement of machinery. This is far from self-evident, and in certain industries it is most unlikely. In the coal industry, for example, while a certain mechanisation may take place, this will not be so important as the closing down of uneconomic pits and the restriction of output either through the marketing boards or otherwise. In the cotton industry also this holds good ; the machinery in the large mills is, as a rule, fairly up-to-date, and the process of rationalisation will take the form of closing down the smaller mills rather than reconstructing or building new mills. The same is true of shipbuilding. It is not true of iron and steel, though even here concentration on the best plant is more likely than complete reconstruction. The electricity scheme involves a certain number of new links, but not new construction on a large scale.

In enumerating the facts showing that rationalisation has already begun, Varga mentions :—

- (1) Large amalgamations in heavy industries. But this is a resumption of the end-of-war trustification, not in itself a sign of rationalisation, though certainly creating a possible basis for rationalisation.
- (2) and (3) Formation of cartels in mining and cotton. In so far as these become effective, they may result in restriction and possibly concentration of output ; but they do not

involve any new construction at all, being closer to rationalisation in the first sense (the creation of monopolies) than to rationalisation proper.

- (4) Large scale electrification in the south of England. The actual scheme is of very little importance from the standpoint of lowering costs or new construction ; its main feature is once more the extension of monopoly.
- (5) The growing influence of the big banks in industry. This is a factor of extreme importance ; its exact bearing requires careful analysis, but it does not necessarily involve new construction.

It has been necessary to discuss the point of new construction at some length because Varga's conclusions seem to rest entirely on his assumptions in this connection. If the foregoing criticisms of his assumptions are justified, the case for " a break in the decline of British industry, a certain stimulus for the industries producing means of production " (which a little later in his article becomes " a temporary improvement, lasting about two or three years ") falls to the ground. There are other arguments against it : the factors of the class struggle at home and of the colonial struggle are too lightly treated by Varga, and would have to be brought into the reckoning *even if* his thesis about new construction were sound. Again, the existing competition from more fully rationalised countries would make it extremely doubtful whether any such new construction would counterbalance further losses of markets.

It is not necessary to examine Varga's arguments purporting to show that rationalisation is necessary for British capitalism, and that the favourable factors outweigh the unfavourable. There appears, however, to be a certain confusion in his treatment of loan capital and vested interests, rentier capital and industrial capital, leading to his conclusion that industrial capital is pressing for rationalisation against loan capital and vested interests, and will win in that titanic struggle. He does not directly relate the banks to this question ; but asserts that " British industry is to a large extent financed by loan capital " ; and " the British banks themselves do not finance industry by purchasing ordinary shares, as the German banks do, but by granting loans against special securities."

It is difficult to see the bearing of the distinction made between "industrial capital" on the one hand and "loan capital," "rentier capital," and "vested interests" on the other. In such a highly developed financial machine as the British, the holders of ordinary shares in most concerns are just as little "industrial capitalists," and just as much "rentier capitalists," as the holders of preference shares or debenture stock. In fact, Varga's opening paragraph, in which he defines industrial capital as "productive capital invested in industry, &c.," shows that preference *capital* or loan capital are just as much industrial capital as ordinary share capital. From another standpoint, the fact that, through the machinery of stocks and shares, the majority of the holders of capital (in any form) in any large concern are entirely divorced from the control of production, deprives all of these of the special characteristic of being "industrial capitalists"; they are all "rentiers" (though on slightly different terms as between themselves), as contrasted with the actual controllers, the directors, or the group served by the directors. This latter group can be called "industrial capitalists"; while the fact that the banks do not as a rule buy ordinary shares does not mean that "finance capital" is non-existent in Britain but merely that the technique of its operations is more advanced than in Germany. In fact, the "industrial capitalists" in the sense used above are in the main identical with the financial groups.

How far the merging of banking with industrial interests has gone, especially since the war, can be seen from the following summary of the directorships in other concerns held by the directors of the Bank of England and the "Big Five":—

		Total other directorships held	In finance and insurance	In industry and trade
1880	..	157	102	55
1913	..	329	182	147
1927	..	926	320	606

This analysis is essential to a clear understanding of the nature of the demand for rationalisation and of the difficulties in its way. It will also help to indicate the *type* of rationalisation which is likely to emerge.

It is obvious that in so far as "industrial capital" is actually controlled by the banks (or rather by the same groups as the banks), any struggle between large industrial capital and rentier

interests (the small share- or loan-holders) can have but one outcome ; in fact, that in such cases the rentier interests cannot be an obstacle to rationalisation. This is the position, broadly speaking, in heavy engineering, shipbuilding, electricity (except for municipal undertakings), chemicals, railways and shipping. It is true also of the more important sections of the coal industry and even of textiles—wherever large amalgamations exist.

But there is also a wide field in coal and cotton, in light engineering, in the leather and other industries, where “ industrial capital ” is still relatively independent ; there are still concerns mainly owned or controlled by families or semi-independent groups. In such concerns there may or may not be other small capitalists holding ordinary or preference shares, or even debentures ; but this has no special significance. What is important is the fact that there are vested interests in the continued existence of these separate concerns ; and these vested interests are mainly the controlling “ industrial ” capitalists, and only secondarily the dependent “ rentier ” capitalists. These small industrial capitalists are hostile to rationalisation, and the only force which can compel them to accept rationalisation is external : the banks (or the State—but this can be left out of account here). The banking-industrial groups are interested in rationalisation, and will use every crisis and the need for loans arising from the crisis to get control of the smaller industrial capitalists. This is the real nature of the struggle for rationalisation, and not a fight between the abstractions of industrial capital and loan capital.

Having cleared away the main misconceptions on which Varga's conclusions rest, we can now proceed to tackle the real question. It is not necessary to argue the point that rationalisation is essential for British industry. But what type of rationalisation can be carried through ? The type of rationalisation which has been carried through in those industries where control has been centralised seems to be essentially of the cartel-monopoly type. There has been price and quota fixing, but no serious reconstruction. Varga's belief that considerable sums have been invested in reconstruction is not justified by the facts ; not only because capital issues for companies in Britain may be for use by them abroad, but because the characteristic of British capital issues in

recent years has been the floating off on the public of concerns previously privately owned : the realisation of founders' profits, not new developments, except in one or two of the "new" industries.

Why is rationalisation in Britain taking the form of price fixing, and possibly concentration, without large-scale reconstruction ? Certainly one important reason is the widespread existence of vested interests—small industrial capitalists—who cannot be directly expropriated by the banking-industrial groups, and must therefore be sterilised as competitors. This certainly applies in the coal and cotton industries. But this is not the reason which can account for the same policy being pursued in industries such as metal manufacture and heavy engineering. The only comprehensive reason is the fundamental capitalist reason : the search for a higher rate of profit. British capitalism is not reorganising on a large scale its productive technique because, owing to the falling volume of accumulation, there is not a vast mass of capital available, and because such capital as is available finds more profitable investment abroad or in the "new" industries.

This does not by any means imply that British capitalism is content to "acquiesce in its own destruction." The dominant influence in British capitalism—the banking-industrial groups—will press forward with rationalisation, but not of the reconstruction type. The aim is to secure more surplus value ; and this can be carried out by many methods, of which the most important in present circumstances are :—

- (1) economies in organisation, joint selling agencies, fixing of quotas, &c.,
- (2) economies in wages costs—lower wages, longer hours, speeding up, staff reductions, &c.,
- (3) economies in "dead" costs—reduction of amounts spent for social services, transfer of rates and taxes to the workers, or armaments costs to the Dominions, &c.,
- (4) realisation of prices above values, through the creation of monopolies as against other nations—tariffs, imperial preference, &c.

The conception of two or three years of improved trade, owing to the process of reconstruction, seems, therefore, to be

completely illusory. Each of the measures indicated above is, as it were, in restraint of trade. Each involves the reverse of Varga's argument ; instead of more means of production being required, and therefore more employment and more consumption articles, the type of rationalisation which is probable in view of British conditions means from the outset a falling demand for consumption articles, and, therefore, a falling demand for means of production. That this is a far closer approximation to actual conditions than Varga's thesis could be shown by a whole range of statistics and political events ; but the detailed proof cannot be given here.

What has been said does not imply that capitalism cannot be strengthened if it succeeds in carrying out even this type of rationalisation ; each successful step certainly brings more surplus value and to that extent makes possible an expansion of production. But it must be remembered that this type of rationalisation raises in a very acute and urgent form the issues of the class struggle and international capitalist rivalry. It is hardly necessary to refer to the 1926 events as an illustration. And in spite of reformist leadership, the struggle has not so far been opened in the woollen and cotton industries, although it must obviously be the only solution for capitalism.

That rationalisation, even of the type indicated, is not making very rapid strides is due to a considerable extent to the fact that, in spite of weak leadership and industrial peace tendencies among trade union officials, there is a widespread " leftward " movement among the rank-and-file against industrial peace and for a militant policy. British capitalist policy is also made indecisive by the constant danger of revolt in China, India and Egypt, as well as by the increasingly hostile attitude of American capitalism. These are the real obstacles to rationalisation, which are not only delaying its progress, but threaten at any moment to swallow up in some partial upheaval all the gains already achieved.

There is perhaps one other point which must not be lost sight of in connection with rationalisation. It is often assumed that lower prices necessarily mean a larger turnover. The facts of the coal industry since 1926 should be enough to disprove this. In general, it can be said that lower prices only bring a wider market in so far as competition does not exist. For example, lower prices

for British cotton products might bring a slightly wider sale *in Britain*, but the effect in the East would undoubtedly be a reduction of Indian and Japanese prices, leaving the competitive position unchanged. Moreover, lower prices achieved through reductions in the wages bill can hardly widen the market even at home. But lower prices without a widening of the market are of no advantage to capitalism ; and, therefore, in view of the existence of "rationalised" competitors, British capitalism is forced to seek restriction of output with a higher exploitation per unit, and not the same exploitation on a larger number of units, as its only salvation. Thus again we are led back to the conclusion that greater exploitation, and not "the regaining of its position on the world market," will be the active objective in British rationalisation in the future, as it certainly has been in the past.

To sum up, it can be said that there is no ground whatever to expect "a temporary improvement, lasting about two or three years," while rationalisation is being carried through. On the contrary, each actual step towards rationalisation will take the form of restricting production directly or indirectly, and reducing employment and wages. There is every indication, therefore, of a steady downward trend for British production, varied only by acute crises, arising partly from the workers' resistance, partly from foreign and colonial opposition. In such circumstances, it will become increasingly difficult for the reformist Labour politicians and trade unionists to maintain their hold over the masses ; experience will expose to the workers the twin shams of political gradualness and industrial peace, and the growth of the revolutionary movement will put new and more difficult obstacles in the path of rationalisation.

MR. CITRINE AND TRADE UNION DEMOCRACY

By JOHN A. MAHON

MR. WALTER M. CITRINE, Secretary of the General Council of the Trades Union Congress, has written in the columns of *The Labour Magazine* a series of articles under the heading "Democracy or Disruption," in which he attacks the Communist Party and the Minority Movement for their work in the trade unions.

The object of the series is stated by Mr. Citrine in his opening remarks to be that of opening the eyes of the membership of the unions to the existence of a "deliberately organised attempt to capture the Trade Union Movement, and to exploit it for a revolutionary subversive purpose." Numerous documents, including private letters, are quoted, and various Communist authorities cited in order to prove the existence of such an attempt and to provide evidence of "a conspiracy." Mr. Citrine also assures us that the articles are written "entirely on his own responsibility," as a "discriminating observer of events of the trade union world."

The conclusions arrived at by Mr. Citrine in his four articles may be summarised as being :—

- (1) The Communist International is out for world revolution, and the Red International of Labour Unions is out for the same thing.
- (2) The Minority Movement in Great Britain is part of the Red International of Labour Unions.
- (3) Prominent leaders of the Minority Movement are also members of the C.P.G.B. ; leading Communists took the initiative in forming the Minority Movement ; the C.P.G.B. takes a great interest in the development of the Minority Movement.
- (4) The Minority Movement is making a determined and organised effort to change the leadership of the unions by

securing the election of its members to official positions in the unions to which they belong.

In addition to the evidence considered necessary by Mr. Citrine to support these conclusions, there runs all through the series a double suggestion, sometimes inferred and occasionally openly stated. This is :—

- (1) That opposition to the present leadership in the unions means opposition to the fundamental principles of the Trade Union Movement.
- (2) That an organised attempt by the Minority inside a trade union to secure the adoption of its policy and the election of its members to leading positions on the basis of that policy is a violation of democracy.

On examination of the path by which Mr. Citrine reaches his conclusions, his completely capitalist approach to the whole question is revealed. He adopts, even to the phraseology, the stock bourgeois denunciations of Communism ; he denounces as the essential sin of the Communists their desire to “ capture the trade unions for a revolutionary subversive purpose.” Subversive of what ? He makes it clear that it is the existing order of society, of which elsewhere he has stated his desire to see the trade unions made “ an integral part.”

With a thoroughly British air of outraged propriety he talks of Communist schemes of “ minority dictatorship based on the suppression of popular liberties.” He raises his hands in horror at the idea of “ economic doctrines which require *revolutionary* violence for their realisation.” (Our italics.)

The working masses of trade unionists who were driven to the war shambles by the capitalist state, and who have since seen its war machinery directed against them, who have now hanging over their heads the sword of the Trade Disputes Act, who suffer every day from the capitalist “ minority dictatorship based on the suppression of popular liberties,” are fast coming to the conclusion that unless the trade unions put up a fight for the complete “ subversion ” of the present system of exploitation and starvation, there will be little use left for them. Far from regarding a “ revolutionary ” objective as reprehensible, the masses increasingly regard it as eminently desirable.

To the Secretary of the Trades Union Congress, however, a "revolutionary" purpose is equivalent to calamity itself, and he hastens to fling himself into the struggle in order to rally the trade unions to the defence of society against its Communist attackers. So little doubt has he as to the propriety of this function to the trade unions, that he takes it for granted and builds his whole case upon it.

The endeavour to create a pogrom atmosphere against the Communists by the "discovery" of sensational plots and conspiracies is the conventional bourgeois device for avoiding discussion on the real issues and concealing them from the eyes of the workers. Mr. Citrine's adoption of this method is complete—he does not even mention a single item of the programme of the National Minority Movement.

To mention the demands embodied in the Minority Movement's programme would have been to raise issues consideration of which every active worker knows to be essential if the work of restoring the fighting powers of the Unions is to be begun. Is there a single one of these demands which Mr. Citrine can say are injurious to the trade union movement? Here is the programme as given in the latest pamphlet published by the Minority Movement.¹

- (1) Campaign for 100 per cent. trade unionism and the formation wherever possible of workshop committees, the members of which are to be guaranteed by their various trade unions from victimisation.
- (2) The re-organisation of the trades councils to transform them into local unifying centres of the working-class movement.
- (3) A fight to expose the present discredited leadership of the reformist trade union leaders, showing clearly and concretely what their leadership has meant for the workers, and what it will mean in the future if left unchallenged.
- (4) Affiliation of the National Unemployed Workers' Committee Movement and the local trades councils to the Trades Union Congress, and the acceptance of representatives from these organisations upon the General Council of the T.U.C.
- (5) Acceptance of the principle of one union for each industry, and the immediate amalgamation of unions in kindred industries as a step to the realisation of industrial unionism.

¹*What is the Minority Movement?* 16 pp. Price one penny. 38 Great Ormond Street, W.C. 1

- (6) The appointment of a new General Council of the T.U.C., elected by and at the Congress from nominations made by the delegates present, such council to have full powers to direct the whole policy of the trade union movement, and to be under obligation to the Trades Union Congress to use that power to fight effectively the battles of the workers.
- (7) Popularisation and organisation of Workers' Defence Corps which shall prevent the organisations of the workers being destroyed during periods of acute class struggle.

Special sections follow dealing with the Youth, Women, Co-operatives and the International.

The bourgeoisie, realising the menace of Communism to the continuation of its system of class government, desires above all to prevent the Communists from obtaining the leadership of the masses and developing the struggle against the bulwark of the existing order of state apparatus. The Secretary of the T.U.C. not only completely identifies himself with this line of thought, but extends it to the point of regarding the trade union as the bulwark of the State.

Mr. Citrine's identification of "democracy" in the unions with the interests of the existing bureaucrats is as significant as is his identification of the trade unions with the capitalist apparatus. Although nowhere is he rash enough to argue in support of his assumptions that the struggle against the bureaucracy is the same as the struggle against the unions, and that the Minority has no right to carry on organised work in order to become the majority, these two assumptions are the essence of his articles. To raise honestly and openly before the workers the real issues between himself and the Minority would not suit Mr. Citrine any more than it suits his trade union friends—many of them elected on their advocacy of a minority programme—who now occupy the official positions of the great trade unions. To appeal to "democracy" in the trade unions just now yields increasingly disastrous results for the heroes of the general strike—look at Fife and Lanark.

Other unions, too, will have elections, sooner or later, in spite of all the obstacles that our champions of "democracy" can put in the way. What if such elections should show that the Minority has become a majority—even with "an organisation not particularly effective in practice"? Unfortunately for Mr. Citrine's

ingenuous pose, a General Council member at the T.U.C. in 1926 was careless enough to explain that unless the development of the Minority Movement was checked, it would become the majority "in a short time" !

Mr. Citrine, "discriminating observer," sees clearly the dangers of a democracy which has elections, when the Minority, desirous of "disrupting" the régime of his friends, are able not only to contest the elections, but get elected ! Democracy without elections were scarcely possible—but why not elections with the Minority prohibited from expressing its opinions or putting forward its candidates ? In such a paradise no "disruption" would be possible, and we could recline serenely in our official chairs, secure of re-election for all time.

Thus Mr. Citrine, with "no hasty decision," sets out to do his part in the way of preparing these barriers against "disruption."

Lest Mr. Citrine should be inclined to regard this interpretation of his articles as another example of Communist "imputation of the vilest possible motives even against the mildest critic," we would refer him to the following actions of his trade union friends in their capacities as responsible officials of their unions, the documentary evidence of which he will find in the files of circulars in their offices :—

- (1) Decisions of the Executives of the N.U.R., T. & G.W.U., and Shop Assistants to instruct their branches not to receive any correspondence from the Minority Movement.
- (2) Decision of the N.U.G.M.W. Executive to prevent any member of their union who is a member of the Minority Movement or the Communist Party from standing for *any* union position ; to prohibit any branch of the union from sending delegates to any conference of the Minority Movement or Communist Party ; to refuse to allow any branch to associate with any Trades Council which itself is an adherent of the Minority Movement.
- (3) Decision of the Executive of N.A.T.S.O.P.A. not to allow any member of the Minority Movement or the Communist Party or any supporter of the policy of these organisations to stand for official or executive positions in the union.
- (4) Decision of the Scottish Mineworkers' Executive, after having been beaten at the polls, to refuse to convene the annual conference which would see the assumption of office by their successors and to refuse to recognise the election of two agents in Fife after they had topped the ballot four times.

- (5) Repeated efforts by the Executive of the A.E.U. to prevent their branches using their branch local purposes fund to affiliate to the Minority Movement when a majority of the branch so desired.
- (6) Decision of the Executive of the E.T.U. to quash the election of three members of the Minority Movement to the London District Committee of that union and one member of the Minority Movement as the union's delegate to the Labour Party Conference, after the membership had elected them by ballot vote.
- (7) Decision of the officials of the Boot & Shoe Operatives' Union to take disciplinary action against one of their members who criticised them through the medium of a news-sheet whose circulation was confined to members of the union.
- (8) Decision of the Bakers' Union officials to take disciplinary action against one of their members who similarly criticised their policy.
- (9) Decision of the Painters' Executive to refuse to allow any of their branches to affiliate to the Minority Movement.
- (10) Decision of the Executive of the Boilermakers to refuse to allow the nomination of Harry Pollitt ("any known Communist") to the T.U.C. and National Labour Party Conference, after he had been elected at the top of the poll for six years in succession.

The bureaucrats responsible for these actions received their initial encouragement from the decision of the General Council to forbid any Trades Council, under pain of having all relations with the General Council severed, to maintain connections with the Minority Movement, or to be affiliated to that body. The logical development of this campaign is the resolution reported to be moved by Mr. John Hill, Secretary of the Boilermakers, in which he demands that the General Council follow his example in refusing to allow nominations of "any known Communist" for the T.U.C. and other positions.

Are these events, suspiciously suggestive of "minority dictatorship based on the suppression of popular liberties," so entirely unconnected with Mr. Citrine's decision to write his articles? In seeking a reply it is worth while considering the events which form the background for the actions of the General Council, and the words of its Secretary.

British capitalism during 1927 took full advantage of its victory gained in 1926 over the General Strike and the miners, thanks to the sustained efforts of the General Council. While suspending a noose, in the shape of the Trade Disputes Act, round the neck of the Trade Union Movement, in case it should recover from the

defeats administered by its leaders, the bourgeoisie pushed rapidly ahead with schemes for extended rationalisation.

All these schemes mean in essence the speeding up and increased exploitation of the workers, numerous dismissals, and more work done for less wages by those who remain.

Already at the T.U.C. in Edinburgh, in September, 1927, the General Council had indicated its attitude towards these new offensives on wages. Mr. George Hicks publicly hauled down the Red Flag, and broadly hinted that a brand new white one was ready for hoisting, if only the enemy would make a gentlemanly gesture. The gesture was duly made, that British gentleman, Sir Alfred Mond, being chosen to bear the olive branch, and a short eighteen months after the first British General Strike the heroes of the General Council were to be found slobbering and gushing their joy at being permitted to sit in the same room as a group of the worst enemies of trade unionism and biggest exploiters of the workers, and committed to the discussion of an agenda whose first item is—rationalisation.

In other words, the General Council, cured of its tendency to talk about resistance to wage cuts by the experience of 1926, openly offers its services to the employers, no doubt with glowing memories of the war period, and prepares to gear up the trade union machinery to that of the employers.

However, certain difficulties present themselves. The union membership protest vehemently against the whole proceedings. The one member of the General Council, Mr. A. J. Cook (while not entirely adopting the attitude of the Minority Movement), who has consistently opposed the "Peace" policy, receives a volume of support which augurs ill for the smoothness of further progress along this line. On every occasion where the rank and file receive a chance to express their opinions they do so in no uncertain fashion. Fife and Lanark appear determined to elect a Communist or Minority man to every position. The Communist textile campaign receives mass support from a section of the workers hitherto regarded as quite immune from Bolshevism. Local and district elections in a score of unions reveal mass support for the Minority candidates, and a number of executive members whose position had never been challenged find themselves opposed by the supporters of the Minority.

Quite clearly the prospects of peace policy being operated by the branches and districts are not rosy, and in fact it is obvious that the inevitable struggle over the whole question will bring enormous support to the Minority Movement, which stands out clearly not only as leader of the revolutionary elements, but also as the only organisation remaining faithful to the essential principles of trades unionism.

The General Council dare not contemplate the further growth of the Minority under these conditions. The "short time" would become even shorter than Mr. Conley had imagined. Peace with the bosses means war on the Minority Movement and the militant workers, who must be driven out of the unions, or at least rendered impotent if the General Council is to carry through its Peace proposals and retain its seats.

Division of labour is universal in modern society. Mr. Citrine's share of the work is to prepare the smoke screen of talk of Communist plots and conspiracies in the best bourgeois manner, in order to cover the preparations of the bureaucrats for taking "disciplinary" action against the Minority Movement.

Thus are our British social democrats being forced by the development of the class struggle to drop all pretence of fighting for the workers' interests, and to range themselves openly with the defenders of capitalism, co-operating with the Mond plans of rationalisation, uniting the trade union apparatus with that of capitalism, and ready to disrupt the unions in order to eliminate the militant Minority.

Just as the bourgeoisie is forced by the development of the class struggle to abandon the mask of democracy and to use openly the state as its means of dictatorial repression of working-class activities, so is Social Democracy forced to abandon its pose as the democratically elected leadership of the working-class movement and to demonstrate its essentially bourgeois nature by its dictatorial use of the union machine against the workers.

In each case the ultimate effect can only be to harden and deepen the revolutionary consciousness of the masses, to demonstrate to them the futility of reformist hopes, and the necessity of energetic mass struggle for the complete overthrow of the existing order of society and its Social Democratic supporters.

THE STRIKE WAVE IN EGYPT

By J. B.

I. The Industrial Development of Egypt

THE characteristic feature of Egyptian economy—the production of cotton for export abroad, and especially for the provision of the British textile industry with raw material—has undergone a certain modification during the war and the years following the war. It is true that cotton production has retained its position of outstanding predominance. Over 90 per cent. of the roughly 14,000,000 of the Egyptian native population is connected with the production of cotton. Cotton of various kinds makes up over 80 per cent. of Egyptian export, while every year goods, and particularly industrial products, amounting in value to from £50 to £60 millions, are imported into Egypt from abroad, with Great Britain again at the head of the list.

A growing tendency towards industrialisation in Egypt has, however, begun to make itself felt, especially during the last decade. The impetus came in the first instance from the fact that during the war Egypt was for years cut off from her usual markets and sources of supply, and was therefore forced to begin manufacturing her own raw materials and supplying herself with industrial products. In this way a somewhat extensive textile industry developed, which by 1917 already employed 72,818 workers, including 19,122 women. The same thing occurred in the spinning trade (a spinning company was formed as early as 1916, with a capital of £150,000), in the leather and shoe industry, in the furnishing trade, etc.

The mineral resources of Egypt were also more intensively exploited during the war and the post-war period. It had already been known for the past ten years that Egypt possessed a number of valuable mines containing lead, zinc, gold, iron and copper, and that manganese phosphate and petroleum are also present. But the exploitation of the fairly productive petroleum wells in Hurgada,

south of the Gulf of Suez, was first undertaken during the war, when the British fleet was suffering from a shortage of fuel, and now the daily output is about 500 tons.

Most of the industries, of course, were in the hands of foreign companies, and this was also the case with the exploitation of the mineral resources. British capital (*e.g.*, the Anglo-Egyptian Oil-fields, Ltd.) and, next to that, French and Belgian capital played the chief part in industrial undertakings. Most of the companies took advantage of the privileges accruing to foreign capitalists through the capitulations, and refused to admit native capitalists into their companies.

It was the splendid position of the cotton trade in the years following the conclusion of peace, and the accumulation of large amounts of capital in the hands of the Egyptian landlords and merchants, that first caused the claim for an industrial outlet for native capital to be put forward. These capitalists soon began to launch an attack on the privileged position of foreign capital. At the end of 1926 the "League of Egyptian Industries" presented a memorandum to the Egyptian Government and to Parliament, in which a policy favourable to the development of Egyptian industry was demanded.

The League, according to its own estimate, numbered 140 members, who held in their hands the whole of Egyptian industry, representing a capital of £40 millions, and employing not fewer than 200,000 workers, or one million persons, including their families. The League put forward the following demands :—

- (1) That the Government should give preference to native goods over foreign in all Government orders.
- (2) That it should improve the internal communications of the country and lower the railway rates.
- (3) That it should introduce a tariff system in order to make Egyptian industry able to meet competition.

In July, 1927, the "Misr" Bank was opened with industrial backing which was almost entirely in Egyptian hands. It sanctioned the formation of four joint stock companies; one for cotton weaving and spinning, one for silk, one for flax spinning, and, finally, one for the fishing industry. These companies were to be carried on exclusively by means of Egyptian capital.

"Industrial development" has for years been one of the slogans

of the Egyptian national movement. This movement is looking to the establishment of an effective national industry, to the driving out of foreign capital from its controlling position in the most important industries and branches of trade (railways and tramways, etc., and also water and electric undertakings are in the hands of foreign capitalist companies) for the achievement of real Egyptian independence.

The same motive underlies the special bitterness of the struggle against the Capitulations, and the enactment of a series of laws to check the further penetration of foreign capital. Only recently another such law—the law concerning joint stock companies—has been drafted, which provides for the inclusion of at least two Egyptian citizens on the board of directors of every joint stock company, and lays it down that at least 25 per cent. of the employees must be Egyptian born, and that foreign companies should be subject to a special tax.

Besides these political means, Egyptian capitalists also employ the weapon of direct economic warfare. When last summer ten large foreign cigarette factories formed themselves into a trust and refused to include the Egyptian factories, the Egyptian cigarette manufacturers appealed to the Government and public opinion to boycott all cigarettes produced by factories financed by foreign capital.

These progressive developmental tendencies shown by Egyptian capital, with the struggle against the supremacy of foreign capital, represent a characteristic mark of the industrial development of Egypt.

II. Working Conditions and the Protection of Labour

The opposition between Egyptian and foreign capital is, however, increasingly overshadowed by the intensification of the opposition between capital and labour within the undertakings themselves.

The conditions in Egyptian industry are absolutely monstrous. The proletariat is recruited from the impoverished peasants, especially those of Upper Egypt, and from the poorest handworkers; so far as the skilled workers are concerned, immigrant elements—Italian, Greek, Armenian, Syrian—are extremely numerous.

Hours of work in the factories are from 12 to 14 hours and even more, with no sort of regard for women and children. Flourishing undertakings work day and night in two equal shifts. When it is realised that during the summer months (*i.e.*, for more than half the year) Egypt has a tropical climate, that the factory accommodation is for the most part old and unhygienic (*e.g.*, the sugar industry, which employs 15,000 to 30,000 workers, dates from the year 1897), that the same hours hold good for workers in the open air—under the burning sun—it is possible to picture what this that is almost universal (it is shortened to 8 or 9 hours only in exceptional cases of specially hard or skilled labour) means to the Egyptian worker.

Wages vary from 5 to 20 piastres per day. Piece work is a popular means of oppression which is especially favoured in the old foreign undertakings. Where the piece-work system is not possible, special inspectors see that the necessary output is maintained.

The purchasing power of these wages (in English money from 1s. to 4s. per day) is very low, for, as the index figures show, Egypt is one of those countries in which the cost of living has come down very little since the war. Wages are far from supplying the minimum needs of a single person; further, most of the workers being Mohammedans have to support their whole families, for female labour in the factories, with certain important exceptions in recent years, is strictly forbidden.

The workers' houses are insanitary hovels. In the workers' quarters many families are herded together in a narrow space, and no drainage, water supply, etc., exists. It is so unhygienic and filthy that for a long time the Press has been urging the destruction of these quarters on the ground that they represent a perpetual danger of infection.

The sanitary conditions in the factories and workshops are no better arranged. The factory owners, like the European industrialists at the beginning of the last century, take the point of view that the worker (who has usually received no education, and is illiterate) should be worn out like a beast of burden. This explains also the frequent change of work, the ill treatment of the worker, and his dismissal on the slightest provocation, or when he is no

longer capable of work. There is no legal provision for workmen's compensation, nor is there in existence even the most primitive form of social provision such as old age pensions, unemployment benefit, &c.

These labour conditions have for a long time given rise to a demand for a certain measure of legal regulation. Year after year since the end of the war the introduction of a labour protection law was considered imminent. During the British Protectorate (*i.e.*, until 1922) the drawing up of such a law was adjourned until the formation of the native government ; then in the years 1922-3-4 the tense political situation and the drawing up of the constitution provided the pretext for a fresh postponement, while the government of Zaghlul Pasha in 1924 merely created commissions of arbitration and courts for the settlement of conflicts between Labour and Capital by which the rights of combination of the workers were reduced to a minimum. The Labour Protection law, however, was not drafted until the fall of Zaghlul, and the two years régime of Ziwar Pasha (who concerned himself only with the interests of the bankers and big landed proprietors) removed the question entirely from the sphere of practical politics.

In the new Parliament, with its Zaghlulite majority, the question of a labour protection law again came up, in fact it was officially mentioned in the Government's programme and a commission for labour and social questions was set up, which put forward all sorts of schemes. But although Parliament has now been sitting for nearly two years, the subject of workers' protection has made no progress. The sending of a commission to Europe to study labour questions was under consideration, but eventually was allowed to drop. A regular outcry was raised by the capitalist parties against the activity of the commission. The representatives of foreign capital were especially vehement in contesting the necessity of workers' protection in Egypt ; relying on their privileges under the Capitulations they declared that they did not intend to submit to such laws, which they stigmatised as bolshevist plots, etc.

The native capitalists, in the fear of falling behind foreign capital, urged the Government not to burden the young Egyptian industry in its development with labour protection laws. The

result was that the Government rejected all the commission's proposals and in the speech from the throne, in November, 1927, the question of labour protection legislation was not even mentioned. Instead, a new commission was set up which was to examine afresh the earlier schemes.

The Rôle of the Trade Unions

These insults to the workers and the complete disregard of their interests are due to the fact that there is no proletarian fighting organisation, not even trade unions capable of acting on behalf of the workers.

Until 1923-4 the Red Confederation of Trade Unions was in existence and, under Communist leadership, carried out a whole series of wage movements and strikes, considerably improved the position of the workers in various sections of industry and was on the way to becoming a real mass movement of the Egyptian working class. In 1924, under the régime of Zaghlul Pasha, this Confederation was dissolved by force, its leaders were seized—the secretary of the Federation, Anton Maroun, died in prison—and mass discharges of federated workers were carried out. Since then no more trade unions have been formed on a class basis. There remain only two other types. One is represented by the trade unions of skilled workers (for the most part, foreigners), which are rather organisations of mutual aid and understanding with the employers, and whose chief feature is political neutrality.

The second type of union was brought into being by the Zaghlulist movement itself, which found the organisation of the workers necessary for its own political purposes. These unions were led by political leaders, mostly lawyers like Dr. Maghoub Sabet, Zoher Sabry, &c., or members of Parliament like Hassan Nafeeh ; they have a nationalist programme. Of the economic struggle, the improvement of working conditions, there is little to be found. Usually they strive to avoid conflict with the employers and to secure compromises on any points at issue.

The employers and factory owners have, however, in the last few years launched an attack on the workers at just those points where certain gains were made in 1923-4. The arbitrary lengthening of the working day, the lowering of wages and, above all, the

cancellation of privileges formerly granted; such as the right to claim medical aid, monthly contracts, etc., all this and other treachery practised against the workers clearly shows the defenceless condition of the working class in the hands of the capitalists.

On account of the unsatisfactory nature of the trade unions as defence organisations, a marked depression took place among the workers, and this led to a decline in trade union organisation and a flight from the unions. Of the 35,000 workers, organised in the Zaghlulist unions in 1926, only about 13,000 remained in the unions by 1927. In certain unions there was a drop, amounting to from 60 to 70 per cent. of the membership, so that their claim to existence was completely lost.

But this depression was only a passing phase. Since the capitalist attack became even more threatening, and since nothing was to be had by waiting for an early improvement in the situation, a new effort at organisation was set on foot, and a new advance of the workers' movement made its appearance, with the following characteristics : increased activity of working-class organisation (a central body has once more been formed and the unions have issued statements to Parliament and the Press), wage struggles and, following in their wake, strike waves.

In the new organ of the extreme Wing of the Wafd, *El Kischaf*, an article has appeared which describes the present period of the Egyptian working-class movement as follows :—

The workers simply wish to remove the injustice which has been done them. Anyone who knows the Egyptian worker must admit that there is injustice. Although the workers labour unceasingly they can scarcely earn their daily bread, they are never sure of the little they do earn. They suffer also greatly from the standpoint of health and have no hope of any compensation in the case of industrial injury, or of help in their old age.

These workers form a large section of the nation and are its productive strength. Their suffering has an evil effect on the whole country . . . The Egyptian government and the legislative authorities could disregard the workers and their conditions so long as they were only a scattered group having no union to hold them together, no goal to aim at ; now the workers have organised themselves in a movement which is apparent everywhere, and they have begun to feel that they form one class which has one hope and one aim. This class consciousness is the basis of every social movement and the Government and Parliament must tackle the matter in earnest.

The facts on which are based these sober reflections of the Wafd journal are the intensified class conflicts of the present day.

IV. Labour Struggles and Strikes

Almost every week in recent times struggles here take place in one or other of the Egyptian industries, often becoming acute before the arbitration committees have time to intervene. Only last summer the workers in the water and electricity works in Alexandria threatened a general strike if the wage reduction proposed by the company (a foreign one) was carried out. This threat produced an early remission of the wage reduction.

The 3,000 workers in the railway workshops at Fazum, which belong to a Belgian company, went on strike in September, 1927, as a protest against the brutality of a foreman, and the strike only ended on the dismissal of the foreman. In the winter the strike movement was renewed as a protest against a 10 per cent. wage reduction, which was threatened by the company on the ground that it could not meet the competition of the motor-car in any other way.

In November, 1927, a strike of silk weavers took place in Cairo, also as a protest against wage reductions. The workers assembled in front of the factories which had not stopped work and stormed the machines. The police intervened, and took a large number of prisoners. The cloth weavers' strike in Cairo also ended with a bloody encounter between police and workers and the imprisonment of fifteen workers.

The largest tobacco factory in Melk locked-out its whole staff of 1,300 tobacco workers in order to prevent a wage movement from developing. The workers prevented the employment of strike breakers and demanded full employment on the same conditions as before.

The Suez Canal workers later issued a stirring challenge to the public, in which they complained of wholesale exploitation by the company, and made a special protest against the attempt to change their status back to that of daily wage earners, in spite of their ten years' standing, in order to avoid paying certain increases which were due to them.

The bakery workers, the harbour workers of Alexandria, the workers in the petroleum fields, etc., also demanded improve-

ment of their economic position, and are united in the demand for a speeding-up of labour legislation.

But what particularly attracted public attention to labour problems was the tram strike in Alexandria, which lasted for five days, from November 21 to 26, 1927. For years the 2,000 workers employed by the tramway works have been in conflict with the company on account of their working conditions. Already, in 1919, they threatened a strike, but let themselves be put off with promises. Now they put forward clear demands :—

- (1) The granting of a wage increase of 40 per cent.
- (2) The admission of a union doctor in cases of sickness.
- (3) The safeguarding of the workers in the case of the passing of the company into other hands.

While the union advocate was still conducting negotiations through the Arbitration Court, the workers decided on a strike, and held up the tramway traffic. The strike was general and complete, for it was decided on by a general meeting of all the tramwaymen. Thus the attempt of the company to resume the service with the help of strike-breakers was unsuccessful.

At this point the government intervened ; it proclaimed the strike illegal, because it had been begun before the Arbitration Court had pronounced judgment, and called out police and military to suppress the strike by force. These threats had as little effect as the company's announcement that every worker who did not return to work without delay would be regarded as dismissed. The workers remained obdurate, and traffic was at a standstill.

It was not until the government had accepted responsibility for the carrying out of the most important demands of the workers, and the union leaders threatened to abandon their leadership of the strike if the workers did not accept the government's proposals, that the strike was broken and all the workers returned to work. The discipline and unity of the workers combined with the fact that, shortly after the outbreak of the strike, a sympathetic movement started among the taxi-drivers, did not fail to make a deep impression on the whole Egyptian people.

The demand for protective legislation for the worker is now being still more vigorously pressed forward on every hand, for there is no longer any doubt that the Egyptian labour movement has become a powerful social and political factor.

The World of Labour

UNITED STATES

Save the Miners' Union Conference

ON April 1 and 2, a National Save the Miners' Union Conference was held at Pittsburgh with 1,125 delegates present, representing every important section of the American coal industry, and including delegates from Canada and 142 delegates from the unorganised districts. This conference, which is of the utmost importance, is the outcome of the efforts of the Left Wing and Progressives to deal with the situation created by the betrayal of the miners by the official leadership of the United Mine-workers' Association. Under the administration of John L. Lewis, the Miners' Union has dropped disastrously in membership until only 30 per cent. are organised in the soft-coal areas as compared with 70 per cent. in April, 1927, and membership as a whole has declined by 200,000, while the leaders have acquiesced in the employers' proposal to banish 250,000 miners from the industry as superfluous, and have accepted the principle of district agreements and the reductions put forward by the employers. The aim of Lewis and the other leaders has been to bring the naturally militant mineworkers' organisation into line with the A. F. of L., with its policy of exclusion and defeatism, and to abandon the attempt to organise the unorganised of the Southern districts and elsewhere, thereby destroying its character as a real industrial union.

The disastrous results of this policy have now become glaringly apparent, and this Conference represents the action of the rank and file in defence of their Union and the strike, which has been raging ever since April 1, 1927, when 35,000 miners of Ohio, Pennsylvania, Illinois, Indiana and Kansas came out in defence of the Jacksonville scale and to resist the wage cuts, amounting to 6 - 7.50 dollars a day, demanded by the employers when the agreement expired, and already enforced by many of the coal companies before that date (*c.f.* LABOUR MONTHLY, May, 1927).

In this struggle the capitalists have used all the weapons at their disposal: injunctions, mass evictions and arrests; the introduction of strike breakers and gunmen; and they have had the assistance of the courts, which have forbidden the giving of relief, the posting of strike notices and picketing, and have interfered with the right of free assembly. Conditions in Pennsylvania and Ohio are so appalling and the employers' methods so scandalous that a Senate investigating committee was recently set up, which was forced to declare that "Conditions which exist in the strike-torn regions of the Pittsburgh district are a blotch upon American civilisation"; and again, "It is inconceivable that such squalor, suffering, misery and distress should be tolerated in the heart of one of the richest industrial districts of the world." The Chairman, Senator Gooding, a Republican and a reactionary, "flays

the witness (the chairman of the Pittsburgh Coal Co.) for the brutality and degradation among the strike breakers in his own camps." (New York *Nation* April 4.)

Efforts to bring out the men in non-union mines were unsuccessful, and thousands of locked-out members of the union were driven to migrate to non-union districts and take up work there, with the result that production in these areas actually increased. When the struggle had lasted for six months, a separate agreement for the Illinois mines was signed by Lewis, covering about 73,000 miners, and one for Indiana and Kansas followed shortly. The terms provided for a continuation of the Jacksonville agreement until April, 1928, and for the appointment of a joint commission to settle wages after that date. This was tantamount to a capitulation on the part of the union leadership; for wage reductions were sure to follow, and it meant also the abandoning of the miners in the other soft-coal areas who were still on strike. This betrayal has, however, been neutralised by the action of the Illinois miners themselves, who came out again on April 1, on the expiration of the truce, and are linking up with the other districts, and resisting the further cuts of 1.50 dollars, plus 240 cents on tonnage rates, demanded by the employers.

Meanwhile, in October, an unofficial strike organised by the I.W.W. was called, with increased wages, reduced hours and freedom to organise as its objects. Here again the reformist leadership played the part of traitors, refusing to support the Colorado miners, and forbidding the members of the United Mine Workers to take part in the strike. Here the methods of repression adopted were even more savage than in Pennsylvania, and included imprisonment of hundreds of strikers, the use of troops and the State Militia for patrolling the coalfields, and the killing and wounding of numbers of unarmed pickets. A compromise was reached in February, the mineowners agreeing to an increase of a dollar a day instead of the 3.25 dollar rise from 4.50 to 7.75 demanded by the workers. But the method of settlement was most unsatisfactory, as the men went back on February 20, before a definite agreement had been reached, with the idea of continuing the strike "on the job." In spite of their present position, the Colorado miners sent delegates to the Save the Union Conference and, although they have been forced into independent unions by the Lewis attitude, they are ready to join up with the national movement.

On November 21 an "emergency" conference of the American Federation of Labour (the second in twenty years) met to consider ways and means of assisting the miners, after eight months' inaction. As a result of pressure from the mine workers, whose union is the strongest in the Federation, an appeal for financial aid was issued and a deputation interviewed President Coolidge without result.

The holding of the Save the Union Conference is the outcome of the determination of the rank and file to take up the tasks abandoned by their leaders. For nearly a year the progressive wing of the miners, including members of the Workers' Party, held its peace, and tried to preserve a united front against the employers; but it became increasingly apparent that in order to defeat the employers it would be necessary to challenge the Lewis control of the union.

The Conference programme, unanimously adopted by the delegates, therefore contains a condemnation of the corrupt Lewis machine, and declares that the ousting of the present leadership is a necessary preliminary to re-establishing the power of the Union. The immediate calling of district conventions is demanded; if the district officials refuse the demand, then the local committees of the Save the Union Movement must take the matter into their own hands and call the conferences themselves. At these conferences, the Lewis officials must be removed from their posts, and new leaders elected who will be really representative of the rank and file. Again, since Lewis has refused relief to progressive miners, rank and file relief organisations must be set up to enable the workers to carry on the struggle. The conference also declared itself in favour of a six-hour day and five-day week and the nationalisation of the mines.

Further, the Conference determined to make of the united mineworkers a real national industrial union. As opposed to the reformist policy of neglect and exclusion of the lower paid workers, it advocated 100 per cent. organisation of the industry, and the setting up of a new national agreement for all miners by means of new strikes. It backed the Illinois miners just returning to the struggle, and proposed to make the present strike more effective by persuading all the remaining soft-coal areas to join in (Kansas, Indiana and the South Western districts) and adopting plans for the mobilising of forces in the South Western areas already on strike. It further raised the cry, "Anthracite rally to bituminous," and decided on a general anthracite strike to be called by the E.C. of the progressive forces, and favoured the sending of organisers to the non-union coke districts of W. Pennsylvania in preparation for a strike call on April 16.

The Conference adopted *The Coal Digger*, started in February as a fortnightly by the Save the Union Committee, as the official organ of the Movement, and appointed John Brophy, a former district president of the union, as Chairman of the National E.C., with John Watt, the chairman of the Conference, as Vice-Chairman, and Pat Toohey as secretary.

BOOK REVIEWS

THE STRUGGLE FOR A WORKERS' INTERNATIONAL

History of the First International. By G. M. Stekloff. (Martin Lawrence, 12s. 6d. net.)

IT is not too much to say that Stekloff's book should be read and re-read by every worker in the British Labour Movement—for had the history of the International Working Men's Association been assimilated properly we might have been saved from many follies.

First of all it was the means of effecting a transition from the *then* traditional bourgeois insurrectionary utopianism to a positive proletarian political struggle. It did not do this completely nor as a conscious whole. Yet from the work, the struggles, and the organisation of the International can be dated the beginnings of the conscious working-class political struggle in all the West European countries.

Secondly, it effected this transition negatively as well as positively. It carried over into its body from the first the elements whose incompatibility its experience was to demonstrate.

It is a commonplace of all the text-books of Socialism that the International was wrecked by the doctrinal dissensions between the followers of Marx and those of Bakunin. What is commonly unobserved is that this fight itself was an expression of the inevitable and inescapable antagonism between the inherited bourgeois ideological forms under which the proletariat commenced its historical adventures and the inner revolutionary urge of its practical proletarian experience.

Thirdly, the International in, through, and by means of its conflicts and ultimate disintegration demonstrated that the historical mission of the proletarian struggle is not merely to aggregate together all and every individual discontented with bourgeois society. It demonstrated that in the very act of uniting to struggle against the *effects* of bourgeois rule the proletariat achieves a doubly revolutionary transformation; it forces the bourgeoisie itself to transform its organisation, its institutions, and its slogans until it has exhausted the possibility of further transformation; and in the struggle that compels all these transformations the proletariat is itself transformed out of all recognition; is, in fact, converted from a mere aggregation into an entirely new and independently conscious entity.

That Marx should clash with Bakunin was inevitable; those who have failed to see so much cannot have penetrated to the only too obvious petty-bourgeois point of view from which all Bakunism proceeded. What was not so obvious, but would have given a clue to any investigator with insight, was the superficially curious alliance which gave the International its stability—an alliance which, when severed, virtually dissolved the International—that between Karl Marx, the Revolutionary Communist, and the British Trade Union Junta (Allen, Applegarth, Odger, &c.), who had not even broken with bourgeois-Radicalism.

It was this curious united front that gave the International its life; it was the severance of this union that brought its death; and it speaks volumes for the practical genius of Marx that he was able to maintain the union for

long enough to ensure that on its decomposition its fragments should be able to commence an independent national existence.

The explanation is, of course, the simple fact that in the International Marx tested out his main theories and proved them correct. For the Junta as individuals he had little use; he early predicted that Odger, for instance, would desert to the bourgeoisie. Behind the Junta he saw the rising force of what was then called the "Model" Trade Unionism, and it was that force and all it signified to which Marx pinned his faith.

It indicated a vast spontaneous growth of the proletariat responding directly to a vast development of capitalism, which could not fail ultimately to transform the whole earth.

Marx in a word saw what was coming—too accurately perhaps not to ante-date its culmination. He was content, therefore, to keep on the crest of the advancing wave and await with patience the coming of the foreseen.

On the surface it seemed in 1872 that the "International" was a complete and colossal failure. Official British Trades Unionism had turned its back upon it; its French sections had disappeared in the wreck and disaster of the Commune, and the obloquies heaped upon its grave; its German sections had been all but suppressed for their anti-war protests; while in the Latin countries Michael Bakunin was able to make a show of complete victory over Marxian "timidity." But by 1889, when the post-Commune reaction had subsided, a new International had constituted itself by the coming together of the national Socialist and Labour Parties which had grown from the germs implanted by the International Working Men's Association. When that International assembled it paid homage not to the names of Allen, Applegarth and Odger, and still less of Bakunin; it paid it to that of Karl Marx. And when in turn this Second International had collapsed into ruin before another world reaction, its successor, the Third (Communist) International, at once announced itself as the heir and successor of the First.

On any view, a history of the First International has been long needed. Postgate's work, though original and therefore valuable, is but a sketch; Jaekkh's work, at best confused and one-sided, is only rarely to be met with. Almost any really full history would have been sure of a welcome; but a history such as this—full, detailed, documented, judicious, balanced, and illuminative, well translated and admirably printed—is a boon for which it is impossible to be too grateful.

Stekloff's work is not merely fuller and more documented than its predecessors, it continues the story later than any. It follows the fortunes of the Bakunist pseudo-International right to the end, and gives the details of the Congress which can be taken as the starting point from which grew the Second International—that at Chur, in Switzerland, in 1881.

The "Address," Preamble and Provisional Rules of the International Working Men's Association (all drafted by Marx) are given in full as an appendix.

To urge the study of such a volume should be needless. It should be sufficient to say that practically every problem of organisation and tactics that confronts the international working class to-day appeared in germ in the experience of the First International.

Stekloff, summarising in his concluding chapter, points out that the First International brought to light the three main tendencies which have since marked the international working-class movement: those of (1) revolutionary Communism, (2) moderate (and ultimately class-collaborationist) Socialism, and (3) Anarchism.

The latter, being no more than the logical completion of bourgeois individualism, is a phenomenon that recurs with every crisis that detaches a section of the lower-bourgeoisie from their hold on the means of production. As such it is essentially reactionary, under its insurrectionary surface, and therefore sterile. It represents the longing for the lost past, just as the second represents a yearning for the present—if only it can be stripped of its objectionable incidentals. The first (revolutionary Communism, in fact, however variously it has been named) alone presses forward to the future along the true line of development.

The First International, perforce, attempted to unite in a common struggle all three tendencies; their common repulsions drove it asunder. The Second attempted to shed the Anarchists and unite the remainder; it did but ripen their antagonisms to the pitch of cleavage, and the three tendencies exist distinct, separate, and not to be reconciled.

Yet, since, for all the years between, the whole proletariat has still not been drawn into the conscious struggle, the tendencies meet, intermingle, and at times seem to coalesce in the struggle to actualise the unresolved potentiality of the not yet class-conscious masses. That is the clue to the modern history of the proletarian struggle; and Messrs. Martin Lawrence are to be congratulated on this timely addition to the means available for comprehending it.

T. A. J.

A MARXIST TEXT-BOOK WITH PICTURES

An Illustrated History of the Russian Revolution. Vol. I. Edited by W. Astrov, A. Slepkov, J. Thomas, and translated by Freda Utley, M.A. (Martin Lawrence, Ltd., 10s. net.)

IN the ordinary way one might open an "Illustrated History" prepared to pass a blessing on it as a popular story-book, which sketched, with a few dates and names and incidents, the surface appearance of events, and so recommend it, if one did so at all, as something to be passed round the family circle when the fire had been lit in the parlour on a winter Sunday afternoon. From the firm of Martin Lawrence, however, one has learned to expect something more profound than this, and the present volume does not disappoint this expectation. While this history is essentially "popular" in that it is written in admirably clear and simple language, that any literate schoolboy should be able to understand, and while the 100 odd photographs are an engrossing fireside entertainment, the history itself is a careful and highly valuable contribution to our knowledge of the working-class movement, such as we have not had in English before.

While written in the simplest of language the book is the work of a Marxist historian and is not mere journalistic impressionism. We are given

not merely a chronicle of dates, of battles and proclamations, spiced with "close-ups" of eye-witness reports—though these also are all here; we are given a careful analysis of the growth and the character of Russian capitalism, of the organisation and tactics of the workers' movement, and of the discussion on policy which took place within and between the various revolutionary parties. This latter is in some ways the most valuable part of the book. It is impossible to understand Leninism unless one places it against the background of the actual stages of the class struggle to which it was intended to apply, and from which it was born; and in the discussions on policy which took place both before the 1905-6 revolution and in the years of reaction which followed it we can find several parallels which are amazingly close to issues in our own movement and are pregnant with significance for discussions which fill the horizon of our own movement to-day.

Most of us know that the Bolshevik Party was formed by a split within the older Social Democratic Party; but few of us know the precise issues and the circumstances in which the split was made. Most of us know that the Bolsheviks and Mensheviks adopted different attitudes in 1905 towards the "bourgeois revolution" against feudalism, and that Trotsky adopted a third position of his own; but our knowledge of the significance of these differences is generally slight or non-existent. In following current Russian discussions about party tactics one frequently finds oneself confused by references to Lenin's polemic against the "liquidators," to his policy with regard to participation in the Duma, his attitude on the War question, his criticism of the official Bolshevik policy in April, 1917—references to matters of which in England we have hitherto been almost completely in the dark. Such matters as these we find described here in a manner not overloaded with detail or obscure technicalities, but with sufficient precision of touch as to make it the classic text-book for the student of the class struggle, and a type of text-book which our insular sectarian Marxism has neglected too long. Moreover, along with the vivid description of street-fighting and the strike movement of the February days in 1917 there are printed in full the famous "April Theses" of Lenin, in which he outlines a policy for passing from the stage of the bourgeois revolution and the Provisional Government forward to the next stage of "All Power to the Soviets"; and one of his classic "Letters from Afar," in which he analyses the significance of the first revolution. Among the most fascinating passages in the book are those in which the street-fighting in February, 1917, are told through the mouths of eye-witnesses and the description of the arrival and reception of Lenin on his return from Switzerland. The volume closes with a record of the much-misrepresented "July days," when the Bolsheviks have been frequently accused of organising a premature Blanquist *putsch*. Their actual attitude towards this spontaneous but premature movement of the masses is here made perfectly clear.

In addition, the book contains much material of wider historical and economic interest. Considerable research work has been done recently in the various Institutes and Academies at Moscow into modern Russian history, and much entirely new material, of both a political and an economic character, has been brought to light and worked over—for instance, the records of the secret police and the State archives generally, the private records of nationalised

factories and the diaries of workers in the underground movement. Full advantage is taken of these researches, so that the story is no mere re-telling of a tale already told elsewhere : it contains some important new contributions to historical knowledge. One of these is the fact (disclosed by the police records) that Father Gapon, the leader of the procession on " Bloody Sunday," and " Gapon's Union " were in receipt of subsidies from the police.

This history was first published in Germany in fortnightly parts by the *Neue Deutscher Verlag* of Berlin in the summer and autumn of last year. The translation into English has been admirably done by Freda Utley. The book is excellently printed in " grandjon " type on good paper, and its cover is illuminated by a highly decorative colour-poster design. The second volume, which is to take us from the autumn of 1917 up to the beginning of socialist reconstruction after N.E.P., is promised us some time this year. We hope it will not be long delayed.

M. H. D.

PUBLICATIONS RECEIVED

History of the First International. By G. M. Stekloff. Translated by Eden and Cedar Paul. (Martin Lawrence, Ltd., 464 pp., 12s. 6d.)

Miss Mayo's " Mother India " : A Rejoinder. By K. Natarajan. (G. A. Natesan & Co., Madras, 126 pp., 12 annas.)

Communism and Industrial Peace. By J. R. Campbell. (C.P.G.B., 21 pp., 2d.)

The Peace of Nations. By Hugh Dalton, M.P. (George Routledge & Sons, Ltd., 311 pp., 5s.)

Les Documents de l'Opposition Française et la Réponse du Parti. (Cahiers du Bolshevism, 163 pp., 12 francs.)

The Workers' State: Foreign Delegations' Interview with J. Stalin on November 5, 1927. (C.P.G.B., 26 pp., 1d.)

Soviet Intrigues in China. (Publicity Bureau for South China, Hong Kong, 96 pp.)

A Commonsense View of Religion. By a Business Man. Introduction by Sir A. Conan Doyle. (The Psychic Press, 61 pp., 1s.)

Progressive Tendency in the Labour Movement. By Robert Clausen. (R. Clausen, Los Angeles, 90 pp., 50 cents.)

The Tragedy of the Weekly Slump. (The Pilot Press, 3d.)

Publications of the Foreign Relations' Committee of the U.S.S.R. Central Council of Trade Unions, Moscow, 1927. (5d. each.)

(1) *Trade Union Organisation in U.S.S.R.* By I. Resnikov.

(2) *Unemployment in the U.S.S.R. and the Struggle Against It.* By A. Katz.

(3) *Social Insurance in the U.S.S.R.* By A. Katz.

(4) *Protection of Labour in the U.S.S.R.* By A. Katz.

The British Cabinet, 1801-1924. Fabian Tract No. 223. (Fabian Society, 17 pp., 2d.)

Public Ownership: Points from Prospectuses. By A. Emil Davies, L.C.C. (Fabian Society, 14 pp., 2d.)

Women in Russia. (C.P.G.B., 32 pp., 2d.)

Russia's Disarmament Proposals. By W. P. Coates. Preface by Arthur Ponsonby, M.P. (Anglo-Russian Parliamentary Committee, 34 pp., 3d.)

A Word of Warning. By Arthur Conan Doyle, M.D., LL.D. (Psychic Press, 19 pp., 6d.)

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THE LABOUR MONTHLY

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PRINCIPAL CONTENTS

Notes of the Month

THE INDIAN AWAKENING

R. P. D.

Rationalisation and British Industry—IV

HUGO RATHBONE

"Democracy" in the Scottish Miners' Union

G. A. HUTT

The Fourth Congress of the R.I.L.U.

ALEX. GOSSIP

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JUNE, 1928

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CONTENTS

Notes of the Month - - - - -	Page 323
<i>THE INDIAN AWAKENING</i>	<i>By R. P. D.</i>
Rationalisation and British Industry—IV -	„ 342
<i>By HUGO RATHBONE</i>	
“Democracy” in the Scottish Miners’ Union -	„ 348
<i>By G. A. HUTT</i>	
The Fourth Congress of the R.I.L.U. - -	„ 357
<i>By ALEX. GOSSIP</i>	
The General Election in Japan - - -	„ 361
<i>By K. YAMAGATA</i>	
The Present Strike Movement in India - -	„ 369
The World of Labour - - - - -	„ 375
Germany—Sweden—Japan	
Book Reviews - - - - -	„ 379
A Story of Primitive Accumulation	
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NOTES OF THE MONTH

Indian Awakening—New Questions—Imperialist Policy—Post-War Basis—Economic Check—Political Hardening—Is Policy Changed?—Industrialisation—Not Only War Policy—Fiscal Commission—Imperialism and Proletariat—A Temporary Phase—Deflation Policy—British Financial Hegemony—Agricultural Concentration—British Home Problems—Problem of Economic Dyarchy—Industrialisation Perspective Unchanged—Friction with Indian Bourgeoisie—Madras Congress—Independence—Independence Not Enough—Workers Advance—Workers' Political Rôle—Government and Reformist Trade Unionism—British Reformist Touts—True Unity with Indian Workers.

THE great industrial conflicts now developing¹ in India, as well as the intensified political situation, alike point to the opening of a new period of sharpened struggle in India, which is likely to become one of the central factors of the world situation in the next few years. The transformation of the situation in India which has been taking place during the past five years, since the collapse of Gandhi and the Non-Co-operation Movement, has been developing for the most part beneath the surface; and it is only when the factors and forces governing it are surveyed as a whole that the full extent of the transformation can be gauged. The India of Gandhi is dead and belongs to the past (despite the recently announced attempt of Gandhi, after numerous solemn renunciations of politics, to proclaim his return). A new India is coming into being. The rising consciousness and action of the industrial workers, the growth of Republicanism and victory of the independence slogan at the National Congress, the growth of the Workers' and Peasants' Party, the foremost rôle of the workers in the demonstrations against the Simon Commission—all these are signs of the new India that is coming into being. The painful and difficult interim period of outer political

¹ See separate article for short account of these conflicts.

stagnation and inner growth of new forces beneath the surface is reaching its close. The new period, in which the leading rôle of the workers and peasants in the national struggle comes ever more clearly to the front, has now already proclaimed itself. This new period in India raises questions and problems as urgent and vital for the British working class as any on the "home" front; for it cannot be too often repeated that the fifty millions in Britain and the three hundred millions in India are natural allies, and the strongest forces in the single fight against British Imperialism.

THIS transformation of the Indian situation, which is still only at its earliest stages, is the most important general characteristic of the present period in India. At the same time certain developments and modifications have taken place in the rôle and policy of imperialism, in the rôle of the bourgeoisie and the petty bourgeoisie, and in the inter-relations of the bourgeoisie and of imperialism, as well as in certain important factors of the general political situation, especially with reference to the growing importance of the war question and external relations for India, which need to be taken into review. Questions have been raised with regard to the rôle of imperialism in India in the present period, in the light of recent evidence, which require to be discussed. In order to gauge the principal changes which have taken place, it will be necessary to survey briefly the developments in the rôle of imperialism, in the rôle of the bourgeoisie and petty bourgeoisie, and in the rôle of the workers and peasants. Finally, it will be necessary to survey the rôle of the British working class and of the existing leadership of the British working-class movement as it is developing in relation to India.

THE policy of imperialism in India has undergone some modification in the past few years. The rapid progressive policy which marked the end of the war and the first post-war period, the policy of economic transformation and industrialisation combined with liberal constitutional reforms, has met with an arrest and slowed down very considerably. The basic outline of the new epoch of policy which was initiated by the

Industrial Commission of 1916, the Montagu Declaration of 1917, and the Montagu-Chelmsford Report of 1918, and the far-reaching transformation that it meant of British policy in India, is sufficiently familiar. The essential character of this policy was that, economically, British capitalism in India advanced from the use of India primarily as an agricultural and raw materials reserve and outlet for British manufactures, with the consequent deliberate restriction of Indian industrial development, to the direct industrial opening up and exploitation of India under the control of British capital; politically, British rule in India advanced from basing itself primarily on the support of the big landlord class and ruling princes, to the new objective of winning the co-operation of the rising Indian bourgeoisie in administration through the form of Dyarchy advancing to Dominion status. The essence of the new imperialist policy was thus the taking of the Indian bourgeoisie into junior partnership, economic and political. Its cornerstones were industrialisation and Dyarchy, advancing to Dominion status. >

THE reasons behind the policy were three-fold. First, it provided that the in any case inevitable process of industrialisation, which could not be indefinitely held up from developing in India as in the other extra-European countries, should by a skilful *volte-face* in policy be actually taken in hand and turned to the profit of British capital. Second, it provided that the already dangerously threatened and shaking political structure of British rule in India, faced with a growing national movement, should save itself by the familiar manoeuvre of buying off a section of the opposition, and seek to build for itself a new social and political basis of support in the rising bourgeoisie by taking them into a joint sharing of the spoils and developing a common interest of exploitation against the masses. Third, it provided an outlet and line of expansion corresponding to the general needs and stage of British capitalism as a whole, which was increasingly finding the basic home industries less profitable and offering diminishing scope, and was interesting itself in the industrial development of the colonial and new countries.⁷ These basic driving forces behind the new imperialist policy are

important to remember now, when we are having to consider the fresh problems of a further phase in its development.

TO-DAY we are faced with a noticeable arrest in the development of the policy. The export of British capital to India, which reached an extremely high level in the years 1921-3, has fallen to a very low level. The figures are sufficiently striking to be worth setting out in full:—

Year	British capital exported to India £ (millions)	Total British capital New Issues £ (millions)	Percentage to India
1919 ..	1.4	237	0.6
1920 ..	3.5	384	0.9
1921 ..	29.5	215	13.6
1922 ..	36.1	235	15.3
1923 ..	25.3	203	14.4
1924 ..	2.6	223	1.1
1925 ..	3.4	239	1.4
1926 ..	3.0	253	0.8
1927 ..	0.8	314 7	0.3

After making all allowance for necessary criticism of the basis of figures of capital issues as an incomplete index of all movements of capital, the general tendency revealed remains unmistakable. Are we then faced with a reversal of policy; or does this represent a temporary phase within the general policy, and if so, what is the significance of this phase?

COINCIDENTLY with this, we find a significant change in the political line of the British Government. The line has again moved to a conservative trend, though still within the framework of the new policy. The reforms are minimised; the supremacy of the Executive is mainly stressed; the rate of progress is no longer spoken of in sanguine terms, but with heavy stress on the slowness and doubtfulness of any further advance. A Montagu is succeeded by a Birkenhead. The tone in relation to the Nationalist Movement is one of open contempt and indifference. There is a noticeable hardening against concessions and conciliation towards the Indian bourgeoisie. In the appointment of the Simon Commission, above all, there is a deliberate demonstration of power against all sections, driving

into opposition at the outset even the most servile moderate sections which only seek for any excuse to be conciliated, and revealing a manifest aim to display the undivided absolute character of British rule. Again we have to consider how far this represents a reversal of policy, or how far a phase within the general policy.

A CRITICAL view of the whole process of industrialisation and of the rôle of the British Government in relation to it has been expressed by E. Varga in an important recent survey ("India the Focus of the British Empire" in the *International Press Correspondence*, German edition, February 15, 1928; English edition, March 14, 1928). Comrade Varga raises the question whether the extent of industrialisation has not been exaggerated, whether it is correct to speak of an economic policy of industrialisation on the part of the British Government in the present period, and whether what has taken place as regards Government policy has not been rather a temporary wartime policy undertaken for special reasons, military and political rather than economic, which are now no longer operative. Consequently, he puts forward the suggestion that the period of industrialisation policy which opened in 1916 may have come to an end, that we may be now confronted with, not merely a temporary deflection within the general policy, but an actual change of policy and new period, and that, with changing conditions, "there is the possibility of a complete return to the old policy." The suggestions here thrown out, though only in tentative form, open up such a fundamental revision of our whole line in relation to the Indian situation as to demand careful consideration. >

ON the question of the extent of industrialisation there is no dispute. Comrade Varga shows that, although the *rate* of industrialisation has been extremely rapid during the past fifteen years (the census period 1911-1921 showed for the ten years a 25 per cent. increase in the number of industrial workers in enterprises employing over twenty workers, a 35 per

cent. rise in textiles, 130 per cent. in metallurgy, 100 per cent. in chemicals, &c.), nevertheless the absolute degree of industrialisation is still very low—less than Russia at the end of the nineteenth century (10.7 per cent. of the population engaged in industry in 1921, as against 17.4 per cent. in Russia in 1897, or 14.6 per cent. in Spain in 1910; and within this total the proportion in larger industrial enterprises very low, and in particular iron, steel and engineering industry very little developed). All this is undoubted; and, indeed, the whole policy and propaganda of industrialisation in India starts from the fact that India is relatively *backward* in industrial development compared to other countries at a comparable stage of development and with anything approaching similar resources (so the Industrial Commission Report which exposes very sharply the failure and neglect of industrial development, and similarly subsequent reports). >

✓
BUT when Comrade Varga proceeds from this to question the rôle and policy of the British Government in India in relation to industrialisation, and in particular to raise the question whether the Government can be correctly said to be pursuing an economic policy of industrialisation apart from the wartime emergency measures, his line of argument becomes more open to dispute. Comrade Varga argues that the industrialisation policy which opened in 1916 was due to four reasons: (1) home political reasons, *i.e.*, the danger of the political situation created by the war and the necessity of winning the support of the Indian bourgeoisie; (2) military reasons, to secure war industrial supplies; (3) economic reasons, to meet the war inability of Britain to supply the Indian market and prevent the Japanese industrial invasion; (4) foreign political reasons, to make a show of a liberal policy to India for war propagandist purposes. These four reasons, it will be seen, are all directly connected with the war situation. But while these circumstances were certainly the immediate circumstances giving the stimulus to the change in policy in 1916, it is very strongly open to question whether these reasons can be accepted as a complete account of the reasons behind the industrialisation policy of the Government, especially as it has developed since the war (tariff policy). ✓

IT is only necessary to consult the Government's own reports to see very clearly set out the more permanent economic reasons consciously underlying the whole policy of industrialisation. This applies not only to the basic Industrial Commission Report of the war period, where the situation is examined under very much wider conditions than the immediate war crisis, but also to the post-war literature and inquiries. Reference may be made to such a standard document of post-war economic policy as the Fiscal Commission Report of 1922, especially to Chapter IV. "The Importance of Industrial Development." The Commission reached the conclusion (p. 54):—

We have considered generally the advantages and the possible disadvantages which would attach to considerable development of Indian industries. We have no hesitation in holding that such a development would be very much to the advantage of the country as a whole, creating new sources of wealth, encouraging the accumulation of capital, enlarging the public revenues, providing more profitable employment for labour, reducing the excessive dependence of the country on the unstable profits of agriculture and finally stimulating the national life and developing the national character.

Here there is no longer question of the special wartime emergency considerations, but of a permanent economic policy, "accumulation of capital," "more profitable employment for labour," "enlarging the public revenues," &c. And in fact Government policy since the war, although undoubtedly very inactive and stingy in any constructive work, and putting on the shelf most of the Industrial Commission recommendations, much the same as the "reconstruction" policy in England since the war, has nevertheless followed this general aim in its economic policy, as seen in its imposition of tariffs, bounties to the iron and steel industry, &c. (appointment of the Tariff Board, 1923; Steel Protection Act, 1924; total suspension of the cotton excise duty, 1925; bounties to the iron and steel industry, 1924-7).

INDEED, the Fiscal Commission went so far as to consider not only the general basis and grounds of a permanent policy of industrialisation, but even the problems and dangers arising in the creation of an industrial proletariat. It declared:—

Industrialisation will, however, bring new and real problems, arising from the aggregation of population in large towns, and these

will involve new expenditure. The administrative control of a population of 100,000 in a town is a more elaborate and expensive business than the control of the same numbers scattered through a countryside. Law and order are preserved less easily, the neglect of sanitary rules brings a severer penalty, the necessity for education is more urgent. Poverty and unemployment may assume forms hitherto unknown in India, and may demand new machinery to cope with them. These are possibilities which should not be ignored. But so far as they will involve additional expenditure, they may be set off against the additional revenue which industries will bring.

The menace to the existing order from the creation of an industrial proletariat is envisaged. But it is considered that a little "additional expenditure" will meet the problem, *i.e.*, expenditure on police, administration, social legislation, suitable education, secret service and corruption of labour leaders, after the recognised fashion of the modern industrial state. The whole problem is turned into a profit and loss account; the "additional expenditure" will be more than counterbalanced by the "additional revenue which industries will bring." Thus, the sapient Government Commissioners patiently tread the wheel of history, with the carrot of profit dangling before their eyes.

WHAT, then, is the basis for the interruption or slowing down of the process visible during the past few years, since there is no ground for assuming a conscious reversal of policy? An examination of the evidence will show that the interruption is fully explicable through certain specific reasons which belong to a temporary phase, and which, so far from representing a reversal of policy, are actually in great part bound up with the whole process of British capitalist industrialisation in India. The first and most general reason is not peculiar to India or the Indian situation, but lies in the cessation of the post-war boom, and the reaction after the feverish speculation of the first years following the war. This general factor is common to the wider world depression, but is complicated and intensified in India by special conditions closely bound up with British policy. These special conditions, which constitute the second main reason for the slowing down, lie in the British financial policy in India in the present period. 7

THE British Government financial policy in India, based on the control of the currency, has passed through a series of crises in the post-war period, which have reacted with ruinous effect on Indian capital and industry. The disastrous attempt under the 1920 Coinage Act to maintain the rupee at 2s. resulted in a deadly blow for Indian exporters (the export surplus of the first half of 1920 passed into an adverse balance in the second half), a windfall for British bondholders, and the paying out by the Indian Government to London of over £50,000,000 in a vain attempt to maintain the rate. Later, the decision in accordance with the 1925-6 Currency Commission to fix the rate at 1s. 6d. has been carried through in face of the strenuous opposition of the Indian bourgeoisie, who have demanded the old rate of 1s. 4d., and protested against the ruinous effects of the policy of deflation. The financial policy of deflation has hit Indian industry hard, and in particular Indian-owned industry. Here, then, it would appear at first sight that British financial policy has gone against the policy of industrialisation and overridden it.

BUT, in fact, this financial policy is not a contradiction of the policy of industrialisation, despite its immediately damaging effects to Indian industry; it is, on the contrary, an integral part of it. For the whole character of the British policy of industrialisation in India is to secure industrialisation *under British control*. The financial weapon is the most important weapon for securing this domination. The currency policy is closely linked up with the policy of establishing a centralised banking system under British control (formation of the Imperial Bank of India in 1920 by the amalgamation of the Presidency Banks of Bengal, Bombay, and Madras, with arrangements to open a hundred new branches throughout the country; present arrangements for establishing a Central Reserve Bank). It is necessary to establish the conditions for the complete British financial domination of the whole process of industrialisation and industrial exploitation, which will be carried out mainly with Indian capital, no less than with Indian labour. In the post-war boom Indian capital showed signs of accumulating and expanding

too quickly for control. The subsequent crisis has punctured this; the wholesale mortality and bankruptcies of Indian-owned concerns have opened the way for judicious amalgamations with British interests and financial penetration (the experience of Tata's in the post-war period, the failure of the ambitious Tata Industrial Bank, and the eventual merging with British interests afford a particularly instructive study). Thus, what seems on the face of it contrary to the process of industrialisation is seen on examination to reveal the clearest evidence of the far-reaching and integral character of the whole policy of British imperialism in India in the present period. >

THIRD, Government policy in the last few years has been concentrated, less on the immediate process of industrial development, and more on two corollary processes (1) financial reorganisation and centralisation, as already noted above, and (2) agricultural development. The Linlithgow Agricultural Commission is the distinguishing feature of the present period in economic policy. Indeed, the stages of economic reorganisation may in a measure be traced out through the successive landmarks of the Industrial Commission of 1916-18, the Fiscal Commission of 1921-2, the Currency and Finance Commission of 1925-6, and the Agricultural Commission, appointed in 1926 and still in session. Once again, however, this agricultural concentration is not contrary to the policy of industrialisation, but corollary to it. Already the original Industrial Commission laid down the modernisation of agricultural methods as the necessary foundation of industrial development. Until the bankrupt Indian agriculture is able to provide some possibility of the expansion of the home market, the necessary basis for further industrial development is lacking. The Agricultural Commission is not appointed to solve the agrarian problem; on the contrary, the real question, the question of land ownership, is expressly excluded from its terms of reference:—

It will not be within the scope of the Commission's duties to make recommendations regarding the existing systems of land ownership and tenancy, or of assessment of land revenue and irrigation charges.

The British Government dare not touch the real agrarian question, manifest and increasing though the crisis is, for its own existence is too delicately bound up with the whole existing rotten structure. Only the peasants' own revolution, in union with the workers, will solve this. But the Linlithgow Commission's aim is to discover within the existing structure such means as are possible of raising agricultural productivity and so providing an expanded home market for further industrial development.

FOURTH, the British home problem of reorganising home industry, restoration of the gold standard with consequent intensified industrial depression, and rationalisation, has restricted available British capital for export. Hence, above all, the heavy fall since 1923 in British capital export to India. If capitalist policy is successful in increasing the surplus available for export, it may be expected that British capital export to India will again rise rapidly in the future. But the interim process of reorganisation and "rationalisation" both in Britain and also in India (for there are signs of a similar process confronting Indian industry) will have to be gone through first before there is a basis of further expansion. Here, again, we have simply a particular phase of the general policy of Britain in regard to the Empire expressed in *The Times* City Editor's statement: "When our export industries are at last placed upon a competitive basis, and we acquire thereby a larger surplus for investment abroad, we shall, of course, as in the past be able to finance all the requirements of the Empire."—(*The Times*, July 9, 1925.)

IN general, the peculiar character of the problem of British capitalist industrialisation in India consists in this, that the proportion of Indian capital inevitably increases as industrial development goes forward, while the actual British supplies of fresh capital are for home reasons growing more restricted, but that at the same time it is the aim of British capitalism to maintain control of the new industrial era in India and reap the richest profits for itself by use of its dominant position, banking monopoly, shipping and trading monopoly, international connections and machinery of State power. This gives rise to a whole series of

special inter-relations and interactions of British capital and Indian capital in India, which are also reflected in the political situation. From this peculiar character of the problem follow the apparent zig-zags and variations within the general policy of industrialisation.

BUT this is no ground for drawing from the present situation a conclusion of the abandonment of industrialisation or reversion to the pre-war period, with the consequent political corollary which this would mean of abandoning our central political perspective for India based on the certainty of the growth of the industrial proletariat. On the contrary, from every sign of what is going on at present we can build with confidence on our diagnosis of the continuing capitalist and industrial evolution of India, with the accompanying political revolutionising consequences, and in particular on the growth, both in numbers and in consciousness, of the industrial proletariat, alongside the intensifying agrarian crisis. Once, however, this central perspective is clear, we can with advantage examine the distinctive character of the present phase, which is a phase of depression, bearing very important political consequences both for the relations of the bourgeoisie with imperialism and for the development of the working class. >

FOR these contradictions between the particular interests of British capital and Indian capital within the general process of industrialisation lead to a process of renewed friction between the British and Indian bourgeoisie, despite their general basic alliance and partnership as exploiters against the exploited masses. In general, and on all fundamental questions, the rôle of the Indian bourgeoisie since the collapse of the Non-Co-operation movement has evolved in the direction of becoming more and more clearly counter-revolutionary. This is seen in the whole retreat from Non-Co-operation, the transition to the Swaraj Party, which was a first veiled step to co-operation, the parliamentary degeneration of the Swaraj Party into lobby bargainings and more and more regular co-operation and complete divorce from any mass movement, and the numerous splits and secessions to the Right and growth of political groupings of open co-operation

with British rule. But at the same time, within this general framework of capitulation, there takes place a process of friction and antagonism which has recently grown sharper. This has shown itself most clearly in the resistance to the Simon Commission, which at the outset, before the process of bargaining and capitulation has begun, has united even the Liberals or big bourgeois elements in a single national front. The same opposition has shown itself in several votes of the Legislative Assembly, notably the rejection of the Royal Indian Navy Bill and the rejection of the Reserve Bank Bill, as well as the carrying of the boycott vote against the Simon Commission. Thus the rôle of the bourgeoisie in the national struggle is not yet exhausted, and may even extend under certain conditions; but it remains permanently limited in scope by its fear and hostility towards any wider mass revolutionary movement, and, therefore, very dangerous to the real struggle against imperialism. It becomes the task of the mass movement to exploit to the maximum the opportunities presented by bourgeois resistance, as in the boycott of the Simon Commission, but under independent leadership. >

EVEN among the leading bourgeois elements there is thus a sharpening of opposition as a result of the present situation and tendencies of imperialism. But if we turn to the rank and file of the Nationalist Movement, representing in the main the various elements of the petty bourgeoisie, the sharpening of opposition is much more conspicuous. Here an actual process of revolutionisation is at work among a considerable section, following on the disillusionment after the collapse of Gandhi and Non-Co-operation, and on the economic hardships of the present period. The strength and extent of this process is demonstrated by the advance and victory of the Independence slogan, which has steadily forced its way upwards from below against the official loyalist creed during recent years, and after winning a series of victories or striking votes at various provincial congresses against the opposition of the official platform, finally secured unanimous adoption (*i.e.*, with the insincere consent of the bourgeois leadership) at the last National Congress at Madras in December, 1927. The Madras Congress also in

other respects took a marked turn to the Left, notably in the resolution of opposition to the British war preparations against the Soviet Union, the demand for the recall of Indian troops from China and Iraq, and the decision of support for the League against Imperialism. All these mark a step forward on the part of the main body of the Indian National Movement from their former isolation and limitations to becoming a conscious part of the world revolutionary fight against imperialism. 7

THE adoption of the goal of "complete national independence" as the official goal of the Indian National Congress is a landmark in the history of the Indian National Movement. It is true that the adoption is still hemmed in by many limitations. The resolution in question qualified its adoption by the reservation that it did "not involve any change in the Congress creed regarding Swaraj" (that Congress creed being "the attainment of Swaraj by all legitimate and peaceful means"—as if Britain would provide India with "legitimate means" to become independent! The Labour Party, not to mention the capitalist parties, have made abundantly clear that they will employ force without stint to keep India in subjection). The acceptance of the resolution by the official bourgeois leadership was obviously insincere; they have not hesitated since to characterise the goal of independence as manifestly outside practical politics ("moonshine," in Lajpat Rai's phrase), and to treat the resolution as a "moral gesture" (so also the *Daily Herald*, which would otherwise be faced with awkward questions) for the purpose of better bargaining with the Simon Commission. Nevertheless the strength of the pressure which was able to compel the acceptance of this goal is a powerful expression of the advance of the national movement, and its victory a big step to the clearing and strengthening of national self-consciousness.

ONE point on the question of independence may be suggested for the consideration of the National Movement, now that its adoption has been secured. In general terms, the battle between independence and Dominion status has represented the battle between a real break with imperialist sub-

jection and exploitation as against a compromise agreement, representing an improved position for the bourgeoisie, but continued imperialist exploitation under an altered form for the masses. But now that the first step to the recognition of the principle has been won, it is necessary to say that the mere abstract opposition of independence and Dominion status does not yet fully express the principle at issue. It is perfectly possible to imagine a formal recognition of complete independence, in which the reality of imperialist exploitation continues unchanged through Indian bourgeois republican forms if financial penetration and dependence on British capital is already complete and remains unbroken. Comparison may be made of the "independent" South American Republics in relation to the United States. In the last resort, the difference between independence and Dominion status, if taken formally and in isolation, may be no more than a constitutional figment. It is the reality that matters. *The reality of independence depends upon the breaking of the power of British capital in India.* That is why the real national emancipation of India is inevitably bound up with the social emancipation of the workers and peasants. But this has an immediate bearing for national agitation at the present stage. In order to make clear the real meaning of independence it is necessary that it must be combined with a more concrete demand, expressing its character, *i.e.*, the direct attack on British imperialist exploitation. *The demand for independence needs to be combined with the demand for the repudiation of the foreign debts and expropriation of the foreign concessions and capital holdings in India.* Then alone will the demand for independence take on its real and living character. This is the next stage to which the national movement needs to advance, following on the recognition in principle of the goal of independence. >

1. **B**UT the strongest advancing force of the present situation comes from the growing consciousness and action of the industrial workers. The economic depression is hitting the workers hardest. Successive attacks have been launched and are being launched against their already desperate conditions.

The millionaire Indian millowners and their British colleagues are declaring that the only way is to reduce wages. But the attacks are meeting with resistance. Already in 1925 the stand of the Bombay textile workers against the attempted 11 per cent. reduction of wages and defeat of that attempt was an historic event in the battle of the international working class. To-day, the struggles are developing on a still bigger scale. The Government is using every means to reduce the workers to submission, alike through their reformist agents in the trade unions who are using every effort to prevent and restrict the fight, and through direct legal repression and armed violence and shooting. But the struggle of the workers has broken all bounds, and gone forward in face of the opposition, and even sabotage of the reformist trade union officials, and in face of the armed terrorism of the Government. In these struggles the Indian Communists have been able to play an active and influential rôle, and establish in action their claim to leadership. Here in these struggles is revealed the force of the future in India. >

< **E**VEN more significant, the struggle of the workers has already taken on a political, as well as economic, character. In the demonstrations against the landing of the Simon Commission at Bombay, on February 3, in which the British "Labour" representatives had the pleasure of assisting in the shooting down by "their" soldiers of the Indian workers, the leading rôle was played by the workers under their own leadership and behind their own slogans. In defiance of the Government prohibition, 30,000 workers demonstrated in the streets, led by the Central Committee of the Workers' and Peasants' Party; and their slogans were: "Eight-Hour Day"; "Living Wage"; "Down with British Imperialism"; "Nothing Short of Independence"; and "Constituent Assembly." As against this, bourgeois nationalism attempted no militant demonstration; and its only slogans were: "Simon, go Back"; "No Representation, No Commission"; and "Swaraj is our Birthright." February 3, 1928, is a powerful first signal of the future form of the national struggle.

FACED with the growing advance to consciousness of the Indian proletariat, the Government is making every endeavour to restrict the workers' movement to safe legal economic channels of reformist trade unionism, both by its Trade Union Act (nominally legalising trade unions, actually subjecting the trade unions to close Government control and making class-conscious trade unionism illegal), through the development of Labour departments and officials, and through its reformist agents in the trade unions. For the character of these reformist trade union officials, fastened upon the trade unions from outside and maintained with Government assistance, it is sufficient to quote from their own utterances in order to brand their type, that they may be known also to the British workers, and that the intrigues of British reformist leaders with these types may not be mistaken for fraternal solidarity with the Indian workers. For example, the Report of the Secretary of the Trades Union Congress to the Cawnpore T.U.C. in December, 1927, reads:—

During the period under report no strike was authorised by the Executive Council; but owing to very acute industrial conditions obtaining in different trades and in different parts of India, there occurred some strikes and lock-outs in which the officials of the Congress had to interest themselves. >

And this is from the declaration of the President of the Bengal Nagpur Railway Union, speaking at Nagpur on October 11, 1927, when confronted with the struggle of the railwaymen against the Kharagpur lock-out:—

The Government of India as well as the Railway Administration know that I am always against a strike, that our union has always been against a strike. The Government of India know that we have prevented many a strike.

This is the type with whom the General Council members are carrying on backstairs intrigues, and then come home to tell the British workers that they have established fraternal relations with the Indian workers.

AND here it is necessary to say something of the rôle of the British reformist leaders in relation to the Indian working class. The British reformist leaders are nowadays taking a great interest in the Indian working class. The old

blank indifference and complete apathy and neglect has vanished, now that the Indian workers have themselves begun to become active and show their power to fight and endanger imperialism. During the past few years there has been an ever-increasing activity of countless delegations, individual missions, advisers, and even a little financial assistance; and now there are plans of sending out organisers. Does this mean that the gulf is broken, and a new era of fraternal relations has begun? Not at all (it is only necessary to look at the parallel machine-gun relationship of the Labour Party to see how little there is of fraternal relations). It only means that these agents of imperialism have become aware of the rising menace of the Indian proletariat; they see the growing power that is going to pull down the pillars of the Empire; and they are feverishly exerting themselves to win control of the Indian workers' movement and keep it safe for imperialism before it is too late.⁷ That is the character of their propaganda and activities; their every action is directed, not to intensifying the workers' struggle and directing it against imperialism, but to confining it to safe channels, to strengthening the Right Wing in the unions, to preaching support of the imperialist Labour Party, and to endeavouring to attach the unions to the Amsterdam International (it is worthy of note that, while all militant working-class literature is forbidden entry into India, the Government encourages the Amsterdam International literature and circulars to be spread broadcast to the unions). The recent invitation of the Amsterdam International to the Indian T.U.C. to join is worth quoting; it says:—

We cannot too strongly urge upon you the advantages which will follow an attempt to *bring India into the orbit of European trade unionism.*

“To bring India into the orbit of European trade unionism” (how they sink unconsciously into the very language of imperialist diplomacy! Supposing some Gompersites from America were to arrive before the British Trades Union Congress with the solemn announcement of their intention “to bring Britain into the orbit of American trade unionism”)—that is to say, to bring India into the orbit of imperialism.

EVEN more shameless is the rôle of the Labour Party with its participation in the Simon Commission against the entire Indian nation, and even against the express decision of the Blackpool Labour Party Conference a few months before. But the Labour Party has long committed itself to complete unity with Tory imperialism in maintaining the subjection of the Indian nation by every means of violence and coercion. All their pacifism, all their democracy disappears, when it comes to dealing with India. Of them such a typical, and not at all extremist, Nationalist leader as Ranga Iyer has declared, voicing the opinion of most: "Their policy of *lettres de cachet* has made British Socialism stink in the nostrils of the Indian people, and shaken their faith once and for all in the so-called Labour leaders of Britain, who, they feel and say, are only imperialists masquerading as Socialists. The difference between the top men in the British Labour Party and the top men in the British Conservative Party is no more than the historic difference between Tweedledum and Tweedledee." There is no more urgent task than to fight against this shameful misrepresentation of the British workers by the social imperialists in relation to India, which unchecked may work deadly and irreparable damage to international working-class unity and understanding, to make the true voice of the British workers heard for Indian freedom and for the common struggle against British imperialism and its "Labour" agents, and to send true help to the Indian workers in their struggle. It is not the Government-fêted missions of reformist leaders that are wanted, but the direct delegations of militant workers to assist the Indian workers in their struggle. The example of such comrades as have gone out from the militant struggle in Britain to stand shoulder to shoulder with the Indian workers in their fight, and taken their sentence of imprisonment which is the Government's tribute to the true helpers of the Indian workers, shaming by their example the tours of a Purcell and a Johnston—that is the type of example and service which will build the true friendly and fraternal relations of the Indian and British workers.

R. P. D.

RATIONALISATION AND BRITISH INDUSTRY—IV¹

By HUGO RATHBONE

THE discussion on the problem of rationalisation in relation to British industry raised by E. Varga in the April number involves the whole position of British imperialism in its present stage, how far the decline which is admitted so far by all protagonists in this discussion has proceeded and what is involved in relation to this position by rationalisation. In the short space of an article this can only be dealt with in a very theoretical manner.

Both Campbell and Burns deny that rationalisation can bring even a temporary boom to British industry, or rather they deny that the amount of rationalisation British capitalism can effect can bring any revival. Varga, on the other hand, considers that British capitalism can effect a limited rationalisation, and that this will bring a temporary revival, but leading to conditions which will serve to intensify the decline of British capitalism.

Here it seems that there appears to be some confusion between the process of rationalisation in general and an estimate of what rationalisation British industry can effect. This it seems to me is due to a failure to define what is the significance of rationalisation for British capitalism.

Let us take rationalisation in Germany and America first in order to make the position clearer. German capitalism was defeated in the war, its empire and large parts of its chief industrial districts were expropriated, and further it was loaded with an immense external debt. Being the most powerful of the Central European group during the war it bore proportionately a very great share of the destruction of capital during that war. But German capitalism was still in the saddle at the end of the war. Thus, owing to the shortage of both production and consumption

¹ Previous articles in this discussion are: I, by E. Varga, April, 1928; and II and III, by J. R. Campbell and Emile Burns, May, 1928.

goods—there were no strong enough vested interests to bar the way—there occurred an uninterrupted rise in prices to take advantage of the clamouring consumers on the market. There were no more dividend receivers from an Empire, and the landowning and petty-bourgeois interests were kept in check, one by force and the other by guile, the Socialists assisting in both operations.

Consequently the inflation process continued unchecked and the profits of the capitalists rose higher and higher at the expense of the normal shares of the landlord's rent, the rentier's interest, and part of the worker's necessary labour time. But in order to preserve this profit, as the money form was no longer stable, the capitalists invested it in means of production and thus laid the foundations of German rationalisation. At the height of the inflation crisis German capitalism had already re-equipped itself, and to avoid a revolution it finally submitted to the burdens of the external debt, the reparations, which the victorious Allied capitalists had imposed upon it. Owing to the re-equipment process, working capital, which was now the chief requirement of German capitalism owing to the destructive effects of inflation, was available, though owing to the, as yet, unstable conditions and its huge scarcity only at tremendous interest rates. Technical rationalisation had been effected; it only needed to be made effective—that is to say the workers' resistance had to be broken; the old factories closed down; centralisation on the new basis carried out and the redundant workers thrown on the scrap heap. This we have to admit has been largely done.

Now let us turn to America. Here only was a capitalism which had not suffered any destruction of capital as a result of the war, but, on the contrary, had accumulated sufficient not only to turn from a debtor to a creditor country but yet have a surplus ready for investment over and above the normal reproductive process. It therefore proceeded to rationalise agriculture, that is to say it intensified capitalist development in agriculture. In consequence of this it was able to extend production again, particularly of the means of production. On the basis of this it was compelled still further to rationalise production on the mass production lines

which it had already been developing in consequence of the huge contiguous market which it possessed in the agricultural community. Profits became ever narrower and the surplus capital more and more found a market in South America and in Europe.

In England capitalism was faced with an entirely different problem. Not only unlike American, but like German, capitalism, was British capitalism faced with an enormous destruction of its capital during the war; but it had, unlike Germany, retained its immense pre-war investments which were vital to it, as an imperialist system, as we will shortly show, to enable it to import the huge amount of raw materials and food, necessary to continue to produce and feed its workers. At the same time, again unlike Germany, it still had to reckon with immensely powerful landed and other vested interests. Consequently the tendency to inflation called forth by the scarcity of goods had to be checked. But this meant throwing the whole cost of the war on to the shoulders of the export industries. The capitalists increasingly compelled the workers to shoulder this burden.

On the other hand, instead of the money obtained by selling this imported food to workers and imported raw materials to the capitalists being reinvested in industry it, of course, has to go in dividends to the holders of these foreign investments.

Herein lies the first vital point of difference between the significance of rationalisation to German and American capitalism and its significance to British capitalism. British capitalism is in a fully developed imperialist state where, in consequence, there develops a parasitic class entirely divorced from production living on investments, and more particularly on overseas and especially colonial investments. Moreover, this growing parasitic class builds round it an increasingly extensive ring of industries to cater to its luxury needs—luxury industries. This in turn leads to the separation off of large quantities of workers from productive industry where accumulation takes place to luxury industry where there is no accumulation but only consumption. Further, this results in more raw materials and food supplies being imported merely to be consumed by this unproductive, in the capitalist sense, section of the working class.

The second point in the especial significance of rationalisation to British capitalism lies in the fact that approximately 30 per cent. to 40 per cent. of British production is for export. That is to say, that if British capitalism is to maintain its rate of accumulation it has to retain its export market. But, as we know, this export market has considerably fallen off since the war, being but 75 per cent. to 80 per cent. of pre-war. Why is this? Before the war the nature of exports consisted of about two-thirds means of production and one-third means of consumption. But in order to maintain the previous volume of means of production British capitalism had to maintain its rate of accumulation in order to provide a surplus which could be advanced in order to export these means of production. In consequence of the war this rate has declined and has thus led to a decline in the export of means of production. Likewise, owing to the previously exported means of production becoming effective in the countries to which they were exported—*i.e.*, their growing industrialisation, the export market for means of consumption has also narrowed—a process which would not have taken place if the existing rate of export of the means of production had been maintained.

But how, it will be asked, are these especial points in the significance of rationalisation to British capitalism? In the first place the increased import of raw materials and means of consumption for luxury industry either necessitates an increasing volume of income from investments to pay for them, provided that as we have seen productive exports are prevented from increasing, or alternatively an export of luxury goods, the surplus value realised on which represents new or accumulated capital to British capitalists, although it is only previously elsewhere accumulated surplus value thus consumed by capitalists of other nationalities. This extra profit provides a new stimulus to the luxury industry at home, already stimulated as we will see in a moment; but a source of profit which from its nature is very unreliable for British capitalism.

In the second place, the luxury industries, partly maintained on accumulations from foreign sources, are the only industries which at present in England are showing large profits. Consequently, what capital is being accumulated in England is more

and more being drawn to these industries to the detriment of the productive industries. An analysis of recent capital issues would clearly show this.

Thus, the luxury industry is being more and more stimulated, not only by the fact that it is drawing away what capital is still being accumulated in the productive industries, but is itself accumulating the consumed surplus values of capitalists or the appropriated rent or interest of other sections in other countries.

Thus, British productive or industrial capitalists are faced with an absolute shortage of capital. They can only attract this capital away from the luxury industries by themselves showing a profit. They hope to do this by attacking the wages of their workers and by effecting such reorganisation of their production that requires no new capital. Then only can they begin on that stage of rationalisation which involves re-equipment of their works, and consequently fresh capital. But the level of wages which is necessary before a profit can be shown is a level which will enable them to compete not only with the re-equipped German and American capitalisms but with the newly industrialised colonial countries.

This is, in general, true as a tendency, but, of course, owing to the present completely chaotic situation of world capitalism, though relatively less and less chaotic, a certain degree of rationalisation is being carried out as a result of the present offensive against the workers, but its effect is ever rapidly nullified by counter-offensives and counter-rationalisation in those countries which are affected by this renewed competition from British capitalism.

Thus we find that on the basis of imperialist exploitation British capitalism is increasingly tending to stagnate, and there is growing up an extreme contradiction between the prosperity of the luxury industry and the depression of productive industry. This finds a reflection in the Labour Movement; the aristocracy of Labour is assuming a vertical and no longer a horizontal character. Those unions which cater for what are mainly the luxury trades are the leaders in the reactionary and Mondist tendency of class collaboration.

As Marx pointed out, "the British workers would never become free themselves so long as they assisted (or even permitted) another nation to remain in slavery."² Colonial exploitation is leading to the stagnation and decay of British industry. Rationalisation *is not* possible for British capitalism because of this colonial exploitation, but it is precisely this colonial exploitation which provides the stimulus to British capitalism to seek for further colonies to exploit, and it is precisely this search in the present era of the monopolisation of all the available exploitable lands of the earth, which will inevitably lead to another world war.

Rationalisation *is* possible for the workers when in power; for then there will be no rentiers to support and consequently no need of a luxury industry which is eating away like a canker into the basic industrial life of England to-day. For under the workers' rule there will be no colonial exploitation. It is, therefore, doubly necessary to increase the anti-imperialist fight, and so with the overthrow of British capitalism save British industry from chaos or another war.

NOTE.—I have not answered many of the points, raised by previous writers on the discussion, directly but only by implication. Thus, as will be seen, I disagree with Varga completely, when he says that England possesses enough capital of its own to rationalise (p. 221). It seems to me it cannot be expressed in such simple terms. For, as I have shown, whatever capital is available is being used not for rationalisation but for the further development of luxury industry.

² Quoted by Lenin, see *Lenin and Britain*, page 7, C.P.G.B.

"DEMOCRACY" IN THE SCOTTISH MINERS' UNION

By G. A. HUTT

WHAT *The Times* uncomfortably describes as "a very awkward state of affairs" has arisen in the National Union of Scottish Mineworkers—the federation of the six county miners' unions in Scotland, which constitutes one of the major districts of the M.F.G.B. The central fact of this "awkward state of affairs" is sufficiently well known; it is that the old reformist leaders of the Scottish miners, having been signally defeated in the branch and ballot votes for the official positions in the Union, and for the representation on the Executive of the two principal counties, Fife and Lanarkshire, by Communist rank and file fighters, have refused to summon the long-overdue annual conference of the Union at which they would have to relinquish office. The position is indeed "awkward" for it presents two alternatives, and two only. The first alternative is that so far chosen; it has the disadvantage that, while it enables the old gang to cling to office, it devastatingly confounds their pretensions to stand as the disinterested defenders of "democracy" against the "dictatorial" Communists—since the boot is so damningly on the other foot. The other alternative is to accept the vote of the membership and give way to the duly elected Communists; but, as Mr. James Brown, General Secretary of the Ayrshire Miners' Union (and some time Lord High Commissioner of the Kirk in Scotland in the Labour Government), remarked to his County Board, "*We don't want that.*"

In a wider sense than this, too, is the Scottish position "very awkward" from the point of view of the reformist leaders, and that arises from its classic demonstration of the disagreeable fact—disagreeable to capitalism and to Labour lieutenants who have the same interest in keeping the workers safely in reformist leading strings—that the present "governing class" in the Trade Union Movement, like the capitalist governing class as a

whole, will not surrender their dominant position without a struggle, and will without shame or hesitation openly flout that "constitutionalism" whose strict observance they have always assiduously, and—when necessary—peremptorily, inculcated.

The Scottish Miners' Union has provided the first instance in contemporary trade unionism of the revolutionary opposition winning a majority of leading union posts of first-class national importance. Some detailed examination of the remarkable developments that have accompanied this historic event is therefore imperative.

Owing to the lockout there had been no annual conference of the Scottish Union, and no appointment of officials or Executive members, since 1925. As 1927 wore on, the Scottish Executive showed no particular eagerness to fix a date for the conference, although Article 11 of the Union constitution clearly prescribes that the conference shall be *annual*. Eventually, however, the month of December was decided upon; and in accordance with Rule 1 county unions were desired to send in their nominations for the four official positions of president, vice-president, secretary, and treasurer, and at the same time to appoint their representatives on the Scottish Executive. The procedure in Scotland is for the annual conference actually to elect the four officials from the nominations as submitted by the counties; this means that if the same nomination is made by the counties comprising a majority of the financial membership of the Union, that nomination automatically carries the day at the annual conference—where also the newly-appointed county representatives on the Executive formally take their places.

So far events had pursued a normal course. The old officials and Executive members had allowed their names to go forward in the usual way: no questions were raised as to the methods of appointment or election adopted in the various counties, this being left, as had always been the case, to the discretion of the counties themselves. Actually, only two counties, Lanarkshire and Fife, took either branch or ballot votes. Ayrshire and Stirlingshire made their nominations for officials by vote of the County Boards, on which county and local agents predominate. In Stirlingshire there was not even a Board vote for Executive

representatives; and so far as West Lothian and Mid and East Lothian are concerned, the county agents appear to have had an entirely free hand in arranging both the nomination of officials and also the appointment of Executive representatives. It is the more significant, therefore, that in Fife and Lanarkshire the elections showed a landslide in favour of the Communist supported candidates,¹ as shown in the following table:—

NOMINATIONS FOR OFFICIAL POSITIONS

		LANARKSHIRE		FIFE
		Financial	First	Second
		Vote	Branch	Branch
		£	Vote	Vote
<i>President :—</i>				
JOHN BIRD (Fife)	..	580	23	28
R. Smillie, M.P. (Lanarkshire)	..	541	17	21
<i>Vice-President :—</i>				
ALEX. THOMSON (Stirlingshire)	..	566	19	31
Hugh Murnin, M.P. (Stirlingshire)	..	482	10	16
<i>Secretary :—</i>				
WM. ALLAN (Lanarkshire)	..	788	23	33
R. Smith (Ayrshire)	..	346	12	16

In Fife, it will be noticed, two successive branch votes were taken, the final vote making the verdict against the retiring officials even more decisive than the first vote (which was complicated by the presence of a number of other candidates who only secured a handful of votes apiece). Out of fifty-four branches in Fife, forty-nine voted; and out of ninety-two branches in Lanarkshire eight-one voted, the returns being the highest since 1923. Incidentally, in the last elections—those of 1925—which registered “no change,” only fifty-eight branches out of 113 voted.

These figures of the number of branches voting apply also to the election of representatives to the Scottish Executive. Here Lanarkshire, as had always been the custom, also took a branch (“financial”) vote; but Fife took an individual ballot of the

¹Their names are given in capitals in this and subsequent tables.

members—and no less than three successive ballots at that. The results were as follows:—

ELEVEN LANARKSHIRE REPRESENTATIVES

	£		£
WM. ALLAN	936	Paul McKenna	584
Alex. Hunter	664	ROBERT EADIE	564
J. MCKENDRICK	659	Wm. Crawford	524
J. MITCHELL	609	FRANK MOORE	252
Wm. Small	597	Angus McLaren	475
WM. PEARSON	£456		

FIVE FIFE REPRESENTATIVES

<i>Elected :—</i>		<i>Not elected :—</i>	
PHILIP HODGE	6,886	Wm. Adamson (Gen. Sec.)	5,609
J. McARTHUR	6,577	J. Cook (Temp. Agent) ..	5,040
D. PROUDFOOT	6,445	A. Smith	4,791
JAS. STEWART	6,043	J. Potter (M.F.G.B. Exec.)	4,744
JOHN BIRD	5,962	C. Tonner (Chairman) ..	4,740

The votes of the Communist and Minority Movement candidates in Fife had steadily increased with each ballot,² until finally, as the above table shows, they swept the board. Out of 12,500 Union members, well over 11,000, or more than 90 per cent., voted. Parallel with these ballots Fife had been balloting for two county agents, with a similar result; the Communist candidates, McArthur and Proudfoot, were elected. Mr. Adamson and his friends in Fife, knowing the decisive result of this exhaustive series of ballots, actually appealed for the declaration of the third ballot to be deferred "until all the men were in the Union," *i.e.*, indefinitely. At the same time some of the less cautious Fife Right Wingers uttered threats of splits, of desertion to the non-political union, and so forth. The matter was referred to the branches, who by the thunderous majority of forty-five branches against six demanded the declaration and acceptance of the ballot.

This, then, was the position by the middle of December last. The Fife and Lanarkshire Unions, commanding a majority of the Scottish Union, had registered a decisive verdict against the old leaders. The miners in the principal coalfields of Scotland

²The figures of all three ballots will be found in my article in *The Communist* for February, 1928.

had evidently drawn very definite conclusions from their experience of the old leadership's record, compared with that of the Communists, both during the lockout itself and the severe trials of the post-lockout period. All that remained was for the formal change-over to take place at the annual conference.

Precisely at this moment, however, things began to happen. The non-union newspapers of Scotland, with the *Glasgow Evening Times* in the van, saluted the results of the voting with loud cries of rage and alarm. The stock lies were drawn out of cold storage—the "apathy" of the "moderates," the handful of extremists swinging the votes of big branches, and so on, all in the same strain. Said the *Evening Times* (December 16, 1927) of Lanarkshire: "At one pit, with 500 union members, the meeting was attended by nine persons, of whom six were Communists . . . At another pit, with 700 union members, the election meeting was attended by fifteen, a majority being Communists." Curiously enough, precisely the same figures—with the same discreet silence as to names and places—were given by Mr. Duncan Graham, a defeated member of the Scottish Executive, in the *Glasgow Forward* (December 24, 1927). This unanimity remained a significant feature of the campaign that was now in full swing. *Forward* and the capitalist sheets alike featured fairy tales that "men were leaving the Union because Smillie had been defeated." It was alleged that the voting was invalid because the Scottish Executive had not endorsed the nominations: a "charge" that was purely fantastic.

These falsehoods were categorically refuted by William Allan, General Secretary of the Lanarkshire Union, in the *Forward* and the *Daily Herald*; and it has to be recorded that Mr. Graham, the principal publicity agent of the old officials, has in all his subsequent incursions into print entirely dropped this "apathy" and "unrepresentative voting" charge. It is indeed enough to notice that the method of branch voting was never called in question before when the old officials were returned; and that, as the Fife example shows, an individual ballot gives even more striking successes to the revolutionary opposition.

Meantime, the *Evening Times* had changed its tune a little,

and was announcing knowingly that a plan had been formed to "dish the Reds." The *Evening Times* was not speaking without its book; for a meeting of the Financial and Re-organisation Committees of the Scottish Executive, towards the end of December, decided to recommend that, in view of the serious financial position and the heavy arrears of some counties, the annual conference should be postponed, and the counties given three months to pay up their arrears. Nine persons composed these Committees, and seven of them had been defeated, either as officials or Executive members. The arrears were evidently the merest pretext, since Fife (the county with the largest arrears) had been permitted to accumulate its arrears of £6,600 since 1921 without any question ever being raised.

The same "financial" pretext was employed to refuse the formal endorsement of the two newly-elected Fife agents; but the fact that nothing was said about dispensing with the services of the two defeated agents (in Scotland the county agents are paid by the National Union) exposed the shameless humbug of the pretext. On this particular point, the Fife Union insisted on its new agents taking office, deciding to pay them meanwhile out of county funds; and now (May) the Scottish Executive has decided that it will pay the salaries of the new agents, *i.e.*, it accords them the usual formal endorsement. Logically, therefore, the "arrears" pretext for postponing the annual conference falls to the ground.

However, to resume: the specious pretext of the Scottish Executive for indefinitely postponing the annual conference—which meant their indefinite continuance in office in face of an adverse vote of the membership—naturally aroused keen discussion in the coalfield. By twenty-four branches to fourteen Fife voted against postponement and for the early summoning of the conference. Lanarkshire followed suit by a similar vote of thirty branches to twenty-three. The Fife and Lanarkshire representatives on the Scottish Executive were, therefore, mandated to vote against further postponement. Accordingly, the officials took the simple step of refusing to summon a meeting of the Scottish Executive, although the coalowners' output control scheme had begun, pits were closing down wholesale, and the

situation in the coalfield was of the gravest character. After nearly two months had elapsed, and four requests had been sent in by the Lanarkshire County Executive, the Scottish Executive was summoned to meet on April 5.

However, the Fife and Lanarkshire representatives calmly ignored their county mandates³ (the chairman, Mr. Murnin, ingeniously ruled that the Executive members' status was "wider" than that of county representatives), and by thirteen votes to three the Scottish Executive decided to adopt a report in favour of further delay, a sub-committee to be authorised in the name of the Executive to issue a detailed manifesto to the members. It was further agreed that the Executive remit the whole matter to the M.F.G.B. Executive; that body is discussing the question as these lines are written.

The manifesto, issued on April 19, began by stating that the financial position was now "rather worse"; naturally, since the counties under Right-Wing control had allowed themselves to increase their arrears largely—Ayrshire from £67 to over £1,056; West Lothian from nothing to £83; Stirlingshire from £710 to over £1,135. But the "paramount reason" for the further postponement of the conference did not lie in these quite irrelevant excuses; it lay in "the subversive actions of the Communist and Minority Movements." Here at last the defeated reformists came out into the open, and the salient passages of the remainder of the manifesto deserve textual quotation. The facts already detailed supply the unanswerable comment and refutation of every line of this extraordinary document.

The Communists and Minority Movement, so-called (it declared), are members of our unions mainly for the purpose of furthering . . . the subversion of constitutional trade unionism and of Labour Party principles . . . They endeavour to secure the election of their own nominees . . . who are pledged to take their instructions and to act without question at the behest of an alien body whose decisions are an outrage on every principle of Democracy that prevails in this or any other country outside of Russia. . . We refuse to take our instructions from this or any other outside body. We ask you to do your part in purging your organisation of this

³ The Fife Executive Board condemned this action of their representatives by 23 votes to 20; the branches voted even more decisively for condemnation, 30 branches *for* and 10 *against*.

evil, disruptive influence. Communism seeks to displace constitutional trade unionism by unconstitutional means . . . to further their own sinister purpose . . . We believe most of you have been waiting on a lead from the leaders you have chosen and tested and found not wanting on all crucial occasions . . . Build up a strong, powerful organisation, real and active, from, and through, which your conditions can be improved. From such an organisation elect your representatives to a National Conference from which you can choose your officials and executive.⁴

The irony of "the leaders you have *chosen and tested and found not wanting*" will not be lost on readers of the present article. It will also be apparent who is guilty of "an outrage on every principle of Democracy," what is the "outside body" (*i.e.*, the membership) whose instructions are refused, and who are employing "unconstitutional means" to cling to office when constitutionally voted out of it. The mendacious effrontery of the reference to Soviet Russia and "Democracy" will be singularly appreciated in Scotland, which certainly did not experience less than its due share of E.P.A. during the lockout. But most significant of all is the demand for a split in the Union, the expulsion ("purging") of the Communists, and—as the last two sentences quoted above imply—the establishment of a 100 per cent. reformist breakaway Union with as its condition of membership the acceptance of "Labour Party principles," by which it is clear the manifesto means the Liberal programme now being hatched by the Labour Party bureaucracy.

A sketch of the "evil, disruptive influence" of the Communists and members of the Minority Movement at work will complete the picture. In Lanarkshire they put forward the only proposals for radical re-construction of the Union; these proposals have been adopted by the branches, and include such "sinister" points as the periodical election of agents, the use of the ballot vote for all elections to official positions, the reduction of official salaries, &c. In Fife, the Union is at present carrying out a 100 per cent. recruiting campaign on lines proposed and pressed through by the Communists, and the Communists only. In Lanarkshire the dues received from branches rose from £548 last July to £1,157 last November; the Communist county

⁴Quoted from the full text in the *Glasgow Evening Times*, 19/4/28.

officials and Executive members took office in August. In Fife, to conclude, there is the characteristic and instructive case of Methilhill and Mr. Smith; the Methilhill Branch, last February, elected a militant branch committee, ousting Mr. Smith from the position of delegate to the County Board, which he had held continuously for twenty-seven years. In their first month of office the new committee registered a big increase in the branch membership, shown by a 300 per cent. increase in collection of dues. Mr. Smith had previously been defeated by the Communist candidates in the county ballots for agents and for Scottish Executive members. Mr. Smith, nevertheless, signed the Scottish Executive's manifesto as a "chosen leader" and duly damned the "evil, disruptive influence" of the Communist Party and the Minority Movement.

THE FOURTH CONGRESS OF THE R.I.L.U.

By ALEX. GOSSIP

THE fourth Congress of the R.I.L.U., which was held in Moscow from March 17 to April 3, and followed thereafter by the various International Propaganda Committee meetings, was of great significance and importance, not only to the peoples of the British Empire, but to those of the whole world.

By the peoples I mean, of course, the whole of the people, but more particularly those of our own class, the working class.

It was a lesson in organisation and ability to do things, the mere gathering together of representatives of nearly every country of importance in the world, not to enjoy themselves by sight-seeing in the ordinary sense, but to spend long hours every day in real, hard, exhausting work round the conference table.

Almost every phase of working-class struggle was dealt with and considered from every point of view, and a wealth of information given which it is impossible to deal with here.

Searching, but friendly, criticism was largely in evidence, and mistakes made frankly acknowledged, and in this respect this International gathering of the R.I.L.U. stood out head and shoulders above most conferences, National or International, where it is generally considered to be the right thing to do to stick to what you may have previously said or done and to take offence at all and sundry who may attempt even helpful criticism.

Such criticism is good for all, and without it little or no progress can be made.

With possibly one or two exceptions the spirit of mere carping criticism was conspicuously evident by its absence.

The field traversed covered the questions of organisation, social insurance, working hours, education and general culture, strike tactics, the co-operative movement, industrial unionism, factory and workshop committees, imperialism and the danger

of war, unemployment, defence of Soviet Russia, and the importance of getting real workers' control, &c., &c.

It will be seen, therefore, that matters of vital importance to the workers of the world, including, of course, those in the British Empire, were seriously discussed, all with the object in view of furthering the advance of real freedom to the oppressed and exploited of all lands, and the destruction of the hateful capitalist system of society which is responsible for nearly all the suffering and misery in the world.

There was no mistaking the feeling of the Conference towards all "Industrial Peace" stunters and "Dawn of New Era" merchants who have posed in the past, and reached their present positions by the fervour of their revolutionary utterances, and all such were deservedly held up to contempt.

It is not a pleasant thing to have to do, but it is of vital importance to the workers, here as elsewhere, that every nerve should be strained to see to it that the necessary leaders of the workers are men and women above suspicion. Comrades who can neither be bought over nor flattered into thinking they are "sane and wise leaders," or are exceptionally clever and able, and who are not likely to suffer from swelled heads, and who really believe that political and industrial action means fighting militantly against the common enemy, are the type of leaders we require, and such should be earnestly sought after and supported.

Let us never forget that the renegade is a thousand times more reactionary than the one who has never made pretences to be more than an ordinary easy-going leader with no particularly strong views in any direction, and if this lesson is learned thoroughly by the workers, nothing but good can result.

So far as I am personally concerned, I am always suspicious of the rabidly excitable individual who never fails to let the workers down when a real testing time comes.

Those who bleat about being friends with the enemy in our midst, and who are collaborating with the bitterest opponents of organised Labour, and fighting, either openly or in an underground fashion, against the militant type of worker, are as much our foes as any member of the class which neither toils nor spins, but lives luxuriously off the results of the labour of others.

Having the above in mind no doubt accounts for the opposition our British slogan of "More Power to the General Council" met with, and it had to be clearly understood that a General Council entrusted with far-reaching power must be one that we could trust and one which truly believed that it was impossible for the lion and the lamb to lie down together in peace and which was not prepared to spend its time in defending and trying to bolster up the capitalist system and safeguarding the interests of our powerful and unscrupulous opponents at the expense of the best interests of the useful class.

British imperialism and its vile exploitation of the comparatively weak and helpless, to the great detriment of our own working people at home, must be fought, not only from a high ideal point of view, but because it means starvation and unemployment here in this country.

The attempts which are being insidiously made to embroil this and other countries into war against the U.S.S.R. must be sternly combated, and wherever necessary the false friends of Labour, who are secretly in favour of the downfall of Soviet Russia but dare not say it openly, must be exposed.

One lesson we learn from this recent R.I.L.U. Congress, and which is of vital importance to all British workers, is that the class collaboration of Amsterdam is of no use, but is a distinct menace, and everything should be done by British organised Labour, as well as by all others in the various countries, to change this policy and outlook and to make it possible to have a real united front with one common trade union international embracing the whole of the world's workers.

This I believe to have been the spirit which animated this great Congress, and, so far as I could gather, the delegates are prepared to work with anyone who is sincerely opposed to the present iniquitous system of society, but there must be no compromising of vital working-class principles.

Our Right Wing friends will find in good time that if they persist in fighting against the Left Wing and crippling them, the employing class will thereafter make short work of them, or at least those who have not entirely gone over body and soul to the enemy.

Unemployment is rampant in Great Britain and is now a permanent feature and likely to grow more and more menacing as rationalisation spreads, and indeed even some of the Mond moonlighters have frankly acknowledged this.

What then should be our attitude?

The class collaborationists say: "Make friends with the enemy and assist them, even if it means the wholesale dismissal of a few millions of our fellow-workers with no earthly chance of getting work elsewhere. The people have to choose between this and a bloody revolution for which they are not ready." (This was actually said to the writer by a member of the T.U.C. General Council.)

The R.I.L.U. says to the workers, in effect, as opposed to the above: "What is the use of aiding your employers to undercut prices in the hope of thereby being able to snatch world orders when a moment's thinking is enough to show that this insane competition would not be confined to any one country, but would simply result in a lowering all round of the standard of living of the wealth producers?"

"Let us rather combine together and, recognising that the interests of the world's workers are identical, work for the overthrow of capitalism and the establishment of real workers' control which will result in production being carried on for use instead of for profit."

There can be no other solution, and this is the lesson we must all learn from this great Congress. It is a matter of self-preservation and we must put all our efforts into this work and give our thinkers every opportunity to study and carefully think out the best tactics to adopt as circumstances may demand.

THE GENERAL ELECTION IN JAPAN¹

By K. YAMAGATA

AT the present period Japan is being governed by a *bloc* of landlords and bourgeoisie. The latter predominates over the former. The political expression of this bloc is to be found in two leading bourgeois parties—the Seiyukai and the Minseito—which replace each other alternately in the Government. The economic interests of the landlords and the bourgeoisie are already closely interlocked, which in turn presupposes that the policies of the Seiyukai and Minseito cannot differ fundamentally, and more precisely so because the composition of either party embraces forces from the camps of the bourgeoisie as well as of the landlords.

Parties and Classes

However, upon a closer examination one would find that the Seiyukai is more widely and directly connected with the land-owning interests than the Minseito, that the main forces or mass support of the Seiyukai are situated in the rural communities and villages. Nevertheless, the Seiyukai is also deeply rooted in the industrial and financial enterprises of the country. It represents the Manchurian investment group interests, it is most intimately connected with and financed by the Mitsui's, the oldest and largest industrial and financial concern in Japan. And taking into consideration that all the jingoists, feudal relics and fascist elements rally around the Seiyukai, and that its very leader is a militarist—General Tanaka—we may safely say that the Seiyukai, taken as a whole, represents the most reactionary and most conservative part of the ruling class of the country.

The Minseito, on the other hand, is based mainly upon the urban bourgeoisie, primarily upon the shipping interests and the

¹ See Note in *World of Labour* on the position and activity of the trade unions.

Mitsubysbi, the second largest industrial and financial combination, as well as the strongest competitor to the Mitsui concern. It rallies under its banner those industrialists and financiers who largely sprang up and expanded during the war and post-war booms. Of course, the Minseito embraces, too, the agrarians to a very considerable extent, more especially in view of its fusion last year with the Seyuhonto, the Tokonomis' group. But it is the Minseito which attracts the numerically large upper strata of the petty-bourgeoisie in the towns and cities.

Comrade Inomato writes in the *Taiyo* :—

Those belonging to the upper strata, including proprietors of small undertakings, higher salaried men, and so on, are in no position to organise themselves into an independent political influence, so they are entirely bent on improving their position on the basis of capitalism. Wedded to the policy of gradual improvement, they are opposed to the less moderate policy pursued by the proletariat. The democratic movement, started by this social strata in 1914 or thereabouts, has been taken advantage of by the bourgeoisie aiming at the establishment of party government. Entirely dependent as they are on large capital, they are yet fond of raising cries of opposition against it, but none are so apt to be bought over or browbeaten at elections as they are. The formation of the upper petty-bourgeoisie, the great influence which they exercise upon public opinion as the "educated" class, and their political "awakening," have induced the monetary bourgeoisie to concede a restricted universal suffrage to the people—a concession in which is reflected the establishment of the governing power of monopolistic capital, which is anxious to find its support in the upper petty-bourgeoisie against the political onset of the proletariat.

In the final analysis, however, we must state definitely that in spite of the inner contradictions and conflicting interests of the *bloc*—the landlords and the bourgeoisie—or the rivalry within the latter, their political exponents, Seiyukai and Minseito, are forces of reaction and will never willingly advance the democratisation of the country. Moreover, the Trade Union, Tenant-Farmers, Press, &c., Bills, drafted and submitted to the Diet last year by the Wakatsuki Cabinet (leaders of Minseito) were reactionary and anti-democratic to the very core. Nor should we forget that it was Hamaguchi, president of the Minseito, who, as Home Minister, dissolved the first proletarian party, Nomin Rodo-To, organised in December, 1925. In fact, the Seiyukai and Minseito in concerted fashion are most severely

persecuting not only the Communist Party in Japan (merely for being a member of the C.P. renders one liable to ten years in prison), but also all class-conscious proletarian and peasant organisations and movements, at every turn and occasion; clashes and battles take place in every strike and agrarian dispute, mass gatherings, and demonstrations.

In analysing the social forces and their relations in Japan, Bucharin writes in *Inprekorr*, that:—

In Japan there is a two-fold process of lending to the old feudal forms a bourgeois content, and a parallel process of transforming the bourgeoisie into a counter-revolutionary faction which, although it does have a good many differences with the feudals, is nevertheless acting jointly with them against the labour and agrarian movements.

The struggle for the democratisation of the Japanese State, the liquidation of the monarchy, the removal of the present cliques from the government, in a country which has reached such a high level of trustification, will, therefore, inevitably change from a struggle against feudal survivals into a struggle against capitalism itself. The bourgeois democratic revolution of Japan will very rapidly grow into a Socialist revolution precisely because the *contemporary* Japanese State, with all its feudal attributes and relics, is the most concentrated expression of Japanese capitalism, embodying a whole series of its most vital nerves, and a blow at which will also be a mighty blow to the capitalist system of Japan as a whole.

The Policies of the Ruling Class

The lack of noteworthy political differences between the Seiyukai, the Government party, and the Minseito, the Opposition party, has been glaringly illuminated in the recent general elections. Were it not for the question of the Chinese tangle there would hardly have been any political platform fight at all between the two. The essence of the Chinese policy of the last Cabinet was that for the time being at least, the policy should be that of so-called peaceful economic penetration, with the military less in evidence. But just as soon as General Tanaka got into the Wakatsuki's chair he proclaimed that a "hard policy" would be his. And before long he had dispatched troops to Shantung, but which after a couple of months he was compelled to withdraw. On top of that he proclaimed the politicalisation of the South Manchurian Railway and other aggressive acts which provoked anti-Japanese sentiment and demonstrations,

particularly in Mukden. Thus the complete failure of Tanaka's "hard policy" towards China is evident. It is precisely owing to this that Tanaka dissolved the Diet in January before even letting the Opposition party—the Minseito—speak or raise questions in regard to the speech delivered by Tanaka as Premier and Foreign Minister, for fear lest the Opposition would muster a no-confidence vote. This, of course, was fully utilised by the Minseito in the election campaign, and it gave them popularity and strong support in the cities. The Seiyukai's trump cards were the proposal to transfer the land tax from the central to the local treasuries and a new railway construction programme that would appeal to the rural constituencies. The Minseito as a counter-measure made great play with a promise to pay the teachers' wages out of the central treasury. Otherwise, indeed, the Seiyukai's "positive policy" and the Minseito's "negative policy" differed little, if at all. Thus the election fight, particularly as far as the bourgeois parties are concerned, centered around the "violations" (going into a couple of thousand old cases) of the newly-enforced election law, which had enfranchised ten million new voters, and has brought up the total franchised to thirteen million.

The Emergence of a New Political Factor

But above all, the most outstanding feature in the general election was the participation of a new political factor. It was most remarkable that the proletariat was politically prepared and exercised its newly-acquired rights to vote in the general election as a *politically independent organised force*. No less noteworthy is the fact that the Japanese *proletariat* and *poor peasantry* immediately realised that they must join hands and form a *united front* against the ruling *blocs* of the bourgeoisie and landlords, and irrespective of all police interference they succeeded in organising the united front of workers' and peasant parties. Last, but not least in importance, is the fact that in the elections there reappeared before the masses the completely illegal Communist Party of Japan with the distribution all over the country of its election manifesto and programme of action. The Communist Party of Japan called for the support of the candidates put in the

field by the Ronoto, and it called the masses to rally under its banner for the overthrow of the monarchy; for the confiscation of the estates of the Mikado, landlords and church; for the establishment of a Workers' and Peasants' Government; universal suffrage; annulment of anti-labour laws; hands off the Chinese revolution; defence of the U.S.S.R.; the eight-hour day and insurance of the unemployed; down with the present Parliament of Tenno (Tsar); for a democratic parliament; against war; down with Japanese imperialism. It was an encouraging event for the militants but a shocking affair for the Mikado authorities; it threw the spies and police into an hysterical Communist hunt. And to-day we read that over 200 Communists have been arrested and the *Minsausha Shimbun* (Left-Wing weekly) office is occupied by the police.²

As soon as the Diet was dissolved the Ronoto summoned to a conference the Nichiroto (centrist workers and peasant party) and the Shakay-Minshuto (Social Democratic Party). The conference produced an election agreement as follows: (a) Where there is no rival candidate all proletarian parties to support the one in the field; (b) Where there are rivals no criticism of each other shall be permitted.

Thus it goes without saying that the Ronoto submitted to an agreement of the most opportunistic nature, an agreement which was nothing short of political *hara-kiri* from a Left Wing point of view. In the first place the Ronoto should not have signed any agreement without it being based upon a clear-cut militant election platform. A political explanation should have been given to the workers of the class antagonism between the exploiters and exploited, as well as the fundamental difference between the Ronoto and the Social Democratic Party. The most vital partial demands to fight for should have been the basis for the agreement. Naturally, an election agreement proposal of such a character would have scared away the Right Wing but it would

²Since this was written, it is learnt that the total of workers and peasants arrested reached 1,000, and more than 300 party or trade union branches were raided. Further, that the Ronoto, the Hyogikai (revolutionary trade union federation) and Seinen Domei (Youth League) have been dissolved. The workers by mass demonstrations have, however, since forced the release of many of the arrested.—Ed.

have attracted and revolutionised the masses, it would have exposed the treachery of the Social Democratic Party and Left phrase-mongers of the Nichiroto.

The central slogans and demands of the Ronoto campaign were as follows: Work or full maintenance for the unemployed; insurance against unemployment at the expense of the Government; the eight-hour day; the right to strike; farming rights; reduction of rent and taxes; universal suffrage to all above eighteen years; free speech, Press, assembly, &c.; down with the anti-Labour laws; down with the peace-preservation law; down with all bourgeois parties, &c.

The sharpness and fighting spirit of the Ronoto and Nichiroto campaign against the bourgeoisie was greatly accentuated by the police interference on grounds of so-called violations of the election laws. Confiscation of election literature, breaking up of meetings, slugging and mass arrests, more arrests and more beating up of Left-Wingers assumed nation-wide dimensions and became the order of the day.

Party Votes and Working Class Successes

The total number of voters at the time the election took place was 12,406,311. There were 122 electoral districts and 446 seats contested. The number of candidates, votes polled, and successful candidates for each party is as follows:—

Party	Number of candidates	Votes	Successful candidates
Ronoto (Left Workers and Peasants)	40	191,394	2
Nichiroto (Centrist)	13	84,313	1
Minkento (Local Centrist, Worker and Peasant) ..	3	37,694	1
Minshuto (Social Democrat) ..	18	117,853	4
Nominto (Right Wing Peasant)	14	39,936	—
Seiyukai (Present Government)	341	4,229,288	221
Minseito (Opposition) ..	342	4,253,091	214
Kakushinto (Liberal)	15	107,420	3
Jitsugyo Doshikai (Businessmen)	29	165,611	4
Independents (Bourgeois) ..	99	589,007	9

It will be seen from the above that the combined vote of all proletarian parties was 471,190, resulting in the election of eight

candidates (and we might add that twenty-two more were very nearly elected). The vote polled in the rural districts was not so large as had been expected. The reason is, we believe, that the mass of the Japanese tenant farmers are not yet developed politically, that is, while they fight bravely the landlords and police in farming disputes, yet they still believe the empty promises of the bourgeois parties and vote for them. They do not yet realise the close connection and co-operation of the police, landlords, and bourgeois parties. In the industrial centres, however, the number of votes cast for the proletarian parties proved to be comparatively high. Reviewing on the whole the number of votes polled by the proletarian parties, it must be declared to be satisfactory under the circumstances. Ruthless police suppression, strong opposition and attack by the bourgeois parties, inexperience in political campaigns, lack of funds, still loosely-knit organisations, organisational rivalry in the Left-inclined political camp, as well as somewhat confused policies—all these things were drawbacks and hindrances which cannot be overlooked.

Turning to the bourgeois parties, we are of the opinion that the Seiyukai has received a rebuff. The electors have retained the Seiyukai (Government) but they have haltered it. It can administer but it cannot initiate, except with the consent of the opposition (Minseito). A small unforeseen event will be enough to cause the Seiyukai Cabinet to be replaced by the Minseito, an equally uneasy, equally unstable administration, and precisely so because the impending financial readjustment will not be easy to achieve, and because it will be very difficult to remedy the generally prevailing business depression.

Indeed, it is a possibility that the Seiyukai Cabinet will fall in the coming short but stormy Diet session on April 20.⁸ It might be

⁸The crisis for the Government has since been solved by the resignation of the Home Secretary, K. Suzuki, in response to the repeated demands of the Opposition, including those of six of the Independents, who held the balance in the Parliament. Suzuki, according to *The Times* of May 4, on the eve of the poll had taunted the Minseito with trying to make the elected House the centre of Japan's constitutional system instead of the Emperor, adding that the Japanese Government, being responsible to the Emperor, did not need a majority in the Legislature. This statement, illuminating as it does the still present conflict between the bourgeois and feudal elements within the Japanese ruling class, leading as it did to the

compelled to resign *en bloc* because the opposition may introduce and carry a vote of no-confidence. Irrespective of whether the Minseitō (opposition party) will introduce a no-confidence motion or not, the proletarian parties are determined to introduce such a motion and fight for the overthrow of the Cabinet. It is evident that the proletarian M.P.'s will take a strong and clear-cut working-class position and stand on all questions before the Diet; further, that they will introduce motions and interpellations of their own, all not so much from the expectation of immediate achievement, as for propaganda purposes, to revolutionise the masses. In short, the proletarian M.P.'s activities in the Diet will be co-ordinated with the mass activities in the factories and streets.

resignation of Suzuki, cannot be taken as meaning a decisive victory for the bourgeois elements. For the Government had other and pressing reasons for finding a solution of the crisis in the contemplated attack on China which has now taken place, and which they knew would be unpopular with certain sections of the bourgeoisie.—Ed.

THE PRESENT STRIKE MOVEMENT IN INDIA

ALL over India to-day strikes are breaking out in ever-increasing frequency. During the autumn of last year there were several, including the prolonged one at Karaghpur, lasting for three months. But their extent was nothing to the wave that is now spreading over the whole of India. *The Times*, of May 17, even considers it necessary to print a report to the effect that the Punjab, where so far only one strike has been reported, will not be touched by the present unrest "though it probably will be affected if the labour troubles in the Presidency (*i.e.*, Bombay province) become general."

(There are four noticeable features about this wave of unrest:—

(1) The officials of that section of the trade union movement with European reputations are either standing aloof for the movement or definitely opposing it. For instance, Shiva Rao, the present Chairman of the Executive Council of the Indian Trades Union Congress, made the following statement at a meeting of the Madras and Southern Mahratta Railway Labour Union, according to the *Bombay Chronicle*, of April 18:—

The time had come when the trade union movement in India should weed out of its organisation mischief-makers. A warning was all the more necessary for there are certain individuals who go about the country preaching the gospel of strike.

The leadership of the strike movement is consequently in the hands of the Left Wing of the Labour movement, and in particular of many members of the Workers' and Peasants' Party of Bengal and Bombay.

(2) The forces of the Government are everywhere in evidence, and ruthless attempts are being made to break up meetings and spread false rumours by *agents provocateurs*. Shootings have already taken place, not only by armed police but by British troops. Many arrests have been made, but reports so far received indicate that the authorities dare not as yet to convict. Strikers, even in the Bengal province, who carried out a march in order to collect funds and food, on their return were driven on like a

pack of sheep by the police riding in lorries and were prevented from even resting, let alone seeking refreshment, for close on twenty-four hours on an end. In spite of all this provocation the strikers' demonstrations have been kept disciplined. >

(3) The demands of the strikers are largely the elementary demands for recognition of the union, against wage reductions, for wage increases, against victimisation, and for better housing accommodation or allowances for housing, and in one case the most elementary demand for the immediate cessation of all abusive and filthy language—the necessity for such a demand signifying the brutal treatment which the agents of British imperialism consider they can impose upon the subject races. —

(4) The unrest is not only confined to the urban areas. For in January there was unrest on a tea estate at Mijkar in Assam, where a manager was attacked, the reason for the unrest being given as a demand for higher wages. Near Bardoli in the Bombay province, in April there were protest meetings against the decision to increase the level of assessments on the peasants and a demand that they should rather be reduced—a demand which was supported in about seven other areas in the same district.

Two of the most noteworthy examples of this strike movement are given below. ?

Bombay Textile Strike

It has long been evident that a conflict in Bombay was inevitable. As the international cotton situation became more and more pressing, the millowners of India, like those of Egypt and Japan, and for the matter of that, like the cotton lords of Manchester and New Bedford, in their anxiety to outbid each other in the world markets, have been driven to pursue a common policy of rationalisation and reaction. The form to be taken by the Bombay millowners was already foreshadowed in the Report of the Indian Tariff Board, where the extension of the piecework system, increase in the number of spindles allotted to each spinner and looms per weaver are strongly recommended. It is taken as axiomatic that labour costs must be reduced, but the previous attempts of the Bombay owners have not met with much success for while their rivals in Ahmedabad were able to reduce wages

in 1923, the efforts of the Bombay millowners to follow their example in 1924 and 1925 ended in failure. The alternative method of speeding up is now being tried out, and warned by the strikes at the end of last year, the owners opened their campaign with considerable caution, putting forward the E. D. Sassoon concern as a sort of pioneer battalion, while the others held themselves in readiness to advance into the breach at the first favourable opportunity.

On January 3 the gallant five—Apollo, Alexandra, Spring, Rachel, and Jacob Sassoon—their names are like a battle cry—posted notices to the effect that each spinner was to work double frames. The challenge was answered—the workers struck, the mills closed; soon 10,000 men were out.

It should be noted that the Bombay Textile Labour Union took the opportunity of the breaking out of this strike to declare itself “unequivocally” against the policy of a general strike. The Workers’ and Peasants’ Party, however, were in favour of the general strike policy; the strike, through lack of sufficient support, broke down, and the workers returned on the companies’ own terms.

The owners immediately proceeded to put into force the further recommendations of the report of the Textile Tariff Board. On April 16, however, the workers were out again on strike, and within a week practically all mills were deserted involving some 150,000 workers. One of the main grievances of the workers was the reduction in wages involved in the introduction of higher counts, one of the Tariff Board’s recommendations. By this means, owing to the reduction in weight of cotton that could be worked, involved in their introduction, the wages of the workers were reduced from some 58 rupees a month to 45 or 40 rupees, reckoned by the strike committee to be equivalent to an all-round cut of 25 per cent. Another grievance was a change in working hours of some workers involving an increase of one-and-a-half hours to eleven per day.

A strike committee was immediately formed, but it was noticeable that the leaders of the Bombay Textile Labour Union kept aloof from the dispute. What is more, on April 19, three days after the commencement of the strike, N. M. Joshi, one of its

leaders, gave an extraordinary interview to the *Bombay Chronicle*, which he started off by saying: "As yet I do not know what the exact cause of the present unrest is," yet went on to admit that there was "no doubt" that the millowners were attempting to reduce wages.

Then after regretting that the Millowners' Association had omitted to negotiate with his union before introducing the cuts in wages, &c., he remarked:—

"Under the circumstances, when the Millowners' Association is unwilling to negotiate with the representatives of the organisation of workers and when some persons, who believe more in strikes than in negotiations naturally get more scope for their activities, *the representatives of the Bombay Textile Labour Union, who are willing to negotiate where negotiations are practicable, have to be content with being merely lookers on.*" (Our italics.)

Whatever doubts Mr. N. M. Joshi had about the causes of the unrest the chairman of the Millowners' Association, Mr. J. B. Petit, seemed to have no doubts whatever; for in the course of an interview with the *Bombay Chronicle*, on April 27, he made the following statement, worthy indeed of Baldwin's statement in July, 1925, to the miners:—

"A straight cut in wages would appear to be inevitable."

At a great mass meeting the leaders of the strike, many of whom were members of the Workers' and Peasants' Party, were elected on to a strike committee, in addition to the leaders of the Textile Labour Union: these latter demanded as a condition of serving a 50 per cent. representation on the committee.

Mass demonstrations and marches were organised; clashes with the police rapidly became more frequent, and many strikers were injured and arrests were made. In one of these clashes the police opened fire, killing one and wounding others on the pretext that the strikers were throwing stones at the mills. This, however, could not have been the case, because it took place at a distance of at least half a mile away from any mill. A court subsequently justified the action of the police.

At the time of writing the strike is still in full force though

many workers, as has been the practice in previous strikes, have returned to their villages. The Millowners' Association have now issued an insolent notice dismissing all the strikers, that is they have declared a lock-out, and rejecting their demands as "impossible." They define the terms on which they will be allowed to resume work. These include "a full ten hours-day." *The Times*, of May 17, in reporting this, remarks that "both sides in the dispute appear to be stiffening."

The Lilloah Strike

⌘ The strike of the railway shop workers at the Lilloah workshops of the East Indian Railway Company, near Calcutta, has been in some ways even more sensational. The story is a simple one. ⌘ The East Indian Railway is a State-managed one, which has so far refused to recognise the existence of the Union. An all-round increase of 25 per cent. was demanded, calculated to bring the wages up to the level of the workshops of Lucknow and Lahore; the minimum thus arrived at was no more than 45 rupees per month. Another grievance, also a very common one, was concerned with the question of free quarters for the men, or allowances in lieu of accommodation.

⌘ Petitions were first presented as early as the middle of January, but the agent refused to grant any of their demands, and his recognition of the Union took the form of dismissing two of its most active members. ⌘ A subsequent petition was also unsuccessful, and on March 3 four more men were summarily discharged, but after further protest reinstatement was promised. When it was seen that the Company only meant to reinstate four out of the six the workers' exasperation at being tricked was intense, and they retaliated with a stay-in strike. The following day, March 8, the works were closed by the order of the Company, and 14,000 men were locked out.

⌘ In spite of the Company's provocative behaviour the workers remained quiet but firm, but this policy did not commend itself to the authorities, who proceeded to interfere with a peaceful demonstration on March 28 on its return from holding a meeting at Bamangachi. First a baton charge by the police immediately followed with an assault by the military, in the course of which

two strikers were shot down and numbers injured. The circumstances of this uncalled for attack have attracted a good deal of public attention owing to the censuring of the responsible officer, Captain Christie, by the District Magistrate at the official inquiry. According to this report no warning was given to the strikers, and the shots appeared to have been fired not at random but deliberately at particular individuals who were regarded as the leaders. More significant is the fact that killed and injured were shot in the back, supporting the workers' contention that so far from attempting to overpower the police and rush the loco yard, they were driven back by police and troops while proceeding peaceably across the Bamangachi railway bridge to their own houses.

This clash of forces undoubtedly intensified the class character of the struggle, and sympathetic action has been taken in most of the other departments and centres of the East Indian Railway—at Howrah, Kharaghpur, &c.

The World of Labour

		Page
GERMANY :	Ruhr Mines Dispute	375
SWEDEN :	End of Paper Lock-out	376
JAPAN :	Trade Union Position in 1927 ..	377
„	The Noda Brewery Strike	378

GERMANY

Ruhr Mines Dispute

A DISPUTE took place in the Ruhr coalfield in April, as a result of which the miners gained a certain rise in wages, in spite of fierce opposition on the part of the employers, but were prevented from pressing their full demands, particularly on the vital question of hours owing to the treachery of the Social Democratic leadership.

The history of the dispute follows the course which is becoming stereotyped in German industrial warfare. The agreement between the Ruhr owners and men was due to expire on April 30 ; negotiations were entered into on April 4, but broke down early in the month ; the official arbitrator stepped in and issued a compromise award, which was promptly rejected by both sides. After further negotiations had proved fruitless, the Minister of Labour declared the award binding in the public interest.

Filling in this skeleton outline, we find that the miners put forward demands for a return to the seven-hour shift underground, with eight hours for surface workers, and an increase in wages of 15 per cent., or about 1s. 6d. a shift. The owners proposed an increase in hours from eight to eight and a-half, and refused to grant any wage advances. The arbitrator's award preserved the *status quo* with regard to underground workers, with a reduction of one hour for surface workers, and granted an 8 per cent. increase in wages.

The Left Wing demands differed originally from those of the reformists, the former being more concerned to raise the wages of the lowest-paid workers, while the latter, by asking for a flat rate of increase, perpetuated the differences between the various grades. Notice was given by all four miners' organisations in the Ruhr, and a strike involving 40,000 miners seemed probable.

Both sides gave evidence in support of their demands. The workers showed that their actual wages were considerably less than in 1913 (7s. 6d. a shift, as compared with 9s. 2d.) and that a rise of 8 per cent. would not compensate for the rise in the cost of living since the fixing of the rate. With regard to hours, the advancing tide of Rationalisation and the introduction of new machinery was resulting in increasing unemployment, which could only be checked by the shortening of hours.

From the employers came the usual plea that the industry could not bear more, and that under the terms of the award they would not be able to compete with Great Britain in foreign markets. They quoted the findings of the

Schmalenbach Commission, which was appointed to inquire into the conditions of the hard coal industry, to prove that the award would impose an increase in costs of production of 90 pfennigs and a loss of at least 20 pfennigs a ton, and proceeded to claim the right to increase prices by 1.50 marks per ton, a claim which was upheld by the coal council, and has already been carried into effect. They further threatened to speed up the second stage of the rationalisation process, i.e., closing down of unprofitable mines, concentration and restriction of output measures which would result in wholesale dismissals; in fact they openly declared that their policy would involve the discharge of 50,000 miners, owing to speeding up and loss of markets. This threat is already beginning to operate, and mass dismissals are even now taking place.

The Communists in the Ruhr coalfield clearly pointed out that the fight for shorter hours was the only way to avoid disaster, and they rallied the masses of the workers to the support of a militant programme, which included also the strengthening and unifying of the miners' forces, an attack on the whole compulsory arbitration system and the organising of a strike to begin on May 1 to enforce their demands.

The reformist leaders adopted their usual policy of masterly inactivity. The award was condemned as scandalous in *Vorwärts*, and many brave words were written and spoken in the early stages of the dispute, but once the award was made binding, all further comment was hushed. No criticism was made of the Government's action in forcing the award upon the miners. *Vorwärts* announced "The End of the Mining Conflict" and the rest was silence.

SWEDEN

End of Paper Lock-out

THE lock-out in the Swedish paper and wood pulp industry came to an end in the middle of April, after a struggle lasting for more than three months (cf. *LABOUR MONTHLY*, March, 1928). On March 5, a third big lock-out of paper workers brought the numbers involved up to between 50,000 and 60,000.

The proposals of the Special Conciliation Committee, which was set up by the Government in January, involved substantial reductions, and were indignantly rejected by the majority of the workers, after having been accepted by representatives of both sides. The leaders then made a further attempt at a settlement by proposing that they should be given power to come to terms with the owners, without consulting the workers, but this flagrant example of democratic leaders scheming to dispense with the ballot was also turned down by the rank and file.

It was, however, announced on April 8, by the Mediation Committee, that an agreement had been reached, and that work in the paper, pulp and saw-mills would be resumed as soon as possible after Easter. The terms failed to grant the workers' demands, and thus once again the reformist leaders have succeeded in making peace with the capitalists at their members' expense.

Meanwhile, the iron mining strike still continues. The latest move of the Swedish reformists is the proclamation of a general strike by the Swedish Trade National Organisation and the Social Democratic Party Executive, to take effect on May 22 as a protest against the Government's Bill concerning

collective agreements and the establishment of a Labour court, which will involve the prohibition of strikes, lock-outs, blockades and boycotts, but it is apparently intended to make it a mere half-day demonstration, and not a real act of mass resistance to the threat of compulsory arbitration. The mining dispute has very immediate interest for British workers as, according to *The Times*, April 20, 1928, Kreuger and Toll, a company which is controlled by British interests, is "a large shareholder" in the Orangesburg Co., the owner of these iron mines.

JAPAN

Trade Union Position in 1927

THE most noticeable fact about Japanese Trade Unionism in 1927 is the defensive position of the workers. This can be observed in a number of ways : (1) by the slight decrease in T.U. membership from 320,683 in 1926 to 316,906 in 1927, out of a total of nearly 3,000,000 workers ; (2) by the decrease in number of strikes from 1,159 to 1,012, while the number of participants shrank from 125,226 to 80,489 ; (3) by the partial success of the employers' rationalisation policy, with its usual concomitants of high unemployment figures and longer hours ; (4) by the fact that while the number of strikes for wage increases and improved conditions decreased from 315 to 196, and 466 to 321 respectively, the strikes against wage cuts rose from 101 to 129. On the other hand it is to be noted that in these struggles the workers on the whole managed to hold their own.

The causes of the workers' weak position appear to be both external and internal. They have been assailed by the oppressive policy of the Government and by the sharp offensive of the employers, who are engaged in a vigorous campaign of reorganisation in the attempt to overcome the long period of industrial depression. Internally, the workers are weakened by political differences and the lack of a single national centre. There are, roughly, three main currents or trade union centres : Right, Centre and Left. The Right Wing supports the Social Democratic Party and numbers about 150,000, including Rodo Sodomei and most of the Seamen's Unions ; the Centre supports the Japanese Farmer and Labour Party, and numbers 38,000, while the Left Wing, including transport, miners and general workers, numbers nearly 58,000, and is connected with the Workers' and Peasants' Party. Much energy, which might go into developing the industrial movement, is spent in separate and even hostile activities. For instance, last year the action of the Left Wing in setting on foot a "Factory Representative Council" movement to meet the attack of the employers, was imitated by the Centre, who launched a National Council against Wage Cuts. While unable to rival the F.R.C. in popularity, the National Council was strong enough to divide the workers' forces, so that both organs perished before the year was out.

As a result of such object lessons, there is growing sentiment in favour of trade union unity, and it is possible that pressure from below may bring about an amalgamation of the Left and Centrist unions, and recent acts of persecution by the Government will have their effect in hastening a united front of the workers against their oppressors.

The Noda Brewery Strike

THE strike at the Noda Shoya Brewery Co. has set up a record for endurance in the history of the Japanese labour movement, having lasted for over eight months. Except for the 300 backsliders in the early days of the struggle, the workers have remained firm, and complete solidarity has been preserved by the 1,300 strikers, in spite of the mass attacks by the Government and the employers.

Ever since the successful strike of 1922, efforts have been made by the company to break up the union, which is one of the oldest and best organised local unions of the Rodo Sodomei, and they have been seconded in their efforts by the reactionary Seiyukai Government. They attempted to freeze out the organised worker by setting up a parallel non-union shipping department, to which the bulk of the work was given, and the workers, after protesting in vain, came out on strike, at the same time putting forward a demand for a 20 per cent. wage increase.

Immediately strike breakers were brought in at higher wages, and the usual methods of persecution employed—no strike meetings and picketing permitted, and strikers beaten-up, spied upon, arrested and deported.

The fighting spirit and endurance of the strikes has won the sympathy of the whole movement, and the strike is being widely supported. A school for the 600 children of the strikers has been built and is being run by volunteer labour teachers, and the schoolhouse also serves as a central kitchen for the strikers and their families.

What hinders the strikers from carrying the struggle to a successful conclusion is the reformist character of the Rodo Sodomei leadership, their desire to avoid any sharpening of the class conflict and their failure to broaden the basis of the strike by keeping it on strictly local lines and refusing to allow it to spread to other breweries or other industries.

BOOK REVIEWS

A STORY OF PRIMITIVE ACCUMULATION

The Rise of the House of Rothschild. By Count Corti. (London : Victor Gollancz, Ltd. 1928. Pp. 464. 25s.)

THE interest in the Rothschild banking house is not (as the Rothschilds would probably have us believe) in the personal kinks and queeresses of the family. It lies much more in the part played in the changing class relationships in England and the Continent on the eve of the era of competitive capitalism. Put briefly, the Rothschilds (they were not, of course, the only people to do so) transferred the loot extorted by the princes and militarists of the feudal period to industrial investment ; they gathered up the wandering cash resources of the German princelings, of the Austrian Empire (the Holy Roman remnant), of the English aristocracy, of the French Bourbons and Napoleonic nobles, set up huge banking resources with it and lent it out to the rising capitalist class. The transfer of investment was not entirely immediate because they continued to lend to the governments of Europe (in the West this was to the capitalists in another guise) and also to the remaining feudal aristocratic houses in Europe and also in Asia, Africa and South America, thus paving the way for investment imperialism.

This book, which is the first of two, touches only on the first part of their story ; the gathering of the loot. It traces the origin of the family—the founder of the bank, old Meyer Amschel Rothschild, was born in 1743—and their fortunes through the revolutionary and Napoleonic periods, to the crisis following the bourgeois revolution in France of 1830. It is told without reference to the Rothschild papers, but it is the fullest story that is likely to appear (the use made of Austrian sources affects the balance of the narrative and weakens the English side of it especially).

The old man, Meyer Amschel, started in the Jewish quarter of Frankfurt-a-Main. He conducted a coin and exchange business. The first start came from the connection with a German prince, William of Hesse, who had accumulated a huge fortune by taxation, speculation and by selling his subjects as soldiers chiefly to the British ruling class—it was the use of Hessians to flog British soldiers that first woke Cobbett from his Toryism. Meyer Amschel had five sons, the second generation of the firm : Amschel Meyer, who stayed in Frankfurt ; Solomon, who went to Vienna ; Nathan, who came to London ; Carl, who went to Naples ; and James, who settled in Paris. The family took full advantage of the circumstances in which they found themselves.

The state system of Europe, based in the eighteenth century on the landed and merchant economy (there were no factory, industry, or rapid transport facilities), was one of absolutism, supreme control by the monarch tempered by a good deal of local autonomy on the part of the feudal lord. Such a system gave excellent facilities for bribery of the honest-to-God personal manipulative kind. Such an economy meant, moreover, that profitable chances of investment were confined to loans to monarchs or states as opposed to industrial

or transport investment. In addition the transfer of money from one place and coinage to another offered huge profits (in effect, this was investment on land exploitation, by taxation, forced labour, rents, &c.). The development of merchanting gave the opportunity to accumulate these in money values, which houses such as the Rothschilds gathered to themselves.

The Rothschilds had a difficult part to play in riding the various horses afoot in Europe at the time, but they owed their wealth to the use they made of the chaotic conditions existing. To that and to the superior organisation they built up of an international banking house in advance of the general capitalist economy. Their news service was superior even to that of the States themselves (though possibly not to Napoleon's) and the presence of representatives in various centres made transfer of money, &c., possible where no one else could do it (*e.g.*, Wellington in Spain was supplied with money drafted from England via the Paris house at the height of the war).

The Rothschilds owed their start to the exchange accumulation of Frankfurt, but the pivot of the house—in the most developed capitalist country—soon became the London branch. Nathan, the ablest of the quintet, came to Manchester at the beginning of the cotton factory period with £20,000. Speculation and compression of profits made from various processes under one control, soon increased this, and he came up to London to start banking proper. His main chance came in the handling of the subsidies which the British ruling class were pouring out to their allies in the fight against Napoleon. Nathan got the ready cash for undertaking this because of his handling of Hesse's investments sent by his father and the Frankfurt brothers. The profits on the subsidies were huge (a third or so would be absorbed by the transfer house) and Nathan could handle these, owing to his brothers' key positions on the Continent. Bill and notes would serve instead of bullion. He thus obtained great influence with the Government (he had prominent officials suspiciously in his service; all the Rothschilds used widely the method of personal loans to useful officials, and Metternich was himself handled in this way). After Napoleon was beaten Nathan was able to push his brother's business on the Austrian government by his influence with the British government. Once there, Solomon stayed and the Rothschilds became the financiers of reaction everywhere, in Naples, Spain, France, Russia, the estates of Napoleon's wife, Prussia and elsewhere.

They perfected (Nathan especially) the art of conversions, securing loans on States' taxation, manipulating issues (securing a huge discount and then selling out at a much higher price) which has now become part of the canon of orthodox finance. They appeared at Metternich's conferences against revolution in the same role as Lamont and Norman were to play in Ramsay MacDonald's Dawes' Conference against the German workers a hundred years later.

The assumption of the role of financiers to the old regime, however, meant that they were not (as the bankers are now) against the workers only, but also against the middle class. This role was safe enough for Solomon (though he trembled for his unrealised bonds whenever a Liberal stretched himself) but for Nathan, in England, and James, in Paris, it was not so easy. They had to temper the Tory wind with a little judicious, not to mention

profitable, connection with Liberalism ; Nathan, for instance, lent to the revolting South American states and James was so friendly with the bourgeois revolutionaries (save the mark !) after 1830 that Metternich used the Rothschilds (via Solomon, via James) for his communications with them rather than his own ambassador. Nathan had, of course, by this time begun industrial investment in addition to government bonds or luxury trades, gold, wines, &c. After the 1830 Revolution in Paris, Solomon delightedly remarks on the fact that the rebels will not touch property—of course they won't, the solid shopkeepers and bankers !

The transition, however, was not so simple as this, and the danger of war which arose with every break in the old regime threatened the property of the house which still relied on the international idea (fostered by Austria's hegemony ; a sort of forerunner of the League of Nations) and the lack of proper development of imperialism. In such a crisis—that of 1830—the book breaks off.

We may add, as an interesting example of the workings of nationalism, that Corti makes clear how the endeavours of the Rothschilds and other Jewish bankers to relieve the disabilities of the Jews was simply to enable them to get freedom to trade.

D. J. P.

A REFORMIST JUSTIFICATION FOR IMPERIALISM

Imperialism and Civilisation. By Leonard Woolf. (Hogarth Press. 5s.)

THIS book is an excellent example by which the organic unity of Marxism can be proved. Mr. Woolf has in the past written two books on imperialism in which he accepted certain phrases which once had their origin in Marxism, and which he used indiscriminately in order to strengthen what he would call an exposure of the misdeeds of "economic imperialism." In this book he attempts to summarise the results of his researches and to give what should be a synthesis—what should be done. His synthesis, however, is no synthesis, but merely the apotheosis of imperialism—the League of Nations. Why is this ?

Firstly, even in his exposure of imperialism he continually shows that he doesn't understand even the A.B.C. of its real significance. Nowhere does he say that imperialism, as we understand the word, is an essential characteristic of capitalism in its present stage of development. Secondly, and consequently, he cherishes all the ancient theories of capitalism about the unity of the State. But in order to appear more convincing, as the word "State" is already becoming more and more synonymous with oppression, he uses the term "Civilisation." Thus, for instance, at the very commencement :—

The European civilisation of feudalism . . . was destroyed . . . what took its place we now call Western or European civilisation, the civilisation of democracy and universal suffrage, of the factory and the machine. . . . (p. 7.)

Thirdly, and again consequently, he understands by imperialism the following : "the most important aspect of imperialism is the conflict of civilisations" (p. 28). As to which "civilisation" is superior, Mr. Woolf does not for one moment question. He takes it entirely for granted, but as he

confuses the State with civilisation his conclusion is thus : "The interests of peoples like the Syrians or the Arabs and, therefore, the Persians and the Chinese, who are 'not yet able to stand by themselves under the strenuous conditions of the modern world' (quoting approvingly from the Covenant of the League of Nations : H.R.) become a concern of the whole society of nations, a sacred trust of civilisation" (p. 120). It is, in fact, a mere vulgar defence of imperialism, which Mr. Woolf puts forward. It becomes even more vulgar when he deals with Africa. Thus : "the broad outlines of a code of native rights for land and labour have been already drawn by the experience of the last fifty years of imperialism. The problem of education, of helping the African to adapt himself to, and use, Western civilisation, of developing his capacities and institutions, so that *eventually* he may stand on his own feet, politically, economically, and socially, a free man—that problem is more complicated and obscure." (p. 130.) (*My Italics* : H.R.)

Mr. Woolf, therefore, arrives naturally at what he calls his "synthesis," the League of Nations.

But this is not merely Mr. Woolf's little pet idea. It is in fact the policy of the Labour Party. Have not they demanded that the difficulties of imperialism in Turkey, in China, and now in Egypt, should be referred to the League of Nations ? And why ?

Because they, along with Mr. Woolf, for all the professions of their so-called Left Wing to the contrary, in reality reject the class struggle. They agree with Mr. Woolf and the whole of capitalism in the theory of the democratic state of to-day—European civilisation. They, therefore, along with Mr. Woolf, are horror-struck at the possibilities of a further "outburst of nationalism in Asia, compared with which the Great War was the mildest of evils" (p. 70) or "a revolt of Africa against imperialism (which : H.R.) will be far more terrible than that of Asia" (p. 92). They, therefore, pin their faith in the League of Nations, point to the Montagu-Chelmsford Reforms in India, and the "model" colony of Nigeria as evidence that this dreadful imperialism can be transformed into a peaceful society of nations—with, of course, Western "civilisation" dominant. Does not Mr. Woolf assert that :—

The kind of administrative and economic system which imperialism at its best developed in India and Egypt, conferred immense material benefits on those countries. (p. 122.)

So, because Mr. Woolf and his fellow members of the Labour Party reject the class struggle, they are not able to see, firstly, that these benefits are solely in the interests of the imperialists, their representatives or their allies and not for the remaining 98 per cent. of the peoples at whose conditions, indeed, many members of the Labour Party, who have been recently touring in India, have expressed "horror" and "amazement" ; and, secondly, that it is precisely owing to exploitation by these imperialists through their whole State apparatus that these 98 per cent. are in the condition they are. Finally, that out of these "outbursts" of nationalism, of which they are so terrified, will arise the real allies of the class, which they are supposed to represent but which they betray by their very terror, in the struggle against "this European civilisation," for the overthrow of imperialist exploitation and the real freedom of all peoples.

Mr. Woolf's so-called Marxist phraseology about "economic imperialism," "imperialist subjection" and the like are revealed, by his rejection of the class struggle, to be merely a cloak behind which he juggles with imperialism, transforms it into civilisation and reproduces it as the League of Nations—that apotheosis of imperialism.

H. R.

PUBLICATIONS RECEIVED

- Where is Trotsky Going? Facts and Figures on the Discussion in the C.P. of Russia, which led to the exclusion of Trotsky and Zinoviev from the Party.* (C.P.G.B., 114 pp., 6d.)
- Ten Years of Soviet Rule.* By A. I. Rykov. With a Preface by G. Waddell. (L.R.D., 54 pp., 6d.)
- The Triumphant Machine.* By R. M. Fox. (Hogarth Press, 148 pp., 5s.)
- Lancashire under the Hammer.* By B. Bowker. (Hogarth Press, 127 pp., 3s. 6d.)
- Red and White Terror.* By N. Krylenko. (C.P.G.B., 40 pp., 2d.)
- Modern Capitalism: Its Origin and Growth.* By Maurice Dobb. (L.R.D. Syllabus Series No. 20, 32 pp., 6d.)
- Trade Union Law.* By Arthur Henderson, B.A., LL.B. Introduction by C. M. Citrine. Revised edition. (Ruskin College, 46 pp., 6d.)
- L'Autonomie Syndicale et ses Limites devant les Cours Anglaises.* Par Paul Baratier. (Paris, Marcel Giard, 315 pp., 40 francs.)
- The Mond Moonshine.* By A. J. Cook. Preface by Joseph Southall. (Workers' Publications, 12 pp., 1d.)
- Russian Prisons.* By E. Shirvindt. With an Introduction by J. T. Murphy. (I.C.W.P.A., 32 pp., 2d.)
- The Revolt of the Samoans.* By H. E. Holland, M.P. (The Clarte Book Depot, Wellington, New Zealand, 16 pp., 2d.)
- The Pre-War Mind in Britain: An Historical Review.* By C. E. Playne. (Allen & Unwin, Ltd., 437 pp., 16s.)
- The Psychology of Socialism.* By Henri de Man. Translated by Eden and Cedar Paul. (Allen & Unwin, 118 pp., 4s. 6d.)
- Faits Divers.* By Henri Barbusse. (Flammarion, Paris, 282 pp., 12 francs.)
- The Red Army: A Short Account of the First Workers' Army.* (C.P.G.B., 16 pp., 1d.)
- New Ventures in Broadcasting: A Study in Adult Education.* (The British Broadcasting Corporation, 115 pp., 1s.)
- Report of the XVth Congress of the Communist Party of the Soviet Union.* (C.P.G.B., 415 pp., 2s.)
- The Co-operative Movement and Socialism.* (I.L.P., 39 pp., 6d.)
- The Americanisation of Labour.* By Robert W. Dunn. With an introduction by Scott Nearing. (International Publishers, 272 pp., \$1.90.)
- Hundred Acre Farm.* By G. T. Sorratt. (Longmans, 142 pp., 5s.)
- The Problem of Trust and Monopoly Control.* By A. L. P. Sordon. (Geo. Routledge & Sons, 186 pp., 5s.)
- The Impact of Science upon an Old Civilisation.* By Frederick Soddy. (Hendersons, 22 pp., 6d.)
- Soviet Trade Unions.* By Robert W. Dunn. (Vanguard Press, 240 pp., 50 cents.)
- The Diary of a Communist Schoolboy.* By N. Ognyov. Translated by A. Werth. (Victor Gollancz, Ltd., 288 pp., 7s. 6d.)
- The "Zinoviev Letter": The Case for a Full Investigation.* By W. P. Coates. (27 pp., 2d.)
- Apparition.* By F. le Gros Clark. (Alfred A. Knopf, 361 pp., 7s. 6d.)

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Volume 10 February, 1928 Number 2

PRINCIPAL CONTENTS

Notes of the Month

THE GENERAL ELECTION R. P. D.

Industrial Peace

HARRY POLLITT

Socialism and the Empire

M. N. ROY

Co-operation in the U.S.S.R.

JOSEPH REEVES

The Cotton Workers' Fight Against Imperialism

HUGO RATHBONE

The Beginnings of the Entente

W. N. EWER

The World of Labour : Book Review

Volume 10 March, 1928 Number 3

PRINCIPAL CONTENTS

Notes of the Month

THE NEW WAVE OF WAGE STRUGGLES R. P. D.

"The Normal Condition of the Labour Party"

HUGO RATHBONE

The Indian Struggle for Independence

CLEMENS DUTT

The Struggle of the Chinese Workers and Peasants

M. N. ROY

The Beginnings of the Entente

W. N. EWER

Lenin's Fight against Philosophical Reformism

FRITZ RÜCK

The World of Labour

Volume 10 April, 1928 Number 4

PRINCIPAL CONTENTS

Notes of the Month

THE UNITED FRONT R. P. D.

Australia and the LABOUR MONTHLY

The Problem of Rationalising British Industry

E. VARGA

The World Wide Coal Crisis

A. J. COOK

God, Sir Austen, and the East

W. N. EWER

Electricity Control in Britain

D. J. F. PARSONS

Capitalism and Surplus

M. H. DOBB

The World of Labour : Book Review

Volume 10 May, 1928 Number 5

PRINCIPAL CONTENTS

Notes of the Month

THE I.L.P. AND COMMUNISM R. P. D.

Rationalisation and British Industry

II. - - J. R. CAMPBELL

III. - - EMILE BURNS

Mr. Citrine and Trade Union Democracy

JOHN A. MAHON

The Strike Wave in Egypt

J. B.

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THE JUL 24 1928
**LABOUR
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Editor : R. PALME DUTT

Volume 10

July, 1928

Number 7

PRINCIPAL CONTENTS

Notes of the Month

FABIANISM IN DECOMPOSITION

R. P. D.

A Class Analysis of Soviet Grain Production

J. STALIN

The Socialist Revolution and the Right of
Nations to Self-Determination

N. LENIN

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M. H. DOBB

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A Magazine of International Labour

VOLUME 10

JULY, 1928

NUMBER 7

Editor: R. PALME DUTT

CONTENTS

Notes of the Month - - - - -	Page 387
<i>FABIANISM IN DECOMPOSITION</i> By R. P. D.	
A Class Analysis of Soviet Grain Production „	412
By J. STALIN	
The Socialist Revolution and the Right of Nations to Self-Determination - - „	421
By N. LENIN	
Rationalisation and British Industry—V. - „	432
By M. H. DOBB	
The World of Labour - - - - - „	439
India—Australia—Sweden	
Book Review - - - - - „	447
A Manual for Militants	

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NOTES OF THE MONTH

Shaw and Lenin—Fabianism in England—A Belated Survival—War Dimming—Shaw's Evolution—Reaction—Carlton Club Sentiments—Life-History of Fabianism—"Middle-Class" Rôle—Critical-Utopian Socialism—Marx's Analysis—Counter-Revolutionary Revival—Denial of Rôle of Proletariat—Engels on Fabians—Kautsky on Fabians—Shaw's Caste-Consciousness—Fabian Adaptations—Distortion of History—Early Labour Politics—Fabian Rôle—Replacing Socialism by Capitalism—State Capitalism—Religion as Saviour—Unreal Formula of Equality—Small Trader's Distortion of Socialism—Communism versus Equal Incomes—Money and Capitalism — Imperialism — Fabianism Summed Up.

"Why are the Fabians well spoken of in circles where thirty years ago the word Socialist was used as equivalent to cut-throat and incendiary? Not because the English have the smallest intention of studying or adopting the Fabian policy, but because they believe that the Fabians, by eliminating the element of intimidation from the Socialist agitation, have drawn the teeth of insurgent poverty and saved the existing order from the only method of attack it really fears."

Shaw in the "Revolutionist's Handbook," 1903.

THERE is to-day in a certain library, so report runs, a copy of one of Shaw's later post-war works, *Heartbreak House* or *Back to Methusaleh*, inscribed by Shaw to Lenin. It is inscribed in terms of fulsome, almost abject, eulogy and admiration, of the follower to the master, of the litterateur to the leader. The silent comment which the volume reveals is instructive. About the first ten pages or so have been cut. Every page is covered over the margins with comment in Lenin's handwriting, sharp, contemptuous and merciless. After the first ten pages both comment and the cutting of the pages ceases. Lenin did not find it worth his while to spend time further on the later writings of Shaw.

UNFORTUNATELY in England we have still to concern ourselves with the work and influence which Shaw represents. Although the historical rôle of Fabianism is long since ended, its essential poisoning work having been done in the later years of the nineteenth century and the beginning of the twentieth, its influence and tradition remains not yet killed within the working-class movement, or rather within the reformist bureaucracy and petit-bourgeois adherents to socialism (for it never obtained any direct hold in the working class). Since the revival of the mass movement in England in 1910 onwards, its decay has been increasingly manifest, and has even been reflected in a series of intellectual "revolts" against it; but these have been sporadic, unstable and without systematic outlook—semi-anarchist intelligentsia attacks in the name of "freedom," "instinct versus reason," decentralisation, individual craftsmanship, &c. (all reflections of the backward-looking petit-bourgeoisie), and not attacks on the capitalist influence which it represents, and therefore inevitably ending up as mere variants of Fabianism in new forms. Such stock-in-trade of ideas of the existing Labour leadership, "left" reformist as well as right, as is not taken over ready-made from capitalism, is still derived from Fabianism in its origin (in fact, the difference between the two sets of ideas is almost negligible), and not least among those who claim to have broken free from its influence. The battle between Marxism and Fabianism in England has still to be finally fought. In the meantime it is of value to take the occasion of Shaw's recent book on socialism and capitalism¹ to survey the position which Fabianism puts forward in the world to-day.

LIKE a pale ghost from the pre-war world, Fabianism survives into the epoch of proletarian dictatorship and imperialist break-up. All its prophecies and all its calculations have been proved wrong by events; its naive "refutations" of Marxism have been answered with merciless completeness by history. When Shaw declared (1908 Preface to *Fabian Essays*)

¹ *The Intelligent Woman's Guide to Socialism and Capitalism.* By G Bernard Shaw. Constable, 15s.

that "the suppression of the Paris Commune" meant that "what had been really suppressed for good and all was the romantic revolutionary Liberalism and Radicalism of 1848, to which the Socialists had attached themselves as a matter of course," only to find that within a decade of his writing the international proletarian revolutionary tradition of the Commune had sprung forth to new life with a hundredfold greater strength on a world scale; when Webb declared (*Decay of Capitalist Civilisation*, concluding chapter) that "before the Great War there seemed to be a substantial measure of consent that the social order had to be gradually changed, in the direction of a greater equality in material income and personal freedom . . . we thought, perhaps wrongly, that this characteristic British acquiescence on the part of a limited governing class in the rising claims of those who had found themselves excluded both from enjoyment and control would continue to be extended, willingly or reluctantly, still further from the political into the industrial sphere, and that whilst progress might be slow, there would at least be no reaction"; when Wells declared (*New Worlds for Old*, 1908) that "a general advance in the world's prosperity and a growing sense of social duty in the owners of capital and land may do much to mask this antagonism of class interests and ameliorate its miseries. Moreover, this antagonism itself may in the end find adequate expression through temperate discussion, and the class war come disguised beyond recognition, with hates mitigated by charity and swords beaten into pens, a mere constructive conference between two classes of fairly well-intentioned albeit perhaps still biased men and women": when these and a thousand similar expressions and notions were being spread broadcast by the leaders of Fabianism to dope the English proletariat, they showed thereby, as subsequent events have revealed and exposed for all to see, not merely that they were completely wrong in their expectations and prophecies—any one, Marxists included, may make mistakes in plenty—but that their whole basic economic, social and political outlook and method was out of touch with reality, blind, self-centred, philistine and insular ("We had none of us given attention either to the continental Socialist Movements, or to international relations . . . we knew practically nothing of what was happening in the socialist world

outside our own country."—1919 Preface to *Fabian Essays*), utterly unaware of the real process of capitalism and imperialism all over the world and its driving forces laid bare by Marxism, looking out on events from a standpoint hardly wider than that of a Baptist Sunday school teacher, and indeed "criticising" and "refuting" Marx with almost exactly the level of understanding of a Baptist Sunday school teacher.

SINCE then, the process of the war and the subsequent revolutionary period has dimmed the lights of Fabianism ; and, until the present temporary stabilisation is again enabling them to pluck up confidence once more, there entered a note of doubt and apology into their writings. The contrast between the shallow, complacent optimism and self-satisfaction of the writings of the Liberal social reform period before the war and the hesitant note of uncertainty after it is instructive. It receives the clearest expression in the Webbs' *Decay of Capitalist Civilisation* (1923), when for the first time, after thirty years of detailed writing on local government, poor law, the King's Highway, trade unionism and co-operation, the Webbs found themselves compelled to face the existence of capitalism as a whole, whose laws might govern and defeat all their detail plannings. "We thought, *perhaps wrongly* . . ." "Worse things than any sensible citizen thought possible ten years ago have happened." But the only conclusion is to fall again into the mire of self-delusion and class-conciliation. "In an attempt, *possibly vain*, to make the parties understand the problem and each other better, we offer this little book." Such is the historic swan-song of Fabianism, when faced with the facts of capitalism and the revolution.

SHAW, on the other hand, whose principal weapon has always been to replace the patient and laborious science of Marx with simple journalistic bluff, has at no time permitted himself to admit the phase of self-distrust of the more logical Webbs. Instead, he has simply moved up and down with the wave. When the revolutionary wave was at its height, he proclaimed himself a "Bolshevik," and wrote in glowing terms (and with complete non-understanding) of "The Dictatorship of the Proletariat" in the LABOUR MONTHLY. With the sinking of the wave to the present

reaction, he has sunk to the level of the reaction, busily denied that he is a "Bolshevik" ("There is no revolution here ; so how can I be a Bolshevik ?" *Daily Herald*, 24.6.25), moved to the welcome to Fascism, moved increasingly to mysticism and religion, directed his occasional political incursions to such questions as his grievances over the super-tax, the depreciation of his War Bonds that he bought in 1914, the necessity of the gold standard, and similar club topics. The evolution of one who with such quick and volatile artistic responsiveness mirrors his environment is far more instructive, because it is far clearer and more direct, than that of his fellow Fabians. The value of Shaw's post-war stage, which is the necessary culmination and comment to his previous work, is that he brings out so clearly the inevitable ultimate counter-revolutionary character of Fabianism in its final stage of alliance with religion and fascism. The hesitant apologetics and silences of Webb are replaced by the open and blatant counter-revolution of Shaw.

THE most striking general character and impression of his newly issued book, quite apart from the detail argument, is the pervading reactionary trend and outlook which it reveals in all its sidelights and current references and pictures of life. The world which it reflects is the world of the rentier. The rich leisured, cultured classes are "ourselves" ("as long as poverty remains possible, we shall never be sure that it will not overtake ourselves . . . we see the most innocent and respectable families falling into the unfenced pit of poverty every day ; and how do we know that it will not be our turn next ?" p. 43 ; "many ladies of high social standing and gentle breeding, who thought that this question did not concern them, because they were well off for the moment, ended very pitifully in the workhouse . . . you may very easily share their fate," p.20). On the other hand, the workers are a strange alien race, whose "Trade Unionism is now very powerful, and occasionally leaves the Intelligent Woman without coals or regular trains for weeks together" (p. 186), marked by "mass ignorance, gullibility and sheepishness" (p. 452), "none of them knowing what to do until somebody tells them, none of them having the least notion of how it is that they find people paying them

money " (p. 163), and demoralised by "doles" (p. 147). The book is nominally addressed to the "Intelligent Woman" without distinction of class; in fact, with rare exceptions, it ignores 90 per cent. of the women of the country, and is addressed almost exclusively to the upper and middle class 10 per cent., with investments and servants, "ladies of high social standing and gentle breeding" whose fate "you" (who?) may share. If he raises the question "Where does unequal distribution of the national income hit me in my everyday life?" *i.e.*, where does capitalism hit "me," it is not for a moment to answer the direct exploitation of the worker, which not only the Lancashire textile operative or the unemployed working girl under Blanesburgh, but equally the miner's wife, *i.e.*, the mass of the nation, know in their daily lives, but instead only that "it hits you in every purchase you make"; in other words, the world seen is the world of the consumer, which is the invariable outlook of the rentier. And indeed the translation of Socialism into "a proposal to divide up the income of the country in a new way" (p. 2) is a most typical attempt to translate Socialism into terms of the world of the rentier.

THE general social and political sentiments correspond similarly to the outlook of the reactionary classes. We are not surprised to learn that "happiness and unhappiness are constitutional, and have nothing to do with money" (p. 41); that only "thoughtless people are apt to think a brickmaker more of a producer than a clergyman" (p. 23—this is not intended as a joke!); that "good conduct is not dictated by reason, but by a divine instinct that is beyond reason . . . honour is a part of divinity; it is metaphysics; it is religion," and that therefore religion and God must be taught in schools, since "Secular or Matter-of-Fact Education is not really a possible plan, because children must be taught conduct as well as arithmetic, and the ultimate sanctions of conduct are metaphysical" (p. 363-5). Conformably with these sentiments, the General Strike is "national suicide" (p. 448), "a form of national suicide which sane people are bound to resist by every extremity of violent coercion" (p. 380); strikes are "public disasters" (p. 206) and "national calamities" (p. 356); when the Trade Unions were legalised, "the change

from outlawry to legal protection went a little beyond the mark " ; the Trade Union Act of 1927 expresses " the growing indisposition of the nation to tolerate big strikes " (p. 356) ; during the mining lockout " the ratepayer was exploited by the workers " (p. 302) ; the coal subsidy was " frank exploitation of the taxpayer by bankrupt capitalism and its proletarian dependents " (p. 305, this " exploitation " of the " taxpayer " by capitalism and the proletariat in the present reference, and another reference to " exploitation " of the " ratepayer " on page 118, are the only forms of " exploitation " recognised in the book—a typical rentier middle-class outlook) ; and finally " we give the unemployed a dole to support them," which is " demoralising," after the fashion of the Roman Empire bread and circuses (p. 96). All these typical, tedious, muddle-headed and vicious sentiments of the platitudinising dean or choleric colonel on the hearthrug of the Carlton Club are the latest utterances of George Bernard Shaw, the pioneer and patriarch of the " English " school of Socialism, and received with adoring adulation by the reformist " Labour " Press.

THE interest revealed in this evolution does not lie in the sentiments themselves, which are commonplace in the extreme and could easily be dealt with by the youngest recruit to the working-class movement, but in the reason *why* such an evolution should have taken place. It is of interest to consider why Shaw, who was artistically a revolutionary, who has performed permanent critical destructive work of bourgeois ethics and social relations, who embraced the general ideal conception of socialism as against capitalism, should never have been able to cut himself loose in his fundamental economic and political thinking from the bourgeoisie and unite with the working class, but should remain in the economic and political sphere accepting the postulates and presuppositions of the bourgeoisie (Jevonian economics, Liberal theory of the State as above classes, civilising mission of the British Empire, parliamentarism, gold standard) at the same time as he was mercilessly criticising their postulates in the ethical and artistic sphere ; with the result that in every essential political issue, from the South African War and Liberal Progressivism to the World

Imperialist War, Fascism, the General Strike and the Communist International, he should find himself in the counter-revolutionary camp, at one with the bourgeois governmental view and against the viewpoint of the working class ; until at last he ends up as the accepted Grand Old Man, prophet and God-preacher of the bourgeoisie, full of spiritual mysticism, canonised and set up in a niche already in his lifetime as guaranteed harmless, and completely cut off from all relationship to the revolutionary movement and fight. This development is not simply the single biography of an individual, but contains within itself the life-history of Fabianism.

FABIANISM sets out as the Socialism of the "middle class." It proclaims this rôle and conception of itself quite consciously from the start. Thus Shaw declares (p. 20) :—

Now the significant thing about the particular Socialist society that I joined was that its members all belonged to the middle class.

In the same way, in his earlier *The Fabian Society: Its Early History* (Tract No. 41, published in 1892), he stated :—

We were for a year or two just as anarchistic as the Socialist League and just as insurrectionary as the Federation. It will at once be asked why in that case we did not join them instead of forming a separate society. Well, the apparent reason was that ~~we~~ *we were then middle class all through, whereas the League and Federation were quite proletarian in their rank and file.*

Finally, he attributes the "success" of the Fabian Society to its middle-class basis and aim of "planning socialist organisation for all classes" (p. 186) :—

The Fabian Society succeeded because it addressed itself to its own class in order that it might set about doing the necessary brainwork of planning Socialist organisation for all classes, meanwhile accepting, instead of trying to supersede, the existing political organisations which it intended to permeate with the Socialist conception of human society.

Thus Fabianism sets out as the ordinary middle-class conception of itself as free from the class antagonisms of the bourgeoisie and proletariat and the predestined saviour of society by "brainwork"—in this case preparing to "plan socialist organisation for all classes" and then persuade "existing political organisations" of the excellence of its plans.

IN this sense Fabianism simply falls under the general character of the Critical-Utopian Socialism long ago analysed and shattered by Marx in the Communist Manifesto forty years before. It is a repetition with a difference, a difference of period, which, as we shall presently see, is of decisive importance for the special character of Fabianism. Subject to this difference, the general principle of Marx's analysis still applies with extraordinary closeness :—

The founders of these systems see, indeed, the class antagonisms, as well as the action of the decomposing elements in the prevailing form of society. But the proletariat, as yet in its infancy, offers to them the spectacle of a class without any historical initiative or any independent political movement. . . .

The undeveloped state of the class struggle, as well as their own surroundings, cause Socialists of this kind to consider themselves far superior to all class antagonisms. They want to improve the conditions of every member of society, even that of the most favoured. Hence, they habitually appeal to society at large, without distinction of class; nay, by preference to the ruling class. For how can people when once they understand their system, fail to see in it the best possible plan of the best possible state of society.

(Marx: Communist Manifesto, 1848.)

The one difference, the stage of development of the class struggle and the proletariat, cries out aloud ; and we shall presently see the extreme significance of this. But for the rest, how closely the description by Marx in 1848 still applies to Shaw in 1928 ! He "habitually appeals to society at large without distinction of class" (the *Intelligent Woman*), "nay, by preference to the ruling class" (the *Intelligent Woman* becomes in practice the lady, as already shown). He "considers himself far superior to all class antagonisms" (denunciation of strikes as "public nuisances," contempt for the narrow egotism of the bourgeoisie and of "trade union capitalism"). The proletariat "offers to him the spectacle of a class without any historical initiative" ("mass ignorance, gullibility and sheepishness," "as helpless as the plutocrats"). His "system" represents "the best possible plan of the best possible state of society." The very structure and argument of the book reveals this naïve Utopian approach. The basic question posed is (p. 1) "how wealth should be distributed in a respectable civilised country," and the reader, to resolve this, is requested to "imagine herself for the moment a sort of angel acting for God,

without any earthly interests " (p. 11). "Seven plans of distribution" are then solemnly set out; "fatal objections" to six are explained; and the seventh remains triumphant as, in Marx's words, "the best possible plan of the best possible state of society."

MARX goes on to say that this kind of Critical-Utopian Socialism can contain certain value as a criticism of Capitalism.

These Socialist and Communist publications contain also a critical element. They attack every principle of existing society. Hence they are full of the most valuable materials for the enlightenment of the working class.

Even this applies also in a measure to Shaw, although other factors have by to-day not only outweighed this, but even diluted and emasculated the criticism. Still, his book contains a great deal of eloquent denunciation of the more obvious practical and moral defects of capitalism. But Marx proceeds to point out that this value only remains in the most early and primitive stage, before the class struggle and proletariat has reached any important degree of development; once these have developed, such writing takes on a wholly different significance :—

The significance of Critical-Utopian Socialism and Communism bears an inverse relation to historical development. *In proportion as the modern class struggle develops and takes definite shape, this phantastic standing apart from the contest, these phantastic attacks on it, lose all practical value and all their justification.*

Marx could write this already in 1848 of Owenism, Saint-Simonism &c., when the proletariat was still in its infancy, was still a minority, was still only beginning to form itself as an independent factor. But to-day we are dealing with the situation of 1928, when the organisation, the consciousness and the advance of the proletariat has not only become the dominating factor of the social situation throughout the world, but has reached to the stage of the struggle for power and of civil war, such as the early idealists of the time of Owen could by comparison be forgiven for not foreseeing, when only Marx's insight was able to foresee and make clear the line of development, but such as to-day there is no pardon for not seeing and understanding. In this situation the attempt to return to infantile Owenism is no longer innocent blindness, it not merely a

step backwards and denial of all the development in theory and practice since ; it is a conscious denial of visible facts, a direct and deliberate treachery and attempt to defeat the development of the revolution.

SIDNEY WEBB, in his Chairman's address to the Labour Party Conference in 1923, declared that "we must always remember that the founder of British Socialism was not Karl Marx, but Robert Owen, and that Owen preached, not class war, but the ancient doctrine of human brotherhood." As an explanation of the origins of the British Labour Movement, bred and grown in conditions of continuous class struggle, and reaching forward at the time he spoke, not to the "clear majority of the total votes cast in Great Britain somewhere about 1926" which he calculated in that same speech, but to the very different experience of the General Strike which was the reality of 1926, this attempted basing of the movement on Owen, with his opposition to all class struggle, is fantastic. But for the origin and inspiration of Fabianism it has a greater measure of correctness. Fabianism does appear as an attempted revival of Owenism. But it is an attempted revival of Owenism in the age of Imperialism, and this is its distinctive character. It is an attempted revival of the primitive Utopian illusions in the midst of developed world capitalism and imperialism, imperialist war, massed proletarian organisation confronting the trusts and monopolies of finance capital and the capitalist State ; and, therefore, it is born counter-revolutionary from the first. Its significance is solely as an attempt to stem the advance of the proletariat, or, as they themselves express it (in Pease's *History of the Fabian Society*, where this is actually proclaimed as the principal triumph and achievement of Fabianism), to "break the spell of Marxism," i.e., of the revolutionary class struggle of the proletariat.

THE essence of Fabianism thus lies, not in any particular plan of Socialist organisation, nor in any supposed issue of "constitutionalism" versus "violence" (on imperialist issues the Fabians could be the most unhesitating supporters of extreme violence), but in the denial of the rôle of the proletariat and of the proletarian class struggle as the line of advance to

Socialism. It is thus that Fabianism first appears in the field as the leader of the fight against Marxism, and propagandist of capitalist economics and politics in the working-class movement. In particular, Fabianism appeared at the opening of the imperialist epoch, and so developed above all as the purveyor of imperialist propaganda in the working-class movement : a character which at first shocked and alienated many of its supporters, leading to the resignation of a number at the time of the South African War, including among others of MacDonald (Shaw mentions MacDonald's early membership of the Fabian Society, but discreetly omits reference to this resignation). It was the aim of Fabianism to "make it possible for an ordinary respectable religious citizen to profess Socialism and belong to a Socialist society without any suspicion of lawlessness, exactly as he might profess himself a Conservative and belong to an ordinary Constitutional Club" (p. 200). It is only necessary to analyse the meaning of this conception to see what a complete acceptance of capitalism and servitude to capitalism is here involved.

IN 1893 Engels wrote of the Fabians in one of his letters to Sorge :—

These conceited (hochnäsigen) bourgeois, who are so graciously kind as to wish to free the proletariat from above, if it will only be so intelligent as to understand that such a raw uneducated mass cannot free itself or come to anything save by the grace of these clever lawyers, littérateurs and sentimental womenfolk.

(Engels, Letter to Sorge, November 11, 1893.)

This essential description remains. As its pendant, it is only necessary to quote Shaw's own description of the Russian Bolshevik Revolution, where the working class dared to seize power and set about social reconstruction without the kindly supervision of the Fabians :—

After the great political revolution of 1917 in that country, the Marxist Communists were so completely victorious that they were able to form a Government far more powerful than the Tsar has ever really been. But as the Tsar had not allowed Fabian Societies to be formed in Russia to reduce Socialism to a system of law, this new Russian Government did not know what to do, and, after trying all sorts of amateur experiments which came to nothing more than

pretending that there was Communism where there was nothing but the wreck of capitalism, and giving the land to the peasants, who immediately insisted on making private property of it over again, had to climb down hastily and leave the industry of the country to private employers very much as the ground landlords of our cities leave the work of the shops to their tenants " (p. 374).

The clotted newspaper ignorance of this passage is not worth unravelling, and may remain as an amusing specimen of Fabian historical understanding and scientific accuracy.

THIS classless outlook reflects the outlook of the so-called "new middle class" of ever increasing professional, official and technical salaried occupations necessitated by capitalist advance. Capitalism, as it develops beyond the stage of the individual employer, requires the existence of a stratum of technical and intellectual agents to serve it. Of this "new middle class" Kautsky wrote in 1902 in his "Social Revolution" :—

The whole sphere of the higher intellectual activity that was formerly a privilege of the ruling classes is now left by these to paid labourers, and the number of these professional scholars, artists, engineers and functionaries is increasing rapidly. Taken as a whole, these constitute the so-called "intellectuals," the "new middle class," but they are distinguished from the old middle class above all by the lack of any special class consciousness.

Some, he points out, become fighters for the bourgeoisie and bourgeois parties ; others become fighters for the proletariat. The vast majority, however, remain "entangled in petty bourgeois circles of thought," and conceive of themselves as a kind of *third* party between the bourgeoisie and proletariat. Among many of these, socialist ideas easily penetrate, and even become fashionable in bourgeois intellectual circles, since they are relatively divorced from direct property ownership and can see the theoretical necessity for the scientific organisation of production ; but they remain tied to bourgeois conceptions of life. Thus they become representative of a special line of bourgeois influence within Socialism, opposed to the proletarian line :—

The fighting tactics of the intellectuals are wholly different from those of the proletariat. To wealth and power of arms the latter opposes its overwhelming numbers and its thorough organisation. The latter are a minority with no class organisation whatever. Their only weapon is persuasion through speaking and writing, the battle with "intellectual weapons" and "moral superiority,"

and these "drawing-room Socialists" would settle the proletarian class struggle also with these weapons.

Their rôle thus becomes to weaken and confuse the fighting front of the proletariat :—

Accordingly they seek to throw discredit on the idea of revolution, and to represent it as a useless means. They seek to separate off a social reform wing from the revolutionary proletariat, and they thereby divide and weaken the proletariat.

Kautsky, writing in 1902, does not bring out the close connection of imperialism and the "new middle classes"; in fact, the "new middle class" comes to the front in the era of finance—capital and imperialism, and becomes the social vehicle of the "new" philosophy of classless advance to large-scale organisation within the existing capitalist State, imperialist expansion, and social benefits, *i.e.*, State capitalism; just as imperialism provides the basis for the corruption of an upper section of the proletariat which enables Fabianism to exercise an influence on the leadership.

HOW completely Shaw reflects this naïve self-consciousness of the professional middle class of itself as the pivot of society is abundantly expressed in his book. Thus he declares (p. 168) :—

If the landlords and capitalists can neither make anything nor even tell others how to make it; and if the workers can do nothing until they are told what to do, how does the world get on? There must be some *third class* standing between the propertied class on the one hand and the propertyless class on the other, to lease the land and hire the capital and tell the workers what to do with them.

There is. You can see for yourself that there is a middle class which does all the managing and directing and deciding work of the nation, besides carrying on the learned and artistic professions.

The political reflex of this outlook receives expression in such a characteristic outburst as that of Shaw in the *Clarion* in 1907 :—

I now solemnly abandon the Labour Party after doing my share of the work of setting it on its feet—or rather on its knees—in Parliament. I now want to get my own class—the disinherited poor relations and younger sons' progeny of the plutocrats and aristocrats—into Parliament and into political array. I want a party of Socialists who have had enough of being gentlemen. No common working man need apply.

Here, in exaggerated, satirical form, is expressed what is nevertheless a genuine running thread through Shaw's political

outlook—the belief in the mission of “his class,” the professional middle class, to achieve Socialism, and distrust of the proletariat (attack on the Labour Party, not in the sense of attacking the middle class influence which distorts it and turns it to the service of the bourgeoisie, but in the sense of attacking its working class basis : “no common working man need apply”).

UNFORTUNATELY for these pretensions, the professional middle “class” is only a technical agent and no independent social force. The two social forces and motors of action remain the bourgeoisie and the proletariat ; the middle class can only serve one or the other. In consequence, as the line of the advance to Socialism and battle for Socialism becomes more and more clearly the line of the proletarian class struggle all over the world, the position of Fabianism becomes more and more equivocal, and has to take on new twists to adapt itself to changed conditions. For a time it is possible by resolute insularity to keep eyes closed to the international movement of forces all over the world (“we had none of us given attention either to the Continental Socialist movements, or to international relations . . . we knew practically nothing of what was happening in the Socialist world outside our own country”), to belong to the Socialist International with a mental reservation as to its Marxist and class-struggle basis, to take refuge in the liberal remnants of class-conciliation and corruption in England as “our British national tradition” and peculiarity, and to attempt to drown the thunder of the Russian Revolution with commonplace bourgeois lies. But even in England the fight for Socialism takes on ever more clearly the form, not of Liberal permeation, but of the proletarian class struggle, as already revealed even through the distorting form of the Labour Party. After the war Fabianism has to turn from its task of the Socialist permeation of Liberalism (until recently Fabians were still running as Liberal candidates) and concentrate on the Liberal permeation of the Labour Party. But to do this, it has to revise considerably its own past history, obliterate many memories, and attempt to conceal its fundamental divorce from the whole conception of independent working class

politics. (The contrast between the 1908 Preface and the 1919 Preface to *Fabian Essays* is highly instructive.)

SO we get a complete distortion of the history of the working class and of Socialism to fit the narrow blinkers of Fabianism. This reaches its highest point in Shaw's book. On pp. 218-223 he provides for the innocent, inquiring "intelligent woman" a comic history of the British working class movement. The Socialism of Marx and Engels, we learn, was "a middle class movement"; they knew nothing of the workers and had no contact with them; they "knew what housemaids and gardeners and railway porters and errand boys and postmen were like; but factory hands, miners and dockers might as well have been fairies for all their lady and gentlemen sympathisers knew about them" (this is more of the famous Fabian scientific and historical accuracy: Shaw has no doubt never troubled to open the *Condition of the English Working Class in 1844*, never studied the history of the First International, never attempted to acquaint himself with the life of Marx, never followed the shaping of the international working class movement in a score of countries in direct contact with Marx and Engels, and believes that the 30,000 slain in the Paris Commune were "liberal romantic ladies and gentlemen"). Then Fabianism came along to save the situation, saw the error of the Marxists, and decided to create "a really powerful proletarian movement." The Liberals hoped that the Fabians would attempt to work through them; but nothing of the kind (shortness of space no doubt prevents mention of the permeation policy, when the Fabian Executive instructed their members to join Liberal Associations and get elected on Liberal Executives); the Fabians' first action was to denounce the Liberals and bring forward "a proposal for the establishment of a Labor Party in Parliament to oppose both Liberals and Conservatives impartially." The next step was that "a working class leader, Keir Hardie, formerly a miner, founded a society called the Independent Labour Party, to put this proposal" (*i.e.*, the Fabian proposal! It might be of value to reprint some of Hardie's early statements about the Fabians) "into practice." From the Independent Labour Party sprang the Labour Party,

which by 1923 had become strong enough to form a Government ("a more competent Government than the Conservative Government"), and now "the Proletariat and the Proprietariat face each other" in Parliament. And all this came out of the Fabian egg. Such is Shaw's history.

UNFORTUNATELY for this history, the facts of the Fabian rôle on the question of independent working class politics are too plainly on record to be so airily skipped over. Those interested may read with advantage some of the documents of the early period reprinted in the recent book of Joseph Burgess (*Will Lloyd George Supplant Ramsay MacDonald?*), the Editor of the *Workman's Times* and joint-founder of the Independent Labour Party. In 1891 the *Workman's Times* printed an article by a rank-and-file worker advocating "A Workmen's Party"; and copies were sent to Pease, Webb and Shaw for their opinions. Pease replied :—

Whether we should endeavour to form a party of our own or whether we should endeavour to influence and ultimately capture existing organisations is purely a matter of expediency. In England the attempts of Socialism at independent action have hitherto been disastrous failures, and I do not see much prospect of rapid success in this direction.

Webb replied :—

The chief difficulty, I feel, is the apparent impossibility as yet of getting any effective party together. The nature of an Englishman seems to be suited only to a political fight between two parties—the party of order and the party of progress.

Shaw replied abusing the "faithlessness and cowardice" of the working class, and demanding a "real religion" of Socialism and "genuine vital faith in human equality" as the only basis for a party (Burgess, p. 139).

IN the same way, on the eve of the foundation of the Independent Labour Party, while the work was going forward, Shaw wrote to Burgess, 1892 :—

The Independent Labour Party turns out to be nothing but an attempt to begin the S.D.F. over again.

In February, 1893, within a few weeks of its foundation, Pete Curran reported in the *Workman's Times* the attitude of Shaw at a Fabian meeting :—

I have listened to seven short speeches from Shaw, and the bent of his arguments was pointing out the inexpediency, in fact the utter foolishness, of attempting to launch an Independent Labour Party at this juncture.

At the Bradford Foundation Conference of the Independent Labour Party in 1893, Shaw, explaining why the Fabians could not join, declared—

That for his own part he was on the Executive of a Liberal Association, and had taken some trouble to get the position in order to push Labour interests there. "He intended to stick to it, and most of the energetic men he knew in London had done the same thing."

(Clayton: *Rise and Decline of Socialism in Great Britain*, p. 75.)

Finally, the 1896 *Report on Fabian Policy*, issued as Tract 70, and quoted with approval still by Pease in his *History of the Fabian Society* as "the older and better Fabian doctrine," declares :—

It (the Fabian Society) brings all the pressure and persuasion in its power to bear on existing forces, caring nothing by what name any party calls itself or what principles, Socialist or other, it professes, but having regard solely to the tendencies of its actions, supporting those which make for Socialism and Democracy and opposing those which are reactionary.

It does not propose that the practical steps towards Social Democracy should be carried out by itself or by any other specially organised Society or Party.

(Pease: *History of the Fabian Society*, p. 251.)

So much for Shaw's attempt after the event coolly to "make over" the growth of independent working class politics as an achievement of Fabianism, when in fact Fabianism has been at every stage the principal obstacle and hindrance to independent working class politics, during the nineteenth century period doing everything in its power to delay and confuse the inevitable advance, and in the modern period, when the advance has been made, actively intervening to neutralise it and to turn the Labour Party into a repetition of Liberalism, while fighting the real independent working class politics represented by Communism.

THIS excursion into political history is important because it turns on the central issue of Fabianism, the denial of the independent rôle of the proletariat, and consequent complete blindness to the real forces of Capitalism and Socialism. The denial of the independent rôle of the proletariat, the superior isolation from the proletarian class struggle, means in fact the acceptance of Capitalism: there is no third path. From this follows the Fabian attempted "revision" of Socialism in terms of capitalist economics, capitalist politics, the capitalist State and limitation of all action to within the permitted framework of Capitalism. The revolution represented by "Fabian Essays," proudly declares the historian of Fabianism, consisted in that "it accepted economic science as taught by the accredited British professors; it built up the edifice of Socialism on the foundation of our existing political and social institutions." (Pease: *History of the Fabian Society*, pp. 90-91.) But there is complete unawareness that this means in fact the replacement of Socialism by Capitalism.

SINCE the proletariat is not looked to as the power which will break Capitalism, an alternative engine of change has to be discovered. This is to be found in the existing State, which is regarded as above classes and the representative of the ideal classless community. But in fact the State within Capitalism is the organising and coercive instrument of capitalist dictatorship; with the development of Capitalism, this interlocking of the State and monopolist Capitalism becomes ever closer (Baldwin-Mondism or Snowden and the Bank of England), the concentration and coercive power of capitalist dictatorship through the State machinery becomes ever intensified (Emergency Powers Act, Trade Union Act, &c.), and the struggle of the proletariat against the capitalist State machine ever sharper. Thus the actual line of evolution is exactly contrary to the idealist line pictured by the Fabians. In consequence, their service of the capitalist State in the name of Socialism becomes in practice only the service of Capitalism. Their "Socialism" inevitably becomes realised in practice only as State Capitalism. The relative share of the capitalist class in the period of Fabian social reform grows greater,

the relative share of the proletariat grows less. This contradiction is endeavoured to be met by Fabianism by the myth of future "confiscatory" taxation to redress the balance. But since power rests in the hands of the capitalist class, the actual effect of taxation works out differently. In face of all the "confiscatory" taxation of ever higher death duties, supertax, &c., the capitalists are richer than ever. Shaw endeavours to make much of the "social services" won for the proletariat by taxation as an advance already to a Socialist redistribution of income. But even as a simple arithmetical sum, the total amount of these is a fleabite compared to the amount extracted in wage cuts from the proletariat by the massed power of Capitalism and the State machine.

THIS uncritical acceptance of capitalist basic assumptions as the framework within which advance can take place shows through in all the actual proposals made. Shaw is aware of the dilemma that Fabian Socialism, by its basic acceptance of Capitalism, capitalist legality and the capitalist State, only works out in practice as State Capitalism. But this, he proceeds to argue, is not what is intended: it is "sham Socialism."

The way to Socialism, ignorantly pursued, may land us in State Capitalism. Both must travel the same road; and this is what Lenin, less inspired than Bunyan, failed to see when he denounced the Fabian methods as State Capitalism (p. 298).

What is the remedy? The remedy is that there must be introduced also a "metaphysical" element—the "will to equality" (p. 298). *Metaphysics is thus the final power which will overthrow capitalism! This is the supreme reductio ad absurdum of Fabianism.* The proletariat has been long ago despaired of. The State after many illusions is discovered to be an instrument of capitalism. The only final saviour is metaphysics or religion. (Owen also ended similarly.) Or, as he writes elsewhere, "Man will return to his idols and his cupidities, in spite of all 'movements' and all revolutions, until his nature is changed. We must therefore frankly give up the notion that man as he exists is capable of net progress." (*The Revolutionist's Handbook*, where the solution to this dilemma, resulting from the failure to think in terms of

social change, is found in the petit-bourgeois naturalistic conception of the super-man, the final evolution to religion having not yet taken place at that stage.)

SO in the later period the ideal of "Equality of Income" comes more and more to the front as the central issue in Shaw's propaganda. Here is to be found the remedy which is to stop the leak in Fabian Socialism, and transform State capitalism into Socialism. But the real questions at issue are not to be so easily disposed of. The material forces represented by State capitalism are not to be overthrown by the preaching of an abstract ideal. The problem which it is attempted to solve by the formula of "Equality of Income" cannot be so simply treated in isolation. In any case, the propaganda of such an ideal becomes meaningless in practice, when the practice is the support of Capitalism. But in fact the question goes further than that. For the formula of "Equality of Income" is an utterly inadequate distortion of the conception of Socialism or Communism, and contains within itself once again all the elements of the practical surrender to capitalism.

COMMUNISM represents the advance of humanity from the limitations imposed by individualist private property to a new epoch of co-operative life and work of associated humanity. This ideal, which is inseparably bound up with and only finds realisation in the advance of the proletariat to the social conquest of production, is twisted, cramped and distorted by Shaw into a small trader's picture of equal individual incomes ("Socialism is a proposal to divide up the income of the country in a new way," p. 6). This is not put forward as a question of a temporary transition stage, during which the victory over capitalism is still incomplete, but as a picture of the future society. But this conception of the future society contains within itself, uncriticised and unchanged, all the roots of individualism, private property and commodity relations. Communism sets out from the basis of "From each according to ability, to each according to needs" (so equally the Communist Manifesto of 1848, and the new Communist Programme of 1928). This Communist

solution alone solves the contradictions of inequality, of unequal powers and unequal needs. There is no question of reaching this at a single bound; the evolution of the new society will produce stage by stage the new psychology corresponding to it.

BUT to take Shaw's propositions even on their own Utopian plane, in what sense can equality of income realise Communism? Is it equality of income of every individual human unit of society, from babyhood to old age, or does the relationship of income-receiver and dependant still continue, and in that case is the income a "family income" or single income? If this distinction continues (and Shaw's picture on p. 413 of "childless volunteers" "adopting" children seems to imply it), then the equality of income disappears in fact before the variations of singleness and number of dependants; and if special scales are graded to meet it, then the equality also disappears. On this and kindred questions Shaw gives no clear line. He is sufficiently in advance of many of his colleagues of the "British" school of Socialists, who accept every institution of Capitalism ready made and have never troubled to think basically about anything, to recognise that the family as an economic unit is incompatible with Socialism or human liberation. But he still presents a picture of individual households, and the individual bringing up of children, mitigated by State schools (he actually declares on p. 173 that "we have established Communism in education," choosing thus to describe the vicious class system of education in Britain). On whom does the maintenance of the children rest? Do they also receive equal incomes? Or does it rest on the householder? All these and a hundred similar problems, even in a Utopian plan, lead into endless contradictions, short of the one final Communist solution, in which true equality is at last realised, not by arithmetical distribution, but by the merging of the individual in the community.

THE question involves more than that. By retaining the basis of money, Shaw does not realise that he has retained the whole basis of commodity relations, necessarily involving capitalism. He allows for exceptional incomes in

violation of the general rule of equality of income in the case of special talents such as his own ("I doubt whether anyone would grudge us our extra spending money," p. 332). In addition, he allows for private enterprise (p. 389). No more is required. The compensated bondholders, who will easily find scope for their capital both in imperialist expansion and in permitted private enterprise, will not be so easily taxed out of existence. The process of saving, investment and accumulation will inevitably continue, leading necessarily to a full system of class relations, such as will easily defeat the artificial attempt at equalisation of incomes by law, which has no economic basis. At most, "equality of income" will remain as the legislative minimum wage for the wage earners. The failure, here, turns on the attempt to transfer the conceptions of capitalist economics into Socialist society, and the failure to understand that money is already an expression of commodity relations which contain the fertile soil for capitalism. For Shaw, as for the bourgeois economists, money is simply a "convenience," a clever invention, "one of the most useful contrivances ever invented" (p. 18), a "tool for buying things" (p. 251). A little study of the despised Marx would have helped him here, and brought him to a clearer understanding of the real character of capitalist society. Instead, his chapter on "Money" contains the most incredible flounderings. He actually reaches the high pitch of absurdity in demanding that money must always remain "as nearly as possible at the same level"; "the most important thing about money is to maintain its stability, so that a pound will buy as much a year hence or ten years hence or fifty years hence as to-day and no more" (p. 263). This pathetic demand for stability in a world of commodities, where the conditions of production of every commodity, including the commodity gold, are continually fluctuating, involving ceaselessly varying inter-relationships; this simple notion that money, instead of being the highly complex expression of a whole system of social relationships, should be a naturally fixable measure like a yard or a ton; this is the last pitiful bleat of the rentier or petit-bourgeois, faced with the conditions of Capitalism which he cannot understand.

IT would take too long to show how there is the same complete failure to understand in relation to imperialism, that is, to the decisive form of modern Capitalism. Already, in *Fabianism and the Empire*, he had given expression to the simple capitulation to imperialism. "The problem before us is how the world can be ordered by Great Powers of practically international extent. . . . The partition of the greater part of the globe among such powers is, as a matter of fact that must be faced approvingly or deploringly, now only a question of time." (*Fabianism and the Empire*, p. 3.) Here, under the usual cover of "realism," the real issues are left out; the actual character and contradictions of imperialism, and the rôle of the revolution, are unguessed at; for Shaw, as for the most commonplace bourgeois journalist, the only reality is the "Great Powers," the rest is merely sentiment and ethics ("approvingly or deploringly"). So in the present volume an eloquent denunciation appears of "parasitic paradises" in Britain on the basis of the Empire. But the whole question is only seen in relation to Britain; the colonial peoples do not enter into the picture. And when it comes to the actual proposals put forward in relation to imperialism and the world situation, which constitute the decisive and dominant problem for every Socialist, there is nothing but a string of the flattest Liberal platitudes, thrown in casually in a single page at the very end of the book in a chapter of miscellanies: "the League of Nations . . . substitute international morality, law and action for the present international anarchism . . . the Empires are changing into Commonwealths, or voluntary federations, for common human purposes" (p. 450), and similar mumblings. Such is the unhappy last stage of one who began as an eager exposé of Liberal idealist hypocrisies and lies.

FABIANISM in the last resort thus represents the dressing up of the realities of capitalism in semi-Socialist phrasing (sometimes not even that, but mere Liberalism), the basic acceptance of Capitalism by petit-bourgeois intellectual elements, which were discontented with existing social conditions, but were not strong enough to break their fetters and reach the plane of the proletarian class struggle and the proletarian understanding

of society and Capitalism. At the highest point of imperialism it is able to enjoy a limited flourishing period as the instrument of imperialist corruption of a section of the working class. As imperialism enters on its later stages of break up and visible decay, Fabianism goes down with it, its influence in the working class begins to wane, and it passes over more and more to the reaction and superstitions of declining capitalism. What started out as the well-meaning progressive intentions of the "moderate" "God-fearing" "respectable" petit-bourgeois for the betterment of humanity, ends up as complete capitulation to imperialism and counter-revolution. The final period of Shaw, when he appears for all practical purposes as an Arch-Conservative, is no denial or inconsistency, but the inevitable working out of Fabianism in its last stages. Shaw's book remains, not as a document of Socialism, but as a culminating exposure of Fabian bankruptcy and surrender to counter-revolution.

R. P. D.

A CLASS ANALYSIS OF SOVIET GRAIN PRODUCTION¹

By J. STALIN

WHAT is the main cause of our difficulties in obtaining grain? What is our way out of these difficulties? What are the conclusions which we must draw from these difficulties with respect to the rate of development of our industry, especially from the standpoint of the relations between light and heavy industry?

The causes of our grain supply difficulties lie in the fact that our production of grain reaching the markets is increasing more slowly than the demand for grain. Our industry is growing. The number of industrial workers is increasing. The towns are growing. The area under cultivation for technical plants (cotton, flax, sugar beet, &c.) is increasing. All this leads to a rapid increase in the demand for grain on the market. The production of grain for the market, on the other hand, increases at a frightfully slow rate. It cannot be maintained that the State has less grain at its disposal this year than last, or than the year before. On the contrary, the State has considerably more grain on hand this year than in previous ones. And yet we find ourselves in difficulties. Here are a few figures: In 1925-26 we were able to raise 434 million poods of grain by April 1; of this, 123 million poods were exported, leaving 311 million poods in the country. In 1926-27 we had raised 596 million poods of grain by April 1, of which 153 million poods were exported; 443 million poods remained in the country. In 1927-28 we had 576 million poods on hand by April 1, of which 27 million poods have gone abroad. The amount remaining in the country this year is thus 549 million poods, or 100 million more poods for home use than on April 1 last year, and 230 million poods more than the year before. In spite

¹ Extract from the speech delivered by Stalin before the students of the Red Professoriate, the Communist Academy and the Sverdlovsk University.

of this increased amount of grain, we are still suffering from a shortage.

Is it perhaps not a fact that we have regained the pre-war level with regard to the area under cultivation? Yes, it is a fact. Is it perhaps not a fact that as early as last year we had regained the pre-war level with respect to the total production of grain, that is, five milliard poods? Yes, it is a fact. And these being facts, how do we explain the third fact, that we have only produced half as much grain for the market as before the war, and have only exported a twelfth part of what we previously exported? It can be explained to a great extent by the entire change of structure in our agriculture, the transference of the land from the large landowners and kulaks who send the largest amounts of grain to market, to the small and middle peasants, who send the least. The fact alone that before the war we had 15 to 16 million individual farms, and at the present time we have 24 to 25 million, shows that the basis of our agriculture is the small peasant farm putting the minimum of grain on the market.

We quote a few figures showing the structure of grain production in the past, before the war, and at present, since the October revolution:—

GRAIN PRODUCTION BEFORE AND AFTER THE WAR

	Total grain production in million poods	Per cent. of total	Grain put on market out- side of village (mill. poods)	Per cent. of total	Percentage of grain put on market
BEFORE THE WAR—					
(1) Landowners ..	600	12	281.6	21.6	47
(2) Kulaks ..	1,900	38	650	50	34
(3) Poor and middle peasantry ..	2,500	50	369	28.4	14.7
Total ..	5,000	100	1,300.6	100	26
1926-27—					
(1) Soviet and collec- tive farms ..	80	1.7	37.8	6	47.2
(2) Kulaks ..	617	13	126	20	20
(3) Poor and middle peasantry ..	4,052	85.3	466.2	74	11.2
Total ..	4,749	100	630	100	13.3

These figures have been compiled by a member of the

College of the Central Statistical Administration, Comrade Nemschinov. Comrade Nemschinov observes that these figures lay no claim to absolute accuracy, but afford the possibility of an approximate calculation. They suffice amply to show the difference between the pre-war period and the period subsequent to October with regard to the structure of grain production in general and the amount reaching the market in particular.

What does this table show ?

It shows, in the first place, that the preponderant production of grain has passed out of the hands of the landowners and kulaks into those of the poor and middle peasantry. This means that the small and middle peasants, released from the yoke of the landowner, and freed in principle from the power of the kulak, have been able to rise to a greatly improved economic position. This is the result of the October Revolution. This is the very real and decisive gain won for the main mass of the peasantry by the October Revolution.

This table shows, in the second place, that at the present time the grain reaching the market is produced by the small peasant, chiefly the middle peasant. This means that not only from the standpoint of total production, but from the standpoint of grain production for the market, the October Revolution has made the Soviet Union a country of small peasant farms, and the "middle peasant" the central figure in agriculture.

The table shows, in the third place, that the abolition of the (large) landowners' farms, the restriction of the (large) kulak farms, and finally the transition to small peasant farms placing only 11 per cent. of their production on the market, combined with the lack of properly developed collective undertakings providing for the production of grain (co-operative and Soviet farms), have been bound to lead, and have led, to a considerable falling off in the amount of grain produced for the market, as compared with the pre-war standards. It is a fact that at the present time we have only half as much grain on the market, although we have reached the pre-war standard of total grain production.

This is the cause of our difficulties on the grain front.

This is the reason why we cannot regard our difficulties as merely accidental.

What is the way out of this situation ?

There are some people who think that the best means of escape would be a return to the kulak system, the development and extension of the kulak agricultural undertaking. These people do not venture to speak of a return to the landowning system, for they are aware that it is dangerous to speak of such things in our times. But they speak the more loudly of the necessity of a general development of the kulak system in the interests of the Soviet power. They believe that it is possible for the Soviet power to be supported simultaneously by two antagonistic classes : by the kulak class, whose economic principle is the exploitation of the working class, and by the working class, whose economic principle is the abolition of all exploitation. These are mental gymnastics worthy of reactionaries. It need scarcely be said that these reactionary " plans " have nothing whatever in common with the interests of the working class, with the principles of Marxism, or with the tasks of Leninism. All the nonsense talked about the kulak being " no worse " than the capitalist of the city, or no greater danger in the village than the Nep-man in the town, so that we have " nothing to fear " from the kulak, is nothing but the customary empty liberal phraseology which lulls the vigilance of the working class and the main mass of the peasantry. It must not be forgotten that whilst in industry we are able to oppose to the private capitalist a socialist industry supplying nine-tenths of the total industrial goods produced, in agriculture we can only oppose to the kulak the production of insufficiently established collective and Soviet farms, producing eight times less grain than the kulak farms.

Where, then, is the way out of this situation ?

First and most important of all : we must advance from the backward system of small, split up peasant farms to great united collective farms, provided with the latest machinery, equipped with every achievement of science and capable of putting the maximum quantity of grain on the market. The way out of our difficulties is to go forward from the individual peasant farm to the socialised, the collective farm.

Immediately after the October Revolution, Lenin called upon the Party to organise the collective farm ; and since this time the idea of collective agriculture has never been abandoned in the Party. It is, however, only lately that the appeal for the collectivisa-

tion of agriculture has found an echo among the masses. The chief reason for this is that the extensive work done by the co-operatives in the rural districts has brought the idea of collective farming into great favour among the peasantry, whilst the collective farms already existing, and producing crops of 150 to 200 poods per dessyatine, of which 30 to 40 per cent. is sent to market, have aroused among the poor peasantry and among the lower strata of the middle peasantry an increasing appreciation of the advantages of collective farming.

According to the data supplied by the Central Statistical Administration, the total production of grain by the collective farms in 1927 was no less than 55 million poods, of which an average of 30 per cent. was put on the market. The increasing tendency shown since the beginning of this year to form new collective farms, and to extend the old, is bound to result in a considerable increase in the production of grain by the end of the year. It is our task to maintain the present rate of development in the collective movement, to strengthen the collective farms, to do away with artificially puffed up collective undertakings, and to organise State support in such a manner that State grants and State credits will only be given to collective farms selling the whole of the grain intended for the market to State and co-operative organisations. I am of the opinion that within three to four years the collective farms, under these conditions, will be able to put 40 to 50 million poods of grain on the market.

The movement for the formation of collective undertakings is frequently spoken of as something opposed to the co-operatives, obviously on the assumption that collective undertakings are entirely different from co-operatives. It need not be said that this is wrong. It sometimes even happens that the collective undertakings are taken to be in opposition to Lenin's co-operative plan. Nothing could be more erroneous. In reality the collective undertaking is a kind of co-operative ; it is definitely and expressly a production co-operative. There are wholesale and retail selling co-operatives, and there are production co-operatives. The collective undertakings are an integral part of the co-operative movement in general and of Lenin's co-operative plan in particular. The execution of Lenin's co-operative plan entails leading the peasantry

forward from the selling co-operatives and co-operative stores to the production co-operative, to the co-operative of the collective agricultural undertaking. This explains at the same time the fact that in the Soviet Union the collective farms have come into being only as a result of the development and firm establishment of the wholesale and retail selling co-operatives.

The second means for aiding us to overcome our difficulties lies in the extension and strengthening of existing Soviet farms and in the organisation and promotion of new ones. The data issued by the Central Statistical Administration show the total grain production of the existing Soviet farms to have been no less than 45 million poods in 1927 ; of this amount 65 per cent. was put on the market. There can be no doubt that a certain amount of State support would enable the Soviet farms to increase their output of grain to a wide extent. And this is not all. The Soviet power has issued an enactment providing for the organisation of new large Soviet farms (each 10,000 to 30,000 dessyatines in extent) in districts with ample territory, and it is expected that these will produce up to 100 million poods of grain within five or six years. The organisation of such Soviet farms has been already begun. It is our task to have this organisation efficiently carried out, cost what it may. I believe that the successful accomplishment of this task would mean that in the course of the next three or four years the old Soviet farms could be made to yield a total of 80 to 100 million poods of grain for the market.

Finally, another aid to removing our difficulties may be found in the systematic improvement of the producing capacity of the small and middle individual peasant farms. We cannot and must not support the large individual kulak farms. But we can and must aid the small and medium individual peasant farms by enabling them to increase their productive capacity ; and this is best done by inducing them to participate in co-operative organisations. This task is an old one, and special emphasis was laid upon it in 1921, at the time when the forced requisition of grain was replaced by taxation in kind. The XIV and XV Party Congresses again emphasised the importance of this task, and the difficulties now encountered on the grain front are fresh confirmation of this importance. It is, therefore, a task which we must fulfil as con-

scientifically as we must solve the two first problems with regard to the collective and Soviet farms.

A glance at present conditions will show the possibility of increasing the producing capacity of the peasant farms by 15 to 20 per cent. in the course of a few years. At the present time there are still no fewer than five million wooden ploughs still in use. If these are substituted by ploughs with iron shares, this alone signifies a considerable increase in the grain crop. I need not deal in detail with the supply of a minimum amount of fertiliser, selected seed, small machines, &c., to the peasant farms. The contract system and the method of entering into agreements with whole villages for the supply of seed, &c., on the understanding that a certain quantity of the grain produced is delivered up in return, are among the best methods of increasing the producing capacity of the peasant farms and of inducing the peasantry to participate in the co-operative system. I believe that energetic work on these lines for three or four years would enable us to obtain at least 100 million poods of grain from the small and middle individual peasant farms.

This would mean, given the satisfactory accomplishment of all these tasks, that in the course of three or four years we should have an additional 200 to 250 million poods of market grain at the disposal of the State, sufficing amply to enable us to manœuvre in comfort both at home and abroad.

These are the general measures required to overcome the difficulties on the grain front.

These fundamental measures must be reinforced by other current measures for the improvement of planned economy with respect to supplying the village with goods ; one important move in this direction is to relieve our trade organisations from the obligation of providing a number of small and medium towns with grain.

Would it be advisable to take still other measures, for instance, to retard the rate of development of our industry, since this is increasing the demand for bread, and is growing faster than the production of marketable grain ? No. This is not advisable. Not by any means. To retard the speed of industrial development would be tantamount to weakening the working class ; for every

advance in the development of industry, every new factory or works, is, as Lenin expressed it, a "new fortress" of the working class, reinforcing its position in the struggle against petty bourgeois chaos and against the capitalist elements of our economy. We must on the contrary strive to maintain the present rate of industrialisation, and to increase it as soon as possible in order that we may be able to send more goods to the village, and to obtain more bread in exchange, and in order to supply agriculture, especially the collective and Soviet farms, with machinery enabling agriculture to be industrialised and the marketable output of agricultural products to be increased.

Perhaps it would be advisable, as a special "precaution," to put a brake on the development of heavy industry, to the end that the industries manufacturing finished articles, and working chiefly for the peasant market, may be made the basis of our industry? No again! This would simply mean suicide, the undermining of our whole industry, including the finished articles industries. It would mean abandoning the slogan of the industrialisation of the country, and would transform our country into an appendage of the capitalist economic system. In this conviction we are confirmed by certain fundamental theses laid down by Lenin, submitted by him to the IV Congress of the Comintern, and certainly binding on our whole Party. Speaking on this subject at the IV Congress, Lenin said :—

We know that a good crop alone does not mean salvation for Russia . . . this does not suffice. Nor does a favourable situation in the finished goods industries supplying the peasantry with industrial articles suffice . . . We must have at the same time a heavy industry." . . .

" . . . We are economising everywhere, even in the schools. Why? Because we know that unless we save heavy industry, unless we restore it, we cannot build up any industry at all. Without heavy industry we cease to exist as an independent country.

We must not forget these words.

What effect will the measures projected have upon the alliance between the workers and peasants? I am of the opinion that these measures will serve solely to strengthen this alliance; for they mean the more rapid development of the collective and Soviet farms, the increased producing capacity of the small and middle peasants as a result of the direct support accorded them, and the incorporation of increasing masses of the peasantry in the co-operatives; they

mean that the government will have many hundred million poods more grain at its disposal, giving it a free hand for commercial manœuvres ; they mean that the kulak will be gradually supplanted and exterminated. Is it then not obvious that under these improved conditions the antagonism between the working class and the peasantry will vanish altogether in the alliance between workers and peasants ; that the necessity of compulsory measures for obtaining grain will disappear ; that the broad masses of the peasantry will participate more and more in the various forms of collective agricultural work ; and that the struggle with the capitalist elements in the village will assume a firmer and more extended organisatory form ? Is it not obvious that the alliance between workers and peasants can only gain by such measures ?

It must, however, never be forgotten that under the dictatorship of the proletariat the alliance between workers and peasants is not an ordinary alliance. It is a special form of the class alliance between the working class and the working masses of the peasantry, and its aims are : (a) strengthening of the position of the working class ; (b) establishment of the leading rôle of the working class within the confines of the alliance, (c) extermination of classes and of class society. All other conceptions of the alliance of workers and peasants are opportunism, Menshevism, anything in the world but never Marxism, never Leninism.

THE SOCIALIST REVOLUTION AND THE RIGHT OF NATIONS TO SELF-DETERMINATION

By N. LENIN

[The following theses of Lenin, now translated into English for the first time, were written in April, 1916, and appeared in the "Social-Democrat," the organ of the Russian Social Democratic Revolutionary Party printed in Switzerland. Lenin's clear statement of the Marxist position is particularly apposite just now, in view of the denial and distortion of the principle of self-determination by the British Commonwealth Labour Conference and by the British Labour Party in its Draft Programme.]

Imperialism, Socialism and the Emancipation of Oppressed Nations

IMPERIALISM is the highest stage of the development of capitalism. Capitalism in the leading countries has grown beyond the limits of national States, it has put monopoly in the place of competition and created all the objective pre-requisites for the realisation of socialism. Consequently, in Western Europe and in the United States, the revolutionary struggle of the proletariat for the overthrow of capitalist government, for the expropriation of the bourgeoisie, has become an immediate task. Imperialism throws the masses into this struggle, intensifying to an enormous degree class antagonisms, rendering worse the position of the masses, both economically (for instance, through trusts, high cost of living), and politically (by the growth of militarism, the multiplication of wars, the strengthening of reaction, the consolidation and extension of national oppression and colonial spoliation).

Victorious socialism must necessarily realise complete democracy, and, consequently, it must not only achieve complete equality of nations, but also realise the right to self-determination of the oppressed nations, that is the right to free political separation. Those socialist parties which do not exert their maximum activity, as well now as during the period of revolution, and after the victory of the latter, in order to emancipate the enslaved

nations and to create relations with them on the basis of free association (and free association is a lying phrase without the right of separation), those parties commit treachery to socialism.

Of course, democracy is also a form of State which must disappear when the State disappears, but this will take place only after the transition from socialism, when it has finally conquered and consolidated its position, to full communism.

The Socialist Revolution and the Struggle for Democracy

The socialist revolution is not one act alone, not a single struggle on a single front, but a whole epoch of intensive class-conflicts, a long series of struggles on all fronts, *i.e.*, in regard to all economic and political questions, struggles which can only culminate in the expropriation of the bourgeoisie. It would be a fundamental mistake to imagine that the struggle for democracy is liable to divert the proletariat from the socialist revolution or to obscure and to overshadow it. On the contrary, just as it is impossible for socialism to be victorious without realising full democracy, so also the proletariat is not able to prepare itself for victory over the bourgeoisie unless it conducts an all-sided, determined and revolutionary struggle for democracy.

It would be no less an error to strike out one of the points of the democratic programme, such as self-determination of nations, on the ground that it would be "unrealisable" or "illusory" under imperialism. The assertion that the right of nations to self-determination is unrealisable within the limits of capitalism may be understood either in an absolute economic sense or in a relative political sense.

In the first sense it contains a radical theoretical mistake. In the first place, in this sense, such things as labour money or the annihilation of crises, &c., are unrealisable under capitalism. It is entirely untrue that the self-determination of nations is similarly unrealisable. Secondly, even the single example of the separation of Norway from Sweden in 1905 is sufficient to refute the "unrealisability" in this sense. Thirdly, it would be ludicrous to deny that, with a small change of the strategical and mutual relations between, for example, Germany and England, the establishment of new States—Polish, Indian, and so on—would

become completely "realisable." Fourthly, finance capital in its endeavours at expansion "freely" purchases and re-purchases the most free democratic and republican governments and elected officials of any so-called "independent" country.

The rule of finance capital, as of capital in general, is not to be removed by any kind of constitutional transformation in the sphere of political democracy; yet self-determination has reference entirely and exclusively to this sphere. But this rule of finance capital in no way destroys the significance of political democracy as the freest, widest and clearest form of class oppression and class struggle. Thus all assertions about the "unrealisability" in an economic sense of one of the demands of political democracy under capitalism, lead to a theoretically incorrect formulation of the general and basic relations of capitalism and political democracy in general.

In the second sense the assertion is incomplete and inaccurate. For, not only the right of nations to self-determination, but all the fundamental demands of political democracy are "realisable" under imperialism only in an incomplete and mutilated form and as a rare exception. The demand for the immediate freeing of the colonies put forward by all revolutionary social democrats is also "unrealisable" under capitalism without a series of revolutions. But it by no means follows from this that social democracy should refuse to undertake an immediate and determined struggle for all these demands—such a refusal would only play into the hands of the bourgeoisie and of reaction—but, on the contrary, it follows that it is essential to formulate and to carry through all these demands not in a reformist but in a revolutionary manner; that is to say, not being restricted by the narrow framework of bourgeois legality, but breaking through it; not being satisfied with parliamentary demonstrations and verbal protests, but drawing the masses into energetic action, widening and intensifying the struggle arising from the fundamental democratic demands into direct attack of the proletariat on the bourgeoisie, that is into the Socialist revolution and the expropriation of the bourgeoisie. A Socialist revolution can flare up not only as a result of a large-scale strike, or street demonstration, or famine revolt, or military insurrection or colonial

rebellion, but as a result of any political crisis such as the Dreyfus affair or the Zabern incident or in connection with a referendum on the question of the separation of oppressed nationalities, &c.

The strengthening of national oppression under imperialism requires from social democracy, not the rejection of what the bourgeoisie calls a "utopian" struggle for the right of separation of nations, but, on the contrary, a strengthening of the utilisation of conflicts which arise on this basis as a means for mass action and for revolutionary demonstrations against the bourgeoisie.

The Significance of the Right to Self-Determination and its Relation to Federation

The right of self-determination of nations signifies solely the right to independence in the political sense, to freedom of political separation from an oppressing nation. Concretely, this demand of political democracy signifies full freedom of agitation on behalf of separation and the decision of the question as to separation by a referendum of the separating nations. Thus, this demand is not at all equivalent to the demand for separation, fragmentation and establishment of petty States. It signifies only a logical expression of the struggle against every kind of national oppression. The closer the democratic structure of the State is towards full freedom of separation, the rarer and weaker will be in practice the tendencies towards separation, for the advantages of large States, both from the point of view of economic progress and from the point of view of the interests of the masses, are indubitable, and these advantages grow greater with the growth of capitalism. The recognition of self-determination is not equivalent to a recognition of federation as a principle. It is possible to be a determined opponent of this principle and a supporter of democratic centralism, and yet to prefer federation to national inequality of rights as the sole way towards full democratic centralism. It is precisely from this point of view that Marx, who was a centralist, preferred even a Federation of Ireland with England to the subjection by force of Ireland by the English.

The goal of socialism is not only the destruction of the division of humanity into petty States and all kinds of individual nations, not merely the coming-together of nations, but also their

actual fusion. And it is precisely in order to attain this goal that we must, on the one hand, explain to the masses the reactionary character of the ideas of Renner and Otto Bauer about so-called "cultural national autonomy," and, on the other hand, demand the freedom of the oppressed nations, not in general vague phrases, not in empty declamations, not in the form of a "postponement" of the question until Socialism has been achieved, but in the form of a clearly and exactly formulated political programme which takes special account of the hypocrisy and cowardice of the socialists of the oppressing nations. Just as humanity can only arrive at the destruction of classes through a transitional period of the dictatorship of the oppressed class, so also humanity can only arrive at the inevitable fusion of nations through a transitional period of complete freedom of all oppressed nationalities, that is, their freedom of separation.

The Proletarian-Revolutionary Formulation of the Question of the Self-Determination of Nations.

Not only the demand of national self-determination, but all the points of our democratic minimum programme were previously, as early as the seventeenth and eighteenth centuries, put forward by the petty-bourgeoisie. The petty-bourgeoisie also up to this day puts all of them forward in a utopian manner, not seeing the class-struggle and its intensification under democracy, and believing in a "peaceful" capitalism. Precisely similar is the utopia of a peaceful union of equal nations under imperialism which is defended by the Kautskians and with which they deceive the people. In opposition to this bourgeois opportunist utopia, the programme of social democracy must put forward, as the fundamental, essential and inevitable characteristic under imperialism, the division of nations into oppressing and oppressed.

The proletariat of the oppressing nations cannot restrict itself to the usual hackneyed phrases such as are used by any bourgeois pacifist against annexations, for equality of rights for all nations, in general terms. The proletariat cannot pass over in silence the question, especially "unpleasant" for the imperialist bourgeoisie, of the limits of States which rest upon national oppression.

The proletariat cannot but struggle against the retention by force of oppressed nations within the frontiers of a given State, for this means to struggle for the right of self-determination. The proletariat must demand freedom of political separation for those colonies and nations oppressed by its "own" nation. If this is not done, the internationalism of the proletariat remains empty words. There is then possible neither confidence nor class solidarity between the workers of the oppressed and oppressing countries. There remains unexposed the hypocrisy of the reformist and Kautskian defenders of self-determination who remain silent about the countries oppressed by "their own" nation and forcibly held in the grip of "their own" State.

On the other hand, the socialists of the oppressed countries must especially insist on and bring into being complete and unconditional (including organisational) unity between the workers of the oppressed country and the workers of the oppressing country. Without this it is impossible to maintain the independent policy of the proletariat and its class solidarity with the proletariat of other countries in the face of any and every act of betrayal, treachery and roguery on the part of the bourgeoisie.

For the bourgeoisie of the oppressed countries continually converts the slogans of national emancipation into deception for the workers. In internal policy it uses these slogans for achieving reactionary agreements with the bourgeoisies of the ruling countries (as, for instance, the Poles in Austria and Russia who entered into deals with the reaction for the oppression of the Jews and Ukrainians). In foreign policy it attempts to conclude agreements with one of the competing imperialist powers for the sake of realising its own predatory aims (as, for instance, the petty States of the Balkans, &c.).

The circumstance that the struggle for national freedom against one imperialist power can be, in certain conditions, used by another great power for its own imperialist ends, should as little cause social democracy to refrain from recognising the right of nations to self-determination as the numerous cases where republican slogans have been used by the bourgeoisie for the furtherance of political deception and financial robbery (e.g.,

in Latin countries) should cause social democrats to renounce their republicanism.¹

Marxism and Proudhonism in the National Question.

In contradistinction to the petty bourgeois democrats, Marx saw in all democratic demands without exception not an absolute but an historical expression of the struggle of the mass of the people led by the bourgeoisie against feudalism. There is not a single one of these demands which could not serve and which has not served, in certain circumstances, as a weapon for the deception of the workers by the bourgeoisie. To cut out in regard to this one of the demands of political democracy, that of the self-determination of nations, and to oppose it to the remainder is radically incorrect from a theoretical point of view. In practice, the proletariat can only preserve its independence by subordinating its struggle for all democratic demands, not excluding that for the republic, to its revolutionary struggle for the overthrow of the bourgeoisie.

On the other hand, in contradistinction to the Proudhonists who "denied" the national question in the name of the social revolution, Marx, who had in view, above all, the interests of the class struggle of the proletariat in the leading countries, put into the foreground as a root principle of internationalism and Socialism that a nation cannot be free which oppresses other peoples. Precisely from the point of view of the interests of the revolutionary movement of the Germany workers, Marx demanded in 1848 that the victorious democracy of Germany should proclaim and realise the freedom of the peoples oppressed by the Germans. Precisely from the point of view of the revolutionary struggle

¹ It is hardly necessary to say that to deny the right of self-determination on the grounds that it might lead to "defence of the Fatherland" would be entirely ludicrous. With equal right, *i.e.*, equally unseriously, the social chauvinists in 1914-1916 abandoned also any democratic demand (for instance, republicanism) and any formulation of struggle against national oppression for the purpose of justification of "defence of the Fatherland." Marxism leads to the recognition of defence of the Fatherland in some wars, for instance, in the great French revolution or in the wars of Garibaldi in Europe, but it leads also to a rejection of the defence of the Fatherland in the imperialist war of 1914-1916, proceeding from an analysis of the concrete historical peculiarities of each separate war, and in no way from any kind of "general principle," nor from any particular point of the programme.

of the British workers, Marx demanded in 1869 the separation of Ireland from England, even though, he added, after separation the question arose of federation. By merely putting forward this demand Marx gave the British workers a practical education in international spirit. Only in this way could he place in contrast to the opportunists and to the bourgeois reformists, who up to that time after half a century had not realised any Irish "reforms," the revolutionary solution of the given historical task. Only in this way, in contrast to the apologists of capitalism who shouted about utopianism and the impossibility of realising freedom of separation for small nations and about the progressive character of economic and of political concentration, was Marx able to insist on the progressive character of this concentration in a non-imperialist manner, and to insist on the coming together of nations on the basis not of force but of the free union of the proletarians of all countries. Only in this way could Marx place in opposition to the verbal and frequently hypocritical recognition of equality of rights and national self-determination, the revolutionary activity of the masses in the sphere of the decision of national questions. The imperialist war of 1914-1916, with its revelation of the Augean stables of hypocrisy of the opportunists and Kautskians, has conspicuously confirmed the correctness of this policy of Marx, which must serve as a model for all the leading countries, for now every one of them is an oppressor of foreign nations.²

Three Types of Countries in Relation to National Self-Determination

In the first type, represented by the leading capitalist countries of western Europe and the United States of America, the bourgeois-progressive national movement has long been completed. Each of these "great" nations oppresses foreign nations in the colonies

² It is not infrequently maintained, as recently by the German chauvinist Lentsch in Nos. 8 and 9 of *Die Glocke*, that Marx's negative attitude towards the national movement of certain people, e.g., the Czechs in 1848, refutes the necessity for the recognition of national self-determination from the point of view of Marxism. This, however, is not true, for in 1848 there were historical and political grounds for distinguishing between "reactionary" and revolutionary-democratic nations. Marx was right in condemning the first and supporting the second. The right of national self-determination is one of the demands of democracy which, naturally, must be subordinated to the general interests of democracy. In 1848 and the following year these general interests consisted in the first place in the struggle with Tsarism.

or inside the country. The tasks of the proletariat of the ruling nations are precisely those of the British proletariat in the nineteenth century in relation to Ireland.³

The second type is seen in eastern Europe : Austria, the Balkans and especially Russia. Here it is precisely the twentieth century which has seen the development of the bourgeois-democratic national movements and the intensification of national struggle. The tasks of the proletariat in these countries, both in regard to the completion of their bourgeois-democratic transformation and in the matter of assisting the socialist revolution in other countries, cannot be fulfilled without insisting on the right of nations to self-determination. Especially difficult and important is here the task of fusing the class struggle of the workers of the oppressed and of the oppressing nations.

The third type comprises the semi-colonial countries, such as China, Persia and Turkey, and all the colonies with their thousand million population. Here the bourgeois-democratic movement is in part only just beginning and in part far from completed. Socialists must not only demand without reservations unconditional and immediate freedom for the colonies (this demand in its political expression signifies precisely recognition of the right to self-determination) ; they must also support in the most decisive fashion the most revolutionary elements of the bourgeois-democratic national-emancipatory movements in these countries and assist them in rebellion, and if need be in revolutionary war, against the oppressing and imperialist powers.

Social Chauvinism and Self-Determination of Nations

The imperialist epoch and the war of 1914-1916 has put in especial prominence the task of struggle against chauvinism and nationalism in the leading countries. In regard to the question of

³ In some of the petty states, left on one side in the war of 1914-16, e.g., Holland and Switzerland, the bourgeoisie makes strenuous use of the slogan of self-determination in order to justify participation in the imperialist war. This is one of the motives which has impelled the social democrats of these countries to deny the principle of self-determination. They defend the correct proletarian policy of rejection of "defence of the Fatherland" in an *imperialist* war by incorrect means. The result is a distortion of Marxism in theory, and in practice forgetfulness of the *hundreds of millions* of people of nations oppressed by the "great powers."

national self-determination there are two chief tendencies among the social chauvinists, *i.e.*, among the opportunists and Kautskians who have beautified an imperialist reactionary war by applying to it the slogan of "defence of the Fatherland."

On the one hand, we see fairly open servants of the bourgeoisie who defend annexations on the ground that imperialism and political concentration are progressive, and who deny the right of self-determination as something utopian, illusory, petty-bourgeois, &c. Here are to be found Cunow, Parvus and the extreme opportunists in Germany, some of the Fabians and trade union leaders in England and such opportunists in Russia as Semkovsky, Liebman, Yukevich, &c.

On the other hand, we have the Kautskians, including also Vandervelde, Renaudel and many pacifists in England and France, and so on. They stand for unity with the first group and in practice completely coincide with them, defending the right to self-determination only verbally and hypocritically. They consider as "excessive" ("zu viel verlangt" says Kautsky in *Neue Zeit*, May 16, 1915) the demand for freedom of political separation, they do not insist on the indispensability of revolutionary tactics for the socialists precisely of the oppressing nations; on the contrary, they stifle the revolutionary obligations of the latter, justifying their opportunism, facilitating their deception of the people, evading altogether the question of the national frontiers of a state forcibly incorporating nations deprived of their rights, and so on.

Both groups are out-and-out opportunists, who prostitute Marxism, and who have lost all capacity to understand the theoretical significance and the practical immediate importance of Marx's tactics explained by him in relation to the example of Ireland.

In particular, with reference to annexations, this question has become especially urgent in connection with the war. What, however, is annexation? It is easy to convince oneself that the protest against annexations either amounts to recognition of the principle of national self-determination or is based on pacifist phraseology, defending the *status quo* and hostile to any, even revolutionary, use of force. Such phraseology is radically false and irreconcilable with Marxism.

The Concrete Tasks of the Proletariat in the Immediate Future

The socialist revolution may begin in the very near future. In this case, the proletariat is faced with the immediate task of the conquest of power, the expropriation of the banks and the realisation of other dictatorial methods. The bourgeoisie, and especially the intelligentsia of the type of the Fabians and Kautskians, will attempt at such a moment to disrupt and hinder the revolution and to confine it to limited democratic aims. While all purely democratic demands are capable, under conditions when the proletariat has already begun to storm the citadels of power of the bourgeoisie, of playing in a certain sense the rôle of a hindrance to the revolution, yet the necessity of proclaiming and realising the freedom of all oppressed nations (*i.e.*, their right to self-determination) will be just as vital in the social revolution as it was for the victory of the bourgeois-democratic revolution, *e.g.*, in Germany in 1848, or in Russia in 1905.

It is possible, however, that before the beginning of the socialist revolution there will pass five, ten or more years. Our task then will be the revolutionary education of the masses in such a spirit as to render it impossible for the socialist chauvinists and opportunists to belong to the workers' parties and for them to have the upper hand as in 1914-1916. Socialists must explain to the masses that British socialists who do not demand freedom of separation for the colonies and for Ireland, that German socialists who do not demand freedom of separation for their colonies ; that Alsatians, Letts, Poles, &c., who do not spread immediate revolutionary propaganda and revolutionary mass action in the sphere also of struggle against national oppression, and who do not use such incidents as that of Zabern for the widest illegal propaganda among the proletariat of the oppressing nation, for street demonstrations and revolutionary mass demonstrations of all kinds ; that Russian socialists who do not demand freedom of separation for Finland, Poland, the Ukraine, &c., all such socialists behave like chauvinists, as lackeys, covering themselves with blood and dirt, of imperialist monarchies and of the imperialist bourgeoisies.

RATIONALISATION AND BRITISH INDUSTRY—V¹

By MAURICE DOBB

AS Varga has pointed out, the essence of Rationalisation lies in the increase of "Relative Surplus-Value"—in other words, while maintaining real wages at their existing level to augment the surplus which labour produces.² I intend to confine the term Rationalisation strictly to this sense, and not to include under it either monopolistic restriction of output or measures to reduce real wages, since these latter can be shown to have important differences in their effects. As Varga has also indicated, this process of Rationalisation is not a novel one, but one by which (coupled with Britain's world monopoly) British capitalism in the nineteenth century was able rapidly to increase its surplus while, at the same time, in face of Trade Union pressure, employing a growing working-class population at a rising standard of life.

Prior to about 1905 both the progress of Rationalisation and the development of Imperialism worked in the same direction in enlarging British capitalism's surplus. Since the first decade of the twentieth century, and in particular since the war, the two

¹ Previous contributions to this discussion appeared in the *LABOUR MONTHLY* from E. Varga (April, 1928), J. R. Campbell, Emile Burns (May, 1928) and H. Rathbone (June, 1928).

² Burns seems to imply that Rationalisation, even if successfully applied, could not achieve this result, because it would cause over-production and a catastrophic fall in the selling-value of output. But though a particular industry which expanded *dis*-proportionately might find market-demand sufficiently inelastic to produce this result, it is unlikely to be the case with *all* industries: the cheapening of output would at anyrate affect the workers' subsistence (and hence real wages) as much as other finished commodities. The occurrence of Rationalisation in other countries prevents Rationalisation from increasing relative s.-v., in England, if and because this foreign Rationalisation affects preponderantly the industries which compete with our exports, and not the food and raw materials, &c., that England imports from those countries in return.

processes have ceased to work in the same direction. Changes in the world market have caused, and continue to cause, a shrinkage in the super-profit which British capitalism can acquire ; and Rationalisation is being urged as a means of counteracting these forces of decline. The question, therefore, is not so much whether Rationalisation will occur in Britain, as though it were some newly-advertised nostrum. That is too simple and static a formulation of the question : elements of Rationalisation have already appeared (*e.g.*, Imperial Chemicals and the Armstrong-Vickers merger), and it is hardly conceivable that *some* degree of Rationalisation will not continue to be achieved in the future.

The question is rather as to the *tempo* of this rationalising process—whether it is likely to be sufficiently great to counteract the tendencies of decline, and to increase relative surplus-value at the same rate as the super-profit which British capitalism draws from the world-market tends to shrink.

In attempting to judge this question it seems important to bear in mind a triple distinction. Rationalisation may be separated into the following main types :—

- (1) Methods of increasing relative surplus-value which involve a change in the composition of capital, so as to increase the proportion of mechanical power to human labour employed. *E.g.*, labour-saving machinery ; the “conveyor system,” &c.
- (2) Methods of increasing relative surplus-value which involve no necessary change in the composition of capital, but do involve a general expansion in the scale of production. *E.g.*, the economies resulting from the expansion of the motor industry ; more intensive and economical use of electrical power resources, &c.
- (3) Methods of increasing relative surplus-value which involve no necessary change either in the composition of capital or in the scale of production as a whole. *E.g.*, elimination of waste ; better organisation of the workshop and the office ; accelerated turnover of working capital, &c.

Of these three types the third is the easiest to accomplish and, at the same time, is probably the smallest in scope and least in importance : it amounts simply to the difference between the well-run business and the slovenly business. The other two types appear to be of much greater importance. For instance, the main part of the difference in productivity per man-hour in American industry as compared with British is undoubtedly due to the greater

amount of mechanical horse-power used per man and the larger scale of production in U.S.A. than in this country. The kernel of the whole problem of Rationalisation consists in the fact that both of these types require an *increase in the accumulation of capital* to make them possible. (2) requires *both* an increase of capital and an increased labour-supply (e.g., the expansion of the motor industry or artificial silk). (1) would enable a larger surplus to be acquired with the same supply of labour-power as before ; but while surplus-value in the aggregate would be increased, the change in the composition of capital would produce a tendency for the *rate of profit per £ of capital to fall*.

The economies obtainable from the merging of formerly competing firms or from common marketing arrangements (cartels, &c.), if this took place spontaneously by voluntary agreement among the firms concerned, would be properly classed under (3) ; and to this extent an important element of Rationalisation could be achieved without any preliminary increase of capital accumulation. But as both Campbell and Burns, and also Varga himself, have shown, and as the experience of the Cotton Yarn Association and of the iron and steel trades has borne witness, in British industry to-day progress along these lines by spontaneous voluntary action is likely to be very slow. Amalgamation seems only likely to come with any rapidity under the initiative and pressure of some outside body like a financial syndicate or investment bankers akin to J. P. Morgan or the German "commercial banks." In England such bodies, adapted to such functions, scarcely exist : the new Mond finance company is precisely the exception which emphasises the rule. Moreover, even did they exist, or were they to arise, they would find it necessary to raise considerable sums of new capital with which to buy up the various "vested interests" entrenched in old-fashioned British industry which bar the way with their "pocket directorships" to new schemes of organisation—just as the U.S. Steel Corporation had to buy out Carnegie twenty-seven years ago and continued for many years seriously over-capitalised as a result, as the English railway companies had to buy out the landlords and the lawyers, and as the proposed cotton amalgamation will have to buy out spinning companies not too ungenerously if it is to have any success. Consequently, the major part of the

economies to be obtained by horizontal and vertical amalgamation can, in practice, be classed with those types which require increased capital accumulation to make them possible ; while in so far as they involve an artificial inflation of capital to purchase vested-interest claims, the result will also be to lower the profit-rate.

The prime reason why Rationalisation is unlikely to occur to-day at anything like the same pace as it occurred in the nineteenth century—let alone occur at a *faster* pace to make up for the loss of Britain's monopoly in world markets—lies precisely in the fact that the power of British capitalism to accumulate has decreased. This weakening of stamina has occurred for two reasons. First, because of the decline of super-profit, to which we have already referred, as seen both in the plight of the export trades and in the decline in income on foreign investments. Secondly, because, as a result of the National Debt position, of the over-capitalisation of certain branches of industry, and of deflation, a much larger share of surplus-value (not only proportionately, but in absolute amount) is pledged to the passive *rentier* section of the propertied class. The significance of this is not so much that their smaller share of surplus "discourages" the active industrialist, or that the greater wealth of the *rentier* increases his psychological influence on events—though all this may play a part : it lies in the fact that the passive *rentier* tends to accumulate a smaller proportion of his wealth than the active and thrifty industrialist would be likely to do,³ or else, in so far as he does accumulate, he tends to invest it in "safe" gilt-edged securities rather than to adventure it in more speculative industrial stocks.⁴

This is shown in the fact that the most recent estimates place the present volume of capital accumulation at no more than some three-quarters of the pre-war amount (after making allowance for change in the value of money). This decline is principally due to a

³ I agree with Rathbone in thinking that this increased consumption of parasitic elements is probably a principal cause of the growth of the luxury trades. But I cannot follow him when he suggests that the luxury trades are unproductive of surplus for capitalism. Capitalists can, surely, make surplus-value out of employing labour to supply themselves with luxuries as in employing labour to make foodstuffs or machinery ?

⁴ Cf. Colwyn Committee on the National Debt, both the Majority and the Minority Report.

falling-off in individual savings directed to the purchase of new capital issues through the Stock Exchange. Moreover, of this diminished flow of new capital a much larger proportion has in recent years gone into fixed-interest *rentier* stock such as debentures, and a much smaller proportion (same 20 per cent. as against 40 per cent.) into the purchase of ordinary shares.⁵ Hitherto, most of this decline has shown itself in foreign rather than in home investments, thereby reacting unfavourably on Britain's imperialist position and on the foreign demand for means of production from Britain. What has been invested at home has largely gone to repair the *disaccumulation* which took place during the war (*e.g.*, housing and roads), and to the development of the "new" industries, but hardly at all to re-equip and re-organise the basic export trades.

If, therefore, Rationalisation of our first type has a tendency to reduce the rate of profit, this may well encourage capital to flow abroad where the rate of profit is higher, and so seriously reduce the amount of capital which is willing to seek investment at home, thereby producing a check to any further extension of the rationalising process. The realisation of this fact is responsible for Mr. Keynes' advocacy of measures of restriction on foreign investment in order to make capital more plentiful for purposes of Rationalisation at home. The Liberal Industrial Report does not dare to be so explicit as this ; but it goes so far as to suggest that the past has been too biased in favour of foreign investment, while one of its main proposals is the institution of a Board of National Investment to encourage and regulate the flow of new capital into industry.

For this reason it seems unlikely that Rationalisation of our first type will occur at all extensively in British industry. What may occur, however, is its application in certain spheres of industry on the basis of monopoly and of contracted employment of labour (closing of small concerns, &c.), so that no more capital than before is utilised, but a larger proportion of it represents mechanical equipment ; while at the same time the rate of profit is maintained by monopolistic measures in the market to curtail output and raise selling-prices. This additional surplus would then be acquired either at the expense of other sections of the capitalist class—in

⁵ Colwyn Report, p. 20.

which case it would be a transfer, not an increase of surplus as a whole—or at the expense of a reduction of working-class consumption—in which case it would be a form of increasing “absolute surplus-value,” similar in effect, if different in manner, to a direct reduction of wages or lengthening of hours. This process I do not regard as being included in Rationalisation proper. But, as Burns maintains, it seems on the whole the most likely process to occur ; and its effects on the workers, in the shape of a falling demand for labour, would be the same as though the decline of industry continued unmitigated by any re-organisation.

When a few more years have separated us from the Dawes Scheme, I think we may find that the word Rationalisation has bewitched us by magic rather than by reason. Like a child at a fair, we have come to credit this magician’s wand with untold powers, because of the magic it seemed to work in Germany between 1924 and 1928. But, in listening to the conjuror’s “patter,” we have missed the easy secret of how the trick was done. The phenomenal recovery of German capitalism after the Dawes Scheme had a simple reason : American capital flowed into Germany to the amount of some 10 milliard marks, thereby not only covering the reparation payments which she had to make to France, but adding a net amount of about two milliard marks to her annual capital investments, or an annual amount nearly equal to Britain’s total foreign investments per annum.⁶ Any country can show technical progress, expansion of output, and even an expanding demand for labour, if it receives a sudden gift of capital from abroad. But it was the inflow of capital that begat the processes to which the term Rationalisation has been given, rather than the miracle-working of a spontaneous virgin process of economy on its own. If, of course, Britain at the moment were to import American capital to a similar extent, a trade recovery of considerable dimensions might well result. But this would

⁶ This argument was developed in more detail in an article in *The Plebs* of December, 1927. Varga’s comparison of the high discount rates in Germany in 1925 with the lower rates in England at present is hardly appropriate. It was precisely these high rates which attracted American capital, thereby causing these rates later to fall. Moreover, the 15 per cent. was the price of short-term bank-credit accommodation, temporarily enhanced by the special circumstances of credit stringency during the period of monetary stabilisation.

introduce a fundamentally new situation in which Britain would have to sacrifice to America a considerable amount of her imperial power. For instance, it might take the form of American purchases of British holdings in colonial securities, as has already been occurring in Canada.

The conclusion seems to be that a certain amount of Rationalisation of our third type may occur, but only on a limited scale, hardly sufficient to arrest even temporarily the tendencies of decline in the world market. If any considerable move was made in the direction of State capitalism—for instance, under a Labour Government—then measures such as a “writing-off” of bondholders’ claims, the coercion of “vested interests” like royalty-owners and firms which resist cartellisation or amalgamation,⁷ and a programme of State accumulation through the Budget, might accelerate the process of Rationalisation, as Campbell points out, sufficiently to produce a temporary revival of production and employment. Even so, it is extremely unlikely that this would represent anything more than a temporary break in the decline, since the forces of decline in the world market are a continuing process, and are to some extent cumulative, while many of the rationalising measures, once put into operation, would not necessarily continue to beget progeny. The prospect of Rationalisation of the two other more significant types is very much smaller. Anything that occurs in the way of technical reorganisation or of “increasing returns” of production on a larger scale is likely to be a very subordinate element in a process of monopolisation. This latter implies a contraction, rather than an expansion, of the total scale of production and of employment, with surplus capital flowing abroad to share in the industrialisation of colonial areas. By this means the patricians of Rome might continue to prosper on a tribute drawn from the periphery of Empire; but the slaves of the imperial metropolis would at the same time continue to clamour for employment and for bread.

⁷ Cf. the very significant suggestion in the Lib. Ind. Report that the State should assume powers to compel a minority of firms in a trade to observe the regulations of a trade association covering 75 per cent. of the trade.

The World of Labour

		Page
INDIA:	The Bombay Textile Strike	439
AUSTRALIA:	Sale of Commonwealth Ships	441
	Shipping Disputes	442
	Arbitration Amendment Bill	443
	Industrial Peace	444
SWEDEN:	Anti-Trade Union Legislation	445

INDIA

Bombay Textile Strike

THE general strike of the Bombay textile operatives, including about 150,000 workers, resulted from the gradual accumulation of grievances with regard to wage reductions and working conditions, to remedy which no efforts were being made by the leaders of the official Bombay Textile Union and the All-India Trade Union Congress. That it was no flash-in-the-pan or sudden response to irresponsible agitators is evident from the stubborn and united struggle of all the workers, which has already been in process for over two months. ⁷

The speeding up introduced in a selected number of mills last January led to a partial strike, but owing partly to the pronounced hostility of the Textile Union, led by Mr. N. M. Joshi, the General Secretary of the All-India Trade Union Congress, the workers were held back for a time. By the middle of April, the strike recommenced, and the number of strikers rapidly increased. On April 23 there occurred the incident in which the police opened fire on a procession, killing one and wounding others. The next day saw the proclamation of the general strike by the so-called "extremist" Strike Committee and the unanimous response of the workers.¹

It was not until the general strike was actually in being that the officials of the T.U.C. altered their attitude of aloofness and hostility. When the strike re-started in the middle of April, the strikers were supported only by the Weavers' Union (Girni Mahamandal) and by the Workers' and Peasants' Party organisation, which had already been instrumental in founding a fighting trade union, the Mill Workers' Union, during the previous month. N. M. Joshi and the other leaders of the Bombay Textile Labour Union (which itself only included less than 10,000 members) momentarily agreed to enter a Joint Strike Committee, but actually refused to attend a single meeting. On April 19, Joshi was still saying that he did not know the exact causes of the unrest, and that his union would have to be content to look on.

¹ An account of the development of the general strike was printed in the *LABOUR MONTHLY* for June, 1928, pp. 370-373.

As the strike still grew, his union discovered that the workers were suffering from direct and indirect wage reductions, and it appointed a committee "to get more information before deciding whether a general strike was desirable."

Meanwhile, the general strike took place, and the Left-Wing leaders pressed once more for a Joint Strike Committee. Joshi's Union met on April 25 and declared in favour of a joint committee of forty, provided they had 50 per cent. of the seats. The existing strike committee suggested ten representatives from the Textile Labour Union, ten from the Girni Mahamandal, five from the Mill Workers' Union and fifteen representatives from among the unorganised strikers. In spite of negotiations during the next two days, no agreement was reached. The reports in the Press declared, "so far as the strikers are concerned, it is no exaggeration to say that the extremist group is temporarily dominating the situation."

The leaders of the Bombay Textile Labour Union (Joshi, Ginwala and Bakhale) also published their own views on the remedies for the strike.

The fact that the moderate leaders discussed the situation with the Governor-General of Bombay, who refused to meet the Strike Committee, widened the breach, but at the beginning of May the actual strike leaders, for the sake of unity, agreed to the formation of a Joint Strike Committee of thirty members with equal representation for the two wings. A negotiating Sub-committee was appointed, consisting of Joshi and Ginwala from the Textile Union, Alwe from the Girni Mahamandal, Jhabwala and Dange from the Mill Workers' Union, and three actual workers.

On May 3, the Mill Owners' Association officially published a statement declaring that in making economies "labour cannot be left out, as retrenchment to be effective must be made in all directions."

The new Joint Strike Committee answered this by presenting on behalf of the strikers a final statement of their demands. This included the following main points:—

- (1) Reductions to be stopped and the 1925 position restored.
- (2) No worsening of conditions without agreement of workers through their organisations. Hours not to be increased to ten per day where at present less.
- (3) Rates on new varieties to be fixed in consultation with workers.
- (4) Three-loom or whole-frame system not to be introduced without consultation and consent of workers.
- (5) Increased wages of those getting less than 30 rupees monthly.
- (6) Standardisation of conditions of employment and payment.
- (7) Consolidation of high prices allowance with wages.
- (8) One month's notice to be given on each side before terminating contracts of employment.
- (9) Weaving departments to be open to workers of "depressed" classes.
- (10) No victimisation arising from the present dispute.

The Mill Owners' Association refused to meet the Strike Committee, and on May 12 issued a reply completely rejecting the demands. The reply was issued to the Press and not communicated to the Strike Committee. They made it known that they objected to the Strike Committee because it contained "outsiders."

With this refusal the strike entered on a phase of stubborn struggle, the workers being determined to hold out against the attempt to starve them into submission. Early in the month an attempt was made by the police authorities to prohibit picketing, but they were compelled to give way and allow two pickets to be stationed at each mill. Many instances of police violence against pickets and others were reported.

In spite of repeated attempts, the Bombay Municipal Corporation has refused to give any relief to the starving men. Some help has been voted by the Bombay Provincial Committee of the Indian National Congress, and money has also been sent by the R.I.L.U., the Textile Workers' Union of the U.S.S.R., the International Textile Workers' Federation, and the Workers' Welfare League of India.

The mill owners enforced the deadlock by declaring all strikers dismissed and putting forward new conditions of work. This lockout only increased the determination of the strikers, and nearly two-thirds of them left Bombay for their villages.

At the end of May, the Mill Owners' Association let it be known that it was ready to negotiate with the representatives of registered unions, while still refusing to recognise the Joint Strike Committee. This led to the registration of three new unions, in addition to the Textile Labour Union, one of them being a reactionary section of the Girni Mahamandal, not taking part in the Strike Committee. This left the position as it was, and up to the end of June no meeting had taken place.

AUSTRALIA

Sale of Commonwealth Ships

THE Commonwealth Government is at present engaged in bringing Australia into line with European standards: on the one hand helping to consolidate the forces of capitalism; on the other, reducing the privileged position of the Australian workers.

The storm centre of Australian industry is shipping; consequently most of the recent developments in the campaign have been connected with this industry. In April, the Government, acting in conjunction with the shipowners, carried through the sale of the seven ships of the Commonwealth Line (taken over by the Government after the war) to the Kysant Group, which already controls the White Star and Union Castle Lines and the Royal Mail Steam Packet Co., Ltd. The price was £1,900,000, only £250,000 of which was to be paid on delivery; and the ships are to be maintained on the English register for ten years and the present rates and freights to be continued.

The scheme met with considerable opposition on both political and industrial grounds. Labour members accused the Government of "betraying the people into the hands of the shipping octopus," and complained of the fact that the offer had been accepted without being submitted to Parliament.

They declared that the real reason why the line had been run at a loss was the Government's desire to discredit State undertakings, and that deliberate sabotage and mismanagement had been practised to afford an excuse for the sale.

In the industrial sphere, the seamen were quick to recognise in the sale an attempt to weaken their organisations. The pay and conditions of Australian seamen are considerably better than those obtaining on British ships, and the transfer to British articles meant an immediate increase of hours and a wage reduction of nearly 100 per cent. for 2,000 to 3,000 seamen. For instance, Australian firemen get £18 12s. 6d. a month and sailors from £16 12s. 6d., while the corresponding British rates are £9 10s. and £9. Strikes of protest were threatened, but the unions did not put forward a united policy; the "Fordsdale" and "Esperance Bay," which were being loaded, were allowed to sail without interference, and action was postponed until the return of the crews under British articles when it is unlikely that effective measures will be possible.

Mr. Bruce, the Commonwealth Premier, warned the unions that if they interfered the Ministry would use all its power, and if these were not sufficient it would bring in the necessary legislation to meet any situation, evidently relying on the sectional difficulties among the various unions and the reluctance of the leaders to adopt a militant policy.

The Shipping Strike

The collapse of the sea-cooks' strike gives evidence of the same disunity and lack of central direction. The dispute began on March 2, and arose out of the refusal of the Marine Cooks' Union to supply cooks for one of the Huddart Parker Coastal Fleet unless extra galley hands were provided. Eight coasting vessels of the H.P. Line were held up, and in reply the Coastal Steamship Owners' Association, on May 15, dismissed the crews of four ships belonging to other companies.

The dispute had been before the Arbitration Court on May 4, where Judge Detheridge suspended the cooks' award on the owners' application, thus empowering the owners to engage cooks on their own terms. The owners then issued an ultimatum, giving the union until May 9 to man the ships, and when it refused to budge they took their revenge.

The challenge was taken up, and by June 5 all the coasting passenger steamers were "tied up," and a large number of cargo ships. The Australian Council of Trade Unions intervened in the hope of bringing about a settlement, but without success, and the strike showed signs of extending to the Federated Seamen's Union, some of whose officials declared in favour of standing by the strikers and refusing to man the ships, while others were for putting pressure on the cooks to abandon the struggle in order to avoid a large-scale industrial conflict.

At this point the Government intervened, and suspended the Navigation Act, which prohibits ships from going to sea without a cook. But of far greater importance was the further step taken by the Government of issuing a proclamation under the Crimes Act, declaring the existence of a state of industrial disturbance, increasing its powers during the emergency, and threatening action against the strikers. This is the first time that these powers have actually been invoked against the workers. The first prosecution under the Act shortly followed, when J. S. Garden, Secretary of the Sydney Trades

Council, and a prominent Left Wing leader, was arrested on four charges of inciting to murder, on account of an article dealing with blacklegs.

From this point the strike began to disintegrate. The A.C.T.U. ordered the seamen to remain at work, and the South Australian seamen fell into line, while the Melbourne Seamen's Union resolved to man the ships so long as non-union labour was not employed. Mr. Bruce's call for volunteers met with an increasing response, owing to the conflict of orders from the various Labour headquarters, and by June 14 the strike was over, and the cooks agreed to return to work on the shipowners' terms, though picking up was again suspended for a few days owing to a dispute between the Sydney cooks and the H.P. Line over sailing without cooks. The owners offer to take back all the men except those formerly on vessels which are now manned with volunteers. They also stipulate for an entirely free selection of galley staffs.

A sequel of the collapse is the granting of a rule *nisi* by the Arbitration Board for the de-registering of the Union.

Arbitration Amendment Bill

An earlier shipping dispute, the Waterside Workers' No-overtime Strike of last November, was largely responsible for the introduction of this violent attack on the Australian Trade Union Movement, though the Queensland railwaymen's refusal to handle black sugar in the South Johnstone dispute probably played its part. The seamen found that "job control" action could do more for them than a biased Arbitration Court and withdrew from the Court; the shipowners therefore applied pressure to the Government to introduce legislation which should put a stop to such an independent attitude. Further, the owners were somewhat embarrassed by the fact that, in spite of their boast of acting constitutionally, they had themselves violated the Award of the Court in declaring a lockout. But, after all, this could easily be remedied—the law must be altered in order to enable the owners to escape from their dilemma.

The amending Bill was therefore prepared to the shipowners' esteemed order. It was introduced into the Federal Parliament last December by Mr. Latham, the Attorney-General of the Bruce Ministry, and was duly passed on June 12.

The main effect of the new Act is to make it illegal to do anything in the nature of a strike or lockout without the permission of the Court. The penalty is £1,000 for an organisation and £50 for an individual, but by expelling a member or official guilty of such action, the Union can get off with a fine of £100—a flagrant attempt to coerce the unions and split the ranks of the workers.

Once the Court has declared that a strike exists, a lockout is no longer illegal, thus freeing the owners from keeping their side of the agreement, and what is more, "encouraging, advising or inciting" to refuse to accept employment is deemed to be in the nature of a strike, so that any agitation or wage movement becomes next to impossible.

Registration of an organisation is at the absolute discretion of the Court, and may be cancelled without appeal, and following "upon cancellation of

registration, the Court may make an order for the dissolution of the organisation." It also has power to wind up its affairs and to hand over its funds to "a voluntary association consisting of members of the organisation," which is robbing the corpse with a vengeance, and is plainly aimed at the encouragement of yellow unions. There is also a stringent system of inspection and investigation into the affairs of the unions, and members may inform against it anonymously if they wish, while a secret ballot of the union must be held if ten members demand it.

The Court may disallow, upon the application of any member, any rule of the organisation "contrary to law, or to an award, or tyrannical, oppressive or unreasonable." It is an offence to declare goods, places or persons "black," while heavy penalties are enforced against undue influence, threats or abusive language, intimidation, boycott, or any other endeavour to prevent anyone from working in accordance with an award.

Another clause takes away the right of the Union to deal with scabs, and provides that not only will they have the usual police protection outside the union, but also the protection of the Court within the union.

Finally, a penalty of £100 is incurred for printing or publishing anything ordering or advising or encouraging a breach of the Act or the refusal to obey an award or in any way criticising the Court or the Judge, or for moving a motion insulting the one or the other.

Comment on the Bill is superfluous: it is the most flagrant example of its kind, beside which Mr. Baldwin's effort pales into insignificance.

Industrial Peace

While the Amending Bill was before the House, Mr. Bruce began to broach the subject of Industrial Peace, but with amazing effrontery he did not ask the workers "Which hand will you have?" but presented sword and olive branch simultaneously.

On January 31 he put forward his proposal for a Conference similar to that now being held in Great Britain. Rejecting the idea of summoning a formal Conference and appointing a Royal Commission of Inquiry, he declared that what was wanted was not a new policy but a new outlook, and peace in industry. He suggested inviting five representatives each of employers and organised labour, with himself as convener.

At a meeting of Trade Union leaders with Mr. Latham, the unions' right to nominate their own representatives was conceded, and in its final form, the Conference was to be thoroughly representative, with a membership of thirty-six, including ten delegates from the A.C.T.U. and four from the A.W.U. The decisions of the Conference would not be binding.

But the plan got no further. The Conservative Press was unhelpful and hopeless, the other Premiers apathetic, regarding the Conference as "unlikely to lead anywhere," and as failing to tackle the vital problem of unemployment.

The workers were even more decisive in their condemnation of the proposal, which was greeted with universal derision. The A.C.T.U. considered the invitation an insult, so long as the Bill was not withdrawn, and even the reactionary Australian Workers' Union rejected the Conference

as purely academic and serving no useful purpose. All parties have pointed out that the urgent need is for action to deal with unemployment, which has reached unheard-of dimensions, particularly in South Australia and New South Wales, and totals more than 100,000. The Government's failure to deal with the problem has come in for considerable criticism, and the Conference has been described as a red herring, a mere pretext for further delay and evasion. In the face of this storm of protest, Mr. Bruce was forced to abandon his project.

SWEDEN

Anti-Trade Union Legislation

ON May 25 the Swedish Government succeeded in carrying through a Bill for the purpose of promoting industrial peace by establishing legal relations with regard to the agreements between employers and workers—in other words for the enforcement of compulsory arbitration and the abolition of the right to strike. Although the class character of the Bill has been denied by its promoters, the facts are so obvious that *The Times* Swedish correspondent remarks that the new legislation is “essentially aimed at the prohibition of strikes,” and the whole trend of recent events bears out this interpretation.

Ever since the beginning of the year Sweden has been in a state of acute “industrial unrest.” The widespread paper-workers’ strike threatened the security of the employers, and the strike of 60,000 iron miners—the immediate cause of the Bill—still continues, in spite of repeated attempts to impose a settlement by arbitration.

Some more powerful means of persuading the workers had to be found, and the Government sought it where Baldwin, in England, and Bruce, in Australia, have sought it—in the sphere of anti-Labour legislation. Taking advantage of a small temporary majority in the Lower Chamber (the Bills were only passed by 117 votes to 106) the measures were rushed through the Riksdag on the eve of the General Election. A Labour victory in September is highly probable, and it has been made even more likely by the Government's action, but by that time repeal will be impossible, owing to the permanent reactionary majority in the Upper House; in any case, the British Labour Party Programme has shown us what becomes of such agitations for repeal under the influence of Socialist statesmanship.

The new legislation falls into two parts, the first dealing with collective bargaining, and the second with the founding of a Labour Court. Under the first, the most important points are the strengthening of the binding power of agreements upon individual members of the organisations concerned so that the conditions fixed by collective bargaining still bind any worker employed where any agreement has been made, even if he ceases to belong to the union which concluded the agreement.

During the period of the agreement, no strikes, lockouts, blockades, boycotts or disputes concerning the validity or interpretation of the agreement are to be allowed, or any attempts at modification. The parties are further under the obligation to try and prevent their members from taking any unlawful action, and to stop them when such action is taken.

The consequences of a breach of agreement are of two kinds. (1) The agreement may be called off by the Labour Tribunal and the innocent party absolved from all obligations. (2) Heavy penalties may be enforced against both associations and individuals, and the indemnity paid either to the association or the injured member.

The second part concerns the setting up of a Labour Tribunal, which is to sit at Stockholm and to consist of a chairman and six members appointed by the Government. Two of these are to be nominated by the Swedish Employers' Association, two by the National Association of Trade Unions, and two are "impartial" Government members, one of whom, like the chairman, shall be an experienced judge, and the other a person with special experience of labour matters.

Both these laws come into force on January 1, 1929, and were passed with only slight modifications, calculated to placate Labour opposition. The most important of these are the declaration that fines levied by the Court should not be converted into a sentence of imprisonment, and the cancelling of the five years' limit for collective agreements. These concessions did not affect the main objections to the Bill, and had no effect upon the intensity of the workers' opposition, and their indignation was expressed in a twenty-four hour general strike of protest. In the meantime, the trade of the whole country is held up by the mining stoppage, which is seriously affecting the metal industry in particular. The struggle has been raging ever since the beginning of January, and the new legislation cannot be used to bring it to a conclusion.

A CORRECTION

In the report of the Conference of the Trade Union Educational League (*LABOUR MONTHLY*, March, 1928, p. 184), it is stated that an injunction has been granted under which the American Federation of Labour is prevented from organising the employees of the Interborough Rapid Transport Co. of New York. It now appears that the injunction suit of the Company was refused by the Supreme Court of New York.

BOOK REVIEW

A MANUAL FOR MILITANTS

Leninism. By Joseph Stalin. (George Allen & Unwin Ltd. 7s. 6d. Communist Party of Great Britain. 4s. 6d., paper.)

THIS book is a collection of writings and speeches of Joseph Stalin, one of the most powerful leaders of the Russian revolution. As stated in the preface, the section entitled "The Foundations of Leninism" should be regarded as one of the most important parts of this volume. This section was first published in 1924 under the title of "The Theory and Practice of Leninism." We have here an authoritative statement of the fundamental principles of Leninism. The remainder of the book is composed of the following: "Problems of Leninism," the preface to a book "Towards October," a report of the fourteenth conference of the C.P.S.U., a series of articles and speeches upon the national and colonial question, and questions and answers. The last is a speech by Stalin in reply to questions put to him by students at the Sverdloff University.

In the period between the writing of the "Foundations of Leninism" in 1924 and the remainder of the contents of the volume, much had happened. The workers had passed through new experiences. New characteristics had revealed themselves in the process of capitalist stabilisation. The disappointment of some of the leaders of the revolution at the slowing up of the tempo of world revolution expressed itself sharply in an opposition to the policy of the Russian Communist Party and the Comintern. It must also be borne in mind that in this intervening period Russian workers had made great strides in the process of building up Socialism. There had also been an intensification of conflict in colonial and semi-colonial countries, e.g., India, Egypt, China, &c. It is to be expected, therefore, that Stalin's later writings and speeches upon Leninist theory would not be a mechanical repetition of his earlier work but an application of this theory to the new problems and new experiences of the workers. This, in fact, is the value of this collection of documents. The later writings of Stalin are an enrichment of the principles enunciated in the "Foundations of Leninism."

Stalin defines Leninism as: "The Marxism of the epoch of imperialism and the proletarian revolution. To be more precise: Leninism is the theory and tactics of the proletarian revolution in general and the theory and tactics of the dictatorship of the proletariat in particular." This definition Stalin defends against Zinoviev, whose definition presents Leninism as a product of Russian conditions rather than as an international doctrine based upon the class struggle in the conditions of world imperialism. Zinoviev robs Leninism of its international character. The errors of the opposition on the questions of the peasantry, permanent revolution, their attitude to national and colonial struggles and on the question of the possibility of building up Socialism in one country are fully exposed by Stalin.

A comparison between this book and the mass of "Socialist" literature which finds its way into the British market brings out with tremendous force the great gulf which separates the theoreticians of the Third International from those of the Labour and Socialist International. In such

books, for example, as H. G. Wells' *The Open Conspiracy* or Shaw's *Intelligent Woman's Guide to Socialism* we are served with the thin skilly of middle-class subjectivism. One is struck by the absence in them of objective analysis. Troubled by the ferment which threatened to bring their little world tottering around their ears, they endeavour to impose upon the working class their futile schemes for the salvation of "civilisation."

It is not unnatural then that when these people are faced with a doctrine which bases itself upon the experiences of the workers in their struggles in the past, in the present and in all countries, a study of which reveals the dynamics of social change, that they should protest against such "rigid doctrinairism." An example of this is provided by the editorial notes in the *Socialist Review* for June:—

Possibly, I think, the most satisfactory way of defining the difference between, for example, Maxton's view and the Communist view is to say that Maxton is very much more of an economic agnostic than the Communist. The Communists have a very clear, very well defined view as to how precisely the political and economic situation in this country will develop. They have deduced with unanswerable logic the correct working-class strategy on the basis that just these economic developments will take place. Maxton, I suppose, remains unconvinced as to the certainty of these developments . . . *the I.L.P. admits doubts, even ignorance, of what objective economic situation the next few years will reveal, and therefore of the correct strategy for the working-class movement.*

Thus do they admit their complete bankruptcy and inability to provide the workers with a lead. This is due to the absence of a revolutionary theory.

Revolutionary theory has always been a sort of Cinderella in Britain. So long as concessions could be granted within the limits of capitalism, Round Table Conferences and Parliamentarism represented the sum total of working-class leadership. The leaders of the Labour Movement could afford to muddle along, trusting to their practical experience in negotiation to satisfy the demands of the workers.

It is only now, when the proletarian revolution appears on the order paper, and when the workers are finding the old methods and leadership inadequate, that there is developing within the ranks of the working-class movement an educational ferment. There is a growing desire to understand the forces operating in capitalist society. It is not a case of the whole leadership adapting itself to the new situation. Rather it is that the new elements which have grown up in the conditions of decaying capitalism, and who are uncorrupted by Labour imperialism, are groping for a new weapon which will provide the means of waging successfully the revolutionary struggle. It is this fact that explains why a book like Stalin's, which is a complete enigma to Labour intellectuals, is to the new leadership of the working class—those actively engaged in fighting the capitalists on every section of the class war front—a book with a message. To the old reformist bureaucracy it is a book sealed with seven seals; to the new leadership it is a manual of action.

B. W.

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66
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PRINCIPAL CONTENTS

Notes of the Month

THE COOK-MAXTON REVIVAL CAMPAIGN

R. P. D.

The Tasks before the Minority Movement
Conference

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CONTENTS

Notes of the Month - - - - - Page 451

THE MAXTON-COOK REVIVAL CAMPAIGN

By R. P. D.

The Tasks before the Minority Movement
Conference - - - - - „ 463

By HARRY POLLITT

Japan's Move Forward - - - - - „ 468

By W. N. EWER

The Fruits of Mondism - - - - - „ 474

By "TRADE UNIONIST"

The Programme of the Labour Party- - - „ 481

By HUGO RATHBONE

The Relations of Marx with Blanqui - - - „ 492

By D. RIAZANOV

Reformists of Twenty Years Ago - - - „ 499

By CHARLES RAPPOPORT

The World of Labour - - - - - „ 504

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NOTES OF THE MONTH

*New Stage—Left Reformist Revival Attempts—" Mistakes "—
Realities—Mond Joint Report—" Legitimate Trade
Unionism "—Alliance Against Working Class—
The Real Fight—I.L.P. New Line—
Brer Maxton and Brer Terrapin—
Cross - Purposes — Mosley's
Wisdom—The Future.*

A CRITICAL political period is now opening. The Congress of the Communist International, the first since four years, meets at a time when the new capitalist situation and the new phase of class struggle is already sharply defined, and a complete fresh review of the whole line of development is required, as the new programme attempts. The special character of the present period is the highly intensified and centralised capitalist organisation, expressed in rationalisation and the advance to State capitalism and the new methods of attempted elaborate and systematic control of the working-class movement through Americanisation, organised class-co-operation, social democratic discipline, special legislation, and the victimisation and expulsion of all militants. The revolutionary factors in the present period are the intensified international competition accompanying the ascending curve of production and reflected in the feverish growth of war preparations, the sharpening antagonism of imperialism against the Soviet Union; the continued advance of struggle in the colonial countries, and the worsened conditions of the European working class, underlying the capitalist revival, and leading to instability below the surface and the visible signs of a new Leftward wave. The problem of the present period in Europe is to clear the way for the Leftward advance of the working class through the network of capitalist-reformist repression and discipline. The attempt to meet this problem has been the new line of the Communist International, adopted six months back. This new line has met with marked success in the German and French elections and in the response in Britain. A stage has now been reached at which the awakening forces of mass struggle

are becoming visible to all, and the "Left" reformists are beginning to stir themselves again to endeavour to come to the front, counter the new line and take the leadership into their own hands, as in 1925-6, in order to bring the masses safely back to the fold. This is the special stage which it is now necessary to consider.

NOW that questions of new forms of "Left Wing" expression have again come to the front, it is necessary to keep a clear head and hold political realities firmly in view. 1928-9 is not 1925-6. The difference is not merely a question of the degree of experience of the mass-movement, which has gone through the decisive transformation of the General Strike and after. What is even more important is the definite things that have happened in between. The Trade Union Act, the Mond Agreement, the new Labour Party Programme, the social democratic discipline in the trade unions—all these are not merely events that have happened, they are present realities, and the dominating realities of the working-class situation to-day. They are obstacles, and very solid obstacles, to any facile Leftward flights of emotion and sentiment, such as might hope to accompany gracefully and inexpensively an ascending curve of mass feeling, without facing the very heavy task of cutting through and smashing these obstacles that chain the movement. The chains have been imposed on the working class by the active assistance of the entire reformist leadership from Right to Left, from Thomas to Hicks and Purcell, from MacDonald to the I.L.P. majority on the General Council and Labour Party leadership. For two years this process has gone on, without the stirring of a finger in resistance from within the reformist leadership, with opposition only from the Communist Party, the Minority Movement, and A. J. Cook. Now, when the chains have been finally fastened down, when the working-class organisations have been "purged" of their fighters and robbed of the right of free election of their own representatives, when the locks have been drawn and barred and bolted so as to prevent the possibility of mass struggle or effective movement, now for the erstwhile "Left" leaders to come out from their retirement and begin to

sing "Left" songs, while leaving the chains fixed, to preach a "Socialist" revival and a new "spirit" and the "raising of drooping spirits," under conditions that make this a mockery and hypocrisy, and without any change of those conditions—this is no longer a new course of the "Left" leaders, but only a completion of their treachery and an insult to the working class. Of course, it is safe to sing a "Left" tune once more, when the workers have been locked in prison and the keys handed to the Right-Wing leaders. This is to gild the chains of the workers, not to break them.

HICKS, at the initial Glasgow Conference of the Cook-Maxton campaign, announced his "regret" at the "mistake" he had made in supporting the Mond negotiations. A sincere recognition of mistakes is always a good thing, even though there are some "mistakes" (*i.e.*, treachery) which cannot be so lightly excused and definitely unfit for leadership or trust in the future, and in this particular case the Mond negotiations constitute only the culminating point of a whole line of policy consistently followed from the General Strike betrayal through the entire two years' record, which needs to be fully and clearly faced before there can be any possibility of a correct line in future. But if we look here for such recognition we find something different. In place of any serious review and criticism we find a brazen justification of the Edinburgh Trades Union Congress presidential speech which served to initiate the Mond negotiations, with the "explanation" that it was in reality an appeal for "a Marxian point of view" which was misunderstood by the Press as an appeal for industrial peace. Since this "misunderstanding" was never repudiated or corrected at the time, but was instead allowed to do its work and followed up by action, the two years late "explanation" hardly carries conviction. And if we turn to action, what do we find? On July 8 the speech was made regretting the Mond "mistake." But on July 4, only four days before, the Mond Joint Report was endorsed at the Burlington House Conference by every member of the General Council except Cook, by a united vote of the employers and the members of the General Council, including Hicks, against

the sole opposition of Cook. Did then the conversion to a sense of sin take place in the four days between July 4 and July 8? Or is one type of speech reserved for the platform, and another type of action for the conference room and effective decisions? It is not surprising if the workers question very sharply and with small mercy as the Glasgow Conference showed, such types of "Left" aspirations, not through any desire to dwell on past mistakes once these are genuinely faced and corrected, but through urgent needs of present action.

THE decisive issue of the present period is the capitalist-reformist attempt to tie down the working class by every means and root out all revolutionary influence. Since the General Strike of 1926 this has been the dominant campaign inside Britain, overshadowing all other political issues, and in relation to which every tendency in the working class must orient itself. The General Strike, like an overmastering shadow in the background, still dominates the political scene. It showed in a foretaste the inevitable outcome of the development of the class struggle in Britain; and from that point the entire efforts of the capitalist class and reformist bureaucracy are concentrated in ever more open alliance to arrest the further growth of the working-class movement. The Trade Union Act, the Mond Alliance, the new Labour Party Programme with its practical replacement of Socialism by rationalisation, and the disfranchisement campaign against the militants in the trade unions, are co-ordinated parts of a single fight. It is obvious to the most casual observer how Joynson-Hicks and Citrine play into each other's hands, how Citrine quotes Joynson-Hicks and Joynson-Hicks congratulates Citrine. It is equally obvious to all how the barriers between the three orthodox political parties have broken down, how on every important issue as it arises, whether on India or the Budget or the Kellogg Pact or foreign policy or the gold standard or rationalisation, there is practical identity of policy, so that even the sham differences of Liberals and Conservatives before the war presented more appearance of animation than the tedious unanimity of the present-day Conservative, Liberal and Labour Parties. This is not a measure of the weakening of political issues

—the contrary is the case—but because the real issues to-day lie elsewhere. The central issue to-day is the fight of British capitalism against the conditions of its decline, and in particular against the revolutionisation of the working class, and against the growing revolutionary forces outside Britain. In this fight the British capitalist class and the reformist Labour bureaucracy stand together on the basis of declining capitalism to fight for its maintenance. As the ascending force against them arises the gathering force of the revolutionary working-class struggle, still only half-conscious, still scattered and spasmodic and lacking organised strength, but already possessing a conscious and articulate element in the Communist Party and Minority Movement, against which in consequence the concentrated fire of the bourgeoisie and the reformist leadership is directed. This is the actual political situation within which any would-be Leftward movement has to operate and find its orientation.

THE Mond Joint Report is of especial importance in this connection. The Mond Joint Report blows to the winds all the hypocritical talk previously indulged in to lull the workers, about the negotiations being merely “exploratory” and “non-committal,” and sets out a full system of machinery to tie the trade unions to class-co-operation and bring them on to the American basis of thinly disguised company unions. The rôle of the proposed National Industrial Council and subordinate councils for each industry is in its effect a deliberate conversion of the framework of trade unionism to a purpose for which it was not intended, namely, that of auxiliary organs of capitalist industry. The direct acceptance and support of capitalist rationalisation (“the tendency towards a rational organisation of industry and trade, including the grouping of individual units within an industry into larger units, is recognised, and this tendency should be welcomed and encouraged”) is an even clearer expression of the same process, and the most definite expression yet of the official reformist policy on rationalisation. But two further points in particular may be singled out for attention. The first is the acceptance of compulsory conciliation, which has always hitherto been rejected by the trade unions. The proposed machinery for

the prevention of disputes lays down, first, that "on the application of either party, the Joint Standing Committee would make available a joint conciliation board," and second, that "in order to facilitate investigation it is desirable that both parties should arrange that on an application made to the Joint Standing Committee *no stoppage of work or alteration in conditions should take place pending the report of the joint conciliation board.*" This is the essence of compulsory conciliation, which is the diplomatic form of compulsory arbitration or the forfeiture of the right to strike. On the application of the employers alone, the trade unions bind themselves to hold up a strike until the conciliation board permits them, *i.e.*, they surrender their sole advantage of rapid strike action. Just as with the Trade Union Act, the nominal right to strike is not yet removed, but the right to strike effectively is given up. Small wonder that *The Times*, in commenting on the "sound and good" lines of the Mond Report, should especially declare:—

Such a partnership will also tend to ease the adjustments of wages and other conditions of employment which must constantly be required as the conditions of industry change.

(*The Times*, July 6, 1928.)

EVEN more important is the question of trade union recognition. By the terms of agreement embodied in the Joint Report, the employers and the General Council mutually agree to work for "the most effective co-operation" in industry, and in return for this the employers will recognise as genuine trade unions only "affiliated unions or unions recognised by the General Council of the Trades Union Congress as *bona fide* trade unions," will encourage their workers to be members of such "*bona fide* trade unions," and will guarantee against victimisation those engaged in "legitimate trade union activities." It does not need much examination to see that here is Havelock-Wilsonism converted into a universal system, and that Havelock Wilson's congratulations to the General Council for at last following in his footsteps are justified. What is Havelock-Wilsonism? It is a corrupt bargain between the employers and a particular trade union, by which the employers recognise that particular trade union and "encourage" their workers to belong to it, the

encouragement commonly taking the form of making such membership a condition of employment, while in return the union disciplines its members, carries out the employers' wishes, agrees to wage-cuts as necessary, and suppresses all militant activity and agitation. It is a bargain between the employers and the bureaucracy over the bodies of the workers. This is precisely the type of bargain which is ominously foreshadowed by the Mond Agreement. For at the same time as the General Council is securing the employers' licence for its "*bona fide* trade unionism" and "legitimate trade union activities," it is busy expelling and disfranchising militant workers and militant sections of the unions.

THE example of the Scottish mineworkers is showing that, if the militants win an overwhelming majority in a given union, and all attempts to prevent, distort or delay ballots fail, then the bureaucracy is perfectly ready to expel a whole union rather than accept democratic decisions. But once this is done, what follows? *The scab union set up by the defeated bureaucracy becomes the "bona fide trade union" recognised by the General Council and protected by the employers.* Spencerism is established under the aegis of the General Council. The militant majority of the workers and the officials constitutionally elected by them become set outside the pale by the General Council and employers in unison. Employment will be made to depend on submission to the "*bona fide* trade union" of the General Council; that is, the workers will be coerced by the employers' whip to obey the General Council against their own declared majority wishes. This is the essence of the Mond Alliance. It is still clearer how the same applies to victimisation. The employers promise not to victimise workers for "legitimate trade union activities." What are "legitimate trade union activities"? Those permitted by the Trade Union Act and by the General Council. At the same time all militant agitation is being proscribed by the General Council as illegitimate and outside the sphere of permissible trade union activity. The invitation to the employers is clear and open. Victimisation of the militant workers by the employers will receive the benevolent connivance of the General Council; in fact (cases

have already occurred), the bureaucracy will no doubt assist in the process, helping to point out the undesirables to be sacked. By such vile means the employers and reformist bureaucracy are seeking to maintain their positions and throttle the workers' struggle through the Mond Alliance.

TO break this servitude is the fight before the workers. The workers' struggle needs to be led, in the face of the corrupt alliance of the employers and the reformist bureaucracy. This fight can only be fought on the basis of the unity of all the militant workers, on a clear programme of the immediate needs of the class struggle, and in defiance of the disruptive efforts of the reformist so-called discipline—actually discipline, not on behalf of the workers' struggle, but on behalf of capitalism, and, therefore, the negation of real working-class discipline. This fight is the meaning of the new line of the revolutionary working class, expressed in the new line of the Communist Party. A stage has been reached in the intensification of the struggle when a sharp gulf has opened between the two camps, and there is no longer room for half-way positions ; action, and the reformists' own discipline, compel the ranging on one side or the other. Whatever elements are ready to stand with the militant working class are welcome; no ultimate theoretical differences need stand in the way of unity in the present immediate fight. But if any elements seek to cut across and evade the real issue, to preach general Socialist sentiments, while in practice supporting the reformist discipline, such elements are not assisting the fight, but are in practice assisting the reformist machine, and can only be treated as such. If any elements express sentiments of Socialism and opposition, but in practice prefer to stand with Hicks, who voted the Mond Alliance, and refuse to stand with the Communists, who have consistently fought against it, prefer to stand with the official programme and discipline of the Labour Party, which is the programme and discipline of capitalism, and refuse to stand with the Communists, who fight against capitalism, then such elements condemn themselves as part and parcel of the reformist machine, and will have to be fought as such.

IT is against this background of the actual situation that such recent manifestations as the Maxton-Cook Manifesto and the new line of the Independent Labour Party have to be considered. These manifestations are important evidence of the reviving Leftward movement in the working class, which is now beginning to produce its reflection in the response and attempts at adaptation from within the reformist leadership. But the fact that every sign of Leftward movement in the working class is to be welcomed does not mean that the manœuvres of the Left reformist leadership in response necessarily lead in the same direction. On the contrary, experience abundantly shows that the manœuvres of Left reformism constantly serve in critical periods as the lightning conductor of reformist policy to counter the awakening anger of the masses and draw it off in harmless directions. An examination of the record of the first Glasgow Conference of the new movement will show the very equivocal relation of the platform to the masses, and the atmosphere of anxiety, not to draw out and encourage the free expression of the masses, but to prevent and suppress expression (refusal of questions, refusal of discussion, &c.). The further fear of delegate conferences, and the anxiety of the official Independent Labour Party, which is organically bound up with the whole Labour Party leadership, to take the whole movement under its charge, point clearly enough to the reactionary factors involved, and the conscious aim of these elements to develop the movement, not as a genuine opposition movement, but as a safety valve and a counter to the Communist line, to bring the masses back to the reformist leadership. It is, therefore, natural that the working class, while supporting any sign of genuine struggle against the existing reformist leadership and policy, should maintain a sharply critical outlook in regard to the present movement.

THE objective value of a movement depends on its programme, and on the extent to which that programme answers to the needs of the class struggle at the given time. But as soon as we come to ask the programme of the present movement, we find the most extraordinary confusion and cross-

purposes. On the one hand Maxton, with the usual air of genial fog, blandly declares that there is no programme—much as Brer Terrapin announced that he “warnt going nowhares skasely pertickler.” This is a correct statement of the policy of the Independent Labour Party, which would be involved in inextricable confusion, if it attempted to face a precise programme on current questions. On the other hand Cook, being closer to the class struggle and the masses, announces that “Maxton and I will issue very shortly our demands showing that we have worked out a concrete policy designed to meet the needs of the situation.” This divergence is already a very clear indication of the real issues breaking through, and threatening from the start to shatter the Left masquerade of the Independent Labour Party.

BUT the confusion grows thicker if we fare further. Brockway, on behalf of the Independent Labour Party, explains that a programme is necessary:—

The Maxton-Cook move should do much to focus and intensify the will for a bold Socialist policy. But the will is not enough. It requires expression in a practical policy. . . . It is here that the I.L.P. can make its contribution. We must seek to harness the will to a constructive programme.

(Brockway : “The I.L.P. Burns its Boats,” *New Leader*, July 6, 1928.)

And he proceeds to argue that the I.L.P. living-wage programme is the necessary programme. But is the I.L.P. living-wage programme a programme for Socialism and “the overthrow of capitalism,” such as Cook is demanding. Another representative of the I.L.P. hastens to inform us that this is not the case:—

The I.L.P. is certainly not committed to advocating “the overthrow of the capitalist system.” Its “Socialism In Our Time” programme is a carefully reasoned out programme which, as the I.L.P. states in its resolution, “aims at the immediate raising of the standard of life of the working classes and the transference of the key sources of power within Capitalism to the community.” That is a line of policy which does not mean the “overthrow of the capitalist system.” In fact, the Communists object to it on that account.

(E. Hughes : “Drop the Rhetoric,” *Forward*, July 7, 1928.)

This is a frank statement which is incidentally very valuable, and deserves careful consideration by members of the Independent Labour Party. But then we find the chairman of the Independent

Labour Party coming forward and declaring that all programmes for achieving prosperity for the workers by devices within capitalism are a delusion and a snare, and criticising Thomas on these grounds:—

We are concerned with Socialists who seem to have been converted to Liberalism, and who are using their power and position to give the workers the idea that there are prospects of security and prosperity for them by some devices inside Capitalism.

(J. Maxton : "Chairman's Talk," *New Leader*, July 6, 1928.)

At first sight the confusion seems beyond retrieving. But it becomes more intelligible if we remember that the erection of confusion into a system is the essence of I.L.P. policy. On such a basis no serious movement can be built, but only the meaningless manœuvring and counter-manœuvring of individual leaders.

FINALLY, we come to the expression of another leader of the I.L.P., a member of the National Council, Oswald Mosley, who puts the whole position with considerable, if embarrassing, clearness. Intervening in the discussion on the National Council as to whether to support the Maxton-Cook movement, Oswald Mosley came out as a supporter on the following grounds, according to the report in the party organ:—

He wondered what the fuss was about. They exaggerated the effects of "shocks" of this kind in hurting the Labour Movement. *In both the old parties they had this kind of thing frequently.* Chamberlain advocated Republicanism when Gladstone was seeking to make the Liberal Party respectable. Lord Randolph Churchill defied the Tory leadership. It required all types and personalities to make a great movement, and the duty of leadership was to blend them. *So far from losing elections, different appeals to different sections helped to win them. MacDonald made an appeal to one section of the community with incomparable skill, and Maxton and Cook appealed to the working class as no one else could.*

(*New Leader*, July 6, 1928.)

This faded cynicism of the "old parliamentary hand" expresses the reality of the facing-both-ways policy of the I.L.P. with a merciless brutality which no outside critic has ever touched. It is solemnly recorded in the party organ for the edification of members without comment or criticism.

A GAINST such chicanery the workers' front will need to close its ranks. On a basis of dishonesty, vote-catching and "different appeals to different sections" no serious movement can be built, and no new leadership will be achieved. The new leadership will be built up, is being built up, in the direct fight of the working class against the double attack of the capitalist class and the reformist leadership. All who are ready to take their stand in this fight can play their part in a true united front. But those who wish to bridge the gulf will only fall between. "The I.L.P.," declares Brockway, "has burnt its boats, it cannot go back; it can only go forward or fail." It is not so clear that the I.L.P. has by any means burnt its boats. Nevertheless, it is true that it "cannot go back"; the issues before it are becoming ever sharper; the more it tries to retrieve its waning influence with the workers by ever louder Socialist pretensions, the more it is brought up against issues of action which it cannot face under the reformist discipline of the Labour Party; the more it shrinks from all decisive issues, the more its pretensions are exposed. The so-called Maxton-Cook movement may not of itself produce any direct result for furthering the Left advance of the working class; but it may serve a negative purpose in hastening the disintegration of the Independent Labour Party, and in raising issues which it cannot itself solve, but whose solution the future requires, and whose solution the workers will find in forging the revolutionary leadership of the coming stage.

R. P. D.

THE TASKS BEFORE THE MINORITY MOVEMENT CONFERENCE

By HARRY POLLITT

THE best indication of the effects of the capitalist decline in this country is to be found in the entire change of the official attitude and policy in the Trade Union Movement as far as democracy is concerned. It was once the boast of the British Trade Union leadership that in contradistinction to the Continental Trade Union Movement, there was a place for everyone inside our unions, irrespective of political opinion. This may be said to have been true in the period of the expansion of capitalism, and perhaps during the few years of the post-war trade boom; but since 1920 with the beginning of the economic depression which represents the decline of British capitalism as far as its basic industries are concerned, there has been a continuous attack on the revolutionary workers which has increased in proportion to the growing inability of British capitalism to recover its pre-war status.

The decline of the basic industries of this country has raised very sharply the rôle of trades unionism in the class struggle, and in the new period the trade unions have to recognise the inescapable fact that the simple trade union struggle of pre-war days has gone for ever, and the issue now is a revolutionary issue.

All the light and airy talk of the prospects of capitalist stabilisation glosses over the incontrovertible fact that whatever partial stabilisation has been achieved within the last two or three years has been achieved at the expense of the workers. The basic problem now facing the unions is either to resist by direct action on a united scale any further attempts at stabilisation (which inevitably mean new attacks on the workers) or to go down on a scale that will make the defeats of the past five years seem petty and insignificant.

It is because the present leaders of the Trade Union Movement, as exemplified in the General Council, see quite clearly that the challenge thrown out by capitalism is a revolutionary challenge, that they have completely surrendered the trade union fight for better conditions and the propaganda and organisation to achieve Socialism, which we have been informed were the ultimate objectives of trades unionism.

The new stage of rationalisation and industrial peace, now the order of the day, has been entered upon at the termination of a definite stage in the capitalist offensive. This first stage culminated in the defeat of the General Strike, miners' lock-out, and the subsequent adoption of legislation to cripple and destroy the political and economic rights of the trade unions. Every trade union leader of the reformist school to-day is extolling the virtues and necessity of rationalisation: it has become the stock-in-trade phrase of everyone of them, particularly when they are most anxious to cover up some impending attack on the working class.

Rationalisation requires peace in industry in order to facilitate the launching of new attacks on the workers. Peace in industry requires a leadership that will surrender the trade union fight, and then resort to the inevitable result of such a policy—an attack on the revolutionary workers. Even though this attack on trade union rights involves the destruction of age-long traditions as far as the British Trade Union Movement is concerned, the General Council leaders of the Trades Union Congress have proved themselves even more ready to embark upon this new policy than the most reactionary Continental leaders. The more they have compromised themselves with Mondism, the more they have attacked the revolutionary workers, not hesitating (as the logic of their position necessitates) to break trade union rules and constitutions in order that this can be done.

They will go further, as they are bound to, for their present policy of discrimination against the revolutionary workers in the trade unions is but the forerunner to the expulsion and dismissal from the factories and workshops of all known revolutionary workers, once the employers and General Council come together in the National Economic Council, despite all the lip service

The Tasks before the Minority Conference 465

that is being paid to trade union recognition, &c. There will be no machinery used for preventing such workers from being victimised, as this victimisation will not be carried out under the leadership of Mond, but under the leadership of Bevin, Thomas and Citrine.

Yet it is perfectly clear that even with all these measures the capitalists have not solved their basic problem of being able to regain for this country its pre-war status of the workshop of the world, and new attacks are obviously being prepared. These attacks are going to take place in those sections of industry where leaders like Bevin and Thomas have been labouring under the delusion that their surrender to Mondism would stave off such attacks.

It is interesting at this stage to point out how completely the existing leaders misrepresent the position in order to cover up their treacherous conduct. Bevin, for example, speaking at Swansea on April 28, 1928, was reported in the *Daily Herald* as follows:—

The members of the T.U.C. were now engaged in discussions with a representative group of employers on a wide range of problems. They were asked: How can you go into conference with people who tried to beat you in 1926, people who have fought you? His answer was that he regarded the change of attitude of these people as an indication that Labour won the first round.

The members of the Transport and General Workers' Union can take this statement at its real value, and prepare for a new attack upon their existing conditions.

Even more barefaced was the speech recently made by Thomas at the annual general meeting of the N.U.R. at Bristol on July 3, when he said, in supporting a resolution in favour of endorsing the action of the General Council in meeting the Mond Group:—

Do not let us waste our time talking about Capitalism, a new social order and a change of system. When the workers make up their mind for a change they will get it by using their intelligence at the ballot box.

He was immediately followed by Cramp, who said:—

There were some people who still believed in a senile theory of Socialism which says the issue lies between the employers and the workers. It did not. It might have done before the war.

In these three extracts is indicated as plainly as words can convey, the fact that in the principal key industries of this country the fight for better conditions and for Socialism has been completely surrendered. It is only necessary to add that the same day that Cramp and Thomas made their speeches came the first public indication on the part of the railway companies through the speech of Sir Felix Pole, Chairman of the G.W.R., that new attacks on the railwaymen are being prepared, for he said:—

However regrettable the situation may be, employees must be prepared to recognise the economic conditions that compelled retrenchment.¹

What all this amounts to is a simple proposition. The workers in the heavy industries have been severely battered, and their conditions worsened beyond description. It is now the turn of the workers, in what have been described as the sheltered industries, to face what the workers in the heavy industries have gone through.

It is in this situation that the Fifth Annual Conference of the Minority Movement is taking place. Sabotage, suspensions, dismissals from office, &c., will not deter the active workers from being represented at this conference. The agenda clearly indicates a class issue, and the forces that will gather in London on August 25 and 26 will be the real forces constituting the sole guarantee of British trades unionism emerging from its present situation.

The items on the agenda are: Industrial Peace, Rationalisation and the War Danger; Trade Union Democracy and Trade Union Reorganisation; Trade Unions and Strike Strategy; The Colonial Question; The Railways and Road Powers Controversy. In addition, the workers representing the various industries will hold sectional conferences to hammer out a line of action applicable to the immediate situation in their particular industries.

This agenda is in marked contrast to that of the Trades Union Congress which will be held at Swansea the week following the

¹ Since the above was written the negotiations have taken place practically behind closed doors, the surrender has been made and with truly Social Democratic insolence the *Daily Herald* of July 28 greeted this dastardly agreement of a 2½ per cent. cut in wages with the slogan "Railwaymen's Concession to help Companies!" The *Sunday Observer*, with its tongue almost permanently fixed in its cheek, follows suit with "Mutual Gains."—ED.

The Tasks before the Minority Conference 467

Minority Movement Conference. This year's Minority Movement Conference will surpass its previous conferences in its ability to face up to all the implications of the existing situation. It has already, by its work since last August, consolidated and solidified the revolutionary opposition in the British Trade Union Movement. The visible testimony to this fact can be found first in the vehement nature of the attack upon us, and secondly, in the fact that Cook and Maxton have taken a public stand, while other waverers on the General Council are being compelled to define publicly their position one way or the other.

Readers of the *LABOUR MONTHLY* who have any influence in their organisations should see to it that delegates are sent to the Fifth Annual Conference of the National Minority Movement. This is necessary in order that the decisions arrived at may form the basis of a representative fighting programme that will not only compel the Swansea Trades Union Congress to hesitate before it commits itself to a further period of surrender under the leadership of those who now dominate the General Council, but by intensified work in the factories and in the union branches, Trades Councils and district committees, will win new adherents to the Minority Movement. Such a volume of mass support will cleanse the Movement from the existing Mondist leadership and ensure that British trades unionism will work in close conjunction with the revolutionary political party of the working class, thus forging the weapon that will prevent further stabilisation taking place at the expense of the workers. Only thus will the workers be enabled to march steadily forward to the conquest of political power and the establishment of workers' control of industry.

JAPAN'S MOVE FORWARD

By W. N. EWER

THE Japanese, perhaps because of their better knowledge of Chinese psychology, have played a much cleverer game in China than the other Imperialist powers. All the big stick gestures and all the clumsy diplomacy of the British have only resulted in landing them into a rather embarrassing and even somewhat ridiculous situation. But the Japanese, knowing just what they wanted, having very accurately the measure of their opponents, and judging their times with an admirable niceness, have succeeded—at least for the moment—in their triple objective of consolidating their position in Manchuria, re-establishing themselves in Shantung, and securing a paramount influence in Peking (or wherever the seat of the Kuomintang Government may finally be).

The game which they are playing now they have been playing steadily for over forty years. To seize for its own exploitation as large a portion as possible of China has been the objective of Japanese capitalism from the moment of its own early development. For exploitation, not for colonisation. The talk of Japan's needing to expand on the continent because of the pressure of her growing population is nonsense. They do not colonise the areas they have seized: they have not even "colonised" their own northern islands; the number of Japanese in Korea is insignificant—400,000 out of 17,000,000; it is the Chinese, not the Japanese, who have settled in Manchuria. The Japanese colonials are a ruling and exploiting class, with a retinue of officials and clerks.

The move began in 1885 with a row in Seoul, a naval demonstration, an apology, and an indemnity. But Japan was not yet strong enough to challenge China openly; a silent diplomatic struggle for the domination of Korea went on for ten years before Tokio calculated—quite accurately—that the time had come to strike.

The swift victory over China gave her Formosa, the control

of Korea, and a footing in Manchuria and Shantung. But the intervention of Russia, France and Germany forced her to relinquish Port Arthur and Wei-hai-wei. Again she waited ten years. The British alliance and the making of the Anglo-French entente gave the new opportunity. Russia was isolated and could be tackled single-handed. The General Staff calculated that they could win. Again their calculations were right, though by the narrowest of margins. And Japan came from her second war with a firm hold on Southern Manchuria.

Again a pause, a new waiting for further opportunity (with the definite annexation of Korea, whose integrity and independence the Powers had ominously guaranteed, as an incident of the period). Then with the outbreak of the general war in 1914 came the new occasion. Japan at once joined the Allies, in order to be able to attack and capture Kiao Chau; after which she let the Europeans batter each other to pieces while she made the most of her chances in China.

The famous "Twenty-one Demands"—which would have made all China virtually a Japanese Protectorate, were presented in the spring of 1915. Even the feeble and corrupt Government of Yuan Shih-kai did not dare to sign a treaty which would have given to the Japanese in Peking much the same position that the British hold in Cairo. Even the Allies—to say nothing of America—protested. The "fifth group" of the demands was "postponed."

Postponement of the fifth group secured assent to the other four; a treaty was signed in May which gave Japan political and economic rights and privileges in Shantung and in Manchuria (including Eastern Inner Mongolia) which were, if not equivalent to, at any rate preparatory to, a protectorate over those provinces. The Allies agreed in secret treaties to acknowledge and support these newly-acquired rights. Mr. Lansing—Wilson's Secretary of State—was persuaded by the astute Viscount Ishii to sign an agreement recognising Japan's "special interests in China, particularly in the part to which her possessions are contiguous."

A few days after the signature of that Lansing-Ishii agreement came the Bolshevik Revolution. Again the Japanese expansionists saw, and took, their opportunity. Within a few months

Wilson, though with much misgiving, was persuaded to consent to intervention in Siberia on behalf of the "westward-moving Czechoslovaks." It was agreed that America and Japan should each send 7,000 men. The Japanese sent 50,000. And when the Czechs had been repatriated and the other Allied forces had withdrawn, the Japanese held on to Vladivostock, to the Maritime Provinces and to a large section of the Trans-Siberian railway.

This was the moment of furthest expansion. They were well established in Shantung (where their succession to Germany had been approved by the Treaty of Versailles, which the Chinese thereupon refused to sign); they had virtual control of all Manchuria; they had a foothold in Eastern Siberia.

But the ending not only of the German war, but of the war-period, came before they could consolidate the position which it had enabled them to seize. The economic situation in Japan itself forbade expensive military adventures, necessitated the liquidation of those already begun; the reviving power of Soviet Russia made it perilous to remain in Siberia; international finance began to look again Chinaward and refused to acquiesce complacently in the establishment of a Japanese monopoly in Manchuria and Shantung. American "public opinion," veering, under due guidance, to opposition to Wilson and all his works, developing an acute nervousness as to Japan's intentions in the West Pacific, demanded the cancellation of the Shantung clauses of the Versailles Treaty, of the "Twenty-one Demands," and of the Lansing-Ishii Agreement. Under pressure from Washington, from Ottawa and from Melbourne, the British Government was being driven to terminate the Anglo-Japanese alliance. Worst of all, China itself was in revolt against its would be protectors. The Anfu party, supported and financed by Japan, was driven from Peking by the revolt of the Generals. A formidable boycott movement broke out.

Retreat was necessary. And it was skilfully carried out. Japanese diplomacy never hesitates to give way when circumstances demand it. Its technique has perhaps learned something from *jiu-jitsu*.

One of the first acts of the Harding administration, after Woodrow Wilson's fall, had been to tell Japan that the United

States would "neither now, nor hereafter, recognise as valid any claims or titles arising out of the present occupation and control" of Eastern Siberia. By itself that intimation might have had no more effect than the series of French protests in the 'eighties and 'nineties against the British occupation of Egypt. But coupled with the extraordinarily difficult position in which the Japanese garrison found itself it was decisive. The evacuation began. By October, 1922, the Japanese had left Siberia—save for Northern Sakhalen, where they held on until 1924.

Meanwhile the claim to financial monopoly in Manchuria and Inner Mongolia had been challenged by the revived International Bankers' Consortium—the old Six-Power Group of 1912, reduced to a Four-Power Group by the elimination of Germany and Russia.

"The claim put forward by the Japanese Government," Tokio was told, "amounts to the reservation of an extensive interest in a large area whose southern boundaries practically envelop Peking and encroach upon the province of Chihli, and cannot be reconciled with the maintenance of independence and territorial integrity of China, which Japan has so often pledged herself to observe."

Tokio replied that her special position in Manchuria was essential because of the "unwholesome influence" to the North—the familiar "barrier against Bolshevism" argument. But all that the rival banks would concede was the exclusion from the scope of the consortium (that is, the reservation to Japanese finance and control) of the South Manchurian Railway and of other specified lines. The Japanese yielded; they had no alternative.

The third phase of the retreat was embodied in the results of the Washington Conference. The Japanese troops were withdrawn from Hankow and Shantung. The Shantung clauses of the Versailles Treaty were cancelled in fact, though not in form. Tsingtao and the Tsingtao-Tsinan railway were restored to China. The Lansing-Ishii Agreement was formally cancelled. And though the Japanese Government refused to agree to the abrogation of the "Twenty-one Demands" treaty, the Chinese formally declared that it was regarded by them as null and void. Indeed, the greater portion of it is plainly incompatible with the terms of the new Treaty, whereby Japan agreed:—

- (1) "To respect the sovereignty, the independence and the territorial and administrative integrity of China ;
- (2) "To provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable Government ;
- (3) "To use her influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations throughout the territory of China ;
- (4) "To refrain from taking advantage of conditions in China in order to seek special rights or privileges, which would abridge the rights of subjects or citizens of friendly States, and from countenancing action inimical to the security of such States."

Out of the necessity of retreat a virtue was immediately concocted and paraded before the world. Japan, it was announced, had adopted towards China a new "Friendship Policy." The Codlin of Tokio, not the Short of Washington or London, was to be the friend. The Japanese share of the Boxer indemnity was refunded as evidence of goodwill. There was talk of a Chino-Japanese entente. And when in May, 1925, the Shanghai shooting brought a new blaze of feeling throughout China against foreign imperialism and foreign imperialists, the Japanese were unaffected, though it was the shooting of a Chinese worker by Japanese mill-guards which had started the whole trouble. For nearly two years the Japanese sat back, watched their rivals' trade being destroyed by the boycott, and profited greatly. Non-intervention was still the avowed principle on which their policy was based; and it was only seriously violated once, when Japanese aid saved Mukden for Chang Tso-lin when he was hard pressed by Kuo Sung-lin at the end of 1925.

Chang, as ruler of Manchuria, had naturally become Japan's protégé after the downfall of the Anfu. But the Tokio diplomatists never allowed their support of him to drag them into conflict with the Kuomintang. On the contrary they supported the Kuomintang against the other Powers. They prevented the British from trying to break the Canton boycott by force; they opposed intervention at the time of the Nanking episode. They contrived with extraordinary agility to pose as friends of North and South alike. And so they were able at the same time to control the North and to split the South. There is little doubt that Japanese

intrigue and Japanese money played a large part in bringing about Chiang Kai-shek's defection. He was given to understand that if he would break with Borodin, if he would sever relations with Russia, if he would turn against the Communists, he would get Japanese aid. With that aid, with Japan's support, he was persuaded, the success of the campaign was assured. But without it, with, instead, Japan's opposition, he need never hope to reach Peking. Very skilfully, very successfully, all the weaknesses of Chiang and his colleagues were played upon.

The split became effective when Chiang summoned his hand-picked "Plenary Session of the Central Executive Committee of the Kuomintang" at Nanking to repudiate and defy the authority of the Hankow Government. Intervention could now be represented as action not against Chinese Nationalism but against Chinese Bolshevism. Great Britain could not protest since Shanghai, nor America since Nanking. And with the war moving northwards to areas where Japanese interests were greatest, a pretext for intervention would soon arise. The five years' compulsory wait was over. The moment for a new advance was at hand. And for that a change of government was needed. The day after the Nanking Conference was called Baron Shidehara, the protagonist of the "Friendship Policy" resigned.

The new Premier was Baron Tanaka, Vice-Chief of the General Staff, leader of the Siberian expedition, and the open advocate of intervention.

Within six weeks it was announced that in view of the advance of the Nationalist armies and of possible danger to Japanese interests in Shantung, it had been decided to occupy Tsingtao.

Three days later the troops disembarked. The new move had begun.

(To be continued.)

THE FRUITS OF MONDISM

By "TRADE UNIONIST"

WHEN the Mond Conference was discussed at the Trade Union conferences this year, the delegates were urged to trust the General Council, it being suggested that when they saw what the General Council had accomplished in the Mond Conference they would agree that it had done good work for the Labour Movement. On this argument, most of the conferences voted for the policy of the Mond Conference because the bureaucracy at those conferences made the question one of confidence in the policy of the General Council.

It is now no longer possible to defend the Mond Conference by telling the workers to trust the General Council. The results of the Mond Conference are now before us and it is quite clear that the six months' conversations have produced nothing of value to the working class and much that will be detrimental to working-class development.

Here and there in the interim report which the General Council will submit to the T.U.C. at Swansea there are smooth sugary phrases calculated to make the pill of Mondism easier to swallow. It has been claimed, for example, that a great step in advance has been made because the employers' side of the Conference has agreed that the recognition of the trade unions is absolutely necessary. This might have been a step in advance in the 'sixties of last century, but to hail it as a step in advance in 1928 when the trade unions have already received *de facto* recognition from the employers is to mock the working class in the most cynical fashion. The recognition now proffered is recognition on the basis of the Trade Union Act.

Next in the list of "achievements" comes the memorandum for the establishment of a National Industrial Council whose object is "the strengthening of good relations between organisations on both sides and their recognition of joint industrial responsibility." A. J. Cook has very pertinently pointed out

that the workers' aim inside capitalist society is not good relations but good conditions, and that to get or retain good conditions it is sometimes necessary to disturb good relations. It is important to note that the good relations are to be established on the basis of present-day conditions, that is to say, on the basis of low wages and intensive exploitation which have resulted from the recent defeats of the workers and also on the basis of the legal shackling of the trade unions by the Trade Union Act. There was no attempt on the part of the employers to suggest that good conditions must be granted now to the workers as a basis for future good relations. There was no attempt on the part of the trade union officials who believe in industrial peace within capitalism to insist that good conditions must first precede good relations. The machinery of good relations is to be established on the basis of the present brutal suppression of the working class.

The machinery of the National Industrial Council falls into two parts. The National Industrial Council itself is to be composed of equal numbers of representatives of employers and employed and has the following objects :—

- (1) To hold regular meetings once a quarter for general consultation on the widest questions concerning industry and industrial progress.
- (2) To establish a standing joint committee for the appointment of Joint Conciliation Boards, as set out in detail in the agreed resolution on the prevention of disputes.
- (3) To establish and direct machinery for continuous investigation into industrial problems.

It will be seen that the whole basis of this scheme is the denial of an antagonism of interests between employers and employed and an assertion of their essential harmony of interest and the possibilities of harmonious co-operation. One can excuse trade union leaders representing groups of privileged skilled workers in the middle of the nineteenth century from entertaining those ideas, but there is no excuse for those who have accepted them after the brutal suppression of the miners in 1926 and the placing of the Trade Union Act on the Statute Book in 1927. The workers' representatives are to be graciously permitted once a quarter to put their ideas as to how industry should be conducted (on the basis of capitalist ownership) before the employers.

The employers are equally free to put their ideas as to what sacrifices the workers should make in the interests of industry as a whole before the trade union representatives, but when all suggestions have been made the employers leave the meeting as the controllers of industry and the trade union leaders leave the meeting as the representatives (or misrepresentatives) of a propertyless working class having no control over industry, and the product of industry continues as heretofore to be divided not in accordance with "justice" or "reason" but in accordance with the relative strength of the working class and the capitalist class. (Here we must take into account the fact that the machinery is likely to reduce the workers' economic strength relative to that of the capitalists.) No wonder A. J. Cook described this arrangement as a fig leaf on the naked capitalist autocracy in industry.

Then we have the arrangement for settling industrial disputes. A Joint Standing Committee is to be appointed consisting of equal numbers of employers and employed. If the negotiations in any industry break down then this Joint Standing Committee will set up with the consent of the parties in dispute a Joint Conciliation Board to go into the question. This Joint Conciliation Board will consist of equal numbers of employers and employed outside of the industry in dispute. In other words, the trade unions in dispute are being asked at a critical stage of their negotiations to allow the settlement to go out of their control into the hands of an outside body of employers and trade union officials in other industries. No trade union could possibly accept this without betraying the working class.

It has been urged, of course, that this machinery is purely voluntary, and that the trade unions need not resort to it unless they care. The people who are putting forward this argument must think the working class are simpletons. Once the T.U.C. gives approval to this machinery then any trade union which refuses subsequently to operate this machinery will find the capitalist class using that fact to prejudice it in its struggle. Once a trade union goes to the Joint Conciliation Board it has either got to accept the award of that Board or find its position made more difficult. The whole machinery, though voluntary in name will tend to be compulsory arbitration in fact, between

employers and employed with its basis the present bad conditions of the workers and the shackling of the Labour Movement through the Trade Union Act.

Then there is the resolution on rationalisation, the greater part of which has been lifted bodily from the resolution on rationalisation passed by the Geneva Economic Conference in 1927. The essential parts of the resolution read as follows:—

The World Economic Conference considers that such rationalisation aims simultaneously :—

- (1) At securing the maximum efficiency of labour with the minimum of effort ;
- (2) At facilitating by a reduction in the variety of patterns (where such variety offers no obvious advantage), the design, manufacture, use, and replacement of standardised parts ;
- (3) At avoiding waste of raw materials and power ;
- (4) At simplifying the distribution of goods ;
- (5) At avoiding in distribution unnecessary transport, burdensome financial charges, and the useless interposition of middlemen.

Its judicious and constant application is calculated to secure :—

- (1) To the community greater stability and a higher standard in the conditions of life ;
- (2) To the consumer lower prices and goods more carefully adapted to general requirements ;
- (3) To the various classes of producers higher and steadier remuneration to be equitably distributed among them.

The acceptance of such a resolution by the trade union representatives as defining the character of rationalisation is absolutely pitiful and shows the bureaucrats to be either the conscious agents of the capitalist class or stupid and ignorant men not understanding the character of rationalisation and therefore completely unfit to represent the workers in the present period.

It will be seen that the definition of rationalisation is one which leaves out of consideration entirely the character of capitalist society and the purposes for which production is carried on under capitalism. It deals with rationalisation as meaning merely the more scientific organisation of production whereas rationalisation very often under capitalism means simply the intensive slave driving of the workers on the basis of existing methods of production. It further leaves out of account that even when rationalisation under capitalism involves the more

scientific organisation of production it does so with a view to the highest possible profit and the highest possible profit can only be secured by greater output per worker and lower wages per volume of output and higher profits per volume of output. The definition leaves out of consideration further the fact that rationalisation involves monopoly, the limitation of output and the regulation of prices. The capitalists are not prepared to sink millions of pounds in rationalisation schemes to give the workers higher wages or the consumer lower prices. Their one aim is to keep the results of rationalisation for themselves by intensifying the output per individual worker on the one hand but by limiting the output for the industry as a whole thereby securing the maximum possible profit on a given volume of output. How absurd it is to suggest therefore that rationalisation is simply a scientific organisation of production in the interests of all classes of producers, of the workers, and of the consumers.

Of course, it is open for the General Council to argue that the rationalisation which it supports is not the type of rationalisation that we have seen in real life in Germany and America, but an ideal type of rationalisation with all the good points and none of the bad points of American and German rationalisation. The rationalisation they stand for, however, is capitalist rationalisation and that rationalisation will proceed according to the laws of capitalism and not according to the ideals of the General Council. It's no use saying we want a man-eating tiger provided it has the characteristics of a newly-born lamb.

It is admitted by both the General Council and by the employers that rationalisation will involve the considerable displacement of labour and there is talk in the memorandum of safeguards. We have it on the authority of the new Labour Party programme that "the workers' first safeguard is his trade union. The Government has done its utmost to deprive him of it." Yet both employers and trade union officials talk in the Mond Conference about safeguarding the workers during rationalisation when every trade union official knows that the employers have in the words of the Labour Party programme "sought to cripple the strength of trade unionism both on the industrial and political fields." What value is an employer's promise on the question of

safeguards when the same employer is in favour of the Trade Union Act remaining on the Statute Book.

Besides, at this moment workers are being rapidly displaced from industry. The employers and the Mond Conference are not striving to ensure the position of those workers being safeguarded. They and their Government are operating to worsen the conditions of the unemployed workers and take away the miserable safeguards which they at present possess. The net effect of rationalisation will be the increase of the unemployed army, thus worsening the chances of the workers getting a share in the increased production and leaving the results of that increased production in the hands of the capitalist class.

Of course, it is argued that rationalisation is inevitable anyhow. That is correct, but that is all the more reason why the Trade Union Movement should remain independent of capitalism and should concentrate on building up its economic strength, should fight against the evil results of capitalist rationalisation, and should emphasise to the workers more and more that the whole tendency of rationalisation under capitalism must be the worsening of their conditions if they do not develop their forces from a defensive fight inside capitalism to an offensive fight against the system itself.

In agreeing with Mondism have the trade union leaders abandoned Socialism? Right-Wing writers have argued, no. The Trade Union Movement is still free to hold to its ideals. This is undoubtedly true. The capitalists have no objection to the Trade Union Movement holding to its ideals so long as it does not draw practical everyday conclusions from them. But surely anyone can see that the perspective opened out by the interim report of the General Council is not a mere transitional co-operation with the employers up to, say, the next Labour Government and then an attempt speedily to nationalise the basic industries of the country as a means towards Socialism. Surely the perspective that is opened up by the new policy of the General Council is that Socialism is a distant ideal having little relation to the real facts of life and that the best we can do is to recognise that for the next generation at least the most fruitful results are to be gained by co-operating with the employers. In

other words, all the time and energy of the trade unions has to be devoted to training their administrators for co-operating with the capitalists rather than both locally and nationally to training them for the overthrow of the capitalist class.

A few years ago when the Trade Union Movement in a number of industries was putting forward the idea of nationalisation and workers' control, the employers, like Mond, sneered openly at Socialism, and as an alternative advocated a rationalised capitalism. The General Council have accepted the Mondist ideal as the immediate practical solution and have kept Socialism for perorations calculated to deceive the working class as to the real nature of the policy they are putting through.

Because this Mondist policy means not only the abandonment of Socialism but means the abandonment of effective struggle for better conditions inside capitalism, its acceptance by the Labour Movement will be an act of suicide. All live trade union forces must be organised to fight against it. Every active trade unionist will praise A. J. Cook for the magnificent fight he has put up against Mondism and will be pleased to note that Maxton has come out, however hesitatingly, and associated himself with Cook. At the same time whatever advantages the Maxton-Cook campaign may bring in by breaking through the bureaucratic reaction and in arousing apathetic rank and file workers, active trade unionists must recognise that the real force which can organise the day-to-day fight in the Trade Union Movement is the Minority Movement, which started fighting Mondism right at its inception and which stands to-day the only alternative leadership to the treacherous leadership of the General Council of the T.U.C. They will, therefore, bend all their energies to building up the Minority Movement, and to ensuring that its Conference this month becomes a rallying ground for all live trade union forces bent on securing a speedy victory over Mondist corruption in the Trade Union Movement.

THE PROGRAMME OF THE LABOUR PARTY

By HUGO RATHBONE

THE new programme of the Labour Party has been characterised by the revolutionary Left Wing as a surrender of Socialism to State capitalism, of nationalisation to rationalisation.

It is the intention of this article to endeavour to answer the questions:—Why this has happened and what is the significance of this development?

Some Origins of the Labour Party

Now the Labour Party at its formation was made up of several different elements. There were two outstanding. One represented the first movements of the mass of the workers towards class-consciousness, impelled in this direction by the inability of British capitalism in face of rising foreign competition to continue to buy off the workers with small reforms and better conditions. This element was represented by the I.L.P. along with which were drawn the trade unions into the political arena. The second element was represented by the Fabian Society. Its ideology was based on exactly this ability of British capitalism to concede small reforms which now capitalism was becoming no longer able to do so. Its composition was largely non-working class, drawn from the middle and professional classes who saw in the development of concessions from the capitalists and reforms from their State at once the guarantee of its present mode of existence from upheaval and its maintenance and expansion in the form of a provision of livelihood for its sons and daughters.

The Struggle between Bourgeois and Utopian Socialism

With the development of the difficulties of British capitalism there developed a struggle between these elements, not only between the Fabian Society and the I.L.P., but, at first in a more primitive form, within the trade unions themselves. Owing to the historically long-developed trade union organisation in Britain, grown up as it had under conditions favourable to reformism, the

bureaucracy of the trade unions had not only become corrupted by this reformism but had immense reserves of strength right down into the local branches. This struggle between the two groups has thus led, therefore, inevitably to the defeat of the I.L.P. group, especially as the latter's Socialist ideology was not the result of any scientific analysis but was merely the result of a blind revolt against the worsening of conditions leading to an ideology semi-sentimental, semi-Utopian.

The Victory of the Bourgeois Fabian

The 1918 programme of the Labour Party contained in *Labour and the New Social Order* marked the victory of this Fabian social-imperialist group, though it has required the sharpening of the struggle as a result of the post-war demonstration of the decline of British capitalism to bring about a consummation of that victory and the revelation of the bankruptcy of the ideology of the conquered and their complete surrender. This consummation and this bankruptcy is shown in the revised programme contained in *Labour and the Nation* down for adoption at the coming Labour Party Conference. This consummation represents the victory of bourgeois Socialism, but it is a victory with an army in revolt against it, and its ideology likewise threatened with bankruptcy.

Sidney Webb, as chairman of the Labour Party Annual Conference, put the content of this victory as follows in his opening address to the Conference of 1923. After recommending *Labour and the New Social Order* to any prospective member as "a comprehensive statement of what the Party stands for" he went on to emphasise, as he said, "certain general features of our position to-day":—

For the Labour Party, it must be plain, Socialism is rooted in political democracy; which necessarily compels us to recognise that every step towards our goal is dependent on gaining the assent and support of at least a numerical majority of the whole people. . . . Once we face the necessity of putting our principles first into Bills to be fought through Committee, clause by clause; and then into the appropriate administrative machinery for carrying them into execution from one end of the kingdom to the other—and this is what the Labour Party has done with its Socialism—the inevitability of gradualness cannot fail to be appreciated. This translation of

The Programme of the Labour Party 483

Socialism into practicable projects to be adopted one after another is just the task in which we have been engaged for a whole generation, with the result that on every side fragments of our proposals have already been put successfully into operation by Town and County Councils and the National Government itself and have now become accepted as commonplaces by the average man. The whole nation has been imbibing Socialism without realising it.

(Labour Party Annual Conference Report, 1923, p. 179.)

Superficial proof that the ideology behind this speech is fully incorporated in the present programme can be seen from the references to, for instance, "the tentative doctrineless Socialism which found tardy and imperfect recognition . . . in Factory Acts," &c., &c. (p. 6), or "The battle over principles is more than half won . . . the nationalisation of mines has been recommended by a majority of one Royal Commission . . . the nationalisation of land has long been urged by many who would repudiate with indignation the name of Socialist" (p. 23) or, finally, "the unconscious Socialism of the Public Health and Educational Services" (p. 30).

Fabian Democracy—Bourgeois Democracy

But what is the principal fundamental assumption behind this statement of Sidney Webb's? It is surely the assumption that "the political democracy," of which he speaks, will enable the Labour Party to achieve its Socialist goal. As we have pointed out already this belief is founded on conditions which were favourable to the development of reformism. Indeed, the passage we have already quoted from indicates that Webb and his fellow-Fabians, before the Labour Party was even founded and before it was decided by the Fabians to permeate this Party as they had endeavoured to do previously with the Liberal and Conservative Parties, had long held this belief and had attempted to put it into practice. Then they seemed to have apparent success, but only for the reason that it was advantageous, as well as possible, for the capitalists as well as for the workers that this should be done. But if it was advantageous as well as possible for the capitalists then these were no steps towards Socialism. Proof, apart from the theoretical argument that that is so, is now available as will be shortly demonstrated. But these Fabians, from the achievement of these concessions, have built up a whole theory of Constructive

Socialism which they now seek to impose on the Labour Party in conditions where the experience of the workers is showing that such a theory is impossible. How do they meet this in this programme?

To take one instance. With regard to one of the most damning exposures of parliamentary democracy, namely, the substitution by law of those supposedly democratically elected local authorities by commissioners appointed by the State, wherever such local authorities attempt to administer, for instance, some of the reforms which Webb considers he and his friends in the past were responsible for, the Programme says:—

By an inconsistency as irrational as it is cruel it (the Conservative Government—H. R.) drives the unemployed on to the Poor Law and then penalises Poor Law authorities for coping with the problem flung at them by itself. Its interference with Local Authorities through the Board of Guardians (Default) Act, the Local Authorities (Audit) Act and the Local Authorities (Emergency Provisions) Act is a characteristic and sinister blow at one of the essential foundations of democratic government (p. 17).

That is all, no explanation of how this happened, how, that is to say, these laws have been passed by an assembly elected on practically the same basis as the local authorities which they suspend. What is to prevent, then, the capitalists taking one further step in the process of unmasking their dictatorship by strengthening the House of Lords when they suspect that the House of Commons also will be used as those suspended local authorities were? The programme, of course, protests against this possibility and says that it stands "for uncompromising resistance" (p. 45) to any such proposal.

*"But Fine Words Butter no Parsnips"*¹

Let us look further into what such uncompromising resistance in fact implies. The actions and the speeches of the members of the Labour Party in their insistence on constitutional methods would alone be sufficient to show us the limitation of the meaning of such fine words. But here it is in the Programme itself. Thus:—

Confident of itself and strong in the support of the workers of the nation, Labour has no need for the violence which is the weapon of the weak. It will carry its programme into completion by peaceful means, without disorder or confusion, with the consent of the majority of the electors and by the use of the ordinary machinery of democratic government. (P. 14.)

¹ P. 12 of the Programme.

And then, as if it suspects there was some catch somewhere and that these sentences after all do not sound very convincing, the Programme started again and in a fresh paragraph repeats its declaration in the following curious phrase :—

The Labour Party will carry out its policy by peaceful means, but it will carry it out.

Now, what is the meaning of the words after “ peaceful means ” unless they are a threat to qualify “ peaceful means.” If that were so then the whole structure of Constructive Socialism is admitted to be false. If, on the other hand, it is merely an empty threat then equally the whole structure breaks down, for it is an admission that the “ ordinary machinery of democratic government ” will not be sufficient for its purpose.

“ Capitalist Dictatorship ” versus “ The Ordinary Machinery ” of Democracy

This maze of inconsistencies and empty rhetoric is carried to absurdity in the opening sentences of the Programme when it proclaims that its Socialism is:—

A conscious, systematic and unflagging effort to use the weapons forged in the victorious struggle for political democracy to end the capitalist dictatorship in which democracy finds everywhere its most insidious and most relentless foe (p. 6).

Here, at the very beginning of the Programme, we are told then that there *is* a capitalist dictatorship. But in the later pages we found that the Labour Party claims that “ the ordinary machinery of democratic government ” would be sufficient to achieve its goal. How can the Labour Party mount the horse labelled “ Ordinary machinery,” which it considers necessary in order to slay the capitalist dictatorship dragon when that dragon is already astride this very same horse, a position which it presumably considers enables it the better to wield its dictatorship. Further, in response to skirmishes on the part of the Labour knight it has already cut off the horse’s tail, labelled the obstreperous local authorities, as that was hindering it from using its own tail to lash the workers into submission. A capitalist dictatorship dragon, if indeed it is worthy of its name, would never abandon its steed to enable the Labour Party knight the better to attack it. For, as the docking of the tail has shown, the dragon will not scruple to destroy the horse entirely if it is forced to do

it. What then will the Labour Party do without its horse on which it has staked its reputation? We leave that for the Labour Party conjurors themselves to answer.

The fundamental assumption then of the Labour Party programme that "political democracy" will enable that Party to achieve its goal of Socialism is found to be a mirage, for that "political democracy" which it means is really only a democratic horse which the capitalist dragon has reared in order the better to wield its dictatorship. It is bourgeois democracy and the struggle for Socialism cannot be successful with the machinery of bourgeois democracy.

No Classes for the Fabian State

Meanwhile, let us subject another aspect of this Programme to the same light, an aspect which, however, we will see is governed by this belief in "political democracy."

The Labour Party proclaims that:—

It speaks not as the agent of this class or that but as the political organ created to express the needs and voice the aspirations of all who share in the labour which is the lot of mankind (p. 5).

In this it seeks to deny the existence of classes, of the exploitation of one class by another, of the resulting struggle of the one class to free itself from the exploitation of the other. For that struggle might involve violence, and does not the Programme assert that the Labour Party will achieve its goal without the need for "violence"? It, therefore, talks about the "meaningless social prejudices and obsolete class traditions" of the Conservatives and Liberals. Further, it describes the present "social system" as one "which surrounds affluence with insistent spectres of want and despair and condemns a minority to purchase ease and luxury for itself by the degradation of its fellow-men" (p. 7). Apart from the fact that this implies that this easeful and luxurious minority would be glad of an opportunity to get out of the plight of ease and luxury which apparently it is compelled to endure—by the social system, this, like all the other references to it, is an entirely inadequate explanation as the basis of a Socialist conclusion. It is not surprising, therefore, to see that the conclusion that is given is that the Labour Party :—

Stands for the deliberate establishment by experimental methods without violence or disturbances with the fullest utilisation of scientific knowledge and administrative skill of a social order in which the resources of the community shall be organised and administered with a single eye to securing for all its members the largest possible measure of economic welfare and personal freedom.

This is similarly an entirely inadequate explanation of Socialism; the phrase at the end about the largest possible measure indicates that there will be someone, a State, to "measure" the amount of welfare, &c., that it is "possible" to distribute. That is to say that full Socialism, or Communism as it would be preferable to call it, is not understood let alone intended by the Labour Party—Communism, wherein there is no need for a State, because the resources of production will be fully equal to realising the phrase "From each according to his ability, to each according to his needs."

We see, however, that the Labour Party visualises a State as the supreme achievement of their political democracy, bourgeois democracy, the bourgeois State which, after the Labour Party has shown it how, will be able benevolently to administer the resources of the community in order to distribute the largest possible measure, &c.

From these conclusions we come naturally to the point of asking what are the plans which the Labour Party proposes in order to show the State, the bourgeois State remember, how to develop the resources of the country.

Nationalise, but in the Bourgeois State

But to ensure that its reformism is in line with the "realities" of the situation the Labour Party, now that British capitalism is on the decline, must alter the emphasis of its policies. The difficulties of British capitalism are not denied in the Labour Party programme, they are in fact one of its main burdens. The whole ideology of the Fabian group was built, however, precisely on the opposite condition of capitalism, when reforms *were* possible. Therefore, in order to show that its policy of the "inevitability of gradualness" is possible to-day it is not enough merely to say with regard to industry that it stands for "the nationalisation of the means of production, distribution and

exchange," or some such phrase as used to be done; in the words of the Programme:—

It is clear, therefore, that the action to be taken in order to promote economic prosperity is not to be summarised in any single formula. A great part of the policy of the Labour Party must be regarded as being directed towards the expansion of industry and trade (p. 19).

Full details then must be given as to what proposals are necessary to reconstruct industry to bring back its former prosperity; that is to say to reconstruct capitalism to restore to it its former profits.

Thus we are told, on p. 19, that "the prevention by all practicable means of trade depression has for long been an integral part of Labour policy."

Accordingly:—

The most effective lines of advance are the wise development of the nation's resources—its land, waterways and harbours, its mineral wealth and above all its "man-power"—the improvement of the key services of finance, power and transport on which all other industries depend, the elimination of waste and inefficiency in productive processes and in the machinery and methods of marketing and distribution, the more active promotion of scientific and industrial research, the protection of the consumer and, in the sphere of foreign affairs, the establishment of stable peace and the expansion of overseas markets. *These various proposals are linked together as essential parts of Labour's policy for placing the nation's economic activities on a sound basis* (p. 19).

Here, in this and subsequent explanatory paragraphs there is not one word about nationalisation. We are told, however, that "new and closer relations between the State and industry must be established," &c., &c. Here we have the complete picture of the restoration of capitalism by the Labour Party within the bourgeois State. The section that has been italicised by us only goes to emphasise the importance which the Labour Party attaches to these "practical" proposals. The emphasis on power, transport and finance as "key services" proves that in these proposals it is simply echoing the modern development of the capitalist system towards State capitalism, a contention which is proved beyond all manner of doubt by the need expressed for closer relations between the State and industry. It is, however, State capitalism within the bourgeois State therefore leading to

the consolidation of capitalism and not State capitalism within the proletarian State as in the U.S.S.R. leading to Socialism and to complete Communism.³ Having then advocated the extension of the powers and activities of the Economic Section of the League of Nations and so consolidating the international power of capitalism, the setting up of a National Economic Committee to "serve the Government and the public as a barometer of economic changes" and thus bringing further efficiency to capitalism, and, finally, the appointment of an Employment and Development Board "to minimise the effects of trade depression" and so ensure to the capitalists the full use of the man power of the nation—all profits and no losses—the Programme finally reaches a new section entitled "The Democratic Control of Industry."

The "Right" to Nationalise

The ethical basis of the demand for nationalisation is brought out very clearly in the following paragraph:—

"It is unable to believe that mankind will be satisfied forever to resign the provision of the material requirements of civilisation to the blind chances of a scramble for gain."

This nationalisation, further, is not only confined to the land, coal and power, distribution and industrial life insurance, but the "persons affected" are to be given "due compensation."

That is the definition of its general statement that "the great foundation industries, on which the welfare of all depends, shall be owned and administered for the common advantage of the whole community."

As to the other industries, *e.g.*, textiles, iron and steel, ship-building and all others which are the basis of capitalism's existence, the Labour Party, under the heading of "The Control of Capitalist Enterprise," proclaims that it will handle in the same practical and scientific spirit the problem of devising administrative machinery appropriate to the varying conditions of other industries."

Even those industries (they are not the small traders or petty industry, but as we pointed out the basic industries—H. R.) which continue to remain in the hands of private capitalists. . . .

³ See N. Lenin:—*The Meaning of the Agricultural Tax*, p. 8, LABOUR MONTHLY, Vol. I, 1921.

These will be controlled, the consumer will be protected "against excessive prices" and then eventually in a line we learn of the preparation for "the progressive extension of public enterprise into new spheres . . ."

A "Labour" Party but an Agent of Capitalism

Thus nationalisation is treated not as a weapon in the hands of the workers in their fight against the capitalist dictatorship but rather as a "right" which the Labour Party will be able to convince the capitalist State that it is really in its best interest to concede.

Nationalisation, further, is treated only as a secondary task—"a great part of the policy of the Labour Party must be regarded as being directed towards the expansion of industry and trade" (p. 19). That is to say, in view of the emphasis laid on the methods to be adopted to restore prosperity to industry, this part of the economic programme is considered the primary task. Thus, the Labour Party stands for the reconstruction and regeneration of capitalist industry. This is but a logical consequence of its policy of gradualness. For only with a prosperous capitalist industry will it be able to show results, point to reforms that it has achieved, and thus even begin to justify its reformist policy.

But British capitalism is on the decline. It is just in this fact that the Labour Party will reveal the bankruptcy of its policy. The Fabians' constructive Socialism has beaten the I.L.P.'s utopianism, only to be revealed bankrupt by the reversal of the conditions which seemed to justify it.

Rationalisation and not nationalisation, State capitalism and not Socialism. These can clearly be seen to be its present slogans. They are the very means which capitalism is itself adopting to attempt to arrest its decline. The Labour Party thus are the true agents of the capitalist class in the Labour Movement.

But the fact that only at the expense of the workers will the capitalists be able even to begin to carry these slogans into effect, reveals the Labour Party doubly clear as the active agents of capitalism. This provides the leaders of the revolutionary Left Wing with ever increasing opportunities drawn from the daily

experiences of the working class to expose the Labour Party before the workers as capitalist agents and thus to rally ever wider masses of them round their leadership under the banner of a revolutionary workers' government which alone can make the first advances in the attack on the bourgeois State and pave the way for the proletarian State—the dictatorship of the proletariat as against the present capitalist dictatorship.

THE RELATIONS OF MARX WITH BLANQUI

By D. RIAZANOV

MARX and Engels were for a long time accused of Blanquism. Bernstein went still further. As early as 1898 he declared: "In Germany, Marx and Engels, on the basis of radical Hegelian dialectic, advanced a theory closely related to Blanquism." Taking no account of their constantly stressed rejection of Putschism, Bernstein also declared "they (the writings inspired by Marx and Engels at the time of the Communist League.—D. R.) are throughout infused with a Blanqui-Babœufist spirit."¹

The best proof of this contention, in Bernstein's opinion, is supplied by the attitude which Marx took up towards the events of the February Revolution. While Bernstein regarded the party of Louis Blanc and of the Luxemburg Commission as the "only proletarian party," Marx, on the contrary, regarded the Blanquists as such.

Bernstein appeals to the circular of the Communist League (Address to the Central Committee of the League in June, 1850), but he could point with even greater justification to the following sentences from Marx's *The Class Struggles in France*—a passage which he quite overlooks, as also does Kautsky, who interprets the "Dictatorship of the Proletariat" as a mere casual phrase, which Marx once accidentally uttered by a slip of the tongue, and not in the least as the very essence of Marxian revolutionary strategy.

While the Utopians and doctrinaire Socialism (*i.e.*, the Socialism of Louis Blanc and his kind.—D. R.) subordinate the whole movement to one factor within it, put the ruminations of a single pedant before common social production, and above all charm away the revolutionary class struggle and its requirements with petty tricks or big sentimentalities . . . the proletariat is turning more and more to revolutionary Socialism, to that Communism to which the bourgeoisie itself has given the name of Blanquism.

¹ Ed. Bernstein, *Die Voraussetzungen des Sozialismus*. Stuttgart, 1899, pp. 28, 29.

What is the content of this Socialism ?

This Socialism is the declaration of the permanence of the revolution, the class dictatorship of the proletariat as a necessary stage towards the abolition of all class differences, the abolition of the whole system of production on which they rest, the abolition of all the social conditions which correspond to these production relations, the destruction of all the ideas which arise out of these social conditions.²

Bernstein resorted to an even more despicable trick in that he made as little use of other papers as of the MS. of Engels on *Naturdialektik* which was in his possession, an action which was calculated to destroy the very last doubt as to the "unholy" influence exercised upon Marx and Engels by the Hegelian dialectic. It came about in this way. Among the papers bequeathed to him by his old teacher there lay in peaceful concealment for three decades no less a treasure than an agreement with the Blanquists, signed by Marx and Engels with their own hands, according to which German, French and English Communists were to organise a "World League of Revolutionary Communists."

In the very first paragraph of this document it says:—

The aim of the association is the downfall of all the privileged classes, and the subjection of these classes to the dictatorship of the proletariat by maintaining the revolution in permanence until the realisation of Communism, which is the final form of organisation of human society.³

The agreement was signed by Adam and Vidil on behalf of the Blanquists, by Willich, Marx and Engels for the German, and Harney for the English, Communists.

Let us compare it with the text of Section One of the Articles of the Communist League.

The aim of the League is the downfall of the bourgeoisie, the rule of the proletariat, the abolition of the old bourgeois society based on class antagonisms, and the establishment of a new society without either classes or private property.⁴

The difference is obvious. The "rule of the proletariat" is replaced by the "dictatorship of the proletariat," the revolution

² Karl Marx, *Die Klassenkämpfe in Frankreich*. Berlin, P. Singer, 1911, pp. 93, 94.

³ Cf. Appendix I.

⁴ Archiv für die Geschichte des Sozialismus und der Arbeiterbewegung. Jahrgang 9 (1920), p. 334.

is transferred into a "revolution in permanence" ("la révolution en permanence").

The first change may be regarded as of an editorial nature, although it resulted from the experiences of the Revolution of 1848, and especially of the events in Paris between February 24 and the June days; the latter formed an addition, which, as I have already set out in another place, was first resolved upon after 1848-49, although the expression appeared in Marx's early works on the lessons of the great French Revolution, particularly on the lessons provided by the Jacobins who supported "révolution en permanence."

The agreement reproduced here is composed in the spirit of the famous circular of the Communist League. It is well known that the League did not live long, for as early as September, 1850, it had split into a Marx fraction and a Willich-Schapper fraction: Of the signatories to the agreement, Vidil appeared on the side of Willich and Adam, of Marx. The split in the Communist League was reflected in a split also in the ranks of the French "democratic Socialists," among whom a considerable number were known to Louis Blanc, who was then striving after an understanding with the bourgeois Radicals. The Blanquists who were allied with him (Louis Blanc) saw themselves compelled, at the time of the Banquet of Equals (Banquet des Egaux), held in 1851, on the third anniversary of February 24, to keep secret the manifesto⁵ received by them from the imprisoned Blanqui, in which he devastatingly criticised the attitude of Ledru-Rollin, and still more of Louis Blanc. We shall speak of these interesting episodes in the history of the emigration in greater detail elsewhere. Here we confine ourselves to drawing the attention of the reader to the numerous points of contact between Marx's criticism of the provisional government of Lamartine, Ledru-Rollin and Louis Blanc, and that of Blanqui.

APPENDIX I

The World League of Revolutionary Communists (Société Universelle des Communistes Révolutionnaires)

(1) The aim of the Association is the downfall of all the privileged classes and the subjection of these classes to the

⁵ See Appendix II.

dictatorship of the proletariat by the maintenance of the revolution in permanence until the realisation of Communism, which must be the final form of the organisation of the human community.

(2) To further the realisation of this aim, the Association will link together all the sections of the revolutionary Communist Party, disregarding national boundaries in accordance with the principles of republican brotherhood.

(3) The original committee of the League is constituted as a central committee, and it will set up committees wherever they may be necessary for the carrying out of the work which will be in touch with the central committee.

(4) No limit is set to the number of members of the League, but no member will be admitted who is not unanimously elected. In no case will elections be conducted by secret ballot.

(5) All the members of the League swear to maintain paragraph one of the present rules in its fullest sense. Any modification which might result in a weakening of the aims expressed in this paragraph releases the members of the League from their engagement.

(6) All the decisions of the society are to be adopted if they obtain a two-thirds majority of the voters.

(Signed) J. VIDIL.	K. MARX.
ADAM.	G. JULIAN HARNEY.
AUGUST WILlich.	FR. ENGELS.

APPENDIX II

Blanqui's Manifesto

What storms threaten the coming revolution? The same on which the last one was shattered; the shameful popularity of the bourgeois, decked out as tribunes of the people.

Ledru-Rollin, Louis Blanc, Lamartine, Flocon, Cremieux, Marie, Garnier-Pages, Albert, Dupont, Arago, Marrast.

A tragic list. Names which are written in letters of blood on the pavements of democratic Europe.

The provisional government has killed the revolution. On its head lies the whole responsibility for all the mischief, for the blood of so many thousand victims.

If the reaction has stifled democracy that is after all its usual occupation. The traitors have committed the crime of having delivered up to the reaction the people who trusted in their leadership.

Wretched government! Despite all warnings and entreaties it has introduced the 45 centimes tax, which will drive the peasant masses to revolt against it in despair. Betrayal!

It upholds the Monarchist military staff, Monarchist justice and Monarchist laws. Betrayal!

On April 6 it made a sudden attack on the workers of Paris, on the 26th it threw the workers of Limoges into jail, on the 27th it shot down the workers of Rouen. It let loose the executioners upon them, it cheated, hounded, slandered the true Republicans. Traitor! Traitor!

It and it alone must bear the whole responsibility for the catastrophes which have led to the downfall of the Republic.

Truly they are great criminals. But the greatest of all criminals are those whom the people, blinded by phrases, take for their shield and buckler and enthusiastically acclaim as masters of their fate.

Woe unto us if on the day of our approaching victory the forgetful generosity of the masses once more brings such people into power, who have abused the mandate which the revolution gave to them. At the time of the revolution it may happen again.

Let the workers keep this list of accursed names before their eyes. And if one, even a single one, shows his face in one of the governments arising out of the insurrection, let them raise all together the cry—Traitor!

Speeches, oaths, programmes are otherwise nothing but lies and deceit. The same jugglers would make their appearance with the same tricks. They would form the first link in a new chain of desperately reactionary deeds. Curses and vengeance on their head if ever they dare to show themselves again. Shame and contempt on those weak-minded folk who fall into their toils again.

It is not enough to banish from the Council Chamber the scoundrels of February, we must also be on the watch against new betrayers.

Traitors are all those in power who, raised on the backs of the proletariat, do not immediately secure the following:—

- (1) The disarming of the city guard.
- (2) Arming and organising of a national militia, formed from all ranks of the workers.

Certainly many other measures must be taken, but first of all these, which are the guarantee of everything else, the only safeguard of the people.

Not a single gun must remain in the hands of the bourgeoisie—otherwise nothing is safe.

The various doctrines which are contending to-day for the favour of the people will only be able to bring about the promised rise in prosperity if they do not surrender reality for a phantom.

These doctrines will lead to hopeless bankruptcy if the people let themselves be misled by an excessive affection for theories into forgetting the only practical element of victory—force.

Arming, organisation—these are the decisive weapons of progress. This is the real way to make an end of oppression and poverty.

He who has iron has bread. Man bows before bayonets. Unarmed workers are quickly dispersed. A France bristling with armed workers means victory for Socialism.

Before a proletariat supported by arms, all difficulties disappear, all opposition, all impossibilities come to nothing.

But a proletariat which amuses itself with street processions and setting up poles of liberty, making lawyer-like speeches, must expect : first, holy water ; then, abuse ; and, finally, bullets. And always poverty.

Let the people choose.

NOTE.—From this article for which we are indebted to the latest number of the German edition of Unter dem Banner des Marxismus, 2nd Year, No. 1-2, (4-5), two sections we have regretfully had to omit for considerations of space. The first from the pen of the author summarises Blanqui's life from 1853 onwards, the first six years of which he spent in prison, and then again for a further four years from 1861, from which however he escaped before the completion of his sentence and settled finally in Belgium.

In this section the author shows how Marx made great efforts on Blanqui's behalf not only to get him released but also to organise protests and meetings

"on this monstrous affair," so Marx referred to the second imprisonment in a letter to Lassalle dated May 8, 1861. In another letter to Engels dated July 9, of the same year, he described what he had been doing with regard to organising protests, &c., on this "infamous Blanqui case" and mentions that Blanqui had through another "very warmly thanked me and the German proletarian party for our sympathy."

The second section omitted, is a translation of a letter written by Blanqui from prison on July 16, 1861, to Lacambre, one of the Blanquists then in England. This, a typical prison letter written in minute writing on thin cigarette paper as Riazonov points out, gives a picture of the underground work that the revolutionaries of that period had to engage in in order to keep up their international connections. How cover addresses for correspondence had fallen into the hands of the police at the time of Blanqui's arrest and of the necessity of getting new ones and which comrades to obtain them from. Of how Blanqui hoped to devise means of continuing to maintain contact with his friends outside in order to help to keep up the agitation with regard to his case; in France he says all parties were unanimous in repudiating the judgment against him. The Government, he said, counts on it being forgotten. He asks Lacambre "if he would be able to prevent this," and suggests ways and means.—EDITOR.

THE REFORMISTS OF TWENTY YEARS AGO

By CHARLES RAPPOPORT¹

IT is sometimes useful, even indispensable, to make a rapid survey of the past, in order to see how the men and the ideas who were then the centre of the movement, have moved—not forwards, but backwards.

Let us begin with the Socialist Congress at Toulouse in 1908. The Congress was somewhat excited. The disputants were courteous but firm. However, this Congress was but a faint echo of the ferment amongst the workers. Anarcho-syndicalism and Hervéism, then in the first bloom of youth were in full swing. Jouhaux, now the disciplined official of a bourgeois government, was then on the side of the militant Anarchists and Anarcho-syndicalists, such as Griffuehles, Pouget, Yvetot, who at that time led the “great proletarian campaigns,” all of them, even the newspaper, *le Matin* (see the article by Griffuehles in this paper on the eve of the massacre of Draveil-Villeneu) preached “revolutionary gymnastics,” “boycott and sabotage,” decreeing a “General Strike” (without any strikers) once a fortnight. In short, they produced all the thunders of war, long since extinguished, which we Marxists called in *Socialisme*, Jules Guesde’s little weekly, “Smoke without powder.”

Alongside the militant workers, enthusiastic and sincere, were a whole group of intellectuals, briefless barristers, who swore only by Georges Sorel, or even by M. Bergson, carrying their “vital principles,” “their creative evolution” on to the working-class field. Ernest Lafon, now a member of the S.F.I.O.,² Morizet, to-day a Senator, and Dormor who has disappeared, ran a red-hot news-sheet having for its title and programme *Direct Action*.

As to Gustave Hervé, one of the leaders of the movement, he went into retirement, and only came out to attack Aristide

¹ Translated from the French original in *l'Humanité* of June 4, 1928.

² The French Social Democratic Party.

Briand, his former defender, or to develop in *la Guerre Sociale*, theses bearing the slogan, "Down with the Republic," and urging the Party to throw out all those who, like myself, did not bow before his wooden sword and martial noises which savoured only of vanity and melodrama.

As for the Reformists, they courted the Anarcho-syndicalists, supported and cajoled them, at the same time secretly mocking them. They had their place of honour, their special rubric in *l'Humanité* of those days, nominally the organ of the Party, but actually the organ of the followers of Jaurès. They could attack the Party in it, criticise its programme, its tactics, and its composition. The Reformists were glad to have the advance guard of the working class, and above all the Guesdists on their side against the French Marxists. The real Guesdists, like Bracke and Compère-Morel sometimes showed traces of impatience, but were already, step by step, breaking away from the old Guesde. He himself remained an intransigent on the subjects of reformism and anarchism: no longer writing himself, he encouraged our campaign against these allied forms of confusionism, helping us to uphold the only true revolutionary doctrine, Marxism.

Jules Guesde was ill, and was being taken care of in Berlin. The real leader of the Party, then, was Jaurès. As a fighter he was and remains marvellous. For many generations he will be the object of passionate admiration. He would have been this even without the halo of a martyr for world peace.

But what about his political and social theory? We can now say quite objectively that it is not worthy of his great personality, so full, as it was, of vigour, brilliance and generosity. His optimistic outlook and his Pantheistic philosophy led him to an unquenchable faith (*une véritable foi de charbonnier*) in democratic reformism. He has made himself the true apostle of reformism, and as he possessed in the highest degree a synthetic philosophical mind, he sought to construct a harmonious and logical system out of his reformism, in accord besides with his idealist conceptions.

At Toulouse he was concerned to demonstrate the value of reforms to Socialism, always a favourite theme with him. Reforms, he laid down, are not merely palliatives, but preparations

for a new régime. Organic reforms, piled one upon another, threaten the capitalist system more and more, destroy its fortresses, stone by stone, and finally lead to the ultimate goal, which, to do him justice, he maintained steadfastly even in opposition to his friend, Edward Bernstein, the leader of revisionism.

When I spoke on behalf of the Marxist minority and criticised the two confusionist trends, which resemble one another and stick together like two brothers—the Reformists and the Anarcho-syndicalists, the present Senator, André Morizet, who was reporting the Congress for Jaurès' *Humanité*, crossed his arms ostentatiously, and did not take a single note of my speech, which lasted more than an hour. As my intervention had, on this occasion, been very much approved of by the Congress, which vigorously applauded me, Jaurès, Renaudel, and Bracke came to me to beg me to make a report of the speech which the Editor of *Direct Action* (which in my case became complete inaction) had sabotaged in conformity with the programme of the Jouhaux of that time.

My criticism of reformism was quite simple. No revolutionary gives up the struggle for immediate reforms, and for as many reforms as possible. But the reformists substitute their hypothetical reforms for the certainty of revolution. Reforms, whatever their number, never lead to a transformation of the system. For as soon as a reform threatens the basis of the system, the ruling class put forward such resistance to it, that a revolution is unavoidable.

Also, there are reforms and reforms, those which the ruling class bring about in order to save the capitalist system (such as those of Jouhaux, Boncour and their friends one could now add) and those which the proletariat extort through struggle, by the power of organisation and the effectiveness of action. The capitalists, if they are clear-sighted, consent to ameliorate the lot of the workers in order to keep them in subjection, whilst the workers, although demanding amelioration of their prison conditions ought above all to strive to force the doors of the capitalist prison. In any case, one has no right, for the sake of one or two palliatives to make the proletariat forget its captivity.

To these general remarks, which are based on incontestable facts, I will add a purely practical observation. Even if we were to admit the goodwill or the clear-sightedness of the capitalists, capitalist society, involved, as it is, in a maze of armed peace, imperialism and colonialism, has deprived itself of the material possibility of bringing about big reforms, which are very costly. The imperialist war, which ruined Europe, has added weight to this argument. It is as valid then as now.

As to Anarcho-syndicalist confusionism, it has managed to justify all the criticisms of the Marxists. It led the workers into a blind alley, agitating in the void, working against their own aims. In fact, it uses, when it carries out its own method logically, the maximum effort to attain the minimum result, if not negative results.

Jaurès' reply, in spite of his extraordinary eloquence and obvious sincerity, did not refute a single serious argument against opportunism and reformism. What is still more, at the commission in which I took part, Jaurès agreed to the inclusion of most of my remarks. But as a resolution, strained to unanimity always bears the mark of the reformist, I refused to vote for it, in opposition to my friends, the Guesdists, who could not resist the charms of Jaurès. Jaurès bitterly reproached me. I salute you, Marquet, now Mayor of Bordeaux, and future minister in the Blum-Boncour Cabinet. Twenty years later you also have refused to vote for a unanimous resolution.⁸ But your reasons are the exact opposite of mine. You found a scandalously reformist resolution not sufficiently reformist. They are particular in Bordeaux. Is it that they put, perchance, too much water in the wine. Monsieur le Maire, think of your good town's reputation for its wine. . . .

It would, however, be unjust to Jaurès to put him on a level with the petty reformists of the present time. Jaurès lived in the epoch of capitalist prosperity. He was surrounded by great democrats, such as Pelletan, Ranc, Combes and the Clemenceau of that time. He still believed in the possibility of avoiding the folly of war. He exercised a real influence on the democratic

⁸ A reference to an incident in this year's Toulouse Congress of the French Social Democratic Party (S.F.I.O.), May 29, 1928.

governments of his time. He had the ardour of faith and unusual talents.

Is that the position of our present reformists? Assuredly not. War has ruined and unhinged the capitalist world. The great democrats are dead. The radicals of to-day give their mercenary souls to Poincaré in exchange for the assurance of re-election. War, the last and most terrible, is at our doors. The bourgeoisie have become, or are becoming Fascist, that is to say, anti-democratic.

What was understandable, and perhaps excusable in Jaurès before the war, is absolutely inconceivable in Blum after the war. One must attain the keenness for office of a Boncour, or the ignorance of a Renaudel in order to nourish reformist and democratic illusions and to combat the virile and active revolutionary forces.

And as for the Marxists, Paul Faure and Compère-Morel who understanding the position, and cherishing no love for Blum, allow themselves to be blindfolded because of their hatred of organised Communism—so much the worse for them.

History will ridicule this show of unanimity, which deceives no one, not even the authors of this hotch-potch, which is distinguished from the other kind by its disagreeable taste. Fortunately, the workers know a more wholesome fare.

The World of Labour

	Page
U.S.A. : New Bedford Cotton Strike	504
GREECE : Tobacco Workers' Strike	506
INDIA : Bombay Textile Strike, Tata Iron and Steel Strike ..	509
BELGIUM : Antwerp Dock Strike	510

U.S.A.

New Bedford Cotton Strike

CAPITALISM is the same all the world over ; consequently the attempts to reduce the workers' standards in Manchester and Bombay have their counterpart in the States, for New Bedford (Mass.) is one of the chief centres of American textile capitalism. But the workers' resistance, too, is an international phenomenon, and the strike of 28,000 cotton operatives against a threatened wage cut of 10 per cent. provides a fine example of working-class solidarity and determination.

The cotton employers of New England recently decided to enforce a wage cut of 10 per cent., and in a number of districts they were able to bring it off, with the active assistance of the local officials of the textile unions who tried to get the men to accept the owners' terms. At Fall River, for instance, they were able to fend off a strike by declaring the result of the ballot as eleven short of the necessary two-thirds majority. At New Bedford, however, in spite of the efforts of the local Textile Council, which contains representatives of seven local unions, and is affiliated to the American Federation of Textile Operatives, the organised workers voted solidly by a fifteen to one majority for a strike, and the unorganised workers came out with them on April 16.

A striking feature of the stoppage has been the completeness of the "walk out" and the unwavering solidarity of the workers, which becomes all the more impressive when it is realised that of the 28,000 strikers, more than 20,000 are or were unorganised. The leadership of the strike has been in the hands of the Left Wing Textile Mill Committees, which, like the Save the Union Committees in the coalfields, have taken over the work of organisation abandoned by the official unions. They have undertaken the whole work of picketing the mills, as the A.F.T.O. refused to share in the task, and have maintained the picket lines so successfully that work is suspended in fifty-six factories ; there are 70,000 silent looms, and all attempts to reopen have failed.

In the middle of June, the Cotton Manufacturers' Association threatened to reopen the mills, but this challenge was confidently welcomed by the strikers, who declared that it would merely prove that the employers would be unable to get enough men to operate a single plant. Nor is there much

likelihood of obtaining blacklegs from other districts, as not only at Fall River but also at Rhode Island, Paterson and Passaic, the textile workers are very unsettled and ready to come out at any moment.

The employers are naturally directing their chief attacks against the picketing system, which has proved so successful in prolonging the struggle, and numerous arrests of picket leaders have taken place, including that of Wm. T. Murdoch, the secretary, and F. E. Beal, the organiser of the local Textile Mill Committee. Another arrest which has aroused a storm of protest is that of John Porter, a prominent strike leader and a Communist, who has been handed over to the military authorities to be tried by court martial for deserting from the army last year—an obvious piece of collusion between the civil and military authorities to get rid of a dangerous agitator.

Recently even more determined attempts to break the strike by opening the mills have been made, but without success. Large numbers of troops were drafted into the town, including a battery of artillery, to “protect” “blacklegs” and intimidate the pickets. However when the gates were opened not a single worker entered the mills, but 20,000 pickets stood outside. Thwarted for the moment the authorities are now taking their revenge and *The Times* correspondent on July 26 reports 82 arrests. But the strike continues.

A further task of the Committee has been the organisation of relief, for the official funds were only available for union men, and ran short after a very few weeks. The W.I.R. has been active, but the strikers have been suffering severely owing to the poverty of the whole district.

Mill Committees are springing up in all the textile centres, and organisers are active in New England, Pennsylvania and the South, and a National Convention on the lines of the Miners' Conference of April 1 (cf. L.M., May, 1928) is to be held shortly. These committees cover all the workers in a given mill, regardless of craft distinctions, thus superseding the present type of union which caters only for the skilled and refuses to touch the great mass of the unorganised. Naturally, the success of their efforts is very galling to the reformist leaders who have done their best to sabotage the whole affair, in the hope that it would collapse without their assistance, and enable them to sell out to the owners as quickly as possible.

The latest move of the leaders is a peace conference with the mill owners, at which a Mr. Barnes, for the employers, brought forward a speeding-up efficiency scheme for rationalising the mills. Messrs. Batty and Ross, for the official unions, pointed out that if each man worked more machines it would mean more unemployment, but their only objection was that this was an inopportune moment to bring forward such a proposal for “labour extension.” “Wait until the men are back at work and a better feeling exists” is their suggestion. Or in other words, “Wait until the men's resistance is exhausted, and you can count on their submitting to your terms”—a peculiarly callous example of defeatism.

The officials of the rival unions, the A.F.T.O. and the United Textile Workers, have joined forces in attacking the “Red” Mill Committees, but the strikers whom they so callously deserted are quite unmoved by these denunciations, and local members of the American Yarn Finishers, who

are affiliated to the U.T.W. and were not affected by the wage cut, have thrown in their lot with the strikers.

Not content with mere opposition to the owners' terms, the Mill Committees have put forward their own claims for a 20 per cent. increase, an eight-hour day, a five-day week, and the abandonment of speeding up. They point out that the average weekly earnings of the mill workers in 1927 were \$19.95, which is less than half the amount required to maintain the estimated minimum health and decency budget.

Dealing with the mill owners' plea of inability to pay, the *New York Nation* recently quoted figures from the *Textile World* of February 4, showing that the New Bedford cotton mill dividend rate for the past ten years is \$11.27 per share. At least fifteen companies have never missed paying dividends since their first payment, from fourteen to thirty-six years ago, while in 1927, eighteen out of twenty-three paid dividends. The Pierce Manufacturing Company, for instance, has maintained a rate of \$32 since 1923, and this is by no means an isolated piece of good fortune.

GREECE

Tobacco Workers' Strike

A STRUGGLE of great revolutionary significance has just come to an end in Greece, of which only meagre and conflicting reports are available, owing to the severe censorship exercised by the Zaimis Cabinet. The roots of the conflict are to be found in the recent history of the working-class movement. Real wages, representing no more than 5 per cent. of pre-war rates, taxation so high that not only the workers and peasants, but also the lower grade civil servants and petty bourgeoisie have developed revolutionary sympathies, arrests of Communists and active Left-Wing trade unionists, a regime of economic and political oppression, all these factors were bound to lead to a crisis, political as well as economic in character—a protest against starvation conditions, but also a revolt against the whole policy of the Government.

The majority of the workers are organised in revolutionary trade unions, but in 1926, when their leaders had been thrown into jail by the dictator, General Pangalos, the General Confederation of Labour was captured by a handful of reformists, and fearing to lose their position, they refused to call an Annual Congress in the following year. Again, in 1928, they delayed until the arrest of a number of leading Communists seemed to afford a favourable opportunity. When the Fourth Congress met on May 7, about 400 delegates assembled, including a number from yellow unions set up by the Chamber of Commerce, but even so the Left Wing predominated, so the officials proceeded to refuse admittance to many of the most powerful unions—tobacco, leather, electricity, food, restaurant and railway workers. The manœuvre was not unlike that being tried by the Scottish Miners' Executive. The Left Wing was excluded on the ground that last year's membership dues had not been paid—a course of action which had been taken to force the hands of the E.C. to summon a Congress, and was a protest and not a secession.

The reformist rump then proceeded to discuss "trade union unity," and decided to recognise only those branches of the G.C.L. whose delegates

participated in the Congress, to expel "seditious" unions, and to organise new parallel unions. It also voted in favour of affiliation to the Amsterdam International by 322 votes to 1.

A week later the Left Wing organisations held a Conference, attended by 235 delegates, which demanded reinstatement of the expelled unions, and put forward a militant programme of action, including the calling of a general strike of protest against the White terror, and for the realisation of the workers' demands.

The most important export industry in Greece is the tobacco industry, and the tobacco workers have always been in the vanguard of the revolutionary movement; they were involved in an important strike as recently as May, 1927. It was, therefore, in this industry that the conflict began. The chief demands put forward were:—

- (1) Increases of wages on the basis of the cost-of-living index figures, and a seven-hour day.
- (2) Alteration in the insurance law, by which 5 per cent. of the workers' wages are deducted at the source. (Owing to the seasonal nature of the trade, workers are unemployed from three to six months of the year.) Workers to be in a majority on the Insurance Committees to prevent the manipulation of the Bureaux by the employers and the Government.
- (3) Recognition of workshop committees, and complete freedom of action for the trade unions.
- (4) Release of political prisoners and repeal of the State Defence Law.

As their demands were neither conceded nor considered, the tobacco workers came out on June 10. The strike began at Kavala and spread rapidly through Macedonia, and a general strike was proclaimed by the Left Wing organisations for June 18. Salonika followed suit, and Athens and the Piræus a few days later. The figures mounted rapidly; by June 13 there were 60,000 strikers, by the 20th the number had risen to 250,000. Moreover, other workers were also joining in the struggle, supporting the demands of the strikers and putting forward claims of their own.

The success of the strike caused something like a panic among the bourgeoisie, particularly among the merchant section of that class. The Government immediately began to take drastic action, and to mobilise all the forces of repression. From the first day the Labour Exchanges and other public buildings were put under military occupation, and soldiers and police engaged in numerous conflicts with the strikers. Barricades were erected, and street fighting and cavalry charges took place in Xanthi, Diana, Piræus and in various parts of Salonika, and at the end of the first week nearly 200 casualties were reported, including fifteen killed, while prominent strike leaders were deported to the Aegean Islands.

In the face of such a situation, the G.C.L. could no longer stand aside and the leaders offered to collaborate with the strike committee, but in view of their conduct before and during the strike, their offer was refused, and the practical leadership of the struggle remained in the hands of Committees of Action formed by the revolutionary Left Wing, or as in Salonika, by the

local Trades Council, which the Government tried to dissolve without success.

The reformist leaders then took upon themselves the role of mediators. They approached first that champion of the workers—Venizelos, then about to wangle himself back into office. Next they appealed to the Minister of National Economy to intervene on behalf of the strikers and bring pressure to bear upon the merchants who were turning a deaf ear to all their demands.

All this time the G.C.L. was dallying with the idea of a general strike—they even decided to call one, but always for to-morrow—never for to-day. Thus, they temporised, always trusting that something would turn up to save them from redeeming their promise. The first date chosen was June 22, but they were easily persuaded to suspend strike action until the issue of the negotiations taking place under the auspices of M. Cavouras, the Governor of Macedonia. However, on June 24, these broke down, both sides remaining adamant, and the G.C.L. then declared that they hesitated to give the strike call owing to the reluctance of the workers to follow the Communists, although the evidence was all the other way, and the breakdown of negotiations was the signal for many of the workers to come out who had hitherto been wavering or waiting for a lead. From this time the course of the struggle becomes extremely involved—every day the numbers of the strikers fluctuate—some going back, while at the same time fresh workers come out.

In addition to the tobacco workers, there were strikes in almost all the industries of the country—notably among the bakers and food workers, in electricity and waterworks, and in every form of transport. Towards the end the strike of seamen in the Piræus was the most noteworthy movement, and in spite of the mobilisation of the fleet against them the strike became general in the port, and all efforts to overcome their resistance were unavailing, while mutiny broke out among the sailors sent to arrest the strikers.

Finally, at the end of the month, the Government set up a tribunal of the usual type, and again the G.C.L. postponed the declaration of the general strike. On July 8 it announced the end of the tobacco strike, owing to the assurances of the Government that justice would be done. These assurances were contained in a letter from the Minister of National Economy, which included recognition of the reformist union of tobacco workers, promise to exert influence upon the merchants to obtain increase of wages, the setting up of a commission of employers and workers to go into the demands, the protection of the rights and liberties of the workers, the reinstatement of the strikers. Satisfied by these promises the G.C.L. persuaded the strikers to abandon the struggle, although for some days afterwards at Piræus and elsewhere thousands remained out in spite of the orders of the Federation, realising that they had been betrayed into the hands of the Government.

The consequences of this betrayal have not been long delayed. On July 23 Venizelos announced that a new law for the prevention of strikes and lock-outs by State intervention would be included in the Government's programme, and that any attempt to upset the social régime, which was based on the country, on the family and on property, would be severely dealt with.

INDIA

Bombay Textile Strike¹—Tata Iron and Steel Strike

THE Bombay textile strike still continues with no sign of the ranks of the workers breaking. The workers' resistance continues in spite of severe distress, and the employers are refusing all discussion of their standardisation scheme in the hope of starving them into submission. After a great deal of palaver the millowners consented to meet a delegation composed of six members of the Joint Strike Committee and two from the reactionary section of the Girni Kamgar Mahamandal outside the Strike Committee. Negotiations, which were held *in camera*, began on June 9, and were continued at intervals throughout the month, but the proceedings were purely farcical, as the employers had no intention of making any concessions, and were not prepared to budge an inch from the position they had taken up.

The strikers, on the other hand, will not accept the owners' standardisation scheme until they are forced to do so, since it involves heavy reductions, especially for the weavers, and the "standing orders" are both arbitrary and tyrannical.

The scheme is a mixture of rationalisation and standardisation, of the levelling-down variety.

In the spinning section, wages are standardised at the lowest rates ruling in the mills, and the number of workers is to be cut down. The position of the weavers is even worse, as they are faced with a prospect of a 20 per cent. cut, which would bring their wages down to 40 rupees a month, while at the same time the quality of work is to be raised, and the scheme involves displacing 15,000 men. Blowroom operatives are also threatened with reductions, as indeed are all classes of workers.

With regard to other conditions, a full ten hours are to be worked, and fines for lateness enforced; operatives may be played off without notice or compensation, with the consoling reflection that they are "not dismissed, but temporarily unemployed and not entitled to wages." A list of actions regarded as misconduct is given, for which the punishment is summary dismissal, with or without forfeiture of wages due, and this includes striking or inciting to strike without giving a month's notice.

Since the negotiations with the Strike Committee made practically no progress, the millowners' next move was to send for groups of strikers in order to explain the standardisation scheme, and then to put up notices at the mills and keep the gates open, asking the workers to return on the new basis, but these tactics did not meet with the success hoped for.

Nothing will make the strikers return except starvation, and as the millowners are prepared to starve them out, a complete deadlock prevails. Meanwhile, fourteen relief centres have been opened and 80,000 have been receiving relief. The work has been made harder by the callous refusal of the Bombay Municipal Council to grant relief to the strikers' families, at the instigation of two representatives of the millowners.

¹ Cf. LABOUR MONTHLY, June, July, 1928.

Of the various other mill strikes in progress, that at the Elgin Mill, Cawnpore, ended in a victory for the strikers, who went back on the old conditions, all hands to be started and the forfeited wages paid.

The struggle at the Tata Iron and Steel Works, Jamshedpur, also continues, and here also dire distress prevails, and the employers have replied to the men's demands by locking out 90 per cent. of the employees and discharging a large number on the plea of reduction of staff, in violation of the declared policy of the company. They have announced the terms on which the works will be re-opened, and these include a reduction of the staff by a quarter, bonus scheme offered in April to be renewed, wages claims to be considered when work is resumed, the company not to be compelled to pay for periods when the works are closed for any reason.

The workers' publicity officer issued a reply to the company's manifesto reiterating the strikers' demands for a direct increase in wages instead of the bonus scheme, and pointing out that so far from carrying out their promised policy of Indianisation of the plant, they had been taking on foreign workers to fill the new vacancies as they occurred. The workers insist that all the reduced staff, who had been dismissed as a result of the reduction policy, should be taken back and that policy stopped, and that all the strikers should be reinstated in their old jobs without break in their service or victimisation.

A difficulty has arisen in the conduct of the strike, owing to the refusal of both the employers and the Labour Association to recognise the strike leader, Mr. Homi. The management declares that he has a personal grudge against the company, while the Labour Association is unable to accept his leadership, owing to the fact that he gave evidence before the Tariff Board in advocating a drastic reduction in the staff.

Mr. N. M. Joshi, General Secretary of the All-Indian T.U.C., has appealed to the political department of the Bihar and Orissa Government to intervene in the dispute, on the grounds that the company has received financial assistance from the Central Government, which gives it the right and duty to exercise moral pressure upon the company to accept its good offices to settle the dispute.

BELGIUM

Antwerp Dock Strike

THE strike of dockers at Antwerp, which lasted from June 18 to July 10, has thrown light on the shameful wages and conditions of the Belgian workers and the anxiety of the reformist trade unions to preserve tranquillity and order at the expense of the class they profess to serve.

In a recent survey of the industrial situation the Belgian Minister of Labour gave an extremely favourable report. Unemployment was negligible, the port of Antwerp was working splendidly, &c. Mining alone was a dark spot, owing to low sales and over-production, but wages were to be stabilised shortly and all would be well. The optimistic Minister would appear to have overlooked one or two points: the rise in the cost of living and the constant demands of the workers for increases to bridge the gap between

wages and prices, since real wages are from 20 per cent. to 25 per cent. lower than pre-war. These demands have not been granted without a struggle and the number of wage strikes is ever on the increase. In March, 1928, for example, as compared with the previous year, there was an increase of 18 per cent. in the number of strikes, 53 per cent. in the number of strikers, and 78 per cent. in the number of working days lost.^a

The Ministry of Labour also seemed unaware of the universal discontent at the docks, but he was rudely awakened when, on June 18, a lightning strike took place under the leadership of the Communist Dockers' Union, which spread with astonishing rapidity from ship to ship, so that by the next day it had become general and work was at a standstill throughout the port.

The strikers demanded an increase of 10 francs on a daily minimum of 60 francs. Owing to the fact that there is a surplus of labour at the docks, the men are only able to work two days a week, consequently the present wage means virtual starvation, and some of the strikers were putting forward even higher demands. The leaders of the reformist union had already put forward a claim for 50 francs a day, but had made no effective effort to get their demands conceded. When the strike broke out they at first held back, but in the face of the overwhelming response to the strike call, they decided to bow to the inevitable. They, therefore, recognised the strike and issued strike pay at the rate of 125 francs (14s.) a week, in the hope of being able to direct the course of events and bring the dispute to a speedy conclusion by acting as the official negotiators with the Government.

By this time some 12,000 dockers were involved, including about 3,000 foremen, and the port was completely idle. The strikers were joined shortly by workers in the grain elevators and by sailors in harbour at the moment, who left their ships when their demands for higher wages, family allowances and an eight-hour day were not conceded. Among these was the "Belgenland," which was eventually forced to leave Antwerp with its cargo undischarged.

Sympathetic action was under discussion in Bruges, Ostend and Ghent, in Rotterdam and Dunkirk—in every case the militants were calling on their comrades to join in and make the struggle a general one for the dockers of every port, while the reformists urged that extension was useless and dangerous. In Rouen and Havre a dock strike was already in progress, and fraternal greetings were exchanged.

Frightened at the completeness of the stoppage and fearing further extensions, the leaders of the Social Democratic and Christian Unions sought interviews with M. Heyman, the Minister of Labour, at which the best methods of putting a stop to the strike were discussed. M. Heyman declared that negotiations for a settlement could not begin until the strikers returned to work, and on June 23 he put forward a proposal for an impartial commission, headed by the Governor of the Province of Antwerp, which should revise the present agreements, provided that work was resumed pending the award.

^a More recently a long struggle has been waging in the Overpelt Metallurgical Works at La Campire near the Dutch border.

This proposal was put before the various unions, and a vote was taken in each case. The Left-Wing organisations enthusiastically voted against resumption, the Christian unions also rejected the scheme by 412 to 321, and the Liberal unions by the narrow majority of 71 to 60. In the Social Democratic Unions the discussion gave rise to violent scenes and the vote had to be postponed to the following day, when, in spite of the advice, protests and threats of the leaders, 7,038 voted against resumption, and only 663 in favour, showing the overwhelming solidarity of the rank and file of all sections of the workers.

This result naturally caused great fury and consternation among the owners and the bourgeoisie generally, and great efforts were made to crush the strike and to escape its effects by sending ships to other ports to unload, but in many cases, e.g., Brussels, Ghent, Rotterdam, the dockers refused to blackleg and even began to come out themselves.

Eventually a compromise was effected on the lines of a suggestion put forward by the Prime Minister and the Burgomaster of Antwerp. Work was resumed on June 10 on the old conditions "in order to legalise the position," i.e., save the face of the Government, but a definite understanding was given that a provisional agreement should be put forward within a fortnight by the Commission, revising the old rates and granting increases on the basis of the cost of living.

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Poland's Westward Trend. By E. R. S. Hansen. (Allen & Unwin, 3/6.)
Soviet Union Year Book. 1928. (Allen & Unwin, 7/6.)
The Challenge of Bolshevism. By D. F. Buxton. (Allen & Unwin, 2/6.)
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War and Human Values. By Francis E. Pollard, M.A. Mertens Peace Lecture. (Hogarth Press, 72 pp., 1s.)
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The Bankers in Bolivia. By Margaret Marsh. (Vanguard Press, 223 pp., \$1.00.)
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Psychologie der Arbeitshand. Von Dr. Fritz Giese. (Urban und Swarzensberg, 325 pp., M.19.)
Politicians and the War, 1914-1916. By the Rt. Hon. Lord Beaverbrook. (Thornton Butterworth, 240 pp., 10s. 6d.)
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Volume 10 April, 1928 Number 4

PRINCIPAL CONTENTS

- Notes of the Month
THE UNITED FRONT R. P. D.
 Australia and the LABOUR MONTHLY
 The Problem of Rationalising British Industry
 E. VARGA
 The World Wide Coal Crisis
 A. J. COOK
 God, Sir Austen, and the East
 W. N. EWER
 Electricity Control in Britain
 D. J. F. PARSONS
 Capitalism and Surplus
 M. H. DOBB
 The World of Labour : Book Review

Volume 10 May, 1928 Number 5

PRINCIPAL CONTENTS

- Notes of the Month
THE I.L.P. AND COMMUNISM R. P. D.
 Rationalisation and British Industry
 II. - - J. R. CAMPBELL
 III. - - EMILE BURNS
 Mr. Citrine and Trade Union Democracy
 JOHN A. MAHON
 The Strike Wave in Egypt
 J. B.
 The World of Labour : Book Reviews

Volume 10 June, 1928 Number 6

PRINCIPAL CONTENTS

- Notes of the Month
THE INDIAN AWAKENING R. P. D.
 Rationalisation and British Industry—IV
 HUGO RATHBONE
 "Democracy" in the Scottish Miners' Union
 G. A. HUTT
 The Fourth Congress of the R.I.L.U.
 ALEX. GOSSIP
 The General Election in Japan
 K. YAMAGATA
 The Present Strike Movement in India
 The World of Labour : Book Reviews

Volume 10 July, 1928 Number 7

PRINCIPAL CONTENTS

- Notes of the Month
FABIANISM IN DECOMPOSITION
 R. P. D.
 A Class Analysis of Soviet Grain Production
 J. STALIN
 The Socialist Revolution and the Right of Nations to Self-Determination
 N. LENIN
 Rationalisation and British Industry—V
 M. H. DOBB
 The World of Labour : Book Review

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A MAGAZINE OF INTERNATIONAL LABOUR

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Volume 10

September, 1928

Number 9

PRINCIPAL CONTENTS

Notes of the Month

TRADE UNIONISM IN DANGER

R. P. D.

The Issues before the Swansea T.U.C.

A. J. COOK

New Forms of the World Crisis

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CONTENTS

Notes of the Month - - - - -	Page 515
<i>TRADE UNIONISM IN DANGER</i>	
<i>By R. P. D.</i>	
The Issues before the Swansea T.U.C. - - -	„ 528
<i>By A. J. COOK</i>	
New Forms of the World Crisis - - -	„ 533
<i>By N. BUCHARIN</i>	
The Colonial Policy of the L.S.I. - - -	„ 544
<i>By M. N. ROY</i>	
Mondism and the Railway Settlement - - -	„ 553
<i>By S. PURKIS</i>	
Japan's Move Forward - - - - -	„ 558
<i>By W. N. EWER</i>	
Rationalisation and British Industry—VI - -	„ 565
<i>By T. H. WINTRINGHAM</i>	
The World of Labour - - - - -	„ 572
India—U.S.A.	

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NOTES OF THE MONTH

Trades Union Congress—Attack from Within—Whence and Whither?

—Trade Unions and Politics—1917-1926—After 1926—

Counter-Revolution in Trade Unionism — Why? —

“The Trade Unions Cannot Fight”—Real Meaning

of Rationalisation—Labour Party as Alter-

native — Basic False Perspective — The

Trade Unions CAN Fight—Larger

Issues — Real Meaning of

Mondism — Internal

Democracy — The

New Fight

THE Swansea Trades Union Congress meets at a time when trade unionism is in greater danger than at any previous point in its history. This danger does not only lie in the attack from without. The power of trade unionism is at present at a low ebb. Changed economic conditions have in any case made its situation difficult. Membership has fallen, not only from the high peak of after-the-war, but still further in the past two years. Successive attacks of capitalism on the conditions of the workers are accepted without attempt at resistance, as in the latest cut of railwaymen's wages, thus opening the way to further attacks. The Trade Union Act binds the trade unions as they have not been bound since the early days of their fight for elementary rights which have now been abandoned without a struggle. Nevertheless, all this is not yet the most serious. Defeat, persecution and depression can be met and lived through, and leave a movement the stronger, if they are strongly faced without weakening and without lowering of the flag. The real danger to trade unionism is the attack from within.

IT is the attack from within, combined with the direct capitalist attack from without, which is threatening the existence of trade unionism. The attack from within is taking two forms. The first is the direct alliance with capitalism signed in the Mond Pact. The second is the expulsion and disfranchisement campaign against the revolutionary wing of trade unionism, leading to the

open reversal of democracy in the unions. These two issues are the decisive issues of the Swansea Congress and of the period in front. If these two lines of policy are carried through, it means a complete break with the basic principles of trade unionism as it has so far existed. Up to the present the trade unions have been built up as all-inclusive organisations of workers in a given craft, industry or other grouping, irrespective of political or religious differences, with equal rights for all members, for the purpose of conducting a common struggle against the employers. These basic principles are now in process of being destroyed. The trade unions are being converted from organs of class struggle into organs of co-operation in the capitalist organisation of industry (a radically different thing from wage agreements). At the same time equal rights in the unions are now specifically denied to certain members on political grounds, which give a privileged position to Liberals and Conservatives in the direction of trade unionism against socialists and militants. The extent and consequences of this transformation are still not realised. It is necessary to awaken the main body of trade unionists, all who have any concern for the interests and future of trade unionism, to what is happening, and to face the question : Where is Trade Unionism going ?

B RITISH Trade Unionism, after the crushing of the early revolutionary struggles, developed as a series of more or less isolated economic movements and organisations without any common political conception. Politically, the lead of the bourgeoisie was accepted without question. Nevertheless, the trade unions grew up in fact in an atmosphere of stubborn class struggle against the employers, against victimisation and against the legal machine of the employers. The fight for legal rights compelled a measure of unity, a wider range and outlook and beginning of approach to recognition of common interests as a class. The coming of Socialism and the New Unionism brought a new impetus to the explicit recognition of the class struggle, and such recognition of irreconcilable antagonism of interests still remains, or remained until recently, enshrined in the constitutions of some of the unions. The growing scale of the unions, the development of capitalism and the spread of socialist agitation compelled

increasing recognition of the political character of the struggle, that is, that the struggle is not only against individual employers, but against the capitalist class as a whole, and for the extinction of the capitalist class. This received its first incomplete expression in the Labour Party. In all this development the trade unions were gradually advancing along the path of widening class struggle, despite the heavy limitations due to the fact that they reflected in reality the interests of a privileged section of the working class, both in Britain and still more internationally, and not a fully proletarian position.

BUT the lack of a political leadership of the working class (for the socialist societies remained only agitational bodies) at the centre of the working-class movement, unifying the struggle and directing it against capitalism as a whole, now began to make itself ever more fatally felt in the developing conditions of advanced capitalism and imperialism. By the twentieth century the economic and political conditions were ripe for the advance of the working class against capitalist power on central political issues. The decline of capitalism had set in; the old limited economic struggle could no longer yield advance in standards, which since 1900 began to go downwards, not only relatively, but absolutely. The Liberal-Radical revival of 1905, coinciding with the first Russian Revolution, the growth of the Labour Party, and the giant strike-wave of 1911-1914, showed the gathering mass movement. But there was no leadership. The Labour Party was confined to a routine parliamentarism, which meant in fact collaboration with the capitalist class. The reaction against this reflected itself in anti-parliamentarism and revolutionary industrialism, which reflected far more closely the mass struggle, but which dissipated its strength in isolated economic struggles rather than raising the mass movement to the height of the ever more dominant world-political issues. In consequence the war found the movement completely unprepared, and led to inevitable collapse. The Labour Party and trade union leaders passed to open coalition with the war-making bourgeoisie. The revolutionary industrialists utilised the crisis to carry forward sectional economic struggles, but did not

attempt to take up the central political fight, which thus passed into a virtual monopoly of the bourgeois pacifists. Only the Russian Revolution of 1917, and the world revolutionary period thus opening, brought new life and inspiration to the movement, and inaugurated a new epoch.

THE period 1917 to 1926 was a basically new semi-revolutionary epoch in the history of British trade unionism. The mass struggle now forced its way into the political field. The Labour Party was incapable of leading it; and since the trade unions were the only mass organisations of the workers, the fight forced its way through these and took on a dominantly trade union form, though with a new combined character and around openly political or semi-political issues. The fight of the railwaymen against the Lloyd George Government in 1919, the Council of Action, the Triple Alliance, Red Friday and the General Strike, all represented high points in this process, and revealed, despite ups and downs, an ascending scale. But this mass struggle had to take place, not only through sectional trade union forms which were ill-fitted for it, but under a reformist leadership which was in principle and in its whole outlook opposed to it. Such a situation could not continue. Either the reformist leadership would be overthrown by the expansion of the struggle, or the victory of the reformist leadership would mean the defeat and checking of the struggle. The latter was what took place. The reformist leaders were not able to prevent the development of the struggle during a period of years, during which they had to pursue a complicated and tortuous course, but they were able to use their positions by every form of delay, inaction, obstruction, secret negotiations and so forth to ensure its defeat. By 1926 the culmination was reached in the general strike and the miners' struggle. Mass struggle under reformist leadership could go no further, and ended in resounding defeat, a defeat sought and worked for by the reformists in order to prove the futility of struggle and break the will of the masses. From this point the whole issue became the necessity of a complete renovation of the movement under completely new leadership.

SINCE 1926 a crucial new period has opened for trade unionism. From the experience of the previous struggles has been formed a compact revolutionary Marxist section within the unions, which is already the starting point towards the future new leadership. But the reformist leaders are still in the saddle, and utilising their power and the opportunity afforded by the phase of depression to crush and destroy in every way in their power the position of the revolutionary Marxist nucleus, before the next wave of struggle develops. In this task they work in alliance with the capitalists, who are equally seeking to curb the power and action of the trade unions before the next wave. This alliance finds expression in the Mond Pact. The action of the capitalists finds its expression in the Trade Union Act, Spencerism and victimisation. The action of the trade union leaders finds its expression in the overthrow of the processes of democracy in the unions, and imposition of new exclusionist and splitting discipline. All these three phases are integral parts of a single process. This process is in fact a process of counter-revolution in trade unionism. For in the class struggle it is impossible to stand still. Since the movement is not yet strong enough to realise the new line and leadership that the times require, this does not mean that there is simply a halt and delay for further preparation. It means that there is definite going back, reaction and losing of ground previously won.

THIS counter-revolution in trade unionism is not peculiar to Britain, but is part of an international process, which had already developed in the Continental countries and has there reached a more advanced stage. If in Britain 1927 showed an almost complete stagnation of the strike movement, in Germany both 1926 and 1927 showed the same (0.9 million and 2.4 million days, as against 11 millions in 1925, 23 millions in 1922, 32 millions in 1919, and a pre-war average of 6 millions). The expulsion and splitting process, which is still only beginning in Britain, has reached an extreme point in other European countries, as well as in the different conditions of the United States. The Trade Union Act in Britain is paralleled by a whole series of anti-strike and anti-union legislation in other countries, and not the least by the Charter of Labour in Italy, which incorporates in a

more developed and fully worked out form the essential features of both the Mond Alliance and the Trade Union Act. In this connection, the comment of the Italian reformist former trade union chiefs, D'Aragona and his colleagues, who have passed over to the service of Mussolini, is worth noting. In their journal, *Problemi del Lavoro* for February, 1928, one of their number, Rinaldo Rigola, writes :

We have clear signs of this change of outlook : in Germany, in the development of Labour Courts and handing over of the solution of larger conflicts to Arbitration Courts ; in England, in the Mond Conference for Industrial Peace ; in France, in the demand for joint control and for the incorporation of the National Economic Council in the Constitution. Capital and Labour are becoming ever more convinced that under existing conditions the fight to the last breath only works out to the harm of both, and they are turning their attention to the fuller development of the apparatus of production and the introducing of rational economic forms. It is the principle of a relative collaboration which is here triumphing. *There is no difference here from the way things have developed in Italy.*

This comment of their own former colleagues of the Amsterdam International is worthy the attention of those reformist chiefs who still try to deny the obvious significance of the Mond Conference, and similar developments. In fact, the essential process of Fascism is being accomplished in the more advanced capitalist countries through legal-democratic forms.

WHAT is at the root of this process of apparent complete capitulation and self-destruction of trade unionism at the point of the highest development of capitalism, of the class struggle and of ever more revolutionary issues ? In general, it reflects the temporary victory of capitalism and the process of stabilisation and rationalisation, and consequent open alliance of reformism. Reformism has passed from the period of acting as a buffer to save capitalism from destruction after the war to the new period of direct assistance in the rebuilding of capitalism. But what are the forces at bottom that make possible even the passive acceptance for a time of such a complete reversal of all that trade unionism stands for by the mass of trade unionists ? This is the question that needs to be answered, for in it lies the crux of the fight. The answer lies in part, but only in part, in the

traditional passivity of the trade union machine, and in the largely autocratic powers of the bureaucracy. But these conditions did not prevent the forcing of the pace forward up to 1926, while the mass pressure was there. The deeper answer lies in the whole conditions of modern highly developed monopolist capitalism, which have created a new and difficult situation for trade unionism, requiring a new understanding of the whole perspective and problems of the working-class struggle. Such understanding and adaptation to the new conditions is still weak, and it is the task of revolutionary Marxism to assist to develop it. The reformists are still able to secure the passive acceptance of the masses, because they have the whole power of capitalism behind them, and for the time the power of modern capitalism with its concentration in the state machine appears so great and overwhelming as to leave the working class for the present doubtful of the way forward, and, therefore, more ready to give an ear to the defeatist propaganda and illusory promises of the reformists.

REFORMIST Trade Unionism to-day bases its position on three main lines of argument, all of which contain a half-truth and a total falsehood. The first is that it is impossible any longer to fight on the old lines of the trade union struggle with any hope of success against the modern conditions of massed capitalism, economic decline and intensified international competition—witness the fate of the miners—and that in consequence the correct line must be the new constructive line of conciliation, assistance in the development of industry and raising of the level of production, and international conventions to regulate wages and hours. This line of argument builds on undoubted facts that are at the root of the revolutionary understanding of the present situation, only to lead to a weak and illusory conclusion which completely fails to face the realities of the position.

THE second line of argument is even more important. It asserts that capitalism is developing to a new organised rational phase, co-operation in which offers the possibility of present practical improvements for the workers, and at the same

time opens the way to a peaceful evolution towards industrial democracy, extended state control and eventual Socialism. This line of argument again builds on undoubted facts of capitalist development—towards ever higher concentration and monopoly—only to misrepresent and distort completely the real significance and consequences of this for the working class, in intensification of the conditions of class struggle and intensified ultimate capitalist anarchy.

FINALLY, the third line of argument builds on the fact that the dominant struggle to-day is ever more clearly the political struggle, that the decisive issue and sole final solution is the working-class conquest of power for the realisation of Socialism, and from this the conclusion is drawn that the path of trade unionism to-day must be the path of industrial peace, while the real fight takes place through the ballot and the strengthening of the Labour Party. Once again, real facts that are at the very base of revolutionary understanding are utilised and taken over, only to lead to an exactly opposite conclusion. For not only does the greater character of the struggle to-day, the political task of the conquest of power, require for its backing more militant, and not less militant, trade unionism, but even more, the task of the conquest of political power, which is correctly stated to be the decisive aim and need, is nullified, instead of being realised, in the supporting of the Labour Party, which means in fact the supporting of capitalist politics and strengthening of the capitalist state machine.

THE whole of this basic line of argument of modern Reformism, which leads to absolute nihilism and impotence in trade union policy, is founded on a completely false understanding of the whole character of the present period—namely, the conception that modern capitalism, by its technical development, expansion and concentration, is leading to greater harmony and not to greater contradictions. This false conception, which is nothing other than the renewed denial of Marxism, needs to be fought from its foundations. The exact contrary is the case. The laws of capitalism have not undergone some miraculous transformation, but have on the contrary worked

themselves out, on the lines that Marx already indicated, and contrary to the expectations of all the reformists and bourgeois economists who foretold ever wider diffusion of property, &c., along an ever enlarging reproduction of the capitalist process to ever intensified concentration and contradiction. The enlarged scale of capitalism means not smoother working and peaceful evolution, but only the replacement of petty antagonisms by larger, of small-scale competition by large-scale, of small strikes by larger, the intensification of pressure against the working class, the strengthening of the state machine, the deepening of class divisions, the intensification of the problems of production and markets, the enlargement of imperialist antagonisms. In this situation the class struggle becomes not less, but more, important ; the strength and action of the workers' class organisation and struggle becomes ever more essential and ever wider in range. The class struggle does not disappear into some hypothetical future conquest of power and peaceful transition to Socialism, following on a whole era of passive co-operation with capitalism ; the class struggle exists in the workers' daily struggle, which can alone prepare the way for the conquest of power. In consequence, the rôle of trade unionism becomes not less, but more, important in the present period ; only, that rôle has now to be brought into relation to a wider unifying political conception and understanding of the whole period.

AT the outset, it is necessary to challenge directly the proposition that the trade unions cannot fight with success under present conditions. It is true that the merging of economic into political issues, the closer linking up of capitalism and intervention of the state machine make new and more difficult conditions, and have taken away the ground from the old easy-going sectional trade unionism ; a united working-class strategy is now essential, such as the revolutionaries have fought for, and the reformists themselves have opposed. But this does not mean that there is no longer scope for partial struggles. The reformists point to the fate of the miners to show the hopelessness of the path of class struggle. But they omit to mention that united action in 1925 extorted the maintenance of the miners' wages,

whereas the defeat of 1926 followed on the failure of united action, the surrender of the general strike and the refusal of the embargo. The capitalists cannot afford to utilise their concentrated class strength in every issue ; in many cases, if a determined attack is pressed, it will pay them more to make concessions. That there is ample scope for concessions even in the most "depressed" industries, crying out aloud at their own bankruptcy and ruinous foreign competition, is abundantly evident on any examination of the facts of profits. When Mr. Churchill introduced his rating proposals, he made a division of industries into two groups: prosperous and depressed. The "depressed industries," he declared for the commiseration of a sympathetic House of Commons, in the previous year only made net profits of £67,000,000. There is here plenty of scope for concessions and successful partial struggles, if pushed with determination ; and such successful partial struggles are of value, not only for the immediate gains they win, but as the best preparation and stimulus for further conquests and advance to large issues. *The first necessity, therefore, is to restore anew the spirit of the offensive*, the confidence of victory, the determination to fight and win, and to destroy the blight of baseless reformist defeatism which, to-day, hangs over all trade union effort.

BUT more than this. More important than any immediate gains or losses are the larger issues which to-day dominate the situation. A partial struggle even leading to defeat may in a given case be of greater class value than a so-called victory of conciliation, not only because it helps to hold off further attack, but because it strengthens readiness for the future. The path of capitalist reconstruction, which is held out as offering hopes of gains for the workers, means in fact the opposite. The rising curve of unemployment in 1928 is closely connected with the capitalist "revival" and re-organisation which has followed on their victory of 1926. The Report of the Industrial Transference Board shows the self-confessed impotence of capitalism to hold out any hopes for the "surplus" workers ; since every project of useful production requires fresh capital, and fresh capital, though existing in abundance, is not available save where the maximum profit can

be shown, and will thus flow in the channels of the luxury industries, colonial slave exploitation, or overworking fewer workers in the basic industries and sacking the remainder, rather than making truly economic use of the total working powers of the population. The technical advance and concentration, the combined intensified production and limitation, involved in the process of rationalisation, means intensified pressure on the workers, the throwing of ever new series of workers into unemployment, the intensified exploitation of the remainder, and intensified competition on the world market. Thus the capitalist advance and rationalisation, which is held out as the hope of the workers by the reformists, means, in reality, not harmonious evolution to improved conditions, but a continually discordant development, involving suffering to the workers at every turn, and reaching to ever-enlarging crises, social and international, of which the war-crisis is only one and the most outstanding type. And it is the readiness for struggle in such larger crises which is the most important issue of all, and which gives exceptional significance to the partial struggles of trade unionism to-day.

IT is here that the full treachery of all such processes as the Mond Conferences, &c., which are held out innocently as "merely exploratory," "an attempt to improve the conditions of the workers ; surely there is nothing wicked in that ? " &c., is really brought out—*i.e.*, in relation not merely to the immediate present situation, but to the whole line of development and the larger crises which the future holds in store. For by these processes the workers are disused from struggle, disarmed and entangled with capitalism, their action paralysed, and their organisations corrupted and linked up with capitalism, at the moment of decisive crisis, when the independent action of the workers is most needed. This is the deeper significance of the whole system involved in the Trade Union Act, the Mond Conferences, &c., that the workers are thus being tied to capitalism and imperialism beforehand, in preparation for when August, 1914, shall break upon them and find them, helpless and unprepared, to be driven to the slaughter. It is impotent folly and hypocrisy to talk of general strikes against war, no-more-war resistance, and the like, if the present daily struggle,

which can alone prepare the workers' ranks, is abandoned. *The maintenance of the independent action of the workers, the breaking of all ties with capitalism, and the recognition that even defeat in struggle can be of deeper permanent value than passivity, is the second great need of trade unionism to-day.*

BUT the trade unions cannot take up the fight, cannot fulfil their tasks, unless they are themselves sound. If there is internal division within trade unionism, if the ranks are broken by expulsions and disruption, if the workers can have no confidence in the machinery of the trade unions responding to their wishes, if the already rare possibilities of election are further curtailed, if elections duly carried out are set aside by arbitrary rulings and the fiat of the reformist clique against the majority, then the trade unions cannot fight, and the fabric of trade unionism is destroyed. The gravest result of such action is not merely the particular cases of disallowed elections or prohibited candidatures; the gravest result is the breaking of the spirit of trade unionism, of solidarity, of common organisation and action, the destruction of the belief of the workers in their own organisations; from this follows apathy, hopelessness, falling away of membership and the crumbling of the unions. Let it not be forgotten that in the Miners' Federation, according to the figures given at the Llandudno Conference, the big drop in membership did not take place in 1926-27 (72,000 lost), when the depression following defeat might have been most expected to produce it, but in 1927-28 (160,000 lost), when the reformist supremacy was complete, when the plans for reorganisation were burked and set aside and the ugly process of disruption and disallowing of elections began. The fight for democracy in the unions is the very heart and centre of the trade union fight to-day. All the disruptions, all the disallowing of elections, prevention of free choice of delegates and exceptional rules, need to be wiped out and rescinded. A great democratising and reorganising process needs to be begun. Only on this basis can the confidence of the masses be restored, the spirit and enthusiasm of trade unionism brought to life anew, and the trade unions regain their lost might. *This is the third great task of trade unionism, to wipe out the disallowing of elections and exceptional rules,*

to democratise the unions, to restore the confidence of the masses in the unions as fighting machines of the working class, and on this basis to conduct a great campaign for hundred per cent. membership.

TO accomplish these tasks a new campaign is needed in trade unionism. The future of trade unionism is at stake. The issues are so basic and so elementary that every serious trade unionist should take part. Hitherto the attempt has been made to isolate the revolutionary Marxist section. The answer to such attempts must be to extend the campaign wider, to bring new forces into play. It may be necessary to find new forms to embrace this elementary fight. The appeal must go to every trade unionist to unite at least in the fight for the elementary principles of trade unionism, for democracy in the unions and against alliance with capitalism. A great new Trade Union League of Rights is needed. From all sections, from top to bottom of the movement, support should be forthcoming. The present menace to trade unionism calls for the service of every trade unionist. The new phase of the fight that is now opening is the most critical yet in the history of British Trade Unionism, and of decisive import for the whole future struggle of the working class.

R. P. D.

THE ISSUES BEFORE THE SWANSEA T.U.C.

By A. J. COOK

THE 1928 Conference at Swansea will be the most important in the history of the British Trade Union Movement, and will determine the future outlook of those who claim to be the industrial leaders of the trade unions, as represented by the General Council. The main proposals arising from the negotiations with the Mond Group of employers, if accepted, must change both the objective and the structure of trade unionism from instruments of struggle on behalf of the working class, to mediums for collaboration and co-operation with the capitalist employing class. The proposals recommended by a majority of the General Council pre-suppose that capitalism can be reformed and readjusted in the interests of the workers in industry. They have revived the old co-partnership, profit-sharing cry, and are a definite declaration in support of the principles inherent in these proposals that have always been opposed by the trade union movement.

The credit for keeping alive and focusing attention on these proposals is due to Appleton, Secretary of the General Federation of Trade Unions, and to Havelock Wilson, who transformed the old cry into the new "Peace in Industry" slogan, which has now been accepted by the majority of the General Council.

It is more than a coincidence that in 1887, forty-one years ago, at the Trades Union Congress, which was also held at Swansea, Keir Hardie was criticised and condemned by the whole Congress, because of his attack upon the trade union leaders of that time, especially the miners' leaders, Ben Pickard and Thomas Burt. He then said—

It is the half-heartedness of our present leaders which keeps our cause from progressing.

For many years now the British Trade Union Movement has been developing towards centralisation, on the basis of the recognition of the conflicting interests of capital and labour. Agree-

ments regarding working conditions have been negotiated with the owners of industry, but the organised power of trade unionism has been the only lever used in demanding improved conditions. Even the most reactionary trade union leaders have recognised that it is power that counts, and that power consists in a 100 per cent. organisation, with the will and the means to withhold its labour.

It has long been recognised that no one organisation can act alone, and that with the centralisation of capitalism the old craft unionism had been made obsolete. This compelled amalgamation and reorganisation so that the workers could act together. Post-war problems have shown this still more clearly. The miners' struggle of 1921 and the partial general strike of 1926 have shown the need for centralised organisation and activity. The failure of the Triple Alliance in 1921, and the attempt to rebuild the Workers' Alliance in 1925, which was almost completed and would have been brought into play in 1926 but for the decision of the General Council to stand by the miners on May 1, all show how the conflict between capital and labour has become clearer, more intense, and of a more centralised character. Thus it became quite clear to all active trade unionists that the whole structure of the trade union movement must be reorganised on a scientific basis, and made capable of acting nationally even to protect the present inadequate standards of the workers.

On every front and in practically every industry the employers have been able to reduce wages, lengthen hours, and abolish customs that were in the interests of the workers, in most cases without any opposition. The whole movement to-day is in retreat, as shown by the railwaymen's agreement, in which reductions are claimed as a great victory. Lower wages and longer hours are being demanded, and the workers are persuaded by reactionary leaders, supported by the well-organised capitalist Press, that these are inevitable, and only to be expected. Instead of understanding the cause of the present rapid capitalist decline, the majority of the trade union leaders are supporting capitalist rationalisation, under the name of the scientific reorganisation of industry, which, if successful, simply means saving industry for the capitalists, so that they can make profits and thus continue to control the destinies of the

human race. Trade union leaders even declare that unemployment is inevitable, that wage costs must be reduced to increase British competitive power on the world market, &c. All of which means intensified competition at home and abroad, leading inevitably to war between rival nations.

Three years ago the whole movement from John o' Groats to Land's End was in a healthy state; as machinery and science developed, shorter hours were being demanded, higher wages, to increase consumption, and more power to the General Council, as a step towards the creation of a new social order. Tomsy and the other representatives of the Russian trade unions were welcomed boisterously at the Scarborough Trades Union Congress. There also Fred Bramley's never-to-be-forgotten speech,¹ on the achievements of the Russian Revolution and what it meant to us, made us all realise the great possibilities of the trade union movement, but it also compelled some of us to recognise the amount of courage that would be needed, and the terrible conflict with the capitalist class that must be waged before we achieve our aims.

This year the Congress meets with poverty, persecution, victimisation, and unemployment rampant in every industry. The march of the unemployed of South Wales to the Congress may remind the trade union leaders of the failure of capitalism, and the cry of human beings for action and protection.

Mond and the rest of the employers have succeeded, where Havelock Wilson and Baldwin failed, in concentrating the attention of the trade unions upon re-establishing capitalism, and on the need for further sacrifice on the part of the workers in order to save capitalist industry under the disguise of Peace in Industry.

I have taken a definite stand based on my knowledge of Marxian economics, and my experience in connection with the international miners' organisation. I see capitalism in decay gasping for breath, the same capitalist system that has created so much poverty, that has persecuted the workers, and made them fight even for bread and the right to live. I see trade union leaders helping to bring this great monster back to life. I realise that it is impossible to change the conditions of the workers in a day. I realise the difficulties during an economic transition period. But I also realise

¹ This speech was printed in full in *Trade Union Unity*, October, 1925.

that it is not my duty, nor the duty of any other trade union leader, to accept present conditions as inevitable, or even to attempt to stabilise them by co-partnership schemes, or any other schemes of co-operation with a capitalist class, who can only live on rent, interest and profit.

Mondism will destroy the real trade union movement, and be the beginning of Fascist trade unions in this country. It will increase the wage slavery of the workers. Therefore, I appeal to all class-conscious workers to read correctly the economic signpost. Trade Unionism is at the cross-roads. Shall the majority of the General Council lead us to the servile state, to the re-establishment of capitalism, through rationalisation and Mondism, or will the masses oppose this machine that is being used to manacle them? It is indeed a momentous decision that is to be made, a decision which, while it cannot stop the urge of economic development, can delay the drastic changes in the structure of trade unionism, and the formation of a new social order for a further period, and in doing so increase the poverty of the workers and the power of our oppressors.

The issue is clear: either support for Mondism which will lead to the massacre of the masses, or support for scientific Socialism, which will lead to the salvation of society. There is no half-way house. Mond and his confederates know what they are after, and can see the goal of their ambitions, while the majority of the General Council are wallowing in the morass of ignorance and misunderstanding. No decision must be arrived at before the rank and file has been consulted. The democracy that is so often preached about must be put into practice. It is the rank and file, not the leaders, who are suffering impoverishment, unemployment and victimisation. It is the masses who suffer through the masters' tyranny and ownership of industry. Therefore, let the leaders not bind the masses, let the membership demand that the proposals be put before every branch of every trade union affiliated to Congress. A decision at Swansea will not be a decision of the membership, and neither the leaders nor the delegates have the right to bind the membership without consultation.

I pressed at every stage, and even before the negotiations started, that the membership should be consulted. I pressed for a verbatim

report of the two important joint conferences, but this has been refused. No one can thoroughly understand what the proposals mean, and what is behind them, unless they have had a verbatim report of these conferences. Make the Congress not a victory for Mondism, but a victory for Socialism and Internationalism. Mondism, Spencerism, and Wilsonism are the new Triple Alliance, which is the forerunner of Fascism in Great Britain.

We can do no more by our writings and speeches than warn the workers of the consequences of Mondism. Time will prove the truth of our charges, as conditions have proved the correctness of our prophecies in 1925 and 1926. It is not too late to prevent this great catastrophe. It is not a question of a vote of confidence in leaders—that is not the issue. It is a question of determining on a class-conscious economic policy to meet the present bankrupt capitalist order, to devise ways and means of dealing with unemployment, instead of increasing it, to secure a living wage, and work or maintenance, while we prepare the necessary machinery to construct a new Socialist order of an international character. Let the workers declare in no uncertain voice their will in this matter. Where there is a will there is a way, and instead of 1928 being a year of defeat for the workers, it can be made a year of victory, and the starting point of a new revolutionary epoch.

hypocrisy. In their anxiety to find a "practical solution" of the problem, the Social Democratic statesmen (at the service of the capitalist State in their respective countries) got entangled in hopeless fallacy in the statement of principle. If the Brussels resolution is worth the paper it is printed upon, the Second International supports and opposes the same thing at the same time. The first half of the introductory part of the resolution is a frank eulogy of imperialism as the agency which has introduced in the backward countries the blessings of civilisation, and an endorsement for the continuation of foreign domination over the primitive races who are still to be civilised (or exterminated in the process like the Red Indians, the natives of Australia, &c.). In the latter part of the same introduction is stated: "Socialism is opposed to the very principle of foreign domination of colonial races."

This superficial contradiction in principle, however, disappears on a closer examination of the document. The Second International "considers the abolition of the colonial system as a preliminary condition for any international commonwealth," but assumes that this abolition will take place automatically with the sanction of the colonising powers. It demands from the imperialist States "sufficient safeguards against oppression and exploitation" (of the subject peoples) and insists upon their systematic education with a view to independence. The assumption is that the object of colonial expansion is not necessarily oppression and exploitation of the colonial peoples, and that the colonising powers can be expected to help the subject nations to become free! Then, the "international commonwealth" is obviously not the world Federation of Socialist Republics built upon the ruins of capitalism; but the capitalist League of Nations in which the Second International seeks and finds (by its fertile imagination) the remedy for all evils.

Varying degrees of freedom are recommended for the "colonies with a higher form of civilisation," not as the recognition of the right of every people to be free, but as the recognition of the meritorious services rendered by imperialism in "civilising" these peoples—by making them fit for freedom. So, the very recommendation for qualified and partial freedom for certain subject nations does not imply a condemnation of or challenge to imperialism. It is a recognition of the usefulness and beneficiality of the colonial

system. And on the merit of their record in India, Egypt, North Africa, Malay Archipelago, &c., imperialist Powers should have the mandate to "civilise" the rest of the backward races. They receive this mandate of overlordship from themselves, organised in the League of Nations, and their Social Democratic henchmen applaud these "civilising" efforts as creating conditions for an international commonwealth."

The policy definitely shaped at Brussels is not new. Given its false conception of the nature of imperialism, its betrayal of revolutionary Marxism, substitution of Socialism by bourgeois democracy, repudiation of class-war and willingness to help the stabilisation of the shaken fabrics of capitalism at the expense of the working class, the Second International cannot reasonably have a different colonial policy. Administering, and anxious to administer, the business of capitalist States, here in coalition with the bourgeoisie, there as a "Labour Government," the parties of the Second International must abandon their previous hypocritical phrases and come out openly as the defenders of imperialism, which they always have been.

While, in principle, supporting the system of colonial régime the Brussels resolution contains "a practical scheme" of reforming it. One must write a whole volume to subject all the hypocrisies and absurdities of this scheme to a critical examination. Let us point out here only the most outstanding ones.

The colonial rivalry among the various imperialist Powers clearly stamps the resolutions. The attitude of the leading parties of the Second International was determined by the interests of their respective countries. In view of the fact that some of the leading parties are, or soon will be, governmental parties in the important imperialist countries, much care had to be exercised in choosing phrases. Irresponsible radical phraseology had to be discarded, for the Social Democratic leaders, as members of the Governments in their countries, would be asked to put the resolution into practice. Of course, in order not to place themselves in an embarrassing position most of the Social Democratic ministers (present or prospective) kept themselves discreetly away from the Brussels Congress. So we find MacDonald, who had all along taken an active part in the previous Congresses of the Second International, visiting Canada

(to make preparation for the deportation of the unemployed British workers as desired by the Tory Government ?). Other leaders (of Cabinet rank) of the British Labour Party were also too busy with the works of "industrial peace" to attend the International Congress. Only Henderson, as Chairman of the International, could not possibly stay away ; and Lord Olivier came to Brussels as the guarantee that the Colonial resolution would be tempered by the soberness and practicality gained in the experience of colonial administration. Ministerial Social Democratic leaders from other imperialist countries were also absent.

To gather material for the discussion of the colonial problem a questionnaire had been circulated to the component sections of the Second International. This questionnaire was directed primarily to the parties in the countries possessing colonies. Some of the questions were very significant. For example :—

Whether the present system of colonial administration will lead up to self-government of the native populations at the earliest possible date ?

Significantly, the answer to such a question was not sought from the parties most concerned. Let alone the nationalist parties, this highly important question was not even primarily directed to the Social Democratic parties in the colonies. These were grudgingly conceded the privilege of expressing their opinion if they wished. But since their opinion was not sought in the first place, it, when expressed, received but a secondary consideration in the determination of the colonial policy of the Second International. The opinion of the national liberation movement, of course, was completely disregarded. Such is the Social Democratic conception of the right of self-determination.

Then the question itself. It is framed on the assumption that imperialist colonial administration does lead up to self-government of the native population. Otherwise why should this question be raised at all ? The answer to this question from the Social Democratic and Labour Parties in the leading imperialist countries is very interesting reading. As a rule it is in the affirmative, qualified by doubt and dissatisfaction about the rate of progress.

Another surprising question is about "the methods of levying and application of taxation" in the colonies. It is asked how are

"the profits realised by capitalist enterprise" applied? As if there can possibly be any doubt on this point: as if there can be the remotest possibility of the proceeds of colonial plunder being applied for the welfare of the colonial slaves! The British Labour Party's answer to this absurd question is, nevertheless, very elaborate and contains the following passages:—

"There is no doubt that the original ideas of those who successfully preached a doctrine of imperialism for profit have proved to be largely illusions." Then an effort is made to prove that British trade was scarcely benefited by colonial expansion. Finally, it is asserted that "the possession of colonies has proved of little or no importance to the workers and manufacturers of the mother country." Of course, this assertion is perfectly true as far as the workers are concerned; but to throw the unfortunate manufacturers into the same sack with the workers is really astounding. And all these preposterous arguments to show that the colonies are really the "white man's burden" are preceded by the following statement:—

This opening up of the Asiatic and African territories being conducted by capitalists and Governments under capitalist influence was, and is, being put through on capitalist lines. Except in rare instances, the economic exploitation of the dependency and its inhabitants has been a principal consideration of the administration.

Even the most intelligent worker will find it rather difficult to follow the logic of this argument. Colonial administration is carried on in the interests of imperialist capital; although for the British manufacturers colonies are useless! Why do not these gentlemen, who wield no inconsiderable influence upon the home Governments, get rid of the colonies? The Fabian theorists of the Labour Party have an answer to this question. "The group of financiers and individual planters" are the devils of the piece. "It is the few people who finance the opening of a successful tin mine or the planting of a rubber estate who make profits from the exploitation of Asiatic and African territories." A very unconvincing answer. These "few people" who finance colonial enterprise, and the home manufacturers, cannot be divided into water-tight compartments. They are the integral parts of the same system—imperialism to which capitalism has developed. The "few people" who finance

mines, plantations, railways, &c., in the colonies, also control the industries at home. As a matter of fact they finance the enterprises in the colonies to promote the interests of the home industries. The Fabian theorists try to justify imperialism by learnedly mouthing the antiquated economic doctrines of the Manchester School, which flourished before the days of monopolist finance capital.

The Social Democratic theoreticians are, however, not so old-fashioned as they appear to be when engaged in proving the imperialist thesis of the "white man's burden." On the contrary, they are quite up to date as regards progressive bourgeois economics—the economics of rationalisation. Thus, in the Memorandum of the British Labour Party we find the following :—

The Socialist demands that primarily the economic development [of the colonies] shall be in the interests of the native inhabitants and that the profits shall go to the native communities. This can only be secured by those measures described elsewhere, through which the land and natural resources remain the property of the native community, and governments either directly supervise the development or encourage their economic development by the natives.

On the face of it, it is an impossible proposition. The demand is that the tiger should become vegetarian or the fire cease to burn. The Labour Party appears to propose that the "few people" who derive the benefit from colonial exploitation should abandon their profits while supplying the capital required for the economic development of the colonies. But the leaders of the Labour Party are too fair-minded to make such an unreasonable proposition. The essence of this proposition, which has such a flourish of benevolence for the natives of the colonies, is entirely different. It is in the second sentence. The reformist measures proposed by the British Labour Party and embodied in the Brussels resolution, to which we shall turn presently, are measures for the rationalisation of colonial exploitation. There is no question of releasing the economic life of the colonial peoples from the bloody grip of imperialist finance capital. What is suggested, and what the Labour Party as His Britannic Imperial Majesty's Government will try to do, is to reform the antiquated forms and methods of colonial plunder which no longer serve the purpose of modern trustified industry. Stabilisation of capitalism—recovery of the

home industries from the present depression—requires, among other things, extension of the colonial market. This can be realised as a result of “economic development of the colonies by the natives” under the “direct supervision” of the imperialist Government. The liberal principle of colonial régime enunciated by the Second International on the basis of the British Labour Party’s proposal is “Don’t kill the goose that lays the golden eggs”—“give the colonial slave a little breathing space so that he will work more profitably for you.” These are principles of “enlightened capitalism.” Many a bourgeois economist has advocated it before the Fabian wiseacres. Even the aggressive Indian policy of die-hard Toryism has been tempered by these principles.

The cardinal point in the questionnaire to the sections was about their policy and tactics concerning the colonies. This was a very ticklish question, and much haggling centred around it in the Colonial Commission, which met behind closed doors. The Colonial as well as other resolutions of the Second International must be adjusted to the convenience of its leading sections working in close collaboration (governmental, parliamentary or ideological) with the bourgeoisie in their respective countries. For example, the resolution on disarmament and Rhineland evacuation had to be adjusted to the convenience of the French Socialist leaders working hand in hand with *Poincaré la guerre*. On the Colonial question it was necessary to see how far the British Labour Party could go without prejudicing its chances of riding into office on the high horse of a Liberal programme. Of course the parties of other imperialist countries had their say; but the views of the British Labour Party were decisive. MacDonald will not go farther than Baldwin (endorsement of the policy of intervention in China, support of the Simon Commission, condoning silence as regards Lord Lloyd’s *coup d’état* in Egypt, &c.), and the Second International cannot disavow MacDonald (Lord Olivier saw to that). The result is the Brussels resolution, which can be summarised in the few words of Virgil quoted at the head of this article.

That the Social Democratic apostles of “justice and fair play” (the threadbare doctrine of bourgeois liberalism) can, like the old Romans, uphold the mission of dominating other peoples with a firm hand, has been proved not only in the words of the

Brussels resolution, but in deed. The British Labour Party in office showed a remarkably firm hand to India and Egypt (it might be recollected that MacDonald sternly rejected Zaghul Pasha's proposal to submit the question of the Suez Canal to the League of Nations by which the Second International swears); and as His Majesty's Loyal Opposition endorses the principle that the fate of the people of India must be decided by the British Parliament, in which they are not represented. Through the Brussels resolution this frankly imperialist policy of the British Labour Party is endorsed by the entire Second International.

The recommendation of "complete independence" for a few subject countries, which, the Social Democratic professors of racial superiority arbitrarily assert, have passed the examination for the diploma of "higher culture," is an eye-wash. The fact that India is excluded from the list of graduates reveals the mockery of the whole thing. The Second International "demands complete independence and equality of treatment for China," following upon the footsteps of American imperialism, which, anxious to have the counter-revolutionary nationalist bourgeoisie under the wing of its protection to the exclusion of other imperialist Powers, had concluded a treaty with the Nanking Government on similar terms, a few days before the Brussels Congress of the Second International. Since, not only the Second International, but other imperialist Powers have declared their agreement with the noble principles under the cover of which American imperialism tries to beat its rivals in China.

On the first reading of the Brussels resolution one is bewildered by the fact that Syria and Iraq are considered more fit for "complete independence" than India. The reason, however, is obvious. In the League of Nations they will remain safe for imperialism. Besides, the Anglo-French colonial rivalry in the Near East must have influenced the solution of the question of mandated territories there. The recommendation of "complete independence" for Egypt becomes a vile mockery in view of the fact that the British Labour Party in office denied it. And this recommendation for "complete independence" of these countries is absolutely meaningless as the hostility of the Second International to the revolutionary anti-imperialist movement in the colonies is notorious.

This demand cannot be realised except by supporting unconditionally the revolt of the colonial peoples. Under the hypocritical pretext of pacifism the Second International is opposed to any revolutionary movement; therefore its recommendation of "complete independence" for this or that colonial country is absolutely of no practical value. It is meant to deceive the anti-imperialist workers at home and those reformists in the colonies who still have faith in the promises of liberal imperialism.

In conclusion, let us draw the attention of the Social Democratic believers of racial superiority to the facts in the territories inhabited by backward races who were oppressed by Russian imperialism until 1917. The intellectual and cultural progress made by the Khirgis, Tartars, Uzbeks, Turkomans, Mongolians and others in but a decade gives lie to the scientifically untenable theory that the backward races must have the protection and guidance of capitalist nations to come out into the light of civilisation. Compare the progress made by those people with that made by others in much longer time under the "civilising" domination of imperialism, and the real character of the colonial resolution of the Second International will be conclusively proved an endorsement of, apology for, and a frantic scheme for the perpetuation of, imperialism.

MONDISM AND THE RAILWAY SETTLEMENT

By S. PURKIS

THE acceptance of the wage-cut of $2\frac{1}{2}$ per cent. by all the railway unions is an event of importance : it marks the harvesting of the first fruits of Mondism by the owning class ; it records a significant decline in the British railway industry ; and it indicates that the struggle to retain existing wage-standards for railworkers will be, from now onwards, a revolutionary struggle.

"Peace" and Stagnation

Less than three years ago a frontal attack on railway workers' wages would have roused a stubborn opposition, and the intervening period has embittered rather than harmonised the relations between rank-and-file railway workers and the railway managements. The economies effected by the companies have been of a particularly exasperating character, affecting all grades. The permanent-way men have had long periods of short-time working ; and when employed economies over "look-out" men has made their dangerous job still more dangerous ; economies in locomotive staffs have led to a "de-grading" of drivers and consequently to loss of normal promotion to firemen and cleaners ; the "pilfering" of the normal promotions in the clerical grades has occasioned a considerable amount of stagnation and consequent unrest ; the worsened standards for the young workers taken on to the adult staff and the failure to transfer junior temporary workers to the permanent adult staff has also caused much discontent.

This general treatment of the railwaymen during the post-strike period, together with the numerous special cases of victimisation, has made the much-advertised goodwill between the Railway Managements and the Railway Trade Union Managements a thing utterly alien to the frame of mind of the railway

rank and file. The attitude of railwaymen is such that any body of owners who dare not face a long and bitter strike would do well to avoid a frontal attack on their wages and conditions.

A Case for Gradualism

The financial position as evidenced by the 1927 figures did not justify a frontal attack on wages : an increase in receipts of £1,250,000, and a reduction of £4,250,000 in working expenditure (of which £2,250,000 was "saved" on wages) did not justify the plea of poverty ; especially ludicrous does the contrast between the "well-paid" rail worker and the "suffering" shareholder become when it is realised that in 1927 *railway capital received more than 10s. for every 20s. paid in wages to railway workers* (two-thirds of whom get less than 60s. a week ; half of them less than 50s.).

It is clear that given a fighting lead the railway workers would have stubbornly resisted any such claims as those which the companies put out (in order to retreat from them) :—

Withdrawal of the whole of the remaining war bonus.

Cancellation of the payments for night work, Sunday work and overtime.

Abolition of the guaranteed day and week.

The discussion of the case for such claims at the Central and National Wages Boards, and a strong lead against them, would have roused railway workers to put forward the drastic demands which the present railway position necessitates. So steps were taken to secure the maximum of wage reductions with the minimum of opposition.

Mondism and the Instalment Plan

The miners' struggle has taught the owning class many lessons : it has made it clear that the "local" leadership as well as the "national" trade union leadership must be won for class-collaboration. The Mansion House Railway "Peace in Industry" gathering arranged by Sir Rowland Blades (now Lord Ebbisham) ; the carefully arranged conferences of rail workers and railway management subsequently held in many districts to produce an atmosphere of "our industry" : the Unions' Campaign for the Companies' "Road Powers Bill"—all these produced the atmo-

sphere dear to Reformist Trade Union leaders: that in which they force opportunities for self-sacrifice upon their members. Of the Rail Union leaders it is true to say "They do not sell their men—they give them away."

Sir Felix Pole, of the Great Western Railway, made an appeal on the eve of the N.U.R. A.G.M. (just as Baldwin on the eve of the Edinboro' T.U.C. made an appeal which found an echo in the heart of Hicks). Pole proclaimed the serious position of the Companies and the need for "sacrifice." "Sacrifice" was the magic word; it echoed in the heart of Thomas, who took it up with such effect that railwaymen knew before their representatives met the management that they were "to make sacrifices equally with the other side to solve the problem."

Never have wage-increase negotiations been conducted with such indecent haste as this for wage-decrease. The International Transport Workers' Federation Conference was a difficulty; the difficulty was dealt with. An indiscretion of Thomas's "created an awkward situation for the A.S.L.E.F. and the R.C.A."; a fresh understanding was speedily arrived at and the negotiations were continued (*Railway Service Journal*, August, 1928). A mass of figures was presented by the Companies to the bewildered T.U. Executives ("all the cards on the table" J. H. Thomas calls it); all undigested they were swallowed, while Bromley (who has a restless Executive) indulged in the amateur theatricals of breaking off negotiations but keeping well in touch all the time with Thomas, Cramp and Walkden; the business was rushed on. Most of the shopmen are covered by various craft Unions; so anxious were the Railway Union Leaders to effect the reductions the companies desired that they could not await the time till they could consult their fellow T.U. Leaders: Bromley was brought back to the negotiations. The original terms were rejected according to plan; the 5 per cent. cut was discussed; the "magnificent negotiating machinery" so dear to the heart of Thomas, Walkden, Bromley & Co., was not appealed to; "equality of sacrifice" was agreed upon (£3,000,000 from Railway Workers; £2,700 from Railway Directors; unspecified sacrifice from shareholders): and the General Managers informed their Boards of Directors "that 2½ per cent. was all they could expect for the moment."

The T.U. Leaders then reported back to their members what they had agreed with the Railway Managements and recommended it to them for acceptance. Wherever Railway Trade Union Leaders and the majority of Railway E.C. men spoke they did so as the apologists of the Railway Companies, urging reductions from workers' wages to make up owners' dividends.

The charge against Mondism is that it sets to work to make the Trade Unions a part of the machinery of Capitalism : every Railway T.U. Branch room has found its national and local officials engaged in the amazing task of urging trade unionists to accept wage-reductions *to keep dividends up and to maintain the price of railway stock above Trustee Level.* These recent negotiations have been in method and in result a triumph of Mondism. So tied to the owning class is the T.U. bureaucracy that it comes forward with its slogan : " Equality of Sacrifice among all workers, that Railway Profits may be kept near to the maximum net profit permitted by the Railway Act of 1921."

Is Mondism Unchallenged ?

To conclude without considering the elements hostile to Mondism would be unduly pessimistic. Information from all districts indicates amazement among the keen trade unionists that their local and national leadership should be presenting to them " The Case for the Boss " : this amazement found its expression in the close voting and the indignation at the A.S.L.E.F. Executive ; in the character of the questions at the mass meetings addressed by Thomas ; in the storm of questions to Walkden at even the R.C.A. Conference ; and in the embittered feeling among the shopmen who are organised in the craft Unions. This amazement at the line taken by the national and local leadership, in the disturbed times which await railwaymen, can soon be transformed into an intelligent determination to get a new leadership and a fighting policy.

A Red Light for Mondites

The Shopmen's question almost held up the ratification of this " Arrangement between the Railway Companies and Unions," and it may yet lead to important consequences. Despite the many appeals to all rail workers to sacrifice $2\frac{1}{2}$ per cent. and " get the

shopmen back into their jobs," the "Arrangement" states in Clause 3 that where sufficient work is available normal full time working shall be restored in the shops, *but*

"Where at any establishment at any time sufficient work is not available and full-time working would necessitate extensive dismissals, it is agreed that, as an alternative to full-time working and to *minimise* such *extensive* dismissals, the company may book off the employees on Saturday mornings."

This clause points to "extensive dismissals" awaiting shopmen: when those dismissals take place a number of disillusioned railway workers will want to have a more detailed explanation from their leaders of the reason why their "sacrifice" "in the interest of shopmen has not saved them from "extensive dismissals, minimised." The shopmen's question is the danger signal for the Mondites.

Danger Ahead?

The railway crisis is just developing. With amazing speed the railway financial position has deteriorated. It seems that the rapid deterioration of the Railway Companies' financial position is fundamental and that the British railways which rose with heavy industry are falling with heavy industry. Can railway finance save itself by the formation of a Transport Trust? What part will road and rail workers play as this question comes to the fore? These questions will be dealt with in a further article.

JAPAN'S MOVE FORWARD¹

By W. N. EWER

TANAKA'S first move was dictated by a double motive. The Southerners, still full of confidence in their own strength, had to be sharply reminded that if Japan opposed them they were powerless. Chang Tso-lin had to be taught that his own safety was dependent upon Japanese support, and that he must pay for it whatever price Japan chose to demand.

The dispatch of troops to Shantung served a dual purpose. Sent ostensibly "as an unavoidable measure of self-defence," they were really thrust between the contending parties. When the occupation of Tsingtao proved an inadequate warning and Chiang Kai-shek's troops continued to move forward, reinforcements were sent and a brigade was pushed up the Shantung railway to Tsinan, where, astride the Tientsin-Pukow line, it effectively barred any further advance.

The effect was immediate. Chiang's armies fell back to the Yangtse; the Nanking Government, divided between those who, like Chiang himself, were now entirely under Japanese influence, and those who wished to launch an anti-Japanese boycott and to adopt a definitely anti-Japanese policy, fell to pieces after a futile protest; Chiang himself resigned and left the country.

The intervention had successfully stayed the Nationalist advance. Chang Tso-lin had been saved. Now was the moment to present the bill. Meanwhile the troops, having done their job, were withdrawn. There had been strong opposition in Japan itself to the expedition, and Tanaka, with an election pending, was anxious to conciliate public opinion when he could do so without hampering his policy. But lest the gesture should be misunderstood in China, he announced that—

in case peace and order are disturbed in future, not only in Shantung, but in any part of China where many Japanese reside, and it is feared that their safety may be affected, the Japanese Government may be constrained to take such self-defensive steps as circumstances require.

¹ Continued from *LABOUR MONTHLY*, August, 1928.

That applied to China proper. A far more definite attitude was adopted in the case of Manchuria. At a special conference summoned to consider the situation, and attended by the heads of the Admiralty and War Office, the Governor and Commander-in-Chief of Kwantung (Port Arthur), the Minister to Peking and the Consuls-General at Mukden and Shanghai, Tanaka laid down the principles on which he intended to insist.

Japan held a special position in Manchuria and Eastern Inner Mongolia because of their importance to "her national defence and her national existence." She would herself assume responsibility for the maintenance of peace and for their economic development. Should Japan's "special position and rights and interests" be threatened—

We must be determined to defend them, no matter whence the menace comes.

The announcement of the new policy was followed by action. The President of the South Manchurian Railway, who had regarded himself as a business man whose job was to make money instead of as a political agent whose job was to make an empire, was removed, and a prominent expansionist put in his place, with increased powers and with instructions which can be deduced from his own declaration that "the South Manchurian Railway has a far more important mission than its merely business one."

And on August 24, ten days after Chiang Kai-shek's resignation, Mr. Yashida, the Consul-General at Mukden, handed to Chang Tso-lin's representative a schedule of Japanese demands.

They required:—

- (i) That Japanese subjects should be allowed to lease land in Manchuria—a revival of one of the Twenty-one Demands.
- (ii) That the construction of Chinese railways—other than those connected with, and virtually controlled by, the South Manchurian Railway—should cease immediately.
- (iii) That Japan should be given immediately further railway concessions.
- (iv) That additional Japanese consulates should be opened.
- (v) That the Mukden Government should cease to collect the new "Washington surtax" and other new taxes.

They were not, for the moment, far-reaching demands Chang would probably have readily agreed to them—though

the prohibition of new taxes and the veto on the building of new railways (a fruitful source of graft) would have been a blow. But the moment that the demands became public there was a storm of popular anger. (The population of Manchuria, it should be noted, is almost entirely Chinese. The Manchus are a small minority, in the country which bears their name.) A boycott was organised. The Mukden crowd broke the windows of all Japanese shops.

Yashizawa, the Japanese Minister in Peking, was instructed to make strong representations to Chang Tso-lin, and to back the representations with a threat of troops. But it was simultaneously announced that the demands were not in the nature of an ultimatum but were only put forward for discussion. Once again Tokio showed itself skilful in yielding.

On the fortunes of Chang Tso-lin the incident had decisive effect. Rightly or wrongly the Japanese suspected him of having encouraged—if not of having organised—the disturbances. The Manchurian Japanese were already incensed against him. And indeed conflict was inevitable, for Chang was too strong, too ambitious, and too avid of power to be a complacent tool. He had shown himself unable and unwilling to coerce his own subjects in the interests of Japan. That decided his fate. Tanaka again began to look towards Nanking.

The anti-Japanese element was defeated after a sharp struggle on the tax question. A new government was formed in September. Chiang Kai-shek returned from voluntary exile and resumed command of the army in December. A new offensive, with Japanese approval, was prepared.

Meanwhile the quarrel with Chang had grown sharper. Chang, realising that he could no longer count on Japanese support, had decided to turn Nationalist, to take the lead himself of the anti-foreign, and particularly of the anti-Japanese, movement. He issued, through Yang, his chief-of-staff, a vigorous protest against the proposed Morgan loan to the South Manchurian Railway. He began to make overtures to Nanking.

It was too late. The Morgan loan was indeed blocked, though rather by the State Department than by Chang. But Nanking, under Chiang Kai-shek and the pro-Japanese Huang-fu

rejected his advances. In March the new Southern offensive started.

On April 10 Chiang's troops crossed the border from Kiangsu into Shantung. At once, as a year before, Japanese troops were landed at Tsingtao and hurried up the rail to Tsinan. But this time they were not sent to stop the Southern advance. They were sent because the moment had to be seized. If all went according to plan, if the Nationalists marched successfully to Peking and overthrew Chang Tso-lin, then the only excuse for intervention in Shantung would come while the Southern armies were marching through the province. The risk of opposition at home must be run. And in any event the elections were over, and Tanaka, though by a tiny majority and by the sacrifice of one of his chief colleagues, still in power.

That the occupation of Tsinan and the railway line was carried out with the secret connivance of Chiang Kai-shek seems pretty certain. The Nanking Government, it is true, issued the usual protest. It dared not do otherwise, for the landing of the troops had been followed by an angry anti-Japanese outburst among its own supporters. But Chiang's movements seem conclusive. His troops—a force of Kansu cavalry detached from Feng Yu-hsiang's army—had galloped unopposed into Tsinanfu on April 22. They were hastily withdrawn, and the Southern army waited for a week outside the city, which they could have entered at any moment. Not until the Japanese had arrived did Chiang allow his troops to move forward and occupy the city.

The sequel is still obscure. Whether the Japanese deliberately provoked trouble, or whether they merely seized the opportunity which a spontaneous clash afforded still is—and may always be—impossible to determine. But the opportunity, whether created or spontaneous, was promptly seized. Japanese public opinion was excited by stories of nameless atrocities. Britain and America were persuaded that the "restoration of order" was essential, as well for the safety of their own as for that of Japanese citizens. The Chinese were forced to withdraw from Tsinan and from the railway. The city was bombarded and taken by storm, with ruthless slaughter of its crowded population. Demands were formulated for apologies and punishments. And a zone of seven

miles along the whole line from Tsinan to Tsingtao was occupied and declared to be, for an indefinite period, under Japanese protection and control. At a blow Japan had re-established herself in the position in Shantung which she had occupied during the war and from which she had been evicted at the Washington Conference.

Nor—it is significant to note—did Chiang Kai-shek and his colleagues offer any resistance. They filed the necessary formal protest. But they did their utmost to check and suppress the outburst of popular indignation. “I propose,” said Chiang Kai-shek in a manifesto, “to expose the deliberate brutality of the Japanese. But first we must continue the Northern expedition.” “This is no time to declare war against the Imperialists,” said Tan Yen-kai, chairman of the Council of the Nationalist Government; “we must devote our entire energy to completing the revolution.” It was the familiar tactics. They pretended to lead the protest movement in order to sabotage it. “On to Peking” was the pretext for not quarrelling with the Japanese.

They went “on to Peking.” The whole ensuing farce was carefully stage-managed. The Nationalist armies moved forward to Tientsin. There again, as at Tsinan, they halted outside the city, though every canon of strategy urged them to seize the railway junction, cut Chang Tso-lin off from his Manchurian base, and end the war at a blow. They hung about until the Japanese had arranged the withdrawal of Chang and his armies. Then, on a word from Tokio, they moved forward again. Never in the history of warfare was so ludicrous a situation. The climax of the civil war had come. And when it came it found both sides alike moving under the orders of the same foreign Power. Chang’s retreat, Chiang’s advance were both controlled at every step from Tokio.

Tanaka had re-established himself in Shantung; he had made sure of Peking. It remained to seize the opportunity to consolidate Japan’s position in Manchuria. The retreat of Chang gave that opportunity. The moment that it had been arranged a Memorandum was sent to North and South alike, declaring that—
should the situation become so menacing as to threaten peace and order in Manchuria, Japan may be constrained to take appropriate and effective steps to check disturbances.

To give effect to the declaration, reinforcements were hurried to Manchuria. For the Tokio Government, for all that it had both Chang and Chiang in its pocket, was taking no risks.

Chang's armies retreated from Peking, while Chiang waited idly outside Tientsin until they had got clear away and he was given the word from Tokio to advance. And then came the next dramatic incident—the bombing of Chang Tso-lin's train, and the killing of Chang himself. Again it is impossible to fix responsibility. But the bomb exploded as his train was passing under a bridge guarded by Japanese troops. Evidence is in hopeless conflict as to whether it was on the train itself or on the bridge. All that one can say is that the death of Chang at that moment was of no particular advantage to the Chinese Nationalists, of enormous advantage to the Japanese. Flung back into Manchuria, deprived of all hope of power in Peking, he would inevitably have thrown all his energy into the struggle for control of his own provinces. He would have attempted to free himself—and Manchuria—from Japanese control. And he was a strong man, an enemy to be reckoned with. Just at the moment when he might have become really troublesome or even dangerous, he was killed.

And with the passing of Chang Tso-lin Japanese control of Manchuria became complete. The death was hushed up until his weak and incompetent son, Chang Hsueh-liang could be installed as Tupan in his stead. Chang Hsueh-liang did not apparently grasp the situation. He toyed with the idea of proclaiming Manchuria's allegiance to the Nationalist Government, of hoisting the Nationalist flag in Mukden. He actually opened negotiations with the Nanking Government. At once came a sharp reminder. The Japanese Legation in Peking announced that he had not yet been recognised, that he would only be recognised "upon certain conditions." Mr. Hayashi, the Consul-General in Mukden, "advised" him to break off negotiations. And he obeyed. That trial of strength was decisive. It established definitely that the Manchurian Government under Chang Hsueh-liang is under complete Japanese control. It established equally definitely that Manchuria is not to be brought into union with China. There will be no formal declaration of independence;

for that is precluded by the Washington Convention. Formally Manchuria will remain part of the Chinese Republic—just as Egypt remained formally a part of the Turkish Empire until 1914. Chang, or his successors, will “rule” in Mukden as Mehemet Tewfik and his successors “ruled” in Cairo. And Mr. Hayashi, and *his* successors will “advise” them, as Lord Cromer and his successors “advised” the Khedives.

The game—so far as Manchuria is concerned—is complete. The murder of Chang was the last move. In all but name Manchuria is a Japanese province. The Washington Convention has become a farce.

In Shantung Japan holds the capital, the chief port, the chief railway. Her troops are to be retained there “as long as necessary.”

Two of her objectives she has secured. The retreat of 1922 has been counterbalanced by a new advance. She has secured at last, though under a disguise, her war aims of 1895, of 1904, of 1914.

But the third and the biggest prize of all—the control of China itself—is still to be won. To have bought Chiang Kai-shek is one thing. But such purchases are not permanent. And there are other dealers in the market. The dollar is as acceptable as the yen. The Kellogg Note of July is a declaration of diplomatic war. America is preparing to outbid Japan for the “friendship” of the Nationalist Government.

So a new phase opens—a new struggle of which it is impossible to predict the upshot. For it is not a “straight” but a three-cornered fight. There is a third party in the field—the workers and peasants of China itself. Japan and America may contend for the bearskin; but the bear itself may with unexpected suddenness and vigour take a hand in the proceedings and upset all the ingenious plans both of Washington and of Tokio.

RATIONALISATION AND BRITISH INDUSTRY—VI¹

By T. H. WINTRINGHAM

ALL the contributors to this series have noted that rationalisation is a process which is continually going on in various ways during any normal phase of capitalist development. The question at issue is not the existence of this process in Britain, but the rate at which it is occurring in relation to world production and the world market. What we may call "effective rationalisation" implies an extension and speeding up of the process relative to the progress continually being made by Britain's competitors; and this extension and speeding up must be so considerable as to enable British industry—in Varga's words—"to regain its position on the world market and earn an average rate of profit on its industrial capital."

Is "effective rationalisation" possible in the next few years in Britain? No. There are two principal reasons why it is not possible: one is that British capitalism cannot mobilise for this purpose the capital resources needed for a thorough overhauling of its industrial equipment; the other is that the resistance of the British workers to the increased exploitation necessary has proved and is proving too strong.

These two reasons are intimately connected: because British capitalism has not succeeded, despite great efforts, in reducing wages, increasing hours, and speeding up the workers (except at a great and ruinous cost in struggles) the main basic industries show a low rate of profit and have diminishing markets. Because of the low rate of profit, the capital that there is available goes into foreign investments or the luxury industries.

Certain forms of rationalisation can take place without great capital outlay. Certain forms can also take place without any

¹ Previous contributions to this discussion appeared in the *LABOUR MONTHLY* from E. Varga (April, 1928), J. R. Campbell, Emile Burns (May, 1928), H. Rathbone (June, 1928), and Maurice Dobb (July, 1928).

considerable worsening of the conditions of the workers. These forms are actually the typical present forms of rationalisation that are being carried out to some extent in Britain. As Burns points out, they are mainly in restraint of trade ; they do not lead to a boom ; even if extended they could not be considered as "effective rationalisation." Dobb considers them likely to be "hardly sufficient to arrest even temporarily the tendencies of decline."

The only forms of rationalisation known to us as having been "effective" have involved a large outlay of capital and a considerable worsening of the conditions of the workers. In Germany the workers were brought to a very low level of conditions and wages during the inflation period, and then American capital was made available (owing to the high rate of profit to be made by exploiting workers thus driven down). In the U.S.A. capital was also, of course, available in almost unlimited quantities ; the attack on the workers took the special form of speeding up.

That this speeding up represents an attack on the workers comparable to heavy wage cuts or a drastic extension in hours is not generally realised in Europe, and a digression is necessary to show its effects. Only an example can be given : the accident rate. There are, of course, many other effects of equal importance.

In Britain in 1924 the number of cases of fatal accidents per 1,000 employed was 0.4 ; in the U.S.A. 3.51. Non-fatal accidents were 63.8 per 1,000 in Britain and 278.04 in the U.S.A.¹ During the period of rationalisation in the U.S. the accident rate was continually rising. The fatalities in coal mines were 3.94 per 1,000 in the U.S.A. in 1918 and 4.27 in 1919 (the comparable British figures are 1.39 and 0.94). In 1923 the fatal accidents in metal mines were 3.01 per 1,000 ; in 1924 they were 3.51 ; while the non-fatal accidents increased from 275.41 per 1,000 to 278.04. Next year there was a decrease in fatal accidents but a considerable increase in the number of non-fatal accidents (*Labour*

¹The figures for Britain are for the workers covered by the Workmen's Compensation Acts ; for America they are taken from returns made voluntarily by a large number of firms. The official American *Labour Review* says of these : "Since the majority of companies from which data were secured are more or less actively engaged in accident prevention it can be assumed that the rates for the U.S. as a whole are higher."—(*Labour Review*, November, 1926.)

Review, March, 1927). The *Labour Review* for August, 1926, reports that accidents were on the increase in every industry except iron and steel ; it also notes that the increase in accidents corresponds with the increase in the production per man-hour. The intense, nerve-wracking, exhausting toil of the American factory can be judged by these few figures showing the number of those who are so dizzied by weariness that they fall victims to the machines they tend.

In America as in Germany, then, rationalisation occurred mainly by means of the worsening of the conditions of the workers. (The unparalleled duration, extent and degree of success achieved by American rationalisation—which has been effective as against almost all competitors in almost all markets since the end of the war—is partly due to the better effect on the home market of speeding up as a method of increasing the rate of surplus value, as compared with cutting wages. America's rationalisation was of the enlightened I.L.P. type advocated in "Labour" propaganda to-day; it was none the less directly at the expense of the workers.)

We can conclude from these two historical examples of America and Germany that effective rationalisation in Britain, if it is to occur at all, must take place after, or at any rate together with, a general worsening of the conditions of the British working class. This worsening of conditions may take place by means of wage-cuts, extension of hours, or speeding up.

All these have been attempted by the employers during the past six years. And the attempts have been in the main successful. But the struggles have been so costly and so slow that the "benefits" won by British industry in this way have not counterbalanced the tendencies of decline.

Varga deliberately excludes from his consideration of the rationalisation of British industry the possibility of a "general resistance on the part of the working class to the intensified exploitation which is inseparable from rationalisation." "Whether this will occur," he says "is a question which we shall not discuss here." He does, however, proceed to discuss it at the end of his article—somewhat summarily. "Determined and successful opposition" (by the workers to rationalisation) is, he says, "not

very probable after the severe defeat of the British working class and the treacherous acts of the reformist leaders." This is completely incorrect, since it omits the fact that determined resistance has actually been put up, and (in spite of its leading to severe defeats and a plentiful crop of treacherous acts) this resistance has so shaken the structure of British capitalism that effective rationalisation has been objectively impossible.

Campbell, in the second article in the series, does not deal with working-class resistance except as a duty of the Labour movement. Burns, however, sees that "the factors of the class struggle at home and of the colonial struggle are too lightly treated by Varga . . . there is a widespread 'leftward' movement among the rank and file against industrial peace. . . . British capitalist policy is also made indecisive by the constant dangers of revolt in China, India, and Egypt . . . these are real obstacles to rationalisation."

Rathbone and Dobb do not deal with the question of working-class resistance to rationalisation. This article may, therefore, well be restricted to that aspect of the question of rationalisation, since it is an aspect which is of first-rate importance.

We can only deal, in the present article, with certain of the past struggles of the British workers as examples of their resistance to rationalisation. The question of how to continue that resistance during the present period (which is not one of "treacherous acts" by reformist leaders but one in which the whole machinery of the T.U.C., of most of the individual unions and of the Labour Party has been mobilised to break down the workers' resistance to the will of their employers) needs a further article. So does the question of the effect of the colonial struggles.

The general strike and the miners' struggle were very definitely efforts to resist rationalisation. Both these efforts were in fact defeated; but the capitalists won their victories at so high a cost that they could not carry out effective rationalisation!

The solidity of the resistance of the workers in July, 1925, surprised even those who organised it. The capitalist state had not then made sufficient preparations for a general stoppage, and sections of the capitalist class were unwilling to take risks in support of coal-owners who had shown themselves incapable of using a previous heavy cut in wages to secure rationalisation. *The Times*

wrote that the coal-owners must withdraw their notices (leading article of July 29, 1925, two days before "Red Friday").

The Samuel Commission was appointed to work out a complete scheme of rationalisation for the industry. Its report advocated immediate steps towards amalgamation (including State pressure on firms unwilling to amalgamate), close association with other industries (*i.e.*, "vertical combinations"), electrification, pooling of transport and sales resources, a double-shift system at the more profitable pits, and lower wages. And on this one point of lower wages the fight came.

In the final critical negotiations before the general strike, the wages question was the only real issue. On this point even the last-minute attempts of the T.U.C. could not get the miners to shift. So the Government, having now made all its preparations, declared war. Why? Because this point—the reduction of wages—was for British capitalism the first and most vital point. It was the essential pre-requisite for effective rationalisation.

The reduction of wages was achieved, and also an extension of hours. But these gains for capitalism have not made up for the ground lost during and because of the struggle. The output and export figures prove this.

COAL INDUSTRY, GREAT BRITAIN.

Average per quarter in million tons.

			<i>Output</i>	<i>Export</i>	<i>Bunkers</i>
1913	..	..	71.8	18.3	5.2
1924	..	..	66.8	15.4	4.4
1925	..	..	60.8	12.7	4.1
1927	..	..	63.8	12.8	4.2
1928 (First quarter)			61.8	12.0	4.0

Since the miners' struggle, in spite of the reduction in wages, the speeding up, the longer hours, some county "cartels" and the increased use in machinery, no "effective" rationalisation has taken place in the coal industry. That the figures prove. And the reason for this is that the opposition of the workers has been too great.

Just as the circumstances of the beginning of the general strike show with perfect clearness that effective rationalisation is, for Britain, dependent on wage cuts, so the end of the strike showed clearly the strength of the British workers' opposition to such cuts.

After the strike had been proclaimed settled railwaymen went to their depôts. There they found posted notices imposing savage conditions for reinstatement. They did not go in to work, or if they went in they soon came out again on receipt of telegrams from the unions ordering them to remain on strike until re-engagement terms were settled.

This was general throughout industry in the forty-eight hours after the strike was called off on the Wednesday morning. It was not until the next Monday evening that the London papers could resume normal publication ; and their trouble was with their men.

The Government had to appeal for forgiveness by the employers, and some of the original terms proposed for return to work had to be modified in favour of the men. The Government had been staggered by the strength and solidity of the strike, and could not face further struggle until the miners were beaten. For the remainder of 1926 the stubborn resistance of the miners held up practically all wage cuts in other industries.

On a smaller scale the Stalybridge strike shows the resistance that is being put up to extension of hours. No official trade union lead was given, but Communists were at the gates of the mills affected at 5.45 a.m. to start the picketing, and the strike was a success. The working class showed itself able to resist.

The generosity of Mr. Thomas with the wages of the railwaymen may be taken to show that resistance will be less now that the period of " Mondism " has begun. A cut of $2\frac{1}{4}$ per cent., when the railways need more than that, not to rationalise their equipment but even to keep their profits at their present fairly low level, cannot be taken to show that " Mondism " will succeed where previous efforts of the same sort failed.

The significance of " Mondism " should mainly be looked for in another field. Its first achievement was to secure the support of the trade union movement for the demand for inflation of the currency made by a section of the industrial capitalists (Memorandum on Banking Policy, &c.). This was treated with what amounts to contemptuous silence by the ruling finance-capitalists and their Parliamentary spokesmen. The present aim of the Mond Conference is to reduce the losses to capitalism caused by industrial struggles. This effort to reduce losses neither implies an actual

truce in which no reductions are to be attempted, nor a general attack on a large scale from behind the smoke-screen of "Peace in Industry." An actual truce is impossible because various industries will need their 2½ per cent. cuts ; a general attack is unlikely during the period of Mondism because it implies the possibility of the workers sacking the present trade union leadership, and carrying out unofficial struggles none the less costly because only partially organised. How real the will to struggle is, even amongst those worst defeated, is shown by the miners : the putters' strike in the Tyneside and the events in Scotland. It is noteworthy, in regard to the latter, that W. Allan, the leader of the Left Wing in Scotland, wrote in the *Sunday Worker* for August 12 that the Ayrshire Miners' Union was "a pocket borough of the reactionary officials"; next day came the news that this county union had voted by a majority for the sacking of the Right Wing leaders. The feeling of the masses of the miners is going to the Left faster than is always realised.

In these circumstances Mondism should not be considered mainly a means by which the opposition to rationalisation can be broken through (although the next main feature of it to appear may be an attempt to put through drastic speeding up on the American model). It should be looked upon mainly as preparation for British imperialism's alternative to rationalisation—war.

To sum up, we may say that the resistance of the British workers has up to the present made effective rationalisation impossible. The industrial capitalists of Britain who need urgently some "way out" of the present depression have three alternatives—ruin by stagnation, ruinous economic losses and political risks by further heavy attacks on the workers' conditions (direct or by inflation), or the more immediate and desperate risks of war. The business of Socialists is, therefore, to see that war is fought now and in the future as fiercely as wage-cuts have been, and that if inflation occurs the workers find expression for their will to fight against this way of reducing their real wages—meanwhile carrying on and strengthening the struggle against increased exploitation wherever possible, along the lines that may have brought "defeats" for the workers, but have also weakened and shaken the capitalist class.

The World of Labour

INDIA : The Lillooah Railway Strike	572
U.S.A. : The Betrayal of the Miners' Strike	575

INDIA

The Lillooah Railway Strike

FOR five months the workers of Lillooah carried on a bitter struggle against their employers, the railway authorities and one or two private firms of engineers. The dispute had its origin with the refusal of the Agent of the State-owned railways to discuss the following demands put forward by the workers at Lillooah early in January, 1928 :—

- (1) Recognition of the Union by the Agent.
- (2) All-round increases of 25 per cent. in wages, with a minimum wage equal to the prevailing rates paid at Lucknow and Lahore workshops, of Rs. 30 per month (the rate paid was as low as Rs. 9 to Rs. 15 for unskilled workers).
- (3) Free quarters or allowances, &c.

Promises were made by the Agent to investigate the grievances, but no reply was received for over six weeks.

On February 10 two workers were dismissed on flimsy charges. The workers sent in a petition to the Agent, demanding their reinstatement, which was refused. On March 3 four more were discharged, and again demands for reinstatement of the six and the fulfilment of the original demands were made. The Agent reinstated four and agreed to recognise the Union, but refused the other demands.

By now the workers were exasperated by the trickery of the Agent, and resorted to a stay-in strike on March 7, in which about 700 took part. In retaliation the Agent ordered a general lock-out, to apply to the whole centre, and 14,000 workers were immediately involved.

The Union now demanded, in addition to the demands mentioned, that all dismissed workers must be reinstated at once and lock-out wages paid. The Agent turned down these demands and refused to meet a deputation of the workers on March 11.

Meetings were held invoking the support of all workers in the other centres, and by March 19 about 500 men from the block signal and 400 of the Howrah store departments joined forces. Armed police were called in and posted at every vantage point. The strikers were soon joined by other sections in the railway depot, including about 300 at Bamangachi.

On March 28 a special deputation of twenty from the strikers were sent to the Agent urging him to reconsider his decision concerning the lock-out, and on his definite refusal a mass meeting was called at Bamangachi, a suburb of Lillooah, to consider further steps to be taken.

While returning from the meeting the workers were prevented from crossing the Bamangachi railway bridge—the only way to return to their homes—by police strengthened by Gurkha soldiers and European employees of the railways, who were armed. As soon as the strikers reached the bridge the police opened fire upon them, and as a result four were killed and over thirty wounded.>

This incident evoked considerable resentment, which took the form of additions to the number of strikers, such as the stoppage in Burns & Co., Joseph & Co., and the Bankra workshop of Martin & Co., resolutions of protest from the tramwaymen of Calcutta and from various national bodies, and a scathing indictment from the Nationalist Press. Further, a widespread demand was made for a general strike on the whole line.

The more serious the situation became the more callous was the police repression. Gagging orders were passed, and the promulgation of Section 144, Indian Penal Code, which practically amounts to a declaration of martial law, with the object of breaking the strike by any means possible.

A Bulletin issued by Mitra, the secretary of the E.I. Railway Union, states that blacklegs were recruited, but with no success, and that the authorities had employed about twenty-five persons "with high remuneration, to preach reactionary ideas to the workers on strike." On May 4 the workers sent a petition to the Agent asking him to make an honourable settlement, and to feed the strikers until agreement, and also a conference was held between workers' representatives and two representatives of the railway authorities. A reply was given on behalf of the authorities, by the district magistrate, that the first request could not be dealt with by the Committee, but would be forwarded to the authorities, and that the second was entirely refused, and that if the strikers would send in voluntary resignations they would be given the arrears of pay. This meant that they would be considered as dismissed.

The following day the postal authorities intervened in the struggle. A cablegram to European Labour organisations was held back in the post as it was considered objectionable. It was an appeal for funds to carry on the struggle.

A retreat had already been begun by the officials of the Union, as witness the criticism made by *Ganavani*, the organ of the Workers' and Peasants' Party. This paper states in its issue of June 21 that :—

they had not said anything against K. C. Mitra, the secretary of the Union, before, because it would have hampered the progress of the strike ; but had to criticise his approach to the Agent of the railways. . . . The way he was prepared to surrender was nothing but suicidal to the interests not only of the strikers, but to the whole of the working class of India. . . . The authorities were faced with a real crisis. . . .

[The modified demands put forward on May 9 were as follows :—

- (1) Reinstatement of the two dismissed workers, or an open inquiry.
- (2) Minimum wages of Rs. 16 per month.
- (3) General increment of 10 per cent. in wages.
- (4) Provision of quarters or allowance at 20 per cent. of wages.
- (5) Demand for Sunday and other public holidays.
- (6) Recognition of Union, passes and special leave, rooms for use of officials in railway offices free of rent.

- (7) Ten days' time to be given for resumption of work.
- (8) One month's pay as loan.
- (9) Lock-out wages left for further discussion.
- (10) No victimisation.

[The Agent definitely refused the demands, except that his meeting the Union representatives meant the recognition of the Union, and he promised that no victimisation would take place.]

The activity of the strike breakers developed. Free fights with the police, who charged groups of strikers, happened on May 10, in which about forty workers were injured, and prohibition of public assemblies was ordered. All this merely resulted in increased activity on the part of the strikers. Picketing was carried on with greater intensity, and by May 25 about 600 workers at the Ondal works struck in sympathy, and strikes broke out at Asansol. As at Lillooah, police and soldiery were drafted in, and hundreds of Gurkha soldiers, fully armed, guarded the works at these places, with Captain Christie, who was responsible for the shootings at the beginning of the strike, in charge.

[On June 1 a Government communiqué was sent giving *carte blanche* to the Agent and demanding of the strikers an unconditional surrender, and complete approval of the Agent's demand that there should be no concessions as an inducement to resume work was given by the Government and the Railway Board.

The strike was intensified at Asansol, when, on June 12, the menial staff struck, and young lads from the High School, who were on holidays, were recruited to act as blacklegs. An ultimatum was issued by the Agent that if the workers at Asansol did not resume work by the 19th, all would be dismissed; but on that day only six turned up—under police escort. The strikers were served with notices to quit their quarters, and on one occasion the magistrate of Burdwan with about 150 armed police entered their quarters and strewed the roads with the chattels and stores of the workers, smashing the locks on the doors to obtain admission.

Burns & Co. tried to induce the workers to return by publishing leaflets, but the workers gathered them all together and made a bonfire of them before the Union offices. Reports of the failure of the strike were circulated by the Press, but repudiated by the strikers' leaders. Assaults became more frequent by the end of June and arrests more numerous, but, although the number of workers resuming work increased gradually in Lillooah, at Asansol the strike was only really beginning.

< On July 7 a wire was received from Bombay requesting the strikers to carry on pending the Bombay conference of the All India Railway Federation Conference, where the question of a general strike was to be discussed, but by the 9th Mitra, speaking at a meeting at Lillooah, stated that he was expecting a reply from the Agent. On July 11, at a mass meeting, Mitra advised the workers to resume work unconditionally as the Agent had promised to consider their grievances if they resumed work, winding up with the rhetorical flourish :—

Let the public know that it is not a surrender or an end of the strike, but a mere truce in the fight in order to enable the men to recoup and prepare for the next.

By the 10th 5,000 had resumed work, but a large number were refused admittance—victimised, while about 172 cases were pending against the strikers on charges of rioting and disorderly behaviour, &c.

UNITED STATES

The Betrayal of the Miners' Strike

THE history of the fifteen months strike of the American miners, which started in April, 1927, is a terrible story of an heroic struggle against hunger, eviction, police and military attack, and, worst of all, betrayal and sabotage by the United Mine Workers' Union, under the control of the Lewis machine. This process of defeating the miners' struggle and disrupting the Union has been carried a step further by the definite calling off of the strike by Lewis and his International Policy Committee on July 19.

In May, 1927,¹ 35,000 miners of Ohio, Pennsylvania, Illinois, Indiana and Kansas came out on strike in defence of the Jacksonville scale of wages. Six months later Lewis signed a separate agreement for Illinois, by which the scale was to be maintained there until April, 1928, and agreements for Indiana and Kansas were made shortly afterwards. Ohio and Pennsylvania were left to fight alone.

In April, 1928, when their agreement came to an end the Illinois miners came out on strike again. From the beginning it was clear that Lewis was determined to break this strike. The first move was made by the executive board of District No. 12, which on June 11 passed a resolution calling on the International Policy Committee, the Lewis executive, to consider a new wage scale for Illinois. As this met with no support from the miners, and left the District executive too much isolated, they began to work in a slower and more complicated manner. One after another four locals, or those portions of them still recognising Lewis, passed resolutions demanding that the policy committee consider "demands" from the Illinois miners for a wage cut.

This prepared the way for Lewis, and he called together this policy committee, which is completely under his control, and was selected by him at the last international conference. After a few days' deliberations the following resolution was passed :—

- (1) That the officers of the respective districts comprising the central competitive field and the outlying bituminous districts be authorised to enter into wage negotiations with their respective operators on a basis mutually satisfactory.
- (2) That district representatives and the officers of the national union shall co-operate in the execution of this policy.
- (3) That all district organisations be authorised to permit any coal company or any mine to employ all the men it may require for maintenance, repairs, development, construction or production of coal, providing, however, that such company agrees with the district to pay the existing wage scale and carry out the existing agreement temporarily until a district agreement is negotiated.
- (4) That any agreement negotiated under this policy shall be submitted for ratification to a district convention or a referendum vote of the respective districts.

¹ See LABOUR MONTHLY, "World of Labour," May, 1928.

This resolution amounts to an unconditional calling-off of the strike. The miners are ordered back to work, and then the districts are to make what agreements they can. More than that, the districts are expressly told *not* to object to the open shop: the companies are to be allowed to take on what men they like, union or non-union.

This final surrender has aroused tremendous indignation among the miners. The Save-the-Miners' Union Conference held last April (see *LABOUR MONTHLY*, May) included in its programme the ousting of the Lewis machine from the U.M.W.A. This has, however, proved impossible, as in each district where the old officials were voted out of office, they refused to accept this and carried on controlling the shell of the old union, while the majority of the miners adhered to the new district committees. The miners felt themselves forced to set up a new national union, and a Conference Arrangements Committee has sent out an appeal signed by nationally known rank-and-file miners for the National Miners' Convention to be held on September 6 to 16 at Pittsburg, to form a strong rank-and-file miners' union.

In their statement of July 22, addressed to the mineworkers and to the Labour movement generally, the Conference Arrangements Committee outline the story of the long series of betrayals of Lewis, show the work of the Save-the-Union Committee and call upon the miners to send their delegates to the Convention in September. We can only quote one or two passages :—

The Policy Committee and the International Executive Board of the U.M.W.A., headed by John L. Lewis, has decided to abandon the Jacksonville scale. The national agreement and national wage scale have been finally and completely destroyed. Wages cuts will now take place in all districts. Union conditions will disappear. . . .

Coal-miners in all fields, break completely with the Lewis machine, make no further dues payments to these corrupt officials. Henceforth affiliate your locals with and send your dues to the National Miners' Convention Arrangements Committee. Take control of your local unions. Remove all officials who stand in your way and select new officers from your own ranks who are ready to help build the **NEW NATIONAL MINERS' UNION**.

Meanwhile the need for funds is greater than ever before, and the National Miners' Relief Committee is making stupendous efforts to raise money. At the end of July a special Miners' Defence and Relief Week was held, and in two days alone 200,000 workers in hundreds of cities in the U.S.A. and Canada carried out a tremendous mass canvass with collecting sheets. In New York on August 5 a great Miners' Solidarity Fair was held, at which a miners' strike film, actually taken in the coal-fields and showing all the various scenes of the strike, was shown.

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Volume 10 July, 1928 Number 7

PRINCIPAL CONTENTS

Notes of the Month

FABIANISM IN DECOMPOSITION

R. P. D.

A Class Analysis of Soviet Grain
Production

J. STALIN

The Socialist Revolution and the Right
of Nations to Self-Determination

N. LENIN

Rationalisation and British Industry—V

M. H. DOBB

The World of Labour : Book Review

Volume 10 August, 1928 Number 8

PRINCIPAL CONTENTS

Notes of the Month

*THE COOK-MAXTON REVIVAL CAM-
PAIGN*

R. P. D.

The Tasks before the Minority Move-
ment Conference

HARRY POLLITT

Japan's Move Forward

W. N. EWER

The Fruits of Mondism

"TRADE UNIONIST"

The Programme of the Labour Party

HUGO RATHBONE

The Relations of Marx with Blanqui

D. RIAZANOV

Reformists of Twenty Years Ago

CHARLES RAPPOPORT

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THE
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A MAGAZINE OF INTERNATIONAL LABOUR

Editor : R. PALME DUTT

Volume 10

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PRINCIPAL CONTENTS

Notes of the Month

ABERDEEN AND THE LABOUR PARTY

The T.U.C. and the Future of Trade Unionism

ARTHUR HORNER

Tolstoy and his Epoch

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VOLUME 10

OCTOBER, 1928

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Editor : R. PALME DUTT

CONTENTS

Notes of the Month - - - - -	Page 579
<i>ABERDEEN AND THE LABOUR PARTY By R. P. D.</i>	
The T.U.C. and the Future of Trade Unionism	„ 594
<i>By ARTHUR HORNER</i>	
Tolstoy and his Epoch - - - - -	„ 606
<i>By N. LENIN</i>	
New Forms of the World Crisis - - - - -	„ 610
<i>By N. BUCHARIN</i>	
Pact and Entente - - - - -	„ 619
<i>By W. N. EWER</i>	
The Importance of Co-operation - - - - -	„ 626
<i>By E. J. BALE</i>	
The World of Labour - - - - -	„ 631
<i>International—Germany—India</i>	

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NOTES OF THE MONTH

*Birmingham—Aberdeen—2,618—Bourgeois Support to Labour—
“ National Importance ” — One Million Communists ? —
Wavering Sections — Which Path ? — I.L.P. “ Left ”
Rôle — Maxton - Cook Campaign — A Programme —
Radical Demands on Paper—Which Practice?—Break
or Surrender—I.L.P. “ Accept ” Programme—Official
Programme Also — Brussels Contradictions — An
Opposition on a String — Hopes in Labour
Government — An Inescapable Choice.*

IN the twelve months between the Blackpool and Birmingham Conferences of the Labour Party, a sharp change has taken place in the general orientation of the working-class movement and in the consequent position of the Labour Party. Up to the Blackpool Conference the combined forces of the working class were still supporting the advance of the Labour Party, despite the character of its policy and leadership. But the final working out of this policy into open collaboration with capitalism and industrial peace, into Mondism on the industrial side, and into a programme of rationalisation for the future Labour Government on the political side, with the consequent disruption of the working-class movement and suppression of all militant opposition, has made the continuance of this position impossible. The new situation is reflected in two developments of the present period : on the one side, the new line of the revolutionary working class which received its expression at the North Aberdeen bye-election ; on the other, the Maxton-Cook campaign which has now produced its programme on the eve of the Labour Party Conference and adoption of the official Labour programme. These new developments are more important for the future than the detail questions of the agenda of the Labour Party Conference which will receive their automatic ratification by the block votes of the bureaucracy and the suppression of opposition or even amendments ; for in these new developments is contained the real question of the future, of the line of development of the Labour Party and of the political working-class movement. On the occasion of the Birmingham Labour Party Conference it

will, therefore, be of value to survey these wider issues and tendencies, whither they are leading, and the problem which they represent varying attempts to solve.

THE result of the North Aberdeen bye-election is of more than passing significance from the standpoint of permanent political development. On this occasion for the first time the new line of the revolutionary working class in relation to the Labour Party was put to the test by the running of a Communist candidate against both the official Labour and the open capitalist candidates. This is not the first time that a militant Socialist candidate has run against an official Labour candidate ; previous occasions both before and since the war may be recalled. But these occasions were of the nature of flashes in the pan, based on accidental, personal or local factors, neither prepared beforehand, nor followed up after. The present occasion, on the other hand, was the opening of a line of policy based on a systematic chain of development ; it was the first direct contest since the sharp drawing of the line between the revolutionary and the reformist wing by the reformist policy of discipline and exclusions in the Labour Party ; and it was the beginning of a phase which will increase and not diminish with time. The contest thus gathered into itself the dominant issue of working-class politics to-day ; it represented a preliminary testing of strength and a sounding of the future.

THE outcome of this preliminary trial deserves analysis, because it shows very clearly that the time was fully ripe for this new development, and affords an important indication of the forces of the future. The official Labour Press universally prophesied that the Communist would only receive a handful of votes, would come out at the bottom of the poll, and would forfeit his deposit. If the official Labour propaganda of the completely alien character of revolutionary conceptions to the British working class were correct, these prophecies should have been fulfilled ; all the more so, as the whole weight of tradition, discipline and previous organisation, as well as the hostility of the British electoral system to independent parties, were on the side of the Labour candidate. Nevertheless, none of these prophecies

were fulfilled. The Communist did not come out at the bottom of the poll ; he did not lose his deposit ; and he received the votes of 2,618 workers, against the 10,646 votes of the Labour candidate, or 25 per cent. of the Labour poll. This is already a considerable result, and indicative of a serious political force.

IN fact, however, the proportion of the revolutionary strength in the working class revealed is higher, since the Labour vote was not a pure Labour vote, but contained the vote of many Liberals. According to the Liberal organ, the *Nation*, in its comment on Aberdeen, there were " many Liberals who refused to throw away their votes on a candidate who had not the faintest chance of winning " *i.e.*, they preferred to vote for the Labour candidate as their choice and assist him against the Communist, rather than " throw away " their votes on the official Liberal candidate. This is illuminating, and will certainly extend further ; increasingly, as the Communists press the Labour candidates harder, capitalist support will be forthcoming in crucial cases to protect the Labour candidate as their representative against the revolutionary danger, and capitalist candidates will even stand aside for him, as has already happened with the French Socialists. This process will help for a period to swell the Labour vote : but the same process which drives the Liberals to vote Labour will increasingly drive the workers to look for a candidate of their own for whom the Liberals will not be prepared to vote. In this way a process is set going by which the centre of gravity of the parties steadily shifts, and the Labour Party comes to build increasingly on the petty bourgeoisie and a small upper section of the workers for its support, while the Communist Party becomes established as the party of the mass of the industrial workers.

THE consciousness of the bourgeoisie of the importance of this contest from their own point of view is sufficiently revealed by the comments of the capitalist Press during the Aberdeen campaign. Thus *The Times* wrote :—

What is going to be decided by to-morrow's poll at Aberdeen is really a question of the highest national importance. It is the question who is to possess the soul and body of the Labour Party in future. Is it to be the people who wish the Labour Party to be

equipped with the personalities and the brains to control the machinery of government in this country alternatively with the Conservative Party, or is it to be, as Mr. Maxton apparently wishes, a set of irresponsible extremists?—(*The Times*, August 16, 1928.)

From this we learn : first, that, in the opinion of the leading organ of the bourgeoisie, the all-important issue at Aberdeen was not between the Conservative candidate and the Labour candidate, but between the Labour candidate and the Communist, and the victory of the Labour candidate is regarded as a "national" interest ; *i.e.*, the Conservatives, as expressed by *The Times*, just like the Liberals, as expressed by the *Nation*, look at once to the Labour candidate as "their" candidate, that is, as the principal capitalist candidate, even to the neglect of the official Conservative and Liberal candidates, so soon as the revolutionary working-class issue is raised. Second, the continued dominance of MacDonald and Reformism in the Labour Party is declared to be "of the highest national importance" from the point of view of the bourgeoisie. Third, the policy represented by MacDonald and Reformism, whose continued dominance in the Labour Party is declared to be of such vital importance to the bourgeoisie, is defined as the policy by which the function of the Labour Party becomes "to control the machinery of government alternatively with the Conservative Party," *i.e.*, to replace the old Liberal Party and become an alternative governmental party for the administration of capitalism. From this plain declaration by the leading organ of the bourgeoisie the working class can draw their conclusions.

IF the Aberdeen electorate may be regarded as a sample working-class electorate, then, accepting the proportion of a 25 per cent. Communist poll of the total Labour poll, and translating the same to a national scale, we reach the result that, in relation to the national Labour vote of five millions, there exists already, on the same proportion, a potential Communist vote of one and a-quarter millions throughout the country ; or, if the Communist vote is regarded as deducted from the Labour vote, the proportions would be four million Labour votes to one million Communist votes. In the same proportion, a corrected representation would show, in place of a hundred and fifty Labour Members of Parliament, some thirty Communist Members and one hundred

and twenty Labour Members ; in fact, a fully corrected representation would show a larger number in either case, as the Labour vote is heavily under-represented in the House of Commons. These figures are in themselves of small importance ; since it is obvious that the undemocratic electoral system in Britain (single-chamber constituencies, money penalty on minority votes, and no machinery for transferable votes or proportional representation, thus disfranchising the majority of the electorate and returning a Conservative Government on a minority vote) will effectually prevent more than a tiny fraction of the potential Communist vote ever being polled : that is, supposing the projected twenty Communist candidates were run in the coming General Election, still in the remaining five hundred and eighty constituencies, or 97 per cent., no Communist will be able to register his convictions. But the fact that the British electoral system is expressly designed to prevent democratic expression even on the lines of formal democracy, such as is for example realised in Germany, does not change the reality of the forces that exist.

IN fact, however, the relative strength of the militant working class is not yet fully expressed in the Aberdeen vote ; because a considerable section of workers, while strongly critical of MacDonaldism and accepting the general correctness of a militant socialist or communist programme, still draws back as yet from the tactical conclusion of the independent fight and believes in the necessity of continuing to vote Labour in order to ensure the defeat of the Conservative and Liberal candidates, fearing that a vote for a minority revolutionary candidate will be a wasted vote. On a short view, it is obvious that this fear, leading to a distorted vote, springs directly from the distorted electoral system, which permits of no alternative or transferable vote ; and there is no mystery why the loudly " democratic " Labour chiefs tenaciously persist, in union with the Conservative Party, in maintaining this undemocratic electoral system, as obstinately resisting any democratic reform in this sphere as in the sphere of the working-class organisations themselves. But on a longer view, the issue is deeper than a question of electoral systems ; and, the sharpness of the choice compelled by the existing system, while diminishing

the immediate revolutionary vote, is a stimulus to stronger revolutionary consciousness. For in the last resort the fear here revealed rests on a lingering belief in parliamentarism, a belief in the paramount necessity of a parliamentary Labour majority as the next step. Only in proportion as the complete subordination of the Labour Party to capitalist politics becomes ever more thoroughly demonstrated, will the realisation spread that, in a contest where Labour and Communist candidates are running, it is the vote for the Labour candidate that is in reality a wasted vote and a confirmation of capitalist politics. The all-important task now before the revolutionary working class in the realisation of the new line is to convince those wavering sections of the workers who are dissatisfied with the policy of MacDonaldism, but hesitate to make a direct break, of the necessity that their aims can only be realised through the independent fight, and so to win over the full strength of the militant working class against reformism.

THE decisive question confronting Socialists in Britain at the present stage may be framed as follows : How and through what means to realise the fight for militant socialism as against the existing liberal reformist policy of the Labour Party leadership. Does the correct path lie through the transformation of the Labour Party by an inner opposition which in the meantime accepts the existing leadership ? Or does the path lie through the raising already of a direct fight against the reformist leadership, thus enabling the masses to choose for themselves between the two policies and draw from their practical experience the relative worth, or otherwise, of either. The former is the path of left social democracy, reflected in the Maxton-Cook campaign. The latter is the path of the Communist Party, which received its first direct expression at Aberdeen. Between these two lines there can be a certain measure of common ground in the immediate fight against MacDonaldism ; for the independent fight against the Labour Party leadership does not mean a fight against the working masses in the Labour Party, but on the contrary a means towards winning them, and in consequence the continuance of agitation and propaganda within the Labour Party remains of vital importance. Nevertheless the basic issue between these two lines is fundamental

and needs to be faced ; for it is not only a tactical question, but involves the whole conception of the approach to Socialism. It is, therefore, desirable that this question should be critically discussed, before the development of the fight will have made the gulf deeper.

UP to a point, within recent years, the Independent Labour Party has, with considerable variations and waverings, been endeavouring to play the rôle of a constitutional left wing within the Labour Party. But the position of the Independent Labour Party has always been a double one. For in practice the whole basis, programme and ideology of the Independent Labour Party is identical with that of the Labour Party, and rests on the same foundation of reformist parliamentarism. In consequence all its attempts to express a variation and an opposition break down into phrasemaking and sentimental yearnings after socialism ; on all concrete questions the policy and practice is identical, and indeed the Independent Labour Party has been the strongest support of the bureaucracy in its most reactionary policies of exclusion of the Communists, disaffiliation of local Labour parties, &c. Thus all the attempts of the I.L.P. to play a left rôle are most effectively punctured by itself. The majority of the personnel of the Parliamentary Labour Party, Labour Party Executive and General Council are members of the I.L.P. Under these conditions its attempts to criticise the policy and leadership of these organs only turns as a boomerang upon itself. In so far as such criticism constitutes a minor nuisance, the Labour Party chiefs have repeatedly lectured the I.L.P., and informed it that its rôle is to preach the beautiful ideals of socialism in the abstract and not concern itself with policy ; and warnings have not been wanting, as in Henderson's speech last year, that if any trouble is created, discipline will be immediately applied. Discipline, however, has not needed to be applied yet ; the I.L.P. has never attempted to fight, but after criticising MacDonald to its heart's content, has unanimously voted for his continued leadership. In these circumstances it is not surprising that the attempted left rôle of the I.L.P. has only met with the equal contempt of the masses and of the bureaucracy.

THE Maxton-Cook campaign represents a sequel to the failure of the previous I.L.P. left campaign, and marks a new stage. The attempt is here made to throw off the limitations of the I.L.P. and reach a wider mass basis, free from the damning heredity and commitments of the official I.L.P., which is by its whole character and composition incapable of playing a left rôle. The association with Cook, whose record of sincerity and seriousness in the fight, despite all waverings, has won him a position unequalled by any other leader in the hearts of the masses, represents the attempt of the I.L.P. leadership to overcome its own record and reach out to the confidence of the workers (the records of the demonstrations held, which have been described in the I.L.P. Press as essentially "Cook" meetings in character, with very mixed receptions for the other speakers, strikingly illustrates this situation ; just as the suppression of discussion and resolutions, and cancellation of the original promise of conferences, reveals the very half-hearted character of the I.L.P.'s approach to the masses).

BUT the throwing off of the shackles of the I.L.P. as an organisation does not mean that the real shackles of the I.L.P. (essential identity in practical policy with the Labour Party) are yet thrown off. At the very outset it was proclaimed that the new movement would have no programme ("Are you going to draft a programme?" "No fear, that field is already overcrowded"—Maxton interview in *Forward*, 30/6/28); it was to be "a kind of Moody-Sankey campaign" for the revival of faith in Socialism in general (Maxton in the *New Leader*, 6/7/28). It is obvious that this is precisely what MacDonald demands and inculcates that the I.L.P. should do, viz., preach socialism in general, and leave policy to him, or, in other words, deceive the masses with phrases and in practice support the reactionary leadership ; so that this would-be left campaign was in danger of becoming a very simple expression of right wing policy. On this basis criticism was expressed in these columns two months back. The widespread criticism of this position, or rather lack of position, and the pressure of the masses, who obviously came to the meetings demanding something more serious than Moody-Sankey pieties,

has at length compelled a change of front on the part of the I.L.P. leaders of the campaign (Cook had proclaimed from the first the necessity of a programme). A positive programme has now been issued in the names of Cook and Maxton. With its publication a new stage is reached, and the issue becomes sharper.

THE official programme of the Maxton-Cook campaign, as proclaimed in their pamphlet "Our Case for a Socialist Revival," sets out from the necessary unity of the fight for socialism with the class struggle of the working class against capitalism, and the consequent danger of "preaching the ideal of socialism" in general apart from the actual class struggle, or pursuing "petty social reforms" to the neglect of the goal of socialism. On this basis three general issues are proclaimed: first, against Mondism and for a class trade-union policy; second, against MacDonaldism and for a socialist policy in the Labour Party; and third, for democracy in the Labour Party and trade unions. These general principles are still roughly on the lines of the original manifesto, although now made more explicit. But the programme further sets out a series of definite demands, both on the trade union side and on the political side, for which its authors are prepared to fight. It is the political demands that concern us here, since we are discussing the question of the Labour Party. These demands include, among other items, such points as (1) Simultaneous nationalisation, without compensation, of land, banking, coal, electricity, transport; (2) Confiscation of wealth above £5,000; (3) Abolition of the Monarchy and Lords; (4) Self-Determination, including the right of complete independence, for all peoples in the Empire.

THE details of these demands need not for the moment concern us. Nor need we dwell at present upon the fundamental criticism that these demands are still set out as measures for a Parliamentary Labour Ministry to accomplish, so that the final position is in reality a complete contradiction, which can only end in the stultification of the programme: this is to touch on the deeper difference between left Social Democracy and Communism. For the moment we are concerned with a simpler and

more immediate question. The authors of this programme have set out certain demands which they believe to be correct aims of the working-class movement. The question which at once arises is : *How do they propose to fight for these aims within the limits of the Labour Party ?* They can, of course, to a certain extent and within limits propagate this programme within the Labour Party—but even so within heavy limits, as the present prohibition of any amendments whatsoever to the official programme to be adopted at the Birmingham Labour Conference shows. But what of their public activities at elections and in Parliament ? They are leading members of the Labour Party, which is now a disciplined party on a specific reformist programme. Their demands are in complete contradiction to the official programme of the Labour Party. *On which programme will they in practice stand in their public actions ?*

EVEN on the relatively limited and disputable question of participation in the Simon Commission, in which the decision of the Parliamentary party was in opposition to the resolution of the National Labour Conference, the minority members did not venture to vote independently, for fear of discipline, and so had to share in the responsibility for this piece of imperialist co-operation. Will they now go into opposition on the basic questions of policy of the Labour Party ? They have declared their programme and political principles, which are in diametrical opposition to the declared programme and daily practice of the Labour Party. Will they vote in Parliament according to their own programme, or will they obey the discipline of the Parliamentary party, which will compel them to deny every item in their programme ? Will they go into the elections on their own programme, or on the official reformist election programme of the Labour Party, which is obligatory on every candidate as the condition of endorsement ? If the former, then they have to face the direct conflict of discipline, leading inevitably to the break, which means in fact the independent fight. If the latter, then they remain in fact in their actual political lives and actions reformist Labour Members of Parliament and followers of MacDonald, and their programme is nothing but a piece of paper—fine words and aspirations bearing no relation to political practice. The fatal

weakness and double position of the I.L.P. is not avoided, but only repeated on a larger scale. This is the fundamental dilemma confronting every would-be constructive opposition in the Labour Party at the present stage.

WHAT is the relation of the I.L.P. to the new programme? From an editorial paragraph in the *New Leader*, setting out the items of the programme, we learn that "with certain minor exceptions, perhaps, it is an attitude which the I.L.P. would accept." This is the total comment. "Certain." "Minor." "Perhaps." "Would." What splendid clearness on the fundamental questions of socialism and the socialist programme. As to what these "minor exceptions" are, or precisely how much this "would accept" covers, no light is thrown, although it might have seemed a matter of interest to members of the I.L.P. to know where they stand or what their policy is. But it is certainly news to learn that this programme bears any relation to the I.L.P. programme or propaganda as so far set out. How long has the I.L.P. advocated nationalisation without compensation in recent years? How many I.L.P. candidates have put republicanism on their programme? (On the contrary, memory recurs of a controversy on this very question between the Communist and I.L.P. Press, in which the I.L.P. Press sapiently declared that monarchy "did not matter.") Since when has the I.L.P. stood for the right of complete independence of the peoples within the Empire? (Inconvenient memory again recurs of a long-drawn controversy between the Communist and I.L.P. Press, in which the I.L.P. Press whole-heartedly attacked the Communist advocacy of the right of independence of the peoples in the Empire as antiquated middle-class Whiggery.) It is certainly very striking with what adaptable and obliging speed the I.L.P. is able to "accept" every programme. But unfortunately hard facts obtrude. For within a few weeks of this "acceptance" occurred the Aberdeen bye-election, with an I.L.P. candidate nominated and endorsed by the I.L.P. Did his programme in any point remotely resemble this "attitude which the I.L.P. would accept?" On the contrary, it is notorious that Wedgwood Benn's programme and campaign reflected the extreme right wing. So

far from advocating nationalisation without compensation, he announced that Socialism has "lost its terrors," and defined it as the conception of "the public against private interest," "the State must master the Trust" (the identical line of the Liberal Industrial Report with its advocacy of the Public Concern as the future type). On the "British Commonwealth" ("the British Commonwealth must lead the world"), the League of Nations and every other basic issue he was capitalist orthodoxy itself. But if this is the actual practice of I.L.P. spokesmanship and propaganda, endorsed and approved by the National Council, then it is excusable to question how much a casual two line "acceptance" of a completely contrary programme is worth.

BUT a still further light is thrown on this "acceptance." For alongside of the Maxton-Cook programme there is the new official Labour Programme, prepared for adoption at the Birmingham Conference, which is the expression of the policy of MacDonaldism. And this also, we learn from the Editor of the *Socialist Review*, the I.L.P. can "quite easily accept" in spite of all criticisms. The document is freely criticised in the I.L.P. Press as "vague," "non-committal," "indefinite," "superficial," "tone unpleasant," "muddled," "tepid," "a soporific," "impossible to read a page without a yawn"—but never on plain political grounds as representing a political line opposed to socialism. They do not even see that it is just its "non-committal" appearance which is in reality precisely its *committal* character, namely, that even the nominally socialist elements of the Labour programme are skilfully drowned in a host of small reforms, so that in fact the next Labour Government is left completely free hands to act as it chooses (there are two ways of hiding a thing : one is to remove it, but this is more dangerous and may arouse suspicion ; the other is to overwhelm it with a thousand other things). The I.L.P. has prepared four amendments to this programme (or rather, would-be amendments, since amendments are not allowed). Do these touch on any issue of socialist principle, or repeat the items of the Maxton-Cook programme—nationalisation without compensation, confiscation of wealth, &c.? Not at all. They cover : (1) family allowances, (2) a living wage, (3) nationalisation of the Bank of

England, and (4) self-determination for India. That is all the I.L.P. has to put forward against the existing Labour Programme of MacDonaldism. Thus the Maxton-Cook programme not only plays no rôle in actual propaganda and practice, but does not even arise as an issue at the Labour Party Conference.

THE contradiction of the whole position is sharply brought out in relation to the Congress of the Second International at Brussels. The Independent Labour Party was represented at this Congress through its Secretary and other spokesmen, who took part in the discussions and decisions. At the same time, the Chairman of the Independent Labour Party announces that he declined to take part in the Congress on the ground that he was completely out of sympathy with its whole proceedings : " I declined to be present at the meeting of the Second International in Brussels on the ground that I was so completely out of sympathy with its general attitude that I did not feel I could be of any value there " (Maxton in the *Sunday Worker*, 26/8/28). Incidentally, this curious statement suggests a paraphrase : " I declined to be present at the meeting of the Primrose League, on the ground that I was so completely out of sympathy with its general attitude that I did not feel I could be of any value there." What is the political conclusion ? None is drawn. But either the policy of the Independent Labour Party was correctly expressed by its Secretary or by its Chairman ; it cannot be both. If, on the other hand, both policies are equally valid and " acceptable," the claim to alternative leadership falls to the ground. A hundred different fronts may be presented to the workers, but the reality remains subservience to MacDonald.

ACTUALLY, however, the position goes further. Maxton has frequently touched on the question of Labour Party discipline. In answer to a question at the Glasgow demonstration whether he was prepared to hold meetings jointly with Communists, he pointed out that " he was not prepared to associate with them on terms which would mean his own expulsion from the Labour Party." At the meeting of the Executive of the League against Imperialism, he congratulated himself that the Labour Party resolution deprecating participation by its members

was still sufficiently "mild" not to compel his withdrawal. It is certainly something gained to be prepared to carry on an opposition course in defiance of "mild" resolutions. But what is the implication behind. The implication is that, so soon as strong discipline is applied, it will be obeyed. The opposition will end at the word of MacDonald. So long as it suits MacDonald to permit a certain amount of loose talk in order to satisfy the left workers, it will go on. So soon as it shows a sign of becoming dangerous, MacDonald has only to say the word, and it will stop. In other words, this "opposition" is an opposition *on a string*—and the string is in the hands of MacDonald.

BUT the position of Maxton is not merely that of a prisoner ; it is also that of a conscious assistant. At the same time as he is putting forward a "left" policy which is clearly contrary to the Labour Party policy, he is preaching practical support of the Labour Party and the leadership of MacDonald, and urging the masses to fix their hopes upon the coming Labour Government, *i.e.*, a MacDonald Labour Government. In the re-election of MacDonald as leader of the Parliamentary Labour Party, there was no single vote of opposition : that is, MacDonald as leader—which means the policy of MacDonald, the policy of collaboration with capitalism and continuity—has the full support of the "left" Labour M.P.'s. In a recent speech Maxton is reported to have declared, after explaining that Labour stood for a new order of society in which there would be no poor and no rich :—

To bring that about, drastic measures would have to be effected by Labour such as would draw squeals from the rich throughout the land. Personally, he would rather hear a hundred thousand capitalist squeals than the wail of a million youngsters. It must be made clear that the great fundamental sources of wealth in this country must be used for the welfare of the nation and placed under the control of the people. *He believed that the Labour Government, on assuming power, would immediately begin to legislate in that spirit.* —(*The Times*, September 10, 1928.)

Here Maxton sets out, in very general and vague phrases, the type of programme of "drastic measures" which he wishes to see realised—which can only be understood as meaning the programme he advocates in his pamphlet—; and then proceeds to affirm that the next Labour Government, *i.e.*, a MacDonald Labour

Government, will "immediately" proceed to carry out this programme. Now MacDonald has very clearly and repeatedly declared his opinion of the programmes of the "easy-oosie asses" of the I.L.P., to whose "flashy futilities" "no Parliamentary party worth twopence" will pay any attention; and there is no basis for any misunderstanding of what will be the character of the programme and policy of the future MacDonald Labour Government. Maxton either believes that a MacDonald Labour Government will carry out the type of programme he wants, or he does not. If he does believe it, he is a fool. If he does not, and still tries to persuade the masses that it will, he is a rogue. He can have it which way he likes. In either case the result is the same. "Left" phraseology is used to support right practice. The "left" safety-valve becomes only part of the apparatus of right wing reformism.

FROM this position there is only one escape. That lies along the path of a genuine fight against the reformism for which MacDonald stands. If there is serious concern that a militant socialist programme—let us say, for the moment, a programme such as outlined by Maxton and Cook—should be realised, then that programme must be fought for, or else the whole thing becomes mere verbal trickery. If the programme is fought for, without capitulation, then the issue of discipline must be faced, and the inevitability of a breaking point. The only alternative is capitulation to MacDonaldism. But the issue of the break means in fact the issue of the independent fight. The path of the independent fight is not the path of isolation from the masses, but of the winning of the masses from MacDonaldism. An examination of the present stage of direct assistance to capitalism already realised by the Labour Party, and imposed in practice by discipline on all its spokesmen, leads to the conclusion that the time for the independent fight is already inescapably here, if the alternative of political servility to MacDonaldism is not to be accepted. The time for the independent fight is already here. It is this path, the inevitable path of the future, already consciously realised, which is to-day pointed by the pioneering effort of Aberdeen.

R. P. D.

THE T.U.C. AND THE FUTURE OF TRADE UNIONISM

By ARTHUR HORNER

THE Sixtieth Annual Trades Union Congress, held at Swansea, from September 3 to 8, could have been the most beneficial in the history of the British Trade Union Movement. It met in a period when the conditions of millions of workers are such as to make the maintenance of life an almost insoluble problem, and when there is every indication of the suffering becoming deeper in character and wider in scope. Wages are rapidly being forced down in even the so-called sheltered trades, whilst the number permitted to work at all is becoming progressively reduced. Unemployment is surpassing all previous figures, and the income of those so situated is being subjected to almost daily attacks.

This desperate condition of affairs should have almost automatically determined the nature of the deliberations of a body such as the British Trades Union Congress is alleged to be. It must, however, be confessed by all who participated in the proceedings that not only was this problem of working-class poverty not treated as the basis for all efforts on the part of working-class forces, but even to mention that it should be so regarded, was to earn a sneer as "a breeze from the workshops."

Thus far has the Trades Union Congress ceased to justify its existence, and revealed itself as at present constituted, as being unworthy of working-class support.

It is not, however, sufficient merely to condemn the Congress and its proceedings; it is necessary to analyse its composition, methods, machinery, and objectives, and then out of this examination, determine what steps must be taken by those concerned to build up in Britain a real and effective workers' instrument of struggle.

The Congress was made up of 621 delegates from 196

organisations representing a membership of 3,874,842 persons. The 196 organisations are affiliated to the Congress by the voluntary act of paying affiliation fees of threepence per member per annum.

The delegates to the Congress are appointed by systems arranged for the purpose within each Union. These systems vary from Union to Union, and whilst some pretend a measure of democracy in the selection, the great majority do not even regard the rank and file of the membership as being entitled to influence the proceedings in any way.

It would be interesting and valuable to examine a list of the Unions, with the methods adopted by each for the selection of the delegates to the Trades Union Congress, Labour Party Conference, &c.

Unfortunately I am not in possession of such information in so far as it affects Unions other than the M.F.G.B., but this I do know, that notwithstanding the difference in methods adopted the result is very similar in practically all Unions. A majority of officials in the full-time employment of the Unions are present, and by reason of this fact, accompanied by the other advantages they possess, they dominate and overwhelm the small minority who are present from the rank and file of the membership.

The M.F.G.B. delegation, which exercised the largest vote in this Congress (725,000), is composed of more than 75 per cent. full-time officials of the organisation, and its district sections. It is true there are a number of so-called rank and file delegates, varying according to the methods adopted in the different districts of the M.F.G.B., but even this minority is so handled as to render impotent any effort at organised action within the delegation, whereas the officials work as a machine, effectively carrying out the fraction decisions.

Therefore, it is not only quantitatively but qualitatively as well that the official caucus have the advantage over the average rank and file delegates. This consists in the knowledge these persons possess of each other's viewpoint, the opportunities this knowledge gives to permit of unified tactics by the caucus, and the superior experience of these old timers in Conference work and Conference speaking.

This organisational character of the Trades Union Congress must be taken into account, for failure to appreciate it fully is responsible for such talk as has emanated from persons who are now declaring that Mondism must be accepted on the score of the majority vote of the Congress, although it is admitted to be a menace to the working class.

This attempt to excuse the abandonment of the fight against the machine is criminal, and amounts to becoming accessories after the fact to the handing over of the masses to capitalism.

The membership of the Unions has little or nothing to do with the decisions arrived at in the delegations or the Congress, and the sooner this is understood the better, so as to permit a proper estimation of the decisions already arrived at, and to prepare for the changing of this deplorable condition of affairs.

When mandates from particular Union Conferences in some way restrict the actions of certain delegations, it is accidental, for in very few cases does the T.U.C. Agenda go before the local organisations for their opinions.

There are two forms of giving mandates. The present one, which is only accepted in theory and never practised, pays little regard to the personnel of the delegations because of a basic theoretical acceptance of the right and opportunity of the rank and file of the membership to give instructions, by means of mandates.

If, therefore, as is the case, the delegates are not regarded as representatives with plenary powers, but merely as messengers, then the importance of the viewpoint of the actual persons attending is minimised, and satisfaction is only required concerning their capacity for common honesty, and not in their ability to lead the movement.

So that we have a situation where persons are supposed to express rank and file opinion, but take care not to discover what that opinion is, in order that they may pursue a policy of their own.

The other form of giving mandates is by far the most practicable, and most sure to express mass opinion, and that is to arrange free selections of delegates by the most democratic vote of the members, such candidates to be given full and free

opportunity to place their principles and policy before the movement, and in the event of being selected, it should be made perfectly clear that the delegate will apply the principles for which he or she stands to the problems arising in the Congress or Conference.

Departure from such principles would be a crime to be punished when the delegates come up for election periodically. This would permit of real and responsible leadership, coupled with the largest possible measure of mass control.

The other not less important fallacy which is passed around the movement is that which claims that the workers have selected the General Council, therefore all must accept the logic of this so-called fact and permit it to determine the line of the movement without let or hindrance.

This is not only a fallacy, it is a lie, as the Agenda will show. There are eighteen trade groups which are permitted representation on the General Council. This year, as usual, the Congress delegations voted in only seven of these groups, whilst in the remaining eleven groups the Congress, as such, had nothing to say. Of thirty-two persons who now sit on the General Council, only twelve were voted upon by the delegates to the Congress.

Everything is fixed and arranged between the officials of the Unions within the particular trade groups, and the Congress merely endorses decisions already arrived at, and to which there is no alternative, with the consequence that the Trades Union Congress selection of General Council members is a farce.

The alternative to this is to permit a Congress composed of delegates selected in virtue of their policy by the membership of the Unions, to elect the Council year by year from nominations made from delegates to the Congress. Thus the Congress, as such, would be able to exercise the proper supervision necessary to keep the General Council on the straight and narrow path of class struggle in defence of the wage and working conditions of the members.

It is, therefore, clear that the Trades Union Congress and its leadership is:—

- (1) Merely a caucus, in effect, of officials who are there in virtue of being the occupants of other offices.

- (2) An unauthorised and non-mandated gathering, able to speak only for those actually in attendance.
- (3) The exercise of the block vote by such a gathering is tantamount to forgery of workers' votes, without their knowledge or consent.
- (4) The General Council, as at present elected, is a self-appointed body, nominated and elected without the consent of the workers, and without the right to expect obedience to its fiat.

When one, therefore, faces the happenings at the Swansea Congress with this information concerning its composition and methods, there is not the same reason for surprise at anything which is done, nor the same reason to come to the conclusion that all is lost because the delegations arrived at reactionary and even treacherous decisions.

This conception, which is substantiated by the facts, enables all active working-class fighters to see in events at Swansea, not the end of a fight but only the beginning of a struggle which can never stop unless and until the movement has remedied its very serious defects, which at present appear to doom us to continuance in the never ceasing process of pouring good fighting policies into the pipes of reaction, which poison such policies as they pass through.

Take the Trades Councils, for instance, which the Minority Movement did so much to enliven and to place in their natural position in working-class organisation as the local organs of the T.U.C. The opponents of the idea of recognition for these bodies, and of their representation at the Congresses, are now coercing them to isolate all members of the Minority Movement, which first made the Trades Councils a serious factor in the struggle.

Again, in the question of unemployed organisation, the body (the N.U.W.C.M.) which initiated the unemployed movement, and so fervently co-operated with the General Council in the effort to organise those thrown out of work, has now been insulted and ostracised by the very General Council which had been forced by this very organisation to make some gesture involving responsibility for the unemployed.

So in every phase of the struggle we are brought up against the futility of effort to achieve objectives unless we are assured of persons to carry out policies, who at least believe in their efficacy.

The very weapons of the militants are taken from their hands only to be used afterwards by the opponents of progress to crush them down. So that there emerges from Swansea, as the first lesson, the increased importance of changing the leadership of the Unions and the T.U.C.

The Agenda of the Congress with its sixty-eight resolutions, together with the Report of the General Council, containing 223 pages, provided ample opportunity and scope for discussion upon every conceivable matter of interest to the workers of this country, though events determined that a few matters should be permitted to monopolise the major portion of the time.

In the Report, page 6, the Council make the lamentable confession that its main tasks in the preceding twelve months had been:—

- (1) The campaign in the Nottinghamshire coalfield.
- (2) The completion of a new Workmen's Compensation Bill.
- (3) The Conferences on Industrial Relations with the group of representative employers.
- (4) The Delegation to India.

Even assuming that all the above were necessary performances, and that they had all been well done, what a pitiful list of achievements in face of the terrific attack which has been carried on by the capitalists throughout the year! The Notts campaign has failed to secure recognition for the Notts Miners' Association. The new Compensation Bill might have involved a considerable amount of detailed work, but nothing was done for the injured or attempted to be done in the year. The conferences on industrial relations are crimes against the workers, which have been of assistance to the capitalists in the suppression of the workers, whilst the visit to India may have been informative, but it has in no way served to ease by a single straw's weight the burden which is weighing down the Indian workers.

On the Saturday and Sunday preceding the Congress decisions were taken by the delegations on all the items on the Agenda, and this means that nothing said for and against any proposals in the Congress affects the votes. This, of course, renders all arguments futile and reduces the Congress itself to a position of merely acquiescing in the process of letting off steam.

The M.F.G.B. delegation went one better and determined that all questions or criticisms of the report and speeches on items on the Agenda must be made in the miners' private session on Saturday to a packed audience, and that no delegate of the M.F.G.B. should be permitted to question or speak in the open Congress unless he was selected to do so in the delegation meeting.

This delegation numbered more than a hundred: only four or five were selected to speak; Herbert Smith held the voting card for the lot; so that if this was accepted, it meant that all the other delegates could go home, and save the expenditure involved in keeping us there.

However, the whole thing was so silly that Ben Turner ruled that every delegate had the right to speak on any matter, but when not speaking for his delegation he or she should say so. This ruling was, however, not accepted by Herbert Smith, notwithstanding his interminable lectures about loyalty to those placed in positions of authority within the Movement. He kept up a barrage of protests throughout the week, which ultimately made even those who agreed with him on policy impatient with his bullying methods.

The refusal to hear the unemployed caused the first furore in the proceedings, and whilst permitted to move that the Standing Orders Committee Report be referred back, no speakers were allowed to give reasons for so doing.

So, on a show of hands, just prior to the adjournment, which was deliberately delayed for three-quarters of an hour after its proper time, the delegates voted by an approximate two to one majority against the admission of the unemployed representatives.

The delay in the time of the adjournment was clever manœuvring on the part of the General Council, for it enabled the application of the unemployed to come up when the majority of the delegates were anxious to go to dinner, and it permitted the Congress to resume at 2.45 p.m. instead of 2 p.m., thus deceiving the unemployed marchers who had timed the march past the Congress Hall at 2 p.m. in the hope of demonstrating to the actual delegates.

This clever trick, about which there has been much boasting,

is a better indication of the mentality of these people than anything said about them, for it demonstrates that deception of hungry destitute workers, whom the Congress is in existence to defend, has become a thing to crow about.

The next issue of importance was that which gives the General Council power to investigate and report upon forces which, in their opinion, are making for disruption, whether such forces manifest themselves amongst the Unions or within the General Council itself. This was known to be a step towards dealing with such Unions as N.A.F.T.A., such persons as A. J. Cook, besides making ready for the expulsion of all Minority Movement and Communist Party members, or other persons, resisting the policy of the General Council or refusing to accept the decisions and discipline of the National Labour Party.

This resolution was carried, and from the discussions it was made clear that, so far as the officials were concerned, it marked the end of the old basis of Trade Union membership in Britain and set the Movement upon the road to discrimination against individuals and Unions who supported a revolutionary party or advocated policies in opposition to those sponsored by the General Council.

What the ultimate consequences of these decisions will be it is hard to tell, but this is beyond question, that unless the militants can organise resistance amongst the rank and file of the Unions, the Trade Union Movement is going to follow in the wake of the National Labour Party, in splitting the workers' organisations from one end of the country to the other.

The resolution from the A.E.U., which instructs the setting up of a reorganisation committee of the General Council, to investigate the possibilities of systematising the process of amalgamations, though carried after a stiff fight, gives very little ground for hope that anything at all will be done by this General Council except only to the extent that such reorganisation gives it more opportunities to embroil Unions in new class collaboration proceedings and supplies more power for the exercise of discipline against the revolutionary members of the Trade Unions.

The Mond-Turner Meetings, which came up for discussion

on Thursday, had been well prepared for beforehand by all manner of fraction manœuvres on the part of the General Council members. Cajolery and threats were passed from mouth to mouth in the days preceding the discussions, whilst there was a set plan in operation calculated to suppress all minorities in the private sessions of the separate delegations, so that unanimity could be presented to the Congress.

When it was understood that this was not 100 per cent. realisable, steps were taken to canalise the debate in such fashion as would prevent a free discussion on "Class Collaboration," as a principle, and would force it along the lines of objections to the non-representative character of the employers, and the failure of the General Council to consult the Union Executives.

Sam Elsbury had established his right to open the debate on Thursday by the fact that he had raised the question on Monday, on page 6 of the Report, under the introductory paragraph No. 5, headed "Industrial Conference," and had then been prevented from moving reference back, with an explanation that the whole question would come up on Thursday. This comrade would, of course, have raised the whole question of principle, and for that reason, on Thursday, it was made possible for Mr. Brownlie to supersede him and to take the first step in the struggle against the action of the General Council on purely technical grounds.

This played right into the hands of the General Council spokesmen, who were able to show that the G.C. had full power to do anything which, in their opinion, was calculated to advance the interests of the movement.

A. J. Cook undoubtedly made the effort of his life, notwithstanding his serious physical condition, though before dealing with the question of class collaboration as such, he made a serious mistake, through carelessness in phraseology. He was trying to remove personal prejudice from the discussion in order to permit of the matter being treated objectively, and gave their claim to be honest working-class fighters to them, to save argument about it, in order that he might demonstrate that with all the honesty and capacity in the world the working class could not

solve the problems which capitalism was throwing up, except by the exercise of superior might in struggle against it.

This admission was afterwards used mercilessly against him by Smith and Thomas, who sought to read into it the conversion of Cook.

A. G. Tomkins, of N.A.F.T.A., made a very frank analysis of Mondism, but was quite evidently under the impression that others who opposed the policy on principle were going to take it up where he left off, but this was prevented, in spite of the fact that definite promises had been made previously to Collick, Elsbury and myself that we should participate. Our names were taken very early in the debate, but with one exception, only General Secretaries, Presidents and General Council members were permitted to speak, and for unlimited periods, whilst ordinary delegates were not even granted five minutes.

So the General Council secured a big majority for Mondism, and if the speeches of Citrine and Bevin are any indication of how this will be interpreted by the General Council it is quite clear that we have embarked upon a process which will quickly transform the Unions from independent working-class organs into kept company Unions for capitalist production and electoral machines for the Labour Party.

This decision is, however, not representative of the desires of the masses and in this lies the hope of the revolutionary workers. Still greater efforts must be made to rouse all workers to a realisation of their danger and to remove from leadership all who are engaged in the salvage of capitalist production.

This discussion lasted five hours, and on Friday, when the resolution on International Trade Unity and Anglo-Russian relations came up, it was decided only to permit movers of resolutions to speak five minutes, seconders three minutes, and no further speeches except in opposition to the resolution. This meant that there could be no real discussion at all on this vital question of international working-class relations, and that all who would participate outside the movers and seconders must speak against.

It would have been a crime to fail to draw attention to the fact that the "Peace" resolution of the preceding day had in

effect ranged the Congress with British capitalism against the world's workers, and cowardly to have allowed Thomas to so scurrilously attack the Russian workers without informing him and the Congress that the British Movement was in greater need of association with the Russian workers and peasants than they were in need of us, as was proved in the miners' struggle in 1926.

In all, twenty-five minutes were spent on this vital matter, and this only serves to emphasise how far the official movement has travelled from the defence of the workers' real interests.

The discussion further demonstrates that it is a mistake to place the Russian workers in the situation of supplicants pleading for unity with persons whose unity, if secured, would only be formal and futile. There can only be one basis of unity between the Russian workers and the workers of this country, and that is upon the mutually accepted understanding that we mean "Unity for Struggle against Capitalism," and this cannot be got from a General Council pledged to bolster up capitalism by the aggravation of the workers' sufferings at home.

This has shown that all talk of opposition to war on the part of these people is sheer hypocrisy, and that they will be in part responsible when it comes upon us, for the international competitive struggle they have become participants in is the essential preliminary and logical cause of war under capitalism, and by deserting the effort to realise International Trade Union Unity they have abandoned the only workers' defence against war.

All this reveals a thoroughness in the betrayal which cannot be explained by phrases about honesty in intention and mistakes in policy, for this Congress has made clear the existence of the operations of a fraction, a cell in the body, of the British working-class movement which is permeating every one of the organisations in preparation for their being handed over to our capitalist enemies.

The Congress heard the surprising announcement that, despite all the plots, Cook had been returned to his seat on the General Council, and it is necessary to mention that this was only accomplished by the hard work of the revolutionary delegates in the separate delegations who were throughout combatted by lies and slander against Cook. As far as the reformists were

concerned, they did their best to transfer the vote to Mr. Miller, of the Deputies' and Firemen's Union, though his organisation is non-political and not affiliated to the Labour Party.

So ended a week's Congress, which was claimed to be representative of nearly four million workers.

The balance sheet of the week's proceedings show that:—

- (a) Nothing was done to assist or even relieve the suffering masses.
- (b) The unemployed were insulted and attacked.
- (c) The revolutionary workers and their delegates were slandered.
- (d) The Anglo-Russian Committee was denounced.
- (e) International Trade Union Unity was betrayed.
- (f) Capitalism was defended, and steps were taken to prolong its menacing existence.

It is fitting that the closing song should have been "Auld Lang Syne," and that the parting words of the chairman placed our destinies in the hands of a deity, for it was evident that the T.U.C., as at present led and organised, will do little for the workers of Britain.

TOLSTOY AND HIS EPOCH

By N. LENIN

[*This article is now published for the first time in English. It appeared in "Sviyesda," No. 6, January 22, 1911.*]

THE epoch to which Tolstoy belonged, and which found, both in the genius of his artistic creations and in his teachings wonderful plastic expression, is the epoch from 1861 to 1905. It is true that Tolstoy's literary work began earlier and came to an end later than this period began or ended, but as thinker and as artist he actually matured in this period, whose characteristic of transition gave rise to all the peculiar tendencies in Tolstoy's art, such as "Tolstoyanism."

The words which Tolstoy put into the mouth of Levin in *Anna Karenina* give significant expression to the outstanding features of Russian history in that half-century.

Discussion on the harvest, on the strikes of workers, and other things of the same kind, which Levin had been conscious of as something vulgar, now alone appeared important . . . Perhaps it was not important during the time of serfdom, or is not important in England. In both cases relations are firmly established. But among us now, where everything has been turned upside down, and is only just beginning to settle down again, the question as to what forms these relations will take is the only important question in Russia, thought Levin.

"Among us where everything has been turned upside down, and is now settling down"—it would be difficult to think of a more striking characterisation of the period from 1861 to 1905. What had been "turned upside down" is well known, or at least well known to every Russian. It was serfdom and everything in the old regime arising from it. That which is "just settling down again" is to the widest masses of the people completely unknown, strange and incomprehensible. This "settling down" bourgeois order appears to Tolstoy in the guise of the nightmare of English industrialism. Truly a nightmare, for Tolstoy rejected, so to speak, on principle, any attempt to

make clear the main features of this industrial order in England, the connection of this order with the rule of capital, with the power of finance, with the rise and development of exchange. Just like the Narodniki he will not see, in fact he shuts his eyes to, and turns his thoughts away from, the fact that in Russia it is no other than the bourgeois order which is settling down. It is true that the question of how this new social order, which had assumed varied forms in England, Germany, America and France, would develop was not the only important question. But from the standpoint of immediate social and political activity, it undoubtedly was one of the most important questions of the period 1861 to 1905, and is still at the present time. To consider a question in such a definite, concretely historical manner was completely foreign to Tolstoy. He thought abstractly; he admitted the validity only of "eternal" moral principles, the eternal truths of religion, without realising that such a standpoint is only the ideological reflection of the old (upside down) order of the regime of serfdom, of the "oriental" way of life.

In *Lucerne*, written in 1857, Tolstoy said that the explanation of "civilisation" as goodness is a conceit which annihilates the sacred, instinctive, original need for good in man's nature. "We have one, and only one infallible guide," Tolstoy maintains, "the world spirit immanent in us."

In *Slavery in our Time*, written in 1902, in which he repeats even more passionately his appeal to the world spirit, Tolstoy calls political economy a "pseudo-science," because it takes England, a small country in an exceptional position, as a pattern, instead of "the position of mankind in the whole world during the whole period of history." What this "whole world" is, is revealed to us in the essay *The Progress and Destiny of Culture* (1862). The view of the historian that progress is a general law of mankind Tolstoy refutes by reference to the "whole so-called East." "There is no general law of progress for mankind. This is proved by the immobility of the peoples of the East," declared Tolstoy.

Tolstoyanism, in its true historical setting, is an oriental, Asiatic conception of society. It too manifests the asceticism, the renunciation of the use of force to resist evil, the strong undercurrent

of pessimism, and the conviction that "All is nothing, all material things are nothing," (*The Meaning of Life*) and the belief in the "spirit," the "Origin of All," with Man as merely a "Worker" &c. Tolstoy remains true to this ideology in the *Kreutzer Sonata*, too, when he says: "Emancipation of women not by education nor by parliament, but in the bedroom," and in an article in 1862, it is stated that the university would produce only unbalanced, feeble Liberals, uselessly cut off from their former surroundings, "whom the people absolutely did not need, and for whom no place in life could be found."

Pessimism, passive endurance and appeal to the "spirit" is an ideology which inevitably arises in an epoch, when the old order is being transformed, and when the masses, who grew up under that old order and who with their mother's milk imbibed the principles, customs and traditions, the belief in this regime, do not see and cannot see how this new order will turn out, which social forces will develop, in what way it will happen, and what social forces will satisfy the innumerable and urgent needs, which are characteristic of a transition period.

The period from 1862 to 1904 was indeed for Russia such a period, when before everyone's eyes the old was irreparably breaking down, whilst the new was just beginning to appear clearly and the social forces, which effected the change, did not appear on a national scale and in open mass action on the most diverse fields until 1905. And after these events of 1905 followed similar events in a great number of states, even in the East, to whose immobility Tolstoy had appealed in 1862.

The year 1905 marked the beginning of the end of "oriental" torpidity. And for that very reason marked the historical end of Tolstoyanism, the end of that whole epoch, which gave rise to, and necessarily gave rise to, Tolstoy's teaching, not as something individual, not as a freak, or as an effort towards originality, but as the ideology suited to the conditions of life of millions and millions at that time.

The teaching of Tolstoy is unquestionably Utopian, and in its content reactionary in the truest and deepest sense of the word. But this does not imply that this teaching is not Socialist, nor

PACT AND ENTENTE

By W. N. EWER

THERE is no reason to labour any further the very obvious, and indeed cynically admitted, fact that the signing of the Kellogg Treaty does not make a particle of difference to anything. The Declaration of Paris will have to the policy of Governments pretty much the same relation as the Sunday professions of the average Christian have to his week-day practice. And it will do about as much to end war as the Sixth Commandment has done to end killing.

But though the document itself and the fact of its signature are of little importance, the whole of the circumstances which have grouped themselves around its signing are anything but unimportant. The signing of the Pact is indeed only one incident in a complicated story of which the conclusion of the Anglo-French naval compromise and the curious itinerary of Mr. Kellogg are even more significant features.

To talk about the formation in the past few weeks of a new Anglo-French entente is nonsense. The entente which so many worthy people have just discovered is not new this year. It was formed in the spring of 1927. I wrote about it in the *LABOUR MONTHLY* of June of that year. What is new is that during the last month or so it has taken on an openly (though, of course, not an avowedly) anti-American aspect.

The Peace Pact negotiations, which began in an attempt to form a Franco-American entente, have ended in a Franco-British entente against America. There is irony in that, and yet it was natural enough.

Great Britain's European policy—as I have written a hundred times—is always determined by consideration of her extra-European interests. Locarno was a valiant attempt to form a united European front against Russia and against the East. It failed because old Franco-German jealousies and new Franco-Italian rivalries made it impossible to get—except on paper—the necessary solidarity. And as it began to fail British policy in Europe was left swaying rather uneasily.

In the spring of last year it looked as though it were coming down definitely on the side of Italy. Sir Austen had been the enthusiastic guest of Signor Mussolini in the autumn, Mr. Churchill and Sir William Tyrrell in the spring. There were a dozen indications (Italy's sudden ratification of the Bessarabian treaty may be mentioned as example) that arrangements were being reached by which the Duce would support Great Britain's rapidly developing anti-Soviet policy, while Sir Austen would support Italy's ambitious projects in the Near East. There was simultaneously a perceptible cooling between London and Paris. M. Briand and Sir Austen were on anything but cordial terms at Geneva in March. The Foreign Secretary had not—as had once been his habit—stopped in Paris on his way to Geneva. As to Anglo-German relations, they remained unchanged: England urging on Germany to draw away from Russia; Germany refusing; and France—in the person of M. Poincaré—obstinately refusing that concession in the Rhineland which might have been the sufficient bribe.

Within a month everything had changed. The coolness between London and Paris had given place to a new warmth. M. Briand, it was announced, would come to London with the President and would have important conversations with Sir Austen. The new entente, which came definitely into being a month or so later, was being prepared.

What brought about this sudden and important change in April of last year? Some of the reasons were visible enough at the time. But looking back now it seems pretty clear that an important, perhaps a decisive, role was played by a factor which I admit that I overlooked.

In the earlier years of the Baldwin-Chamberlain Government British foreign policy had been entirely determined by two linked considerations—hostility to the U.S.S.R. and resistance to the national movements in Asia and Africa. But gradually another factor, of which both Ministers and high officials were themselves at first unconscious, began to make its influence more and more powerfully felt. Just as at the end of last century Anglo-German economic rivalry began to produce Anglo-German political hostility—and this despite the fact that the Ministers of

that time were inclined to a policy of friendship and co-operation with Germany—so now Anglo-American economic rivalry is producing Anglo-American political hostility.

The hostility seems suddenly to have flared into consciousness during that spring. It was, I think, the cold and curt rebuff by Washington of suggestions (they never reached the stage of a formal proposal) of American support for British policy in China in return for British approval of American policy in the Caribbean, which brought things to a head. Very soon after came the snarling and growling over Mr. Mellon's famous letter in reply to the Princeton professors. That little incident ended in the refusal of the State Department to answer or take any notice of a long and elaborately argued note from the Foreign Office on the debt question. Never in its history had Downing Street been so snubbed. Mr. Kellogg was treating Sir Austen as Sir Austen might have treated Chicherin. The affront was unpardonable.

The situation then was that just at the moment when Anglo-American relations were becoming visibly strained, Anglo-French relations were at their coolest. And it was precisely at this moment that M. Briand threw out his suggestion of a Franco-American treaty of friendship and perpetual peace. The emotional reactions which Lindbergh's flight had caused in both countries were used to facilitate a proposal which seemed to hint at a Franco-American entente.

Whether M. Briand's move was an adroit and calculated playing upon British nervousness, or whether it was just a lucky and unthinking stroke, it is impossible to divine. But the sequel came too swiftly to have been merely coincidence. Within a couple of weeks of M. Briand's approach to Washington came the invitation to London, the new conversations, the making of the new entente.

Its signs were soon visible. The Germans noted a British change of view on the Rhineland question. Mr. Amery called publicly for a "colonial entente" and arranged privately for co-operation in police work and espionage against the nationalist movements in Asia. In the autumn Sir Austen, yachting as usual in the Mediterranean, almost ostentatiously avoided Italian

ports or a meeting with the Duce; he went instead to Spain and urged General Primo de Rivera to come to terms with France over Tangier; he went to Paris and declared to slightly wondering reporters that he "loved France as one loves a woman." Finally, at the beginning of this year, it was announced that Sir William Tyrrell himself, for so many years the directing brain of the Foreign Office, would go to Paris as Ambassador.

The new Anglo-French entente was growing closer as Anglo-American relations grew more strained. The reality of that strain was suddenly and sharply revealed to the world at large at the Geneva Naval Conference, where the two "Anglo-Saxon" Powers not only failed to reach agreement but quarrelled openly, and on the most dangerous of subjects. It became manifest that commercial competition had brought in its train not only political antagonism but naval rivalry. The implication could not be escaped. Men began hurriedly to say that an Anglo-American war was "unthinkable." One does not think about the unthinkable, nor does one compete in preparation for it.

The heated and public quarrelling at Geneva died down—as such critical phases do. But the antagonism between the Foreign Office and the State Department, between the Admiralty and the Navy Department, and the economic antagonism which they reflected and expressed, continued. A quiet diplomatic conflict went on all across the world, most notably in China and in North-Western South America. The relations of the two Governments were of a frigid politeness, shot through and through with mutual suspicion and growing dislike. It was noticeable that during the negotiations which converted M. Briand's scheme for a Franco-American treaty into the "all-in" Kellogg Pact, Washington's attitude to Paris was consistently courteous, friendly, conciliatory. Mr. Kellogg could not make a pact of perpetual neutrality with one European Power alone; the breach with American tradition would have been too sharp to risk when a Presidential election was drawing so near; ratification by the Senate would have been more than doubtful. But he avoided refusal by his proposal of the merging in a wider scheme; he accepted without demur and almost enthusiastically the reservations which made his plan palatable to French tastes—though they made

nonsense of it all. He cheerfully agreed to the arrangement by which the Pact should be signed in Paris, and M. Briand should take the oratorical limelight at the signing.

The attitude to Great Britain was in the sharpest contrast. The French reservations had been discussed and accepted. Sir Austen's laborious note, with its long and startling array of British reservations, was coldly ignored. Neither in a note of reply nor in any public utterance did the American Secretary of State indicate that he had even troubled to read that remarkable document. For the second time in a year the United States Government had snubbed the British.

American politeness to France could not, however, outweigh the more solid advantages offered by the British entente. That entente seemed to give the French Government the guarantees for which it hankered in Europe; it was a safeguard against the danger of isolation; a safeguard against a renascent nationalist Germany; a safeguard against Italian aspirations to control of the Mediterranean; an incalculable strengthening of the somewhat rickety framework of alliances which had been the basis of French policy in Europe since the war. Had America been able to throw a big debt remission into the scales it might have turned them. But that—again for reasons of domestic politics—was impossible.

The entente went forward and developed. French policy towards Russia became more and more hostile. The affair of the Banque de France and the gold shipment to New York was indicative of the trend. But during the summer there were no less significant indications that France was, as part of the bargain, prepared to support Great Britain not only against the U.S.S.R., but against the U.S.A.

Early in July M. Leygues, the Minister of Marine, made the startling declaration that :

Britain has every right to have the greatest navy in the world, equalled by none and surpassing even the fleet of the United States.

And then, three weeks later, came Sir Austen's announcement that a "compromise" had been reached on naval disarmament, and the indiscreet, exultant comments of the Paris Press that behind this compromise lay a far-reaching agreement, comparable with that of 1906, under which the two navies would,

"when circumstances arose, combine their efforts for the defence of the riches which have cost them so dear." "On that day, when it comes," wrote one commentator—not an irresponsible scribbler, but M. la Bruyère, the famous naval expert of the *Journal des Débats*—"the combined strength of England and France will hardly be enough to maintain order in the world."

It scarcely needed those comments to show that the new agreement was a united front against America. For even an agreement on "disarmament," providing for French support of the British thesis on unlimited light cruisers, must—after Geneva—be regarded as definitely anti-American. Combine that with the "pooling of the fleets" and the challenge was plain. America must abandon her pretensions to "parity" or must prepare to face the strain of building not to a one-power but to a two-power standard.

The cat had been let out of the bag on the eve of the signing of the Pact. The American gesture of reply was a characteristic one. Mr. Kellogg's ostentatious avoidance of England, his complicated arrangement to be taken to and from Ireland from France by cruiser, was an expression of cold displeasure. And it was something more. On his way to France the Secretary of State took some pains to show upon what cordial terms he was with the Canadian Premier (a passenger in the same ship). His Irish visit was the occasion for great display of Irish-American friendship. He seemed to be directing the attention of Downing Street to the unwelcome fact that a quarrel between the United States and Great Britain would not involve the Dominions; that Canada and Ireland, at any rate, might be neutral or even pro-American in inclination; that serious trouble would automatically endanger the unity of the British Empire.

Mr. Kellogg came and went, studiously polite to France, studiously cold to England. Meanwhile an explanatory note about the "Naval Compromise" had gone to Washington. Officials let it be known that it was unsatisfactory; but the reply must await the return of the Secretary of State from Europe, or the President from his holiday in the North. The Secretary of State and the President returned. And Mr. Coolidge calmly announced that the British Note needed no answer. In looks

as though for the third time the United States Government was about to reply to a communication of first-rate importance from Downing Street. The publication by the Hearst press of the French circular despatch embodying the terms of the naval "compromise" made it necessary to alter that decision. The whole thing could not now be contemptuously brushed aside. A despatch must be sent in order that it might be published. I am writing before its contents are known. But I have little doubt either as to their purport or their tone.

All this, and not the signing of a meaningless Pact, is the important thing which has happened. The years 1927 and 1928 will be of vital significance in diplomatic history, not because of the document which was signed in Paris with such a flourishing of pens, but because they saw—closely linked with each other—the formation of a new and close French entente, and the widening to danger point of the breach between Great Britain and America; the attempt, in fact (in accord with all the traditions of British statesmanship), to create that "united front against America" to which Herr Müller, at Geneva, significantly announced that Germany would never be a party.

THE IMPORTANCE OF CO-OPERATION¹

By E. J. BALE

General Committee, Royal Arsenal Co-operative Society

THE resolution on the co-operative movement adopted at this year's conference of the National Minority Movement correctly points out that "in the coming battles between capital and labour an increasingly important role has to be fulfilled by the co-operative movement." It is yet true, and to an extent significant, that there has been no attempt on a considerable scale to develop a Marxian analysis of the role and function of co-operation. Yet the importance of co-operation in the structure of the U.S.S.R. is in itself sufficient warrant for a consideration of its importance to the international revolutionary movement. The details of co-operative trade in the U.S.S.R. have been so often repeated that there should be no need here to treat them exhaustively. It may be sufficient to quote only the percentages of retail trade as supplied by Centrosojus.

	1923-24	1925-26	1926-27
Private trade	59	44	37
Co-operation	30	45	52
State trade	11	11	11

In a pamphlet issued by Centrosojus in Moscow in 1927 it is stated :—

In the decisions of the Party and the Government a course has been taken to develop wholesale and particularly retail co-operative trade. That has been formulated as follows:—

"The co-operatives gradually increase their circulation of commodities to the extent that their financial, economic and organisational possibilities allow. This is accomplished firstly at the expense of eliminating the private traders, and, secondly, by reducing the role of government trade."

It would be possible to quote extensively from Party and Soviet authorities to show that co-operation is recognised as an integral part of the economic development of the U.S.S.R. The surprising thing, however, is that even those who should be in a

¹ This article raises controversial questions which we hope to deal with in a subsequent issue.—Ed.

position to assess the full value of co-operation fail to give it due importance.

Stalin in his book, *Leninism*, says that the organisations which make up the structure of the dictatorship of the proletariat are five in number, viz., trade unions, soviets, co-operatives, League of Youth, and the Party. Yet despite all the evidence he defines the co-operatives merely as "mass organisations, chiefly of the peasants, linking the Party with the peasant masses, especially in the economic field and as concerns peasant participation in the work of socialist construction." It would be far more correct to define the co-operatives as forming "the organisations most suitable for the distribution of commodities during the transitional period of a Workers' State," and then as "mass organisations, &c."

A more serious aspect of this failure to understand the complete role of co-operation is shown in another part of Stalin's book. On page 20 he asks what are the special features that distinguish the proletarian revolution from the bourgeois revolution, and proceeds to summarise them under five main heads, commencing :—

(1) The bourgeois revolution usually begins at a time when the capitalist forms which, prior to the manifest revolution, have made their appearance and begun to ripen within the womb of feudal society, are already more or less developed. *The proletarian revolution begins at a time when Socialist forms either do not exist at all, or are almost completely lacking.* (My italics.—E. J. B.)

I am not here concerned with Stalin's duel with Zinoviev, except to hope fervently that his other arguments are better founded than this one. Are not the co-operatives working-class organisations thrown up by the workers in their struggle with capitalism? Is it not a form of organisation that persists and grows after the Revolution, until it attains a predominating position in the economic structure of the Workers' State? Then, how can it be said that the proletarian revolution begins at a time when socialist forms either do not exist at all, or are almost completely lacking? If Stalin's statement is accepted in its entirety it implies that revolutionary workers outside the U.S.S.R. should neglect the co-operatives—an unthinkable proposition. Stalin's argument appears to arise either out of a misreading of some writings by Lenin which he quotes, or of a more fundamental error in that he projects the objective conditions of Russia before the February Revolution

into countries which are still capitalist. In either case, if the misconception is general it may account for the perfunctory attention which the revolutionary movement in Britain has hitherto given to the co-operatives, and indicates a serious error in revolutionary theory.

It may now be valuable to turn to the co-operative movement of this country. The statistics presented to the Co-operative Congress of 1927 showed that in 1926 the membership of all types of societies had increased from 4,960,833 to 5,229,703, an increase of 268,820. Share capital amounted to £100,046,945, and retail trade was £184,879,902. The number of workers employed was 209,616. These figures have all increased since that report.

We find, therefore, that at a time when the membership of the trade unions falls to below four millions, the co-operatives approach five and a-half millions. In 1926, a pact was signed between the Co-operative Union and the Labour Party, and a joint committee established between the Union and the Trades Union Congress for the purpose of formulating proposals "intended to promote closer harmony between the two movements and to prevent the repetition of events which occurred during the national strike of 1926." At the recent Trades Union Congress, Mr. Arthur Henderson announced that a Grand Council of all three organisations was being attempted.

It is obvious that here we have a drawing together of the forces of Social Democracy, and the co-operative movement, as the figures show, is not the weaker vessel. In fact, it may fairly be assumed that the financial power and numerical strength of the co-operatives make them in some ways the strongest element in the trinity, and it is necessary to assess what effect this collaboration will have on the policy of Social Democracy; whether it will mean a more proletarian expression or a further open retreat.

The entire ideology of the official co-operative movement may be summed up in the frequently expressed dictum that "co-operation is above class." So much is this the case that a whole theory has been built up under the title of the Consumers' Theory of Society, and the literature which supports this monstrosity can be confidently recommended as a pleasant diversion on a wet

Sunday afternoon. It finds its most extreme expression in Percy Redfern's *The Consumers' Place in Society*, and is therein built up in this wise.

The most important business of life is consumption. The first job on entering the world is to feed, and thereafter we keep on feeding, wearing clothes and consuming commodities until we die. "In the business of life the consumers' needs are the first, last, and most extensive element to be considered." "Thus, the business of so organising the commonwealth as to meet the proper needs of consumers is a matter of universal importance." The rich man has only one stomach, and therefore can eat no more than a poor man, and indeed probably eats less, and as there are more poor men than rich men, we can afford to ignore the effect of the rich on this most important business of life. All we have to do, therefore, is to get together as consumers, and then it will be possible to allocate to capital and labour, these "relatively minor constituents," their proper place in the new paradise which will thereby have been created. When productive capital in some of its operations injures the interests of consumption it will be dealt with by the organised consumers, in ways devious but unspecified ; as strikes always hit the consumer first, they, of course, will not be permitted. The organised consumer will perform some of his work through the medium of State and municipal apparatus and the rest through his own organisation. The producer must allow his interest to be looked after by the consumer. And so on through pages of unadulterated rot.

Such stuff might seem fit for no more than a contemptuous disregard—except for the unpleasant fact that conclusions drawn from such pernicious nonsense are, week in and week out, made the subject of hundreds of lectures to thousands of working women. A stream of propaganda is continuously being poured out with the sole object of leading these women to believe that there is no need for strikes or struggle of any kind ; all that is needed is universal co-operation. In guild room after guild room the story is told that co-operation is above class, and all talk of class struggle is resolutely banned. A political party is established to represent the special needs of consumers in parliament. A literature tremendous in its volume, a considerable press, weekly, week-end, and evening

schools, lectures without number, these and many others are the means utilised to influence a vast and growing number of workers. It would be difficult to compute just to what degree reaction is aided by this closely knit and ably organised apparatus. It is tragic to contemplate that it has been permitted to carry on its work without any effective challenge.

Clearly then, the drawing of the co-operative movement into the ranks of Social Democracy can lead only one way—into a more blatant retreat from the class war and, concomitantly, a closer alliance with capitalism. The fight inside the co-operative movement is hampered by the lack of any exhaustive analysis of the role of co-operation, and this in turn appears to result from a lack of appreciation of the importance of co-operation in the workers' struggle.

There are special problems confronting the co-operatives just as there are special problems confronting the trade unions. In the latter case, books, pamphlets, detailed resolutions and the like are available as guides for action. The co-operative movement is without these. The question as to the attitude that should be adopted towards the form of political action in the co-operatives, which should be advocated in view of the new policy, is without answer. The relationship between the Co-operative Union and the Co-operative Wholesale Society, and the relation of both to the International Co-operative Alliance must be unknown to most readers of the *LABOUR MONTHLY*, yet they have their significance and create their own problems.

It is not intended here to detail all the problems nor to indicate the lines on which they should be answered. The only desire is to emphasise that there is an ideological importance attached to co-operation which has not been realised by revolutionary theorists, and to arouse a consciousness of the necessity for a Marxian analysis that may serve as a guide to revolutionary work in the co-operative movement.

The World of Labour

	Page
INTERNATIONAL : Congress of the Labour and Socialist International	631
Executive of the League Against Imperialism ..	634
GERMANY : Trade Union Congress	635
INDIA : South Indian Railway Strike	636

INTERNATIONAL

Third Congress of the Labour and Socialist International

THE Triennial Congress of the L.S.I. opened in Brussels on August 5. There were about 100 delegates present, but no Colonial country was represented, except for one Chinese student from Paris. Fraternal delegates from India, Indonesia, Ceylon and Trinidad were treated as "guests," and were not allowed to speak even in the Colonial debate, when their interests were being considered, in spite of a vigorous protest which for a time held up the sitting.

To compensate for this sparse colonial representation, the L.S.I. decided to admit the Chinese Kuomintang as an official guest. While strong protests have been received from working-class organisations against the admittance of this openly counter-revolutionary body, responsible for the murder of thousands of workers, no objection was raised by the British delegation at the Congress.

This debate on the Colonial Resolution, submitted by Lord Olivier on behalf of the Colonial Commission (which included Lansbury among its members) caused the most intense indignation in all quarters on account of its division of the Colonial countries into three classes :—

- (1) Those fit for complete independence and to be admitted to the League of Nations—China, Egypt, Syria, Irak.
- (2) Those to be granted self-determination, which include not only the Philippines but India.
- (3) Backward colonies, such as the Crown Colonies, for whom a mixture of autonomy and trusteeship is devised.

The "guests" submitted a protest, declaring that the resolution was not consistent with socialist principles of self-determination and equal rights for all nations, which must be applied to all without discrimination, and the Indian representative, Chaman Lall, fraternal delegate of the All-India T.U.C, sent a memorandum, the main burden of which is that the policy of the L.S.I. with regard to India is dictated solely by the British Labour Party. He points out that the facts are presented by a party with imperialist leanings, in language often borrowed from the ruling class in India—the British Imperialist

Government, *e.g.*, the description of the Indian trade unions as "rather more in the nature of strike committees" is copied from a government publication. The misleading statement that "many of the textile mills, coal mines, iron and steel works are in the hands of Indians and financed by Indian capital," is another example which is calculated to lead you to believe that the Indian problem is a national and not an international one. "The writer of the memorandum is significantly silent about the jute mills. Why? Because 74 out of 76 are in the hands of European capitalists. And the writer is wrong even about the only steel works in Indian hands. The debenture holders and financiers are in London. Most of the important mines are British owned."

Chaman Lall accuses the British Labour Party of deliberate suppression of the truth and of pursuing a policy indistinguishable from the imperialistic policy of the Conservative or Liberal parties. He refers to the law passed when the Labour Government was in power—"a law applicable against 247 million Indians, under which any man could be arrested, deported and indefinitely imprisoned without trial," and continues "you will forgive us if in India we consider the attitude of the British Labour Party towards Fascism, towards Bolshevism, towards democracy and freedom as somewhat hypocritical." He reminds the conference of the Blackpool resolution on India and the way in which it was flouted by the acceptance of the Simon Commission, which has been rejected by the Indian people, and declares that "at the present moment the whole Indian nation has been handed over with the assistance of the British Labour Party to a foreign exploitation which knows few parallels in history," and concludes with an appeal to the L.S.I. to stand by the Indian workers and not to subscribe to the policy of the party which has betrayed India and betrayed Socialism.

Cramp (England) presented the report on the world economic situation, containing an analysis of pre- and post-war capitalism. The main thesis was that capitalism was not in decline, but was only suffering a temporary setback owing to the war. The British position was only an example of the general malady of world trade, and would improve with the world situation. Even at the moment the position of workers in regular employment was not worse than before the war. The tendency towards concentration of capital and rationalisation was stressed, but after glancing at the dangers to the workers, the assertion follows that "capitalist evolution is ever more rapidly creating the conditions which will produce its own supersession. If scientific management at first aggravates the sufferings of the workers and swells the number of the unemployed, it yet points to the possibility of creating by means of a maximum increase in the productivity of labour, the economic conditions necessary to a civilised existence to all mankind. If at first the international trusts and combines subjects peoples to the domination of world capital, they yet point to the growth of conditions requisite for the abolition of the anarchy of the world market, and for systematic international guidance of the world economic order."

Morris Hillquist (U.S.A.) was cheered by the British delegates when he described the results of rationalisation in the motor factories of America—men reduced to machines and thrown on the scrap heap, but the L.S.I.'s vindication of that policy was complacently adopted.

The resolution on Militarism and Disarmament followed the lines laid down by the apologists of the League of Nations. As the *Manchester Guardian*, of August 13, puts it: "Thus the Second International rallies its great forces in support of the League." Arbitration is the keystone of the edifice, and the Socialists are given the credit for the Dawes plan, Locarno and the Kellogg Pact, thus stamping the policy of imperialism with the seal of Socialism. Four courses which the Government should adopt at the next Assembly were put forward:—

- (1) The adoption of Convention A, which should be turned into a treaty, open to all Governments to sign.
- (2) The adoption of the optional clause of the Permanent Court of International Justice.
- (3) The ratification of the Kellogg Pact.
- (4) *Re* Disarmament. Not the acceptance of the Litvinov proposals, but the fixing of a date for the delayed Disarmament Conference not later than the summer of 1929.

Fenner Brockway and the I.L.P. contingent pressed for a more downright declaration in favour of total disarmament, pleading that this would not be playing into the hands of the Communists as Breitscheid urged, but on the contrary the L.S.I. would be helping the C.I. if they failed to satisfy the workers that they were dealing energetically with the problem. Yet in spite of an inadequate draft with half-hearted proposals, Brockway describes the Congress in the *New Leader* as an advance, and Brailsford speaks of it as "one of the great events of our time."

The Rhine question caused a sensation, and nearly a scandal. The trouble was started by the French delegate Zyomski suggesting to the German delegates the tabling of an amendment, demanding the addition of the words "immediate and unconditional" to the demand for evacuation. This was hotly opposed by the French as not immediately practicable. But after an adjournment for consultation, in the final text, immediate evacuation was demanded, but nothing was said as to conditions. But, while the French delegation was prepared to declare that evacuation should be immediate it added that the problem of evacuation was "practically linked with the problem of security and disarmament," *i.e.*, the Thoiry proposals, rejected in theory were admitted in practice.

The arguments used and implied were also illuminating. The Congress must not go too far for fear of "discouraging the pacific efforts of the French Government" or embarrassing the German one. Could continuity and class collaboration be carried further?

Lastly, came the combined attack on Fascism and Bolshevism, with Turati (Italy) and Abramovitch (Russia) as joint presidents, and Roussanov and Dan supporting the claim that Russian Bolshevism was the counterpart of Fascism, employed similar methods and presented equal dangers.

In the words of the resolution:—

The L.S.I. recognises the heroic efforts of the working masses of the Soviet Union in the fight against capitalism and the White Terror, but eleven years after the revolution the persistence of economic crises shows that the regime of dictatorship by a terrorist minority prevents the development of the

productive forces of the country, while it prevents the Russian workers from defending their interests and holds under its domination nationalities which it oppresses.

It is claimed further that the L.S.I. is always ready to defend the Soviet Republic against any hostility on the part of capitalist Governments against counter-revolution and aggression, and also to demand from all States peaceful and normal relations with it, but the C.I. is rebuked for "directing the thought and hopes of the workers towards new wars." Otto Bauer (Austria) developed this theme, accusing the Communists of basing their hopes, not on immediate revolution, but on a series of imperialist wars, and defended the "orgy of anti-Soviet fury and "sterile polemics" on the ground that they were trying to show that "the present Communist policy of revolution by war was a crime against the world and against democracy."

The British delegation protested against the tone of the debate and the resolution—as too long and too strong. Mosley attacked the manifesto as too negative, and as containing "three times as much denunciation of Bolshevism as it did of Fascism. Was it three times as great a danger?" Buxton said these questions were matters of internal policy, and that such attacks were not practical. Brockway hoped that at the next Congress the Russians would be represented and the International united. But, although both the Labour Party and the I.L.P. expressed regret and disapproval of the resolution, "in the interests of unity" they refused to vote against it. Lansbury for the Labour Party was determined not to divide the Congress, and J. P. Dollan, for the I.L.P., declared their intention to abstain from voting against the manifesto, although he challenged its conclusions. The I.L.P. thus ranges itself on the side of the united front against the U.S.S.R.

Executive Meeting of the League against Imperialism

A MEETING of the E.C. of the League against Imperialism was held in Berlin on August 18 and 19. The British delegation included James Maxton, M.P., Chairman of the League, and S. Saklatvala, M.P., and delegates also attended from France, Germany, India, Indonesia and China.

A resolution was passed condemning the attacks made on the League at the Congress of the Second International, and pointing out that the League against Imperialism is not a section of the Comintern, nor of the Communist Party, but a non-party organisation which all can join who acknowledge its principles. The great common idea is the determination to support and further an earnest and really revolutionary struggle of the oppressed peoples against their imperialist oppressors.

The resolution goes on to attack the decisions of the Brussels Congress on the Colonial question, condemning them as unsocialist, and describes as "a service to imperialism" the arbitrary division of the oppressed peoples into three categories of culture. It regrets that the Left Wing opposition present at that Congress did not take resolute action against these disgraceful decisions and that even on the Indian question all attempts to fight for complete independence were renounced.

Further the E.C. declares that "the decisions and resolutions on the

Colonial question at the Congress of the Third International correspond entirely to the aims and principles of the League and are calculated to give effective support in the struggle for freedom of all oppressed peoples and nations."

In a resolution on India, the E.C. reaffirms its determination to support the policy of complete national independence and condemns the Brussels Congress, which while stipulating complete independence for China, Iraq, Syria and Egypt, denies a similar right to India. The E.C. holds that the progress and development of the workers and peasants of India is impossible under foreign domination, and further that British control of India is an insuperable obstacle to peace, while the economic exploitation of the Indian worker is the root cause of unemployment and of the lowering of standards in Great Britain and other capitalist countries.

Speaking on this resolution, Saklatvala stated that the average earnings of the Indian workers were equal to £4 per head per annum, and declared that starvation, high death rate, low vitality were not accidents, but were the chief purposes of imperialism.

A resolution on China was also passed, which laid down the chief duties of the League towards the Chinese revolution as follows: (1) To strengthen the struggle against the imperialist policy of intervention, and to demand the immediate withdrawal of troops and warships. (2) To expose the policy of the Second International as being a help to the imperialists and the counter-revolutionary Kuomintang, for the purpose of creating a united front of the international proletariat for the support of the Chinese Revolution.

GERMANY

The Trade Union Congress

THE annual congress of the German Trade Unions was held in Hamburg on September 3-7. In his presidential address, Herr Leipart surveyed the economic situation during the past three years. The most notable passage was that in which he denied the invariable connection between wages and prices, at least in a time of universal rationalisation like the present, and went on to admit that unfortunately rationalisation had not led to a lowering of the price level, although productivity of industry had increased.

The cruiser scandal pervaded the whole Congress, and references to it occurred throughout the week. Yet, in spite of the tremendous feeling aroused throughout the country, and the heartburnings which the affair has caused within the party, so well was party discipline maintained that the resolution denouncing the buildings of the cruisers received only the three votes of the opposition delegates. In the face of the overwhelming success of the Communist campaign for a referendum to forbid the construction of all armoured cruisers, this result clearly shows the present alignment of forces and the imperialist tendency of the Congress. This impression is also confirmed by the truculent tone of Herr Severing's speech in which he announced the intention of the Socialist Ministers to remain in the Government, not just for a few weeks but for the whole period of its existence, though not, of

course, at the sacrifice of principle, but as he declared that there had been no betrayal of principle over the cruiser question, this qualification was not likely to prove very reassuring to doubters. As for the critics, "let them talk" he concluded, defiantly.

The biggest debate took place on the subject of economic democracy. The resolution on this subject was introduced by Herr Naphthali, who elaborated the new Social Democratic policy which is to be offered in substitution for the class struggle—the sham fight for democratic powers, as opposed to the real fight against rationalisation and increased exploitation, and for the realisation of the workers' demands. He developed the theory of gradual transformation from capitalist autocracy to "the democracy of working humanity," through capitalist reorganisation, which though it does not yet mean the democratisation of economic life, yet must perforce play a part in its development. "Rationalisation, or rather pseudo-rationalisation at the expense of the workers, must be prevented," and here again the solution is the blessed phrase "economic democratisation." With a final reminder that this involves an extension not only of rights but of duties, he concluded a speech which the *Manchester Guardian* quotes with approval as indicating the new direction which Labour thought is taking in Germany.

The resolution itself follows the same lines.

Democratisation of industry is proceeding step by step with the structural changes in capitalism. The energies of the trade unions must be directed towards the development of new democratic powers of economic organisation, to be achieved by the workers without the intervention of the State, and towards further legislative and administrative measures, *e.g.*, labour protection legislation, development of collective agreements, development and self-government of social insurance, extension of workers' control and representation on public bodies, control of monopolies and cartels with full co-operation of the trade unions, &c.

The amendments to this resolution moved by the opposition delegates, who put forward a practical series of demands (war against overtime, fight for higher wages, &c.) were heavily defeated.

A comprehensive policy of class collaboration, with labour as a responsible partner in industry and politics. In industry this policy takes the form of conniving at rationalisation, in politics of voting for the cruisers. Within the labour movement itself democratisation was fitly expressed at the Congress by the expulsion from the meeting of the Press representatives of the Communist Press Service, the opposition T.U. paper *Der Kampf* and the Russian *Trud*.

INDIA

South Indian Railway Strike

FOR sometime the railway unions of India had been in a state of ferment, due to the tremendous retrenchment proposals put forward by the agents of the railways, which meant that at least 75,000 railway workers would be dismissed. An agitation was set on foot by the leaders of the various unions catering for the railway workers for a general strike, to prevent the proposals being put into operation.

At a meeting on June 16, the S.I. Railway workers decided to lay certain proposals before the agent requesting him to postpone the retrenchment proposals, which had been placed before the men. The following day a Strike Committee was elected and it was decided to organise a stay-in strike.

On June 28 the Central Committee of the S.I.R. Union wired the agent requesting him to give a decision on points raised previously : The withdrawal of Circular 202 (dealing with retrenchment), increase of pay for unskilled and all-round increase in wages, and stating that failing a reply a stay-in strike would take place in the shops on the line. The reply of the agent was to the effect that the retrenchment policy was the direct result of a Government inquiry. The next day, the workers at Negapatam commenced a stay-in strike. (By 11 o'clock orders came through from the agent of the railway declaring a lock-out.) Over 8,000 were affected at Negapatam, Podamur, Golden Rock and Trichinopoly, and police were drafted in and placed at all the important centres.

The Central Committee of the Union stated that the minimum demands of the workers would be :—

- (1) All round increases of 25 per cent. in wages.
- (2) Minimum for gangmen to be Rs. 30.
- (3) Withdrawal of Circular 202.

Meanwhile several prominent Labour leaders condemned the strike action. S. V. Aiyar, editor of the *Indian Railway Magazine* and president of the M. and S.M. Railway Employees Union, states :—

Capital has resources behind it. . . . There is no strike fund and donations from Saklatvala and others from England will not feed 40,000 mouths.

Ernest Kirk, General Secretary of the Madras Labour Union condemned the strike action, and said :—

I am not against a strike, but if initiated and rushed and wire-pulled by adherents of Moscow it is severely handicapped from the outset.

Resolutions of protests were made at the workers' meetings against Aiyar for "betraying the interests of the workers" and Kirk for "working against the Central Committee."

On July 6, a complete "Hartal" was observed at Trichinopoly. All business was suspended. The vegetable and grain markets remained closed in sympathy with the locked-out workers and a procession 3,000 strong marched through the town.

At all the other centres resolutions were passed calling for a general strike all along the line. Meanwhile, arrangements were made to call a conference of the A.I. Railway Federation. By this time preparations were being made to call a general strike for July 20. R. V. Naidu, president of the S.I.R. Employees Association, appealed to the workers not to participate ; since "constitutional agitation is our watchword." But telegrams sent by the president of the Union were held up by the authorities as "being objectionable."

On the 18th, Pillai, president of the S.I.R. Labour Union, wrote the agent asking whether he agreed to accept Labour Commissioners or Arbitrators on the following points :—

- (1) Lock-out wages.
- (2) Surplus to be absorbed after voluntary resignation.
- (3) Unskilled wages to be increased.
- (4) Running staff grievances.

The agent replied on the same day, stating that reductions were inevitable; that the question of pay was not one for arbitration, as the principle of no-work, no pay will be observed, that the unskilled rate of pay was fair and reasonable. He was prepared for negotiation or arbitration on the other matters, on condition that all agitation for a general strike ceased.

The reply was considered unsatisfactory and after another attempt to come to an agreement, it was decided that the strike should be called for the 20th. The Labour weekly, *Thozilalee*, issued a strike supplement printed in red, wall-papers and leaflets were issued by the strike committee, but the labour leader, Ernest Kirk, warned the workers "not to be carried away by Communist ideas being imported into the Union."

On the 20th, the strike commenced. Practically all unskilled and night staff left duty. All work stopped at the central stations. The authorities replied to the strike by organised terrorism. The few trains that were running were escorted by reserve police with loaded guns. Meetings were dispersed, and at Korandi were prohibited within a radius of five miles. At Egmore forty men were served with notices prohibiting them from attending meetings. Within three days there were sixty-two arrests, and thirty men had been sent to the Shirjaki sub-jail.

At Mayavaram about 5,000 strikers lay on the rails and refused to let the Ceylon boat-train, under strong escort, pass. The police interfered and arrested nine, but the engine fires were put out. Later, about 8 o'clock, the crowd of strikers increased at the station and some stone-throwing began. The police opened fire on the strikers and it is stated that five were killed, several injured and about fifteen arrested. At Tuticorin there was also firing by police and seven were injured, and a shepherd named Kone was bayoneted and died later. Fourteen coolies were arrested. At Villupuram, when a train reached the station, it is stated that some stones were thrown, and the police in reply charged the crowd of strikers with drawn bayonets and fired buckshots. Six were killed and twenty-two wounded.

The *Forward* said of this incident that :—

The race of dividend hunters will easily detect in these violent actions the mystic hands of Moscow. But can outside influences work so much havoc upon men's minds as to make them lay open their hearts to the policemen's bullets?

By the 25th D. K. Pillai, the president of the Central Committee, was arrested and searches made in the private residences of the Committee members and the Union offices.

T. K. Naidu, secretary of the Engineering Workshop Labour Union, and a member of the Strike Committee was arrested on the 26th, and P. Mudalier and V. Aujar, general secretary and vice-president of the Central Committee, were arrested at Madura.

On the 26th the Strike Committee issued a statement denying charges of sabotage and agreeing to go to arbitration on the four points previously given.

V. Aujar, who had been released on bail, stated at a meeting on the same day that the strike was premature, and Ernest Kirk, in an interview, attacked the Strike Movement saying:—

The strike is due to the influence of Communists. . . . The militant Moscow virus has already got into the blood of several leading branch officers and members of the Central Committee. . . . I would get into communication with the agent at once and agree to call off the strike provided he would be willing to resume negotiations.

< The next day, the 27th, the Union secretary at Tinnevely, M. Pillai, without any instructions from the Central Committee called off the strike. Most of the strikers were unwilling to resume work and the action of Pillai was challenged, but a small number began work. >

The same day, Narayanaswami, the secretary of the Podanur Branch, Chari, the manager of *Thozilalee* office, and Arumugan, a member of of the Strike Committee, along with R. Naidu, president of the Madras Branch and six strikers were arrested.

At Trichinopoly and Madura the strike was in full swing, but at other places a few had started work.

On the 30th Krishnamachari, the secretary, and Pillai, treasurer of the S.I.R. Local Labour Union, the only members of the Strike Committee left after the arrests, issued this statement:—

We have demonstrated to the public our capacity for organisation and concerted action . . . (but) we find that the public have suffered in this quarrel between Capital and Labour and we are very sorry that we were forced to go on strike much against our wishes . . . relying on the justice of our cause we are determined to continue our fight by peaceful methods and with the sole aim of sparing the public all inconvenience, we have decided to call off the strike from 6 a.m. on the 30th.

Although the strike had been called off a large number were still out on August 1.)

On the 2nd the agent stated that the whole staff were working. He also stated that the recognition given to the Union was withdrawn; that no strike pay would be paid, adding that he had the full approval of the Government. No points are to be submitted to arbitration, but if there are some outstanding he will consider submitting them to the Commissioner of Labour.

The governing authorities did not intend to run any risks for even when Joshi, Giri and Naidu arrived at Negapatam, on August 7, they were prohibited from speaking or attending meetings within a radius of five miles.

A commentary on one cause of the collapse of the strike was made by Jhabwalla who stated, at a meeting on July 18, that the leaders of the strike had wired to him concerning concerted action by the G.I.P., the B.B., the C.I. and the S.I.R. workers. He had immediately wired back asking them to wait until July 28. It appeared that the telegraphic communications were held up by the authorities. To his surprise the strike was declared on the 20th, and was bound to fail for want of organisation and support.

Since the calling off of the strike about twenty-seven strikers have been sentenced to six months' imprisonment, about thirty-six to three months and about forty-three others for periods of two to four months.

PUBLICATIONS RECEIVED

- Methods of Compiling Housing Statistics.* (I.L.O. Studies and Reports: Series N (Statistics) No. 13, 110 pp., 1s. 6d.)
- Is Labour Lost? The New Labour Party's Programme Examined.* By J. R. Campbell. (C.P.G.B., 18 pp., 2d.)
- The Native Problem in Africa.* By Raymond L. Buell. (Macmillan & Co., 2 Vols., 1,000 pages each, 63s.)
- U.S.S.R. and Disarmament. Discussion of Russia's Disarmament Proposals at Geneva, March, 1928.* Compiled by W. P. Coates. With a Preface by Arthur Ponsonby, M.P. (Anglo-Russian Parliamentary Committee, 82 pp., 1s.)
- English Constitutional Conflicts of the Seventeenth Century (1603-1689).* By J. R. Tanner. (Cambridge University Press, 315 pp., 15s.)
- Peterloo. The Story of the Terrible Massacres of Lancashire Workers at St. Peters Fields, Manchester, on August 16, 1819.* (C.P.G.B., 15 pp., 1d.)
- Communism is Commonsense. A Statement of Aims and Policy.* New Revised Edition. (C.P.G.B., 24 pp., 2d.)
- The Decline of Capitalism. The Economics of the Decline of Capitalism after Stabilisation.* By E. Varga. (C.P.G.B., 96 pages, and 30 pages of tables, 2s.)
- The Young Communist International. Between the Fourth and Fifth Congresses, 1924-1928.* (C.P.G.B., 250 pp., 2s.)
- Mondism and MacDonaldism.* By William Gallacher. (C.P.G.B., 16 pp., 2d.)
- The British Constitution.* By Sir Sydney Low. (Benn's Sixpenny Library, No. 30, 80 pp., 6d.)
- The Committee Movement in Industry.* (Institute of Industrial Welfare Workers, 47 pp., 6d.)
- The Lost Word: A Philosophy of Life.* By Veritas. (International Book Company, 168 pp., \$1.50.)
- Red Politics in the Trade Unions: Who are the Disrupters?* By J. R. Campbell. (C.P.G.B., 18 pp., 1d.)
- China in the Family of Nations.* By Henry T. Hodgkin. (Allen & Unwin, Second Edition, 306 pp., 7s. 6d.)
- Sceptical Essays.* By Bertrand Russell. (Allen & Unwin, 306 pp., 7s. 6d.)
- A Way of Order for Bituminous Coal.* By Walter H. Hamilton and Helen R. Wright. (Macmillan & Co., New York, and Allen & Unwin, 365 pp., 10s.)
- Prosperity for England.* By Sir Charles Fielding, K.B.E. (Sir C. Fielding, Billingham, Sussex. Free.)
- Hell Found.* By S. A. Dange. (Vanguard Literature Co., Calcutta, 123 pp., 1s.)
- The Final Buyer.* By A. H. Abbati. (P. S. King & Sons, 194 pp., 8s. 6d.)
- The Kuomintang and the Future of the Chinese Revolution.* By T. C. Woo. (Allen & Unwin, 273 pp., 15s.)
- W.E.A. Outlines.* (Longman, Green & Co., 90 pp., cloth 2s. each, paper 1s.)
- (1) *Modern Imperialism.* By R. S. Lambert.
- (2) *Drama.* By J. R. Williams.

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Volume 10 August, 1928 Number 8

PRINCIPAL CONTENTS

Notes of the Month

THE COOK-MAXTON REVIVAL CAM-
PAIGN R. P. D.

The Tasks before the Minority Move-
ment Conference

HARRY POLLITT

Japan's Move Forward

W. N. EWER

The Fruits of Mondism

"TRADE UNIONIST"

The Programme of the Labour Party
HUGO RATHBONE

The Relations of Marx with Blanqui
D. RIAZANOV

Reformists of Twenty Years Ago
CHARLES RAPPOPORT

The World of Labour

Volume 10 September, 1928 Number 9

PRINCIPAL CONTENTS

Notes of the Month

TRADE UNIONISM IN DANGER R. P. D.

The Issues Before the Swansea T.U.C.
A. J. COOK

New Forms of the World Crisis

N. BUCHARIN

The Colonial Policy of the L.S.I.

M. N. ROY

Mondism and the Railway Settlement

S. PURKIS

Japan's Move Forward

W. N. EWER

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T. H. WINTRINGHAM

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Editor : R. PALME DUTT

Volume 10

November, 1928

Number 11

PRINCIPAL CONTENTS

Notes of the Month

*THE GENERAL ELECTION AND THE
WORKING CLASS*

R. P. D.

Temporary Crisis or Steady Decline of the
Railways

STEWART PURKIS

The Future of the Empire

M. N. ROY

The Position in the Scottish Coalfield

WM. GALLACHER

"Democracy"

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A Magazine of International Labour

VOLUME 10 NOVEMBER, 1928 NUMBER 11

Editor : R. PALME DUTT

CONTENTS

Notes of the Month - - - - -	Page 643
<i>THE GENERAL ELECTION AND THE WORKING CLASS.</i>	
<i>By R. P. D.</i>	
Temporary Crisis or Steady Decline of the Railways - - - - -	653
<i>By STEWART PURKIS</i>	
The Future of the Empire - - - - -	663
<i>By M. N. ROY</i>	
The Position in the Scottish Coalfield - - - - -	675
<i>By WM. GALLACHER</i>	
"Democracy" - - - - -	681
<i>By SCOTT NEARING</i>	
Wiener Neustadt - - - - -	686
<i>By J. ADAM</i>	
Labour and the Banks - - - - -	691
<i>By EMILE BURNS</i>	
World of Labour - - - - -	696
U.S.A.—India	
Book Reviews - - - - -	701
A Survey of World Economics. <i>By E.B.</i>	
Dialectical Materialism and Anthropology. <i>By F.C.M.</i>	
Errata - - - - -	704

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NOTES OF THE MONTH

Swansea and Birmingham — Outward Reaction — Inner Contradictions — New Revolutionary Line — General Election — Coalition Questions — Labour Party and Working Class — Birmingham — 1924 - 1928 — Nationalisation — Banks — Open State Capitalism — Beyond the General Election.

WITH the Swansea and Birmingham Conferences the "New Course" of the official Labour Movement has received its completion and ratification. It is only a little over twelve months since Hicks made the first tentative proposals along the path of industrial co-operation at the Edinburgh Trades Union Congress. It is less than two years since the miners' struggle was still in progress, since the year of the General Strike. How great is the transformation that has since taken place is now clear to all. Twelve months ago there could still be controversy how far such a decisive new phase had developed as to necessitate a new line of the revolutionary working class. To-day, that controversy belongs to the past; the force of facts has established the position more powerfully than any argument. The new and sharper fight is already here. And it is now necessary, with the experience of these two Conferences and the changes they embody before us, with the coming next January of the Communist Party Congress, the first since the adoption of the new line, and with the approach of the General Election and the new political combinations to which it may give rise, to take stock of the position which has been reached and to estimate the prospects of the future line of development.

OUTWARDLY, the triumph of Reaction all along the line is complete. Rationalisation is working its will on the working class unchecked, resulting in dismissals and worsened conditions. The Trade Unions have signed their alliance with the employers. To enforce the new line, democracy in the Unions is being trampled underfoot. The Labour Party has

adopted its programme of capitalism in substitution for socialism. The tightened discipline, which has done its work against the Communists, is now being turned against the Left Wing. The propaganda of a Liberal-Labour Coalition is coming into the open on every side. In the international situation, Imperialism, strengthened from the defeat of the working class, is advancing to ever more open war preparations and combinations of a military character. In China, Counter-Revolution is in the saddle and seeking to consolidate its position in the new National Government of the generals. In India, the Simon Commission is overpowering and undermining the weak semi-opposition of the Swarajists. In the United States there is no longer even such a fissure in capitalist politics as was revealed in the Lafollette movement of four years ago.

BUT this is only the surface situation ; and the capitalists and reformists, who are seeking to build from it their permanent lines for the new era, are taking a short view. The inner forces do not correspond with this outer situation. The intensified imperialist contradictions hasten the approach of new crises in the international situation. British capitalism has not solved its difficulties ; the economic situation at present worsens, in spite of the triumphs of class peace ; and Rationalisation only intensifies the problems. The resistance of the working class has not been broken ; the militant core stands firm, united and active ; the strike movement is slowly rising ; and the signs of Left awakening increase. Mondism rests, not on the old relatively stable basis of reformist prosperity, but on a fundamentally new basis—the counter-revolutionary combination of the capitalists and the reformist bureaucracy against the rising strength of the militant working class. The increasing disciplinary and disruptionist measures of the old leadership, even to the extent of Spencerite tactics of forming new breakaway unions against the majority of the membership as in Fife, only reveal and emphasise the strength of the opposition. The practical workings out of Mondism and the passage of the Labour Party after the General Election to forms of open coalition, will lead to tremendous accessions of strength to the militant opposition.

THE New Line of the Communist Party, supported by the militant working-class elements which drew its first blood at Aberdeen, is the expression of the left awakening and the answer to the official transformation of the Labour Movement into a machine of coalition with capitalism. The path of the New Line is the path of the future advance of the working class, as the process of events will lead to increasing revolt against the official policy of coalition. The clear maintenance of the line of independent revolutionary leadership, unbroken and without bending either to persecution and the attempts to stifle it, or to the pseudo-left attempts to side-track it, is the cardinal pivot of policy in the present period for the advance into the next stage ; for it is the means at once to force and sharpen the issue, to rally the militant elements, to compel the would-be "left" leaders to show their colours and declare where they stand, and eventually to break and disrupt the discredited policies of reformism. Undoubtedly there are heavy difficulties in front : the reformist-capitalist combination, utilising its machine-control of the traditional working-class organisations, will put every obstacle in the way of the revolutionary message reaching the masses. But the prosecution of the new line, with its independent leadership both in the economic and political field, is itself the strongest answer to this, towards establishing direct mass-contact and leadership even in the face of disciplinary repression ; and the whole development of events will provide the means to reinforce this process. The result at Aberdeen, where the equivalent of 25 per cent. of the total Labour vote was directly given to the Communist candidate, shows that the basis for the new advance already exists in the working class. The task is now to win over the remaining mass of the workers, by utilising every development of the economic and political situation for the increasing exposure and discrediting of the old leadership and establishment of the new revolutionary leadership in the actual process of the struggle.

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THE General Election brings into focus the current forces of the political situation. Calculations are rife on every side as to the probable results and the possible combinations of government that may be formed. These calcula-

tions are ringed with uncertainty ; for it is still possible that the extreme weakness and watering down of the Labour Party opposition, together with the internal disruptive campaign by the leadership, which has given new confidence to the Conservatives and made possible the re-growth of Liberalism, may end in presenting the Conservatives with a renewed absolute majority. But it is the calculations on the more generally expected hypothesis of a balance of forces between the three parties that are the most important and instructive. For in these calculations the true character of the political situation is revealed, and the strongest reinforcement is provided for the independent revolutionary line.

WHAT is the common factor in all these calculations ? It is that in every case the three parties are treated as interchangeable elements of alternative governmental combinations or understandings. *But just by this they are turned in reality into a single factor—the different component elements of the single capitalist bloc.* No possible combination of any two out of the three parties is without its advocates. The Liberal-Labour bloc has the most advocates (the passing over of the "left" Brailsford to coalitionism is symptomatic of the vacillating "left" type, which in the moment of defeat always lowers the flag, and will only pluck up courage again after the working class has once more begun to advance). But a considerable Liberal minority hankers rather after a Liberal-Conservative coalition. Finally the *Observer* comes forward with its hints of an understanding between Baldwin and MacDonald, for either to support the other, if necessary, on an agreed programme, in order to checkmate the Liberal balance-of-power aims. And in the event of war or an emergency at home, we may count on seeing a National Coalition of Conservative, Liberal and Labour—as has already been advocated in some quarters. Liberal-Labour, Liberal-Conservative, Conservative-Labour, Conservative-Liberal-Labour—nothing is lacking. But the conclusion to which all the pundits by their calculations are in fact reaching is very different from the particular combination they may have in mind. The conclusion which inevitably follows for the working class is that all these alternatives are in the end alterna-

tives without a difference, and that the real fight of the working class can only lie elsewhere—in the independent fight of the Communist Party, the sole independent political force in opposition to the bourgeoisie!

IN the early days of Labour propaganda the main line current was to show that the Conservatives and Liberals were essentially the same, that they were Tweedledum and Tweedledee, and that their difference were a sham. Of course, their differences were not non-existent ; but they represented in the main particular variations of interests between different sections of the bourgeoisie ; and the point was correctly made that from the point of view of the working class their differences were secondary, and that the fight for independent Labour candidates was not, therefore, a question of “splitting the progressive forces ” or “letting the Tories in,” but of beginning the fight for real representation of working-class interests. Essentially the same propaganda has to be made again now, except that the Labour Party has to be added to the Conservative and Liberal Parties. The co-operation between the Front Benches is far more open than it was ; the identity on all fundamental questions more complete. Once again, the differences are not non-existent, but they are less than the identity. But the fight should be able to proceed more rapidly this time, because it is no longer a question of raising a completely new conception of a working class party against the existing Liberal Party, but of building on a conception already widely spread, and showing that the Labour Party is failing to realise it. This is rendered easier by the action of the Labour Party itself, which is busily engaged in denying and destroying the realms of its class-character, adapting its programme from socialism to a national-reconstructionist type and thus paving the way for coalition.

THE value of the Birmingham Labour Party Conference lies mainly in its exposure of the coalitionist, i.e., capitalist, character of the present line of policy of the Labour Party. Formally, any intention or possibility of coalition or any form of agreement or understanding with the Liberals was denied

from the chair. Such official denials will certainly continue until after the elections are over and the negotiations begin ; for it is the essence of the contradictory situation that the Liberal and Labour Parties, like Britain and France in the Entente, are at the same time rivals and allies. But how much are such denials worth ? At the same time as these denials are issued, prominent leaders of the Labour Party are openly advocating such an alliance without contradiction. A statement in a chairman's speech, as has been repeatedly laid down, binds no one. Was any resolution passed on the subject ? On the contrary there was not even any discussion. On the principal question confronting the Labour Party, on the question which is universally discussed in private conversation whether among leaders or rank and file, there was no discussion and no decision at the Conference. This silence speaks for itself. There is to be no tying of hands. If opportunity arises, the policy will be pursued. If opportunity does not arise, the pose of injured innocence will be maintained. This complete silence on the principal question of controversy in the Labour Party reveals the whole dishonest character of the Conference, which dared not plainly avow before the masses the policy that it was in fact pursuing. But actions speak stronger than words ; and the whole actions of the Conference were the preparation of a policy that provides the basis for coalition.

FOR the question of coalition is not primarily a question of a party alliance ; this is only its mechanics and last stage. The question of coalition is primarily a question of policy. In this sense the Labour Government of 1924 was already a Coalition Government, although there was no formal party understanding beyond the initial declarations made. And it was a Coalition Government, not simply because it contained a Haldane, a Chelmsford or a Parmoor, but because it was pursuing a policy subject to the approval and sanction of the capitalist parties. The capitalist parties supported it so long as it was doing their work in the imposition of the Dawes Report ; so soon as working-class pressure forced, against the original decisions of the Government, a policy unacceptable to capitalist interests on the Russian Treaty and the Campbell case, the support was withdrawn, and the

Government fell, as every Coalition Government falls, because the divers elements supporting it split asunder. But the experience of the 1924 Government convinced the Labour Party leaders of the necessity of protecting themselves against the working class, not only by the policy of discipline and exclusions, but also by substituting for the old vaguely socialistic aims an explicit programme of reforms which could be attainable and acceptable within capitalism. This was the task begun at the Liverpool Conference of 1925 by the expulsion and disaffiliation policy on the one hand and by the adoption of the Programme of National Reconstruction and Reform on the other. This task reached its completion at the Birmingham Conference with the adoption of the new legislative and administrative programme of sixty-five points, mostly of a liberal-reformist character, from which future Labour Governments can pick their particular programmes at will. The ground is here completely laid for coalition.

DEFENDING this programme against the criticism that it was indistinguishable from the Liberal programme and easily acceptable to the Liberal Party, Clynes pointed in triumph to the item which demanded nationalisation of the land, mines, power and transport, and demanded if the Liberal Party would be prepared to accept this. The argument was in any case not a strong one ; for it ignores the whole character of the programme of sixty-five items that it contains no pledge of immediate or early action, but only provides a treasury from which Labour Governments can choose over a long period of years. It is thus much as if a professed vegetarian were to announce a menu of sixty-five items from which he would henceforth select his meals, sixty-four being meat and one vegetables, and were then to point proudly to the sixty-fifth item as proof that he was "still a vegetarian." But this point need not be pressed ; for the real question is whether the "nationalisation" proposed by the Labour Party is in reality so different from the "national control" proposed by the Liberal Party. And it is on this question that the Birmingham Conference has thrown a strong light, and itself by its own proceedings answered Clynes.

THE most valuable discussion at the Birmingham Labour Party Conference was the discussion on banking and finance. Forced by long pressure of their own supporters, the Labour Party Executive has at last produced a "policy" on the question of the banks. But the "policy" is in fact a simple running away. The banks are not to be touched. An "inquiry" is to take place as to how private investment is to be directed to social advantage (to be followed by an inquiry how to make silk purses out of sows' ears). There are references to the Genoa Conference resolutions, and to encouraging saving by the poor through municipal and co-operative banks. Finally, the Bank of England, which is already virtually a State institution, is to be subjected to "public control" through a "Public Corporation," consisting of representatives of the Treasury, Board of Trade, "Industry," Labour and the Co-operatives. Emptiness could hardly go further. The financial Press was itself amazed at this "modest document" (*Financial Times*), "little more than a pious aspiration" (*Economist*). So far, there is nothing new. It is obvious that a Labour Government could no more seriously touch the banks than it could touch capitalism as a whole. But the new point arose when the Executive spokesmen at the Conference conceived the idea to call this policy "nationalisation." With this new definition of "nationalisation" the Labour Party marked a milestone.

IT is necessary to note the definiteness and precision with which this new definition of "nationalisation" was given and emphasised. Mr. Pethick Lawrence, replying to the discussion on behalf of the Executive, declared :—

This policy is nationalisation, and I have Mr. Snowden's authority to say he interprets the document in that sense.

The reason why the words have been used which are used, and not the word "nationalisation," is that *it is better to make a clear definite statement and not a vague one of what you mean by nationalisation.* (*Daily Herald* report, 5.10.28.)

The *Daily Herald* editorial followed suit :—

In reply to these delegates it was pointed out that the Public Corporation was a form of nationalisation . . . *There are varying forms of nationalisation, and the Public Corporation is one of them.* (*Daily Herald*, 5.10.28.)

Mr. Snowden declared :—

We are going to get our Socialism largely in that way, through a Public Corporation controlled in the interests of the public by the best experts and business men.

There is no question here of interfering with private ownership. The only proposal is to set a "public committee" on top, and—"This is Nationalisation," like Ebert and Noske's "Socialisation is here." Further, "we are going to get our Socialism largely in that way." It is now only necessary to compare this with the Liberal programme of the "public concern" as the future type, to see that the union is complete. The last threads of connection of the Labour Party with Socialism are cut. Nationalisation remains only as a word to deceive the workers. The reality is openly stated to be State capitalism and rationalisation. With this agrees the keynote of the chairman's speech : the Labour Party is "not a class party" ; the objective is "Rationalisation under public control and for the public good."

WHAT follows from this ? In the first place, the union with the Liberal Party is already in reality politically complete. There remains no difference between the Labour Party and the Liberal Party save historically and in the composition of their membership. Coalition and joint working in the near future necessarily follows. But in the second place, this inevitably lets loose a gigantic process of transformation in the working-class movement. The pressure of the working class to socialism will seek its realisation elsewhere. The fear that Coalition will lead to heavy passings over to Communism is universally expressed in the reformist Press. But reformism is unable to turn back from the road along which it has to tread. The path which it has chosen, the path of the Liberal Party, inevitably leads to the doom which has already overtaken the Liberal Party. It may seek for a period to delay the process by its stranglehold on the trade union machinery, and the imposition of Labour reformist doctrines as a condition of trade union membership ; by this it can do heavy disorganising damage to the working-class struggle, but it cannot stay the forces of change. The working class will look elsewhere for their leadership. The process of change, which was already set

in motion by the first Labour Government, which was given new impetus by the experience of the General Strike, and which is to-day visibly developing on every side, not only in the direct growth of revolutionary influence, but also in such indirect signs as the vacillations and fluctuations of the Independent Labour Party or the limited attempts of the Maxton-Cook campaign, will enter on a new phase in the moment that the second Labour Government, the Labour Government of Coalition and Rationalisation, enters on its tasks. The moment of the Labour Coalition Government becomes the starting point of decisive mass change. This perspective of the immediate political situation in Britain is one to which the revolutionary working class looks forward in preparedness, and in preparedness already raises the banner of independent leadership at the General Election. The impending fight at the General Election is only the first stage to a larger fight beyond, which opens the way to the advance of independent revolutionary leadership to the winning of the masses.

R. P. D.

NOTE

Owing to pressure of space, we have been compelled to hold over until next month the continuance of the discussion on co-operation, started last month by E. J. Bale.

TEMPORARY CRISIS OR STEADY DECLINE OF THE RAILWAYS

By STEWART PURKIS

SLOWLY the British workers are coming to see that "the old pre-war days" are done with; that the condition and the conditions for which they stood are things of the past; that the new economic facts must be faced.

Such a decision will be welcomed by the owning class and by the reformist trade union leaders as "Balm in Gilead," for to them the "facing of economic facts" by the workers spells the easy acceptance of wage cuts, the continued maintenance of dividends. But the decision will be welcomed by the revolutionary for an entirely opposite reason; the revolutionary will see in the decision to face economic facts the evidence that the British working class now treads the road which leads to a revolutionary workers' government.

Our Mistake in the Mining Struggle

From 1921 to 1926 the British workers were not given clearly the revolutionary lead in the mining decline: many minor factors were stressed; the vital factor was overshadowed by the minor issues.

The discrepancy between pithead price and consumers' price was emphasised to an extent which caused the workers to suspect that the existence of a special form of middlemen's extortion (abnormal even to capitalism) was the main cause of the industry's difficulties, but detailed investigation demonstrated these middlemen's methods to be the normal profiteering operations of capitalism. Similar propaganda was carried on around "Profits concealed in development," "Skilful book-keeping," "Profits concealed in depreciation and reserves," "Selling prices

lowered to win huge profits in the by-product industries"; all these ideas in their turn were used by both revolutionary and reformist. The revolutionary used them to prove that "the industry could pay a living wage," and that immediate militant action was essential; the reformist used them to show that "reorganisation" was the only thing needed and that within six months, or within twelve months, "high wages" would again be available after "co-operation" had righted the industry.

Revolutionary and reformist alike failed to stress the fact that royalties, profiteering and "expert book-keeping" are essential to capitalism and that capitalism cannot, from its very nature, proceed to the task of destroying those things which are a part of itself. Revolutionary and reformist in varying ways carried on campaigns which suggested that "a rationalised mining industry can pay," *both ignoring the fact that mines have reached the point where the problems of marketing and the problems of rationalising are such that they cannot be solved within a "society" which has as its basis the retention of ownership, profits and control in the hands of an owning class.*

The reformist message of mining reforms and a "fair wage" for miners within capitalism was preached then by both Right and Left; the consequent disappointment has brought disillusionment, apathy and despair to the mass of mineworkers. But wherever the "economic facts" of the mining industry were faced, the revolutionary could promise nothing save struggle this side of the workers' conquest of power; where that was done—slowly, painfully, but without the stupidly alternating optimisms and pessimisms of reformism—the revolutionary movement has been built up.

The failure to face the economic facts of the mining struggle, to perceive their revolutionary character, and to base our tactic upon a resolute acceptance of them, largely explains our failure to reap the harvest of a strengthened revolutionary organisation from the miners' struggle. This failure goes far to explain why a mass revolutionary party in Britain has still to be built up. The mining struggle makes it clear that all the facts must determine our tactic; in preparation for the developing railway crisis let us make it our first duty to face all the facts,

No Desire for "Increasing Misery"

Despite the suspicion of the reformist we come to the facts without any hankering after "increasing misery for the whole working class." It is necessary for this to be made clear, because for a revolutionary to face the fact of capitalist decline and coming wage attacks in his own industry immediately leads to this "increasing misery" slander being brought against him and his party throughout his union by the reformist bureaucracy.

The chief anti-revolutionary vulgarity of the reformists is that the revolutionary eagerly awaits wage attacks throughout industry which will lead to the "increasing misery" which the reformist views as the indispensable urge for revolution and the sole stock-in-trade of the revolutionary. So obsessed is the reformist with this delusion that he is wholly unable to see that, far from welcoming with glee the increasing misery of the British workers, the revolutionary party is intensely concerned that the British workers' standard of living (higher than the general European and the colonial standards) shall be maintained and improved; and is also vitally alive to the fact that *the hundred years of organisation and struggle which has won and retained that standard has produced an economic and social outlook and a preparedness for disciplined common action amongst the British workers which are the great assets in the coming struggle for class power.*

The Railwaymen's Tradition

It seems that railway workers are to be the storm centre of the next British struggle. It is of tremendous importance in calculating their reliability as "shock troops" to remember that the last twenty years have seen for them real gains achieved by organisation and by militant action. During the last twenty years—while the mass of the workers have lost ground—they have pressed on to a higher standard of living; the fruits reaped by organisation and militancy. True that they started from a very low standard of living level, but they are still close enough to successful conflicts to be in good training; the tradition of struggle and the organisation for struggle are the concern of the revolutionary: he can leave "increasing misery" to be automatically provided by the

capitalist and welcomed by the reformist as "sacrifice," "a thousand times better than the brute force of withdrawing labour."

The capitalist and the capitalist's associates on the General Council in this imperialist stage of capitalism are driving the workers back into "increasing misery"; the revolutionary is not asking: "How soon can the workers be got into a degree of misery which will guarantee revolt?" but, "How will our class react to this onslaught of capitalism; at what stage will our class realise that the present method of production acts as a fetter upon production; at what moment shall we be nerved to face the vital issue of class power?" *Increasing militancy, not increasing misery, is the objective of the revolutionary trade unionist.* This is the end to which he considers the economic facts of the railway industry and the organisation of the railway workers are leading.

Rail Unions' Leaders Discover a Crisis

In June, 1928, the rail unions' leaders discovered a "crisis." So grave was its character that even the poorest paid railway worker was appealed to to make a wage sacrifice to save "our" railways. But only the simplest soul would be certain of "crisis" on evidence from such a source; those who have seen Frank Hodges, Spencer, Adamson and Herbert Smith follow Havelock Wilson along the path of "industrial peace" realise that many of those who have not yet fully declared themselves have taken Havelock Wilson as their guide. So the pleas of Bromley, Walkden and Thomas are not in themselves sufficient evidence of a temporary crisis in the railway industry.

It is important to remember that less than three years ago—in November, 1925—Bromley, Thomas and Walkden appeared at the National Wages Board with a demand for improvement in the conditions, wages and salaries of railway workers which was estimated to cost £39,000,000 yearly. So effervescing was Walkden's attack on railway finance that the *Daily Herald* flared into huge headlines: "RAILWAY FINANCE RIDDLED; POVERTY PLEA THAT IS UNJUSTIFIED"; he argued that the increased dividends on Ordinary Stock (3.95 per cent., 1920; 3.99 per cent., 1921; 4.83 per cent., 1922; 5.25 per cent., 1923; 5.20 per cent., 1924) were "an unfair tax" of an

extra three to four million pounds a year on the workers and that it "was not quite fair to ask the workers to maintain it." At a later stage he went even further: "We suggest," he said, "that with the companies' very strong financial position the companies are not really justified in coming here and asking that raids should be made on the cupboards of the railway workers."

Such was the judgment upon the financial position of the companies made by the railway trade unions' officials in 1925.

Rail Leaders and Danger to "Our" Railways

Walkden was a valiant "Leftist" in 1925 (it was a militant period!), but the General Strike of 1926, with its glimpse of civil war, has terrified the "militancy" out of such pseudo-Leftists as Bromley and Walkden. July, 1928, finds J. H. Thomas in the reformist saddle, and he is able to greet the rail companies' wage-cut demand with cynical humbug about "Peace in Industry," and to announce the £3,000,000 wage-surrender with characteristically insolent nonsense about "A lesson to the world," "I am content to be denounced, but I say that we have not only got the co-operation of the directors, but we have contributed something to make hundreds of homes happier. . . . The settlement is the best ever made."

Bromley says the arrangement "being only for twelve months" can be altered; Walkden claims that "It is intended that the arrangement should stand for at least twelve months"; but the *Telegraph* emphasis is right to the point: "No one will grudge the railwaymen the restoration to their full scale *if economic conditions make it possible*." The concessions were given as if for an urgent temporary need. The facts bear no relation to the "temporary need" suggestion; they offer no prospect of permanent revival after temporary difficulty; *the facts of the railway position are not those of temporary difficulty but the cumulative facts of steady decline*. The following table, giving the receipts from railway working, controverts the theory of startling collapse during the period to the end of 1927; superficially they give no clear support to our own theory of steady decline. In considering these figures it is important to remember that the changes in freight charges affect the receipts and consequently the financial day-to-day

position of a railway company, but the ultimate test of the condition of the railway industry is the amount of traffic it is dealing with; this important fact is not disclosed by this table.

RECEIPTS FROM RAILWAY WORKING ONLY

	Gross Receipts	Expenditure	Net Receipts
1913	£116,581,407	£ 73,962,437	£42,618,970
1923	£198,896,358	£161,416,953	£37,479,405
1924	£196,286,637	£162,196,794	£34,089,843
1925	£199,652,875	£165,024,012	£34,628,863
1926	£171,852,239	£153,980,141	£17,872,098
1927	£200,848,821	£161,010,554	£39,838,267

These figures suggest a considerable measure of prosperity; the rise in gross receipts from 1923 is important, and the big drop in expenditure from 1925—a large measure of which is due to economies in labour—undermines the case for a *temporary* crisis in railway finance.

The economies achieved in 1927 (despite a heavy mileage increase for 1927 over 1925) are largely due to economies in labour as is evidenced by the following:—

	1921*	1925	1926*	1927
Railworkers employed	736,000	702,000	689,000	683,000
Engine miles run	466,000,000	590,000,000	502,000,000	603,000,000

*Coal disputes and General Strike

This combination of figures shows a most desirable state of affairs from the point of view of the railway companies; a smaller number of railway workers carrying on a greater amount of work in 1927 than in 1925.

Accepting 1925 as the period of prosperity which Thomas, Bromley and Walkden contended that it was; and in view of the fact that 1927 gives figures of increased receipts and decreased expenditure against 1925, the tentative figures of decreased expenditure and receipts for the forty weeks of 1928 (January to October) do not negative the prosperity of railway companies to a degree which should enable even Thomas "to raid the workers' food cupboards" in the interests of the shareholders. The figures of receipts on railway working do not justify the clamour of "temporary crisis," and render farcical the demand for "temporary sacrifice of workers' wages."

Clouds on the Stock Exchange Horizon

Is it then suggested that things are "set fair" for the railways? Far from it! Despite the "fair weather" suggestions of railway working receipts, despite the economies which railway rationalisation has secured, there exists a "deep depression" in railways on the Stock Exchange.

A comparison of the amalgamation date and present-day values of railway stocks yields such startling results as:—

	At amalgamation	September, 1928
L.M.S. Ord.	£104	£57
L.N.E. 5 per cent. Pref. Ord.	£ 76	£29
Gt. Western Ord.	£109½	£87

These special instances become still more interesting when backed by the total figures of values for the four groups.

Par Value	Market Price, 1923	Market Price, September, 1928
£1,088,142,000	£887,649,000	£719,887,000

So, despite the passing into law of the Railways Road Powers Bill, despite the indirect aid to railways through the new rating proposals, despite the "co-operation" of the railway workers by the 2½ per cent. cut, despite the active propaganda on behalf of railway shares in the finance columns of the daily Press ("Stock can be bought to yield 9 per cent."; "Southern Preferred yields 7 per cent."; "L.N.E. can be bought to yield 9 per cent."; "Such rates will not be obtainable for long"; "At the present level home railway stocks yield better opportunities for investors than many industrials"); *despite all these factors railway stocks go from bad to worse.*

Reserves, Road Transport and Collapsing Industry

One or two factors largely explain the pessimism which the Stock Exchange figures reveal. The table of figures given above indicate the net receipts on railway working of the four groups, but they are not the figures of the net receipts of the railway groups from all sources. (The net receipts will include, of course, the income on reserves, &c.)

The following table, adapted from one given in the *Monthly Circular* of the Labour Research Department, shows the important part which reserves and the interest on reserves has been playing

in railway finances; a comparison between the "Net Receipts on Railway Working" and "Net Railway Receipts" in the table below will help to keep to the fore the extent to which the railway income, other than receipts on railway workings, has been employed to ensure the railway shareholders' dividends.

	Net receipts	To fixed charges	To Guaranteed and Pref. div.	To Ord. div.	Total of payments to Capital
	(Millions of £'s)				
1923 ..	48.2	13.9	19.9	15.5	49.3
1924 ..	44.1	14.0	20.0	15.3	49.3
1925 ..	41.6	14.4	20.9	13.6	48.9
1926 ..	23.7	14.6	21.0	5.9	41.5
1927 ..	45.9	15.1	21.1	9.7	45.9

These figures serve to remind us that while 1927 receipts on rail working showed an increase on 1925, it is very important to remember in considering the total railway income that in 1925 £6,892,888 and in 1926 £17,199,139 were "added to net income by transfer from reserve funds and profit on the realisation of investments," and that this has had a most serious effect on the reserve and depreciation funds. These reserve figures are so variously presented that it is necessary to use them with great care, but a fair comparison indicates that the class of reserves which in 1925 was £103,341,313, in 1926 was £86,430,675 and in 1927 was down to £78,600,943.

So, while it is true that there stands in reserves a sum which renders farcical the panic of J. H. Thomas and renders criminal the recommendation of the 2½ per cent. cut as a measure against immediate temporary collapse, it is also true that these figures evidence the fact that reserves have played a great part in the "prosperity" of British railways in the past seven years, and the added fact that the past distribution of reserves to go to pay the dividends on "Ordinary" and other stocks has largely destroyed the possibility of reserves being employed to save the railway position during the decline which faces them. In taking the long view of the future of British railways the question of reserves is of real importance.

Road transport is a feature of railway decline which has been greatly over-emphasised. The Southern Group, which, for

instance, should have been most badly hit by road competition, is doing so well that it proves that the gravity of road competition has been exaggerated.

But together with the loss of reserves one other factor in the railway situation is of importance, and of much greater significance: the figures of the actual tonnage carried.

	General merchandise	Coal, coke and fuel	Other minerals
	Tons	Tons	Tons
1913 ..	67,755,470	225,601,127	71,067,357
1921 ..	50,529,878	128,298,861	39,066,544
1922 ..	52,844,466	200,102,316	48,678,846
1923 ..	58,979,989	222,234,412	62,002,237
1924 ..	60,947,377	209,160,559	65,392,967
1925 ..	59,739,284	193,661,991	62,549,965
1926 ..	53,439,125	114,098,398	48,059,504
1927 ..	60,567,490	199,306,792	65,586,367
Jan.-June, 1927..	32,240,000	100,790,000	34,210,000
Jan.-June, 1928..	30,040,000	93,570,000	30,710,000

These figures are the key to the developing crisis in the British railways. They are the final answer to the pleas for "sacrifice," "gradualism," "waiting for a revival of industry" and "an industrial change of air," which are the only arguments of the railway unions' leaders. The inroads made upon reserves in the last few years have told upon the "constitution" of British railways: a complete change of "industrial air" is the only suggested remedy; but the news from South Wales, from Notts, from Fife, from Northumberland, from Lancashire and from Durham; the figures of mining, shipbuilding, textiles and engineering, show no prospect of the much-heralded industrial revival. The capitalist system in Britain now acts as a fetter on production; the outstanding fact for the workers is that, under capitalism, British heavy industry cannot be rationalised into prosperity; the friction essential to the process would wear British industry to pieces.

Because capitalism in Britain now acts as a fetter on production; because the nature of capitalism renders impossible drastic rationalisation; because the conflicts inherent in capitalism (international, industrial, social) rapidly reach the stage at which they must be resolved, it is plain that to sacrifice now and to wait

for a happy future in a world beyond the next Labour Government (There is a happy land, far, far away) is a futile policy. There is no salvation for British industry in wage cuts with struggle; there is no salvation for British railways in 2½ per cent. sacrifices without struggle. *British railways rose with British heavy industry; on the fate of heavy industry rests the future of the British railways.*

As with mines, so with railways. British mines cut wages to compete with European mines, so British railways cut wages to compete with road transport. Mining has now discovered that *wage cuts cannot create markets*; railways have now to learn that lesson. Mining rationalisation has led to mass unemployment amongst miners; railway rationalisation will produce the same effect. The attack on miners' hours was essential to capitalist mining; the attack on the railwaymen's day will inevitably come. Hodges, Spencer, Adamson and Herbert Smith have chosen their side in the struggle; where Bromley, Walkden, Cramp will stand there is now no doubt.

The British railway worker is faced by developing crisis. The railway leadership is hopeless. The owning-class Government will be against him even more openly than Baldwin is against the miners. A revolutionary party in Britain has as its first duty to get the railway workers to prepare for the struggle ahead, the duty of convincing the rail worker of the class character of the approaching struggle, with the ensuing task of making plain the necessity of a revolutionary workers' government.

THE FUTURE OF THE EMPIRE

By M. N. ROY

"It is generally admitted by those competent to form an opinion that savings are smaller than they were before the war, with the result that capital is accumulating at a very much slower rate than was the case fourteen years ago."

THIS statement made by *The Times* on October 5 while commenting on Mr. Snowden's scheme of "revolution by taxation," adopted by the Birmingham Conference of the Labour Party, should supply food for thought to those who complacently look upon the Empire as something eternal. Of course, *The Times* indicated this sore-spot in the British capitalist system in order to prove that taxation had reached the limit. Nevertheless, it states a fundamental fact which makes the future of the Empire clearly visible. Nor is *The Times* the first to make this discovery. It simply quotes the opinion of competent authorities who have testified to the shrinkage of national saving. They also did so in order to underestimate the taxable capacity of the British bourgeoisie. The corollary to this finding, of course, is that the burden of taxation be shifted on to the workers or that the wages bill should be reduced to check the declining rate of accumulation.

This remedy for the sickness of the British capitalist system is prescribed either frankly or by implication by bourgeois economists on the strength of their exploded doctrines. Nevertheless, their contentions are essentially supported by the pseudo-socialists of the Labour Party. For example, Mr. Snowden emphatically declared at Birmingham that "no Chancellor of the Exchequer is fit to hold the job and to have the grave responsibility of his office unless he frames his financial policy with the idea of conserving, increasing, and utilising the national resources." He further said that the Labour policy should be "an attempt to increase production, so that the sources available for increased taxation would be correspondingly increased." So Mr. Snowden and the nationalist and imperialist leadership of the Labour Party, whose collective views he expressed, propose to solve the crisis of the British capitalist system by capitalist remedies, namely, by "con-

serving and increasing " the accumulation of capital. As this can only be done by increasing production, the crisis being one of forced under-production, the next Labour Government would make an effort in that direction. It would first increase the taxable capacity of the bourgeoisie so that its scheme of "revolution by taxation" could be put into practice without violating the British dictum of "*justice and fair play.*" It is not the purpose of this article to examine whether it can be done or not. For the present purpose it is necessary to show that there is a general agreement as regards the decline of the accumulation of capital in Britain. And it is this fact that will determine the future of the Empire.

Export of capital is the basis of imperialism. The ability of any country to export capital primarily depends upon the accumulation at home. Therefore, if it is a fact that to-day capital accumulates in Britain at a slower rate, and that the nature of the crisis is such that the situation cannot be essentially altered, then, the empire is doomed. It may be argued that supposing Britain is no longer in a position to export capital in sufficiently large amounts the ownership of the enormous sums already invested abroad guarantees her position as an imperialist power. It will be presently shown that it is not so. The industrial depression in Britain not only reduces accumulation at home ; it has a much more far-reaching effect. It affects Britain's ability to maintain the ownership of capital already invested abroad. To maintain her position as an imperialist power, Britain must keep on exporting capital in addition to what is already invested abroad. In spite of the decline of accumulation at home she is doing so, and precisely thereby is undermining her position as an imperialist power.

A glance at the past growth of the Empire will help the examination of its future. The last two decades of the nineteenth century was the period of colonial expansion and imperialist consolidation. During that period three and three-quarter million square miles of territories were brought under British domination. Indeed, considerable colonial possessions had been acquired before that period ; but the guiding principle of the British bourgeoisie in those days was not the extension of political power, but of trade. Those were the hey-days of free competition. In the absence of rival imperialist powers the colonial market did not necessarily

depend upon annexation of territories. Trading companies indulged in political adventures and acquired extensive colonial possessions ; but the British bourgeoisie looked askance at the policy of colonial conquest. Until the 'sixties of the last century all the leading British politicians declared themselves opposed to the acquisition of colonial territories. Even Disraeli, who, by virtue of his Suez Canal deal, laid the foundation of the modern empire in 1852, had considered colonial possessions as " millstones round our necks."

During the closing decades of the nineteenth century the policy of the British bourgeoisie changed. It became aggressively imperialist—to establish direct or indirect political domination in the largest possible territories inhabited by " backward " races. Two factors contributed to that change of policy. First, industrial development of other countries challenged the British monopoly of the world market ; and second, a large amount of capital had accumulated in the hands of the British bourgeoisie which could not be invested at home at a sufficiently high rate of profit. Export of capital, in its turn, was a means to acquire a monopoly of foreign markets attacked by rival industrial countries. Thus, the British bourgeoisie became decidedly and aggressively imperialist from the time the export of capital became possible, necessary and profitable. In the forty years between 1860 to 1900 the amount of British capital invested abroad increased approximately from £144 millions to the already large sum of £2,480 millions. In the same period of time the colonial empire of Britain expanded from 2.5 million square miles to 9.4 million. (*Imperialism*, by Lenin.)

"The mobilisation of capital in the form of limited liability companies was one of the most important factors in the development of the Empire." (Knowles : *Economic Development of the Overseas Empire*.) By the revision of the Companies Acts in the early 'sixties trading monopolies were abolished and the banks handling accumulated surplus capital entered the lucrative business of colonial exploitation. The trade depression in the 'eighties gave the banks the chance to divert the surplus capital to colonial investment. It was during that decade that the great Chartered Companies (under the control of the banks) were formed which conquered the African empire.

The benefits of the policy of predatory imperialism, inaugurated

in the closing decades of the last century, were reaped by the British bourgeoisie in the earlier years of the current century up to the world war. Although export of capital through the banks, as the motive force of modern imperialism, had gone on in ever-increasing volume since the 'eighties of the last century, the larger portion of capital, accumulated in Britain, was absorbed by home industries until the opening years of the present century. After a number of years in which the amount invested at home went progressively down while that exported correspondingly increased, the scale definitely turned in 1905. Since then to 1913 a larger and larger portion of capital accumulated in Britain was exported to be invested abroad. The total British foreign investment on the eve of the war has been estimated at figures varying from 3,500 to 4,000 million pounds. Well over half of this huge sum was invested inside the Empire. When this sum is compared with the £144 millions of British foreign investment at the end of the last century it becomes clear how the Empire is based upon capital exported. Even in the twentieth century (up to the war), when she had ceased to be the "workshop of the world" and had lost her monopoly of world trade, Britain still maintained economic and political supremacy of the world by virtue of the fact that she could export much more capital than her rivals. While she possessed £3,500 to £4,000 millions of capital invested abroad, the shares of her principal rivals, France and Germany, were £1,800 and £1,200 millions respectively. (Hobson: *The Evolution of Modern Capitalism*.) And the United States was still a debtor nation.

Now, in light of these basic facts concerning the growth of the British Empire as the paramount power of the world, let us examine the future. Can Britain still export capital without injury to her home industries? This is the fundamental question the answer to which will be our guide in this examination. We must go down to the bed-rock fact of accumulation in order to find an answer to this question. For the superficial evidence of foreign issues in the London market is deceptive. Most of these issues represent financial jugglery, and prove, if they prove anything, the decrease of Britain's ownership of capital invested abroad.

Reliable statistics about national savings are very scarce. Two estimates were put before the Colwyn Committee on National Debt

and Taxation. One was of the *Economist* (October 10, 1925) which was £450 millions. The other was made by W. H. Coates and was £500 millions. The Colwyn Committee found the mean of these two estimates, that is, £475 millions, to be the likely figure of national saving in 1924. The same Committee states in its report that "for 1913 total national savings have been generally put at from £350 to £400 millions. Considering the fall in the value of money since 1913, the savings in 1924 should have been £650 millions to maintain the pre-war level. As it is, the figure indicates a drop of over 30 per cent. in the rate of accumulation." The Colwyn Committee concludes that "real savings exhibit a decline which may amount in present money value to something like £150 to £200 millions a year." On examining in detail the various sources of national income to ascertain where the decline occurs the committee finds out :—

The most serious factor in the position is clearly the decline in the internal savings of the heavy industries, which, in addition to providing essential plant and machinery for home trade, manufacture so largely for export ; the transport position is also very unsatisfactory. The general maintenance of company savings, therefore, while a ground for satisfaction, does not justify any complacency.

So here is revealed the fact that capital accumulates at a slower rate in precisely those industries which constitute the basis of the entire imperialist structure. Coal-mining, iron and steel, ship-building and cotton—these are the industries on the sick list, and these are the industries which, through their huge and prosperous export trade in the past, supplied the major portion of the capital exported to cement the imperial structure.

Such was the situation in 1924. Now let us see if any improvement has taken place since then. Production should be the deciding factor in this examination. The index of total production compared with 1913 is as follows :—

1913	1924	1925	1926	1927	1928
100	91	87	67 ¹	95.8 ²	93.4 (First quarter) 91.8 ³ (Second quarter)

¹ Abnormally low owing to the General Strike and Coal Stoppage.

² Abnormally high making up for the previous year's arrears. The two years' average, that is, 81.4, should be the correct index.

³ Judging from the continued steady decline in the third quarter the year's average can be estimated at 90 which will be below the 1924 peak.

This total includes the production of the new luxury industries which are generally prosperous, catering mainly for the home market. Separated from these industries of secondary importance, the basic industries present a more depressing picture. The report of the Liberal Industrial Inquiry published this year contains the following evidence on the matter : " We cannot be sure that our staple trades will revive to their old dimensions." Another evidence that the main source of accumulation, the basic industries, are no better off at present than in 1924 came out in the monthly meeting of the Associated Chambers of Commerce held at Plymouth on October 4, where the president said :—

Unfortunately these staple (viz., coal, iron, steel, shipbuilding and cotton) industries have been and continue to be in a very depressed state. They have been struggling to maintain trade by selling at less than the cost of production. Immense sums of money have been lost, and companies have been forced to write down drastically their capitals to cover the losses incurred, and further reconstruction will be required.

During the last years company reconstructions have taken place, writing down shares to the total amount of nearly £50 millions. Such important heavy industrial concerns as Vickers, Armstrong, and Baldwins were involved in these reconstruction operations.

The other source of income, foreign trade, has not improved since 1924. It cannot while the slough in production continues and gets worse. Indeed, foreign trade to-day presents a worse picture than three years ago.

<i>Exports and Imports of Merchandise Only</i>					
	1924	1925	1926	1927	1928 ⁴
	<i>(In millions of pounds)</i>				
Exports ..	801	773	653	709	702
Imports ..	1,137	1,167	1,116	1,096	1,069
Passive					
Balance	336	394	463	387	367

These figures show that export trade, which is the principal medium of capital export, is considerably smaller than in 1924. The slight improvement (which is not likely to be maintained at the end of the year) in the adverse balance is more than upset by a decrease

⁴ Judging from the great slump in September the estimate for 1928 made on the basis of the last eight months' figures will be found excessive at the end of the year.

in the total volume of foreign trade. This improvement is not due to greater export, but smaller import. And this reduction of imports is in raw materials, indicating that there will be a further shrinkage of production.

An adverse balance in the "visible items" is not new. For a long time it has been a feature of British foreign trade. It was not an alarming feature as long as the gap was not too big to be filled by the income from external sources—the so-called "invisible export." In the years since the post-war boom the gap has grown wider and wider, eating up practically the entire income from external sources—leaving hardly any surplus for reinvestment. This is alarming, for this situation affects Britain's ownership of capital invested abroad.

Now let us examine the external sources of income. They are foreign investments, shipping freights, banking commissions and services rendered. The income from shipping is £20 millions a year less now than in 1924. The aggregate annual incomes on these heads are :—

1924	1925 (In millions of pounds)	1926	1927
410	438	465	483

The adverse balance in merchandise account is covered out of these incomes. Therefore, the net revenue from the external sources have been :—

1924	1925 (In millions of pounds) ⁵	1926	1927
74	44	2	96

These figures, taken at their face value, which is deceptive, indicate a slight improvement upon the situation in 1924, but still lag far behind the figure of 1923, which was the year which supplied the data for the Colwyn Committee's calculations. The total net revenue from these external sources in 1923 was £178 millions. Besides taking the decline in the two preceding years into consideration the figure of 1927 cannot be accepted as the true indicator of the dynamics of the situation. Granted that some improvement has taken place in the income from the external sources, this does not materially alter the situation. Calculated on the basis of pro-

⁵ Bullion and specie movements are not included in these figures.

duction, foreign trade and income from external sources, the rate of accumulation does not appear to be higher than in 1924. On the contrary, a steady decline is clearly noticeable when judged from the standard of production and employment of labour, which after all are the determining factors.

Labour alone produces value which accumulates as capital. Therefore, the continued unemployment of well over a million workers is a factor indicating a lower rate of accumulation. According to the Census of Production of 1924 the number of people "gainfully employed" has increased since 1907 (the year of the last census of production) by somewhat less than a million. The corresponding figure for 1913 is not easily available. It can, however, be reasonable assumed that the increase between 1913 and 1924 could not have been more than half of the number of the present unemployed. Therefore, the number of workers actually engaged in production to-day is less by six or seven hundred thousand than in 1913. It is true that as a result of technical improvement a unit of labour produces more value to-day than previously; but the present unemployment in Britain does not represent the "normal" displacement of workers by machines. It is caused by the inability of capitalism to absorb all the available labour in the process of production. In other words, it is caused by forced under-production. The unemployment means that the rate of accumulation over and above other factors is less by the amount representing the surplus-value that could be produced by more than a million workers.

Examined more closely from the standard of the basic source of accumulation, namely, the labour-power actually employed in the process of production, the situation will be found to be worse than the picture given by the Colwyn Committee on the evidence of expert opinion. According to the Census of Production, the *per capita* production in the manufacturing industries rose, in terms of money, from £100.9 in 1907 to £210.8 in 1924. Compared to the drop in the value of money in the same period, this is not a high rate of the growth of production. The growth could not have been so meagre for the whole period. It can, therefore, be assumed that there was a greater growth in the period preceding the war which has since been counteracted by the post-war decline.

But let us continue the examination of the future of the Empire from the point of view of the generally admitted situation. The facts set forth in the above paragraphs show that, at best, the situation at present is as good or bad as in 1924, that is, taking all the sources (internal and external) of income into consideration, the accumulation of capital in Britain is over 30 per cent. less than before the war. In spite of slight improvement here and there, now and then, dynamically the tendency has been one of decline since 1924, in which year the situation was much worse than before the war.

What conclusion can be and should be drawn from these facts ? Let us quote the finding of the Liberal Industrial Inquiry.

The net result of all these factors is that the margin which remains available for making fresh investments abroad is materially lower than it used to be. . . . In the last four years our surplus for foreign investment has been fully £100 millions per annum less, not only than it was before, but also than it was so lately as 1922-23. This surplus is the true measure of the net increase of our ownership of capital abroad.

The decline in the rate of accumulation creates a shortage of capital. Foreign investments cannot be maintained at the pre-war level without depriving home industries of the capital required to fit them to the new conditions. While during the ten years preceding the war by far the major portion of the accumulated capital was exported, the scale has turned in the post-war period. During the five years before the war £863 millions were exported as compared with £466 millions in the corresponding period after the war (Layton in his evidence before the Colwyn Committee). The amounts invested at home were 12 per cent., 36 per cent. and 49 per cent. of the total new issues in 1912, 1924 and 1927, respectively. ("Commercial History of 1927," *The Economist*, February 11, 1928.) The following is a comparison of the ratios of home and overseas investments :—

1913	1927	1928
—	—	—
20:80	69:31	70:30 ⁶

⁶ Estimate on the basis of eight months' issue.

The Colwyn Committee estimates the following distribution of the national saving :—

				1913	1924
Total	..	..	..	375	475
Home	..	..	..	200	375
Abroad	..	..	..	175	100

The last year, 1927, was the record year in the post-war period as far as foreign investments were concerned. Even then, out of the total, new issues of £450 million, only £135 million went abroad. From all these evidences it is clear that after meeting home demands Britain can no longer export that sufficiently large amount of capital that she must do to maintain her position of a first-class imperialist power.

Indeed, the reduced amount of capital that is still being exported does not represent Britain's actual capacity to export. The bourgeoisie are divided on the question of the export of capital. Liberal economists like J. M. Keynes are of the opinion that the present accumulation is just enough to meet the new capital requirements of the home industries. In his opinion "we may jeopardise our revival if we allow our not very abundant flow of new savings to be drained away into foreign loans" (*The Nation*, October 23, 1926). In different phraseology the Liberal Industrial Inquiry Committee expresses a similar view. It says : "It might be to the advantage of the country if (say) £50 million less were lent each year to public bodies abroad and £50 million more devoted to the development of the national resources and equipment at home." The cogency of such opinion becomes evident when it is known that owing to the lack of sufficient capital the bourgeoisie cannot carry on their scheme of rationalisation of production at home. The National Fuel and Power Committee, appointed in August, 1926, with Alfred Mond as the chairman, "to consider and advise upon questions connected with the economic use of fuel, &c.," in its report published recently states that the scheme for the economic use of fuel and power cannot be effectively realised for the lack of sufficient capital to refit the industries necessary for the purpose. Similar statements have been made on other occasions by authoritative persons like directors of banks, &c.

On the background of such a situation, financial transactions ostensibly bearing the appearance of investment of British capital abroad in large amounts have been taking place since the last year. Consequently we have before us a picture showing that Britain is exporting more capital than she can do within the limits of her savings. The following table represents the picture of the situation.

	Surplus in the international balance sheet	Actual Foreign issues	Capital exported beyond limit
	<i>(In millions of pounds)</i>		
1924	74	134	60
1925	44	88	44
1926	2	112	110
1927	96	139	43

Until 1923, the foreign issues in the London market were within the limits of the exportable surplus capital. Since then they are not. This fact indicates that the roots of the Empire have begun to rot. A considerable portion of the foreign issues in these years represents the transference to other centres of world finance (mainly New York) of foreign securities hitherto held in London. Increasing foreign issues in these years, instead of indicating a recovery of British capitalism, does just the opposite. They show that the position of Britain as an imperialist power is shaken to the very roots. Her share of capital invested abroad is decreasing. Already in October, 1926, when the foreign issues in London had not yet reached the proportions of last and this year, Keynes wrote: "At present we have no surplus for foreign investment, and we must be providing for about half of our recent loans by re-borrowing in the form of temporary balances and bills held by foreign banks in London."⁷ Thus, since 1924, Britain's share of the capital invested abroad has decreased by about £250 million pounds—the sum represented by the issues beyond the limit of the balance for reinvestment. As the same process continues in an increasing *tempo* the position will be worse at the end of the year.

Prosperity of home industries, huge accumulation of capital resulting therefrom and a monopoly of trade retained by the export of capital—these were the pillars on which the Empire was reared. To-day the home industries are in a state of irreparable

⁷ *Nation*, October 23, 1926.

decay ; } capital accumulates at a diminishing rate ; it cannot be exported without harming the home industries ; and the monopoly of trade is lost. So the mighty pillars on which the Empire was built are all in a state of decay, if not yet tottering. An increasing portion of capital owned by the British bourgeoisie is being divorced from production and devoted to parasitic speculative use.

Among the remedies proposed to cure the evil is the scheme of "empire development." But this remedy is as ineffective as any other capitalist remedy. The disease is incurable. The scheme of "empire development" means that the falling rate of accumulation at home should be compensated by exploiting more intensively the cheap labour in the colonies. Invested in the colonies, capital will accumulate more rapidly thanks to the greater surplus-value produced. But capital is lacking. Hence the scheme hangs fire. The hopeless nature of the tangle is confessed in the report of the Liberal Industrial Inquiry: "The problem of imperial development has, however, been rendered far more acute by the very economic difficulties which make it at this moment doubly urgent and important ; and careful study of the problem has become more needful lest we should waste our diminished resources." The factor that necessitates Empire development at the same time obstructs any such development. This is a veritable vicious circle ; and the future of the Empire is caught inextricably in this vicious circle.

THE POSITION IN THE SCOTTISH COALFIELD

By WM. GALLACHER

IN a conversation I had the other day with one of the comrades involved in the Lanarkshire fight, I asked him how he would start if he had to write up the situation that had developed in the minefields of Scotland. "I'm not sure how I would start," he replied, "but however I started, I'm quite sure that before I travelled far I'd have to go back to the beginning and start again." And that is the difficulty about the Scottish position—its complexity. To make the position as clear as possible, I will therefore be forced to go over some of the ground which may already be familiar to readers of the *LABOUR MONTHLY*.¹

In the first place the Scottish Mineworkers' Union is not a union in any real sense of the term. It is an executive composed of representatives from the six county unions of Scotland each of which has a quite separate existence.

This executive is appointed annually at a conference called by itself and is representative of the counties according to their membership. Before the conference is called by the old executive the various counties nominate their representatives to the new executive. For many years this has been a mere formality, the same old members being elected time and again.

But the fight of the Communists and Minority Movement in Fifeshire and Lanarkshire has had serious consequences for the Scottish Executive. Fifeshire and Lanarkshire constitute a majority of the Scottish miners and therefore can, through their nominations, decide the composition of the Scottish Executive. In 1925 Lanarkshire chose as one of its quota Willie Allan, and for two years he was a solitary voice raised in the midst of reaction. But the 1927 election showed a vital change. Fife has five representatives on the Scottish Executive and in the Fife elections last year four Communists and a "Left-Winger" were chosen.

¹ See article by G. A. Hutt, *LABOUR MONTHLY*, June, 1928, for the earlier history.

Three times the vote was challenged and had to be retaken, but on each occasion instead of it proving satisfactory to the reformists it showed a bigger majority for those who had replaced them.

In Lanarkshire, where the quota was eleven, six seats were won by the Communist Party and "Left-Wing." Added to these was the fact that, for the whole coalfield, Bird, of Bowhill, a member of the Communist Party, defeated Robert Smillie for the post of President and Willie Allan defeated Smith for the post of Secretary. The "Lefts" were in a position to dominate the new executive. This was a heavy blow for the reactionaries. A clean knock-out for Smillie, Adamson and several others. But the difficulty was that the onus was on them to declare that the knock-out had been effected and this they refused to do. They conspired amongst themselves and decided to postpone the conference which would relegate them to the rubbish heap and install the new men in their places.

They gave as an excuse for postponing the conference the story about the indebtedness of the unions; their failure to pay their affiliation fees. This applied especially to Fife, but they failed to mention that Fife's debt had been in existence for a considerable number of years and this same debt had not prevented them calling the conference in 1925, when, of course, Adamson and *his* "reliables" were the chosen of that county.

To anyone who understood the situation it was obvious that it was not the debt but the new selections that were responsible for the postponement. Efforts of various kinds were made to get the conference called, but without avail. Then the old executive decided to send a deputation to see the M.F.G.B. Executive. This was about the end of May. The M.F.G.B. Executive received the deputation, heard its miserable tale and decided to support the "Old Gang" without hearing a word from the other side. Flushed with their "victory" at Russell Square the deputation returned to Scotland and reported. The old gang then worked out their plans. They decided to call a conference, but only those counties who had their affiliation dues paid up to within three months of the conference would be permitted to attend or nominate members for the executive. This completely barred out Fife, but it also barred out Stirlingshire

and Lanarkshire. But despite this the arrangements went ahead for a conference comprising delegates from Ayrshire, East and West Lothians—a small minority of the Scottish coalfields.

However, on the eve of this “rump” conference the Fife Union applied for an injunction to prevent them from holding what was actually an unconstitutional gathering. As they could not show anything in the rules permitting the action they contemplated taking, the injunction was granted and the “rump” conference had to be abandoned. This upset their plans considerably, for in the meantime the situation was developing in the districts. Last year when Fife elected four Communists and a Left-Winger to the Scottish it also elected two Communists as agents in place of two lieutenants of Adamson. A member of the Communist Party was also chosen for President of the Fife Union and several others to the Executive Board. The Fife Board was, naturally, insistent that the Scottish Conference should be called and instructed their representatives (the old team, led by Adamson) to support this demand on the Scottish Executive. This instruction Adamson did not carry out. Other instructions of a similar character he ignored or went quite contrary to.

Ultimately one of the Fife Union branches sent in a resolution demanding the suspension of Adamson. After much discussion and considerable hesitation on the part of one or two of the Board members, this resolution was carried by a majority of the Board. It was then sent out to the branches and the branches also showed a majority in favour of it. The next step, following his suspension, was a ballot vote for his dismissal. When it was decided to take a ballot the “Lefts” proposed taking it within the subsequent two or three weeks, but Adamson and his friends asked for a longer period (about seven weeks) so that he might have a chance to go round the branches. This was agreed to. But instead of making use of his time for going round the branches he got busy making his preparations for a break, and while the ballot was in the process of being taken, he came out with his break-away scab union. Had the “rump” conference taken place he might have been in a happier position so far as his friends in Russell Square and Eccleston Square (or is it Transport House?) are concerned, but there he is with a scab

union outside of the M.F.G.B. and outside of the Labour Party, so they can make the best or worst of it.

It is worth noting, however, that Adamson still attends the meetings of the Scottish Executive. The "constitutional" Mr. Smillie and his equally "constitutional" friends will have some difficulty explaining that fact, especially when it is recalled that at the last three Scottish Executive meetings that Allan attended he was forcibly ejected, with the assistance of the police, and now they simply won't allow him to attend.

In Lanarkshire we had an old comrade, Andrew McAnulty, as President for a number of years. He was alone in his fight and it was one long difficult struggle. Two years ago he was reinforced when Willie Allan defeated Small and became Secretary of the Union.

Last year (1927) several more Communists got elected to the executive. The executive is composed of twelve elected members, the President, Vice-President and Secretary, six permanent agents who are paid by the Scottish out of the affiliation dues paid in by the counties, and the Members of Parliament, three in number. Of this number six (including the President and Secretary) were Communists. This minority made a good fight on the executive and succeeded in getting a committee appointed to go into the question of union reconstruction. Reconstruction proposals of a far-reaching character were brought in, were put before the branches and carried, but the old gang have been able to effectively sabotage every attempt to operate them.

When the elections were drawing near this year, it was obvious that the Communists had made great headway with the men throughout the coalfield and were likely to get a majority. According to rule the election must be held annually and must be carried through by the end of June. Just when nominations were being taken one of the old gang sprung a resolution at an executive meeting, carefully prepared and calculated to rule the Communists out. The President, Comrade McAnulty, ruled it out of order, and refused to accept it. The old gang thereupon held up the business and refused to allow the meeting to go on. This went on meeting after meeting. Then, finally, the officials, President, Vice-President and Secretary, in order to comply with

the rule which lays it down that the ballot shall be taken in June, were forced to send out the nominations and invite the men to ballot on them.

As was expected the result showed a big gain for the Communists and gave them the dominating position on the new executive. But before the executive could meet the old gang applied for an interdict on the ground that the election was irregular. The case was put down for some time in November and an interim interdict was granted which empowered the old gang to continue as the executive until the final hearing of the case.

It is a common thing when men are asked to come back into the union to hear them say, "We are not going to pay another penny till Graham and his pals are cleared out." Of course, Graham and Co. blame it on the Communists, they'd never admit that their leadership and parliamentary opportunism were responsible for it. But the significant fact is they are in a preponderating majority on the executive and on the council (which meets monthly, with occasional special meetings intervening), while there is no question at all but that the minority of Communists have the backing of the majority in the fight.

All the time this is going on, the employers in Scotland are going ahead with their pooling scheme. Closing down pits, breaking agreements and worsening the conditions of the men at every opportunity. The old gang in the Lanarkshire (where the pooling scheme is hitting hardest), like the old gang in the Scottish Executive, refuse to rally the forces for a struggle. Just a few weeks ago a number of pits came out in Lanarkshire in protest against the breach of the Overtime Agreement, but the Grahams and Welches, instead of organising the county to support the strikers, ordered them back to work and talked about conciliation machinery. This also is the attempted get-out of Smillie and the others of the Scottish. Conciliation machinery!

Before me is a report of a Conciliation Conference held in June with Sir Adam Nimmo, leader of the Scottish coalowners, in the chair. It is simply amazing to read how he lectured them; then, after he had let several of them make a whine, how he abruptly dismissed them. An idea of the attitude adopted by

these leaders (?) of Labour may be gained by a statement of Smillie's. "To you, Sir Adam," he said, "the financial side of the industry may be the most important, but, *I venture to say* that the lives of those engaged in the industry are at least as important as the finance invested in it." (Our emphasis.) Yes, the courageous old fellow ventured to say that in the presence of the great and mighty Sir Adam. Graham went so far as to suggest to Sir Adam that they were prepared to use their positions as Members of Parliament to assist him and his gang of exploiters to get a subsidy for the Scottish mining industry.

The urgent need in Scotland at the present time is a policy of resistance to the attacks of the employers and to the measures being taken to operate the pooling scheme, with organisation in the form of one real Scottish Union to replace the six autonomous and ineffective county unions. Comrades from all of the counties have taken up the task of forwarding this necessary work. Under the name of the "Save the Union Council" they have issued a circular, over the signature of Willie Allan and a number of other comrades, convening an unofficial conference for October 13. (By the time this appears it will have taken place.) A series of resolutions have been prepared for this conference under the following headings:—

- (1) Meeting local attacks on miners' wages and conditions.
- (2) The pooling scheme.
- (3) The immediate convening of an unconditional conference of the Scottish Mineworkers' Union.
- (4) The fight against Mondism and for 100 per cent. trade unionism.
- (5) One union for Scottish mineworkers.

There will be delegates there representing branches from every county and the decisions of the conference will become the basis for a campaign right throughout the minefields of Scotland.

It is a hard fight that lies before our comrades in Scotland. Against ruthless employers, against unscrupulous Labour reactionaries, they must organise the forces of the working class and press steadily forward to victory.

“DEMOCRACY”

By SCOTT NEARING

[This article has been sent us by Comrade Scott Nearing as a record of his personal experiences in the present election campaign in America. We are very glad to be able to print it, as it exposes in graphic form the true implications of what is called Democracy in the capitalist states of to-day. Though at present this Democracy continuously takes more violent forms in America than here in England, we have already had a foretaste, during the General Strike and Miners' Lockout, of the lengths to which the British capitalist state is prepared to go in the suppression of all working-class action. In addition every revolutionary can draw from his own experience innumerable instances of the "peaceful" refusals of halls and public places for meetings of the Communist Party and other revolutionary bodies, the boycott of their literature, etc. We may very well expect that in the coming General Election this "peaceful" censorship will be intensified to the limits described by Scott Nearing, if not beyond them.—EDITOR.]

NORTHERN West Virginia lies in the Pittsburgh industrial area. Coal, oil, natural gas, iron and timber make this area one of the most important centres of United States heavy industry. The Ohio river, winding among the high hills, provides cheap transportation facilities. The territory is netted with railroad lines and spotted with mining camps, chemical works, smelters, steel mills, glass works, machine shops.

The Pittsburgh area has been the scene of several bitter labour struggles during recent years. The Steel Strike of 1919 centred here. The Railroad Shopmen's Strike of 1922 was fought through these valleys. During the past eighteen months the coal strike has raged.

The territory is largely unorganised. The Left-Wing forces among the miners are working for the establishment of the new National Miners' Union among the mine camps. The Workers'

(Communist) Party is carrying on an election struggle against the reign of police terror inaugurated by the local big business interests which radiate out from the Wheeling Steel Co.

Each of the forty-eight States comprising the United States has its own election laws. It is therefore necessary for a political party, even during a presidential election, to comply with the election laws of each State before it can place its candidates on the ballot.

The Workers' (Communist) Party held a State convention in compliance with the laws of West Virginia, and secured a place on the West Virginia ballot. It is therefore a recognised party, with the same legal status as that of any of the other political parties that are contesting the present campaign.

The party has also secured a place on the ballots of the two neighbouring States—Ohio and Pennsylvania—into which the Pittsburg area extends. Legally the Workers' (Communist) Party is established in this area. Actually the authorities are conducting a reign of terror, the object of which is to disrupt the party's campaign. Take the example of Wheeling, a West Virginia steel and coal centre.

The Workers' (Communist) Party announced a week of election rallies in the Wheeling region, beginning Monday, October 1, and culminating on Friday evening of the same week with a mass meeting in Wheeling. Halls were rented and the meetings were widely advertised by means of leaflets distributed at factory and mine gates and carried from house to house in the working-class sections.

Police terrorised the men and women who were distributing these circulars, and, finally, on Friday, arrested one of the women distributors, took her to the police station, threatened her, then put her on a street car and sent her across the river to Ohio. She had violated no law.

Large posters were taken about Wheeling and placed in the shop windows, of course with the consent of the shop owners. On the day before the Wheeling meeting, the police went from shop to shop. To one shop-keeper the police officer said:—

"Why have you got that goddamned Communist poster in your window?"

The shop-keeper replied that he also had in the same window posters of the Republican and Democratic Parties.

"It don't make a damn bit of difference," blustered the policeman. "If you don't get that thing out of here we will arrest you."

A meeting was billed for Tuesday night in a suburb of Wheeling named Worwood. An hour before the meeting was to begin police called on the hall-owner and told him that if he opened the hall he and all who came to the meeting would be arrested.

Worwood is a small-company town, under the complete domination of one coal company. Workers who went to Worwood to advertise the meeting could not leave the public road. All of the remainder of the town was private property. Even at that, company police drove the distributors from the public roadway under threat of arrest. There was only one hall in the town, and although the proprietor had rented the hall, and taken the money for it, he dared not open the hall in the face of the police threat.

To make their threat good, as the meeting time approached, detectives in plain clothes and police in uniform posted themselves near the hall, or walked back and forth along the sidewalk in front.

No meeting was held in Worwood.

The next meeting was announced for Elm Grove, another industrial suburb of Wheeling. Police terrorism led the hall-owner to refuse to open the hall, but the representatives of the Workers' (Communist) Party threatened to sue for breach of contract. The owner then opened the hall.

About twenty workers entered the hall. Several hundred massed in the street.

The police approached the speakers:—

"If you hold this meeting," they threatened, "we shall arrest you."

The chairman rose. "Comrade and fellow-workers," said he. He was arrested and taken to the waiting police auto.

Another speaker rose, said the same words, and was put into the same patrol. Both were then taken to the police station,

charged with disorderly conduct, and bound over for the police court the next day.

The local papers reported the arrest. The chief of police, when interviewed, stated that all Communists who attempted to speak would be arrested.

Then came the meeting in Wheeling. The entire city was covered with posters. At each shop or mine gate circulars were distributed announcing the meeting. The circulars were passed from house to house in working-class sections.

Half an hour before the meeting time a strong force of police entered the hall. They were equipped with tear bombs, handcuffs, black-jacks. Each man had two revolvers.

The chairman mounted the platform. The two speakers followed. About 300 workers had gathered in the hall. Perhaps a hundred others crowded into the doorway. Hundreds waited outside in the street. Wheeling workers know their police and take no chances unless they are compelled to. There were only six women in the hall. Ordinarily large numbers attend such meetings, but rumours of impending trouble had circulated and the women remained at home.

The chairman rose. Eight police walked, two and two, on to the platform. The hall was tense and still. No one moved.

"Comrades and fellow-workers," the chairman began, "this meeting is being held under the auspices of the Workers' (Communist) Party. The Party is a legal Party in the State of West Virginia . . ."

A policeman grabbed him. "You are under arrest," he said.

The next speaker walked to the front of the platform.

"Comrades and fellow-workers . . ."

Two policemen grabbed him, jerked him across a chair and took him from the platform.

A policeman turned to the third speaker with the remark: "Your turn next."

The third speaker rose, uttered two words, and was dragged from the stage. The police then dispersed the meeting.

The three men arrested were taken to the police station under heavy guard, charged with disorderly conduct and bound over for the police court.

The Communists had organised these meetings with the greatest care. Not the slightest trace of disorder occurred. The discipline of the workers was perfect. The whole provocation came from the police.

The workers of the Wheeling district have suffered from wage cuts. They are being speeded up past human endurance. Many of them are working on shifts that run more than twelve hours.

The Workers' (Communist) Party is making its campaign on just these issues. The Wheeling police, under pressure from the local business interests, will not even allow meetings to begin in which such issues are to be discussed.

West Virginia has other resources besides its police. There is the Sedition Act. Under its provisions: "It shall be unlawful for any person to speak, print, publish, or communicate, by language, sign, picture or otherwise, any teachings, doctrines or counsels in sympathy or favour of ideals, institutions, or forms of government hostile, inimical or antagonistic to those now or hereafter existing under the constitution or laws of this State or the United States . . ."

The next section of the law makes it illegal for any person to display, or to "have in his possession" any red or black flag.

Violators of this law go to the penitentiary for not less than one and not more than five years.

There are still persons in the United States who believe that orderly and legal methods can be depended upon for making the necessary transition from capitalism to Socialism. The observant workers of Wheeling are not among their number. They have just completed an excellent course in the functioning of the bourgeois State under capitalism.

WIENER NEUSTADT

By J. ADAM

WIENER Neustadt is only the latest stage in the retreat of the Austrian Social Democrats. In 1918, when the great opportunity presented itself, they flinched from the struggle. They declared that there was a better way than revolution. They promised the workers that by uniting with the bourgeois parties they would bring the new Republic gradually to Socialism. And the bourgeois parties gladly gave the Social Democratic leaders a preponderant position in the first Republican Government in return for their inestimable service in restraining the workers from revolt.

So that first Cabinet had a Socialist Chancellor and a majority of Socialist Ministers. And the workers were promised a wide programme of reform which would lead step by step to Socialism. Some of the reforms—not inconsistent with capitalist supremacy—were carried out: for something had to be done to placate the workers. But all the more far-reaching ones were postponed.

And then, as soon as the danger of revolt seemed to have passed, the Social Democrats were quietly pushed out of the Government. The bourgeois parties which had pretended to believe in coalitions and in republican unity now decided that "normal" parliamentary methods would be preferable. The Social Democrats were pushed into opposition and tamely submitted. For seven years they played this part meekly, criticising, making speeches, but making no serious effort either to regain power or to hamper the work of successive bourgeois Governments. Their followers were deluded by the hope that sometime or other there might be a Socialist Government again. And all the time Austrian policy became more and more reactionary. The reforms of 1918 were whittled down, and the reactionary elements grew stronger and more insolent, so that the Social Democratic leaders were forced by the indignation of their own followers and by a series of Fascist outrages and provocations to organise a defence force.

It was one of these provocations which brought the crisis of July, 1927. A Vienna jury acquitted three Fascists who had shot

and killed a Socialist worker and his child. The anger of the workers broke bounds. Spontaneous strikes were called and the factory workers of the suburbs marched into the city to demonstrate. Mounted police barred the way and charged. Then came the throwing of stones, the making of barricades, the shooting, the storming of the Law Courts.

As in 1918, a revolutionary situation had arisen, and, as in 1918, the Social Democratic leaders took charge of it. Their action was characteristic. First, to satisfy the workers, a pretence of strength: the calling of a general strike; the conversion of the Republican Schutzbund into an armed Citizens' Guard—the use of discipline and of the "industrial weapon" in place of spasmodic violence; demands for the resignation of the Government and the police chief. And then the sequel: calling off of the strike; dissolution of the Citizens' Guard, which had been used only to break up Communist meetings; abandonment of all demands; proposals instead of a Parliamentary Committee of Investigation and for an amnesty. Then the abandonment of even those timid proposals.

And then, nothing at all. During the "Red Days," when it had to pretend to revolutionary leadership, the *Arbeiter Zeitung* had declared that:—

there can be no reconciliation. In our mourning for our fallen brothers and sisters there can be no thought of reconciliation. We swear on the grave of the dead not reconciliation, but passionate struggle against the bourgeois capitalist world, in which the workers are shot down like wild beasts.

Less than six months later the Social Democratic Party Conference was loudly cheering Karl Renner's speech advocating co-operation with that bourgeois-capitalist world, condemning revolution and arguing for entry into a coalition government. And Bauer's opposition to this curious exordium was largely based on the consideration that even if they expressed willingness to enter into a coalition, Chancellor Seipel was not in the least likely to invite them to do so.

That astonishing Congress showed the reaction that every remnant of fighting spirit had evaporated from the party leadership; that they could be kicked into any surrender, however humiliating. They were, since July, in full retreat, their morale utterly broken

by the mere thought of a struggle, their only anxiety to come to terms and to crawl somehow back to office. When an opponent is in that condition, the moment has come to hit him hard. It was the understanding of that elementary principle of tactics that took Mussolini to Rome, and that was now to bring his Austrian imitators to Wiener Neustadt.

A week after the Social Democratic Congress it was announced that the various sections of the Heimwehr, which had remained in existence, though scarcely in activity, since its formation in 1919, were to be united under a joint command, were to be reorganised and re-equipped, and were to be got ready for a march on Vienna if necessary. Stories began to circulate of the stores of arms in the possession of this Fascist corps. They were partly true, but they were exaggerated and given wider circulation by nervous Social Democrats. It was an annoying situation for the leaders. They had given such strict orders that all conflicts—industrial or physical—should be avoided, that the only fight should be the sham one of the elections (completely sham in view of their own hankering for a coalition). And here was the enemy refusing to agree to this armistice. They could think of nothing better than to appeal to Monsignor Seipel to disband the Heimwehr, eagerly offering to disband their own Schutzbund simultaneously. That astute priest blandly declined to interfere. He judged his men correctly and calculated that he could make them pay a much higher price for the peace they were seeking so few months after they had sworn on the graves of the dead to carry on a "passionate struggle."

So, with Seipel's connivance, the Fascist preparations went on. The Fascist leaders talked noisily of a march on Vienna, of a *coup d'état*. Rumours were put about of a coming overthrow of the Republic, of the setting of a Wittelsbach Prince on the Hapsburg throne. It was all bluff. Real *coup d'états* are not prepared so noisily. Steidle had never the slightest idea of carrying out a coup against his friend Seipel, or of marching on Vienna. It was a big bluff, carried through with Seipel's connivance, of which the object was simply to further intimidate the weak-kneed Social Democrats, to drive them to further concessions, and to give them the opportunity of excusing themselves to the

workers by the plea that by yielding they had saved the Republic and democratic institutions.

When everything was ready the farce began. The Heimwehr leaders announced that they would hold a mass parade of their forces in the Socialist town of Wiener Neustadt, as the rehearsal for the march on Vienna. The Social Democratic leaders were panic stricken. They could not—without imperilling their hold on their followers—remain inactive in face of such provocation; even if they did, the workers of Wiener Neustadt itself would certainly hold a spontaneous counter-demonstration; and the struggle which they dreaded would come all the same.

They played their usual game of a blustering retreat. They issued a stirring call to the workers, ordering a mass mobilisation in Wiener Neustadt for the day of the Fascist parade. "We shall bar the advance of Austrian Fascism. . . . Every available man to Wiener Neustadt" and much more like it. And at the same time they crept round to Seipel and begged him to prohibit both demonstrations. Seipel played with them cruelly. First he refused to interfere; then he said that in the interests of peace only the Heimwehr demonstration, which had been arranged first, should be allowed. They agitatedly pointed out that they wanted the Schutzbund to go to Wiener Neustadt not to fight the Fascists, with whom they had not the least wish to interfere, but to beat up any Communists or other troublesome workers. They would gladly make arrangements with the Fascist leaders by which the two forces would be kept quite separate; they would march through the town one after the other; the Fascist would have the place of honour, the Socialists following them at a respectful distance.

The arrangements were made, and were carried out. The Fascists marched in, and were invited by the Socialist burgo-master to use the balcony of the Town Hall as saluting post in their review. Then they marched out. The Socialist demonstrators marched in, and were assured by Renner that there was no place in Austria for Fascism and that they had successfully withstood the Fascist advance!

Meanwhile the Communists—the only people who had tried even to oppose that advance—were being thrown into prison,

with Social Democratic approval—for having urged the railwaymen to refuse to carry Fascist contingents.

The big bluff had succeeded. The Social Democratic leaders had been thoroughly intimidated. When they again began to beg for disbandment of all semi-military organisations they were presented with the Government's terms.

They must abandon Parliamentary obstruction, and they must agree to the passage of a sweeping Trade Unions Law on the Baldwin model. They must, in a word, surrender both the political and the industrial weapon. The terms for armistice were, in fact, complete disarmament of every kind, complete surrender to the forces of reaction. Seipel was dictating terms to Austrian Socialism such as Foch had dictated to the Germans at Compiègne. And he was doing so not at the end of a long struggle, but without any struggle at all.

These armistice negotiations are still going on. But there is no doubt as to their result. The Austrian Social Democrats are going to their Versailles. The mere noisy threat of a Fascist coup, the mere marching of 8,000 men, "armed" with alpenstocks, through the streets of a single town, has brought them to their knees in pitiable and abject surrender.

LABOUR AND THE BANKS

By EMILE BURNS

THE Labour Party has faithfully adopted a programme "pregnant with programme after programme." The document itself tells us that "While its eyes are on the future, its feet are firmly planted on the ground of to-day." (*Labour and the Nation*, p. 13). It is only too evident that the future building on which its eyes are set is to be built on the ground of to-day; on a building lease from the ground-landlord, finance-capital. The terms of the lease were published separately as a supplement to *Labour and the Nation*, under the title of *A Report on Currency, Banking and Credit*.

It is the report of a Committee which had been considering banking and currency policy since before the Blackpool Conference of 1927. After more than a year of, no doubt, profound thought on the subject, the Committee reported. Its report contains no analysis of the position of the banks in the capitalist world of to-day; there is no hint of the merging of the banks with the great industrial trusts, no hint of finance-capital ruthlessly extending its hold over industry and trade, deepening the exploitation of the workers to provide ever-increasing dividends, controlling the policy of the State both at home and abroad so that it may prosper through misery and bloodshed. There is no hint that finance-capital can make and unmake Governments—even Labour Governments; that not a single item of the many programmes can be carried through unless it does not interfere with finance-capital—or unless the power of finance-capital is first destroyed. There is no hint, in short, that the Committee was not composed of bankers meeting to consider one or two points of banking practice.

The report starts off with the almost comic remark that "The decade 1915-1925 will long be remembered as the period of great changes in the price level," and this intellectual level is maintained throughout, rising in some passages almost to poetry,

as in the following: "As regards the Bank of England, a little thought will show that in fact some of its main functions are not in the ordinary sense commercial, but governmental." On the basis of such profundities it marches serenely through sections headed "Historical," "Currency Policy in the Future," "Credit Policy," and "The Control of Banking," and arrives at recommendations which would be creditable to any Committee of Bankers. The only tinge of radicalism discernible is the suggestion that Municipal and Co-operative banks should be extended; but the text makes it clear that these are not to infringe on the preserves of any capitalist bank; the function of the Municipal and Co-operative banks is to mobilise credit! The argument is delightful:—

Only a small proportion of a rich man's financial transactions takes place in cash, and the amount of cash in proportion to his income which he retains permanently in his possession is trifling. The working man, on the other hand, finances up to 100 per cent. of his transactions in cash, and the financing of wage payments involves the use of a very large amount of currency. An extension of banking facilities for the workers would facilitate small savings, economise currency, and increase the supply of credit."

Only a Labour Party Committee could have worked that out—the real trouble in our financial system is the way the working man "retains permanently in his possession" (from Friday afternoon until Friday evening) a very large amount of currency. Nevertheless, in spite of this brilliant piece of thought, the Committee does not seem to have hit on the real solution of the trouble. A better solution than providing banks for the workers to pay their wages into would be not to pay wages at all; this would facilitate big savings, economise no end of currency, and enormously increase the supply of credit.

The other recommendations made by the Committee and now formally adopted as Labour's policy have not even the slightest suspicion of revolutionary ideas. The value of gold and the exchanges are to be kept stable by international agreement among the central banks; this is supported by the profound thought that "the soundest view of the problem seems to be that the currency question is less a national than a world question." A revolutionary might have added that an even sounder view is

that the currency question is less a world question than a class question; but no revolutionary was on the Committee.

It is when the Committee gets on to the question of what it calls "The Control of Banking" that the Labour Party's outlook and purpose become clear. It is true that the Committee itself attempts no explanation of why any question of control of banking arises; but there is a passage in *Labour and the Nation* (p. 20) which gives the explanation :—

The prosperity of industry, as the experience of recent years has clearly revealed, is intimately connected with the policy pursued in matters of credit and finance. The provision of the capital needed to meet the expanding requirements of a growing population and its direction into the channels of the greatest social utility, and the banking system which regulates and lubricates the economic mechanism, are services which, of their very nature, are vital to the economic well-being of the whole community. . . . A Labour Government will institute a searching inquiry into financial methods and credit policy, with a view to the removal of practices which are injurious or obsolete, and to the more effective control of banking and finance in the national interests.

That passage makes it perfectly plain that the objective of the Labour Government's policy is *the prosperity of industry on a capitalist basis*, and that its policy, so far as the banks are concerned, will be to remove practices which are injurious or obsolete from the standpoint of capitalist industry. In other words, a Labour Government will help capitalism by co-ordinating the work of the banks and smoothing out the rough places of finance for the greater glory of capitalism as a whole. The Labour Party's feet are firmly planted on the ground of to-day.

Therefore "the control of banking" takes the place of "the nationalisation of the banks" and the control, stripped of verbiage, amounts to the establishment of two committees!—one to "control" the Bank of England, and the other to . . . make an inquiry into the best method of securing "that the available supply of credit and of savings shall be used for enterprises of national advantage as distinct from those that are useless or socially injurious." That is the full extent of the programme; that is the policy with which the great Labour Movement is to enter the struggle against the banks!

The Corporation which is to control the Bank of England

is to contain "representatives of such essential factors in the community as the Treasury, Board of Trade, Industry, Labour and the Co-operative Movement." One commentary on this is unconsciously provided by the Report itself, which, dealing with the deflation of 1920 to 1925, observes:—

The policy adopted may have been put into operation in the main by the Bank of England, but the Bank seems to have had the full support and authority of the Treasury behind it.

And again:—

Though the bank is in theory a commercial enterprise owned by shareholders, actually its administration is conducted in close association with the Treasury and with some regard to its national responsibilities.

In other words, the *formal* control of the Bank of England was with its shareholders, and will be (under the Labour Party scheme) with a corporation representing "the community." Actually, control was with the permanent officials of the State machine, themselves acting in accordance with "national responsibilities"—responsibilities to capitalism. The Labour Party's "Corporation" is to serve the same purpose; to guide "the currency and credit policy of this country, on which the whole industrial life of the nation depends." The whole industrial life of the nation—capitalism. The representative of "industry" will cheerfully accept the co-operation of the Treasury, the Board of Trade, Labour and the Co-operative Movement, in this "national responsibility"—did not Ben Turner offer to go with Melchett to explain to Winston Churchill the financial proposals of the Joint Conference?

It would be a mistake to suppose that there is anything specially wrong or reactionary in the Labour Party's policy on banking. On the contrary, on the basis of its general policy no other banking policy was possible. A policy which from first to last accepts the existence of capitalism, and attempts to lead to Socialism *on the basis of a continuing capitalism*, must realise that no interference with the banks is possible. "The provision of the capital needed"—"the banking system which regulates and lubricates the economic mechanism"; with such a conception of the problem, obviously a Labour Government must do everything to encourage "savings"—formerly known in the movement

as profits—and to see that the oil flows regularly through the banks. It is to apply such conceptions, to carry out such a policy, that the Labour Party will ask the electors to return it to power. On the eve of power, this is its manifesto, its programme of action.

There was once another party on the eve of power. Unlike the Labour Party, it happened to be a class party, and the class was the working class. And because of this, its policy in regard to the banks was very simply stated—"The merging of all banks into one, controlled by the State—in other words, the nationalisation of the banks." Two paragraphs from Lenin's letter on this subject (see *LABOUR MONTHLY*, July, 1925, reprinted in *On the Road to Insurrection*, C.P.G.B.) are a most complete commentary on the whole of the Labour Party's programme:—

Everyone knows that the banks are the chief nerve centres of the whole present economic system, under the capitalist regime. To talk about "the regulation of economic life" and to leave out the nationalisation of the banks is either to display the crassest ignorance or to deceive the credulous public with big words and marvellous promises which one has absolutely no intention of keeping.

It is absurd to control and regulate the supply and distribution of cereals or of all products generally, without controlling and regulating the operations of the banks. It is to go hunting for a few doubtful kopeks while neglecting the millions of roubles close at hand. The banks at the present time are so closely connected with commerce (in cereals, as in every product) and industry that without taking possession of the banks it is impossible for anything serious, "revolutionary," "democratic," to be done at all.

The "big words and marvellous promises" are now the official programme of the Labour Party, whose function—to deceive the working class in the interests of finance-capital—is thus established beyond any possibility of doubt.

The World of Labour

	Page
U.S.A.: National Miners' Convention and New Miners' Union	696
End of New Bedford Cotton Strike	697
INDIA: General Strike in the Bombay Cotton Mills	698

U.S.A.

National Miners' Convention and New Miners' Union

THE National Miners' Convention, summoned by the Left Wing Conference Arrangements Committee, to form a new rank and file miners' union to supersede the now defunct United Mine Workers' Association, was held at Pittsburg on September 10 and 11.

The summoning of the conference was preceded by an outburst of violence on the part of the authorities and the Lewis clique.¹ On September 7 Frank Bonita was killed and an agent of Lewis was suspected, while his brother has been sent to prison for ten years on framed-up charges. A few days later two more left wing leaders were shot at Bentleyville, one of whom died of wounds. The opening session of the conference was the signal for a savage onslaught by the city police, aided by Lewis thugs. The conference was broken up, numbers of delegates were clubbed and otherwise injured, and scores of arrests were made. The next morning, however, all but three were released, although in some cases fines were paid in order to enable the delegates to appear at the convention.

The conference proceeded to the formation of a National Miners' Union, to include all miners—the unorganised as well as the former members of the U.M.W.A. It was pointed out that not only had the old union refused to organise the unorganised, but that during four years of Lewis's leadership the percentage of miners represented by the U.M.W.A. had dropped from seventy to twenty, masses of the best workers having left the union in disgust after the betrayal of the miners' strike (*cf.* LABOUR MONTHLY, September). The aim of the employers in forcing the strike was the destruction of trade unionism in the most important soft coal districts, notably Pennsylvania and Ohio, and with the aid of the Lewis officials they had largely succeeded. The only hope of the workers lies in the formation of a united front of all miners against the frontal attacks of the bosses and the more subtly disruptive tactics of A.F. of L. officialdom.

The Convention, with its 700 delegates from all districts, representing nearly 1,000,000 bituminous and anthracite miners, drew up a constitution for the new union which is to be submitted to the membership for ratification

¹ See LABOUR MONTHLY, May, 1928, p. 312, and September, p. 575, for the earlier history of this struggle. Lewis was the Secretary of the U.M.W.A.

and amendment. An organisation drive is planned for all fields, and a series of meetings has been arranged at which the delegates will report to the districts, after which district conferences will be held to choose district officers. Complete democratic procedure is aimed at : salaries of officials are to be based on the pay of the rank and file, and there is to be easy recall of leaders and members of the executive. *The Coal Digger* was appointed the official organ of the union, and every member guarantees to pay a six months' subscription. John J. Watt, Chairman of the Arrangements Committee, was elected President of the union, with Boyce, a negro, as vice-president, and Pat Toohey as secretary-treasurer. Numerous fraternal greetings were received from miners' organisations and militant workers in Europe.

A message from the E.C. Board calls upon all miners to "refuse to recognise any wage cut agreements signed by the discredited Lewis clique, and to fight against the check off, thereby destroying the possibility of this group keeping the coal diggers enslaved to its company union." Already thousands of miners in Illinois have responded to this appeal, and have refused to work the "Chicago Agreement," which reduces their wages from \$7.50 to \$6.10 per day.

End of New Bedford Cotton Strike

The struggle in New Bedford was officially called off by the seven unions affiliated to the local Textile Council on October 6, after over twenty weeks of the most complete solidarity, in the face of the bitterest hostility, not only of the owners and the authorities, but also in spite of the persistent attempts of the reformist leaders to come to terms behind the backs of the workers.

The earlier history of the strike was recorded in the August *LABOUR MONTHLY* ; the most notable events since then have been the bringing in of Fall River, the National Convention of the Textile Mill Committees, and the formation of a new National Textile Workers' Union.

The difficulties at Fall River were great owing to the reactionary nature of the leadership. Tansey, the President of the National Federation of Textile Operatives, is also a police official, while the United Textile Workers' leaders were also opposed to the strike. Further, the authorities were prepared to take any measures to prevent a strike occurring, so that when organisers from the National Committee of the Textile Mill Committees arrived they met with the most determined persecution. For some time they were unable to find a meeting place, as hall owners were threatened with eviction if they allowed them to use their halls, and the problem was only solved by the workers buying a site for the purpose. The movement succeeded in spite of all opposition, hundreds of workers joined the Textile Mill Committees, and on August 6 the workers at the American Print Works came out, and other mills soon followed.

The National Convention of the Textile Mill Committees was held on September 22 and 23. About 170 delegates attended from twenty-one cities in seven New England and Mid-Atlantic States, covering all sections of the industry—cotton, silk, wool, worsted and knitted goods. It was altogether a more representative gathering than the United Textile Workers' Union Convention held a fortnight earlier, at which several delegates walked out as a

protest against the leaders' policy of "serving the mill owners as a company union." At the N.T.M.C. conference a new National Textile Workers' Union was formally established on the basis of the local committees, which should be a real, independent organisation, serving the interests of the rank and file: the trade union movement in the United States is being rebuilt from below. James P. Reid is the new President, and Albert Weisbord, leader of the Passaic strike, is Secretary-Treasurer, and a national council of thirty was elected, which will choose the E.C. of the union.

The last stages of the strike have been marked by repeated attempts on the part of Batty & Co. to make terms with the bosses. As secretary of the local Textile Council, Batty made secret overtures to the owners, conceded the acceptance of the Frieder efficiency system, held secret ballots of the skilled unions—representing a tiny minority of the strikers—and when the unions rejected his proposed terms declared the ballot illegal, and forced a new vote.

Finally, acting in conjunction with the State Board of Arbitration and the Citizens' Mediation Committee, he succeeded in getting the seven unions to agree to a 5 per cent. reduction (the owners demanded 10 per cent. reduction and the strikers a 20 per cent. rise) and the promise that in future thirty days' notice would be given of any proposed change in conditions, though these terms have already been infringed by the owners and a 10 per cent. cut enforced in nearly all mills.

There were stormy scenes when the mills were re-opened, hundreds of police were posted around the mills and further arrests took place. Wholesale arrests have been one of the special features of this strike, and the total number has been estimated at 700, of which as many as 275 were made on a single day—July 30—in a savage but unsuccessful attempt to put an end to picketing, but to the end the workers remained solid, and even after the official betrayal, only 3,000 members of the skilled unions went back until the National Council of the N.T.W.U. gave the word for a general resumption about a week later.

INDIA

The General Strike in the Bombay Textile Mills¹

FOR over five and a-half months, from the beginning of April until the beginning of October, the textile workers of sixty-eight cotton mills, two silk mills, and one bleaching mill, in the City of Bombay, have conducted a heroic struggle against the millowners' attempt to enforce reductions in wages and speeding up.

Negotiations for settlement of the dispute began on June 9 between the representatives of the millowners and the workers, who were represented by eight from the Strike Committee, but they broke down on the 26th. A more strenuous phase of the struggle then began. The Joint Strike Committee opened up about fourteen relief centres and began making house-to-house collections. The police prevented the Strike Committee from collecting on the 21st. The police failed to prevent them collecting on the following days,

¹ A full account of the development of the General Strike and its progress up to June is printed in the *LABOUR MONTHLY* for June (pp. 370-373) and July, 1928 (439-441).

but followed the committee in lorries. Picketing was conducted in a well organised manner, and batches of women pickets prevented the oilmen and clerks from going in to work. Despite this a few oilmen were escorted by the police to the mill and assaults were reported. At one meeting it was stated that a woman picket had been assaulted by a police constable.

Meanwhile a dispute had arisen on the question of permitting newspaper reporters access to the strike meetings, the committee strongly objecting to the false reports circulated. It was decided to refuse them admission, but this was rescinded later.

In connection with this dispute Nimbkar, one of the strike leaders, was arrested on July 7, and while before the court on the 10th a crowd of strikers gathered around the court, which was guarded by police. Trouble began and the police charged the strikers, with the result that about twenty-five were injured and four arrested.

On the 9th Mr. M. N. Joshi informed the Strike Committee that, at the request of the Government member of Bombay, he had addressed a letter to the Government inviting their intervention and suggesting an arbitration board, consisting of one labour representative, one owner, and one "highly placed" Government official.

Later the general member of the Bombay Government called a conference of representatives of the mill agents and the Joint Strike Committee, which met on August 16. This was after the failure of the owners to break the solidarity of the workers, by opening about eleven mills on the 6th, but, as the *Bombay Chronicle* said, the "strikers refused to walk into spider's parlour." At this conference, both sides agreed that this committee should examine the standardised schedule of rates prepared by the millowners and the seventeen demands advanced by the Strike Committee. When the question of whether or not and on what terms the men should return to work pending the decision of the committee of inquiry, the representatives of the men laid it down that under no circumstances would they agree to any resumption of work that did not provide for the payment of wages to the men going back at the rates prevailing in 1925, and that no decision could be arrived at without consultation with the ~~full~~ Strike Committee.

The millowners' representatives conferred privately and on returning to the conference announced that they could not agree to the appointment of a committee of inquiry except on condition that the strike would be called off. This the Strike Committee definitely refused to do and the conference proved abortive. Overflow meetings of the workers were held and the unanimous verdict was not to call the strike off.

While private conversations were going on between some members of the Joint Strike Committee and some prominent millowners (the Mayor of Bombay was also endeavouring to bring about a settlement) the Strike Committee were preparing a standardisation scheme of their own, to be placed before the owners. The workers were also advised to leave for their native villages, and steamers were chartered for this purpose.

Just at this period a sum of £1,059 was received from the Central Committee of the Russian Textile Union, which enabled the Strike Committee to pay for steamers to take about 600 workers to their native homes, and also

keep the relief centres supplied with grain. On September 20 another attempt to break the strike was made. The manager of a mill employing about 4,500 workers distributed handbills announcing, over his signature, his intention of opening his mill on the 20th, under the standardised scheme of wages, which would be paid daily in cash, "so that they may judge for themselves whether the scheme was to their disadvantage." Some 150 workers were brought from a dye factory in the suburbs and admitted into the mill. Soon the mill was surrounded by over 5,000 men and women strikers. The police were guarding the mill, but the likelihood of a disturbance forced the manager to close down the mill; thus the attempt ended in a fiasco.

Finally, on October 4, it was decided to call off the strike. This decision was reached at a conference, convened by the Government, of the millowners and representatives of the Strike Committee, under the presidency of the general member of the Bombay Government. The settlement arrived at provides that conditions of work in the industry are to be referred to a committee appointed by the Government of Bombay, and that, pending the result of that Inquiry, work shall be resumed at the rates of wages paid in March of last year. This means the *status quo*, with no reductions and no new systems of diminishing reduction costs until the committee reports. In the conference on the previous Friday the owners had insisted on a cut of 7½ per cent. in wages, but this was rejected by the Strike Committee.

A mass meeting of the strikers was held on the 5th. The *Daily Telegraph*, reporting on this meeting, states that the strike leaders "... argue that yesterday's settlement was only a suspension of the struggle—a truce pending the findings of the committee of inquiry ... they declared that the workers had been engaged in a defensive struggle for nearly six months, and that the compromise effected was a distinct defeat for the owners in so far as it did not include the cut in the weavers' wages originally demanded. They said they did not expect favourable results from the committee of inquiry, and that they proposed to utilise the present 'truce' for building up a strong organisation, and for preparing for a well-organised fight if the owners introduced cuts later on. The workers, they urged, must prepare for an offensive and not a defensive strike in the future."

PUBLICATIONS RECEIVED

- Communist Policy in Great Britain.* The Report of the British Commission of the Ninth Plenum of the Comintern. (C.P.G.B., 195 pp., 2s. 6d.)
- What Every Girl Should Know.* By Margaret Sanger. (Butler & Tanner, Ltd., 109 pp., 2s. 6d.)
- What Every Mother Should Tell.* By Margaret Sanger. (Butler & Tanner, Ltd., 78 pp., 2s. 6d.)
- The Place of Workers' Education in the Labour Movement.* Fifth Annual Conference of Teachers at Brookwood. (Brookwood, Katonah, New York, 74 pp., free.)
- Appreciation of Music.* By F. Howes. (W.E.A. Outlines, 90 pp., cloth, 2s., Paper, 1s.)
- We Fight for Oil.* By Ludwell Denny. (Knopf, 297 pp., 7s. 6d.)
- Maintenance for Dockers.* Now and not in 1940 and a National Docks Programme. By Fred Thompson. (Transport Workers' Minority Movement, 15 pp., 1d.)
- The Economic Problems of Europe.* Pre-War and After. By M. Phillips Price. Foreword by Sidney Webb, M.P. (Allen & Unwin, 218 pp., 8s. 6d.)

of widely distributed individuals, but through the elaboration of a limited number of comparatively simple principles, which have been diffused over the surface of the world *from a definite centre*. Our behaviour and our feelings and thoughts have been influenced, if not dominated, by the *arbitrary events* of the last five thousand years.—P. 17. (My italics, F. C. M.)

This is Elliot Smith's most moderate statement, and apart from the phrases italicised, it consists only in an over-emphasis of the fact that diffusion is one factor in social development. Elliot Smith's peculiarities consist in his regarding Egypt as the only centre from which our present customs and institutions originated; and in his regarding such origination as an "arbitrary event."

He is not able to be consistent with either of these fallacies, even in the scope of some eighty pages. We will allow him to refute himself. On the first point he tacitly admits that all diffusion is mutual:—

Before a real diffusion of culture can be effected, such novel ideas must be introduced into the new region by a group of immigrants who settle there and actually proceed to live according to their own customs, customs which themselves become altered in character through the influence of new circumstances and different economic conditions. In fact, in the course of such transmission the character of the alien culture may itself be profoundly modified, even to the point of assuming a form distinctive of its new home.—P. 76.

In other words, the net result is the effect of (1) alien culture; (2) home culture; (3) material circumstances. One need only add that material circumstances operate in other parts of the world than Egypt for it to be clear that, on Elliot Smith's own admission, the inventions of the Egyptians are not the only forbears of the social superstructure of the modern world, but only one of many different parents, all of which had their effect upon the offspring now existent.

Next, it is difficult to know what Elliot Smith means by an arbitrary event. *Qua* scientist, he ought to admit that the term arbitrary can only be used of an event when from a knowledge of the precedent causes, the opposite of that event would be equally probable (cf. J. M. Keynes, *Theory of Probability*). Now, he himself admits that "the whole development was due to the circumstance that the Ancient Egyptians were favoured with an altogether unprecedented type of environment" (p. 39): that is, due to a perfectly definite cause, which could only have produced the result that it did produce. In this one instance can we regard the material conditions—the geography of Egypt—as arbitrary? To do so is to admit a teleological, and a childishly teleological, view of the universe, in which events are caused by the arbitrary ruling of Providence. On any other basis the material conditions which, as Elliot Smith admits, were responsible for Egyptian culture, must be regarded as scientifically explicable, part of a causal chain. If, in this instance, then, the cause was *not* arbitrary, why should all other causes that have operated upon human development be regarded as arbitrary?

When the bugbear of *Egypt uber alles*, and the denial of materialism, are banished from Elliot Smith's advocacy of diffusion, that factor (diffusion) can and must be incorporated into a materialist explanation of the origin of society. But in relating the original contribution of Elliot Smith to that science of society founded by Karl Marx, two important reservations must

be borne in mind: (1) We cannot regard Smith as a materialist just because he is muddled, and occasionally makes a materialist statement which is at variance with the main body of his work. (2) The object of a materialist sociology is to discover the laws underlying social development, and in this it is different from the *objects* of Elliot Smith. "The search," he says, "for the *origin* of things must be the ultimate object of all ethnological research." (Because, for a 100 per cent. diffusionist, there is no cause save origin.)

Apart from this quarrel with Elliot Smith, there are several points about this particular book which call for criticism. It is carelessly written, and the careful reader will find too many instances of self-contradiction for it to be possible to quote them. There are several instances of deliberate misinterpretation of anthropologists of the evolutionist school, Frazer and Robertson. There is far too much dogmatic statement for which no evidence is, or in the present state of knowledge could be, advanced. A flagrant instance is a dissertation on the habits and ethics of natural man—himself a postulate!

Of course in so short a work it would be difficult to prove any case, but when a case *a priori* so improbable is to be put, it is as well to avoid these elementary errors, and to crowd in as much concrete evidence, or reference to concrete evidence, as the text will bear.

F. C. M.

ERRATA

In the first section of Comrade Bucharin's report which appeared in the September issue of the *LABOUR MONTHLY*, one of our readers has drawn attention to certain errors.

On page 536, the text to the last table should read as follows: "The index numbers show, for the subsequent years, the following percentage increases over the pre-war figures."

On page 537, ten lines from the bottom, the figure 140 should be 180.

At the end of the second paragraph on the same page (537), if the figures showing the percentage increase in output, and decrease in the number of workers, are also correct, then, of course, the increase in productivity should rather be 11 per cent. and not 30 or 40 as given. These figures we have, however, so far been unable to trace. There have been various index numbers of productivity compiled in the U.S.A. with different years taken as the base, or normal, year. For instance, with 1919 as the base, the U.S. Department of Labour estimates the average increase in productivity in 1925 as 29 per cent. for workers engaged in agriculture, mining, manufacture and railways, and taking 1899 as the base, their estimate for the same classes of workers is a 79 per cent. increase by 1925. Accordingly, even though the figures given in Bucharin's article are incorrect, his thesis that technical developments have contributed towards a greatly increased productivity is definitely established by the alternative figures we quote.—[EDITOR.]

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Editor : R. PALME DUTT

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PRINCIPAL CONTENTS

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CONTENTS

Notes of the Month - - - - - Page 707

COALITION AND WAR

By R. P. D.

Sixth Congress of the Communist International „ 728

By ANDREW ROTHSTEIN

What Next in the Trade Unions? - - - „ 738

By JOHN A. MAHON

Between Left and Right . - - - „ 748

By J. STALIN

The “Big Four” and the Kuomintang Puppets „ 759

By “ASIATICUS”

The World of Labour - - - - „ 766

Poland—Germany—Australia

Index for 1928 - - - - - „ 772

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NOTES OF THE MONTH

Anglo-American Relations—Bankruptcy of Mondism—Coalition for Peace?—Liberal Pacifism—Realities of British Foreign Policy—Since Locarno—Successes and Failures—Concealed War Obligations — Border States — Warnings — Labour Anti-Soviet Statesmen—Class Struggle and 1926 Eclipse—1927 : Industrial Peace, Imperialism and Entente—Anglo-American Antagonism — 1919-1921 — Washington and Dawes—Growth of Economic Antagonism—Sharpening in 1927—Reasons—Anglo-Japanese Understanding—Significance after Geneva—Two World Blocs—Relation to Soviet Union — Two “Peace Systems”—Pacifist Vanity — Labour Pacifist Imperialism—Revolution and War

THE storm in Anglo-American relations, the crisis over the exposure of British-French naval and military collaboration, the election of Hoover (the Quaker embodiment of the most ruthless and aggressive imperialism) and reinforced Republican domination of both chambers, reflected in Coolidge's Armistice speech with its openly challenging tone—all these have brought into sharp light for everyone the perspectives of the world situation, which were long ago foretold by Marxists. What was laid down in principle as the necessary outcome of stabilisation, class-co-operation and increased capitalist productive power, namely, accelerated advance to war, is here shown working itself out in the concrete. The advance to war can no longer be ignored by any. This is the answer of history to Mondism, industrial peace, rationalisation and Liberal-Labour Coalition. The path of industrial peace and coalition leads straight to war.

FACED with the increasingly visible bankruptcy of their prophecies of peaceful, evolutionary development, the theorists of class collaboration are now endeavouring to adapt their propaganda to this situation. They no longer speak

of harmonious international capitalist development and the inherently pacific character of advanced Western European and American capitalism. (Price's new book, which upholds this previously fashionable reformist theory of the phase now closing comes out to-day at a moment inopportune for him.) On the contrary, they now speak freely of the war danger, and paint it in strong colours. But they endeavour to extract from this situation the opposite conclusion to that which it obviously reveals. They do not infer from it the falsity of the whole policy of collaboration with capitalism, which can only lead the working class to hell, and the urgent necessity of independent and militant working-class preparation. Instead, they infer the necessity of more collaboration with capitalism—in order to avert the danger of war. They advocate a MacDonald Labour Government, or even an open Coalition Liberal-Labour Government, not so much any longer for any pretence of relation to the objects of Socialism, but in order above all to "avert war" and "save the cause of peace and disarmament." In other words, they bring forward as their remedy for the disease the very policy which is in reality, by its throttling of working-class independence and free play to the forces of capitalism, helping to create it.

A TYPICAL statement of this outlook may be found in Brailsford's recent defence in the *New Leader* of his advocacy of a Liberal-Labour Coalition ("A Treaty with Liberals? The Choice of Evils," *New Leader*, October 12, 1928). He puts forward three arguments of "desirable objectives" which might be achieved: (1) to "stop the stupidity, the cruelty and the recklessness of Tory management at home and abroad"; (2) to "work for the League, for disarmament and for the removal of the threat of an Anglo-American war"; and (3) "even without highly contentious legislation, a great deal could be done to solve the industrial problem." In his final summing up of the alternatives, it is the question of war that is dominant with him. He concludes:—

This proposal manifestly involves heavy sacrifices. Nothing would justify them save the peril which our country runs, alike in its industrial outlook and behind the scenes, where alliances are cemented, fighting ships counted and wars prepared. The Party

which will take no risks and shed no prejudices for the sake of the world's peace, may find one day upon its conscience the stain of a war which it failed to avert. For my own part, I can imagine no occupation so entirely innocent as an attempt to discover, round a table with Liberals, how best we both can serve the League of Nations or lift from the Atlantic the cloud of a perilous rivalry.

Thus the path of 1906-14 is to be travelled again—for the sake of peace! The cruellest critic could not have imagined a more bitter irony.

IT is clear that here all Socialist outlook and conception has been left behind. So soon as the Socialist veneer has been scratched off by the reaction of the recent period, the pure Liberalism shows through. For Socialism, war is the inevitable product of capitalism; and therefore the fight against war is inseparably united with the fight against capitalism, with the working-class struggle. Only the overthrow of capitalism can finally eliminate war, which is the inseparable accompaniment of imperialism, *i.e.*, of modern capitalism; but the strength of the working-class struggle can hinder and make more difficult the war policy of imperialism (1920 Jolly George and Council of Action), just as the passivity of the working class facilitates it (1927 industrial peace and the war on China and break with the Soviet Union). The issue of war is thus the strongest argument against coalition. For Liberalism, on the other hand, war depends on the bellicose or pacific policy of individual statesmen, on the replacement of a Baldwin-Chamberlain by a MacDonald-Lloyd George, or of a Poincaré-Briand by a Herriot-Caillaux. Liberal or bourgeois pacifism sees the fight against war as the union of "pacific" and "progressive" forces behind "left" statesmen of capitalism, who utter pacific phrases, while maintaining the whole array of armaments, imperialist oppression and policy, or behind such institutions of capitalism as the League of Nations, which professes pacific aims, although its war purpose is undisguisedly revealed in its constitution. Imperialism is thus for them separable from the policy of imperialism and compatible with a policy of peace. This outlook is based on such a complete non-understanding of the whole character of the modern imperialist situation, that it is necessary to examine in more detail

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some of the features of this, and in particular of the realities of British foreign policy, whose continuity MacDonald is sworn to uphold, and of the relation of Labour policy to it, in order to show that the Labour or Coalition line, so far from representing an alternative to war, represents in reality the most rapid advance towards it.

B RITISH foreign policy since Locarno has followed a complicated line. This complication is not due to variation in the basic aims, but to the complication of the factors which have to be simultaneously faced. The basic aims remain the fight against the revolution (against the Soviet Union, against colonial liberation, and against the working class), and the fight against rival imperialisms. The complicating factors turn on, firstly, the stage of the fight against the Soviet Union and the Colonies ; second, the stage of the fight against the working class at home ; and third, the degree of intensity and variations of the imperialist antagonisms. It is now necessary to attempt to disentangle some of these threads.

L OCARNO represented the attempt to combine the Western European Powers in a bloc under British hegemony against the Soviet Union. The immediate objective failed because of the independent interests of France and Germany, although it was successful in drawing Germany to an increasingly Western orientation. Neither France nor Germany were prepared to subordinate their interests to the requirements of British policy. Germany knew that its political position and revival depended upon its bargaining power between the Soviet Union and the Western Powers, and that the strength of the Soviet Union, and its understanding with the Soviet Union, were the indispensable background and basis upon which it was building up its return to independence. Thus the signing of Locarno was followed within a few months by the renewed five-year Soviet-German Treaty, and the entry into the League of Nations was accompanied by the special neutrality reservation expressed in the annex to that Treaty. Germany was not prepared to enter into a bloc against the Soviet Union except in return for

solid compensations which would secure its independent strength *i.e.*, evacuation, reparations settlement, armament rights, colonies. Colonies Britain was not prepared to yield; evacuation and the rest depended on France, which was not prepared to forego its hegemony for the sake of British interests. France was originally opposed to the Locarno Pact, with its balance of power character playing into British hands; its aim, both before and after the signing of the Pact, was an exclusive alliance to maintain its hegemony in Europe, either with Britain (as in its original proposals for the Pact, and now realised in the renewed Entente) or through an exclusive Franco-German understanding (Thoiry). Thus the immediate aim of Locarno failed of any conclusive result.

THE immediate aim of Locarno was not achieved; and subsequent attempts on successive occasions to build anew the Western European fighting front against the Soviet Union, in 1927 (the break with the Soviet Union, the example of which was not followed, as hoped), and in 1928 (the Birkenhead Mission to Berlin) have not so far been successful. But it would be a very great mistake to regard Locarno as dead, still more to regard the anti-Soviet bloc, which still remains the supreme aim of British foreign policy, as having failed. The clauses of Locarno still live, and may arise again at an unexpected moment. The "decidedly inconvenient" (in the words of *The Times* correspondent) questions of Benes at the Locarno meeting of April, 1926: (1) whether in the event of war with Russia the League or Germany will determine the aggressor? (2) whether in the event of a boycott of Russia Germany is bound as a member of the League? (3) whether the neutrality stipulation of Germany is able to modify Article 16 of the Covenant—these questions still remain without conclusive public answer (the *ex-Allied* Powers saying one thing in their collective Note to Germany in the Annex to the Locarno Pact, namely, that the military obligation of Article 16 is absolute and binding on every State; Germany saying the exact opposite in the Stresemann Note to Krestinsky in the Annex to the Soviet-German Treaty, namely, that the military obligation of Article 16 and determination of the aggressor

is absolutely within the independent discretion of Germany), and the debates in German politics at the time of signing and subsequently have never cleared them.

THE exact obligations of Germany under Locarno and the League still remain under a diplomatic fog. The indiscretion of the German Foreign Office State Secretary, von Schubert, who in an interview to the *Excelsior* stated that Germany was bound under Locarno to permit passage for French troops to support Poland or Czecho-Slovakia, may be recalled, and has led to the surmise that, since there appears no such stipulation in the published Locarno text, there may be secret clauses in the Locarno Pact. Actually, there is no need of such a surmise; for a close reading of Article 2 of the Pact will yield the interpretation given by von Schubert, as indeed Article 16 of the Covenant already explicitly provides for the passage of troops. The published clauses and stipulations of Locarno and the Covenant already provide such a strangling network of military obligations as can hardly be equalled in the vastness of their extent by any pre-war military alliance; only in the present case the pacifists are the most vociferous in their support, and have sworn to go to war when the old gentlemen of the League of Nations Council, when a Poincaré, a Chamberlain and a Mussolini shall give the word. It is not the policy of imperialism to stress these obligations at the present moment; in the present stage, as in the pre-war Entente, the pacific side is uppermost, and the obligations are buried in a general philanthropic haze; nor do the League of Nations Union or Mr. Bernard Shaw or Mr. Clynes discuss these realities when advocating the League to the benevolent and the innocent as an instrument of peace. Nevertheless, the obligations will be there when the time comes, very much more than any Belgian treaties or Entente debts of honour.

WHAT is certain, in fact, is that at some future date the clauses and the obligations of Locarno and the Covenant, to which all the pacifists have given their pledged assent with the same enthusiasm with which they greeted

the first founding of the Anglo-French Entente of old, will spring to life at a moment of crisis, will be presented to the nations of Europe as sacred obligations of honour in the cause of peace and humanity, and will be revealed in all their anti-Soviet reality. In this sense Locarno is no more dead than on the day on which it was signed. The supreme aim of British imperialism in the present period has not changed for the temporary rebuffs to its immediate hopes, but only changes the forms and methods of realisation. The attempted direct formation of a fighting front of the Western and Central European Powers against the Soviet Union has proved more difficult than anticipated. To-day, accordingly, the concentration is far more, on the one hand, on Anglo-French combined action, and on the other, on the Border States, on Rumania, Poland, the Baltic States and Finland. If war can once be started through Rumania and Poland, with some usual easily manufactured plea of "raids" or the like to stamp Russia as the "aggressor" (it was Elihu Root who declared that "good diplomacy consists in so handling the way in which a conflict arises between two nations that it is the adversary which has broken the law"—British diplomacy of 1914 was an example of this "good diplomacy"), then it becomes possible to invoke Locarno and the Covenant, and draw in the Western European Powers with at least the passive neutrality of Germany. This is the evident immediate line of calculation; and the activities of the British and French military, naval and air staffs in the Border States are constant and unbroken.

IT is important at all times to keep in mind this basic line of British imperialism, because it is easy for the temporary rebuffs of particular schemes to lull the workers, especially with the deceitful propaganda of Labour reformism on every side, to a weakening of vigilance, and because also the temporary intensity of the Anglo-American crisis can lead to a one-sided perspective. War can at all times under capitalism break out in a hundred forms, on a hundred fronts, and for a hundred reasons; in this sense all particular prophecies are foolishness; it is only the principles that are important. But the Anglo-American antagonism is a gigantic antagonism of a slowly maturing

character; it is not immediately likely that it can be allowed to come to a head with the revolution still undefeated, with the Soviet Union still unbroken in the rear; the risks are too great, and the imperialists on all sides are conscious of this. For this reason the hostility to the Soviet Union remains the primary issue of imperialist politics in the present stage, although the rising tempo of capitalist activity leads inevitably to the intensification of inner-imperialist antagonisms.

NOR will a Labour Government or Liberal-Labour Government affect this basic line. It may lead to a temporary "recognition" of the Soviet Union; although the Labour Government of 1924 only yielded to recognition under direct working-class pressure, and even then refused to appoint an ambassador. But it may be remembered that the whole process of Locarno was carried through alongside of nominal "recognition." This will not affect the real line, the activities of the military, naval and air staffs. A Labour Government will no more affect these activities than the Labour Government of 1924 affected the activities of the secret police (questioned on the administration of the Aliens Act, Joynson-Hicks was able to show the other day that the number of refusals of permission to land was higher in the year of the Labour Government than in any year of the Baldwin Government—of how many of these 2,485 refusals had Henderson any knowledge or made any attempt to intervene?). But indeed the conditions for the active co-operation of a Labour Government are already present. MacDonald has abundantly shown that he yields to none in his pathological anti-Soviet hatred, which was even able to be played upon by the skilful bourgeois officials to lead him over the precipice of the Zinoviev forgery and its disastrous sequels to his credulity and "business-like handling"; and more recently in his utterances, and in his especial emphasis on the Border States ("The lands near Russia are under no delusion as to Bolshevik policy. At home we are far too much inclined to believe Soviet propaganda about disarmament, peace and such things," *Forward*, October 20, 1928), how close he is to the current imperialist line. Just as the Liberal Cabinet served the purpose for the entry into

the anti-German war, where a Tory Cabinet would have led to wide division, so a MacDonald would serve the purpose for the opening of war on the Soviet Union, when the time is ripe, far more effectively than a Chamberlain.

THE immediate defeat of the short-term aim of Locarno, in the period directly succeeding it, also reflected a further factor, which is of vital importance to understand closely in relation to foreign policy; for it helps to indicate the true line as opposed to the specious MacDonald Labour Government alternative. This factor is the factor of the class struggle. The Locarno Pact was prepared and organised during the greater part of 1925. But it was not achieved until October, 1925, and was not signed until December, 1925. By that time, the Baldwin Government was immersed in the preparations for the gigantic internal struggle approaching. Through 1926 British capitalism was shaken by the heaviest conflict with the working class in its modern history. And throughout 1926 British foreign policy was under eclipse. The Chinese advance went forward without effective check. Germany countered Locarno with the German-Soviet Treaty in April, 1926. The drawing of Germany into the League of Nations met with a fiasco in March, and could not be achieved until September. France showed its independent line by signing the Franco-Turkish Treaty of Angora in February, 1926, at the same time as Britain was at grips with Turkey over Mosul, by the Franco-Soviet Conference, opened in February, and by the provisional Franco-American Debts Agreement. Finally, France and Germany drew together in open combination apart from Britain at Thoiry in September, and the Continental Steel Cartel was formed; the comments of the British Press revealed the anxiety with which these developments were watched. In the following month, in October, 1926, the Pan-European Congress at Vienna, with the participation of the French Minister, of the Austrian ex-Chancellor Seipel, of the German Speaker of the Reichstag, Loebe, and ex-Chancellor Wirth, and similar official and semi-official personages, celebrated Continental unity as against "Anglo-Saxon Capitalism." During this period Britain was only able to build for support on Italy as its sole

and expensive ally to counter Turkey and France; the Italian Debts settlement was reached on a basis representing a remission of six-sevenths of the debt; and the meeting of Chamberlain and Mussolini at Leghorn in September was the attempted answer to Thoiry. There are few clearer examples than the events of 1926 of the close relation of the class struggle and the power or weakness of imperialism and imperialist policy.

IN 1927 the British bourgeoisie emerged, victorious and exultant with victory despite its losses, and at once proceeded to take up the reins and advance to a counter-revolutionary offensive on a world scale. The war on China was immediately begun, and by April had succeeded in breaking the national ranks through the defection of the Chinese bourgeoisie. In May followed the break with the Soviet Union. British financial pressure, according to both French and German reports, had already been able to help to break Thoiry (which was in any case not without its own difficulties on the negotiations over evacuation); Britain and France were again drawn closer together; the closer relations with Italy were cooled off; and by May, 1927, the Entente was conspicuously renewed with the ceremonial visit of President Doumergue and the Foreign Minister, Briand, to London. This renewal of the Entente in the spring of 1927, marking a step away from the Locarno alignment (it is noticeable that in the same period, in the beginning of 1927, the German Nationalists re-entered the Cabinet, from which they had seceded in protest over Locarno) is a turning point in British foreign policy in the present period. It represents a direct strategic counter-revolutionary alliance of the French army and the British fleet, the two strongest forces of Europe, that is, a closer approach to war conditions. It leads to a closer drawing of the front against the Soviet Union (the French enforcement of the recall of Rakovsky followed in October, 1927). It reflects the revival of the new German imperialism and renewed menace to British capitalism of the German economic resurgence. But it reflects also, as the events of the present year have made plain, the growth of a further factor of rapidly developing importance—the emergence to the foremost rank of Anglo-American antagonism.

ANGLO-AMERICAN antagonism is not in itself a new thing; it is only its development to the front rank of world imperialist antagonisms that is at last beginning to reach its realisation and is still far from the intensity that it will develop. In one form or another Anglo-American antagonism has always existed, sometimes more latently and sometimes more actively, since the foundation of the republic in the revolutionary war of independence. The crux of this antagonism throughout the whole development has been the question of British sea power, the expression of world commercial monopoly; and even in the present imperialist phase, with a hundred new and intensified points of conflict, this question of sea power remains the centre of the situation. The war of 1812 was a war against British navalism. The Monroe Doctrine of 1823 was a counter to the Holy Alliance and its scheme to "put an end to the system of representative governments" and restore "legitimate governments," not only in Europe, but as far as possible outside Europe, *i.e.*, to restore the Spanish colonies to Spain (in this issue British policy found it expedient to side with America, but the doctrine was not least directed, and has had its point freely used, against British expansion).¹ In the Civil War, the British bourgeoisie was wholeheartedly on the side of the slaveowners, and nearly reached the point of war, but for the strength of working-class opposition (a further demonstration of the close relation of the class struggle and foreign policy). With the development of the imperialist period the antagonisms grew sharper. In 1895 the issue of Venezuela brought war close. In 1898 Roosevelt could write openly for war with Britain:—

I should like myself to shape our foreign policy with a purpose

¹ It is worth noticing, and illustrates the complete reversal of the position of the United States from the nominal representative of democratic anti-legitimate rights a century ago to the position of embodiment of the spirit of the Holy Alliance to-day, that *America is flagrantly violating the Monroe Doctrine by its refusal to recognise the Soviet Union*. The Presidential Message of December 2, 1823, which constitutes the Monroe Doctrine, lays down:—

Our policy in regard to Europe, which was adopted at an early stage of the wars which have so long agitated that quarter of the globe, nevertheless remains the same, which is, not to interfere in the internal concerns of any of its Powers; *to consider the government de facto as the legitimate government for us*, to cultivate friendly relations with it. . . .

If American statesmen were honest, they would abandon the Monroe Doctrine and replace it by the principles of American world imperialism.

ultimately of driving off this Continent every European Power. I would begin with Spain, and in the end would take on all other European nations, including England.—(T. Roosevelt, February 9, 1898, quoted in J. B. Bishop's *Theodore Roosevelt and his Time*, Vol. I, New York, 1920.)

In the twentieth century Panama and Mexico became critical points of strained relations. In the war of 1914-18 the United States would have directly intervened against British navalism, had not its material interests been too closely bound up with the Entente Powers. But it was not until the overthrow of German imperialism in 1918 that the basic Anglo-American imperialist antagonism was laid bare.

FROM the moment that German imperialism was cleared out of the path, it became evident that the former dominant Anglo-German antagonism had only given place to a yet more vast world imperialist antagonism, that of Britain and America, which would inevitably in the new epoch become the pivot of inter-imperialist relations, and, if the revival of capitalism should be successfully effected, could only lead to a new and immeasurable world war. In the first headlong rush of events immediately after the war it looked for a while as if this new antagonism were ripening with reckless rapidity. Already in 1919 Colonel House could write to President Wilson (on July 30, 1919):—

Almost as soon as I arrived in England, I felt an antagonism to the United States. . . . The relations of the two countries are beginning to assume the same character as that of England and Germany before the war.

In 1920 followed the sharp Curzon-Colby correspondence over San Remo and Mesopotamian oil. The United States withdrew from Europe. In 1921 Britain laid down four super-Hoods of 45,000 tons.

BUT this headlong advance and defiance of British imperialism of the Lloyd George era after the war could not be maintained. The post-war economic boom in Britain was short-lived. By the winter of 1920-21 the economic depression began, which has continued unbroken for eight years

to the present day. British imperialism had to draw in its horns. The defeat represented by the Washington Conference at the end of 1921 had to be accepted, by which the United States, without a battle, on the basis of its superior economic and building power, was able to compel the acceptance in principle of naval equality, and therefore nominally the surrender of sea-power (actually, the Admiralty, as subsequent events have shown, had other plans), and the abandonment of the prized Anglo-Japanese Alliance. It is to be noted that in the compelling of this last, the surrender of the Anglo-Japanese Alliance, the pressure of the Dominions, and particularly of Canada, played an important part. To this surrender the United States attached especial importance; Senator Lodge could even declare to the Senate that "the chief and most important point in the Treaty is the termination of the Anglo-Japanese Alliance. That was the main object of the Treaty." It is in fact open to question how far this surrender was ever more than formal. A year later followed the expensive debts settlement negotiated by Baldwin. Britain needed American help to counter French aggression and the offensive in the Ruhr. This was finally forthcoming through the Dawes Commission, and in 1924 began the period of uneasy Anglo-American partnership in the settlement and financial penetration of Europe. This partnership was from the first unstable. The withdrawal of the United States from the Opium Conference in 1925, after open conflict with the British Delegation, and the sharp Mellon-Churchill debts controversy in 1926, and the Houghton letter on Europe, illustrated the sub-current of hostility throughout. But the decisive break did not come till 1927.

WHY did the tension reach the sharp break of the disruption of the Geneva Conference in 1927 and the prolonged crisis of the present year? The basic answer to this question lies undoubtedly in the intensified capitalist economic activity and competition resulting from the restoration of capitalism which Anglo-American co-operation had helped to produce. The economic antagonism of Britain and America is cumulative; with every year it grows sharper. With every year American goods press British goods harder from their

markets; and rationalisation intensifies the crisis. Already by 1923, according to the Survey of Overseas Trade, United States exports of manufactured goods stood at 48 per cent. above 1913 values, British at 27 per cent. below, and even so depending increasingly on the controlled colonial areas. The disproportion is very much heavier in the new countries, in South America, Asia and Australia. Even in the British Dominions American economic penetration is outstripping British, and with it American political influence in them grows. The battle over raw materials, and in particular over oil and rubber, is a familiar story. American export of capital has left British behind, and in the last four years was equal to double the British. Recently the *Economist* published a table, in answer to some figures of Hoover, to show that the "Balance of Payments" (*i.e.*, after making all adjustments of visible and invisible exports and imports, thus showing the net export of real new capital) revealed a higher total for Britain over the years 1922-27 inclusive than for the United States, and that Britain was thus still leading. But even on this table the years of 1925, 1926 and 1927 all showed a heavy predominance for the United States; that is to say, the effective overtaking is precisely a matter of the last few years since Dawes. The real conflict is only beginning. Only a tithe of American manufactures are yet thrown on the world market; only about one-fifth of the yearly accumulation goes abroad. But this proportion is inevitably increasing with the increase of productive power and accumulation, and with this increase goes the intensification of the antagonism. It is this intensifying economic antagonism that reflects itself in the new naval competition of the post-Washington cruisers, and finally in the open political break of the Geneva Conference and the present year.

IN the beginning of 1927 China occupied the centre of the international situation, and just here Anglo-American antagonism reached its sharpest strain (as the recent outburst of the Unionist M.P., Samuel, in his speech at the 1912 Club has called to mind, with his violent accusations against the United States of having plotted against the British in China, and even of having fomented the anti-British boycott, and in every sphere

of politics of pursuing the supreme aim of dominating Britain—it may be noted that Mr. Samuel is a director of the Shell Transport and Trading Company and of the Anglo-Saxon Petroleum Company). At the same time the rubber crisis was reaching its critical points with Hoover's attacks, and the increasing breakdown of the restriction scheme, leading to the final abandonment this year. The open fight between Standard Oil and the British interests over Soviet oil was developing, which burst into wordy polemics in the summer. The new naval competition of post-Washington cruisers was becoming acute. Finally, with the Geneva Naval Conference in the late summer the open political break came. Britain directly refused the Washington demands for parity in all cruisers on a basis of restriction of total tonnage; and Churchill declared after the Conference:—

We are not now—and I hope at no future time—going to embody in a solemn international agreement any words which would bind us to the principle of mathematical parity in naval strength.

The United States naval building programme followed, and the British-French naval and military conversations.

WHY did Great Britain adopt this defiant line in 1927, in contrast to the relative submission of the previous years since 1922? First, the continued economic depression drives Britain to a more reckless policy; with every year of waiting, the United States grows relatively stronger. Second, the overwhelming victory over the working-class forces by 1927 gave at last the confidence for a stronger line; *Industrial Peace and Mondism provides the basis for an aggressive imperialist policy*. Third, and of supreme importance, since Britain the weaker has to force the pace against the United States, this means that, just as in the preparation of the war against Germany, which was economically outdistancing Britain, Britain has to build up a chain of allies against the powerful enemy. By 1927 this process was at last beginning to reach fruition. The new British-French Entente was established in the spring of 1927. The naval-military conversations of the present year have only reinforced this. The Hearst revelation of the French secret Foreign Office dispatch laid bare that the calculation is openly based upon the assumption of a future war with America as a

certainty (it is notable that the French official anger was directed, not against the general disclosure of the understanding, which was in fact encouraged by permitted disclosures in the French semi-official Press, but against the Horan disclosure of the secret dispatch which gives the key to the policy). At the same time the Anglo-Japanese understanding was openly revived after the Geneva Conference.

THE significance of the Anglo-Japanese understanding (especially underlined in the recent King's Speech) has not received the same publicity in the Press as the British-French understanding. To anyone who has followed closely the expressions of Anglo-Japanese relations since Washington, it is open to doubt whether, despite differences in the Far East and over China, the old understanding has ever been more than formally laid aside by Washington. Thus at the farewell dinner to Baron Hayashi, in July, 1925, the Duke of York declared:—

After that, the opinion of the world was opposed to military alliances, and our alliance with Japan developed into a Pact embracing the principal countries having interests in the Pacific for maintaining peace in that part of the world. *But the friendship between Great Britain and Japan was and remains the foundation upon which depends the peace of the Far East.*

And Chamberlain declared:—

Though the alliance had given way to a broader understanding, *the sentiments which dictated the Alliance are as fresh to-day as on the day the Treaty was signed. He hoped the Japanese would recognise that we were loyal, not merely to the letter, but to the spirit of this obligation.*—(*The Times*, July 1, 1925.)

BUT after Geneva the Anglo-Japanese understanding was openly revived. The *Temps* declared:—

Geneva has entirely reversed the situation which was created at Washington in 1922, when Great Britain sacrificed the Anglo-Japanese Alliance for American friendship. A new Anglo-Japanese entente is an eventuality to be reckoned with.

The Times Geneva correspondent stated:—

The possibility of a revival of old relations is discussed as a contingency in the event of the Conference not ending with the promised success. *Should the Alliance, which was abandoned at the behest of the United States, be revived, it is realised that it would*

exercise its influence upon the naval politics of the Pacific for a long time to come.—(*The Times*, July 22, 1927.)

The return of the Tanaka Government to power in Japan in April, 1927, had already provided the basis for these closer relations. The *Washington Post*, the semi-official organ of American imperialism, went so far as to announce:—

Word has reached the State Department here officially from trustworthy sources that Great Britain and Japan have come to a mutually satisfactory secret understanding respecting future naval supremacy.—(*Washington Post*, August 25, 1927.)

And in the King's Speech, of November of this year, special occasion was taken to announce that:—

The historic friendship which for so many years has united Japan and my country has always been a potent factor in the maintenance of peace in the Far East.

THE perspective here opened is of the most far-reaching character. It means that, on the basis of the indications of 1927-28, after the many shifting and unstable alignments of the post-war period, a basic world alignment appears to be taking shape. *Two world blocs are in process of formation.* Around the central Anglo-American antagonism the other imperialist antagonisms will inevitably crystallise. On the one side we have Britain (with its satellites), France (with its satellites) and Japan. On the other side we have the United States and the countries within the range of its influence. With the United States most probably go Germany and Italy in Europe. Germany is economically bound very closely to America (an interesting study in the *Europa Yearbook* for 1928 shows the extent to which American capital has now entered into almost every important German industrial concern). Chancellor Müller's emphatic statement at Geneva this September may be recalled that "Germany would never agree to a 'united front' against the United States" (*The Times*, September 17, 1928). Italy is far more heavily mortgaged to America; Mussolini is little more than an American bailiff; and the statement of the *Tevere* with reference to the British-French agreement may be noted, that in the future Italian foreign policy may lean "rather towards Berlin, Moscow and Angora than towards London and Paris." Outside Europe, the United States controls the American Continent

despite antagonism, counts on Canada, is wooing Australia (the visit of the United States navy to Australia), and in Asia is building up close relations with the Chinese National Government (which has taken German advisers) against Britain and Japan.

THIS alignment, if it develops with the rapidity that present events indicate (in fact, these alignments of gigantic world import do not develop so simply in a single straight line, but in a series of zig-zags, through crises and temporary alleviations, up to the final crisis), may at the present juncture have an important influence on relations with the Soviet Union. The United States, despite Hoover's ferocious anti-Bolshevism, may be driven diplomatically, through its antagonism to Britain and France, towards closer economic relations with the Soviet Union. Signs of this have been apparent in the Standard Oil's defiance of British protests over Soviet oil, and more recently in the General Electric Company's contract with the Amtorg Trading Corporation, involving long-term credits of up to \$26,000,000. On this last *The Times* Washington correspondent comments that it possesses a "political significance which is fully recognised here, in spite of the silence of the State Department on the subject," and that, though no official change of policy has been announced, "it is to be expected that others will follow suit," thus providing an "economic incentive towards the recognition of Russia by the United States" (*The Times*, October 18, 1928). It may be that Britain in self-defence will be driven to a renewal of relations with the Soviet Union, and that a Labour Government may be of use to the bourgeoisie for putting through this change which will be hailed as a "progressive" triumph (and which, in fact, will make no difference to the continuous British anti-Soviet preparations). Caution, however, is needed in any hypothetical estimates of this character, since many factors come into play which can sharply affect the position. The only principle that is clear is that the rapidity of development of inter-imperialist antagonisms is favourable to the position of the Soviet Union (Garvin's frantic appeal of a year ago may be recalled, that, if only Britain and America could stand together, Bolshevism would disappear like a mist from the face of the earth).

But the concentration of all imperialism against the Soviet Union remains; and Britain may even make attempts to stave off the final crisis by a deal with the United States at the expense of the Soviet Union.

CORRESPONDING to these two developing world blocs, we find what Lapinski has characterised in a recent interesting study of British-American relations, as two "Peace Systems." On one side is the League of Nations, representing Britain and France and dominated by them. The League of Nations is anchored in the Versailles system. The League of Nations provides a publicly presentable diplomatic channel for British-French policy (thus the British-French naval-military agreement was nominally reached in relation to the disarmament discussions of the League). Its Council is in the effective control of Britain and France. It is conspicuously the case that Germany has only entered the League on a bargaining basis, and with heavy internal divisions on the issues which still continue; Italy is openly hostile. The League of Nations represents an instrument of war which will come into action at the moment that British and French policy decide, as the legal obligation of war and their moral justification before humanity. On the other hand, the United States, which at first sought to establish its world hegemony through the League of Nations (with Wilson as perpetual President), so soon as it found it could not control Britain and France, withdrew and broke connection. The United States has elaborated its "peace system" through the Kellogg Pact. While Britain and France only accepted the Pact with heavy reservations to make their acceptance entirely nominal (which reservations the United States has expressly refused to regard, in Kellogg's recent statement, as having any binding value), Germany accepted at once without reserve. The Kellogg Pact has none of the rigid character of the Versailles League; it has no treaty basis and no sanctions. But just this elasticity suits better the purposes of the United States, which neither wishes to tie itself down to any existing territorial division of the world (Britain and France are the Powers in possession; Germany, Italy and the United States are the Powers for whom a world distribution of colonies is of

importance), nor to subject itself to any supra-national body on which it would be in a minority. The very looseness of the Kellogg Pact leaves effective leadership in the hands of the United States, which will itself declare the aggressor when the time comes, and use the battle-cry of the violation of the Kellogg Pact as its moral justification and counter to the League of Nations on its entry into war.

AND in this dynamic situation of gigantic developing world imperialist antagonisms, in which the very peace systems are only part of the diplomatic-strategic counters and technique, the petit-bourgeois democratic imperialist statesmen, the MacDonalds and Clynes', the Herriots and Paul-Boncours, strut forward and say that, if only the reins of government can be placed in their hands, all will be well. What can they do, even if they had the serious wish, which they have not (continuity, and docility to their Foreign Office officials, is good enough for them in practice), to change the basic factors of capitalist world economy? They can make pacific gestures. They can make pacific speeches. They can clothe and sanctify the strategic aims of their own rival imperialisms and peace systems in moral and pacific phrases. They can attempt the conventional lines of appeasement and conciliation. They can send Haldane Missions. They can propose, and even for a time secure, naval holidays. But they cannot change the basic driving force and direction of the imperialist machine, of which they are themselves part. Such change can only come from the destruction of the machine, from the revolutionary action of the working class.

BUT in fact they have no such intention of even any serious attempt at change. They are heart and soul with their rival imperialisms. Their "pacifism" sits as lightly on them as the Quakerism of Hoover, who sought to enhance his chances as the big business candidate of American Imperialism by ostentatiously attending the Friends' meetings on Sunday. It was the Labour Government of 1924 that set going the post-Washington naval competition by the laying down of the five cruisers. It was under the Labour Government of 1924 that the estimates for Porton, the poison-gas experimental ground, in-

creased to a record height beyond any year preceding. It was the Labour Government of 1924 that gave the orders for the bombing in Iraq, and whose Air Minister, Lord Thomson, thus described the process, after coming out of office, in November, 1924:—

The effect of our air attack was appalling. 700 of the tribesmen were killed, and the rest, seized with panic, fled into the desert, where hundreds more must have perished from thirst. . . .

In the present state of affairs the British Air Force in Iraq was the cement which kept the bricks together. (Lord Thomson, speech to the Royal United Service Institution, *The Times*, November 22, 1924.)

These are the men in whom the Brailsfords and their like tell the workers to put their trust for peace.

IT is not in this way that the battle of the workers against imperialism will be fought. Coalition, Mondism, Industrial Peace are the strongest supports of imperialism, and the direct preparation of war. This is the most important significance of the whole process which the General Council and the leaders of the Labour Party are conducting at the present stage, in direct co-operation with the leaders of British imperialism. The strengthening of the class struggle and the independent fight on every front is the strengthening of the front against war. The working-class fight against the imperialist machine can only be for the destruction of the imperialist machine. For the workers, as for all the subject peoples of the world, there is only one final issue: to destroy the imperialist machine, or it will destroy them. If the working class can, in conjunction with the revolutionary national struggles, overthrow the imperialist machine before it has worked its path to its inevitable issue in renewed world war, then, and only then, and under no other condition, can humanity escape the unmeasured horrors of the second world war. But if not, if the reformists succeed in holding back the workers from their task, then the imperialist machine will inevitably drive to war, and it is for the workers to prepare for that issue and to face the tasks that already to-day are urgent in relation to that issue. .

R. P. D.

SIXTH CONGRESS OF THE COMMUNIST INTERNATIONAL

By ANDREW ROTHSTEIN

I

THE Sixth World Congress of the Communist International was held in Moscow from July 17 to September 1, 1928. Four years of tremendous importance for the workers of the world had passed since the last Congress. In 1924-25, after the adoption of the Dawes Plan, came the end of the short-lived era of "Left" Governments and democratic-pacifist illusions, and the coming into power in all capitalist countries of reactionary Governments, constitutional or Fascist in form, according to the degree of intensity reached by the class struggle in their respective countries.

In 1926-27 the world reaction came into gigantic conflict with the three main columns of world revolution—the proletariat in the advanced capitalist countries, the revolting colonial masses, and the Soviet Union—and class antagonisms reached a height and breadth unprecedented in world history in the shape of the British general strike and miners' fight (1926) and the upward sweep of the Chinese revolution (1926-27). Despite the relative stabilisation of capitalism in the chief European countries with the help of the Dawes Plan, the heavy defeats inflicted on the European proletariat and the Chinese workers and peasants, and the greater difficulties created for the Soviet Union by the Baldwin Government's rupture of diplomatic relations, 1928 has seen the stirring of the masses for new and bigger battles still, both in Europe and Asia. And the Soviet Union has achieved the unparalleled feat of a 20 per cent. expansion in its growing Socialist industry for the second year in succession.

During these four years, the Communist Parties have made distinct advances in the direction of successful work within the mass labour organisations created in the era of the old Second

Sixth Congress of Communist International 729

International, and have also begun to grapple with the problem of winning direct leadership over the broad masses, outside and independently of the mass organisations. Simultaneously the whole Communist International has had the searching experience of the world-wide discussion of, and political fight against, Trotskyism.

These experiences have added greatly to the strength and power of the Communist International. The fifty-nine parties which were represented in Moscow organise approximately 1,800,000 members (apart from the 2½ millions of the Young Communist International). Two-thirds of these (1,200,000) wield the reins of the workers' and peasants' power in the U.S.S.R. : 600,000 are the Communist forces scattered throughout the capitalist world. Numerically they do not appear to count for much, compared with the 3,000,000 odd members claimed by the British Labour Party, the 800,000 of the German Social Democracy, and so forth. But the 1,200,000 members of the Communist Party of the Soviet Union represent a proletarian revolution victorious over one-sixth of the globe : a reinforcement in comparison with which the strength of every other working-class organisation in history dwindles into insignificance.

The 600,000 Communists in the countries ruled by capitalism represent all the most devoted, the most clear-headed, the most resolute and revolutionary elements of the working class : with them, too, cannot be compared either the mass of apathetic "paper" members of the Social-Democratic parties or the reformist bureaucracy of the latter, who have irrevocably placed the whole strength of their forces at the service of the bourgeoisie instead of the proletariat.

Welded into a single world party, under a single world leadership, with the experience of the first successful proletarian revolution embodied in the teachings of Lenin as a guide, the Communist Parties have everywhere become for the capitalists the most hated section of the working class, for the capitalist Governments the most dreaded enemies in the event of new imperialist wars.

These are positive achievements. But the increasing intensity and complexity of the struggle during these four years brought forth great problems too, which have taxed the energies and tested

the theoretical capacity of the Communist Parties to the full. While it was technically impossible, for this very reason, to summon the Sixth Congress earlier, there were held five enlarged meetings of the International Executive to discuss problems of the greatest importance, and the two held in 1926, in particular, were by reason of their numbers equal to small congresses (between 200 and 300 delegates, drawn chiefly from the leadership of the Communist Parties).

The summing up of the lessons learned during the " democratic-pacifist " era was the task above all of the Fifth Plenum (1925) : problems of mass work that of the Sixth (March, 1926) : the lessons of the general strike and the miners' struggle, the problems of the Chinese revolution, and the fight against Trotskyism the main tasks of the Seventh Plenum (November-December, 1926) : the war danger, hastened by the policy of the Baldwin Government, of the Eighth Plenum (May, 1927) : while the Ninth Plenum (February, 1928) determined the new tasks of the Communist Parties in the present period of quickening class consciousness amongst the masses, particularly with reference to parliamentary and trade union tactics.

It will be seen that the subject-matter of discussions in the Communist International kept abreast of the trend of world events, and reference to reports of the debates will show that they were intensely practical in character. Indeed, it was the practical character of the discussions during these last four years which increasingly showed how the Communist International had grown *together*, as a single world party able to make use of varied experiences, and grown *downwards*, as a party deeply involved in the daily struggles of the masses, compared with the early years.

II

It was the business of the Sixth World Congress to sum up all these experiences into a general estimate of the present period, in the capitalist world and in the Union of Soviet Socialist Republics, on which the Communist International and its sections can plan their strategy and tactics. It was also the business of the Congress to utilise the experiences of the Communist International since its

Sixth Congress of Communist International 731

foundation—as well as previous working-class experience—in order to draw up three documents of the very greatest importance : (a) the programme of the Communist International, (b) a statement on Communist methods of struggle against imperialist war, and (c) a statement on the revolutionary movement in the colonies.

Why are these three documents of exceptional importance ? Because the class struggle has passed into a higher plane, in which capitalist stabilisation and reconstruction, and an enormous intensification of class antagonisms, are the outstanding features.

And in such conditions, the struggle for conquest of the masses has become a struggle against the Social-Democrats in dead earnest, in which the Communists cannot afford to do any longer without their world programme. The peril of a new and still more horrible world war—beginning as an imperialist coalition against the Soviet Union, or as a revolutionary war for liberation waged by a colonial people, or as a conflict amongst the imperialists themselves—is becoming more and more real and threatening, and calling for the utmost clarity on, and widest publicity for, Communist methods of fighting war. Finally, the Chinese revolution, and the growing war danger no less, bring the prospect of the entry of hundreds of millions of colonial peasants and workers into the arena of the world struggle against imperialism much nearer. It is only too true that even the revolutionary workers in the imperialist countries have hitherto treated this prospect as more theoretical than practical.

These are the main problems (there were other important questions of a more specialised character) which engrossed the attention, for many hours every day during more than six weeks, of over 500 delegates from all parts of the world. The work done was truly colossal. Never before has there been such a volume of international experiences poured into the common pool so *effectively* (I emphasise the word because the proportion of “results,” in the shape of amendments, additions, revisions, &c., to “work done,” in the shape of speeches, was very high). What will be said, for example, of the *six hundred* amendments to the draft programme which came before the Programme Commission ? Or the ninety speakers who took part in the discussion on the Political Report ? Or the fact that, for the first time in international working-class

history, nearly a score of delegates from the Communist and revolutionary movement of Latin America took an active part in the Congress—not to speak, of course, of the dozens of comrades from the heroic Chinese Communist Party, the large number of negro delegates, the Indian, Persian, Syrian, and other comrades whose presence makes our Comintern the *real* International.

To realise this wealth of experience, this astonishing variety of ideas, this broad and genuine democracy in debate: to see it pouring into the mould of existing Marxist and Leninist theory, enriching it and deepening it a hundredfold, and leaving it all the more Marxist, all the more Leninist: and to contrast it all the time, in one's mind's eye, with the open and cynical abandonment of Socialist principles, and the threadbare and perfunctory attempts at "theoretical" discussion, which distinguished the Brussels Congress of the "Labour and Socialist" International in August—notably on the colonial question—these things made the Congress an unforgettable experience.

III

It would be ridiculous to attempt a real survey of the reports and and the discussions which followed. A full account in English of the Congress, with the more important speeches verbatim, and none at less than two-thirds of their original length, is running through the special numbers of *International Press Correspondence*, to which I refer the reader.¹ Whether he is a friend or an enemy of the Communist Party, he will find the reports a real international education. Here I can give only the main topic of each report, and the chief subjects raised in the discussion.

The most striking feature of the political report, given by Comrade Bukharin, was its summing-up of the present world situation as a period of capitalist stabilisation and partial reconstruction (in the sense of big strides in industrial technique, development of trusts, their growing together with the State, &c.). At the same time, the basic contradictions in the capitalist world have not been weakened thereby, as the Social-Democrats aver, but on the contrary deeply accentuated (the conflicts between

¹ Obtainable at the Workers' Bookshop, 16 King Street, Covent Garden, London, W.C. 2. Twopence a copy. About twenty-five special numbers have so far appeared.

Sixth Congress of Communist International 733

consolidating Socialism in the U.S.S.R. and the capitalist world, between the expanding world power of the U.S.A. and the declining world power of Great Britain, between the revolting colonial world and the imperialist powers, between labour and capital, &c.). A new world war was not receding, but on the contrary being hastened by these developments. The swing of the workers to the Left was still further hastening a world war, while it gave the guarantee that a new imperialist war would mean a new leap forward of the world revolution. Comrade Bukharin backed up his principal points with an impressive and skilfully-marshalled array of figures and facts.

The discussion ranged over almost as many subjects as there were speakers, most of the delegates illustrating from the experience of their own country the correctness of the general line laid down by Bukharin, while suggesting amendments or additions. For example, Comrade Murphy, on behalf of the British delegation, made a suggestion—which was accepted—that in the resolution embodying Bukharin's report Great Britain should be shown as one of the weak spots in the picture of capitalist reconstruction, owing to the clearly defined process of stagnation at work). Comrades Hannington and Varga, from the practical and the theoretical angle respectively, underlined the special character of world unemployment in the period of capitalist rationalisation.

Some comrades showed a (perhaps not unnatural) reluctance to accept the theory of a period of capitalist reconstruction, and Comrade Bukharin devoted some time in his closing remarks to this question. He also replied brilliantly to our "absent friends"—the world Social-Democrats—who had read into his opening speech the theory that world war is the only possible source of revolutions. Bukharin's apt reminders of what Marx and Engels wrote on the question are well worth study.

The next question on the agenda was : "Methods of Struggle against the Danger of Imperialist War." Comrade Bell was the chief reporter here, dealing with the principal theoretical questions involved, dwelling particularly with the vast preparatory work to be done in all spheres of mass activity—in the largest factories of the heavy and chemical industries, amongst working women, &c., as well as constant propaganda of the real imminence of war, if

(the working class is to be prepared for action when war comes.

Forty-one delegates took part in the discussion, which helped to clear up several points of great interest to British workers. First amongst these was the question of the Communist attitude to the pacifist slogan of "boycott the army" in the event of war. While a mass boycott movement was conceivable as one form which wide opposition to war (whether by the workers or a national minority) might take, it was agreed that Communists must none the less expose and oppose the slogan as such, and seek to turn the feeling behind it into the channels of revolutionary mass action. The proper place of the General Strike slogan in relation to war was also thoroughly discussed. Comrade Yaroslavsky, of the C.P.S.U., gave a valuable address on the experiences of the Russian Bolsheviks in anti-militarist work.

Then came the programme question, on which a draft had been circulated about two months previously, and on which Comrade Bukharin made the two most brilliant speeches of the Congress. The draft programme presented the fruit of six years' experience since the first sketch of a Communist programme was produced at the Fourth Congress, in 1922. As it stood, it was a document which showed, more clearly than anything else can do, that the Communist International to-day, and not the Second International, is the direct successor and heir of the First International as the bearer of the spirit of Marx, developed in the era of imperialist decay and proletarian revolution by Lenin.

In the actual Congress, only twenty speakers took part : but this figure gives no idea of the weeks of discussion, clause by clause, in the Commission, in which scores of delegations (not merely delegates) gave their collective opinions, each of which was the result of discussion within their own ranks. Comrade Bukharin stated that over one hundred main questions were discussed in the Commission, out of which he selected a dozen principal issues for report in his closing speech.

Careful study of the completed draft, adopted amidst tremendous enthusiasm at the closing session of the Congress, will show very big additions and improvements on precisely those questions which arise before Communists working in the Western countries—the rôle of violence, the rôle of the State, the sources of

Sixth Congress of Communist International 735

super-profit, the problem of Fascism, numerous additions to the programme of action for a revolutionary Workers' Government, the attitude of Communists to the so-called "backward countries" (like Africa), and a score of other questions which arise at every turn in the British working-class movement. The programme of the Communist International is a permanent reply to the cant about "Russian dictation" and "machine-made thinking"; and it will be, in the words of the Congress manifesto, "the guiding star of millions of exploited and oppressed workers."

Comrade Kuusinen was the reporter on the colonial question. Not since the Second Congress, in 1920, had this question been tackled in all its implications: and the big experience of the Comintern in a number of countries, first and foremost China, rendered necessary a new study—although, as the draft statement presented by Comrade Kuusinen began by pointing out, time had justified up to the hilt the principles set forth in Lenin's brief "theses" and the supplementary statement which had then been presented by Comrade M. N. Roy. Comrade Kuusinen's draft made an exhaustive analysis, unique of its kind, of the effects of imperialist policy upon the colonies themselves, and drew a damning picture of the ruthless retardation and crippling of the forces of production by imperialist policy. It analysed the social consequences of imperialist exploitation in various types of colonies, and laid down the broad lines upon which Communist organisations in the colonies themselves must work.

Previous discussion rarely went beyond the rôle of colonial peoples as potential allies of the revolutionary workers in the "advanced" countries, and Comrade Kuusinen's analysis therefore marked an important and necessary step forward. The disastrous effects of capitalist rule upon the colonies, and their function as sources of raw material and markets for manufactured goods right up to the present day, were not questioned at the Congress. Heated discussions took place around the following questions: (1) whether the advent of finance-capital, the latest phase of capitalism, had brought distinctive and fundamental changes in the forms of colonial exploitation; (2) whether the era of imperialism necessarily involved a process of industrialisation in the colonies; (3) whether, arising from the appearance of an

industrial proletariat, there were fundamental social changes in the colonies, and particularly whether the colonial capitalist class remained a part of the national-revolutionary front in such countries as India.

The debate was complicated by differences as to whether or no the opinion that industrialisation was proceeding in the colonies necessarily involved, also, the theory of "decolonisation" proclaimed by leaders of the Second International, *i.e.*, that, by a semi-automatic process, imperialism would be forced or induced to relax its exploitation and grant relative freedom to the colonial bourgeoisie in the shape of Dominion status. This false and dangerous theory was emphatically and unanimously condemned by the Congress, and the general line of Comrade Kuusinen's statement unanimously endorsed after its passage through the Colonial Commission, which made important changes in and additions to the text without changing main principles.

The last political question on the agenda was the situation within the Union of Soviet Socialist Republics, on which the C.P.S.U. presented two reports: one on the economic situation by Comrade Varga, the other on the political situation by Comrade Manuïlsky, who summed up clearly and incisively the result of the three years' discussion with the followers of Trotsky. Each of these reports were masterpieces of their kind, and require re-publication as a pamphlet in order to supply weapons to every defender of the Soviet Union against capitalist and reformist slander. The discussions in the individual sections of the Comintern, during the past four years, on the situation in the U.S.S.R., have been so thorough-going that there was little or no room for differences of principle on the reports. Thirty-seven delegations confined themselves to drawing up a series of short joint declarations, condemning the Trotskyists, recording the achievements of the Soviet Union, and expressing their conviction that Socialism can and will be built up by the workers and peasants of the Soviet Union, under the leadership of their Communist Party.

IV

This, together with the election of the new Executive Committee, the admission of a number of new sections (particularly

in Latin America) and the adoption of a manifesto addressed to the workers of the world, completed the business of the Congress.

It would be wrong to conclude without mentioning one feature, however. From the opening day of Congress onwards, hundreds of messages and dozens of delegations from the factory workers, peasants, youth, Red soldiers and sailors of the Soviet Union poured in upon the Congress to bring the greetings and testify to the internationalist spirit of a whole nation of 150,000,000. During the Congress the delegates, in groups of eight or ten, visited hundreds of factories and other public institutions in and around Moscow, at which this impression was deepened. After the end of the Congress, tired though the delegates were, over a hundred of them took part in protracted "excursions" throughout the length and breadth of the Soviet Union, lasting from a fortnight to a month, which fixed that picture in indelible colours.

I put the word "excursions," which was the official description, in quotation marks deliberately; since even "speaking tours" would hardly describe the arduous fourteen to twenty-eight or more days in the train, travelling thousands of miles to the heart of Siberia, the most remote regions of Central Asia, the whole length of the Caucasus, speaking incessantly at demonstrations and wayside meetings—sometimes two and three times a day—which was the lot of the "excursionists."

But it was worth it, from both points of view. From that of the Russian workers, who had brought to them the inspiring message of this historic Congress that, for the international proletariat, their Soviet Union is "the Socialist fatherland"; and from that of the foreign Communists, who everywhere—from Novosibirsk to Minsk, from Leningrad to Samarkand, from Kharkoff to Tiflis—saw before them, embodied in flesh and blood, in the enthusiastic, cheering masses of working men and women, peasants and Red soldiers, the proof that the proletarian revolution in Russia is not only unbreakable, but is the heart of the world revolution.

VOLUME X

(January to December, 1928)

NOW READY! (See page 706)

WHAT NEXT IN THE TRADE UNIONS?

By JOHN A. MAHON

THE year 1928 has witnessed the opening of a new stage in the development of the revolutionary movement in Britain, a stage when the forces of Reformism have been consolidated inside the Labour movement to an extent which renders impossible the continued maintenance of the formal unity of the working-class movement in the electoral field, a stage marked by the appearance of Communist candidates against the candidates of both Capitalism and Reformism, but a stage which on the other hand makes doubly more imperative the pressing forward of the slogan of unity in a class programme to oppose to this formal unity of the Reformists. Such a sharpening of the revolutionary fight against Reformism is both a result of the general intensification of the class struggle and a cause of the further intensification of the struggle inside the trade unions. The full meaning of the new revolutionary line in the electoral field has been worked out; much less attention has been devoted to the implication of the development in the trade unions, where are appearing a number of situations of the most complicated character, the development of which would seem to presage splits in the very immediate future.

The Strength of Reformism

To-day in Britain, the trade union movement, despite all its weaknesses and defects, despite its traitorous leaders, still remains the only mass organisation of the British proletariat, still constitutes the organisational channel for the mass struggle against Capitalism, still exercises a tremendous hold over the masses, and is still looked to instinctively by the masses as the weapon in their day-to-day fight. The main strength of Reformism is not in its 140 Labour representatives in the House of Commons—this is but a reflection of it—but in its domination over the trade union movement, the channel which it uses to reach the masses, to mobilise men and money and votes. It would be the greatest

mistake for revolutionaries to delude themselves into believing that the strength of Reformism in the unions is a mere grip on the machine, a mere control from the top, a dictatorship maintained over the unwilling heads of the membership by a few self-seeking politicians and manipulators. Such an estimation of the situation will lead to disaster for the forces of revolution in their attempt to win the unions for the struggle against Capitalism.

What are the Roots of this Strength ?

The strength of Reformism in the trade unions, *i.e.*, the working class, rests on two main supports : (1) Its past services which arose out of its ability, in view of the conditions as they have been up to the present, to distort the elementary day-to-day struggles of the workers against the capitalists into channels of mutual concessions and yet retain its leadership; and (2) its expression of those sectional, individual, opportunist reactions to every-day events which under these conditions inevitably arose amongst certain sections of the working class.

The services of a practical character which the worker considers have been rendered to his class by those who have risen with the trade union movement cover an immense range of the greatest importance to the individual worker; such matters as national agreements, workmen's compensation, unemployment relief, health insurance, benefit provision, regulation and inspection of factories, establishment of trade boards, shorter working hours, better factory conditions, participation by trade union representatives in Labour Exchange administration, local government, boards of educational, social, sport and other, institutions, as well as a voice in innumerable committees of every kind in almost every sphere of social life. Revolutionary workers understand perfectly well that these "concessions" have been granted by Capitalism during its period of expansion in order to assist the smooth running of its machinery and avoid unnecessary interruptions in the extraction of surplus value, but in the eyes of the working masses these concessions are of very great importance and are associated with the personalities of the thousands of trade union officials who constitute the bureaucracy which buttresses and supports the Reformist politician.

The manner in which Reformism at present reflects the tendencies in certain sections of the proletariat is equally important. Capitalism breeds individuals who seek their advancement regardless of their class, and they find in the trade union movement a very satisfactory source of personal revenue. There are also whole sections of workers demoralised by various practices such as piecework or systems of sub-contracting, or long occupation of some key corner of the industrial machine giving them almost monopolist privileges, whose craft or sectional consciousness leads them to struggle not against Capitalism but for the maintenance of a relatively good position for themselves inside the capitalist mechanism. All these tendencies generate support for Reformist trade unionism. There is in addition the hesitancy of large masses of the proletariat, who, without any clear Marxist theoretical outlook, are swayed by the changing fortune of the day-to-day struggle and hitherto have had no means of seeing clearly ahead of them.

Such are the threads by which the workers are bound to Reformism, weak and individual threads it is true, but in their hundreds of thousands forming a rope which ties the trade union movement to the leadership of those who have again and again betrayed it.

The decisions of the Swansea Congress of trade union officials (more than half the "delegates" were non-elected, present by virtue of their full-time positions) are of the utmost importance in registering the future policy of Reformism. The case which the officials presented was a simple one. "By negotiation with the modern enlightened employers we will maintain the advantages gained during the 60 years of the T.U.C., whereas by fighting we should lose them." We propose to examine the actual situation in the unions in order to see whether their theory will yield the results which are claimed for it.

The Rationalisation Offensive in the Districts

The most vicious and ferocious onslaught against the workers has been proceeding all over the country since the General Strike. While rationalisation proper may still be in the propaganda stage, speeding-up is going on everywhere on an unprecedented

scale. New machinery and technical devices result in continuous dismissals ; the workers remaining have to work harder for less pay. Closing down of uneconomic plants involves many workers in great hardship, forcing them to break up their homes and move to new places or to join the unemployed. Victimisation is rampant. Men dare not protest against even the most shameful abuses of their own agreements by the employers. Blacklisting and factory espionage flourish and company unionism rears its head.

The following extracts taken in most cases from the workers' own Press and correspondence give a glimpse of the benefits of peace under Capitalism. We do not propose to deal with the miners' situation owing to the amount of publicity it has already received. The wholesale violations even of district agreements, the mass unemployment, chronic semi-starvation, economic terrorism and victimisation are well known.

RAILWAYS.—*The Railway Information Bulletin* of the Minority Movement reports the following examples :—

February, 1928. "Abolition of guards from a number of trains, making the firemen responsible for protection of the train. Nine-hour over-all shift for a number of signalmen." March, 1928. "Numerous cases of replacement of adult greasers by juniors." "Development of the practice of sending large numbers of men up for medical examination and failing to pass them for various reasons, then presenting them with the alternative of resigning or accepting a lower grade post." "One shift of shunters is being abolished. The first shift is booked on a rostered turn of ten hours, the second works until released by the control. Previously three shifts were at work." April, 1928. Sectional Council No. 5 on the G.W.R. agrees to a scheme whereby the permanent way men work during wet weather, effecting a saving of £75,000 to the company.

In June, 1928, the *Great Western Star* called attention to the number of signal boxes being abolished or amalgamated, resulting in large numbers of men being redundant.

The *Midlands Rail and Road Monthly* reports in September, 1928 : "In Nottingham guards are being reduced to shunters, shunters to porters, porters with less than three years' service

sacked. Average loss to men is not $2\frac{1}{2}$ per cent. but 10s. per week. Positions are being abolished and responsibility placed on those who are left without regard to physical or mental strain on the men or safety of the public." From Derby it is reported : "The Armstrong and Whitworth wheel-turning lathe, installed only three years ago, and producing eight wheels per day, has been replaced by a German machine producing 26 per day. Short time and dismissals follow."

The following figures are eloquent in showing the extent of speeding-up on the grouped railways (1926 is no basis for comparison in this case owing to the General Strike) :—

			Increase (+) or decrease (—)	Per cent.
	1925	1927	Amount	
Engine miles run	466,000,000	603,000,000	+ 137,000,000	+ 29
Tons of goods carried	315,951,240	325,460,649	+ 9,509,409	+ 3
Workers employed	702,000	683,000	— 19,000	— 3

On the Underground the introduction of automatic doors on the trains reduces the crews to two men ; in some cases the driver is the only one. Speed has been considerably increased. The instalment of escalators has done away with the need for liftmen. In 1925 there were 118 stations and 185 lifts and 40 escalators ; in 1927 there were 125 stations with 171 lifts and 67 escalators. In many of the stations where lifts still operate the controls are arranged so that one man at the top and one at the bottom operate three or four lifts. Previously there was a man to every lift. The introduction of passimeters is resulting in the abolition of the booking staffs. As a result the companies have been able to cut down the number of workers employed in spite of the numerous extensions opened.

ROAD TRANSPORT.—In a leaflet issued by victimised 'bus drivers and conductors of the "United" at Norwich, November, 1928, we read : "The company for some time have keenly pursued a policy of economy. Under the trainee drivers' scheme they get driving done for £2 2s. per week. All services are speeded up. We are now doing 20 per cent. more mileage for the same wage."

The *Midlands Road and Rail Monthly* reports the following

speeding-up on the Birmingham tramways. "On one route we used to find 31 duties on the roster. As a result of cutting the running time we find 5 crews (10 men) have been removed, and 5 drivers were reduced to conductors, losing 3s. per week in their wages. This was brought about by reducing the running time per round trip by 10 minutes and adding 10 to 13 minutes to the duty, so that instead of 8 round trips in a day's work, men now do $8\frac{1}{2}$ or 9. On another route the track was extended by three-quarters of a mile ; the time for the old route of 5 miles was 45 minutes, for the new length of $5\frac{3}{4}$ miles it was reduced to 44 minutes."

The *T. & G.W.U. Information Bulletin* of the 'Minority Movement gives the following examples of speeding-up on the London passenger services : May, 1928. "Experimental introduction of six-wheeler bus, reported design of a further experimental six-wheeler carrying 104 passengers. Introduction of higher-powered motors on the tramcars, increasing average speed (including stops) to $9\frac{1}{2}$ miles per hour, highest in the country. Introduction of washing machines into the tram depot, cutting down labour required to clean cars by 50 per cent." August, 1928. "New schedules have been posted at several garages with the object of shortening running times and increasing journeys done by men each day."

The immense development of long-distance passenger and goods carrying transport during the past few years is obvious to anyone who walks through the streets. The conditions of the workers are abominable. The vast majority are unorganised, the working day is anything up to 14 hours a day. Wages are as low as £2 per week for drivers. Overtime is normal and the long-distance goods drivers and men sleep on the vehicles by the wayside in many cases. Precise information is not so plentiful as in the case of other industries owing to the lack of organisation and consequent dearth of material.

Midlands Rail and Road Transport Monthly for September, 1928, reports a case of a lorry driver charged with being asleep in charge of a car. He stated he had been working for 14 hours without a break. "This is one case out of many and we know cases where youths are worked for 12 to 13 hours a day on 'buses for a wage ranging round 15s. per week."

Docks.—*The Docker* reports in June, 1928 : " At Liverpool electric bogies are now working, doing twice the amount of work. New high-powered cranes have now been erected capable of lifting three times the weight and reach completely over the sheds." August, 1928 : " At the M. Jetty, the men working the coal machines got 4½ per cent. per ton, plus 10 per cent. They are members of the Blue Union (National Union of Stevedores and Dockers). The firm has now sent the work to Erith where members of the T. & G.W.U. do it for 3d. per ton. . . . Members of the Blue Union also used to do work on timber jobs in the Victoria Docks at the port rate of 16s. 6d. per day. They are now left out. Non-union men have been taken. These have now been organised by the T. & G.W.U., which has agreed to 11s. 4d. per day and applied for registration for these men."

ENGINEERING AND METAL WORKING.—Let us now examine the metal working industry. The condition of general engineering workers are that skilled and semi-skilled men now accept wages below labourers in the building trade. Three pounds per week is a good wage for thousands of A.E.U. members. Non-unionism is rife. In five years the A.E.U. has lost 200,000 members. In the Midlands, the new motor manufacturing industry is unorganised ; overtime is chronic, piecework universal. In London it is recognised that to take the shops stewards' card means the sack ; as soon as the numbers are cut down the steward is the first to go.

The reports of the organising district delegates presented in the monthly journal of the Amalgamated Engineering Union give a fair indication of the prevailing difficulties and depression. In October the reports show that the very moderate efforts of the delegates to get for different grades of men the rates for which they are qualified failed in numerous cases. Overtime is referred to in many reports, while the number of works putting off men gives considerable trouble. Breaking of previous prices is reported from Glasgow ; on the North East coast, short time and discharges are reported side by side with excessive overtime. From York, trouble is mentioned regarding manning of machines, excessive overtime, discharges. At Horbury, a big firm demanded a 5 per cent. reduction in all prices, " taking advantage of the depressed

industry." "Working conditions generally" are subject of complaint at Halifax. Sheffield, "work done in one department by skilled men is now removed into another department and semi-skilled men put to perform the work"; the only concession the delegate got here was an offer to put the apprentices on to do the work! Efforts to get the full turner's rate for men working turret lathes were rejected on the grounds that it was "a claim for an advance"!

Similar reports regarding wage cuts, transference of skilled to unskilled, overtime and piecework, come from Mansfield, Derby, Crewe, Wolverhampton, Bristol, Southampton, &c., showing the offensive is general throughout the districts.

In the September journal of the *Patternmakers*, cases of overtime being enforced are reported, including early morning work, bringing up the danger of going back to the old early start. Cases of firms refusing to abide by the National Piecework Agreement are also reported. Overtime in Glasgow is said to be "alarming . . . one would hardly credit the number of hours worked." A correspondent refers in alarm to the danger of the numerous motor-car manufacturers standardising their patterns, pointing out that in the present state of most shops "efficiency is merely a fraction of what it might be," and recalling the numerous dismissals as a result of similar standardisation in the marine engineering industry. In the October journal the President of the Patternmakers refers to the many reductions in varieties of patterns which have already been effected by standardisation and takes a very mournful view of the future. The correspondence columns contain several letters in the same strain. The organiser complains about steady overtime and the vicious effects of payment by results.

The *Foundry Workers' Journal* for October, 1928, reports: "Even the inadequate agreements we have with the employers are being observed more in the breach than in practice. . . . In the Light Castings industry the following reduction has been accepted, pieceworkers, 21 years and over, 2s. 6d. per week; timeworkers, 1s. 6d. per week; labourers, 1s. per week." The organisers in their reports complain of the extensive introduction of systems of payment by results, and of frequent "illegal

deductions " from the bonus earnings due. They also mention numerous firms where the men remain out of the union, and some cases of firms making a " dead set " at union members.

BUILDING.—The building trades experience the same attacks. Unemployment presses with increasing hardship upon the various crafts. Permits for overtime are issued with an increasing facility by the various union organs.

The General Secretary of the *Painters*, in his address to the General Council of the Society in June, 1928, refers in detail to the efforts of the union in the South West counties to establish a flat rate, labour having been withdrawn in Plymouth as the only way of getting the masters to take any notice. " At Swansea there is a struggle to maintain the 44-hour week. . . . On the North-East Coast the employers are seeking to deprive our members of overtime rates for overtime work on country jobs." In the shipping section, work which used to be done by the painters is now being done by unskilled men under piecework conditions. " The enrolment of unskilled labour is extending."

The *Woodworkers*, the largest union in the industry, report in their August journal a list of over 130 firms with whom they are in dispute. The shipbuilding employers "flatly declined" to allow the woodworkers to participate in the 3s. weekly increase paid to other crafts. In their reports the organisers repeatedly mention overtime, non-unionism, transference of work to firms not paying union rates. At Ipswich, a big employer " states by letter we should leave his men alone or he will discharge all trade unionists." At Pontypool, "our members are getting fed up with repeated notices for reductions." At Farnborough the Air Ministry " propose to reduce the wage rate for new entrants without further delay."

The President of the N.F.B.T.O. in his address to the annual conference of the Federation at Norwich in June stated: "Workers in the industry are being faced with a demand for longer working hours . . . An insistent demand is being made by many employers for an alteration in our present system of wage payment. The demand for payment by results in our industry is likely to be strengthened in the near future."

BOOT AND SHOE.—What about the Boot and Shoe Operatives, whose union proudly boasts of never having had a strike in 35 years?

In the May Journal the President observes : " It is estimated that in 1927 no less than 30 shoe factories closed their doors. It is now for those connected with the union to ask the industry most politely, 'Gentlemen, with so much tranquillity in the industry, how comes it that the operatives are not kept better employed?' "(1) In the same issue one of the organisers reports "a request sent (by the employers) to the Arbitration Board for a complete readjustment of prices upon the Lasting Statement, in entirety meaning at least 25 per cent. reduction to the operatives. . . . There has been constant pressure in most of the districts to reduce the labour cost. Re-adjustments are continually asked for. Alterations of price lists are proposed always downwards." The *Shoe Worker* in October, 1928, reports the dismissal of 60 workers at a Northampton factory, disputes had occurred here over two cases of victimisation in the past few months. In the same line it is reported that wholesale revisions of piecework prices were taking place, with no safeguard for union members. In the November issue, Kettering reports trouble over the placing of day workers in between piece workers; also the firm have made further dismissals.

* * * *

This survey shows that the workers in every industry in every part of the country are being continually attacked. The attacks take the form of (1) widespread introduction of piecework in place of time-work ; (2) constant revision of rates ; (3) refusal to abide by national agreements ; (4) steady advance towards the " open shop " ; (5) extensive short time and dismissals side by side with continuing overtime; (6) reduction in wages; and (7) increase in hours ; and (8) transference of work from skilled to unskilled workers.

Thus while the capitalist class talks in term of " peace " with the union leaders, and guarantees union recognition, in the districts there is merciless war on the most elementary trade union rights, a steady encroachment on every concession won during the last forty years. A study of how the workers are reacting to this position in the districts as well as the attitude of the reformists will have to be left to a subsequent article.

BETWEEN LEFT AND RIGHT

By J. STALIN

[This speech was made by Comrade Stalin to the Plenum of the Moscow Committee and Moscow Control Commission of the C.P.S.U., on October 19, 1928.]

I BELIEVE, comrades, that we must in the first place set aside all petty and personal considerations if we are to be enabled to solve the question before us, that of the deviations to the Right. Are we faced in the Party with a Right opportunist danger ; are there objective circumstances which favour this danger and how is this danger to be met ? Those are the questions before us. We shall, however, not be able to solve these questions if we do not first purge them of all petty elements which have been introduced into them from without and which hinder us from understanding the nature of the matter in hand.

Comrade Zapolski is wrong if he believes the question of the Right deviations to be a matter of chance. He declares that it is not a question of deviations to the Right but of quarrels and personal intrigues. But to explain everything as the outcome of quarrels and to fail because of such quarrels to see the nature of the actual question, means a deviation from Marxian principles. It cannot be that such a great, old, united organisation, as the Moscow organisation undoubtedly is, should be brought into ferment from top to bottom merely through the endeavours of certain squealers and intriguers. No, comrades, such miracles do not happen.

Comrade Fruntov, too, is wrong if, though recognising the existence of a Right danger, he is yet of opinion that it is not worthy of the attention of serious people engaged. In his opinion the question of deviations to the Right is of interest only to squealers, but not to people who are seriously occupied. I can very well understand Comrade Fruntov ; he is so deeply engrossed in practical work that he has no time to think about the perspectives of our development. This does not mean, however, that the limited practical sense of certain among our Party workers is to become

the dogma of our reconstruction. A healthy zeal for work is a good thing, but if it involves the forfeiture of our working perspectives and if the work in question is not subjected to the fundamental principles of the Party, it turns into a deficiency. It is, however, not difficult to understand that the question of deviations to the Right is the fundamental question for our Party, the question as to whether the perspectives of our development, as laid down by the Fifteenth Party Congress, are right or wrong.

We must, therefore, in the first place clear up the question of the circumstances under which both the Right and the Left (Trotzky) deviations from the principles of Lenin first arose.

The Right Danger in Capitalist Countries

Under capitalist rule, the Right deviations in the Communist Party consist in the tendency and inclination, albeit unexpressed and undeveloped, on the part of some Communists to depart from the revolutionary line of Marx in the direction of the Social Democrats. If certain circles among the Communists deny the practicability of the principle of "class against class" in the electioneering struggle (as in France), or oppose an independent candidature of the Communist Party (as in England), or prove unwilling to accentuate the fight against the "Left" Social Democrats (as in Germany), this means that within the Communist Party there are people who are anxious to adapt Communism to Social Democracy. A victory of the Right deviations in the Communist Parties of the capitalist countries would entail the ideological breakdown of the Communist Party and an enormous increase in the ranks of the Social Democrats. And what is meant by an enormous increase in the strength of the Social Democrats? It is a strengthening and consolidation of capitalism, since the Social Democrats are the main prop of capitalism among the working classes. Consequently a Right victory in the Communist Parties of the capitalist countries would lead to the development of the conditions which are requisite for the maintenance of capitalism.

The Right Danger in the Russian Communist Party

The Right deviations in Communism under Soviet rule, in a country where capitalism is already overthrown but where the

roots of capitalism have not yet been wholly extirpated, consist in a tendency and inclination, albeit unexpressed and undeveloped, on the part of some Communists, to depart from the principles of our Party in the direction of bourgeois ideology. If certain circles among the Communists desire to keep the Party back from applying the resolutions of the Fifteenth Party Congress, by denying the necessity of an assault on the kulak elements in the villages, or else demand an arrest of our industrial development because they consider the present rate of advance fatal to the country, or if again they consider the Government subsidies to Soviet farms and collective farms to be impracticable and are of opinion that money is being wasted in this way, or if they deny the advisability of a fight against bureaucracy on the basis of self-criticism, affirming that self-criticism is liable to undermine our apparatus, or if they demand the loosening of our foreign-trade monopoly and so on, this means that in the ranks of our Party there are such as are anxious, perhaps without knowing it themselves, to adapt the cause of our Socialist construction to the tastes and requirements of the Soviet bourgeoisie. A victory of the Right deviations within our Party would entail an enormous consolidation of the capitalist elements in our country. And what would such a consolidation mean? It would mean a weakening of the proletarian dictatorship and a strengthening of the chances of a restoration of capitalism. Consequently a victory of the Right deviations in our Party would lead to the development of conditions which are requisite for the restoration of capitalism in this country.

Are there conditions in this country which might render possible the re-establishment of capitalism? There decidedly are. This may seem strange, but I can assure you, comrades, that it is a fact. We have overthrown capitalism. We have set up the dictatorship of the proletariat, and we are rapidly developing our Socialist industry and connecting it with peasant economy. But we have not yet destroyed the roots of capitalism. Where are these roots to be found? They are to be found in the production of goods, in the small production of the towns and in particular in small peasant economy. The power of capitalism lies, as Lenin points out :

in the strength of small production, for such small production has

unfortunately continued to exist on a very large scale and daily and hourly to create capitalist and bourgeois elements.

It is obvious that inasmuch as small production is a mass-phenomenon in this country and is even predominant . . . and inasmuch as it constantly and on a mass scale produces capitalist and bourgeois tendencies—particularly during the N.E.P. period—there are conditions in this country which render possible the re-establishment of capitalism.

Capitalism or Socialism

Are there ways and means in this Soviet country of ours of destroying the possibility of a re-establishment of capitalism? There certainly are. It is just on this fact that Lenin based his thesis of the possibility of a completely Socialist form of society in the Soviet Union. For this purpose we need the consolidation of proletarian dictatorship, the strengthening of the alliance between working class and peasantry, the development of our commanding positions from the standpoint of industrialising the country, a rapid rate of development of industry, the electrification of the country, the re-adjustment of the entire economy on a new technical basis, the co-operative development of great masses of peasants and the increase of the productivity of their undertakings, the gradual combination of the individual peasant undertakings in the form of collective estates, the development of the Soviet undertakings, the ousting and suppressing of the capitalist elements in town and country, and so on.

Lenin speaks as follows on this point :—

As long as we live in a petty-bourgeois country, capitalism has in Russia a stronger economic basis than Communism. We must bear this in mind. Everyone who attentively observes life in the villages in comparison with life in the cities, knows that we have not yet eradicated capitalism altogether and that we have not yet deprived our internal enemies of their foundation. They still depend on the small peasant undertakings, and to remove this prop there is but one means, that of readjusting rural economy, including agriculture, on a new technical basis, that of the great industries of the present age. The only basis is electricity. Communism means Soviet authority plus the electrification of the entire country. Otherwise the country will remain a small peasant country, and this must be fully recognised. We are weaker than the capitalists, not only in the world in general but also within our own country. That is known to all. We have

recognised this fact, and we shall reach success by changing the economic basis of the country from a small-peasant into a great industrial basis. Only then, when the country is electrified and when industry, agriculture, and transport are completely modernised, only then shall we have gained a definite victory.

It follows, firstly, that as long as we live in a small peasant country, as long as we have not destroyed the roots of capitalism, the latter will continue to have a firmer economic basis than Communism. From this follows the possibility of a restoration of capitalism in our country.

The Building up of Socialism in Russia

It follows, secondly, that besides the possibility of a re-establishment of capitalism there is also the possibility of a victory of Socialism in this country, for we can succeed in destroying the possibility of a re-establishment of capitalism, we can exterminate the roots of capitalism and achieve the final victory over capitalism if we strenuously develop the electrification of the country and if we procure for industry, agriculture, and transport the technical basis of our up-to-date industries. Hence there follows the possibility of a victory of Socialism in this country.

It follows, finally, that it is impossible merely to develop Socialism in industry and to leave agriculture to chance development on the assumption that the rural districts will approach the cities of their own accord. The existence of a Socialist industry in the towns is the main factor of the Socialist readjustment of the villages. That does not mean, however, that this factor alone suffices to enable the Socialist towns to lead the peasant villages in their wake; it is necessary, as Lenin points out, "to place the economy of the rural districts on a new technical basis, that of the great industries of the present age."

It is not possible to industrialise the country in a year or two, nor to build up a powerful industry, to combine millions of peasants in co-operatives, to give agriculture a new technical basis, to unite the individual peasant undertakings in big collective ones, to develop Soviet farming, to oust and overcome the capitalist elements in town and country. For such a task years and years of strenuous consolidation of the proletarian dictatorship are requisite. As long as this is not done, we must remain a petty-

peasant country, in which small production is constantly creating capitalist and bourgeois elements and the danger of a re-establishment of capitalism continues to exist. And as the proletariat is not living in a hermetically closed room but in reality and in actual life with all its variety,

the bourgeois elements created on the basis of small production envelop the proletariat on all sides with their petty-bourgeois anarchy, permeating and destroying it thereby and constantly calling forth within the proletariat a reversion to petty-bourgeois lack of character, disharmony, individualism, and the alternation of exaggeration and depression.

In this way they cause certain vacillations in the proletariat and in its Party.

Such are the roots of all sorts of vacillations and deviations from Leninism in our Party. Therefore the question of the Right and Left deviations in our Party cannot possibly be considered as a trifling matter.

In what do the openly opportunist Right deviations in our Party consist? They consist in the fact that they under-estimate the strength of our enemies, the capitalists, refuse to see the danger of a re-establishment of capitalism, fail to understand the dynamics of the class struggle under the conditions of proletarian dictatorship, and therefore easily agree to make concessions to capitalism, while they demand the slowing-down of our rate of industrial development and facilities for the capitalist elements in town and country, thrust the question of collective and Soviet undertakings into the background, demand a relaxation of the foreign-trade monopoly, and so on. The victory of a Right deviation in our Party would doubtless combine the forces of capitalism, shatter the revolutionary positions of the proletariat, and enhance the chances of a re-establishment of capitalism in our country.

The Trotskyist Deviation.

And in what does the Left, Trotskyist, deviation in our country consist? It lies in the fact that the representatives of this deviation over-estimate the forces of our enemies and the strength of capitalism, that they are blind to all save the possibility of a restoration of capitalism, especially blind to the

possibility of Socialist construction on its own merits, and prone to comfort themselves with a lot of twaddle about the Thermidor of our Party. From Lenin's statement that,

as long as we live in a petty-peasant country, there is in Russia a firmer economic basis for capitalism than for Communism.

the Left deviators draw the mistaken conclusion that in the Soviet Union in general it is impossible to construct Socialism, that nothing can be attained from co-operation with the peasantry, that the idea of an alliance between the working class and peasantry has been superseded, that if we receive no help from a victorious revolution in the West, the dictatorship of the proletariat must necessarily come to grief, and that if the fantastic plan of over-industrialisation, even if executed at the cost of a rupture with the peasantry, is not accepted, the cause of Socialism in the Soviet Union must be considered lost. Hence the adventurous character of the Left deviation and the tremendous gaps noticeable in its policy. There can be no doubt but that a victory of the Left deviation in our Party would have led to the isolation of the working class from its peasant basis, to a separation of the vanguard of the working class from the mass of workers, and to more favourable prospects for the restoration of capitalism.

As you see, Comrades, both these dangers, the Right and the Left danger and both these deviations, to the Right and Left, though starting from different points lead to the same result.

The Difficulty of the Struggle against the Right.

And if you ask me which of these two dangers is the more serious, I cannot but answer that they are both equally so. From the standpoint of successfully combating them, the difference between these two deviations consists in the fact that the deviation to the Left is more tangible to the Party than is that to the Right. The circumstance that we have already for some years past been waging an energetic fight against the Left deviation, could naturally not be without influence on the Party. Obviously the Party must have learnt much in the long struggle against the Left (Trotzkyist) deviation, and it is therefore no easy matter now to

employ phrases such as the Left wing were fond of using. The Right danger, which also existed in former times and which has now taken a more tangible form in the shape of an aggravation of the petty-bourgeois chaos in connection with the grain-provisioning crisis of last year, is, I believe, not clear to certain sections of our Party. Therefore it is our duty, without of course diminishing our vigilance in regard to the Right (Trotzkyist) danger by one jot, to lay the most stress on the fight against the Right danger and to bring all efforts to bear on making this danger as apparent to the Party as the Trotzkyist danger now is.

The question of the deviation to the Right would not be so vitally important as it is, were it not connected with the general difficulties of our development. But the great evil lies in the fact that these Right deviations increase the difficulties of our development and make them more difficult to overcome. And it is for this reason that we must concentrate on the problem of eliminating the danger in question.

A word as to the character of our difficulties. It must not be forgotten that our difficulties are not difficulties of stagnation or decline. When economy is at a standstill or on the decline difficulties likewise occur; then all efforts must be directed towards making the stagnation less tangible and minimising the decline. Our difficulties, however, are of quite a different sort. The characteristic thing about them is that they are difficulties born of progress and advance. If we speak of difficulties, it is mostly a question as to the percentage *increase* in industry, the percentage *augmentation* of the area under cultivation or of the yield per hectare. And just because our difficulties are such as arise in progress and not the outcome of regress or stagnation, the Party need not consider them particularly serious. But difficulties they are and remain. And seeing that all efforts must be directed towards their elimination and that perseverance and fortitude are requisite to this end, qualities which not all of us possess in a sufficient degree, it is just here that vacillation and hesitation set in, a tendency towards adopting the line of least resistance, towards playing with the idea of a slowing-down in the rate of development of industry, towards contemplating facilities for the capitalist elements, towards opposing the foundation of Soviet

and collective farms and everything else that surpasses the limits of ordinary, every-day work. But we cannot move forward without overcoming the difficulties before us. And to this end we must in the first place attack the Right danger and overcome the Right deviations, which are hindering us in our task of overcoming the difficulties and attempting to undermine our volition in this direction.

The Struggle against the Conciliators.

In this connection, moreover, the fight must be a real fight and not only a fight on paper, a campaign of words. There are people in our Party who are not disinclined to preach against the Right deviations for the sake of relieving their consciences, much in the style of parsons shouting "Alleluiah," but who fail to do even the very slightest practical thing towards combating the Right deviations in the necessary way and effectively overcoming them. This tendency may be called a conciliatory tendency in relation to the Right, openly opportunist, deviations. It is not difficult to understand that the fight against such conciliatory tendencies must form an essential part of the general fight against these deviations themselves and the danger they represent, for it is impossible to overcome the Right opportunist deviation without a systematic fight against the conciliatory elements which take the opportunists under their wings.

The question as to the representatives of this Right deviation is undoubtedly of interest, though not decisive. In the lower organisations of our Party we encountered such representatives during the grain-provisioning crisis, when a whole number of Communists in the sub-districts and villages opposed the policy of the Party and contemplated a fraternisation with kulak elements. You will remember that such members were expelled from our ranks in the spring of this year, as was expressly pointed out in the well-known document of the C. C. of our Party in February. It would, however, be wrong to assert that no such elements had remained in our Party. If we search higher up in the regional and governmental organisations of the Party and subject the Soviet and co-operative apparatus to a strict investigation, it will not cost us much trouble to find representatives of the Right deviation and of the policy of conciliation in relation to this danger. If we

continue the search yet higher up and consider the C. C., we must admit that even among the members of that body there are some, albeit altogether insignificant, elements who entertain conciliatory sentiments towards the representatives of the Right deviation. The stenographic protocol of the July Plenum of the C. C. is the best proof of this fact. As to the Political Bureau, are there deviators there? There, there are neither Lefts, Rights, or Conciliators. I must state this categorically. It is high time that an end was put to the rumours, spread abroad by oppositionists and by such as are anything but friendly to our Party, to the effect that there is a deviation to the Right or a conciliatory attitude towards such a deviation to be found even within the Political Bureau of our C. C.

The Moscow Committee.

As regards the *Moscow organisation* and the *Moscow Committee*, it would be foolish to attempt to deny that vacillation and uncertainty actually obtained in that quarter. The frank speech of Comrade Penkov is a direct proof of the fact. Comrade Penkov is not the least of the members of the Moscow organisation and of the M. C. As you have heard, he admitted quite openly the mistakes he had made in a number of most important questions of our Party policy. That naturally does not mean that the entire M. C. was subject to vacillations. Such a document as the appeal of the M. C. to the members of the Moscow organisation in September last shows quite plainly that the M. C. has succeeded in overcoming the vacillations of its members. I do not doubt that the guiding spirits of the M. C. will succeed in clearing up the whole situation satisfactorily.

Some members are displeased that the district organisations should have interfered in this matter by raising the question of a liquidation of the mistakes and vacillations of certain leaders of the Moscow organisation. I do not know how such "displeasure" is to be justified. If certain Party workers of various districts of the Moscow organisation raise their voices in favour of a liquidation of mistakes and vacillations, what is there bad about that? Do we not carry on our work on the basis of self-criticism from below? Is it not a fact that self-criticism enhances the activity of the broad Party membership and of the proletarian masses in

general? What is there bad or dangerous about it, if the Party members of the district showed themselves equal to the occasion?

Was the procedure of the C. C. right when it intervened in this matter? I believe the C. C. was altogether right. Comrade Bersin considers that the C. C. did not act rightly when it approached the question of the dismissal of one of the leading Party members of a district, to whom the Party workers of the district in question objected. That is altogether wrong. I might remind Comrade Bersin of certain episodes of the years 1919 and 1920, when certain members of the C. C., who had been guilty of certain, I believe not very weighty, mistakes in connection with Party policy, were punished with exemplary severity at the suggestion of Lenin, one of them being sent to Turkestan and another being all but excluded from the C. C. Was it right of Lenin to act thus? I believe it was altogether right. The position in the C. C. was not then what it is now. At that time half the C. C. supported Trotzky and the attitude of the C. C. was anything but stable. At present the C. C. proceeds far more cautiously. Can it be that we desire to be kinder than Lenin was? No, that is not the crux of the matter. The reason is rather that the situation within the C. C. is far more stable to-day than it was then and that the C. C. is now able to proceed more cautiously.

We are led to the following conclusions: 1. The Right danger within our Party is a serious danger, being rooted in the social-economic conditions of the country. 2. The danger of a Right deviation is enhanced by the presence of difficulties which cannot be overcome without a victory over the Right deviation itself and over the conciliatory attitude towards it. 3. In the Moscow organisation there were signs of uncertainty and vacillation and elements of instability. 4. With the aid of the C. C. and the Party workers of the districts, the bureau of the M. C. has adopted all possible measures towards the liquidation of these vacillations. 5. There can be no doubt that the Moscow Committee will succeed in overcoming the mistakes formerly apparent in its midst. 6. Our task lies in the liquidation of internal strife, in the uniform consolidation of the Moscow organisation, and in a successful execution of the new election of group committees on the basis of an increased self-criticism.

THE "BIG FOUR" AND THE KUOMINTANG PUPPETS

A Picture of the Decay of the Kuomintang

By "ASIATICUS"

AT the present time the Kuomintang is fulfilling a peculiar historical destiny. It is merely a wretched shadow of the one-time Kuomintang, a senile caricature of an historically creative past, destitute of any possibility of reawakening; hopelessly fallen into complete decay.

As a revolutionary people's party, which its name denotes, the Kuomintang actually collapsed a long time ago ; indeed the day is past when the bourgeoisie could form an all-in people's party which could, at the same time, be a party of the Chinese Revolution. The revolutionary Nationalist movements are carrying on their work outside and in opposition to it; but its name and the memory of its revolutionary tradition is still of value for the clique of generals who are at present brutalising China. They need this framework, this cloak to hide their thievish rule, to be the arena in which their rivalries are fought out, and after the present transitional period to begin a new era of warfare between the different militarist groups. *They* are the real rulers, but it is necessary for them to have the leaders of the Kuomintang in the highest State offices, to allow them to make solemn speeches and discuss and make decisions at conferences on plans of reorganisation and reconstruction. What is more, they even utilise the popular slogans representing the various tendencies within the Kuomintang to further their own demands in opposition to the power held by their rivals, and when it suits them even to support the demand for the abolition of the military dictatorship, by which, of course, is meant the dictatorship of the others, their most dangerous rivals. The clique of generals are

deliberately playing this farce, but are always mindful, at the same time, of the fact that they need this comedy and that without it things might go very badly for them.

The imperialist powers are aware of this game and its significance. As the real holders of power in China they are often sufficiently candid to express openly their recognition of the rôle of the military despots and their Kuomintang cloak. The *Peking and Tientsin Times*, one of the most respected organs of British imperialism in the Far East, recently wrote in a leading article on the Conference of the full Executive Committee of the Kuomintang, as follows:—

They debate solemnly and agitatedly, these puppets of destiny, whether Militarists wielding real power shall be admitted into the chambers where authority exists only in imagination. In the end they make a ridiculous compromise. The Militarists may meet them in informal conference. What may then be agreed upon will be submitted to the plenary session, and passed if the Party Panjandrums think fit, or thrown out if they so wish. No obstacles are demolished. They are not even circumvented. Theories are translated into paper Decrees, and make-believe prospers while nothing practical can be done. The majority politicians believe they can overthrow the Militarists. No doubt it can be done—in some cases. But how? By methods that would simultaneously ensure their own disappearance.

This ironical description by the imperialists is undoubtedly correct as a characterisation of the external appearance of the Kuomintang and its "power." But what the imperialists, for obvious reasons, could not say, although they are well aware of it, is that the game of the generals and Kuomintang leaders is dictated by a common fear of the revolution which they are suppressing. Is it not true that the Kuomintang politicians seriously believe that *they* could overthrow the military dictatorship and, as the *Peking and Tientsin Times* correctly points out, for the very reason that the overthrow of the military dictatorship can only come about by revolutionary risings which would at the same time destroy the Kuomintang leaders.

Events within the Kuomintang, in so far as they reflect the fear of a revolutionary uprising, are of significance in illuminating the present situation in China. To understand the reaction to the revolutionary movements and their development among the bitterest foes of the revolution within the Nanking Government

"Big Four" and the Kuomintang Puppets 761

and the Kuomintang is indispensable for a correct analysis of the present Chinese position. We shall, therefore, briefly detail a few important facts from the meeting of the Kuomintang Executive and show their intimate connection with one another.

The unification of China and the revision of the unequal treaties had to appear as items on the agenda of the Conference. These questions had to be in the forefront because, with the capture of Peking and the abolition of the previous Peking "Central Government," the Nanking Government was forced to pretend an interest in these questions and declare that it would bring about a real unification of China and its liberation from imperialist bondage.

But even on this point the generals took up the most diverse attitudes. The *Kwangsi Group*, led by Li Ti-Sen, the dictator of Canton, put forward the view that the unification of China was already an accomplished fact, and that the question of the revision of treaties could not arise at the present since it would be purposeless to raise an outcry against unequal treaties before their "own house had been set in order." This attitude towards treaties with foreign countries coincides completely with that of British imperialism; for in this, as in all questions of external and internal policy the Canton executioner obediently carries out the order of Britain and especially of Hong-Kong.

Feng Yu-Hsiang took up the opposite position. For obvious reasons of propaganda he opposes the other generals at every opportunity. In his view, the Northern expedition is *not yet* concluded; for Manchuria is still under the rule of the old Chang Tso-Lin clique, now led by his son. The civil war must, therefore, be continued and Japan's resistance to the extension of the power of the Nanking Government over Manchuria must be broken. Of course, by the power of the Nanking Government Feng means *his* power; for he requires the three northerly provinces to complete his supremacy in North China. He has already assured to himself the most important means of access to these provinces and commands the strongest military forces as against his rivals. With regard to foreign policy he inclines towards America, and in home affairs he plays the radical in the Kuomintang camp in order to obtain the support of the Kuomintang Lefts—both of

those who remain in the Nanking Government and of those who have been driven out of it.

The attitude of *Chiang Kai-Shek* and of the Kiangsu Group, which supports him and holds the most important positions in the Nanking Government, is that of incorporating Manchuria, while retaining its present regime, in the "Nationalist" sphere of power by means of an understanding with both Chang Hsu-Liang and Japan. He demands the revision of the unequal treaties with the help of "peaceful agreements"—a position which practically coincides with that of the Kwangsi Group on this question.

The fourth in the alliance, *Yen Shi-San*, nominally the ruler of Peking, but actually surrounded in that district by Feng Yu-Hsiang's troops, is constantly on the defensive against Feng, and consequently takes up, on all questions, a position hostile to any attempt of Feng's to extend, directly or indirectly, his power or influence. For the present, therefore, he stands with Chiang Kai-Shek but is at the same time seeking to strengthen his own position by independent alliances in the north with Chang Hsu-Liang.

This was the position of the so-called "big four," who collectively represent the "unification" of China under the Nanking Government, in relation to the most important questions on the agenda. It is obvious that the Conference, in face of the ever-intensifying rivalry of the "big four" and of the combinations with and against one another, could only make very patched-up decisions. That meant, actually, that no definite decision could be taken on these questions.

The Conference was to meet on August 1. But before that could take place, the question of whether the executive representatives of the extreme Left should take part in the Conference had to be decided. A group of delegates, representing the former so-called Canton leadership, demanded that Wang Chin-Wei's group should also be added. He himself was staying far from the battle front (supposedly in Paris), but his adherents, the executive members, Kou Meng-Yu and Cheng Kung-Po, had remained in Shanghai to work. The Canton group declared that if their demands were refused they would not come to

"Big Four" and the Kuomintang Puppets 763

Nanking. In order to exert pressure in favour of their demands they pointed out that without this group the Conference could not take place at all, for the statutory quorum—two-thirds of the members—would not be present. However, Kou Meng-Yu and Cheng Kung-Po stated that they would only take part in the Conference on condition that their proposals for the complete abolition of the military power, the re-establishment of the authority of the party as the supreme governing body, and the return to Sun Yat-Sen's workers' and peasants' policy, should be placed on the agenda. Chiang Kai-Shek played the part of intermediary, and eventually, after many days of negotiations in Shanghai, he succeeded in persuading the Canton group to go to Nanking. Kou Meng-Yu and Cheng Kung-Po held fast to their former position and would not attend the Conference, although, according to the expressed wish of the Canton group, they were invited to be present. The extreme Right, as well as the Kwangsi group on the executive, represented by Tsai Yuan-Pei and Li Ti-Sen, at first objected to the invitation to the Left, but later agreed formally to it, having been assured that Kou Meng-Yu's proposals would not appear on the agenda. It is an interesting fact that Feng Yu-Hsiang constantly appeared as the advocate of unification against the foreign enemies, urging this policy at public speeches in Nanking, and by this means and with the help of demonstrations actually exerted pressure on the other groups.

After one week things had gone so far that the Conference was able to meet but only to break up again after two days. Following upon the proposal of the Right to prohibit youth organisations of the Kuomintang and against the abolition of the provincial committees which are nothing but screens for the autonomous provincial governments of the generals, particularly the Kwangsi group, a part of the executive delegation left Nanking and returned to Shanghai.

Chang Kai-Shek undertook another journey as mediator, and again with success, after it was agreed that the question of the youth organisation should be referred to the Central Committee of the Kuomintang for further "discussion" and that the provincial committees should be dissolved on January 1.

At last the Conference, very hurriedly and pressed thereto by Feng Yu-Hsiang's public announcements, was able to reach a few decisions which, while actually saying nothing, gave the impression of radical concessions to the Left. For example, not only were the mandates of Kou Meng-Yu and Cheng Kung-Po again ratified, but Eugene Chen and Sun Yat-Sen's widow, who were in Moscow, were also re-elected.

The most important questions referring to the internal structure of the Kuomintang and the Government were, after much dispute, referred for settlement to the smaller committee. It was decided to set up a Commission to draw up a provisional constitution for China. It was further decided to establish five large governmental departments, of which the most important was to be the administration department, to control the chief ministries.

On the military question it was once again agreed to reduce the armies "as quickly as possible," and that the total military expenditure of the Government should not exceed 50 per cent. of its receipts. Military training is to be centralised and directed by the Government. Military leaders have no independent right to set up military schools. Military training is to be controlled by the Government Military Committee, directed by one of Feng Yu-Hsiang's adherents. Feng was generally acclaimed as the model military organiser. The idea at the Conference was that military training should be carried out according to his principles and under his representatives. A Japanese telegraph agency states that he is to be nominated as "General-Inspector of military training," with a permanent seat at Nanking. Feng, of course, gracefully renounced this flattering attempt to render him harmless.

The Conference ended in a complete fiasco and with the moral defeat of the ruling clique in Nanking. Feng Yu-Hsiang was the apparent victor. In so far as decisions on home and foreign matters were reached, he had managed—in words only, of course—to get the greatest concessions to his point of view. The imperialist Press sounded the alarm. It pointed out that the attitude taken by Kou Meng-Yu and Cheng Kung-Po is a reflection of the growing powerful mass opposition to the

"Big Four" and the Kuomintang Puppets 765

Nanking Government. It appealed to the Nanking Government to make all the necessary preparations for dealing with the unavoidable outbreak of a new revolution.

But scarcely had the Conference ended when the Nanking Government cancelled those concessions which it had been forced to make a few weeks earlier. Chiang Kai-Shek's clique allied itself openly with the Kwangsi group on the basis of division of power in the Nanking Government. Feng Yu Hsiang's representatives in the Government, including C. T. Wang, the Minister for Foreign Affairs of the Nanking Government, were to resign. Chiang Kai-Shek became president of the administration department of the Government. With regard to foreign policy, Hu Han-Nung, the new participant in power at Nanking, defined the attitude of the Nanking Government, saying that they had gained in Great Britain a sincere and trustworthy friend, and that there was no object in calling for the abolition of the unequal treaties before their own house had been set in order. Chiang Kai-Shek further allowed it to be announced that the Kuomintang must take precautions against *new* militarists, by which, of course, Feng Yu-Hsiang was meant.

The situation had become dangerous for Feng Yu-Hsiang, both on the northern front and in general. He was practically isolated and did not dare to make any attack alone. The combination of the other generals against him was for the time being merely the reaction to his growing military and political strength. Both because of deficiencies in their military strength and Feng's popularity, the other generals dare not, at present, wage open civil war against Feng.

The Nanking Conference has disclosed the hopeless collapse of the Kuomintang and shown what the Nanking Government means by the "Unification" of China. It has sharply defined the new fronts in the coming civil war. That civil war may be some time in coming, but may possibly break out earlier if affairs in North China come to a head, sooner than would suit the generals. The events at the Kuomintang Conference in Nanking, however, make it quite clear that together with these preparations for a civil war, the new revolutionary uprising which will divide the civil war along class-war lines, is also approaching.

The World of Labour

	Page
POLAND : General Strike at Lodz - - - - -	766
GERMANY : Ruhr Iron and Steel Lock-out - - - - -	768
Shipyard Strike - - - - -	769
AUSTRALIA : Waterside Workers' Strike] - - - - -	770

POLAND

General Strike at Lodz

A GENERAL strike of greater size and importance than any since the conflict there in 1905 has recently taken place in Poland. Although it was the direct outcome of the demands of the impoverished textile workers, its significance was even more political than industrial. The struggle became directed against the Fascist dictatorship of Pilsudski and against the whole State supported policy of capitalist rationalisation and stabilisation, and it was this wider significance that called forth the astonishingly complete solidarity of the Lodz workers, for they recognised that the welfare of the whole Polish and international working class was at stake.

The needs of the textile workers were real enough. There are over 160,000 textile workers in Poland, more than one-fifth of the whole working class, and ever since the spring a campaign for wage increases and for the retention of the present working hours and for recognition had been in progress, and in June a slight increase of 6 per cent. was won, but the dissatisfaction of the workers at the rest of their demands being turned down and the brutal introduction by the employers of a system of fines, based on recent Government legislation, led to the calling of a strike in September. Further demands were put forward, including :—

- (1) Wage increase of 20 per cent. from October 1.
- (2) The introduction of higher rates for workers tending a greater number of looms (struggle against rationalisation methods).
- (3) Recognition of workers' delegates.

This agitation came from the discontented rank and file, under the leadership of the trade union opposition, but the executive of the reformist union was eventually persuaded to take up the demands, and the Nationalist and Christian unions were forced to follow suit. Their one ambition, however, was to liquidate the strike as quickly as possible, and they declared the strike off on September 22 as soon as the regulations *re* fining had been cancelled, without attempting to secure any of the strikers' other demands.

The real direction of affairs, however, lay in the hands of the Strike Committee, which consisted chiefly of left-wing leaders, chosen by the factory delegates themselves, and under their leadership the strike was shortly resumed on a still larger scale. Only 50,000 workers were involved in

September, but on October 4 80,000 came out, and by October 10 the strike had become general in the textile industry and extended to all the mills not only in Lodz but in the surrounding textile centres, and over 100,000 men were drawn into the struggle. The strikers rejected the proposal of a 5 per cent. increase put forward by M. Jurkiewicz, the Minister of Labour, and accepted by the employers.

Meanwhile, offers of help came from all sections of labour in Lodz. A unanimous vote of all the unions concerned pledged their support, and on October 15 a general stoppage took place. This startled the Government, the employers, and the Polish Socialist Party itself by its completeness. Immediate arrangements were made for supplying food through the Co-operatives, for organising relief through the Socialist municipality, and particular attention was paid to transport, to see that no textile goods left the city. Not only did all the factories close, but all public institutions as well—the Central Telephone was occupied, and even domestic servants, chauffeurs, etc., came out in sympathy. Health services alone were continued. For nearly a week the normal life of Lodz was entirely suspended, while 200,000 strikers took possession of the city and held huge demonstrations, which the police were powerless to disperse in spite of various sporadic attempts, and they were forced to content themselves with arresting Communists and other left-wing leaders whenever they got the chance.

The opposition was all the time pressing for the declaration of a national general strike if the owners refused to grant the textile workers' full demands, but the P.P.S. (Polish Social Democratic Party) were working on very different lines. Throughout the strike the policy of the Social Democrats has been to divide, and let the employers conquer. For instance, they managed to persuade the mining unions to postpone their ultimatum to the owners in the three Polish coal districts until later in October, instead of bringing in the miners to take part in a joint struggle against the owners. The extent of the struggle was already far too great for their liking, and they were anxious to bring it to a hasty conclusion before its class-war and anti-fascist implications became too glaring for them to gloss over. They therefore began to open negotiations of their own with the employers, and the Socialist mayor took upon himself the role of mediator, although the workers had explicitly resolved against any interference and any opening of negotiations, and although the Government had already convened a meeting of both sides. The official negotiations broke down, but the reformists concluded a secret agreement with the employers on the basis of the already rejected 5 per cent. increase, with 10 to 20 per cent. increase for workers serving four or more machines, a loan amounting to two weeks' wages to meet the debts incurred during the strike, and the "toleration" of factory delegates. These conditions amount to a capitulation, for *The Times* comments that the new rates will not yield a living wage. They would undoubtedly have been refused if they had been put to the workers, but the P.P.S. cleverly arranged to convene a meeting of the Strike Committee on Saturday, October 20, without informing the delegates from the factories. The Strike Committee had been enlarged by the co-option of representatives of all the unions taking part in the general strike, and this influx of officials swamped the left-wing militant element and

the textile delegates. Thus the settlement passed by 22 to 12, and the workers awoke on Monday to find they had been sold.

Worse was to follow. When work was resumed on October 22, in one factory after another the strikers found that the employers had taken advantage of the situation to exact further conditions. For example, in the Widzew Works, which are British owned and previously paid higher wages than any other Polish textile factory, the 11,000 workers were not only refused the 5 per cent. increase, but were threatened with a further reduction of 11 per cent. In many cases the workers refused to return, but the workers' position has been seriously weakened by the action of the P.P.S. and the fight against capitalist rationalisation and the régime of Fascist oppression has now to be fought again.

GERMANY

Ruhr Iron and Steel Lock-out

FOR the second time this year the German metal industry is in a state of conflict. In January, 50,000 workers of Central Germany were engaged in a struggle for higher wages, and a general lock-out of 800,000 was narrowly averted. (Cf. *LABOUR MONTHLY*, April, 1928.) Again in September the metal workers in the Rhenish-Westphalian district gave notice for the termination of the existing collective agreement, and put forward demands for an increase in wages of 15 per cent. to all adult workers. The usual conciliation proceedings followed, and on September 26 an award of 5 per cent. was issued, which applied only to certain classes of workers, and which prevented the workers from making further demands until March, 1930. The Deutsche Metalarbeiter Verband (D.M.V.) accepted these terms, in spite of strong protests from the opposition, but they were rejected by the employers, and after further negotiations had broken down, the owners declared a general lock-out on November 1. The union thereupon applied to the Minister of Labour, who declared the award binding, but the employers ignored Herr Wissell's action and the threatened lock-out took place, throwing 213,000 men out of work immediately, and involving thousands more, as other industries, notably coal, lighter metals, and transport became affected. The employers appealed to the Labour Court at Duisburg to declare the Minister's decision void, on the grounds that it was illegal and economically unsound, and on November 12 the Court decided in their favour, with costs against the defendants, *i.e.*, the union.

Several points of special importance emerge in the course of this dispute. The metal industry is the key industry of Germany, and the employers of the North West Iron and Steel Cartel are conscious of the responsibilities of their position. Last year they began war preparations with the setting up of a million mark war fund and a special committee with full freedom of action and compulsory powers over its members. There was a fixed determination to break the workers' standards (the *Borsenzeitung* describes the process as "Through War to Peace"), and the rejection of the award was openly regarded as a test or strength.

This challenge the Communists and the opposition forces generally were anxious to take up. They proposed to meet the employers' offensive by a counter offensive, *i.e.*, by demanding the abolition of compulsory arbitration,

clearly shown to be workable only where it suits the owners' book, and the turning of the lock-out into a general strike by an extension of the battle front. They also pressed for the granting of the workers' full demands (15 pfennigs instead of six) and the putting into operation of the eight-hour day so long promised and so long delayed. Strike committees have sprung up in Essen and Düsseldorf, and throughout the district, which have enrolled over 50,000 supporters, including numbers of hitherto unorganised workers, and a strong militant force is being built up.

One of the features of the struggle has been the pitiful haggling over unemployment benefit. The strike committees demanded full pay, but as it was a lock-out and not an approved closing down of works (for which a month's notice is necessary) the authorities refused payment. The D.M.V., which refused strike pay to all but its own members, thus excluding more than three-quarters of the workers involved, proposed to claim compensation from the employers, but their victory before the Labour Court made that impossible. The parties of the Right in the Reichstag objected to relief being granted direct to the workers out of Reich funds, as seeming to favour one side in the dispute, and sooner than be suspected of partiality towards the workers, the Socialists agreed to a compromise by which Government grants were to be made to the municipalities affected, to enable them to deal with urgent distress.

This whole episode is typical of the reformist attitude in the present crisis. From the outset they appeared chiefly anxious not to embarrass the Government or the industrialists. Later, instead of standing by the award they failed even to maintain their defensive position but hastened to open negotiations with the employers, and in their own words, to "seek for a way out," and this with an impregnable case and in a decisive engagement. Naturally the owners were emboldened to yet further attacks, and demanded immediate resumption on the old terms and the renunciation of all legal claims arising out of the award, but a hitch arose in the course of the negotiations, and the lock-out still continues.

Shipyard Strike

Yet another important struggle has been taking place in Germany. In Hamburg and Bremen, Emden, Lubeck, and Kiel, more than 50,000 shipyard workers, dockers, and seamen have been out since October 1, when they rejected the arbitration award of 2½ pfennigs. The opposition demands included an hourly rate of 1.20 marks all round, with special short-time rates, an 8-hour day, and 45-hour week, while the reformists put forward more modest claims for the reduction of hours from 52 to 51 and one mark an hour. Even these demands, however, they were anxious should not be pressed too far, and they did all in their power to prevent a strike, but in the face of the rising temper of the port workers, their efforts, which have proved successful for the last four years, failed this time.

In the columns of the *Hamburger Echo* they have been carrying on a relentless warfare against the militant prosecution of the strike and the leaders of the strike committees, speaking of the "Communist Terror" and "Banditenpolitik." Thanks to their efforts the Communist paper, the *Hamburger*

Volkszeitung, was suppressed for about ten days and its editor arrested. As weeks went by and the strikers stubbornly refused to return, the S.D. union leaders even organised strike-breaking activities and officially called off the strike and declared it at an end.

These tactics met with a certain measure of success, and the seamen were forced to return, but the masses of unorganised shipyard workers, who had adopted the leadership of the strike committees, continued their resistance, and other sections of the transport and metal industries were drawn into the struggle.

AUSTRALIA

Waterside Workers' Strike

THE combined offensive of the employers and the Government against the status and conditions of the Australian workers, which manifested itself in the passing of the Arbitration Amendment Act, the sale of the Commonwealth ships, the attempt to secure a servile "industrial peace" (*cf.* July *LABOUR MONTHLY*), has taken on new forms in the course of the recent Waterside Workers' strike. The issue is critical and momentous, for this is the first big dispute since the passing of the Act.

The cause of the dispute goes back to last November, when the maritime unions refused to accept the shipowners' proposal of two pick-ups a day for labour at the docks, with a half-day minimum, instead of the previous single "pick-up" with a daily minimum. The alteration involved loss of time and security for the workers, but the owners insisted that it was essential to expedite the movement of shipping and took the matter to the arbitration court. The court postponed its decision, and the men returned to work, but, in September, issued an award upholding the owners' demand. This was the signal for a lightning strike; on September 10 not a single man came forward in Melbourne, and the other ports immediately followed suit, so that by September 13, 20,000 dockers were out and ships were held up at all the ports.

The challenge was immediately taken up. When the Transport Workers' Federation asked for a conference with the employers it was met with the reply: "We stand for arbitration against anarchy," and the meaning of this remark became clearer when on September 22 the Federation were fined £1,000 under Section 6 of the Arbitration Amendment Act on a charge of having:—

ordered, encouraged, advised and incited its members to refuse to accept employment on the inter-state vessel "Karoola."

Not content with his powers under the existing law for crushing strikers, Bruce proceeded to introduce a further measure, which provided for—

the engagement, service and discharge of transport workers, licensing workers as transport workers, regulating or prohibiting the employment of unlicensed persons, and providing for the protection of transport workers. (*Times*, 21.9.28.)

This "Transport Workers Act" was rushed through in three days, and was finally passed by the Senate on September 22, after an all-night sitting. The Act which gives the Government powers to supersede all existing laws caused the most lively resentment and apprehension among the workers, and its legality has been challenged on the grounds that it conflicts with awards

under the Arbitration Act. Its effect is clear: to undermine Trade Unionism. Each worker must register as an individual, and is liable to have his licence cancelled if he is obnoxious to the authorities, while non-unionists are placed on equal footing with unionists. The workers claim the Act is nothing but conscription of labour, and labour leaders like Mr. Scullin refer to them as a violation of constitutional government, which will bring Parliament into contempt.

One of the most notable features of the strike has been the creation of large bodies of "volunteers," such as the Essential Service Maintenance Volunteers and the Adelaide City Defence Brigade, which are intended not only to "maintain essential services" during the present strike, but also to act as a permanent strike-breaking organisation, "immediately available to assist in upholding constitutional government in time of stress" (*Times*, 24.9.28).

The strike has been full of ups and downs. As early as September 15 it was reported over at Melbourne, where the Federation decided to order their men back under the award, but a "hitch" occurred—in other words the workers refused to return. Much the same happened at Adelaide in the beginning of October, when the official decision to register under the Transport Workers Act and resume work was reversed owing to the owners' refusal to agree to a conference before October 9, but subsequently the Federation withdrew its objection that it would be beneath its dignity to resume until a conference was granted, and agreed to the owners' terms.

Later, Melbourne became the storm centre, and the direction of the strike was in the hands of Australasian Council of Trade Unions, since the right wing leaders of the Labour Party and Australian Workers' Union were opposed to the strike, and the Waterside Workers' Federation, after countenancing the early stages, declared the fight to be hopeless, and ordered the men back. An "Inter-State Conference of Maritime Transport Unions" was called by the A.C.T.U. on October 1, which steered a middle course between the defeatist policy of the right wing, and Sydney Garden's comprehensive scheme for taking the offensive and forming Councils of Action, and drawing in other classes of workers. In rejecting the left wing policy of extending the strike, the conference destroyed its prospects of success by impeding its natural course of development, and from this time onwards its fate was sealed, although it was continued with considerable vigour for some weeks longer, and at one time large numbers of seamen and carters also struck against handling "black" goods. As the strike progressed, feeling became more bitter, clashes with volunteers and police more frequent, and numerous arrests were made. But though the fighting spirit of the rank and file remained, defeatism undermined their leaders, and in one port after another the order was given to take out licences and submit to the award. Even so, hundreds of unionists remained out of work, and on Oct. 22nd, Judge Dethridge granted the owners' application to set aside the Beeby Award by fixing "pick up" places away from the Federation premises, thus facilitating the employment of non-unionists. A further amendment in the Award arranged for the engagement of workers on a weekly instead of a daily basis, and fixed the rate at £4 9s. for a 44 hour week.

Index to Volume X

January-December, 1928

I—AUTHORS

		<i>pages</i>
ADAM, J.	Wiener Neustadt	686-690
"ASIATICUS"	The "Big Four" and the Kuomintang Puppets	759-765
BALE, E. J.	The Importance of Co-operation	626-630
BUCHARIN, N.	New Forms of the World Crisis	533-543; 610-618
BURNS, EMILE	Labour and the Banks	691-695
B.W.	Rationalisation and British Industry. III	287-294
CAMPBELL, J. R.	A Manual for Militants	447-448
COOK, A. J.	Rationalisation and British Industry. II	273-286
	The Issues before the Swansea T.U.C.	528-532
	The World-Wide Coal Crisis	227-231
D. J. P.	A Story of Primitive Accumulation	379-381
DOBB, M. H.	Capitalism and Surplus	245-250
	Rationalisation and British Industry. V	432-438
DUTT, CLEMENS	The Indian Struggle for Independence	155-162
E. B.	A Survey of World Economics	701-702
EWER, W. N.	God, Sir Austen and the East	232-238
	Japan's Move Forward	468-473; 558-564
	Pact and Entente	619-625
	The Beginnings of the Entente	114-123; 171-180
F. C. M.	Dialectical Materialism and Anthropology	702-704
GALLACHER, WM.	The Position in the Scottish Coalfield	675-680
GOSSIP, ALEX.	The Fourth Congress of the R.I.L.U.	357-360
HORNER, ARTHUR	The Significance of the Miners' March	23-30
	The T.U.C. and the Future of Trade Unionism	594-605
H. R.	A Reformist Justification for Imperialism	381-383
HUTT, G. A.	"Democracy" in the Scottish Miners' Union	348-356
J. B.	The Strike Wave in Egypt	303-311
LENIN, N.	The Socialist Revolution and the Right of Nations to Self-Determination	421-431
	Tolstoy and his Epoch	606-609
MAHON, JOHN A.	Mr. Citrine and Trade Union Democracy	295-302
	What Next in the Trade Unions?	738-747
M. H. D.	A Marxist Text-Book with Pictures	317-319
NEARING, SCOTT	"Democracy"	681-685
PARSONS, D. J. F.	Electricity Control in Britain	239-244

		<i>pages</i>
POLLITT, HARRY	Industrial Peace	77-84
	The Tasks before the Minority Movement Conference	463-467
PURKIS, STEWART	Mondism and the Railway Settlement	553-557
	Temporary Crisis or Steady Decline of the Railways	653-662
RAPPOPORT, CHARLES	Reformists of Twenty Years Ago	499-503
RATHBONE, HUGO	The Cotton Workers' Fight Against Imperialism	101-113
	"The Normal Condition of the Labour Party"	148-154
	Rationalisation and British Industry. IV	342-347
	The Programme of the Labour Party	481-491
REEVES, JOSEPH	Co-operation in the U.S.S.R.	95-100
RIAZANOV, D.	The Relations of Marx with Blanqui	492-498
ROTHSTEIN, ANDREW	The Left Wing in 1928	31-48
	Sixth Congress of the Communist International	728-737
ROUX, E. R.	Agrarian Revolt in South Africa	55-62
ROY, M. N.	Colonial Policy of the L.S.I.	544-552
	Future of the Empire	663-674
	Socialism and the Empire	85-94
	The Struggle of the Chinese Workers and Peasants	163-170
R. P. A.	Herr Ludwig on Bismark and the Kaiser	126-128
RUCK, FRITZ	Lenin's Fight Against Philosophical Reformism	187-190
STALIN, J.	A Class Analysis of Soviet Grain Production	412-420
	Between Left and Right	748-758
STERNBERG, DR. F.	The Problem of British Export of Capital	49-54
T.	Graft	255-256
T. A. J.	The Struggle for a Workers' International	315-317
TRADE UNIONIST	The Fruits of Mondism	474-480
VARGA, E.	The Problem of Rationalising British Industry	217-226
WINTRINGHAM, T. H.	Rationalisation and British Industry. VI	565-571
YAMAGATA, K.	The General Election in Japan	361-368

II—SUBJECTS

AUSTRALIA	Arbitration Amendment Bill	443-444
	Australia and the LABOUR MONTHLY	215-216
	Industrial Peace	444-445
	Sale of Commonwealth Ships	441-442

	<i>pages</i>
AUSTRALIA	Shipping Strike 442-443
	Waterside Workers' Strike 770-771
AUSTRIA	Wiener Neustadt 686-690
BELGIUM	Antwerp Dock Strike 510-512
BRITISH LABOUR MOVEMENT	Aberdeen and the Labour Party 579-593
	Coalition and War 707-726
	Fabianism in Decomposition 387-411
	General Election 67-76
	General Election and the Working Class 643-652
	I.L.P. and Communism 259-272
	Labour and the Banks 691-695
	Left Wing in 1928 31-48
	Maxton-Cook Revival Campaign 451-462
	New Phase of the Labour Party and our Tasks 5-22
	"The Normal Condition of the Labour Party" 148-154
	Programme of the Labour Party 481-491
	The United Front 195-214
BRITISH TRADE UNIONISM	Cotton Workers' Fight Against Imperialism 101-113
	Fruits of Mondism 474-480
	Industrial Peace 77-84
	Issues Before the Swansea T.U.C. 528-532
	Mr. Citrine and Trade Union Democracy 295-302
	The New Wave of Wage Struggles 131-147
	The Tasks before the Minority Move- ment Conference 463-467
	The T.U.C. and the Future of Trade Unionism 594-605
	Trade Unionism in Danger 515-527
	What Next in the Trade Unions? 738-747
BRITISH IMPERIALISM	Coalition and War 707-726
	Electricity Control in Britain 239-244
	Future of the Empire 663-674
	Problem of British Export of Capital 49-54
	Socialism and the Empire 85-94
BRITISH FOREIGN POLICY	The Beginnings of the Entente 114-123; 171-180
	God, Sir Austen and the East 232-238
	Pact and Entente 619-625
BOOK REVIEWS	126-128; 187-190; 255-256; 315-319; 379-383; 447-448; 701-704
BOURGEOIS HISTORY AND THEORY	Herr Ludwig on Bismark and the Kaiser 126-128
	Reformist Justification for Imperialism 381-383
	A Story of Primitive Accumulation 379-381

	<i>pages</i>
CHINA	The "Big Four" and the Kuomintang Puppets 759-765
	The Struggle of the Chinese Workers and Peasants 163-170
CO-OPERATION	Co-operation in the U.S.S.R. 95-100
	The Importance of Co-operation 626-630
EGYPT	The Strike Wave in Egypt 303-311
GERMANY	Metal Workers' Strike 253-254
	Ruhr Iron and Steel Lock-out 768-769
	Ruhr Mines Dispute 375-376
	Shipyards Strike 769-770
	The Trade Union Congress 635-636
GREECE	Tobacco Workers' Strike 506-508
INDIA	All-India Trade Union Congress 251-253
	5 Bombay Textile Strike 439-441
	5 Bombay Textile Strike—Tata Iron and Steel Strike 509-510
	The General Strike in the Bombay Cotton Mills 698-700
	1 The Indian Awakening 323-341
	1 The Indian Struggle for Independence 155-162
	6 The Lillooah Railway Strike 572-575
	1 The Present Strike Movement in India 369-374
	7 South Indian Railway Strike 636-639
INTERNATIONAL	The Colonial Policy of the L.S.I. 544-552
	Executive Meeting of the League Against Imperialism 634-635
	The Fourth Congress of the R.I.L.U. 357-360
	General Council of the I.F.T.U. 185-186
	New Forms of the World Crisis 533-543; 610-618
	Sixth Congress of the Communist International 728-737
	A Survey of World Economics 701-702
	Third Congress of the L.S.I. 631-634
IRELAND	The Programme of the Workers' League 124-125
JAPAN	The General Election in Japan 361-368
	Japan's Move Forward 468-473; 558-564
	The Noda Brewery Strike 378
	Trade Union Position in 1927 377
LENINISM	A Manual for Militants 447-448
	Between Left and Right 748-758
	Lenin's Fight Against Philosophical Reformism 187-190
	The Socialist Revolution and the Right of Nations to Self-Determination 421-431
	Tolstoy and his Epoch 606-609
MARXISM	Capitalism and Surplus 245-250

		<i>pages</i>
MARXISM	The Relations of Marx with Blanqui	492-498
MINING	"Democracy" in the Scottish Miners' Union	348-356
	The Position in the Scottish Coalfield	675-680
	The Significance of the Miners' March	23-30
	The World-Wide Coal Crisis	227-231
NOTES OF THE MONTH	5-22; 67-76; 131-147; 195-214; 259-272; 323-341; 387-411; 451-462; 515-527; 579-593; 643-652; 707-727	
NORWAY	The Trade Union Congress	124
	Trade Union Congress and Labour Government	182-183
POLAND	General Strike at Lodz	766-768
RAILWAYS	Mondism and the Railway Settlement	553-557
	Temporary Crisis or Steady Decline of the Railways	653-662
RATIONALISATION	217-226; 273-286; 287-294; 342-347; 432-438; 565-571	
SOCIALIST HISTORY	A Marxist Text-Book with Pictures	317-319
	Reformists of Twenty Years Ago	499-503
	The Struggle for a Workers' International	315-317
SCIENCE	Dialectical Materialism and Anthropology	702-704
SOUTH AFRICA	Agrarian Revolt in South Africa	55-62
SWEDEN	Anti-Trade Union Legislation	445-446
	End of Paper Lock-Out	367-377
	Lock-out of Miners and Paper Workers	181-182
UNITED STATES OF AMERICA	Betrayal of Miners' Strike	575-576
	"Democracy"	681-685
	Graft	255-256
	End of New Bedford Cotton Strike	697-698
	National Miners' Convention and New Miners' Union	696-697
	New Bedford Cotton Strike	504-506
	Save the Miners' Union Conference	312-314
	Trade Union Educational League	184-185
U.S.S.R.	A Class Analysis of Soviet Grain Production	412-420
	Between Left and Right	748-758
	Co-operation in the U.S.S.R.	95-100
WORLD OF LABOUR	124-125; 181-186; 251-254; 312-314; 375-378; 439-446; 504-512; 572-576; 631-639; 696-700; 766-771	

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Volume 10 August, 1928 Number 8

PRINCIPAL CONTENTS

- Notes of the Month
THE COOK-MAXTON REVIVAL CAMPAIGN
 R. P. D.
 The Tasks before the Minority Movement Conference
 HARRY POLLITT
 Japan's Move Forward
 W. N. EWER
 The Fruits of Mondism
 "TRADE UNIONIST"
 The Programme of the Labour Party
 HUGO RATHBONE
 The Relations of Marx with Blanqui
 D. RIAZANOV
 Reformists of Twenty Years Ago
 CHARLES RAPPOPORT
 The World of Labour

Volume 10 October, 1928 Number 10

PRINCIPAL CONTENTS

- Notes of the Month
ABERDEEN AND THE LABOUR PARTY
 R. P. D.
 The T.U.C. and the Future of Trade Unionism
 ARTHUR HORNER
 Tolstoy and his Epoch
 N. LENIN
 New Forms of the World Crisis
 N. BUCHARIN
 Pact and Entente
 W. N. EWER
 The Importance of Co-operation
 E. J. BALE
 The World of Labour

Volume 10 September, 1928 Number 9

PRINCIPAL CONTENTS

- Notes of the Month
TRADE UNIONISM IN DANGER
 R. P. D.
 The Issues Before the Swansea T.U.C.
 A. J. COOK
 New Forms of the World Crisis
 N. BUCHARIN
 The Colonial Policy of the L.S.I.
 M. N. ROY
 Mondism and the Railway Settlement
 S. PURKIS
 Japan's Move Forward
 W. N. EWER
 Rationalisation and British Industry—VI
 T. H. WINTRINGHAM
 The World of Labour

Volume 10 November, 1928 Number 11

PRINCIPAL CONTENTS

- Notes of the Month
THE GENERAL ELECTION AND THE WORKING CLASS
 R. P. D.
 Temporary Crisis or Steady Decline of the Railways
 STEWART PURKIS
 The Future of the Empire
 M. N. ROY
 The Position in the Scottish Coalfield
 WM. GALLACHER
 "Democracy"
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