

SOCIALIST PRODUCTION AND COLLAPSE OF CAPITALISM

***MANIFESTO OF THE
SOCIALIST LABOR PARTY OF AMERICA
MAY 1922***



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and

Collapse of Capitalism

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Socialist Labor Party
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May, 1922

*Necessity of Socialist Industrial Unionism
To Effect the Socialist Reconstruction of
Society. The Working Class Cannot Wield
State Machinery for Its Own Purposes.*

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QUOTATIONS FROM DE LEON.

Industrial Unionism is the Socialist Republic in the making; and the goal once reached, the Industrial Union is the Socialist Republic in operation.

Accordingly, the Industrial Union is at once the ballering ram with which to pound down the fortress of Capitalism, and the successor of the capitalist social structure itself.

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Where the General Executive Board of the Industrial Union will sit there will be the nation's capital.

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The uniting and organization of the whole working class is essential in order to save the eventual and possible political victory from bankruptcy, by enabling the working class to assume and conduct production the moment the guns of the public powers fall into its hands—or before, if need be, if capitalist political chicanery pollutes the ballot box. . . . The industrial organization forecasts the future constituencies of the parliament of the Socialist Republic.

* * *

The Might of the revolutionary Socialist ballot consists in the thorough industrial organization of the productive workers, organized in such a way that when that ballot is cast the capitalist may know that behind it is the Might to enforce it.

Introductory.

To the Revolutionary Proletariat Everywhere:—

Nearly five years have gone by since the revolutionary labor movement of the world was thrilled with the news of the Bolshevik revolution in Russia. Out of Czar-ridden, feudalistic Russia came the first flash of working class emancipation. For the first time in history the entire government of a great country fell into the hands of representatives of the proletariat. Though hailing the news of the Russian Revolution with joy, Marxists asked themselves: How was it possible that this could happen in a country so backward industrially as Russia? Did not Marxism emphasize the point that a country must be thoroughly developed industrially in order to make possible the Socialist revolution?

It is not our purpose here to enter into a detailed explanation concerning that matter. Suffice it to state that a set of circumstances combined to make the seemingly impossible possible—possible, at least, in the superficial sense of what constitutes the Socialist revolution, namely, the seizure of political power by Socialists.

The question, however, which agitated the mind of the Marxist was: How long will the Russian Socialists be able to hold out? How long before the Socialist government collapses, or enters into compromises with, or retreats before, the surrounding capitalist foe?

At the very beginning of the Bolshevik revolution the Socialist Labor Party pointed to the impossibility of putting into practice a Socialist regime in Russia, unless Socialist revolutions should also take place in the chief capitalist countries of the world. Years before

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the Russian revolution the Socialist Labor Party, being schooled in Marxism, realized the impossibility of effecting a Socialist revolution before the following conditions were fulfilled:

1. *Socialism is not possible until—*

(a) *Capitalism has developed to a point where all the essential forces of production have been developed, centralized and co-ordinated, and*

(b) *When the exploited proletariat has divested itself of the notion that the interests of the two main classes in society are identical, and that this system of production is God—ordained and the only possible one.*

2. *Socialism is not possible, even in a highly developed capitalist country, until the working class organizes AS A CLASS into Industrial Unions (in contradistinction to the existing craft unions) for the express purpose of overthrowing the existing order, supplanting the Political State by the industrial representative councils of the workers.*

With the first point no one claiming to be a Marxist will quarrel. But on the second point a great difference of opinion prevails. And it is with this point, this vital question of **organizing the might of the proletariat**, that we propose to deal here.

Reverting once again to Russia let it be made clear once and for all that the Socialist Labor Party does not find fault with the Russian comrades for proceeding to re-establish capitalism. Since the rest of the proletariat throughout the world failed, for one reason or another, to effect the Socialist revolution in the

various countries, no choice was left the Russians: to preserve the revolution at all it was necessary to retreat. The only question was, as Lenin put it, whether the Bolsheviki would be able to control the situation after the capitalist had been let through, who knows how many doors. That still remains the question in Russia today.

How to Organize for the Revolution

We repeat: What concerns the revolutionary Socialist movement of the world today is: how to organize the proletariat in such a manner that the day of political victory be not turned into defeat—complete surrender or economic retreat as the case might be. This, we submit, is well worth the serious consideration of all sincere Socialists.

Long ago the Socialist Labor Party contended that—

The bona fide, or revolutionary Socialist Movement needs the political as well as the economic organization of Labor, the former for propaganda and warfare upon the civilized plane of the ballot; the latter as the only conceivable force with which to back up the ballot, without which all ballot is moonshine, and which force is essential for the ultimate lock-out of the capitalist class;

Without the political organization, the Labor or Socialist Movement can not reach its triumph; without the economic, the day of its political triumph will be the day of its defeat. Without the economic organization, the movement will attract and breed the pure and simple politician, who will debauch and

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sell out the working class; without the political organization, the movement will attract and breed the agent provocateur, who will assassinate the movement.

Large masses have followed leaders who have proclaimed the theory that the only thing the proletariat needed to do was to conquer political power and the Socialist Republic would fall like a ripe apple into its lap. Events that have taken place during the last eight or nine years have shown how utterly irrational and un-scientific this theory is. If votes alone would effect the Social Revolution, why are we facing a condition as gloomy as is the present one? Millions of votes were cast in the name of Socialism throughout the world, and yet with the first blast of war the organizations that had marshalled these millions of votes collapsed or openly went over to the capitalist enemy, while the millions who cast these votes were scattered and made to serve the cause of capitalism. The period following the war presents a similar spectacle: millions talk in terms of Socialism; millions vote in the name of Socialism, yet the proletariat of the world stands helpless and seemingly bereft of all hope and inspiration.

Nor will it do to place all the blame on the leaders. Leaders, on the whole, reflect the average intelligence of their respective followings. It is idle to suppose that the present chaos is due entirely to inherent depravity of the leaders of the element typified by the Eberts and Scheidemanns. The cause lies far deeper than that.

Marx pointed out that economic evolution must proceed to the point where ownership of the means of

production is vested in the few, while the actual production is done by large aggregations of workers.

The late Daniel De Leon pointed out that this evolution must continue as a conscious process on the economic movement of labor. That is to say, the development of the organized power of the workers must go hand in hand with, or immediately follow, as the case might be, the economic evolution of capitalist society. And this organized power is to serve, not merely the transitory purposes of the Social Revolution, but as the very structure of future industrial society.

Administrative Agency of Socialist Production

Every one claiming to be a Marxist understands the origin and nature of the Political State. Only very few are naive enough to believe that the Political State (in the hands of the working class) can serve as anything but a weapon. It is now generally understood that it can never function as a tool, i.e., as an administrative agency. Long ago Marx warned us that “the working class can not simply lay hold of the ready-made State machinery and wield it for its own purposes.” But if the working class can not wield the State machinery for its own purposes, i.e., for the purposes of social production, it follows that something else must be ready at hand which the working class **can** and **must** wield for its own purposes. In short, the working class must fashion for its own purposes such administrative agencies as will enable it, not merely to effect the revolution, but to maintain it and make possible an uninterrupted process of production, without which

any revolution which aims at the overthrow of capitalism must result in an abortion.

To sum up: An administrative agency must be at hand which will be an integral part of the productive processes—as, much as, for example, the orchestra director is an integral and harmonious part of the coordinated association of individuals who produce music.

This administrative agency is to be found in the **Industrial Union** of the working class.

We hear a chorus of derision and disapproval; cries of “syndicalism,” “blue print artists” and the like resound. For all that we repeat: INDUSTRIAL UNIONISM—THE WORKING CLASS INDUSTRIALLY ORGANIZED—IS THE SOCIALIST INDUSTRIAL REPUBLIC IN THE MAKING. It is the only conceivable force capable of grappling with the problem of continuity of production when the capitalist system has collapsed, and with it the Political State.

Syndicalism and Socialist Industrial Unionism have nothing or very little in common. Syndicalism, like anarchism (with which it is often synonymous), conceives of production, not as a social affair with a centralized administration, but rather as an undertaking by more or less isolated, “independent” groups. Besides, syndicalism is invariably anti-political. It is anti-Marxist and, on the whole, reactionary. Industrial Unionism, on the contrary, is the manifestation of the existing fact of social production. It organizes the working class as a class into a homogeneous body with a central administration, the unit being the single Industrial Union.

As for the taunt often flung at the Socialist Industrialist, namely, that we are “blue print artists,” we might smile and ignore the charge. However, as already pointed out, the Industrial Union program of the S.L.P. reflects an already existing fact, the fact of highly developed capitalism which is little concerned about craft lines, most of which are artificial creations, or they are preserved purposely to furnish the reactionary craft unions an excuse for existence. Craft unionism is manifestly antiquated and entirely out of tune in the orchestra of modern production. They are Utopians who defend a form of labor organization which might have conformed to conditions that existed 50 or 75 years ago, but which now has proved its utter inadequacy by the complete success of the plutocracy everywhere. The craft union has shown that not only is it incapable, of raising the real wages of the working class, but that it is even incapable of acting as a brake.

Nor must Industrial Unionism be confounded with what is often called amalgamation of trade unions. A mere amalgamation or loose federation of craft unions is not Industrial Unionism, nor is it a step toward it—it may, in fact, be a step further away from it. Industrial Unionism organizes along the lines of existing industries, and subdivides in accordance with the requirements of each industry, each subdivision, however, forming an integral part of the Industrial Union.

Craft Unions Are Outposts of Capitalism.

Craft unions everywhere are obstacles in the way of labor’s progress toward emancipation. Not everywhere

are they consciously reactionary, but their very structure prevents their being of any value to the labor movement in a revolutionary sense. In America, the land of untrammelled capitalism, the plutocracy has long ago turned to its own uses whatever exists of a craft union movement. The American Federation of Labor is notoriously a bulwark of capitalist interests, and has been so acclaimed by the spokesmen of the plutocracy. So reactionary has it become that its warmest supporters (including the reformist "Socialist" party) no longer dare blink the facts, but cautiously make a plea of confession and avoidance, while they and their counterfeit, the so-called "Workers' party," loudly proclaim the virtues of the long since exploded theory of "boring from within." Undoubtedly the American Federation of Labor forms one of the most important outposts of the American plutocracy, behind which the said plutocracy can operate with entire safety. This reliance on the American Federation of Labor is, in fact, largely responsible for the ruthlessness and arrogance of American capitalism, at which our comrades in other lands may have wondered. For the American capitalist feels, that so long as the American Federation of Labor is preserved intact, he has a strong buffer that stands between his system of exploitation and the revolutionary working class movement. And well may he feel secure, so long as the A.F. of L. is allowed a free hand to split the workers up into warring crafts on the economic field, and in the various capitalist and reform parties on the political field.

It is our firm conviction—a conviction based on many years' bitter experience and a scientific analysis of

capitalism in this country-that the craft union movement must be fought by the militants, and the principles of Industrial Unionism must be agitated in and out of season. There is no salvation for the working class until the militant Marxists of the world realize the truth of this and act in accordance with that truth.

We would not have you believe that we are so naive as to suppose that mere formulae or charts are going to perform magic. We know perfectly well that trumpet blasts are not going to cause the Jericho walls of capitalism to fall. But once the militant Marxists realize the correctness of the Socialist Labor Party position, a steady agitation will commence for the recognition of Industrial Unionism as the sine qua non of the Socialist Republic, and it will not be long before we shall have an economic movement that will not only be able to act at least as a check on capitalist aggression, but that will also furnish to the struggling proletariat that which they now keenly feel the want of,-an administrative agency of Socialist production.

Futility and Danger of Military Insurrection

We do not propose here to enter into a consideration of whether or not a military insurrection can be successful in Europe or other countries outside the United States. We do know, and we can not emphasize the point too strongly, that whatever may be done elsewhere, a military insurrection in the United States is out of question. It is visionary to suppose it possible here; the traditions of the country, the highly developed industrial conditions, and the powerful centralized political government, together with the fact of a mercenary army, not to mention many other

reasons, make it utterly utopian and visionary, we repeat, to expect that an armed insurrection here could conceivably be successful. And if, notwithstanding all the obstacles referred to, it were possible to carry a military insurrection to a successful conclusion, what would the workers do in the face of the universal collapse of industry if they did not have, ready at hand, such administrative agencies as we have repeatedly referred to, the Industrial Union?

“Proletarian Dictatorship”

In connection with the argument for military insurrection is to be considered the advocacy of the so-called “Dictatorship of the Proletariat.” What we have said concerning military insurrection applies in a measure to the “Dictatorship of the Proletariat.” Conditions may arise in Europe (especially in the industrially backward countries) which might make this “dictatorship” inevitable, or at least the proper thing. Here in the United States it is out of place, and would, in fact, become a hindrance, an encumbrance to the orderly progress of the revolution, and could very readily be turned into an instrument of reaction. To the extent the “Proletarian Dictatorship” elsewhere may be required to meet the emergency created by a successful military insurrection, or collapse of capitalism, to that same extent the Industrial Union fills the need here. For which reason we again repeat the necessity of organizing the workers, so that, in the language of Marx, the workers may have, ready at hand, machinery that can be wielded for their own purposes, for the purposes of continuity of production. And in any case, military insurrection or no military

insurrection, this “machinery” insuring uninterrupted production, and therefore preserving the proletarian revolution, must be created before Socialism can be conceived of as a social system in orderly operation.

Conclusion.

We appeal to our fellow-revolutionists everywhere to take this matter under serious consideration. The capitalist system is unable to reorganize itself for anything but further and increasing exploitation of the world’s workers. And though it is virtually bankrupt, it possesses enough spasmodic strength to plunge such civilization as we possess into the abyss of utter anarchy and social chaos, and the longer we delay the indispensable work of organizing the economic might of the workers, the more difficult the task will ultimately be, and the more likely are the chances of a social cataclysm.

Fellow-workers! Organize your forces to enable you to continue production when capitalism collapses! Organize everywhere into industrial battalions! Organize for Socialism!

Long live the Socialist Industrial Union! Long live Socialism!

National Executive Committee,
Socialist Labor Party,
Arnold Petersen,
National Secretary.

LENIN ON DANIEL DE LEON

“Lenin, closing his speech on the adoption of the Rights of Workers Bill in the congress [of Soviets] showed the influence of De Leon, whose governmental construction on the basis of industries, fits admirably into the Soviet construction of the state now forming in Russia. De Leon is really the first American Socialist to affect European thought.”—Arno Dosch-Fleurot, Petrograd despatch to N.Y. *World*, Jan. 31, 1918.

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“Lenin said he had read in an English Socialist paper a comparison of his own theories with those of an American, Daniel De Leon. He had then borrowed some of De Leon’s pamphlets from Reinstein (who belongs to the party which De Leon founded in America), read them for the first time, and was amazed to see how far and how early De Leon had pursued the same train of thought as the Russians. His theory that representation should be by industries, not by areas, was already the germ of the Soviet system. He remembered seeing De Leon at an International Conference. De Leon made no impression at all, a grey old man, quite unable to speak to such an audience; but evidently a much bigger man than he looked, since his pamphlets were written before the experience of the Russian Revolution of 1905. Some days afterwards I noticed that Lenin had introduced a few phrases of De Leon, as if to do honor to his memory, into the draft for the new program of the Communist party.”—Arthur Ransome in *Six Weeks in Russia in 1919*.

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Lenin said: “The American Daniel De Leon first formulated the idea of a Soviet Government, which grew up on his idea. Future society will be organized along Soviet lines. , There will be Soviet rather than geographical boundaries for nations. Industrial Unionism is the basic thing. That is what we are building.”—Robert Minor, in the *New York World*.