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ORGAN OF THEORY AND PRACTICE OF THE AUSTRALIAN
COMMUNIST PARTY

Editor L. L. Sharkey

ANNIVERSARY OF THE DEATH OF LENIN

TWENTY-TWO years have passed since Lenin's death, on 24th January, 1924. During those twenty-two years, events have proved the correctness of his theories. The intensifying crisis of capitalism leading to a new world war, the growth of Communist Parties throughout the world, the establishment of democratic governments of a new type were all foreshadowed in Lenin's writings.

For us this article of Lenin's, "The Labor Government in Australia," written in 1913, is of particular interest at this time.

The Parliamentary elections took place in Australia recently. The Labor Party which had a majority in the Lower House, having 44 out of 75 seats, suffered defeat. Now it only has 36 seats out of 75. The majority has passed to the Liberals, but this majority is very unstable, because in the Upper House, 30 out of 36 seats are occupied by Labor.

What a peculiar capitalist country is this, in which Labor predominates in the Upper House and recently predominated in the Lower House and yet the capitalist system does not suffer any danger! An English correspondent of a German newspaper recently explained this circumstance, which is very often misrepresented by bourgeois writers.

The Australian Labor Party does not even claim to be a Socialist Party. As a matter of fact, it is a liberal bourgeois party, and the so-called Liberals in Australia are really Conservatives.

This strange and incorrect use of terms in naming parties is not unique. In America, for example, the slave-owners of yesterday are called Democrats and in France the petty-bourgeois anti-Socialists are called "Radical-Socialists." In order to understand the real significance of parties one must examine, not their labels, but their class character and the historical conditions of each separate country.

Australia is a young British colony.

Capitalism in Australia is still quite young. The country is only just beginning to take shape as an independent State. The workers, for the most

part, are emigrants from England. They left England at a time when Liberal Labor politics held almost unchallenged sway there and when the masses of the English workers were Liberals. This is the result of the exceptionally favorable, monopolist position England occupied in the second half of the last century. Only now are the masses of the workers in England beginning (slowly) to turn towards Socialism. And while in England the so-called "Labor Party" represents an alliance between the non-Socialist trade unions and the extreme opportunist I.L.P., in Australia the Labor Party represents purely the non-Socialist trade union workers. The leaders of the A.L.P. are trade union officials, an element which everywhere represents a most moderate and "capital serving" element, and in Australia it is altogether peaceful and purely liberal.

The ties between the separate States of Australia in united Australia are still very weak. The Labor Party has to concern itself with developing and strengthening the country and with creating a Central Government. In Australia the Labor Party has done what in other countries was done by the Liberals, namely, introduced a uniform Customs Tariff for the whole country, a uniform Federation Act, a uniform Land Tax and a uniform Factory Acts.

Naturally, when Australia is finally developed and consolidated as an independent capitalist State the conditions of the workers will change, as also will the Liberal Labor Party, which will make way for a Socialist Labor Party, Australia serves to illustrate the conditions under which exceptions to the rule are possible. The rule is: A Socialist Labor Party in a capitalist country. The exception is: a Liberal Labor Party which arises only for a short time as a result of conditions that are abnormal for capitalism.

Those Liberals in Europe and Russia who try to "preach" to the people that class war is unnecessary by pointing to the example of Australia only deceive themselves and others. It is ridiculous to think of applying Australian conditions (an undeveloped young country, populated by Liberal English workers) to countries in which a state and developed capitalism have long been established. (June, 1913, "In Australia," *Collected Works*, Vol. XVI.)

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THE STRIKE OF THE IRONWORKERS, MINERS AND SEAMEN

L. L. SHARKEY

THE origins of the decisive conflict between leading unions and the B.H.P. are not to be found in "Communist plots," that hackneyed explanation of the capitalist press and the Labor Party right wing, but are rooted deeply in the economic and political changes created by the war and the events of the depression years preceding the war.

The Broken Hill Proprietary controlling iron, steel and a large proportion of coal production and linked with other important industries, banks and the press millionaires, is easily Australia's most powerful monopoly-capitalist group. Like its fellow monopolists of other capitalist lands it bitterly hates the labor movement and resists to the end the workers' efforts to organise themselves in their unions and their demands for shorter hours and improved living standards. For many years, unionism was kept weak, by means of a system of industrial terrorism and with the aid of the A.W.U. strike-breaking bureaucracy, in several B.H.P. plants.

Immediately prior to and particularly during the war period, unionism grew numerically and strengthened organisationally in the various B.H.P. undertakings; particularly was this so in the case of the Ironworkers' Union. In addition was the general growth of the labor movement including the election victories of the Labor Party.

It is well known that in the past several years the B.H.P. and its affiliates, the millionaire press, have striven as never before to discredit the Labor Governments and the Communist Party and to weaken and divide the Trade Unions. Even when the fascist peril was at its height the bourgeois press never ceased its floods of lies and calumnies and its unending provocations against the labor movement. It hampered the Labor Government's efforts to organise the war effort and the trade unions in order to increase war production.

The bourgeoisie fears the new strength of the Australian working-class and in particular, as far as the B.H.P. section of it is concerned, the strong and militant Metal Trade Unions. It is no surprise, therefore, that in this period it should wage war on one of these unions which had often proved a thorn in the side of the B.H.P. and its profits, the Ironworkers' Union. The destruction of the Ironworkers' Union would pave the way for similar attacks on the organisations of the skilled craftsmen, the Engineers, Moulders, etc. By these attacks the whole labor movement would be weakened and the workers' demands for 40 hours and wage increases defeated.

The Arbitration Court is an employers' weapon. In preparation for the B.H.P. offensive, it gave many decisions against the Ironworkers' Union. A Labor Party speaker recently asserted that the

Court had given 123 decisions against the Metal Trades Unions and only one in their favor, and that lone one the B.H.P. refused to accept!

Not only has the Arbitration Court displayed its bias against the great fighting unions by rejecting their economic demands, but it has also undoubtedly displayed an equal class bias in relation to what can be termed political matters concerning the unions. The most glaring case of this is revealed by contrasting its treatment of the A.W.U. bureaucracy and of the Ironworkers' Union. Recently the Arbitration Court declared certain rules of the Ironworkers' Union to be "tyrannical" and "oppressive," thereby furthering the disruptive activities of an anti-union Trotskyite-Langite-Catholic Action grouping. The rules denounced are similar to those in the rule books of all, or nearly all, Federal Unions, giving the national executives powers over the State and local branches. Incidentally, the rules had been registered under the laws governing union rules.

In the case of the A.W.U., despite appeals to the Arbitration Court and despite criticism of the corruption of ballots and also of the rules by the Court, the infamous A.W.U. bureaucracy was allowed to proceed on its way and to expel the N.S.W. branch executive, elected by an overwhelming vote of the membership; the former General-Secretary of the Union, Beecher Hay, was expelled during the taking of the ballot. Yet this form of political banditry is not regarded, it seems, as "tyrannical" by the Solomons of the Arbitration Court. The Balmain disruptors were accorded the somewhat unusual privilege of a hearing before the Court while promoting a strike (heavily financed by Catholic Action) against the Ironworkers' Union. The Arbitration Court de-registered the Ironworkers' Union over an issue that as a rule only brings censure.

With the attack of the Arbitration Court and the Langite-Trotskyite disruption proceeding, the B.H.P. launched its own offensive by means of a victimisation at Port Kembla and an attack on seniority rights at Newcastle.

The B.H.P. is hated by the working-class as the worst exploiter of the labor of the toilers and the avowed enemy of the labor movement. The solidarity of the labor movement should have been assured, and in that case a comparatively easy victory over the B.H.P. could have been secured by the Unions. But here a new factor presented itself in the shape of widespread betrayal on the part of the dominant clique on the N.S.W. Labor Council and among the reformist officials of a number of important unions.

The right wing clique controlling the N.S.W. Labor Council is composed of rabid redbaiting

representatives of the A.W.U. bureaucracy and political "Catholic Action." These gentry thought they saw an opportunity to smash the Ironworkers' Union and hoped thereby to deal a blow at the Communists. They had recently sabotaged the Bunnerong struggle at a moment when it could have been turned to the advantage of the workers in the campaign for the 40-hour week. They prevented a 24-hour stoppage for the 40-hour week and would not agree to a demand for £1 increase in the basic wage.

Hand in hand with the B.H.P. and the vicious "S.M. Herald," this gang set about the isolation of the Ironworkers' Union in order to secure its defeat. They demanded that the Union return to the Arbitration Court, without any guarantee that any of the points for which the workers struck would be conceded.

This strikebreaking gang then decided the dispute was not to be extended without their permission. As the A.W.U. bureaucracy never gives permission to its own members to strike, it was quite unlikely it would do so in the case of other unions. By this means unions were to be prevented from acting in solidarity with the ironworkers in the fight against the B.H.P. Not content with that and to make their Judas actions complete, this clique told the Federal Government not to intervene, treacherous advice which the Federal Government unwisely accepted.

This Sydney Labor Council clique accompanied their treacherous actions with a barrage of lies and falsifications in the "S.M. Herald" and other millionaire press organs. They shouted that "the Communists wanted another general strike," that the Communists wanted to "overthrow" their beloved Arbitration Court and to "smash the Labor Governments." The real and only issue, of course, as far as the Union was concerned, was the defeat of the B.H.P. drive against it and the securing of better working conditions from the employers, particularly the B.H.P. In return, the "Herald" openly advised the right wing on their tactics, and praised them as "strong men" who were "smashing the Communist Party."

The A.L.P. officialdom in N.S.W., in the majority, supported the strikebreakers, parroted their lying tales about "a new 1917" and "smashing Labor Governments" and opposed the strike. The Labor Governments are blocking wage-increases and evading the 40-hour week issue at the present time. Their opposition was based on these factors, knowing full well that a victory for the strikers would strengthen the campaign for hours and wages. Hence, they tailed behind the open strike-breakers. The Federal Executive of the A.L.P., too, tuned in to the strike-breakers' chorus. A.L.P. officialdom bared its reformist, class-collaborationist soul for all the world to see.

The strike was able to continue because of the splendid solidarity of the striking ironworkers themselves and their bitter determination to fight their enemy, the B.H.P., irrespective of how many

cowards or traitors shrieked at them from the pages of the millionaire press. The ironworkers were backed by the magnificent solidarity of the miners and seamen, who decided to join them in the struggle against the class enemy of all workers, the B.H.P., which exploits ironworkers, miners and seamen alike. Another union to join the strike was the Federated Engine-drivers and Firemen's Association employed in the coal-mines and B.H.P. works. Members of many other unions automatically ceased work when the B.H.P. works was declared "black."

Every lie was told in order to get the miners and seamen to refuse to vote for common cause with the ironworkers. Mr. Percy Clarey, M.L.C., President of the A.C.T.U., hastened across from Melbourne to "take charge" of the dispute and carry through the right wing policy. His anti-strike utterances on arrival in Sydney were so unbridled that Miners' President Wells publicly accused him of "strike-breaking."

Following the Miners' and Seamen's decisions, a conference was arranged with the Prime Minister and the B.H.P. was asked for its proposals for a settlement. These proposals were submitted to the A.C.T.U. full executive. The group of Clarey, Kenny and Stout wanted to accept. But men with years of struggle against the employing class behind them like C. Crofts (Vic.), J. Cranwell (A.E.U.), M. O'Brien, J. Hanson (Qld.), J. O'Neill (Tas.) and T. Garland (S.A.) of the A.C.T.U. Executive refused to entertain the B.H.P. terms and proposed A.C.T.U. counter-terms based on working-class principles. These new terms, in line with those endorsed by the strikers, finally were unanimously adopted by the A.C.T.U. Executive. Needless to say, McPhillips (Ironworkers), Wells (Miners) and Elliott (Seamen) refused to accept the B.H.P.'s terms.

The Australasian Council of Trade Unions said the issues of seniority and victimisation were fundamental issues as far as every trade unionist was concerned. These principles were attacked and that was the origin of the dispute. I have yet to learn that the Communist Party is in any position to victimise workers in BHP plants or to attack seniority there.

The Communists did not plan this struggle as an attack on arbitration. Port Kembla workers, as workers usually do in such circumstances, walked off the job after the victimisation of one of their mates. There has been, without any doubt, a betrayal of the position of the working class by the right wing of the labor movement in this country. Decisions made by the Sydney Trades and Labor Council, decisions of the gang of clerical reactionists and A.W.U. bureaucrats who are in control, and who are among the bitterest enemies of the militant workers, prove their treachery, as well as the fact that they filled the capitalist press with their lying yarns against the Ironworkers' Union.

They lied about the finances of the unions involved in the struggle, they tried to discourage the

workers from contributing to the support of the strike. Every kind of treachery their diseased minds could devise they perpetrated on the Ironworkers' Union. In their statements in the capitalist press and in a dozen Sydney Morning Herald leaders it is clear that the object of all reactionaries was to smash the Ironworkers' Union and deal a blow to the Communist Party.

Arbitration was the false issue posed by the right wing to conceal their treacherous behaviour. The ironworkers were at all times prepared to go back to the Arbitration Court provided they received fairer treatment than had been the case in the past. The ironworkers campaigned for the removal of Judge Cantor and also that the Labor Governments, which had been discussing altering the Arbitration Court, should speed up this legislation, and that the unions be consulted on the proposed changes. In this situation the workers viewed with suspicion the sudden decision of the Arbitration Court to de-register the Ironworkers' Union. De-registration links up with the numerous attacks made on the Ironworkers' Union in recent times; the filthy little leaflets and stickers issued throughout the B.H.P. plants, and the attempts of the Trotskyite-Langster-C.A. disruptors in Balmain to smash the union.

Communists supported the decision of other Unions to participate in the struggle. No other course was open at that particular time than to throw into the struggle stronger forces, and so the decision was made by the miners and seamen to come to the aid of the Ironworkers' Union and to bring about a situation where reaction would be compelled to desist from its purpose of destroying the Ironworkers' Union.

Had Prime Minister Chifley supported the A.C.T.U. decisions, instead of evading them and hiding behind the false issue of the Arbitration Court, the greatest of victories for the Australian labor movement would have been won. Far from undermining the position of the Labor Governments, it would have enormously strengthened their position. If anything has undermined the position it is not a "Communist plot," but their own action

COURSE OF THE INDUSTRIAL CYCLE AFTER THE WAR

(From "World Economy and World Politics," Moscow, May, 1945)

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THE end of the war in Europe makes the question of the course of economic life in the capitalist world a very actual one. What is the prospect for the immediate future, or to speak more exactly, what will be the movement of the first industrial cycle after the war?

It would be too risky to attempt to forecast already now the course of this cycle, all the more

in opposing the strike, their provocative action in regard to rationing.

The reaction was defeated in its main aim, the destruction of the Ironworkers' Union and the Communist Party and the weakening of the whole trade union movement. This would have left the workers at the mercy of the employing class and opened the way for a general onslaught on the workers' living standards. The gallant intervention on the part of the Miners, Seamen and F.E.D.F.A. smashed the plans of the whole camp of reaction, ranging from the B.H.P., the Press barons and Catholic Action to the A.W.U. bureaucracy. The splendid solidarity of the miners with the striking ironworkers was shown in the slender majority of 53 votes for a resumption of work. The reinstatement of D. Parker by the Industrial Commission is regarded, particularly by the South Coast ironworkers and miners, as complete victory on the issue on which they struck and vindication of their struggle.

The general position could be summed up:

- ♦ The Miners have reached agreement with the Governments on their "Five Year Plan."
- ♦ The Seamen's claims are receiving attention.
- ♦ The issues on which the Ironworkers fought the B.H.P. — victimisation and seniority — are to be the subject of a conference with the B.H.P. and the unions have the full support of the A.C.T.U. on these fundamental issues around which the strike was waged.

The smashing of the Ironworkers' Union would have paved the way for a general offensive against the workers. This conspiracy was defeated by the magnificent fighting spirit of the striking ironworkers and the generous aid rendered by the miners, seamen and F.E.D.F.A. members. The Ironworkers' Union will emerge stronger than before and inter-union solidarity has been greatly strengthened among the workers by the actions of the miners, seamen and other unionists. These are outstanding and permanent gains which have been won for the working class.

because the lack of statistical material prevents any accurate judgment even on the present economic situation. Nevertheless, the Marxist method and understanding of the economic situation which existed after the end of the first world war, and also such statistics as are available about the economy of the U.S.A.—that decisive factor in world capitalist economy—make possible a scienti-

fic analysis of the problem and an indication of the general lines of the industrial cycle following on the war. Obviously it would be wrong to believe that after this war what happened following on the last war will be quite simply repeated. There are quite important differences between the situation in that period and now. We shall deal with these differences in detail below.

By way of a starting point, we can use the fact that every world war breaks the course of the industrial cycle, suspends the cyclical features of the productive process during the period of the war and brings about a phase of "boom of a special kind." This results from the distortion of the economy under the influence of the war. In peacetime the most difficult problem for capital is the question of the realisation of the value of commodities, how to pass over from the commodity form to the money form of capital. The problems of realisation, or to put it in another way, the problems of the market, do not exist in war time. The military needs far exceed the productive possibilities which have remained unused in peacetime as the result of the lack of markets. In the present war, the Government appears on the market as a buyer with unlimited purchasing power. Under war conditions, the capitalist has to worry, not about the sale of his products, but about how to transform the capital which he has in money form into productive capital. He has to strive to replace the elements of productive capital: labour power, raw materials, means of production and transport. It is not the consumers' demand that sets limits to capitalist production, as is the case in time of peace, but on the contrary, the insufficient production sets limits both to the productive and to the unproductive demand of the civilian population.

The longer the war continues, the greater the extent to which the consumers' demands of society exceed its productive capacity. The values used up, that is, the productive capital which is not renewed in this form, sits idle in the bank in the form of money capital, since the productive capital is unable to renew its form as a result of the shortage of raw materials, machinery, buildings and labour power. The same takes place with that portion of the profit which is destined for accumulation. The income of workers, employees, officials and officers cannot be fully spent owing to the shortage of consumers' goods and the balance, therefore, for the most part sits idle in various savings funds.

All these immense sums of accumulated consumers' demands await the end of the war, and after the removal of Government restrictions will rush with full force into the commodity markets.

Thus all the prerequisites are present, after the ending of the war and a short period of difficulties in passing over from war to peace, for the beginning of the ascending phase in a new industrial cycle. This was the case after the first world war, but the period of rising production was extremely short.

Indices of industrial production show that the highest point was reached in the U.S.A. in March, 1920, in Britain in the first quarter of 1920 and in France in November, 1920. Thus in the two most decisive capitalist countries, the U.S.A. and Britain, the rise of production after the end of the war lasted only about fifteen months.

As for the countries of Continental Europe, with the exception of the neutral countries, all of them were so impoverished (in real terms) as a result of the war, that the effect of accumulated consumers' demands in the form of banking deposits and savings and partly also in cash, did not lead to a rise in production, but to inflation. There was an effective demand for goods, but production could increase only very slowly because in these countries the material elements of production were lacking—the raw materials, machinery and transport. At that time we characterised the economic situation of those countries as a crisis of under-production, having in view the fact that the low level of production was not the result of over-production and insufficient demand for goods, as is the case with the "normal" crises of over-production. It was due to a shortage of means of production, that is, to the impoverishment of those countries.

Statistics also show that in the course of the brief rise of the productive cycle after the war, nowhere in Europe, as distinct from the U.S.A., did production reach the pre-war level. This level was only reached some years after the 1920 crisis—in France in 1923, in Germany 1927, England only in 1929, that is, immediately before the new world crisis of 1929-33. This means that after the end of the last war, the chief European countries needed six, nine and eleven years before their industrial production reached the pre-war level.

The index of wholesale prices after the last war shows that the highest level was reached in the U.S.A. in January, 1920, and in Britain in March, 1920. But what is of even greater significance is the fact that during the 1920-21 crisis, although prices fell sharply they did not drop to the 1913 level; and this in spite of the fact that there can be no doubt that the rising productivity of labour lowered the value of products of the same quality (that is, the social labour time embodied in them). The level of prices should have fallen below the level of 1913, but the strength of monopoly and the fact that the war resulted in a piling up of overheads on production (taxes, rents, transport costs, and so on) maintained market prices at a far higher level than before the war. And it was only in the crisis of 1929-33 that prices fell in accordance with the fall in value, that is, to such an extent that they fell even below the level of 1913. The artificial maintenance of a high level of prices through the 1920-21 crisis undoubtedly contributed towards the depth and sharpness of the crisis of 1929-33.

If we compare the economic consequences of the second world war so far as the capitalist world is concerned with the consequences of the first world war, we can say with full assurance that at the end of the present war the distortion of economy in the capitalist world will be much greater than in 1918.

Although the 1914-18 war was also a world war, it was in great measure a European war so far as its direct effects were concerned. In the case of this war, the impoverishment of the capitalist world as a whole will be much greater than it was then.

Moreover, the difference in the economic situation of those countries which did not become a theatre of war operations, as compared with those which did, will be much greater. The economic situation in those countries not directly involved—in the first place the U.S.A. and the British Dominions, and to some extent also Britain, South American countries and the European neutrals—will be in sharp contrast with the economic situation of the capitalist countries over-run by Germany in Europe, which will be absolutely impoverished, short of everything and involved in a complete collapse of their economy. On the other hand, the U.S.A., also Canada, South Africa, etc., will come out of the war with their productive apparatus much increased and improved, while in the countries of continental Europe ravaged by the war the means of production will, for the most part, have been worn out or destroyed and their towns and transport systems greatly damaged. For this reason, shortly after the end of the war the countries of the first group will be "countries of over-production" while in the ravaged countries, as after the first world war, there will be "a crisis of under-production." But the territory covered by this second group will be much greater than it was after the first world war. In the countries of Eastern Europe allied with the Soviet Union, this crisis of under-production will not be so sharp thanks to their closer economic relations with the Soviet Union.

Britain will occupy a kind of intermediate position. Although it was not a theatre of war operations, there was considerable material loss as a result of air attacks. During the war it spent or lost a considerable part of its over-seas investments and will come out of the war with a far higher indebtedness to its Dominions and Colonies. According to the practically unanimous estimates of British economists, it will be necessary for Britain after the war to increase its exports by 50 per cent. as compared with pre-war, in order to import the food and raw materials it needs to restore the pre-war standard of living. In order to guarantee this, Britain will have to carry out a very flexible economic policy.

The existence in the U.S.A. of a greater and more efficient productive apparatus and of a

"deferred" demand of some fifty milliard dollars, will undoubtedly produce in the U.S.A. a short-lived prosperity, just as after the first world war. This demand will in the first place be directed towards consumers' goods of secondary necessity, such as automobiles, refrigerators, television sets, furniture, houses, etc., the production of which during the war was either prohibited or very much restricted. The demand for goods of prime necessity such as food, clothing and shoes will be only slightly in excess of normal, as production of these during the war was very little affected. On the other hand, the demand for means of production will in all probability be lower than before the war owing to the great extension of the productive apparatus during the war.

For a correct judgment about the future course of the industrial cycle, we must also take into account the rise in the productivity of labour as a result of the technical improvements carried out during the war. The fact that industries no longer had to worry about markets and were being pressed to satisfy the needs of the war, led to a great number of technical innovations, some of which were already known, but had not been used because of market difficulties. The increase in labour productivity in the United States during the war is estimated at about 4 per cent per annum as compared with 2 per cent. in peace time. This is one of the most powerful factors which will influence the course of the trade cycle after the war.

Thus we see that the conclusion of the war and the change over of enterprises from war production to peace products, will threaten many departments of American economy with over-production, in spite of the fact that there will be a considerable deferred demand for consumers' goods and housing. The effect on the market of this deferred demand will be counteracted by considerable unemployment, shorter working hours and the return of workers from the Forces. This mass unemployment will result in a reduction of the current income of the working-class and, therefore, of its purchasing power.

Certain factors, therefore, will act in the direction of curtailing the length of the ascending phase of the industrial cycle in the U.S.A., which we have assumed will follow the close of the European war. But on the other hand, a number of important factors will act in the direction of lengthening the ascending phase. We refer to the most important of these below.

(Varga here refers to the probability of the Japanese War continuing for some time and thus easing the transition both in the U.S.A. and in Britain. This paragraph is omitted.)

As for the question of prices, the increase during the war in the belligerent countries has been much smaller than in the first world war. There are two reasons for this:—

First, in the larger capitalist countries there was considerable unused productive capacity before the war.

Second, Government regulation of prices became effective earlier in this war and was more systematic.

The index of wholesale prices shows that up to 1943, the rise compared with 1929 had been only 35 per cent. in the U.S.A. and 67 per cent. in Britain. In the neutral countries, the rise was much greater—Sweden 79 per cent., Switzerland 106 per cent., Turkey 478 per cent.

The fact that prices have risen less sharply in the United States and Britain might lead to the assumption, by analogy with the first world war, that at the conclusion of the war there will be a very great increase in prices. We do not, however, believe that this will take place. The gradual transition of economy to peace production, the maintenance of state control on prices and their regulation during the transition period, and particularly in the U.S.A. the surplus productive capacity in agriculture and in the raw materials industries, partly also in the manufacturing industries, will work against the rise in prices in countries with stable money and will in any case weaken the tendency to rise.

It must here be emphasised that although even in the United States there is not a great rise in prices as compared with 1939, all the same prices, just as in the first world war, are on the average above value. In so far as the increased productivity of labour has resulted in a reduction of the social labour time embodied in each unit, as compared with pre-war, prices expressed in gold or in dollars should have been lower than pre-war. For this reason, in the U.S.A. in the post-war period, we should not anticipate any significant rise in prices, while further in the crisis phase which will follow this rise, a very important fall of prices is to be expected. It will be much the same in those countries whose exchange maintains a firm relation to the dollar, as, for example, Britain and the British Dominions.

The course of the post-war industrial cycle will be quite different in the countries of continental Europe. In their case, we cannot speak of any ascending phase of production in the post-war period, such as would bring their production to the pre-war level. It is true that the effective demand for goods will exist, but there will be no possibility of producing the goods to satisfy this demand. In these countries a crisis of under-production will be inevitable, just as after the first world war. The shortage of all kinds of means of production and transport will considerably restrict the possibility of productive enterprise. The danger of inflation will be extremely great. In order to avoid sharp inflation or at least to modify it, it is possible for the countries of continental

Europe to maintain for many years after the war Government regulation of production of consumers' goods, of prices, and so on.

The degree that this inflationary crisis of under-production will reach in Europe, the period it will last, and the extent to which it will result in open inflation, will depend in considerable measure on how soon and to what extent the countries with an undamaged or stronger economy—U.S.A., Canada, and perhaps Britain—are prepared to help in the process of restoration in Europe by advancing credits for the means of production. France has already received credits from the U.S.A. for the purchase of locomotives and rolling-stock, raw materials and food. The countries of Eastern Europe will receive aid in the first place from the Soviet Union.

The projected organisation of an International Exchange Fund and an International Bank for Reconstruction should help these aims.

The immense resources of the U.S.A. not only allow it to export considerable amounts of capital to Europe, but because of the danger of over-production and the threat of mass unemployment, such export becomes in the highest degree desirable.

Certainly the export of capital in considerable sums raises the question of transfers, that is the question of how the profit or interest on the capital exported by the United States can be paid in some natural form. This question aroused a good deal of discussion after the first world war. It is characteristic that the National State Bank in its monthly bulletins in 1920-21 repeatedly expressed strong views against the European Governments being asked to pay the United States their war debts.

The possibility of payment in raw materials has been reduced as a result of the war. After the war, imports of many important types of raw material will fall to a greater or less extent. So far as America is concerned, this refers particularly to rubber, vegetable oils and silk. These together amount to about one-sixth of American imports, and in the post-war period they will fall to insignificant amounts as the result of the development of synthetic rubber, soya bean production and improvements in the quality of artificial silk (nylon). Hence after the war it will be necessary for the U.S.A. to import new types of commodities. It is clear that the old tariff policy of the U.S.A. does not correspond to the new position of the U.S.A. in the world market. This was a point which Roosevelt had already called attention to during the war.

Summing up, we may say that after the conclusion of the war, countries whose productive apparatus has not been damaged, or has been improved, will pass through the ascending phase of a productive cycle in the course of two to four years. This phase will end with a crisis of over-

production which in all probability will be more prolonged than the crisis of 1920-21. This crisis of over-production will in turn worsen the situation of the countries of continental Europe, which by that period will have raised their production as compared with the extremely low level at the end of the war, but all the same will still be struggling to overcome the crisis of under-production and the danger of inflation.

After this post-war crisis has been overcome, and the stabilisation of at least some European currencies has been achieved, a new full industrial cycle will begin. But this cycle will not be like the cycle of 1921-29 with its relatively strong ascending phase (especially in the U.S.A. and in Germany), but will resemble rather the cycle of 1929-37 with its "depression of a special kind" and will not reach the full phase of prosperity. The

POSTSCRIPT.

The following are points from a discussion which took place at the Institute of World Economy and World Politics of the Academy of Sciences at the beginning of January, 1945; a summary of which was published in the second and third issues of the Institute's journal.

It begins with a resume of Varga's paper, which follows similar lines to the full article printed above.

The first speaker in the discussion, which the Report speaks of as "animated," was Academician L. Trachtenberg. "To me it appears," said Trachtenberg, "that Varga in his analysis of post-war perspectives limited himself to a one-sided posing of the question. In his analysis Varga started from the assumption that the capitalist world will emerge from the war approximately the same as it was before the war, that the war has not introduced any outstanding changes in world economy." After referring to "those changes introduced into world economy by the present war" and that "after the war Germany will fall out of world economy as a strong economic power," he dealt with international collaboration ("Whatever the form and scale of this collaboration, it cannot fail to express itself in post-war economic development") and the "immense" significance of the U.S.S.R. in world economy and world politics.

"In such fashion," concluded Trachtenberg, "I do not deny in principle the formulation of the question which Varga has presented to us. But I consider that it should have been supplemented by others. This would have led to a more correct understanding of possible post-war economic perspectives."

Later speakers in the discussion seem to have taken up this question of what difference war-time changes would introduce; and most speakers concentrated on the degree of State capitalist elements that there would be and their effects, especially in U.S.A. and Britain.

factors which then prevented the full ascending phase from developing—the sharp contradiction between the unlimited drive of capital for its extension and the restricted limits of the purchasing power of society, and the consequent chronic under-employment of the productive apparatus, together with chronic unemployment—will act with even greater force in the first "normal" post-war cycle.

Certainly it is necessary to emphasise that the Soviet Union whose economy excludes the possibility of a crisis of over-production, will be a stabilising factor for the economy of the countries of Eastern Europe. The cyclical crisis of over-production in the U.S.A. and Britain will find its reflection in the economy of all other countries in the capitalist world, while the absence of crisis in the U.S.S.R. will be a beneficent influence on countries which are linked economically with the U.S.S.R.

One speaker, Caplan, pointed out that, while a retreat from "State intervention in the economy" was noticeable at present, this retreat "will take place only up to the first crisis." "Once an economic crisis has broken out, any Government in U.S.A. cannot fail to undertake extraordinary measures for reducing unemployment and thereby damping down the crisis. The scale of State expenditure in the struggle with the crisis will many times exceed corresponding expenditure in the past." . . . Another speaker (Gorfinkel) stressed an important difference between the effect of State intervention in war and in peace: in the latter "the State cannot become a buyer without limit of all absolutely surplus goods, since . . . commodity stocks in the hands of the State do not cease to influence the market, i.e., the level in prices. Still more dangerous from the standpoint of private capitalist entrepreneurs is a State economic policy directed towards an extension of State entrepreneurship."

Varga, in his reply, did not refer specifically to "State capitalism" or State intervention internally in each country. But he concluded by saying that "in the ravaged countries of continental Europe, the danger of inflation in my opinion is so serious as to cause doubt whether sufficient effective measures can be taken by the United Nations for protecting the stability of monetary rates of exchange and stimulating export of capital, although there is no doubt that these measures will in very significant degree assist the growth of international commodity exchange and the restoration of European economy."

THE FEDERAL LABOR PARTY CONFERENCE

R. DIXON.

THE Triennial Conference of the Federal Labor Party, which opened in Melbourne on November 26th, met as the big industrial crisis, arising from the provocation of B.H.P. against the Ironworkers' Union, developed. The Conference, in ignoring the real issues in the dispute and attacking the unions on the ground that the strike was an anti-Labor Government strike, showed no desire to face up to the situation confronting the nation. And what is the main feature of the situation? The determination of the Australian workers to have their grievances rectified and their demands for a higher standard of living conceded.

The prevailing discontent is deep-seated. It developed through the war when the workers, in the interests of the people's war against Fascism, held back from the struggle to raise standards and improve working conditions. It has as its background the terrible experience of the economic crisis, of the mass unemployment, wage slashing and the low standards of the 1930's. During the war the organisations of the workers, the Trade Unions, were greatly strengthened and the political consciousness of the labor movement was raised and these are gains that won't be swept away.

With the war's end the workers looked for the relief they had been promised. Instead they witnessed the Arbitration Court beginning to whittle away even the limited wartime gains such as the war loading, the employers moving to speed up production and worsen conditions and the Labor Government rejecting the demands for any immediate improvement in the wage level, refusing to withdraw the wage pegging regulations and postponing consideration of the 40 hour week to some date in the distant future.

In these circumstances the big struggle with the employers which developed was inevitable. What is more it will flare up again and again, will be renewed with ever increasing vigor, unless far-reaching measures are taken to improve the way of life of the Australian people.

Those are the facts about the present situation. The Federal Labor Conference, however, seemed entirely oblivious of them. Instead of a realistic appraisal of the new situation confronting the nation, we heard Labor politicians and Reformist Trade Union officials saying that "Industrial anarchy was rampant and could be attributed to the machinations of the Communist Party," phrases put into their mouths by the capitalist newspapers.

If Labor leaders continue to blink their eyes to the facts in that way they are riding for a fall. The old cry, "don't embarrass Labor Governments," which is always raised when workers insist on Labor Governments recognising their just demands, won't wash any longer. The Labor Party, which controls five State Governments as well as the Federal

Government, is in a position radically to improve living standards and working conditions, and must do so. The workers are not in the mood to be trifled with. They expect results and have the organisation and power to enforce their demands.

The Federal Labor Conference decisions supporting the 40 hour week and an increased basic wage were a step in the right direction. The vague wording of the resolutions—the 40 hour week to be given effect to "as soon as possible" which can mean anything from one to five or ten years time, and "urging" the Federal Government "to support a claim for an increased basic wage"—is most unsatisfactory. These are immediate and urgent demands of the workers and must be dealt with quickly.

Mr. Chifley made a strong appeal to the Conference for "solidarity in the Trade Union Movement." This is a sentiment we fully agree with. The Communist Party ceaselessly strives for solidarity in the Trade Union movement. But solidarity can only be built on the basis of the interests of the working class. There can be no solidarity between strikers and strike breakers and the divisions in the movement today are so sharp because of the efforts of a reactionary clique of reformist strike-breakers on the Sydney Trades and Labor Council to sell out the strike of the Port Kembla and Newcastle Steelworkers.

That is something that cannot be tolerated. It is in crises like the present intense industrial conflict that the ruling classes most clearly identify the State machine, in word and deed, with their class interests, as a weapon to enforce the submission of the workers to their policy.

"The Government must uphold the Law," they shout (B.H.P. Law of course). "The Unions must be fought! Mr. Chifley and the Labor Party must stand firm" (against the workers)! And in view of the strike-breaking efforts of the reactionary clique on the Sydney Trades and Labor Council, they gleefully declare that the struggle is one between "moderate Labor and the Communist Party" and identify themselves, the B.H.P. and other reactionary interests with "moderate Labor" to the pleasure and satisfaction of the latter.

When the Federal Labor Conference, at the instigation of J. Ferguson of the A.R.U., joined in the attack upon the workers engaged in fighting B.H.P., thereby identifying the conference with the worst enemies of unionism, it contributed not to the solidarity but to the disunity of the Trade Union Movement.

In deciding in favour of a referendum to increase Federal powers the Labor Conference will have the support of the vast majority of the labor movement. It is significant that the very people who fought against a "YES" vote in the 1944

referendum—the B.H.P., capitalist press, Liberal and Country Party politicians down to the A.W.U. bureaucracy, the Langites and their soul mates among the workers, the Catholic Actionists—are all lined up against the steel strikers in the present industrial struggle.

From the newspaper reports of the Conference it appears that a number of questions were suggested as possible referendum items, including health and social services, price control, marketing of primary products, industrial powers, investment control and aviation. These are all important. A notable absentee, however, is reference to powers to deal with trusts and combines which is essential to the effective strengthening of Federal powers. The huge monopolies in the steel, sugar, shipping and coal industries are not confined to any particular State, they are national concerns, and the National Parliament should have the necessary powers to treat with them. One of the difficulties in relation to coal production is precisely the lack of constitutional power on the part of the Federal Government to deal with coal. It is essential in the National interest that the Federal Parliament should have the necessary powers to control monopoly.

The Labor Conference did carry a resolution suggesting that the Federal Government in co-operation with State Governments should consider the "nationalisation of basic industries." State Labor Governments, especially the McKell Government in New South Wales, had a golden opportunity of taking over and working munitions factories as State enterprises producing civilian goods, but so far have resisted all efforts on the part of the Unions to prevail upon them to do so. Unless the labor movement exerts far more pressure than up to the present the do-nothing policy of the State Governments will be persisted in. In any case Federal and State agreements covering basic industries are only piecemeal arrangements. All talk of "nationalisation of basic industries," and they are the industries in which monopoly is most developed, loses force unless they are considered as national problems involving an increase in the power of the Federal Government.

Another matter of some importance decided upon at the Labor Party Conference was the rejection of compulsory military training in favour of the voluntary system. The most fantastic arguments were raised for and against compulsory training, none of which touched on the basic question, namely—What policies are the armed forces to be organised to support? Are they to be used to bolster up the present reactionary foreign policy of the British Empire which is directed against the striving of oppressed peoples for their independence, against the new democracies of Europe and the Soviet Union?

Australian forces whether voluntary or compulsory must not be used in a reactionary war or to support a reactionary foreign policy. This is the crucial point which should determine the attitude

of the working class to the armed forces.

The small gang of reactionaries who have the Victorian branch of the Labor Party by the throat urged the Federal Conference not to permit officers of Unions affiliated to the Labor Party to oppose, or assist in opposing, endorsed Labor candidates for Federal or State Parliaments or Municipal Councils. The move was directed at Communist Trade Union officials who support candidates at elections. About two years ago the Catholic Action group in the Victorian Labor Party, under the leadership of Cremean and Lovegrove, forced a similar resolution through the Victorian Labor Party Conference and followed it up by excluding the A.R.U. and other Unions from the Labor Party. The Federal Conference rejected the Victorian proposal, which represented an unwarranted encroachment on the democratic rights of union officials, and could only have deepened the split in the labor movement. Their decision on this issue will be welcomed throughout the labor movement and especially in Victoria where it is considered a severe rebuff to the local Labor Right Wing.

On the other hand the President of the Conference, Mr. F. Walsh, at the concluding session reiterated the decision of earlier conferences that no member of the Labor Party could represent the Party from any platform at which the Communist Party was officially represented. It is alright for a member of the Labor Party to speak from a platform with a member of the Liberal or Country Party, or some other enemy of the working class, but not with a working class representative from the Communist Party. Only several days before Walsh's announcement Mr. Beasley, Member for West Sydney, was the favored guest of the Textile Employers, some of the worst exploiters of the Australian workers.

In summarising the decisions of the Labor Party Conference we can say:—

- (1) That on the all important questions of the Steelworks dispute and unity in the labor movement the decisions were contrary to the interests of labor.
- (2) That on such issues as the 40 hour week and an increase in the basic wage the decisions were useful and provide for a basis for united effort on the part of the labor movement to press forward its claims for the early realisation of these aims.
- (3) That on the question of another referendum and nationalisation of basic industries the decisions, although not sufficiently concrete, are in accord with the desires of the labor movement.
- (4) That although with the present foreign policy of the British Empire compulsory military training should be opposed, the decision of the Labor Party Conference was arrived at on the basis of narrow prejudices and not from a real appraisal of the problems of national defence and foreign policy.

WHY INDIAN COMMUNISTS LEFT CONGRESS

P. C. JOSHI.

WE Indian Communists had great hopes from the leadership of our foremost patriotic organisation, the Congress, to take the initiative to think out and rally the entire country behind a democratic plan for immediate realisation of Indian freedom in alliance with the victorious progressive popular forces of the world.

In fact, the central plank of all our agitation during the last three years has been to demand their release and to expose Imperialist reaction that forcibly kept up the deadlock.

Never before have the sufferings of our people been greater, and such eager looking to the political leaders for immediate relief and a way out. Never before has the economy of our country been in greater danger, nor has there ever been a greater urgency nor such practical possibilities to rebuild it on new foundations. Never before has there been such a widespread sense of political despair and frustration, on the one hand, and greater political interest, on the other. Never before in our national movement was there greater need squarely to face up to the various complicated issues that constitute the Indian problem—the achievement of Indian freedom and the building up of Indian democracy.

The Congress leadership after its release has not been doing serious thinking but demonstrating sectarian arrogance.

After three years of imperialist deadlock, they got the chance to offer a constructive lead to the country in the last AICC meeting. Instead of offering a concrete plan for Indian freedom, they have committed the Congress organisation to a course of action that will only further divide and disrupt the freedom-forces themselves.

The Congress has undoubtedly become stronger during the last three years, but so has the League. To glorify the strength of one but to deny that of the other, is to be blind.

The Congress stands for the freedom of India, the League demands freedom for the Muslim homelands. To demand the right of self-determination from the British but to deny it to a section of our own countrymen is plain injustice.

The Congress is a non-communal organisation, but the majority of the Muslims consider the League as their organisation. The Congress damns the League as a communal organisation, but more and more Congress Muslims are themselves going over to the League. Not to read the signs of the times is not wisdom.

In the name of Indian freedom, the Congress leadership is denying freedom to the Muslim homelands. In the name of the unity of India, it is keeping divided India's two main political organisations. Present disunity cannot lead to future unity.

When the Congress leadership refuses to deal with the League, it is refusing to build a United Front for Indian freedom. When Sardar Patel and Pandit Nehru declare that they will fight the League, they are only getting the Hindus and Muslims organised into hostile camps. When the Congress leadership seeks the intervention of the British Government against the League, it plays into the hands of British reaction, postponing the day of India's freedom.

We do not consider it good patriotism to seek the intervention of the British in our internal affairs. This will lead not to Indian freedom, but to a British-imposed and British-planned constitution.

We do not consider it good sense to fight our brother Muslims in the name of Indian unity. This is unleashing the forces of civil war and certainly not forging the future of one Indian union.

The Congress leadership, besides turning its back on the League, is raising its arm against our young Party which, during the last three years, consistently defended it against Imperialist slanders both within our country and abroad, and fearlessly exposed the forces of deadlock which sought to resist the will of our people to be free. From within the jail walls they repudiated responsibility for the August "struggle" in their correspondence with the British Viceroy. Immediately on coming out almost the very first thing they did, even without hearing us, was to denounce our Party for not participating in the same August "struggle." Who may blame us if we consider their attitude as unprincipled opportunism?

They refuse to make a serious objective analysis of the last three years and then come to truthful conclusions about the role of different parties and groups. They forget the threat of Fascist aggression, they ignore organised sabotage activities, they paint the post-August days primarily as a spontaneous upsurge of a freedom-loving people against their hated foreign rulers and condemn us for being "on the other side." They do not ask themselves that if these three years were really what they imagine them to be, we would not be a force worth shouting about.

They sometimes glorify and at other times refuse to judge individuals and groups who openly preached pro-Japanism and organised the sabotage campaign, on the basis of their patriotic motive. But they do not concede that our motives were or could also be patriotic. Against us they repeat the arguments of the world's worst reactionaries, that our anti-fascism was a cover to serve Russian interests and our opposition to the sabotage of our country's defence really an effort to aid the war-efforts of Britain. They refuse to see that their self-contradictory August '42 policy led not to

National Government, but national humiliation. They make our Party their scapegoat.

Such a self-righteous but really blind and prejudiced attitude towards our Party, has already led to three dire consequences.

First, dismay among friends of Indian freedom abroad, for world communism is the most powerful single influence behind the forces of world freedom and democracy today.

Secondly, openly fascist, reactionary and authoritarian trends have begun to raise their heads inside the Congress and anti-Communism has only become a cover to hide the acute factional struggle inside the Congress for the control of its machine.

Thirdly, utter confusion among the lower ranks of the Congress.

Instead of examining their own policy, formulating a new policy for the new times and appealing to all groups in the Congress to consider it dispassionately, they seek to gag our Party when they provisionally propose that members of our Party can remain ordinary members of the Congress, but cannot be elected to the deliberative bodies of the Congress nor to its Executive posts.

The Congress leaders have not stopped here. They are giving direct or indirect support to the champions of rival organisations on the Student, Kisan and Trade Union fronts. These elements are either the open agents of profiteers and hoarders, or thoroughly discredited individual 'Labour' and 'Kisan' leaders who have lost their old mass following to us and seek to stage a comeback with the Congress banner in hand.

♦ Our Party cannot passively watch Congress-League conflict growing, aid the one against the other and fan the flames of civil war instead of struggling its hardest to build their joint front for freedom's battle.

♦ Our Party cannot patiently hear slanders against itself repeated ad nauseam.

♦ Our Party cannot permit itself to be chained and gagged by a leadership that is leading our freedom movement to the rocks.

♦ Our Party will not let professional careerists disrupt the Kisan Sabhas and Trade Unions. We have spent all our young lives to build them up, they are joint Hindu-Muslim mass organisations and the living bases of the Indian democracy of the future.

We, Indian Communists, consider the existing anti-League and anti-Communist policy of the Congress High Command as direct encouragement to the forces of civil war and class war, which will lead to the ruin of our country and not to its freedom.

Instead of carrying out such a policy, we consider it our foremost duty to demarcate ourselves most sharply from it.

We are therefore, directing our Party members to resign from the Congress. Our AICC members will, however, not resign. They will answer the

'charges' and face the verdict of the Working Committee against our Party and get it to opine on the issues that concerned the past as they will concern the future of our common national movement. After about two weeks, all documents will be available to the people to judge for themselves.

We are confident that all honest Congressmen will see that this, in the prevalent circumstances, is the best course both for the Congress and our Party. It will enable us to put our policy before Congressmen and the people without let or hindrance. It will enable the Congress to find its feet more naturally after three years of illegality. After all, how long will the ranks not ask the leadership: How is brother fighting brother the path to the freedom of the country?

By the conscious adoption of an anti-League and anti-Communist policy, the Congress leadership has, with its own hand, shattered not only our dream, but that of all genuine progressives, of seeing the Congress develop as the base and builder of the United National Front of our people.

As long as our country remains enslaved, the only path to our national independence lies through a National United Front of all popular forces.

In the extremely critical and difficult period that is coming ahead, we will ceaselessly work for Congress-League unity as also for Congress-Communist unity and create the basis of Congress-League-Communist unity inside one joint front for Indian freedom. With full faith in the patriotism of our Congress and League brothers we will work as unity-crusaders, patiently explaining the just viewpoint of the one to the other, and by ourselves going out to resist the unjust claims of the one against the other.

♦ Against the disruptors, we shall appeal to the commonsense of the common man.

♦ Against the slanderers, we shall supply true facts.

♦ Against the prejudiced, we shall pit our ardent patriotism.

The greatest argument for our policy will be the growing realisation among both Congressmen and Leaguers that the harder they fight each other or us, the firmer will be the grip of British reaction over the fate of us all.

Today we may be alone in working against the tide, but the tide will turn.

—How long can passion drown reason?

—How long can partisanship prevail over patriotism?

—How long can we remain apart and all under foreign rule?

What we say today all will see tomorrow through their own experience. We work and shall continue to work for a common front against common slavery and for common freedom. We shall win and not lose, for ours is the cause of all.

LASKI AND BRITISH LABOR

DR. G. P. O'DAY

PROFESSOR Harold J. Laski, President of the

Executive of the British Labor Party, expounded its policy in an article printed on November 3rd in the "Argus." The Professor cheerfully and openly abandons any pretext of a scientific foundation for British Labor policy. Faith is his chosen basis. He asserts that "the British Labor Party is built upon faith in democratic socialism. It believes in freedom of speech and freedom of association. It believes in the right to constitutional opposition. It seeks therefore by constitutional means to transform Great Britain into a Socialist Commonwealth. Socialism is the public ownership of the means of production." And it also believes that "intensified struggle between the classes makes the task of democratic government far more difficult and encourages counter-revolution."

The British Labor Party clearly means to establish State Capitalism in Great Britain to a much greater extent than Hitler did in Germany. This State Capitalism is labelled Socialism by Laski and Co. Public ownership of the means of production can obviously be either State Capitalism or Socialism. It depends on the nature of the State whether capitalist or proletarian and Laski disclaims any intention of changing the State. Laski therefore confirms the Moscow estimate (made within 24 hours of Labor's electoral victory) that the British Labor Party's program does not transcend the bounds of the economic and political system established in Great Britain, and that Britain's foreign policy would not change, i.e., would remain imperialist.

According to Laski, the British Labor Party is opposed to confiscation and is going to buy out at market value the capitalist enterprises. Persons faithless in the Laski sense but shrewd might regard the British Labor Party as a kind of benevolent organisation using the State's resources to rescue British capitalist concerns in their present sad situation, to ensure the incomes of the rentiers and the financial oligarchs.

Laski hopes to avoid an intensified class struggle. It would be so unpleasant to his bondholders. It is certain, however, that this policy of the British Labor Party will lead to a most intense class struggle in Great Britain. The workers and lower middle classes will be ground down in the effort to pay the dividends to the capitalists and crises will become deeper not slighter—and this clearly holds good for the colonies as well.

The Communists will certainly support the move to State Capitalism, but will struggle to have this capitalism run in the interests of the workers. The Labor Party is sure to be split on

this issue and its fifth column will move to the capitalists. It is hardly necessary to say where Laski will be found.

No amount of faith can alter facts. The wretched things have no respect for anything. Laski indeed has not sufficient respect for facts. He insinuates that the Soviet Union is not democratic—that Communists are immoral. In addition he distorts Lenin's account of the prerequisites for revolution—omitting, for example, the strongly organised, skilfully led Communist Party which Lenin always included.

It is clear that the fifth column in the British Labor movement hopes to play the part that Ebert and Co. played in Germany in 1918 and the succeeding years and save the bourgeoisie. Their hopes will be disappointed. Britain, unlike Germany in 1918, has a strong Communist Party—the whole revolutionary movement is a thousand times stronger in the world today—and the general crisis of capitalism is beyond comparison deeper. No stabilisation, even of a temporary nature as from 1923-28, will be achieved. Illusions therefore will find no support from a deceptive environment. Laski, Attlee and Co. with their friends Halifax, Keynes and Anderson have small chance of occupying the stage for long.

True as the foregoing is, we must not omit careful study of Laski and his manoeuvres. In this connection the history of the European Social Democratic Parties in the immediate period after the first World War and in the Great Crisis will give invaluable aid. In the defeated countries after 1918 the bourgeoisie handed over the government to the Social Democratic leaders, and made far-reaching concessions to the masses. The Social Democratic leaders fostered the illusions that the State is above classes, and that parliamentary democracy is the only road to the conquest of power which must proceed step by step without any use of force. They announced that there was no general crisis of capitalism; that it still had a long period of advancement before it and that the transition to socialism had already begun. In the great crisis they tried to create a new program, that would satisfy the workers and keep them with the Social Democrats and keep the bourgeoisie from driving out the reformists and resorting to fascism. The Belgian de Man plan was the most successful effort in this direction. The workers were told that banks, railroads and mining would be nationalised, that this was a step towards socialism, and the bourgeoisie were assured that there would be no confiscation, that the plan would depend on peacefully winning a majority in Parliament. Socialism for the workers—State aid for the monopoly capitalists.

Laski is evidently not original.

There is still another aspect of Laski. On November 15 he denounced the policy in Indonesia and in India. That is, while Bevin continues the policy of British imperialism, Laski scolds. In Lenin's words, "the cook scolds, the cat keeps on

eating the chicken." Here is exemplified another function of the left Reformist, viz., to utter left noises while the bourgeois policy is carried on by the opportunists.

Laski is worth some study, you will agree. There are Laskis in Australia also.

BASIC LAWS OF DEVELOPMENT OF SOCIALIST ECONOMY

K. OSTROVITIANOV.

(Continued)

IV.

THE socialist mode of production brings into being new, hitherto unseen factors and stimuli to the development of productive forces. In the place of the capitalist pursuit of profits, the decisive factor for the development of economic forces under socialist conditions is the socialist principle of distribution according to labor. The historic mission of socialism is to create a higher level of labor productivity than under capitalism and to ensure such a growth of productive forces that it will lead to a surplus of products and make possible the distribution according to needs on the higher phase of communism. But in the stage of socialism a higher productivity of labor can be attained only by means of a stimulus such as material interest, and this is therefore embodied in the socialist principle of distribution according to labor. The fullest satisfaction of the needs of the toilers, on the given level of productive forces, is one of the basic tasks in the development of socialist production.

The Soviet system of economy implies, in Stalin's words, that "the development of production is subject, not to the principle of competition and the insuring of capitalist profit, but to the principle of planned leadership and systematic elevation of the material and cultural level of the toilers." The socialist principle of distribution according to labor has for the first time in history created all the conditions necessary for the honest concordance of personal interests with social interests. "Socialism," Stalin remarked in his conversation with Wells, "does not deny, but rather merges individual interests with the interests of the collectives. Socialism cannot abstract from individual interests. On the contrary, only a socialist society can give the fullest satisfaction to these individual interests. Socialist society, in fact, offers the only solid guarantee that the interests of the individual will be protected."

The socialist principle of distribution according to labor was crystallized in struggle against levelling tendencies which revealed the survivals of capitalist thinking in economics and in popular consciousness. The forms in which the socialist principle is realized are diverse; piece-payment for workers, higher rates of pay for engineering and technical personnel, payment by work-days and supplementary payments

for collective farmers. All these concrete forms serve as stimuli for the development of industry and agriculture at the stage of socialism.

The most important factor in the development of productive forces at the stage of socialism is socialist competition, and its highest form is the Stakhanovite movement. The idea of socialist competition, which Lenin had already put forth, was further developed in the works of Stalin, showing the profound difference of principle between socialist competition and capitalist competition. The basis of the latter is the savage law of the struggle of one against the other; of the enrichment of some through the ruin of others; of the swallowing by the powerful capitalists of the smaller capitalists. The basis of socialist rivalry is the principle of comradely cooperation and socialist mutual aid on the part of the toilers.

At the First All-Union Conference of Stakhanovites, Stalin gave a noteworthy analysis of the Stakhanov movement as the highest stage of socialist competition and the most important new factor in the upswing of socialist production: "The basis for the Stakhanov movement was first and foremost the radical improvement in the material welfare of the workers. . . . Our revolution is the only one which not only smashed the fetters of capitalism and brought the people freedom, but also succeeded in creating the material conditions for a prosperous life for the people. Therein lies the strength and invincibility of our revolution."

Thus, material interest, expressed in the socialist principle of payment according to work, is one of the basic incentives to socialist competition, reaching its highest stage in the Stakhanov movement.

One of the most important preconditions to that movement is the change in the character of social work which occurs with the transition to socialism. In Stalin's words: "Here people work not for exploiters, not for the enrichment of parasites, but for themselves, for their class, for their Soviet society." He called the Stakhanov movement "the most living and unconquerable movement of today." It is clear that the new progressive tendencies, arising as our economy develops, are grasped theoretically by our Party and its chief, Comrade Stalin, and are put to use in socialist construction.

At the outset of the Stakhanov movement Stalin divined the strikingly progressive nature of the phenomenon. He saw it as the most important factor in the development of productive forces, containing the inception of the future culture and technical rise of the working class. He saw it opening the way for the attainment of the high indices of labor productivity necessary for the transition from socialism to communism and for the annihilation of the contradiction between mental and physical labor. The Party and the Soviet state, equipped with Stalin's ideas, headed the Stakhanov movement, organized it and thereby gave it an enormous transforming force.

During the Great Patriotic War, socialist competition and the Stakhanov movement acquired an unprecedented scope. In factories and mills and collective farms, popular initiative and creativeness expanded to their full power. Workers, collective farmers and intellectuals overfulfilled productive plans; in incredibly short periods of time they erected new factories, mines, and electro-stations, added new lines to railroads, and cut through canals. Thousands, tens of thousands of efficiency suggestions were introduced, and led to increases in the productivity of labor and to economies in raw materials. All this is a most important factor in the development of socialist production, and one of tremendous military significance.

V.

The basic laws of the socialist expansion of production were formulated by Stalin. In "On Dialectical and Historical Materialism" he showed that in contradistinction to capitalism, which develops on the basis of a profound antagonistic contradiction between the social character of production and private property in the means of production, socialism requires a full congruence of the socialist productive relations with the productive forces. Soviet economy has no crises of overproduction, no unemployment; and it ensures an uninterrupted growth of productive forces as opposed to the cyclical development of capitalism. The continuous growth of production is an economic law of the development of the socialist mode of production.

The reports made by Stalin at the Party congresses contain the basis of another very important law of socialist expansion of production—the law of the continuous growth of the material and cultural level of the working masses of the U.S.S.R. In his Report to the Sixteenth Congress of the All-Union Communist Party in 1930, he gave a profound demonstration of this law, linking the growth of the material and cultural level of the workers with the socialist character of Soviet economy, and with the growth of socialist productive forces and the development of socialist productive relations. "It turns out," he said, "that the progressive growth of the socialised sector, both in the sphere of industry and in the sphere of agriculture, is a fact beyond all

possibility of doubt. What can this mean from the standpoint of the material position of the toilers? It means that thereby the foundations have been laid for the radical improvement of the material and cultural position of workers and peasants."

Stalin's report on the results of the first five-year plan points out how the development of a socialist industry and a collective agriculture in the U.S.S.R. have led to the liquidation of urban unemployment and a checking of the differentiation among farmers. Village pauperism was wiped out. With the elimination of the basic causes of the impoverishment of the toilers under capitalism, the prerequisites were given for the continuous rise in the material and cultural level of the workers of the Soviet Union. Stalin also pointed out that the uninterrupted growth of productive forces, stimulated by the socialist principle of distribution according to labor and by socialist competition, together with the development of socialist forms of economy, not only furnishes the prerequisites for the rise of the material and cultural level of the workers, but makes that rise an economic necessity. This is one of the most important factors of the crisis-free development of socialist economy. "The systematic improvement in the material situation of the workers and the uninterrupted growth of their effective demands, which is a constantly growing source for the expansion of production, guarantees the working class from crises of overproduction."

Socialist-expanded reproduction makes it possible to combine continuous rises in the material and cultural level of the workers with continuous growth in socialist accumulation. Socialist accumulation has as its source the surplus product created in socialist production. The labor of the worker must not only ensure the reproduction of labor power, but must also give rise to a surplus product, which goes toward the further expansion of production and the strengthening of the country's power of defence and independence.

Up to recently, the view was widely held among certain economists that surplus product is an exploitative category, and that under socialism there is no surplus product. Stalin showed that this view is radically incorrect: surplus product exists in our economy, and without it you cannot build the new society. Labor under socialism must not only cover the worker's pay in accordance with the socialist principle of payment according to labor, but must also create a surplus product, which is needed for the further expansion of production, for the national defence, and for improving the condition of the workers. Surplus product is the fund from which the Soviet state derives the means for continuous socialist expansion of production and for ensuring the national power of defence.

The norm of socialist accumulation is set by the Soviet government in dependence on the con-

crete tasks which arise in the process of socialist construction. But the following basic principles, lying at the basis of the socialist expansion of production, can be formulated. The growth of labor productivity must outstrip the growth of wages. This is the necessary prerequisite of socialist accumulation, of socialist-expanded reproduction. The distribution of the newly created product into a fund of individual consumption and a fund of expanded reproduction must ensure: (1) the growth of the material and cultural level of the workers; (2) the growth of socialist accumulation; (3) an acceleration of development of the productive forces of Soviet economy in relation to that of the most advanced capitalist countries.

VI.

A great contribution to the theory of the political economy of a socialist society was made in Stalin's treatment of the question of the role of the law of value, and of commodity-money relations in socialist economy. He uncovered the dialectic of the transformation of trade and money under socialism from an instrument of bourgeois economy into a tool of socialist construction. In addition, he posed anew the question of commodity-money relations in the stage of socialism. Generalising from the practice of socialist construction, he came to the conclusion that commodity-money relations cannot be done away with at the stage of socialism, that "money will be with us for a long time, up to the completion of the first stage of communism—the socialist stage of development."

Under his leadership the Party routed the leftist "theories" of the withering away of trade and money in a socialist society. Up to very recently the view prevailed among Soviet economists that, despite the existence of trade and money, the law of value had been done away with in Soviet economy. Such a statement of the question suffered from a deep internal contradiction. It is impossible to recognise the presence of trade and money and at the same time to deny the existence of value. To do so is equivalent to granting the form and denying the content, inasmuch as the content of the money form is value. The price of the commodity is nothing but the value expressed in money.

Consistently developing his doctrine of trade and money, Stalin showed that the law of value has not disappeared under socialism, that it is active in Soviet economy in transformed shape. His theory with respect to the law of value and commodity-money relations under socialism is one of the most vital contributions to the economic theory of socialism, and has enormous practical, as well as theoretical significance. The question arises: "Why do commodity-money relations and the law of value keep their significance and remain in force under socialism?"

In our state and co-operative kolkhoz enterprises, social labor prevails in direct form. But at the same time, as the practice of socialist construc-

tion in the U.S.S.R. has shown, it is impossible at the stage of socialism to do without commodity-money relations and proceed to account for labor directly by working time. The necessity for maintaining and utilising commodity-money relations in Soviet economy is related to the characteristics of socialist labor. As we have seen, labor under socialism has altered its nature; the Soviet man does not work for a capitalist, but for himself, for society. But under socialism a level of production has not yet been reached where distribution according to needs is assured. The personal material interest of the worker in his work is one of the weightiest factors in developing productive forces at the stage of socialism, and this factor is utilised to increase production, in accordance with the socialist principle of pay: "From each according to his ability; to each according to his labor."

The socialist principle of distribution according to work requires a control exercised by society upon the amount of work done and upon the amount of consumption; and this in turn requires an accounting of work, which at the stage of socialism is carried out in money form. The same socialist principle is at the basis of the economic book-keeping method of directing socialist enterprises. Lenin summoned us to build socialism, "not on the basis of immediate enthusiasm, but with the aid of the enthusiasm born of the great revolution, on personal interest, on personal interestedness, on economic book-keeping."

In conformity with economic book-keeping, the workers of socialist enterprises are bound to compare and match expenditures with receipts, to carry operations on economically, to fulfil and overfulfil plans, to raise the productivity of labor, to lower costs, to increase the profitability of the enterprise. Without comparing the expenditure of labor with its results, it is impossible to develop socialist economy. But this comparison, at the stage of socialism, can be only in money form.

At the stage of socialism there occur differences in the social-economic nature of labor which arise from two forms of property. The worker labors in a government enterprise, the kolkhoznik in a co-operative farming enterprise. State socialist industry furnishes the kolkhozes with its products, and receives raw materials and food from them in return. This link between industry and agriculture is realised in money form. The social-economic heterogeneity of the work of the worker and that of the kolkhoznik makes it impossible to calculate labor directly in labor time, and makes money reckoning necessary. In the process of exchange between industry and agriculture a comparison of the worker's labor with that of the kolkhoznik takes place in money form; takes place on the basis of the law of value.

Moreover, at the stage of socialism, there are differences between skilled and unskilled labor, between mental and physical labor. These differences have great economic importance. Skilled and mental

workers create a greater value per unit of time than unskilled and physical workers, and should therefore receive higher pay, in accordance with the socialist principle of payment according to work. Increasing the pay of skilled and mental labor at the stage of socialism is a very important factor in socialist progress. It gives the worker a material incentive to improve. This results in a rise in socialist production and leads to the elimination of the distinction between mental and physical labor in the higher phase of communism.

In addition to the socio-economic differences, significant differences remain in the technical equipment of the various branches of industry and various enterprises, variations in the degree of mechanization, automatization, chemicalization, electrification of the labor processes. The hour's work of one worker does not equal the hour's work of another worker. That is why it is impossible to reckon labor directly by working time; a money accounting on the basis of the law of value must be retained.

The necessity for retaining the law of value under socialism follows too from the nature of co-operative-kolkhoz property. Between the kolkhozes, on the one hand, and government enterprises on the other, as well as between kolkhozes themselves, there exists a social division of labor. In order to satisfy its productive needs and the individual needs of its members, the kolkhoz must exchange a part of its production for the products of other kolkhozes and of government industrial plants. The same applies to individual kolkhozniks, who receive products in kind according to work days and produce goods in their individual auxiliary economy. They consume a part of this production, but sell a part on the market, in order to purchase, with the money earned, the things they need for the manifold satisfaction of their individual requirements.

The presence of kolkhoz-co-operative property makes kolkhoz trade necessary. The kolkhoz, and even more the kolkhozniks, must realise a certain part of their production on the kolkhoz market. For the workers and employees, the kolkhoz market is an additional source for realising their pay. On the market, prices are set on the basis of supply and demand. From this there follows the existence of random elements in Soviet trade. The kolkhoz market to a certain extent retains the haphazard form of manifestation of the law of value, and there occurs a fortuitous equating of one commodity to another by means of exchange, although the Soviet state also carries on the economic regulation of market trading, making use of the law of value.

Such are the causes which condition the existence of the law of value and commodity-money relations in the stage of socialism.

Stalin has shown that the law of value acts in Soviet economy in an altered form. What is the essence of this transformation? The law of value is transformed among us from the fundamental economic law which it is under capitalism into a

subordinate economic law. Its action is conditioned and limited by the fundamental laws of the socialist mode of production, and first of all by the law of planned leadership. Under capitalism, the law of value is the means by which the labor and the means of production are distributed among the various branches, and this distribution is regulated by the deviation of prices from value. Capital tends to those branches where prices are higher and hence profits greater, and leaves the less profitable branches where prices are lower.

In socialist economy, the distribution of labor and the means of production among the various branches of the national economy takes place not on the basis of a fortuitous movement of prices and the pursuit of profits, but on the basis of planned leadership making use of the law of value. We plan production and distribution of the social product not only in natural, but also in money form. In this case the law of value plays the role of an auxiliary tool of planned distribution of labor and means of production among the branches of Soviet economy.

Accounting for social labor in socialist economy is carried out in money form with the aid of the law of value. But, in contrast to capitalism, the law of value acts in socialist society not as an anarchic force ruling over men, but as an understood necessity. The Soviet state masters it and consciously puts it to use in the practice of socialist construction, as a tool of planned leadership of national economy.

The productive plan envisages a definite growth in the productivity of labor and a decrease in the cost of production, that is, of the decisive factors in production, which determine the value of the commodity. The Soviet state makes use of the law of value to carry out a definite price policy. In planning prices, it begins with the social expenses of production, that is, the total outlay of labor, whether contemporary, past, or in the form of money. We plan prices within the framework of the law of value. This signifies that the sum of the prices of goods in socialist economy must coincide with the sum of the values. But within these limits the Soviet state, guided by the interests of socialist construction, can set prices on some goods below their value, and on other goods above their value.

Thus, the law of value acts in socialist economy in altered form, as a weapon of planned leadership, a weapon of socialist construction. The Soviet state applies the law of value in accounting for labor in money form, in planning prices, in realising the socialist principle of payment according to labor; it utilises this law as a tool of economic book-keeping and as one of the levers affecting the kolkhoz market.

All these questions assumed an especial importance during the Great Patriotic War, which demanded the strictest economy in the expenditure

of the resources of our economy. The Party and the Soviet state, simultaneously setting in motion economic, political and ideological factors in realising the magnificent tasks of socialist construction, ensure tempi of economic development unattainable under any other mode of production. This war, the greatest the world has ever seen, has subjected the Soviet economy to an extremely severe test. Soviet economy has stood the test with honor. During the war, the advantages of the Soviet economic system and the vitality of the principles on which socialist construction in our country is based have emerged with especial clarity. The demands which the war made on our economy not only did not contradict the principles and methods of socialist management, but, on the contrary, imperiously dictated their universal application and further development.

On the basis of the advanced technique developed in the period of the Stalin Five-Year Plans, and on the basis of a powerful socialist industry and kolkhoz system, we were able to cope with the most complex problems of war-time. In the first phase of the war, the enemy temporarily occupied an enormous territory possessing the greatest industrial and agricultural importance. But even under those conditions the Soviet economic system was able to provide the front with the weapons, equipment, and rations it needed. "It is extremely probable," Stalin said at that time, "that any other state, after such losses of territory . . . would not have stood the test and would have gone under. If the Soviet system stood the test

so easily, and even increased the strength of its rear, that signifies that the Soviet system is today the strongest of systems."

Soviet industry unstintingly supplied, and continues to supply, the Red Army with the best in war material. Socialist agriculture, with equal success, is coping with its tasks, and assuring the Red Army with provisions, and industry with the necessary raw materials. In the most difficult of war-time conditions, our Soviet economy, on an increasing scale, is realising the socialist-expanded reproduction. During the years of the war, there has been extensive new construction of blast furnaces, open-hearth furnaces, and rolling mills. New electro-stations and factories have been built, new mines opened. The renaissance of the liberated regions is going forward at an unprecedented tempo.

All this expresses the monolithic, indivisible unity of front and rear, the unity of the entire Soviet people, mustered around the Party of Lenin and Stalin. In his report to the Eighteenth Congress of the Party, Comrade Stalin said that "in case of war, the rear and the front of our army, because of their homogeneity and inherent unity, will be stronger than those of any other country, a fact which people beyond our borders who love military conflicts would do well to remember." Those were prophetic words. The delirious bands of Hitlerite imperialists did not take into account this warning, and so they encountered the full force of the crushing blows of the Red Army, made possible by the solidity of the Soviet rear.

ART FOR ART'S SAKE?

A. JACKSON-THOMAS

(A New Zealand Reader)

THE "Communist Review" for October published an article by "An English Reader" on "Music and Politics." The writer pleads for a broader approach to music than is sometimes accorded by party members. At first glance the article gives satisfaction as saying something which should be said. But after a while a more cautious note impresses itself. It becomes necessary to analyse just what was said and what was left unsaid before too many babies are thrown out with this dish of bath-water.

First it is said, in rather more words, that the economic element is not the only determining factor in artistic development. It is stated that the great artist rises above the limitations of his time. Then it is said that "political analysis will help us to understand the setting in which a particular piece of music appears, but it will tell us little about whether the music is good or bad."

Quite right, but here the issue is neatly side-stepped by the use of the word "political." If the word "Marxist" had been used a new com-

plexion would have been placed on the matter. Has Marxism nothing to add to music? Do we nail the banner of "Art for Art's Sake" firmly to the mast? Do we issue a slogan calling for liberal eclecticism—in music at any rate? I think not. But there is a danger that this may be read into the article.

As far as music is concerned, Marxism is concerned with criticism. Our writer complains of political dogmatism about music. The difficulty is that some, because they have some knowledge of Marxist method, attempt to apply "general principles" when they have no technical or practical knowledge of the particular field. Their opinions do not arise out of a study of a subject, but from some "absolute" which they apply by rule of thumb to the particular case. This has queer outcomes and sends them whoring after strange gods sometimes.

Lenin said at the third convention of the R.Y.C.L., "Without understanding clearly that only by an exact knowledge of the culture created

by the entire development of mankind: only by working it over can a proletarian culture be built up." And it might be added by corollary that only on a basis of exact knowledge and "working over" can we presume to dismiss (or acclaim) any artistic work with high-sounding Marxist phrases. The Marxist music critic must be both a Marxist and a musician. This should be obvious enough.

But our writer, because of the abstract nature of music, tends implicitly to set it "above the battle." Do we even renounce music as a propaganda weapon, as the writer asks? We don't demand set patterns. If a "Marxist" dogmatizes, he, by that action, proclaims that he is no Marxist. But Marxism has something to add to music as it has to physics or any other branch of knowledge or art. Music has ivory towers like any other art.

Glinka once said, "It is the people who create; we the composers, but arrange . . ." Soviet composers believe this. Lenin demanded realism in art and more than once stood out against the petty-bourgeois idealistic aesthetic tendencies among which formalism occupied the leading role. Indeed the story of the development of the arts in the USSR is the story of the struggle against formalism, the addiction to "forms," "modernism," "novelty." In the drama, for example, formalism usually expressed itself in clever-clever productions in which neither the play nor the actors could be seen, only the producer and his tricks. Formalism is having a vogue on the Auckland amateur stage at the moment.

The battle was joined with the formalists in the early thirties (on the stage the "great Meyerhold" fell by the wayside). The formalists fought against a Marxist understanding of art and developed dangerous anti-Leninist tendencies. Bukharin, with his mechanical philosophical conceptions and his opportunist political program, was their theoretician. Culture was to Bukharin ("English Reader" take note) a purely spiritual process, perfecting itself independent of the socio-economic conditions. Later formalism became transformed into an openly reactionary idealistic theory waging an active war against Marxism. But it was a war which Marxism won.

So if it is said, what concern is it of the movement if artists embrace formalism, serve naturalism, arty-craftyness or whatever the spirits moves them to, or why shouldn't the artist be given the right to go wherever his unfettered soul leads him, regardless of "political dogmatism," we should remember that the followers of a particular artistic trend in the USSR drifted to a Rightist position and found themselves in the camp of those who were proved to have planned the military defeat of the Soviet Union with the Nazis, the Bloc of Rights and Trotskyites. These things do not happen by accident.

Perhaps the boldest example of what Marxism can do for music (or would "English Reader" cry "axe to grind?") was the case of Shostakovich. His opera, "Lady Macbeth of Mzensk," in 1932,

and the ballet, "Clear Water Springs," went off to a good start. But Soviet music scholars strongly criticised his formalism—his music was subjected to the severest enquiry and was pronounced false to Soviet artistic ideals. (A "specious political theory," "English Reader?")

Shostakovich was a big man. He took the criticism. He entered into a long period of struggle with the problem and finally found new artistic methods for the creation of his music, completely different forms from those he had used before, forms which were in accord with Marxist philosophy. The result we know—to-day he is acclaimed as a master all over the world.

In 1937 he had overcome his weaknesses and wrote the Fifth Symphony. Our writer seems to imply that music is a "special" case, that because of its abstract nature it should be immune from criticism which is earthy. There is no special case. Music has no mystical quality. It was in the abstract Fifth Symphony that Soviet critics found the new Shostakovich.

"English Reader" quotes the example of the agelessness of the Greek arts and says: ". . . the greater the artist, the more he is able to rise above the limitations of his time and social circumstances and to find a beauty which outlasts even the most decisive changes in those circumstances." But if one had to prophesy which of the living composers would be embraced by future generations, surely the "acceptances" would include this same Shostakovich and the Prokofiev who abandoned an adulating West to return to the USSR because he lacked subject matter. "It is essential to feel in music the day that is to be," he said.

In an article, "Party Organisation and Party Literature," Lenin said (speaking of literature—and that under the dictatorship of the proletariat, but it has a relevancy), "there is no denying the fact that in this field there must be the widest freedom for individual initiative, individual bents, free swing for thoughts and imagination, form and content. There is no gainsaying all this, but it merely proves that the literary side of the proletarian party business cannot be tritely identified with other phases of the proletarian party business. Far be it from us to propose any uniform system or the solution of the problem by a few resolutions—no, there can be no question of schematisation in this field. The thing is for our entire Party, for the entire conscious socialist proletariat to realise this new problem, to state it clearly . . . we want to create . . . in the sense of freedom from the domination of capital, freedom from career making; more freedom also from bourgeois anarchist individualism."

This age makes special demands on the artist, it is the age of urgency. In the period of the rise and fall of imperialism, it is the artist who feels this urgency and who has the ability who will do the most solid work. There are no absolutes in

art any more than in anything else and the artist who steps aside from the struggles which are the most significant thing in the world to-day will get tangled up with formalism. This does not mean that his work may not have a vogue—or even not be interesting, but the hand of decadence will be on it and time will deal harshly with it.

It is not that crude "propaganda" is demanded of the artist, or even that what he has to say must be apparent to all who examine his work, but the Marxist does rightly criticise him for his reaction to the society in which he belongs.

"English Reader" says, "The history of human culture has witnessed the progressive disassociation of beauty from function, and the tearing apart of the limits imposed on the human mind and imagination by the material conditions of life." Yes. Compared with the Stone Age the "progressive disassociation" is great. But how far does the "disassociation" apply to the average worker in 1945? The arts are, by and large, the monopoly of those sections of the community which don't have to worry so much about the "material conditions of life," the ruling class.

The American, A. Stork, once wrote, "The proletariat does not play the role of the poor relative that has received an 'inheritance' in order to live off the interest of it. The proletariat . . . accepts the inheritance belonging to it, of the best mankind has achieved, and creatively absorbing and mastering it, builds the foundation of its own class culture."

"English Reader" does not want us to use music "as a means of political propaganda." Undoubtedly we should not judge music by its value as a propaganda or even ask that a narrow "political content" be considered of much value in music, but this does not mean the complete renunciation of music as propaganda. Does the fact that Hitler prostituted Wagner and Beethoven to "the mystical Aryan destiny of Germany" have any great significance? He prostituted May Day also, but that does not affect our attitude to the day.

Are we as revolutionists wrong in making certain demands on music in this day? In an achieved socialist society with security and leisure for the masses, music can become as "disassociated" as you like, but to-day there is the "urgency" mentioned above and we must use whatever weapons come to our hands, even music, if need be. "English Reader" objects because "such methods are

rightly suspect amongst sincere artists, and make them feel that Communist interest in culture is only skin deep." That is so if the interest is only skin deep (as it often may be), but if the Communist has something to offer, if his love of the art is sincere and if his approach is sound, not sectarian, these people will respect him.

All this may seem rather academic as far as New Zealand is concerned, where the Party's concern with music has been slight, but the discussion is of importance to other arts as well (and who knows when we may want to "break out" musically?)

Here we have not even made the most of our working class songs, mainly I suppose because of a lack of musical talent in the Party. While not suggesting for a moment that our musical diet should be restricted to these items, these songs, if we familiarised ourselves with them and used them, would have the effect of heightening the emotional feeling that we are part of a great historical movement—and would tend to make others feel that they wanted to "be in." It would, of course, be possible to overdo this sort of thing, but in New Zealand at any rate we have a long way to go before we need be worried about that.

The Internationale is a case in point. Technically it is not a good composition, but the associations it has gathered about it make that a trivial consideration. Its history has made it great music. Like Edgar Wallace, it is impossible not to be thrilled by the Internationale! And by saying these things it does not mean that we wipe off Sibelius!

We would agree with "English Reader" in denouncing economic determination in music, but then why should it be considered that we would indulge in it in music when we deny the concept in every other field?

If the opportunity occurs to use the music which is part of our inheritance as a weapon in the struggle, we do so. We should avoid sectarianism in our approach to music or any other art. It would be foolish to get all worked up trying to work out an "attitude" to a Schubert song or a Bach Fugue, but that does not mean that Marxism by-passes music. Nor does it mean that we accept everything the musician offers us, judging only by individualist, bourgeois standards. But if there is any judging to be done, let the judge be both Marxist and musician.

HISTORIC LESSONS OF THE STRUGGLE IN GREECE

Resolution of the 11th Plenum of the Central Committee of the Communist Party of Greece (K.K.E.)

ON April 5-10, the Central Committee of the Communist Party of Greece (K.K.E.), holding its 11th plenary session, discussed the following subjects:—

1. The activities of the Party in the past year since the meeting of the Tenth Plenum and the new tasks of the K.K.E.
2. The organisational development and the adaptation of its organisational policy to the present needs of the work of the K.K.E.
3. The convocation of the Seventh Convention of the K.K.E.
4. The election of the Political Bureau.

It was decided to hold the Seventh Convention of the K.K.E. in 1945. All decisions were unanimous.

The Plenum unanimously approved the decision of the Political Bureau to reinstate all comrades and members of the "Old Central Committee" of the last period of the fascist dictatorship of the 4th of August.*

The Presidium.

The Eleventh Plenum of the Central Committee of the K.K.E. meets at this historic moment when the war is terminating and the peoples of Europe, relying on the anti-fascist aims of the war, are free to enter the road of securing the victory. The victorious armies of the Allies, of the Red Army from the East and the Anglo-American and French armies from the West, are approaching Berlin. The Yalta agreement, an extension of the Atlantic and Teheran agreements, demands the uprooting of fascism, guarantees the free democratic development of all countries, and ensures the great progressive changes that are being achieved in the liberated countries of Europe. Even in the satellite Axis countries, fascism is being uprooted, collaborators are being punished and the democratic regeneration is being achieved steadily. This course is being taken in a severe struggle against fascism because, despite military defeat, it does not lay down its arms, but, as an ideology, as an organisation and as a remnant of the State machinery, it bends its desperate efforts to retain its footing and hold its forces together in order to thwart the work of peace and democratic regeneration.

Like a tragic note of discord in what is taking place all over Europe and, even more manifestly, in the neighboring Balkan countries, our country has fallen again into the hands of black reaction, which resorted to armed intervention by means of a coup d'etat in December, in order to check the course of peaceful democratic development.

The year which has passed since the Tenth *The 4th of August, 1936, is the date when the Metaxas dictatorship was established.

Plenum has been characterised by the greatest development of the national liberation war in the cities and in the mountains intensified by the efforts of the K.K.E. to bring about the unity of all national forces in the liberation struggle against the conqueror, for the liberation of Greece.

The creation of the Political Committee of National Liberation (P.E.E.A.) and the convocation of the National Council* constitute historic landmarks in the development of the national resistance movement and in the realisation of national unity against the conquerors, as well as for the democratic regeneration of our country. The declaration on the sanctity of freedom and labor, the adoption of the equality of women, the official adoption of the living language of the people, the granting of the right of the new generation to participate in all manifestations of political and social life, the application of a series of measures for the benefit of the people (the granting of forests to communities, Community Welfare, etc.), and in particular, the adoption of the institutions of self-administration and people's justice, constitute the greatest democratic conquest in the history of our nation and the foundations for the genuine democratic regeneration of Greece.

The K.K.E., consistent in its policy of national unity, participated in the Lebanon Conference and in the National Unity Government in order to concentrate all national forces in the struggle against the conquerors and ensure a normal development.

The E.L.A.S. developed to the highest degree its offensive action against the conquerors in the mountains and the cities. It crippled the enemy communications, exterminated many thousands of invaders and carried out in full the plans of the Allied High Command of the Middle East.

With their blood, with the aid of the Allies, and especially with the descent of the Red Army in the Balkans, the Greek people succeeded in liberating their country and ensuring exemplary order and security throughout the country.

The extreme reactionary Right tries to check the recreative work of peace and the normal, post-war evolution. The men of the 4th of August, the collaborators with the conquerors, the lackeys of foreigners, the merchants of patriotism, the black marketeers, the black market merchants of the people's hunger and misery with Glucksburg (King George II.) as the main instigator behind the scenes—all the vicious plutocratic world trembling before the democratic emancipation of the people, placed their personal, party and class interests above the national interest and reacted from the very beginning against the National Liberation Front. They

*The National Council called after the elections in free Greece in 1944 elected a National Assembly.

slandered the struggle of the resistance forces, bent every effort to halt and paralyse the struggle of the national and, for this purpose, did not even hesitate to come out in an open, armed collaboration with the conqueror.

Abroad, even before the formation of a national government, reaction launched the civil war, dissolved the heroic army of the Middle East, interned tens of thousands of the heroes of El Alamein in concentration camps, and deprived Greece of the honor of being present in the Allied war fronts with an important army in fighting shape. In the interior, in collaboration with the quislings, reaction armed the Security Battalions and the "National" fascist organisations with Greek and Allied arms. It sowed discord and spread civil war together with the conquerors and against the struggling nation.

Even after the formation of a National Unity Government, Greek reaction did not abandon its aim to crush the people's democratic movement which constituted a guarantee for democracy, in order to restore fascism. For this anti-national purpose, Papandreou, a Premier of the National Unity Government, invited sizeable British forces to Greece even before the liberation of the country, to rely on them in his move to organise a monarcho-fascist conspiracy. Therefore, instead of dissolving the armed fascist gangsters, he armed them; instead of punishing the collaborators and purging the State machinery, he retained them and reinstated them in the State services; instead of sending the armed forces to liberate the enslaved areas of our country and to the Allied war fronts, he forced the immediate dissolution of the E.L.A.S.; instead of creating a National Army, he organised a Praetorian Army against the people.

It is evident that the reactionary extreme Right was travelling steadily along a pre-outlined plan of extermination of the people's democratic movement, in order to prevent normal development and to establish a regime of fascist violence indispensable to the compulsion of the popular masses and make them pay again with their life for all the destruction of war and foreign occupation.

The reactionary Right relied on the Churchill Government, and put into effect anti-national and anti-popular plans when it organised the conspiracy, the blood shedding of the unarmed Athenian people on December 3, 4, and 5. The Greek people were faced with the dilemma either of bowing their heads or accepting the provocation and defending, even with their arms, their threatened liberties and the future of their country.

The December struggle was an all-people's armed resistance against the coup d'etat of reaction which sought to check violently the normal and peaceful democratic development of the country. That conflict was the peak in the struggle of our nation for the democratic resurgence and independence of Greece. It was a manifestation by deeds of the struggle carried on by all freedom-loving peoples against the dark forces of inter-

national reaction. The struggle of December created a great and precious moral asset in the interior and abroad, an asset which will very soon achieve fruition, because it is a struggle absolutely in accordance with the declared purposes and the moral principles of the war waged by progressive humanity. The struggle of December places the Greek people in the front ranks of the liberation struggle of the peoples for the crushing of the dark forces of violence, for the realisation of the anti-fascist principles of the war, of democracy and national independence.

Our Party proudly salutes the whole people of Greece, the heroic fighters of the E.L.A.S. and of El Alamein, the people of Athens and Piraeus who astonished all of mankind with their heroism and self-sacrifice and raised themselves to the magnificent heights of the principles for which all freedom-loving humanity is struggling. Our Party stands reverently before the fighters of the E.L.A.S. and all those who offered their blood as a libation for the realisation of those aims in our own country.

Our Party offers a brotherly, anti-fascist, democratic salute to the parties and the organisations of the glorious E.A.M. which embraces the most vital, democratic section of our nation and constitutes a guarantee for the freedom, independence and democratic regeneration of Greece.

The Plenum of the Central Committee of the K.K.E. testifies to the correctness of the political line and the tactics of the Party. The policy of the union of all national forces in the struggle against the conquerors for the liberation and the ensuring of a normal, democratic development is justified by the course of events. Owing to this policy our Party mobilised and aroused the whole nation around the national resistance war. It created the gigantic people's organisations of the resistance—E.A.M., E.P.O.N.,* E.L.A.S. It roused a broad people's struggle in the cities and in the countryside, which saved the Greek people from hunger, from becoming hostages and from Hitlerite mobilisation. Owing to this policy the E.L.A.S. army was created, with its heroic achievements, as well as the magnificent work of the Political Committee of National Liberation and the National Council. This policy brought about the great, mass Communist Party, with hundreds of thousands of members, which constitutes the greatest guarantee in the struggle for the democratic regeneration of Greece.

The Plenum of the Central Committee also testifies that in the practical application of the political line of the Party there were some marked serious shortcomings, weaknesses, mistakes, vacillations to the Right and to the Left which brought more difficulties to the course of our struggle for the uprooting of fascism and democratic regeneration. The most serious mistakes of a Right character were:

(a) The agreement of Lebanon, which did not correspond to the concrete correlation of forces

* Union of Political Organisations of Youth.

and, consequently, did not advance and ensure to the proper degree the realisation of national unity and normal democratic development against the plottings of reaction. The Caserta Agreement, as a continuation of the Lebanon Agreement, was also a mistake of a Rightist character.

(b) The endorsing by Communist members of the Cabinet of the Government's economic measures and the failure of timely and decisive intervention by the leadership of the Party in order to make clear the responsibilities of the K.K.E. in the economic policy of the Government of National Unity.

In particular, the Plenum of the Central Committee of the K.K.E. underlines the mistakes committed during the December conflict, mistakes of a military and Leftist political character caused by the incorrect estimation of the disposition and the role of the English Government of Churchill; the under-estimation of the forces of reaction, in the interior and abroad; the over-estimation of our own potentialities; and, in the main, the lack of the necessary political flexibility. These things prevented the Party leadership from having a clear perspective of the course of the conflict and brought them to miss opportunities for an agreement with the English military authorities under more favorable terms than those of the Varkiza Agreement made after a military defeat in Athens.

(c) The arrest of non-combatant persons, although a defence measure against the savage persecution and hostage-taking of Papandreou-Scobie, was a serious political mistake which gave the reaction the opportunity to raise a campaign of slanders for the purpose of covering up its own crimes.

The armed intervention of Mr. Churchill's British forces in December has prevented for the time being the normal democratic process and progress; has thrown Greece back to the times of the coups d'etat and dictatorships, to the barbarous fascist forces and to anarchy in which the monarchial bands of collaborators are revelling. This intervention has sharpened considerably the already acute Greek problem and has rendered its solution more painful.

The Resistance Movement which has brought glory to Greece, this most vital, anti-fascist power of the country which is the greatest title of national honor, is now undergoing severe persecution. Its fighters are being hunted, imprisoned, murdered. Participation in the liberation struggle is considered a crime and is being persecuted. The fighting men and officers of the E.L.A.S. are not accepted in the new army which acquires a class character, an anti-people's fascist form. The collaborators who co-operated with the invaders are rewarded for their acts of betrayal. In all the State machinery, the people of the 4th of August and the collaborators of the occupationists predominate. The treacherous Security Battalions have been fused within the National Guard. The fascist organisations are being armed and, in the country, special armed fascist bands are being formed from collaboration-

ists with the invader, who are the actual and real State.

While, on the one hand, the reactionary extreme Right tears our national dignity to shreds and sells out the independence of Greece, on the other hand, it lets loose the most adventurous, grandiose, chauvinistic propaganda which day by day assumes a more dangerous character for our country.

The main objectives of this adventurous, chauvinistic campaign are to distract the attention of the Greek people from internal issues, spread anti-Soviet propaganda and justify the one-sided foreign policy of the rulers. This fact leads to the creation of frictions, endangers the peace in the Balkans, and threatens to isolate Greece from its democratic neighbors as well as from its great allies.

The Voulgaris Government is even closer to the predominance of the most reactionary fascist circles and strengthens the danger of the return of the monarchy.

The Plastiras Government is largely responsible for the present situation, because it did not enforce the Varkiza Agreement, but, instead, persecuted the Resistance movement and helped and encouraged monarcho-fascism to gain positions and to rear its head.

The leading elements of the old democratic parties are splitting the democratic forces and objectively reinforcing the prevalence of monarcho-fascism by siding against the Resistance movement, refusing the concentration of the democratic forces into the struggle for democracy, and standing aloof from the provocations and terror of the monarcho-fascist elements.

The return of the monarchy will be the greatest danger for the perpetuation and the sharpening of internal disunity at the expense of peace, of the reconstruction of the land, of progress, civilisation and the welfare of the Greek people; at the expense also of the friendly relations of Greece with the democratic countries.

Under the circumstances in which reaction puts forth stubborn and furious efforts for the return of the country to the dark period of fascist retrogression and barbarism, the basic political aim of the Communist Party of Greece is the struggle to uproot fascism, secure the democratic process, and the democratic regeneration—a people's democracy.

The Varkiza and Yalta agreements are a worthwhile political basis for the struggle against fascism and for the normal, democratic process in the country. The creation of a representative government and the arrival of the inter-allied commission at the proper moment are necessary measures for the return of the country to political normalcy and the securing of a free and unadulterated manifestation of the sentiments of the people through a political referendum and the election of a constitutional assembly.

The imperative demand of the Greek people, issuing from the national need, should be to purge the State machine of fascists and collaborators of

the occupationists, punish the collaborationist traitors, dissolve the fascist organisations, purge the officers' corps of all fascist and dictatorial elements, and create a real national army.

Today, the main political obligations of the Party are the struggle against monarchy and for the victory of democracy. In order to achieve this aim, the Communist Party of Greece offers all its forces and calls upon all the democratic forces to democracy's forefront.

The political parties, the organisations and the followers of the E.A.M. who led the nation in the struggle for liberation, must now throw in all their forces into the struggle to uproot fascism and win the victory of democracy. The E.A.M. must re-adjust its political aims and its organisational form in accordance with the new conditions created after the liberation of the country and the transformation of the present internal political situation.

The workers and the employees, together with the farmers and the popular strata of the cities—the professionals, artisans, scientists, intellectuals, are the most democratic, anti-fascist power. The task of the Party must be to turn its attention squarely in full support and unification of the forces of the people and transform them into an invincible power for the crushing of fascism and for democratic regeneration.

The independence and the integrity of Greece must be made secure. Border safety through the peaceful adjustment of all the differences with our neighboring countries, through the fraternal co-operation of all the Balkan peoples, must be realised. The fulfilment of our national restoration, based on the principle of the self-determination of the people, is the basis of the national policy of the K.K.E.

The application of a full political parity for all national minorities living in our country will assure the peaceful co-existence of the different elements

and will facilitate the work of the economic reconstruction of the country.

The foreign policy of Greece must be based on a sincere, stable, close relationship with all the great allies, without exception: Great Britain, the Soviet Union, the United States, France, and all the neighboring Balkan countries. Each one-sided orientation of the foreign policy is a disaster to the real national interests.

Communist men and women, heroes and heroines of the national liberation struggle!

You, the Greek people!

Awake! Black reaction, fascism and the fifth column are trying to maintain themselves, to solidify their position in the State power in order to forestall, to annihilate the work of re-creation which began with the mass movement of national Resistance. It is seeking to crush the democratic forces of the land in order to perpetuate the regime of slavery and fascist tyranny. It is endeavoring to consolidate forcibly the old privileges and the class interests of big capital oligarchy at the expense of the life of the people.

All its fire is directed against the advance guard of the people's democratic movement, against the K.K.E., against the parties, organisations, cadres, and followers of the E.A.M., against every democratic-minded citizen and every democratic manifestation. It is attempting to split their unity and break their contact, because in their struggle these democratic elements with their blood and their lives form a barricade against fascism.

The unity in purpose of the Communist Party of Greece and the unity of action of all the democratic progressive forces of the country is the invincible power which will overthrow all the plans of reaction, will uproot fascism, will bring about the victory of democracy and will pave the way for the democratic regeneration of Greece.

THE SOVIETS REBUILD

HEWLETT JOHNSON, Dean of Canterbury.

(From "New Masses")

AN American actress described Russia as polite, romantic, terrific. I have no quarrel with that; especially the "terrific." Terrific in solution of problems. Terrific in energy of reconstruction. And the problems themselves are terrific. Flying tree-top height on the eight-hour journey from Moscow to Prague, I saw, rolled out for hundreds of miles, a panorama of destruction which knows no parallel in Europe. Far away to the north, Leningrad had suffered appalling havoc. Rostov and Kharkov were towns of gutted factories. Stalingrad was a brickyard.

Reconstruction, however, proceeds at astonishing tempo. I compared Leningrad's new face with London's still-scarred streets. It was hard without films and photographs to credit Leningrad's tale

of destruction. For today Leningrad resumes its normal splendour and dignity. Women, in the main, have been the workers who did it. Women lay bricks, splash on plaster and paint and do a thousand jobs normally reserved for men. Short of stature, strong of limb, Russian women work with skill, energy and intelligence. Many are mothers whose children attend the creche during hours of work. Families reassemble for the evening meal.

There is no stint of German labor employed on clearance and reconstruction. A German mechanic tends a car in Leningrad. A gang of Germans excavates a new road in Erivan. At Stalingrad, a thousand miles or so from each, fifty thousand German prisoners labour in street or factory. Germans even join in skilled jobs on the tractor-

belt. A German worker may, if he is a skilled mechanic and industrious, be promoted to skilled tasks in machine shops and receive higher pay.

I saw no fraternising. Neither did I see harsh treatment. Russians are not by nature vindictive. And on Sunday all rest.

By the way, Russia has already resumed the seven-day week. Russian youth returns from the war. Trains roll in from the front. I saw Muscovites returning, Georgians returning, Armenians returning. In Erivan householders carried carpets from their homes to spread them on the mile-long road from station to civic hall to give the lads a splendid welcome.

A job awaits each lad. Factories and fields cry out for workers. Soviet Russia knows no unemployment problem. There is work to be done and a plan to organise it. In 1942, a factory in Leningrad made chocolate in April and arms in June. Now it reverts to chocolates. And, again by the way, Russians love sweetmeats. They have, for instance, developed an abnormal post-war appetite for ice cream.

Town planning is the passion of Russian architects, and their plans do not end on paper. The grandeur of the plan is only equalled by the speed of its execution. I examined Russian plans with Russian civic architects. The civic architect of Leningrad, for instance, described his designs and models of a vast new city running miles alongside the gulf of Neva. The architect of Erivan took me all around his own fine city in his car, showing me project and achievement.

I spent a whole morning on a launch with Stalingrad's architect examining his superb designs for the heroic Volga city. I bathed with him in the Volga afterwards. A bath on a day so hot that eggs would cook on the sands. Curiously enough, Stalingrad was the hottest town of all I visited; hotter than central Asia or Armenia. Stalingrad is a long and narrow city. It sprawls along the western bank of the Volga for thirty miles or more. With maps stretched out on the deck we pursued a design which will make Stalingrad world famous for riverside architecture. Around a park-like square in the centre which descends westward down a flight of vast ceremonial steps to the landing stage, will be grouped the public buildings of the city, civic hall, opera house and the like.

Northwards and southwards boulevards will stretch along by the riverside, the high banks above them treated as parklands with tree-lined paths. Trees will flourish everywhere, the country invading the town. Above the banks will rise the houses; lower houses in front, taller houses behind. Every effort will be made to take advantage of the glorious Volga, a noble river upward of half a mile wide at Stalingrad. Heavy industry will be located in the "iron town" up the river to the north, with full amenities for the iron workers. Prefabricated

timber houses are running up in Stalingrad. Good houses, too. Some Russian, some Finnish.

In Armenia, farther removed from the seat of war, but not from the threat of war, building and reconstruction have been proceeding even throughout the war years. It was indeed essential. The influx of refugees brooked no delay. Twenty years ago Erivan, the capital, was an unsanitary congeries of mud-roofed houses and dirty, cobbled streets. The population was 27,000. Infants in Czarist Erivan died like flies.

Today, Erivan's specious plan, made ten years ago by a famous Academician, is already out of date and replaced by a still more spacious plan for nearly half a million inhabitants. Erivan has grown into the splendid city of a civically proud people. Naturally artistic, the Armenians have experienced a burst of creative activity under the Soviet regime.

It is the same in Uzbekistan, one of the Central Asian republics. Tree-shaded Tashkent, its capital, is to my mind one of the finest cities in all the Soviet Union. Being by tradition a Moslem and not a Christian city, it lacks pictorial art but excels in colour and decoration. Tashkent has now a passion for the theatre. A city which a dozen years ago had neither theatre nor opera house produces opera which would raise a storm in London.

Two other things stand out in Tashkent: cotton mills which have nothing to learn from Lancashire or the U.S., and scientific cotton culture which has much to teach the world. I spent a whole morning at the scientific station with the agronomists who have grown crops of coloured cotton; brown, green and grey, and with a texture, where desired, approaching that of wool. It was pleasant to handle a blanket, like a sage-green carriage rug, made entirely of undyed cotton.

The progress of the young republics which have developed a new life within the Soviet Union is perhaps the most striking of all the sights I saw in Russia. The further story of that development I plan to tell in a book to be called *Soviet Russia Comes of age*.

Parallel to the story of the republics is the story of the youth I met and knew intimately. Youth whose years ran step by step with the Soviet regime itself. A youth which now, like the Republics, has come of age. My quest from first to last has been to discover what Soviet Russia has done for life; individual life, and the group life of the various outstanding nationalities. That is the supreme and final test of every system. Does it develop the people's lives—creative, inventive, progressive, living and loveable? None could visit Armenia, Georgia and Uzbekistan without an affirmative answer. Many things remain to be done. Shadows mingle with the lights, but the upshot spells success.

NEW UKRAINE EAST OF URALS

Moscow News Correspondent

IMAGINE the Ukraine's vast wheat fields duplicated in the heart of Siberia. Imagine thousands of tractors and combines and other farm machines working an area equal to, if not greater than, that of the Soviet Union's famous granary, and a golden stream of grain equal in tonnage to Canada's annual wheat crop flowing to the elevators.

It may still be difficult to visualize the full breadth of this prospect even when you have the facts laid before you and its realization has become a matter of not too distant years. How much harder it must have been six years ago when the idea of the conquest of this new realm of wheat and truck gardens and orchards from rigorous Siberian nature first arose and Nikolai Magnitsky and a small band of 25 trail blazers set out to carry it into effect.

This is a vast country. Its frontiers begin beyond the Urals range, whence it sweeps eastward in a broad belt 300 to 400 km. wide as far as Novosibirsk and then swings south to the foothills of the Altai. This area of about 525,000 sq. km. has been barely touched by man. Only 15% of it is under cultivation. Yet all of it is splendid black earth rich in nitrogen and phosphorus, soil that is waiting to be ploughed up and eager to produce. There were serious obstacles to be overcome, however, before the vision of another Ukraine beyond the Urals could become a practical proposition.

It was to overcome the obstacles to the conversion of this semi-desert tract into thriving farm country that a research station was set up five years ago, near the village of Karabalyk, 200 km. from the Kazakh town of Kustanai. Sponsored by the People's Commissariat of Agriculture of the USSR, the station launched the great offensive against the inhospitable, endless plain. Tractors and other farm machines introduced power farming. Alongside field crop cultivation and livestock raising scientific laboratories began work. By today about 8,000 hectares (a hectare equals 2.47 acres) have been put under experimental fields. These are the stepping stone to opening up a zone of 30 million hectares, which the station has chosen for its immediate objective.

The biggest of the obstacles was the climate. Located in the heart of a vast continent, the area's temperature fluctuations are extreme. Particularly serious is this in the spring and summer, just in the growing season. In April, for instance, although the weather is generally warm, cold snaps are frequent, with the temperature sometimes falling to 15 deg. below freezing Centigrade. May and August are also notorious for their fickle temperatures.

Another enemy is the wind. Powerful blasts sweep through the open prairie with the force of a hurricane and often carry away the entire dry surface soil. The scientists have calculated that one of these winds can carry away up to 200 tons of

soil per hectare per hour. No crop will survive a blower like this.

Enemy No. 3 is drought which affects part of the steppeland.

To trump the climate, selectionists and plant breeders are working on new varieties of crops. So far thousands of new varieties and plants have been tried out, some with greater, others with less, success. Those that have passed the test include corn, hard and soft wheats, sorgo, sugar beet, kok-sagyz and soy bean. By crossing with local wild grasses, a superior variety of yellow alfalfa has been developed. Highly productive blue alfalfa and annual grasses are other plant breeders' products. If the climate cannot be altered, plants can be adapted.

It would be incorrect to say, however, that the climate has been left untouched. A campaign of afforestation was started some years ago which promises to eliminate the wind menace. The aim is to plant shelter belts over 10% of the total area. What has been done to date is only the very beginning, but it nevertheless has already proved its value. Besides curbing the winds, the wooded belts affect the climate by retaining moisture in the soil and increasing the humidity of the air. Successful experiments have latterly been made in planting four- and five-year-old trees.

Another method of combating the winds is to reinforce the soil by planting perennial grasses with ramified root systems. This builds up a compact sod. A few years of this treatment changes the texture of the soil sufficiently to be sown under grains.

As for drought, the research station is solving the problem by digging reservoirs to retain spring flood and rain water for the dry spells.

Professor Magnitsky and his co-workers are fired with certainty that their most ambitious dreams will come true. "The black earth steppes of Western Siberia are one of the most fertile spots in the world," he says. "The cultivation of the 30,000,000-hectare zone our experimental station is working in will alone produce more than 16,000,000 tons of grain a year."

To back up his optimism, the researcher has a good deal of statistical data to show. Last year his station raised two to two and two-tenths tons of wheat to the hectare, up to two and one-half tons of oats and barley, and 30 to 34 tons of sugar beet.

Although the feasibility of highly productive agriculture in this new farm area has been proved, the research and experimental station is carrying on its work to insure every farmer, both those there now and the many more that no doubt will move there in the future, every chance to get the most out of the splendid soil. To achieve this, it is working to act simultaneously on the climate, the soil and the plants themselves, seeking to adapt each to the other and thereby correct nature's errors.

ROOTS OF AMERICA'S REVOLUTION

Ralph Bowman

(From New Masses)

THE American Revolution took place in the early stages of that stormy period of world history when the thousand-year-old decaying feudal civilisation was being shattered by a twofold process. Within the feudal society the infant capitalist mode of production was gradually undermining the ancient feudal foundations and their equally ancient superstructure, thus creating the conditions for fundamental social and ideological changes. The accumulated grievances of oppressed peoples burst forth under new capitalist leadership in a series of great revolutions that truly transformed the western world. The American Revolution was an organic part of this momentous transition from medieval feudalism to the new capitalist mode of production, republicanism and democracy.

The wellsprings of the American Revolution and American democracy are to be found in the unique environment of the American continent. Our colonial civilisation was imported from abroad and contained the precious substance of the most advanced social relations developed in Europe. European civilisation in the 17th and 18th centuries was neither stable nor homogeneous. While feudalism on the surface appeared formidable and was still dominant on the Continent, in Britain capitalism was far advanced even before the founding of the American colonies. Unlike the French colony of Quebec (founded about the same time), which was a miniature reproduction of French agrarian economy with its feudal monopoly of land, the English colonies to the south were started as capitalist enterprises, although they were not without substantial feudal stigmata inherited from the mother country.

The seeds of the American Revolution were planted in the colonies when Britain broke its ancient laws and hallowed traditions to permit the colonial farmers to buy land, and set up freehold farms. After over two hundred years of unrestricted sale of land in our country the revolutionary significance of freehold farms may be overlooked as the primary factor in the unique development of American civilisation. And yet the historically unprecedented fact that ordinary people were able to acquire land with relatively little effort and on easy terms spelled the fundamental difference between the stagnant colony of Quebec and the dynamic free enterprise system of the English colonies. The contrast with Quebec, which to this day remains one of the most backward and reactionary places on the North American continent, illustrates the vital role that widely held private property in land plays in the early development of a thriving capitalist economy.

In Britain, as throughout Europe of that time, land was a tight, inviolable monopoly of the Crown,

the landed nobility and the Church. The central economic task of a democratic revolution against feudalism consists in the shattering of this land monopoly and in distributing the land to the propertyless peasantry, thus creating the foundation for a home market for the products of young capitalist industry. The great French Revolution was a classic example of this process. Since the English colonists on American soil were not confronted with this revolutionary task, most historians fail to see the connection between our Revolution and the struggle against feudalism in Europe. Those historians who describe our revolution as a civil war of the English (colonial) people against the monarchist government of the mother country touch the core of the problem, but fail to explore its full meaning.

In the sense that it was anti-monarchical, the American Revolution may be considered a continuation of the Cromwell Revolution which took place more than a hundred years earlier in England, even though in other respects the two revolutions differed greatly. It must not be forgotten that Britain, like all European nations, possessed an economy and social superstructure that was feudal for many centuries. The Cromwell Revolution resulted in the overthrow of the feudal monarchy, execution of the King, abolition of the House of Lords and the establishment of the Commonwealth, which both in substance and form represented the first bourgeois republic. This revolution was the result of the first great clash between the capitalist mode of production and the feudal system.

This potentially great social revolution failed primarily because its bourgeois leadership did not attack the heart of the problem, did not rally the downtrodden and dispossessed common people of England for a revolutionary attack on the feudal monopoly of land which formed the economic foundation of landlord power and the monarchy. In other words, no agrarian revolution took place. These failures of the Cromwell Revolution not only determined the future distorted and narrow monopolistic development of British capitalism, but made possible the retention of the ancient, repressive feudal laws against the propertyless people of Britain. As the wealth-producing capacity of British capitalism multiplied, the living standards of the people declined and malnutrition, physical degradation and cruel oppression became the curse of the English laboring classes.

The subsequent Compromise of 1688, which British historians affectionately call the Glorious Revolution, achieved a measure of political gain for the upper capitalist classes. It established the constitutional monarchy through which the economic interests of the capitalists and the landed nobility

were fully protected and eventually merged. This compromise was not a makeshift armistice between irreconcilable economic systems. The British feudal nobility, unlike that of France, gradually adapted itself to the profit economy of capitalism instead of fighting it to the bitter end. The nobility transformed the great food-growing estates into sheep farms to raise wool for the rapidly expanding textile industry and thus shared the lucrative fruits of capitalism. In this transformation of old feudal agricultural economy into big-scale capitalist farming the nobility committed monstrous crimes against the English people, driving the tenant farmers off the land they had tilled for centuries.

British capitalism grew in this unwholesome climate of extreme poverty and fabulous wealth. The exploitation of men, women and children in the factories was the most brutal in all the history of capitalism. Many of the institutions, laws, traditions and ways of thinking developed in the twilight of feudalism were preserved to keep the common people in subjection. The monopoly of land and starvation wage standards virtually excluded the laboring masses as customers for the large volume of manufactured goods they produced. British capitalism based its development on the world and colonial markets. And one of the consequences of this course was the rapid growth of the economy in the American colonies. The expanding British factory production needed food and raw materials, as well as markets for the products of its factories. The colonies supplied a considerable measure of both.

Although attempts were made to establish feudal land relations in the American colonies in the form of vast grants of land to individuals and companies, the lateness of the historic hour, the acute shortage of labor, the desire for quick profits and the overabundance of land eventually resulted in widespread sale and almost universal landownership. Both the substance and the spirit of capitalist property relations were introduced in all spheres of economic endeavour, but particularly in agriculture, which formed the cornerstone of the entire economic structure. Thus capitalist development in the colonies began in an environment which possessed the material equivalent of an agrarian revolution and it was in the freehold farms that the independent spirit of the American people had its roots.

The unencumbered ownership of land created individual economic security. However, these freehold farms were not self-contained, isolated, static little worlds concerned only with the satisfaction of primitive needs. This was a dynamic market economy producing surpluses which helped pay for the farms and finance the purchase of new land, as well as exchange agricultural produce for manufactured goods. And it was relatively an economy of abundance, where none knew hunger or the hopeless poverty which was the lot of the European peoples. In the cities prosperous merchants were

accumulating capital and entering the varied fields of trade and manufacturing. A virile class of native capitalists arose to challenge the British monopolies in government posts and overseas commerce and the restrictions on manufacturing. It was from these wealthy classes that there came the majority of the leadership of the Revolution.

Out of this economy there developed that national consciousness and democratic aspiration which refused to tolerate any longer the alien, semi-feudal, monarchist regime which was limiting economic development. Simultaneously the Revolution turned against certain feudal practices and institutions that had been planted in this country even though the economy was predominantly capitalist. The church was separated from the state, and ancient laws of primogeniture and entail, designed to perpetuate big landed estates, were overthrown. An ideological struggle also had to be waged against the British bourgeois-feudal philosophy which had been embraced by those sections of the upper classes who supported England in the war.

Thus, on the American continent, in contrast to England and the European continent, the capitalist mode of production developed in a form which can justly be described as free enterprise economy—free from feudal and monopoly restraints. This unique economic development became the motive force of the Revolution and determined its democratic content, as well as the character of the bourgeois government it established.

The American Revolution was the first great social upheaval to proclaim the new humanist philosophy of equality and of the right to life, liberty and the pursuit of happiness. The architects of this revolutionary philosophy were Thomas Jefferson, Benjamin Franklin and Tom Paine. Its roots, however, lay deep in the freehold farms and small shop, in the equality of opportunity for all men (excluding slaves and Indians) to earn security and wealth in the fabulously rich and free environment of early America.

Our free enterprise system retained its character of equality of opportunity only within the sphere of small commodity production and only during the cycles of expansion and prosperity. Actually even in this early stage the average man could not establish his own shipyard or iron smelter, or engage in overseas commerce without substantial capital. Moreover there was no economic equality between small producers and the large landowners and slaveholders. While this early accumulation of land and capital in the hands of the wealthy limited the free enterprise quality of the economy it also made possible the development of industry. This in turn led, after the Civil War, to the concentration and centralisation of capital and production manifested in the formation of trusts and monopolies that negated the early free enterprise character of our economy. Today free enterprise is only a tradition and a name that has lost its historic content.

SIDELIGHTS ON ABORIGINAL SOCIETY

CAPT. A. H. JOLLY.

Part IV

The Four Lineage Matrilineal Society.

THIS type of society has resulted from a fusion of two two lineage societies and follows the same pattern as the two lineage society. This type of fusion is actually occurring to this day between the Worora and Ngarinyin people of Port George and Walcoll Inlet in the North-West of Australia, and this is how it happens. To follow our analogy, let one society be the Greens and Browns and the other the Blacks and Whites. Greens can only marry Browns and Blacks can only marry Whites, whilst the children take their lineage from their mothers. As the societies grow and mingle intermarriage takes place. Now if a Green woman happened to marry a Black man she would regard him as a Brown whilst he would regard her as a White. She would call the children Green and he would call them White, thus the children would be both Green and White. As soon as the fusion becomes more complete all people have two maternal ancestors, Greens and Whites on the one hand and Browns and Blacks on the other.

In the process of fusion the totem is used. In the early stages each society speaks a different language and neither can understand each other very well, but on the question of marriage and relations it is all-important to know which lineage the members of the other tribe belong to and so they introduce a common term for some animal or plant. Thus the Greens would be Hawks and the Browns Kingfishers, likewise the Whites would be Hawks and the Blacks Kingfishers, and as the

terms are common to both tribes this would greatly simplify the classification of relations; if they wish to find out what relationship one is to the other the first question is "What are you, Kingfisher or Hawk?" This would mean that the Hawk line would be Greens and Whites and the Kingfisher line Browns and Blacks.

Sooner or later all individuals speak each other's language and fusion is more or less complete, and here new possibilities arise for the elimination of taboo. It was made law that a Green man or woman could only marry a Black man or woman and a White man or woman could only marry a Brown man or woman; and as each individual had two maternal ancestors, a Green woman gave rise to a White offspring not a Green, and vice versa, whilst a Brown woman gave rise to a Black offspring not a Brown, and vice versa. Examination of the results singly mean this: a Green woman can only marry a Black man whose mother is Brown and whose father is White—she could not marry a White man or father, hence father-daughter taboo is eliminated. In the same way a Green man could only marry a Black woman whose mother is Brown and as a Green man cannot marry a Brown woman mother-in-law son-in-law taboo is eliminated. The only useful taboo left in such a society is the near cousin taboo which remains until the formation of an Eight Lineage Matrilineal Society, the other taboos remain as relics but gradually become less and less observed as time goes on. As this society has only eliminated taboos and formed no new ones there are no new relationship terms.

RACE, RELIGION AND CRIME

PROFESSOR J. B. S. HALDANE, F.R.S.

THE Nazi racial theory states that other races are inferior to the Germanic, and in particular that the Jews are men and women of criminal propensities, out to wreck civilisation. Though they abuse the Jewish religion, the Nazis think that people of Jewish origin whose ancestors have been Christians for several generations are as evil as Jews who keep every item of the Mosaic Law.

They are only a little less critical of other races. The Negroes are only fit to be slaves. The Russians are Asiatic. The well-known perfidy of the English is due to the intermarriage of the Angles and Saxons with the Welsh, thus contaminating their Nordic blood.

A fair number of people in Britain and the U.S. hold similar views, which are used to justify imperialism and the unfair treatment of coloured people.

The Dutch criminologist Bonger, who was

Professor of Sociology and Criminology at Amsterdam, completed a book in 1940, which was translated into English and published in 1943, under the title *Race and Crime*. The author committed suicide when the Germans occupied Amsterdam.

The book is rather stodgy, but its statistical tables tell very clear stories. Unfortunately there are no data from Britain. We know what proportion of criminals say that they belong to various religions, but we do not know the proportions in the whole population. So, except in a few cases, of which one is considered later, no comparison can be made.

The data about Jews in Germany, Austria, Poland and Hungary are quite clear. Jews were less likely than others to commit murder, manslaughter, assault, theft, receiving stolen goods, embezzlement or sexual crimes, such as rape. They were more prone to fraud, forgery, swindling and

fraudulent bankruptcy. In Germany they were a little more often guilty of insulting behaviour. But on the whole they committed fewer crimes than the rest of the population.

The differences are enormous in some cases. Theft and murder in Germany were about three times as common among non-Jews as Jews. But fraudulent bankruptcy in Hungary was 40 times as common among Jews as among others, and 12 times as common in Austria.

In the Netherlands there are figures not only for Jews, but for Protestants, Catholics, and members of no church. In round numbers, 54 per cent of Dutch were Protestants, 35 per cent Catholics, two per cent Jews, and seven per cent irreligious. The numbers convicted annually per 100,000 members of each religious group between 1901 and 1909 were 416 Catholics, 309 Protestants, 213 Jews, and 84 of no religion.

This is, of course, a complete refutation of the view, which we can hear on the B.B.C. on most Sundays, that religion is needed for morality. It is probably due to the fact that most of the members of no church were Socialists who took their obligations to the community seriously. This is borne out by the fact that the one crime which was almost as frequent among them as many others was "rebellion against authority."

The Jews, though law-abiding as a whole, had bad records for receiving stolen goods, embezzlement, and swindling, and ranked between Catholics and Protestants as regards murder.

The Catholics were slightly worse than Protestants in almost all respects, but there was no outstanding feature.

From 1931 to 1933 the differences between the religious groups were far fewer, and the Jews were intermediate between Catholics, who still had the worst record, and Protestants. The most striking change was that the Jews now headed the list for rebellion against authority, though they were below even the churchless as regards the frequency of murders. It looks as if they had become more conscious of social injustices and were not very tactful in their protests.

I have little doubt that English statistics would tell a fairly similar story. We should find the Jews less likely to commit crimes of violence, and more likely to commit various kinds of fraud.

This is natural enough. An agricultural labourer or a miner has very poor opportunities of committing forgery or fraudulent bankruptcy. A shopkeeper has many opportunities. A Jew is more often a shopkeeper than an agricultural labourer or a miner. Unless we know what fraction of shopkeepers were Jews, how many shopkeepers were guilty of fraudulent bankruptcy, and how many of these were Jews, we cannot say whether

a Jewish shopkeeper is more likely to commit this crime than his Christian or atheist neighbour.

Certainly economic position is quite as important as race or religion in determining crime. Thus in Germany from 1874 to 1896 arson was 18 times as frequent among agricultural workers as among the professional class, while rape and such-like crimes were equally common in the two groups. Ricks and barns are very easy to burn if one loses one's temper.

National tradition is equally important. About 1930 one in every 4,500 Bulgarians was convicted of homicide each year, which is about 100 times the rate for Norway, or for England and Wales, the least murderous European countries. Lithuania, Latvia, and Esthonia were also very murderous, while Greece, Poland, Portugal, Finland, Hungary, Rumania and Italy were pretty bad.

Is this a matter of race? In Massachusetts from 1914 to 1922, persons born in Italy were eight times as likely to be convicted of murder, manslaughter and assault, as persons born in America. This looks bad for the "Mediterranean race"—until we discover that persons born in America, but one or both of whose parents were born in Italy, had just the same conviction rate as American-born children of American parents.

American Negroes certainly have a higher frequency of most crimes than whites of the same sex, but white men are much more criminal than Negro women, let alone white women. So if Negroes should be stigmatised as a criminal race, males should be branded as the criminal sex.

No one knows whether, if they were brought up in precisely the same environment, people of Jewish origin would be more or less prone to any particular sort of crime than others. We do know something about the effect of special teaching.

Sir Percival Sharp found that in Liverpool 4.55 per cent of the children in Catholic schools were brought before the juvenile courts, 3.56 per cent of those in Anglican schools, and 2.16 per cent of those in council schools.

Similar results were obtained elsewhere. Of course, it can be argued that the church schools were mainly in slum areas. If so one can only say that good housing makes better children than religious teaching. Probably any teaching—whether in sectarian schools or "public" schools—which makes a set of children think they are better than their neighbours, tends to make them bad citizens.

Some day we may know whether racial differences are of any importance at all in determining crime. But we know already that they are far less important than differences in education and tradition.

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