

# How To End Capitalism & Inaugurate Socialism

By E. E. JUDD

This  
Pamphlet  
is an  
Expanded  
Statement  
of Chapter  
Three of



"How  
To End  
Capitalism  
and  
Inaugurate  
Socialism."  
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## Our Party's Stand.

The Socialist Labor Party never compromises truth to make a friend, never withholds a blow at error lest it make an enemy.

In firm assurance of final victory, it pursues its course unswerved by weak desire for temporary advantage. It is ever outspoken and straightforward, believing that, in fearless independence, the integrity of purpose by which it is inspired will, in the long run, win the respect and confidence of those whom it aims to weld into a class-conscious, aggressive body.

Its propaganda is not alone to educate; it is to organise the working class for the . . . [sole and exclusive purpose of ending Capitalism and inaugurating Socialism]. Until that mission is accomplished, it will stand like a rock, alert and watchful, yielding nothing.

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## The Impregnable S.L.P.

The [Socialist Labor] Party carries on its work of education encouraged by the knowledge that some day, somehow, something is bound to rip. And then, at that crisis, when the people, who have allowed themselves to be misled from Mumbo Jumbo to Jumbo Mumbo, will be running around like Chickens without a head, there will be one beacon light in the land burning as clear in that darkness as it is burning 'midst the clouds to-day; one beacon, whose steady light will serve as guide; whose tried firmness will inspire confidence; and whose rock-ribbed sides will serve as a natural point of rally from which to save civilisation.

—DANIEL DE LEON.

See back cover.

## Introduction.

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### ORGANISE FOR SOCIALISM!

"To rear the Socialist Republic; to abolish all class antagonisms by abolishing the last of the systems of human exploitation; to accomplish its own redemption with that of the whole, not at the expense of any portion, of mankind—that is the historic mission of the working class; that is the noble aim that swells with pride the breast, and sweetens the present bitterness of the lot of every worker who is conscious of his class distinction and the obligation it imposes upon him."—"The Working Class," by Karl Kautsky, page 32.

### LEGAL MEANS ARE BEST.

"The time is passed for Revolutions carried through by small minorities at the head of unconscious masses. When it gets to be a matter of the complete transformation of the social organisation, the masses themselves must participate, must understand what is at stake and why they are to act."

"The irony of history turns everything upside down. We, the 'Revolutionists', the

'Upsetters', we thrive much better with legal than with illegal means. . . ."—THE REVOLUTIONARY ACT, by Frederick Engels, written on March 6th, 1895, pages 34-37, New York "Labor News" Edition.

(Frederick Engels was Karl Marx's great co-worker.)

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## Preface.

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This pamphlet contains the most comprehensive statement yet published of the means and measures necessary throughout the English-speaking world for the ending of Capitalism and the inauguration of Socialism. This statement is issued by the Socialist Labor Party of Australia—whose indebtedness to such great Revolutionary thinkers as Karl Marx, Frederick Engels, Wilhelm Liebknecht, Daniel De Leon, and Nicolai Lenin is hereby gratefully acknowledged.

The Socialist Labor Party of Australia is the only Revolutionary organisation in Australia.

E. E. JUDD,

General Secretary.

July 10th, 1931.

## How to End Capitalism and Inaugurate Socialism.

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"Lenin said: 'Daniel De Leon first formulated the idea of . . . [industrial] government. . . . Future society will be organised along . . . [industrial] lines. There will be . . . [industrial] rather than geographical boundaries for nations. Industrial Unionism is the basic thing. That is what we are building.'"—Robert Minor, in the New York "World."

It is not possible to lay down with mathematical precision and absolute certainty the manner in which the transition from capitalist ownership of the means of production to social ownership, or, in other words, the social revolution, will take place.

As Kautsky has said: "The manner of the transition will depend wholly upon the special and surrounding circumstances under which it is effected, as, for instance, upon the power and enlightenment of the classes that are concerned. . . ."

The Socialist Labor Party wishes to secure the transition without violence, and with as little friction as possible. It proposes a peaceful method of securing the transition. The method, briefly stated, is as follows:—

(1) The organisation of the working class in one great, class-conscious, revolutionary, industrial Union.

(2) The creation of a political arm by the Union when it is sufficiently powerful.

(3) When its nominees constitute a majority of those elected to Parliament, they shall decree the abolition of the Class State with its Parliaments, and leave the conduct of the nation's production to the Central Administration, or Grand Council, of the Union, thereby replacing Class Governments, composed of the persons elected on geographical areas, by an Industrial Parliament, composed of men and women elected from and by those in industry. For example, the workers of the mining industry will elect one delegate for every 1,000, 2,000, or 3,000 members, or such other number as may be determined as a basis of representation throughout all industry.

(4) Simultaneously with the abolition of the Class State by the political arm of the

Union, its economic arm would "take and hold the means of production," and function as the framework of the Socialist Republic.

This is the peaceful method proposed for achieving the Social Revolution.

### IF THE CAPITALIST CLASS RESISTS.

If the capitalist class refused to abide by the majority vote of the people, and tried by unlawful means to prevent its being given effect to, it would be restrained. As De Leon said, "The might, implied in the industrial organisation of the working class of the land, will be in the position to mop the earth with the rebellious usurper in short order, and safeguard the right that the ballot proclaims."

However, the political expression of the Union may not be afforded the time for triumph at the polls. Daniel De Leon said that:—

"Most likely the necessities of Capitalism will, before then, drive it to some lawless act that will call forth resistance. A strike will break out; capitalist brutality will cause the strike to spread; physical, besides moral, support will pour in from other and not immediately concerned branches of the working class.

"A condition of things—economic, political, social, atmospheric—will set in, akin to the conditions of things at the time of the . . . [Great Strike in Sydney in August-September, 1917].

"What then? The issue will then depend wholly upon the stage, in point of quality and in point of quantity, that the organisation of the . . . [Union] has then reached.

"If it has reached the requisite minimum, then that class instinct of the proletariat that Marx teaches the Socialist to rely upon, and the chord of which the capitalist class instinctively seeks through its Labor fakirs to keep the Socialist from touching, will readily crystallise around that requisite . . . [Union] minimum of organisation.

"The working class would then be organically consolidated [(that is, united in one organisation on a class basis)]. Further efforts for a peaceful measuring of strength would then have been rendered superfluous by capitalist barbarism. Capitalism would be swept aside forthwith.

"For this consummation, however, in the eventuality under consideration, be it remembered, the . . . [Union] must have reached

the requisite quantitative and qualitative minimum of perfection, and that in turn will depend upon the freeness of its previous agitational work, a freedom that it never could enjoy, except it plants itself upon the principle that recognises the civilised method of peaceful trial of strength—the political ballot."

### THE REASON FOR, & THE FUNCTIONS OF, THE ECONOMIC AND POLITICAL ARMS.

As both the economic and political arms are vitally necessary to end Capitalism, and as it is vitally necessary that the working class should have a sound and comprehensive grasp of the functions of both, we shall examine them in greater detail.

### ECONOMIC ORGANISATION.

The working class is ONE. From the fundamental principle of their oneness of interest arises the first ideal to be achieved—their class-conscious solidarity. Such solidarity is a vitally necessary pre-requisite for securing a classless society, and is impossible whilst workers are organised in Unions based on the theory of Craft Sovereignty. Therefore the form of organisation must have a Socialist

industrial basis instead of a Craft basis. Or, in other words, instead of all the workers in a given section of an industry—such as a coalmine—being organised in separate Unions as miners, carpenters, engine-drivers, blacksmiths, engineers, etc., to secure “a fair day’s pay,” “eight-hour day,” etc., all the men in and about the mine must be organised for Revolutionary purposes as one section of the Mining Department of the Union. All the workers in a given section of an industry—organised without respect to the tools they use—will constitute a section or unit of the organisation. (NOTE: For further particulars see “The Case for the One Big Union,” by E. E. Judd, pages 30-35.)

### THE STRUCTURE OF THE ECONOMIC ORGANISATION.

The following is a general plan of the structure of the economic organisation. (NOTE: This plan was adopted in 1919 for the proposed “Workers’ Industrial Union of Australia”):—

“The Union shall be classified in Departments, Divisions, Sub-Divisions, Sections, and mixed Sections.

“There shall be six Departments.

“Each Department shall consist of as many Divisions as may be necessary to meet industrial requirements. [For instance, the Mining Department (which would include all workers engaged in the Mining Industry throughout Australia) may have a “Division” to include all those engaged in the Mining Industry of the “Northern Coalfields,” another for the “Southern Coalfields,” another for the Broken Hill mining industry, and other Divisions for other parts of Australia].

“Sub-Divisions shall consist of those engaged in kindred or closely allied industries.

“Sections shall be composed of wage-workers in any locality in an industry.

“Mixed Sections shall consist of persons engaged in various industries in the same locality where there are not sufficient members of any one Department to form a Section.

### INDUSTRIAL DEPARTMENTS.

“The Union shall consist of the Departments of:—

1. Agriculture, Land, and Fisheries,
2. Mining,
3. Manufacture and General Production,
4. Building and Construction,

5. Transport and Communication,
6. Civil Service and Public Utilities."

### THE CHIEF PURPOSE OF THE ECONOMIC ARM.

The chief purpose of the economic arm of the Union is to "take and hold" the socially operated means of production, transportation, etc. (such as factories, mines, railways, ships, etc.), and function as the administrative machinery or "frame-work" of the Socialist Republic. The Industrial Parliament that will conduct the nation's production, distribution, etc., will be composed of delegates elected from and by those in industry. For example, the workers of the mining industry will elect one delegate for every 1,000, 2,000, or 3,000 members, or such other number as may be determined as a basis of representation throughout all industry.

"The conduct of production, distribution, etc.," will involve such things as determining what production will be necessary, and where, and how, and under what conditions, it shall take place; and the determining of the matters set forth in the following statements by Marx as to the distribution of the "total social product":—

**"Firstly:** The amount required for the replacement of the means of production used up.

**"Secondly:** An additional portion for the expansion of production.

**"Thirdly:** A reserve and insurance fund against mischance, disturbances through the forces of nature, etc. . . .

"There remains the other portion of the total product, destined to serve as means of consumption. . . .

**"Firstly: The general administrative expenses that do not form a part of production.**

"This portion is from the outset very considerably reduced in comparison with that of present society, and diminishes in the same measure in which the new society develops.

**"Secondly: That portion which is destined for the satisfaction of common wants, such as schools, provision for the protection of public health, etc.**

"This portion is, from the very outset, considerably larger than in present society and increases in the same measure in which the new society develops.

"Thirdly: Funds for those unable to work, etc., in short, for what now belongs to so-called public charity. . . ."

[Fourthly]: The "portion of the means of consumption" (such as food, clothing, etc.) to be "distributed among the individual producers of the community."

(NOTE: "What we are dealing with here is a Communist society, not as it has developed on its own basis, but, on the contrary, as it is just **issuing** out of capitalist society; hence, a society that still retains, in every respect, economic, moral and intellectual, the birthmarks of the old society from whose womb it is issuing. Accordingly, the individual producer gets back—after the deductions—exactly as much as he gives to it. What he has given to it is his individual share of labor. For instance, the social labor day consists of the sum of the individual labor hours; the individual labor time of the single producer is the fraction of the social labor day supplied by him, his share of it. He receives from the community a check showing that he has done so much labor (after deducting his labor due to the common fund), and with this check he draws from

the common store as much of the means of consumption as costs an equal amount of labor. The same quantity of labor as he has given to society in one form he receives back in another form."—See Marx's "Criticism of the Proposed Gotha Platform of 1875," Socialist Labor Party of Australia edition, pages 12-13).

### POLITICAL ORGANISATION—ITS PURPOSE, ETC.

Having considered the Economic arm, we shall now consider the Political arm. We shall first define what constitutes "political action."

### POLITICAL ACTION.

As De Leon said: "Political action is a purely technical expression. It means the peaceful trial of strength in social issues. As such, the term is generic. It embraces a number of things, that is, all the things necessary for its realisation. It embraces meetings, conventions, or any other established method for the nomination of candidates" [for election to existing Parliaments]; "campaigning, that is, agitation in favor of the principles and, of course, candidates of



the party; voting; finally, as a consequence, 'parliamentary activity.'"

We shall define the kind of Parliamentary activity later. To sum up: "Political action by the revolutionary working class means the endeavor to settle, by the method of a peaceful trial of strength, the issue between the working class and the capitalist class. That issue demands the abolition of the capitalist regime, implies the razing to the ground" of the political Class State, and the conduct of the productive forces of the nation by the Industrial Parliament.

"It does not lie in a political arm 'to take and hold' the machinery of production." Both the "reason" for a political arm and its "structure" unfit it for such work. We cannot do better, in considering why a political arm cannot "take and hold" the plants of production, than read the following statement by Daniel De Leon:—

#### THE REASON FOR A POLITICAL ARM.

"The 'reason' for a political . . . [arm] unfits it to 'take and hold' the machinery of production. The exigencies of the capitalist shell, in which the social revolution must

partly shape its course, are the 'reason' for a political arm.

"The Governmental administration of Capitalism is the State, the Government proper. That institution is purely political. Political power, in the language of Marx, is merely the organised power of the capitalist class to oppress, to curb, to keep the working class in subjection.

"The capitalist shell in which the social revolution must partly shape its course dictates the setting up of a body that shall contest the possession of the political . . . [State] by the capitalist class. The reason for such initial tactics also dictates their ultimate goal—the razing to the ground the . . . [political State] of capitalist tyranny.

"The shops, the yards, the mills; in short, the mechanical establishments of production, now in the hands of the capitalist class—they are all to be 'taken,' not for the purpose of being destroyed, but for the purpose of being 'held'; for the purpose of improving and enlarging all the good that is latent in them, and that Capitalism dwarfs; in short, they are to be 'taken and held' in order to save them for civilisation.

"It is exactly the reverse with the 'political power.' That is to be taken for the purpose of abolishing it. It follows therefrom that the goal of the political arm is purely destructive.

"Suppose that at some election the class-conscious political arm of Labor were to sweep the field," or, in other words, that its nominees constituted a majority of those elected, they would simply decree the abolition of the Class State, adjourn and disband, and the conduct of the productive forces of the nation would devolve upon the Central Administration of the economic organisation, as already outlined.

As De Leon says: "The 'reason' for a political arm obviously unfits it to 'take and hold' the machinery of production. What the political arm 'moves into' is not the shops, but the political State of Capitalism—for the purpose of dismantling it.

### THE STRUCTURE, ETC., OF THE POLITICAL ARM.

"And, now, as to the 'structure' of a political arm. Look closely into that, and the fact cannot escape you that its structure also unfits the political arm to 'take and hold'

the machinery of production. The disability flows inevitably from the 'reason' for politics. The 'reason' for a political arm, we have seen, is to contend with Capitalism upon . . . [the political] field. . . .

"It follows that the structure of a political arm must be determined by the capitalist governmental demarcations—a system that . . . [society will cast off like a slough that it has] outgrown.

"Take . . . [the Federal Parliament] for instance, whether Senate or House of Representatives. The electorate of the Federal representation is purely politically geographic; it is arbitrary. The structure of the Federal electorate reflects the purpose of the Capitalist State—political, that is, class tyranny over class.

"The thought of production is absent, wholly so, from the Federal demarcations. It cannot be otherwise. [As the Federal Parliament is not] . . . a central administration of the productive forces of the land, but of the organised forces of the capitalist class for oppression, its constituent bodies can have no trace of a purpose to administer production.

"Shoemakers, brickmakers, miners, railroad men, together with the workers in all manner of other fractions of industries, are, accordingly, jumbled together in each separate Federal electorate. Accordingly, the political arm of . . . [the Socialist movement] intended to capture a Federal electorate is wholly unfit to 'take and hold' the plants of industry.

"The only organisation fit for that is the organisation of the several industries themselves—and they are not subject to political lines of demarcation; they mock all such arbitrary, imaginary lines. The Central Administrative Organ of the Socialist Republic . . . [is exactly the opposite of the central power of Capitalism. The central power of Capitalism is the organised power of the ruling class for oppression. But the Central Administrative Organ of the Socialist Republic is exclusively administrative of the producing forces of the land. Therefore,] its constituent bodies must be exclusively industrial."

#### THE NEW PARLIAMENT.

"The form of central authority to which the political arm had to adapt itself, and consequently look to, will have ceased to be.

. . . [As the serpent that sheds its slough immediately appears in its new skin, so Society, having shed the political State, will immediately] appear in its new administrative garb.

"The mining, the railroad, the textile, the building industry, each of these, regardless of former political boundaries, will be the constituencies of that new Central Authority. Where the Industrial Parliament will sit there will be the nation's capital.

"Like the flimsy card houses that children raise, the present political Government . . . [both State and Federal] will tumble down, their places taken by the Central and Subordinate administrative organs of the nation's industrial forces.

"Obviously, not the 'structure' of the political arm, but the structure of the economic . . . [organisation] is fit for the task to 'take and hold' the industrial administration of the country's productive activity—the only thing worth 'taking and holding.'"

#### CENTRAL DIRECTING AUTHORITY.

In consequence of the revolutionary political action and the revolutionary industrial action requisite for the abolition of Capitalism and

the inauguration of Socialism being inseparably interlocked, and in consequence of simultaneous and perfectly co-ordinated action on both the political and industrial fields being vitally necessary, the political arm must be under the direct control of, and receive instructions from, the Central Administration of the Union.

Just as a combined attack on a given place by naval and military forces necessitates one central directing authority, so the workers when attacking Capitalism with their political and industrial arms must have one central directing authority. For the political and industrial arms to act independently, or to be but loosely allied, would be suicidal.

### THE SAFEGUARD AGAINST THE WORKERS BEING "SOLD."

Many earnest minds have given much thought to the danger of Labor men in Parliament "selling out," or betraying the working class. The same danger exists on the industrial field. The chief preventive against such selling out on both the political and industrial field is the development to the highest possible degree of an intense class-

consciousness among the workers organised in the Union. As De Leon put it:—

"Against this danger there is but one protection—the industrial, that is, the class-conscious economic organisation to keep that ballot straight. Nothing short of such an economic organisation will prevent the evil, because nothing short of such an economic organisation can keep sharp the edge of the special sword wielded by the political movement of Labor.

"What that special sword is I have shown before. It is purely destructive. . . . It follows herefrom that the political movement of Labor may not even remotely partake even of the appearance of compromise. It exemplifies the revolutionary aim of the . . . [Socialist] Movement: it must be uncompromisingly revolutionary. This fact dictates the conduct of the successful candidates of . . . [the Socialist Movement] in the Parliaments of Capitalism."

### WHAT THE POLITICAL ARM MUST DO.

The political arm of the Union must among other things:—

(1) Fight on the basis of the Class Struggle, and demand the unconditional surrender of the capitalist class.

(2) Keep clear the class character of the Movement.

(3) Wage systematic war against the Class State.—Wilhelm Liebknecht.

(4) Avoid all alliances, agreements, arrangements, contracts, or whatever they may be called, which would involve a surrender of principles, or in general change the relation of the Movement towards the capitalist parties in a manner injurious to us.—Wilhelm Liebknecht.

(5) Emphasise the purity of the principles and the idealism and grandeur of the Movement.

(6) Emphasise that the emancipation of the working class must be the class-conscious act of the working class.

(7) Emphasise that "the State is, so long as Capitalism exists, necessarily a Class State, and the Government of this State is, with like necessity, a Class Government."

(8) Emphasise, as De Leon did, that the revolutionary force must be self-reliant, "that it must march by its own light, look to itself

alone, and that, whatever act it contemplates, it judges by the code of law that, though as yet unformulated into statute, it is carrying in its own womb"—that the test to be applied to every matter is: Is it for or against the interest of humanity?

### DUTIES OF SOCIALIST MEMBERS OF PARLIAMENT.

The Union Representatives in Parliament will be under the direction of, and receive instructions from, the Central Administration of the Union. They will be expected to, among other things, fight to secure and maintain such rights as free speech, free press, right of assemblage, right to organise, etc. Their services will be at the disposal of the Union for political agitation and organising work, or whatever the Union deems necessary.

### BOTH POLITICAL AND INDUSTRIAL ACTION.

Political as well as economic action is necessary. The Socialist Movement must fight on the highest civilised plane. To step down from that plane would be to play into the hands of the capitalist class. As Daniel De Leon said, "The value of the Ballot as a

constructive force is zero; the value of 'political agitation' is immeasurable."

The economic arm is "indispensable to the revolutionary act" of taking and holding the socially operated means of production, and "is the framework of the Co-operative Commonwealth."

After what has been said it will be seen that:—

"Capitalism can be abolished only by the workers uniting in one class-conscious, economic organisation to take and hold the means of production by revolutionary industrial and political action."

"Revolutionary action means action to secure a complete change, namely, the abolition of capitalist class ownership of the means of production—whether privately, or through the State—and the establishment in its place of social ownership by the whole community."

[NOTE: The foregoing statement, by E. E. Judd, in its unexpanded form, was first published in "The Case for the One Big Union" pamphlet (by E. E. Judd) on May, 1919 (2nd edition, Sept., 1919). It was republished in the "Revolutionary Socialist" of June, 1925, and republished in No. 1 of the S.L.P. New Series: "How to End Capitalism," June 1925 (2nd edition, July, 1928)].

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