own vital interest, will take their places in the new society and under the conditions of this society. This is not the place for going further into the laws of motion of a communist society; it might be stated, however, that if Nomad had concerned himself more with these laws, he would have realized that the whole problem of the intellectuals is one of subordinate importance,—that the matter of much greater moment is to make it clear to the working class that even today it is in a position to build a real communist society and that any difficulties which may be occasioned by the intellectuals may be dealt with in the framework of the proletarian dictatorship.

- P. M. -

NOTICE
Max Nomad will reply to this article in the next issue of the Council Correspondence.

Forthcoming articles in the Council Correspondence:

- German Imperialism
- Marx and Lenin on the State
- Bolshevism in Spain?
- The Council Movement in England
- Planned Economy Nonsense in the Labor Movement
- Competition and Average Rate of Profit

Send in your subscription today for the Council Correspondence.

1604 N. California Ave.,
Chicago, Ill.

CONTENTS:

The Defeat in France

Luxemburg Versus Lenin

On the Accumulation of Capital

The Factor of Spontaneity

The Question of Organization

The Role of Fascism

Vol. II No. 8

JULY 1936

$1.00 YEARLY 10c A COPY
The period of progressive capitalist development in historically closed. The decline period of capi- talism has begun. The higher productivity, which, despite the ever greater socialization of production, leads to new un- spirational and military conflicts, by new un- spirational and military conflicts, by new unemployment and to general and absolute impoverishment of the workers. This is given as the objective situation for the communist revolution in the capitalist countries. For the working class, there is no other road ahead except the revolutionary way out, which leads to the communist society. The means of production and themselves to administer their own destinies, which must be carried out by the class itself.

The means of production in the hands of the Worker

THE DEFEAT IN FRANCE.

There are defeats which are victories, and victories behind which lurks defeat. The victory of the "Popular Front" in France and the victory of the strikers are victories only in form. Behind the triumphal shout of the bureaucratic labor movement is concealed the fact that the revolutionary energy of the French proletariat has been squandered to no purpose. As a matter of fact, the French workers have suffered the first decisive defeat in the struggle against Capital.

France was drawn into the world crisis relatively late. Since 1933, however, the economic conditions have constantly grown worse. The index of production (on the basis of 100 for the year 1929) amounted to 76.7 in 1933; 71 in 1934; 67.4 in 1935; and 70.2 in 1936 (January-February). This stagnation is identical with the increasing impoverishment of the workers. In March 1936 the number of registered unemployed already amounted to 465,000. The deflationist policy of the government reduced wages and salaries more rapidly than domestic prices. The situation of the proletariat has become less and less tolerable and for a long time has resulted in an intensification of ill humor which has now been discharged in the great wave of strikes.
Circumstances of foreign policy led to the conclusion of the Franco-Russian military pact. The nearness of the war danger made it necessary to spend up the ideological attacks of the masses. To the value of the fact that French Fascism lacked a mass basis, owing to the relative retardation of the economic crisis in France, the French bourgeoisie was compelled to cast its eyes upon the labor parties. It seemed politically not inappropriate, or for the moment unavoidable, to the opinion of this bourgeoisie, to engage the labor organizations directly for its own purposes and to hold their fascist forces in reserve. At any rate, it did nothing to prevent or make impossible the parliamentary victory of the "Popular Front".

Because of the alliance with Russia, anti-Bolshevism was unpopular. The attitude of the French "communists", who in supporting the People's Front came out for a "strong, free and happy" France, the transformation of the Third International into the best defender of capitalist interests, and the momentary war value of the slogan of struggle of "democratic" against fascist countries,—these things raised the bourgeois interest in the propagandist value of the election slogans of the popular-front parties and stood in the way of the fascist propaganda. The united-front enthusiasm,—that is, the fact that the Communist Party made itself the tail end of the Social Democracy,—was likewise a propagandist asset, which led to such repulsive results as the demoralization of the communists with officers of the French army. The communist parliamentarians gave their approval to increased military expenditures; their demands were in many cases still more reactionary than those of the Social Democracy, since the "communists" are still more interested than the socialists in the strengthening of the French fatherland. The communists now have two fatherlands to defend, while the socialists still like to content themselves with only one. And so the communists had more at stake than the socialists in a popular movement as broad as possible, and which went the whole length of communist efforts to the fascists with a view to these latter joining the patriotic Front. As regards the social democrats, they want to govern only for their own bourgeoisie.

The labor parties have won in France with a fascist program. They were still more national than the fascists, and their program, which rested not only on attacking "200 families"—that is, the stockholders of the Bank of France—and otherwise to stealing from Roosevelt's NRA anything available, was not very far removed from the fascist swindle in this respect. All that is nothing for any worker to get excited about, for such a program and such feats involve nothing in any way original. In the present circumstances, the whole of the old labor movement is compelled, if it wants to maintain itself, to take up fascist slogans and to compete with the fascists for the honor of being able to govern for Capital.

Under these conditions the union between SP and CP is at the same time nothing more than a business connection. The SP was ready to aid in supporting, by the side of its own state capitalism, also that of the Russians. The struggle against Fascism is actually and loyally being conducted by these groups, so far as the thing is possible to the valets of Capital. In the first place, this "anti-fascist" struggle serves merely to veil the eventual conflict between imperialist groups of powers, the one against French against German Capital for so long as the French bourgeoisie is obliged to fear German capital, the labor movement must be opposed to German Fascism. There is also the fact that these labor leaders are conducting their anti-fascist struggle in their own interests: one bureaucracy is fighting against another bureaucracy. But at the same time, they conduct their struggle against Fascism as stage in the war of the "Defenders of Capital", which is capable of existing under the most various forms of government.

The French socialists with 146 deputies in the new Chamber have taken over the government for French capital. They are supported by the bourgeois-democratic "Radical Socialists" and covered in very large measure by the communists with 72 deputies and by a number of small splinter groups, without for the present participating in the government. The program of the new government is, like the electoral program, directed first against Fascism; which is only natural, as every government has to shake off the competition. Furthermore, it combats the war danger, and here too, of course, as in other countries, thru the strengthening of the military capacities, for only one who is heavily armed can live in peace. Within the framework of the armament policy, the government's demands for nationalization of the armament industry are likewise quite natural, just as all the other "planned-economy factors" of the "socialization program" here acquire their deeper meaning. Practically, however, they are of less significance than they pretend: the war economy would of course automatically require the centralization of power to determine all phases of social life. But even without war, this "planned economy" serves practically only to promote the interests of the capitalist strata which are favored even today and is an expression of the advancing concentration of capital.

A number of other trick demands is represented by the
new government; for example, it proposes to combat the influence of big capital upon politics, press and public finances. Such phrases are designed to please the petty bourgeois, but the reality which they conceal is something quite different. The people who set this demand on the order of the day are practically condemned to be the executive organ of big capital, and the petty bourgeoisie, reduced to that of a servilely submitting themselves. The rest of the government demands, such as a better credit policy, public works, etc., are all taken from the rooseveltian "socialism", the practical value of which has been clearly demonstrated in America the last few years. These policies have strengthened the power of monopoly capital, and nothing more. The aid is thrown to the workers, such as collective contracts, eight-hour day, legislative sanction for competence to negotiate regarding rates of pay, etc., have already shown their insignificance in Germany, and no other fate is reserved for the French reformers. It is not politics which determine the economy; politics is only a part of profit production. The economy remains, as Leon Blum himself says, capitalistic; and capitalistic also remain its solutions of crisis. No crisis under capitalism can be solved except thru the sharpening of exploitation and the deepening of proletarian misery. The reform demands in the interest of the French workers, if put thru, would necessarily bring disaster, and the deepening of the crisis would lead to the setting aside of the reforms. In a word: under capitalism in decline, reformism becomes objectively impossible. Anyone who contests this is a charlatan and has all the facts against him. One has only to glance at the fate of social reforms in other countries. Serious struggle against impoverishment—a struggle which can be conducted only outside of parliaments—would at most compel Capital, if it wants to evade a decisive struggle with the workers, to change the methods of impoverishment; even Capital cannot affect the process of impoverishment. It is possible, for example, to the end of robbing and more sharply exploiting the masses, to make use of inflationist instead of deflationist methods; instead of cutting wages, the prices can be correspondingly raised. One and the same goal can be reached directly or indirectly, by straight or crooked paths. The working day can be shortened, and at the same time the thing can be made profitable by making the labor process more intense.

However, the incapacity of Capital to better the situation of the workers is also its problem. This problem may indeed cause the "labor leaders", in their desire to understand both sides, many a headache, but the working class remains unphased. As little as Capital can voluntarily renounce an ever sharpened exploitation of the proletariat, so little can the proletarian desist from uninterrupted struggle against impoverishment. Neither class moves as a result of understanding of its own or the general situation, but the acts of both classes are forced upon them thru the unregulated capitalist market mechanism. It is the task of the government to use the methods of force and cunning, to keep these two opposed tendencies within bounds which assure the perpetuity of exploitation society.

If the workers succeed in holding their position against Capital, the latter is obliged to oppress so much the more the other weaker strata of society—the farmers, the middle class and the smaller capitalists. The workers' resistance to pauperization can only lead to the general pauperization. In this sense, the workers' resistance, without being capable of doing away with impoverishment, is of enormous revolutionary importance. It sharpens all the capitalist contradictions, and compels to constantly more accelerated impoverishment of ever broader strata. At a certain point of the development, the burden of impoverishment can no longer be divided at will among the various social strata, and the leveling process of impoverishment has come to a close. Then is reached the absolute and of all reformist policy. Until that time, the burdens of the permanent crisis may frequently still be shifted from one stratum to the other, but no one is in a position to help all strata of society at the same time. If the popular-front parties want to assure themselves of the middle class, they must be willing to worsen the situation of the workers. If they want to keep the confidence of the workers, then the other strata of society must be attacked. There is only one thing to be done. If the popular-front parties proceed against the middle class (and so in part against themselves,) they will only raise up Fascism, which will then have no choice but to combine with its enemy, monopoly capital, against the workers. If they spare the middle class, then they lose influence among the workers and thereby the support of Capital. They will be thrown out as unserviceable, their "life's work" will flow into the pockets of the fascists, who will take over the "inheritance" of the labor fakers. Only one thing is beyond the power both of the fascists and of the labor parties: they cannot attack big capital, for any damage to the interests of big capital deepens the crisis and brings to question the whole of capitalist society. The weight of big capital within present society is too great to be experimented with. The society of today lives and dies with the fortunes of big capital, which has to be profitable in order to support big capital; capitalist society has to be overthrown; but
the overthrow of capitalist society is not in harmony
with the interests of the labor organizations at work
today, nor with those of the Blum government.

The time is past in which the fight for reforms could
be conducted in any but a revolutionary way. But with
this, reform also ceases to be the goal of its cham-
pione, the workers may think that they are reformers.
For reform, if they wish, however to put them thru,
they are obliged to overthrow Capital. Once this is
done, however, the reform no longer matters, for so-
ciety itself is then mastered. And so the professional
reformists have no choice but to turn against reforms.
Their propaganda in favor of reforms becomes a swindle;
practically, the propagandists themselves are fighting
against them.

Any real change of the workers' situation under the
present conditions, and increasingly also in France,
means eventually civil war. In such a war, all capital-
list interests, hence also the present-day labor parties,
will automatically line up against the revolutionary
workers. The only activity which in the meantime re-
mains to the reformists is deception: they promise
without themselves intending that the promises shall
be kept. In this way the workers can for longer or
shorter periods be held in leash, and in return the re-
formists gain the same length of time as is tolerated by
the bourgeoisie. No group is today capable of represent-
ing more than its direct and immediate interests. No
one can adopt a policy for long in advance. A policy
often has the appearance of being planned, but that is
not really so; it is only that in this case, quite ac-
cidentally, direct interests coincide with some which
have a further reach. With every step which Capital
takes in order to satisfy its direct interests, it
makes itself, from the historical standpoint, at the
same time more impossible. But it cannot do otherwise;
if it refrained from taking the step because it real-
ized the eventual consequences, it would still go un-
der. And so it can live only for the moment. And the
matter is similar as regards the labor organization.
The realization that it is impossible to deceive in-
definitely, and so that at last they will be driven out,
does not affect the momentary compulsion to de-
ceive in order to exist at all.

The Popular Front, as well as the Blum government, can
only deceive the masses, and will drive them more and
more away from itself and into the arms of the fascists.
The large middle class existing in France, of which
propagandists form the backbone of Fascism, will lend
still more impulsion to the accelerated fascization. In
the process of disappointment awaiting the masses, class
solidarity is at the same time more and more disintegrated.

The workers are then just as willing to take a chance
with the fascists as they had done successfully with the
radicals. These latter are then not in a position to
incite the masses to resistance against the fascists;
they have served their time.

The concrete experience of all that was had in Germany.
The same process is being repeated today in France; for
the old labor movement refuses to learn, refuses to
draw from the German experience the corresponding con-
clusions for France. It is bound to capitalism, and so
is obliged, if it wants to live, to prepare the way for
Fascism, even tho the this latter will finally be its death.

The popular-front government can do no damage to the
French bourgeoisie. Its only damage will be to the wor-
kers. The popular-front government is the government
of French capital. There is no fear, as a Catholic academi-
cian writes in Figaro, that Leon Blum will be the master,
but rather that he will not be master enough. If the Blum
government fails to hold the French workers in check, if
it fails to raise the profitability of capital, if it
fails to govern sufficiently against the people, then it
will be thrown out. The new government has to demonstrate
that it is the best bulwark against the French workers.
When it proceeds against the workers, it merely defends
its own existence. Anyone who is for the popular-front
government is against itself and on the way to
"Noske-socialism": someone must of course be the blood-
hound.

Long before the accession of the Blum government, strike
sentiment prevailed among the French workers. Encour-
aged by the victory of the Popular Front, certain that the
new government was not in a position to bring the sol-
diety into action against them forthwith, the workers be-
gan their long-delayed strike. As a matter of fact, the
Blum government was not in a position to come out openly
against the strikers, as likewise the trade-union organi-
sations were forced to accept the strike under the presu-
ure of mass sentiment. The government considered it best
to wait and leave the strangling of the strike to the
professional labor leaders. The communists made them-
sew phraseologically even "the spearhead of the
strikers", the only in order to blunt its point. The
mass of the strikers themselves; their leaders were
for the most part also the conscious and uncon-
scious strike-breakers. The strike movement also helped
the government somewhat in finding a parliamentary home
for its NRA-swindle, and thus increased its prestige,
for the government succeeded at the same time in making
the strike itself futile. Parliamentary action was directed
against the strike, which it restricted in its develop-
ment and deprived of its aggressive character. Instead
of bread, there were new laws which, apart from the ink, cost nothing. Laws which, even if they are literally
complied with, are incapable of making any essential change in the situation of the proletariat. Frequently
the strike seemed to get out of the hands of the labor
leaders, it was hard to master and control because of its extension. This was at the same time its centrali-
sation, but without the experienced central committee
so that the strike had great force behind it. The syn-
dicalist elements of the labor movement had also little
reason to care for the apprehensions of the government,
and their self-initiative made control still more dif-
ficult and at the same time prevented a violent inter-
vention on the part of the government. The success
of the strike might have spoiled the career of the gov-
ernment at the very beginning, if it had come to a
test of strength with the strikers. The best course
was to harangue the strikers and throttle the strike
by way of sympathy. The government forces gradually
were succeeding in breaking up the strike front and so in
bringing the strike to a dreary end. The popular-front
government thus had behind it its first betrayal of
the workers; for the gains of the strike are paper ones,
not real. The government's deception was praised by the
communists as "cool-headedness and self-control of the
workers." Enthusiastically they wrote: "The flood is
mastering itself."

The remarkable thing about the strike was the tactic
employed by the workers, that of remaining in the en-
terprises. As the first large-scale violation of the
ideology of private property, this fact is of incal-
culable value to the entire working class. The occu-
pancy of the enterprises leads on quite naturally to
the direction of strikes by the workers themselves. The
possibility of influence from the outside becomes more
difficult; the spirit of solidarity grows stronger.
From this point to the councils there is only a short
step. The fact that the workers are going over more and
more on their own initiative to occupying the enter-
prises will also compel the old labor organizations
more and more to combat strikes which they are unable
to control. The militancy of the workers unveils at the
same time the treacherous character of the old labor
movement. The old labor movement and the popular-front
government will be compelled in their own interests to
proceed against the workers in such a vile manner that
at the same time they will hasten the process of dig-
ging their own grave.

Once the power of the strike was broken, the Blum gov-
ernment proceeded promptly to turn from the friendly
phrase and take up the brutal suppression of the work-
ers. The government began its struggle against "Right

and left." Newspapers of the left OP-Opposition and
other groups not in agreement with the ruling labor
parties were forbidden, strikers arrested and thrown
into jail. Laws are being prepared which are designed
to hit all enemies of the present government, hence
also the revolutionary workers turning against the
betrayal perpetrated by the Blum government.

However, the masses of the workers are still pursuing
the false hopes which they have set on the Popular-
Front and their government. They will be bitterly dis-
appointed. Once the government has become more firmly
consolidated, if they should try again with their own
weapon, the strike, to represent their interests, the
Blum government will not be in a position to answer
the call for bread with paper laws; for the laws can-
not be made twice, and in spite of the laws the masses
will slowly famish more and more. They will learn to
thumb their noses at all constitutions and laws and, in
the lack of sufficient class force, which today is
being still more disintegrated by the old labor move-
ment, they will flock to Fascism. Anyone who wants to
fight against Fascism must today fight against Blum
and the Popular Front. He must pronounce the truth
that the French "victory" is in reality the beginning
of a whole series of defeats. The workers are on the
wrong path; with Blum and Thorez, they are marching
straight into Fascism.

Max Nomad's reply to the article "Dictatorship of the
Intellectuals?", appearing in the last issue of the
C.C., did not arrive early enough to be included in
this issue. It will appear in the August issue of the
C.C. The next issue will contain also an extensive
report from Palestine under the title:
THE LAND OF PROMISE
and other interesting articles.
THE ROLE OF FASCISM

The chief characteristic of fascism is that of organizing the petty capitalist and middle class with their narrow-minded spirit of private business into a mass organization, strong enough to check and beat the proletarian organizations. This class, squeezed in between the capitalist and the working class, unable to fight capitalism, is always ready to turn against the workers' class struggle. It hates big capital and puts forth anti-capitalistic slogans, it is a tool in the hands of capitalism, which pays and directs its political action towards the subduing of the workers.

Its ideas and theories are directed chiefly against the class struggle, against the workers feeling and acting as a separate class. Against this, it brings forward a strong nationalistic feeling, the idea of the unity of the nation against foreign nations. In this nation workers have their place, not as a separate class, but combined with the employers as industrial and agrarian groups of production. Representatives of these groups form advisory boards for the government. This is called the Corporative State, founded on direct representation of the economic grouping of society, on capitalist labor. It is opposed to the parliamentary system for which fascism has hardly any use and which it denounces as a power of disruption, a mischievous preaching of internal dissension.

Parliamentarism is the expression of supremacy of the people, the citizens, and of the dependence of the government. Fascism puts the State above the citizens. The State, as organization of the nation, is the superior objective to which the citizens are subordinate. Not democracy, not the people's right, but authority, the people's duties stand first. It places the party chief at the head of the State, as a dictator, to rule with his party companions without interference from parliamentary delegates.

It is clear that this form of government corresponds to the needs of modern capitalism. In a highly developed capitalism economic power is not rooted, as it was in the beginning, in a numerous class of independent producers, but in a small group of big capitalists. Their interests can be served better by influencing a small body of absolute rulers, and their operations seem more safely secured if all opposition of the workers and all public criticism is kept down with an iron fist. Hence a tendency is visible in all countries to increase the power of the central government and of the chieftains of the State. This is also sometimes called fascism; it makes some difference whether parliamentary control is maintained, or an open dictatorial rule is established, founded upon the terrorism of a mighty party organization.

In Germany an analogous development of the national-socialist movement took place somewhat later. The revolution of 1918 had brought socialism into power but this power was made use of to protect capitalism. The socialists in the government let the capitalists operate as they liked. The petty capitalist classes seeing their antagonists on both sides now united and socialist officials involved in foul capitalist affairs considered socialist state concern and capitalist speculation as one common principle of corruption of an international gang of grafters. It opposed to them the honest small business of petty capitalists and the conservative old-time farmers. Young intellectuals of the universities who found their former monopoly of public offices infringed upon by detested socialist leaders and former officers jobless thru the diminution of the army, organized the first groups of national-socialists.

They were eager nationalists because they belonged to the capitalist middle classes and were opposed to the internationalism of the ruling social-democracy. They called themselves socialist, because their petty-capitalistic feeling was hostile to big business and big finance. They were strongly anti-Semitic, too. Firstly, because Jewish capital played an important role in Germany especially in the large stores, which stores caused the ruin of the small shopkeepers. Secondly, because numerous Jewish intellectuals flooded the universities and the learned professions, and by their keener wits often -- e.g. as lawyers and physicians -- left their German competitors behind them.

Financially these national-socialists were backed by many big capitalist concerns, especially by the armament industry which felt its interests endangered by the increasing disarmament conferences. They formed the illegal fighting groups of capitalism against rising Bolshevism. Then came the world crisis, aggravating the conditions in Germany exhausted as it was by the peace treaty indemnities. The revolt of the desperate middle classes raised the National-Socialist Party to the position of the mightiest party and enabled it to seize the political power and to make its leader the dictator of Germany.
Seemingly this dictatorship of middle class ideas is directed against big capitalism as well as against the working class movement. It is clear, however, that a petty capitalist program of a return to former times of small business cannot be carried out. It soon became evident in Germany that big capitalism and the land-owning aristocracy are still the real masters behind the ruling National-Socialist Party. In reality this party acted as an instrument of capitalism to fight and destroy the workers' organization.

So strong was the power of the new slogans that they drew even a large number of workers with them, who joined the National-Socialist Party. The workers had learned to follow their leaders, but these leaders having disappointed them, were beaten by the stronger leaders. The splendour and the spiritual power of the socialist and communist ideals had waned. National-socialism promised the workers a better socialism, by class-peace instead of class-war. If offered them their appropriate place in the nation as members of the united people not as a separate class.

Due to the victory of Fascism, or its equivalent, in certain countries, the working classes in these countries have been thrown back in their systematic upward strife for liberation. Their organizations have been wiped out or split into the case of the trade unions, put directly under the command of capitalist state officials. The workers' papers have been suppressed, free speech prohibited, socialist and communist propaganda forbidden and punished with imprisonment, concentration camps or long incarceration. In the enforced uniformity of opinion there is no room for revolutionary teachings. The way of regular progress towards proletarian power in the development of insight and organization by means of propaganda and discussions, the way to revolution and freedom, is blocked by the concrete wall of reaction.

So it appears on the surface. But, looking deeper into the problem, it only means that for the workers the smooth and peaceful way of growing to power is blocked. We said before that the right of free speech, the right of organizing, the right of propaganda and of forming political parties, were necessary for capitalism. It means that they are necessary to ensure a regular working of capitalist production and capitalist development. It means that, once they are gone, the class antagonisms must at last explode in heavy uprisings and violent revolutionary movements. The capitalist class has to decide whether it prefers this way.

It has its reasons for taking this way. It strongly feels that the heavy world crisis of today is shaking the capitalist system in the heart. It knows that the diminished production is unable to feed the whole working class and at the same time to leave sufficient profits. It is resolved not to bear the losses itself. So it realizes that the workers, starved by unemployment, must rise and will rise in revolts. And it tries to forestall their revolts by fortifying its own position, by forging the whole capitalist party into one strong unity, by putting the state power in strong armor, by tying the workers to this state by means of strong fetters, by robbing them of their old means of defense, their socialist spokesmen and their organizations. This is the reason why in these last years fascism became powerful.

Capitalism at one time seemed to be on to the best way of fooling the workers by means of sham-democracy and sham-reforms. Now it is turning the other way, to heavy oppression. This must drive the workers to resistance and to determined class fighting. Why does capitalism do so? Not of its own free will, but compelled by material, economic forces inherent in its innermost nature; by the heavy crisis which endangers its profits and arouses its fears for revolution.

Triumphant fascism boasts that it has blocked the way to communism forever. Its claim for this is because it has brought the workers' movement, what it really crushed was only the ineffective, primitive forms. It destroyed the illusions, the old socialist beliefs, the socialist and communist parties -- all obsolete things hampering progress. It destroyed at the same time the old party divisions which incited workers against workers. It thereby has restored their natural class unity.

Parties are groups of common opinion; organizations are dependent on membership—both of these are secondary accidents. Class is the primary reality founded in the nature of capitalism itself. By tradition the workers considered political opinion and organization membership as the real distinctions between workers and capitalists. They were thinking and feeling in terms of parties and unions—and by tradition may continue to do so for some time. Now they are constrained to think and feel in terms of class. Without any walls of partition, they stand one beside the other and see that they are all comrades, subject to the same capitalist exploitation. As party discipline can call them to action; they will have to think out and make their own solutions when the burden of Fascist capitalism makes itself too heavily felt. The mist of opposing party opinions, of political slogans, of union narrowness, which dimmed the natural class consciousness, has been destroyed. Sharp and relentless the reality of capitalism confronts them, and to fight it they have only themselves, their class
unity to rely upon.

The political parties of the working class—we speak of Germany and Italy—have disappeared; only the leaders in exile continue to speak as if they were the parties. This does not mean that they have disappeared forever. If there should come an uprising of the working class, they will come back and present themselves again as leaders. They must be vanquished for the second time, now by the workers, by conscious recognition that they are obsolete.

This does not mean that there will be no more parties in the future, that their role is finished. New parties will arise undoubtedly in revolutionary periods to express new situations the unavoidable differences of tactical opinions within the working class. Parties in this sense are necessary elements in social development. The working class cannot be given ready-made opinions and platforms from some Dictator Party which claims to do the thinking work for it, and forbids independent opinion. The working class has to think out and to find out the way for itself. Then opinions as to what is and what must be done will differ because their lives—the in the main rather alike—were different in particulars. Groups of common opinion will be formed to discuss and to propagate their ideas, to fight the scientists of the capitalist class, to wage the spiritual contest against other groups. This is the way of self-education for the working class.

Parties in this sense may be called the scouting groups in the capitalist jungle. They have to investigate the ways, to study science and circumstances, to discuss these in mutual debate, to lay their ideas, their explanations, their advice before their fellow workers. In this way they are the necessary instruments to build up the intellectual power of the working class.

Their task is not to act instead of the workers, to do the real fighting work for the workers and to drag the class behind them. They will not have the power to put themselves in the place of the class. Class unity, class action will be paramount, party opinion subordinate.

II

There are points of similarity between fascist Italy and Germany, and bolshevist Russia. They are ruled by dictators, the chiefs of dictator parties—the Communist Party in Russia, the Fascist Party in Italy, the National-Socialist Party in Germany. These parties are large, strongly organized groups which by their zeal and enthusiasm, their devotion to the cause, by their discipline and energy are able to dominate state and country, and to enforce upon it the stamp of one hard, big unity.

This is a similarity in form; the contents are different. In Russia state capitalism builds up the productive forces; private capital is not tolerated. In Italy and Germany, the state and the ruling party are intimately connected with private large-scale capitalism. But here also a better economic organization is included in the fascist aims.

Big business always means a certain organization of production, transport and banking in the hands of a small number of directing individuals. And these comparatively few persons have control and power over the mass of lesser capitalists. Political rulers were already connected with these big capitalists before. Now the fascist program proclaims it to be the task of state power to direct and regulate the economic force. The increase of nationalism in all countries, and the preparing for world war, as expressed in the slogan of autarchy, i.e., the complete reliance of each state upon its own resources, imposes upon the political leaders a close cooperation with the leaders of industry. If in the old capitalism the state was a necessary instrument of industry, now industry becomes a necessary instrument of the state, too. Ruling the state and ruling industry is being merged into one. Imposing regulation on private regulation business now means that by the fascist power the bulk of the lesser capitalists are subjected still more completely to big business.

To be sure, in fascist capitalism the ruling class clings to the principle of private enterprise, if not for others, then at least for themselves. The silent contest of big capitalists, monopolists, bankers, for supremacy and profit goes on behind the scenes. If, however, the economic crisis lasts, then the increasing misery, the rebellions of workers or middle classes will compel the rulers to more efficient regulations of economic life. Already now, capitalist economists look to Russia and study its economics as a possible model, and as a way out, "Planned Economics" is the talk of politicians in many countries. A development of European and American capitalism in the direction of and into some form of state capitalism may offer itself as a means to prevent or to thwart or to turn back a proletarian revolution. This will be called socialism then. If we compare it to the last program, the "Plan" of the Belgian Social-Democratic party for regulating capitalism, the difference is not fundamental. The Belgian plan, indeed, may be called an attempt to compete with fascism in a salvation-action for capitalism.
If now we compare these three parties, the Social-Democratic Party, the Communist Party, the Fascist Party, we find that they have their chief aim in common. They want to dominate and rule the working class. Of course in order to save the workers, to make them happy, to make them free. They all say so.

Their means, their platforms are different; they are competitors, and each abuses the others calling them counter-revolutionaries or criminals.

Social-democracy makes an appeal to democracy; the workers shall choose their masters by vote. The Communist Party resorts to revolution; the workers shall rise at the call of the C.P., overthrow capitalist rule and put the C.P. into office. The fascists make an appeal to national feelings and petty-capitalist instincts. They all aspire to some form of state capitalism or state socialism where the working class is commanded and exploited by the state, by the community of leaders, directors, officials, the managers of production.

Their common basis is the opinion that the working masses are unable to conduct their own affairs. The incapable and stupid many, as they believe, must be led and educated by the capable few.

When the working class fights for its real freedom, in order to take the direction of the production, the rule of society into its own hands, it will find all these parties opposed to it.

-J.H.-

----------

READ:


INTERNATIONAL REVIEW

The World's most significant Thought and Action. 15c single copy. Subscription: $1.50 a year. Order from: P.O. Box 44, Sta. O. New York, N. Y.

----------

LUXEMBURG vs. LENIN

While Lenin's position on the national question (1) was on the one hand determined by the social-democratic standpoint of pre-war time, which he had not completely overcome, and on the other appeared to him as a means of setting up and consolidating bolshevist mastery in Russia and its eventual extension on a world-wide scale, for Rosa Luxemburg it had no other meaning than that of a false policy which would be dearly paid for.

In contradistinction to Lenin, for whom, quite in keeping with his general position, organization and the conquest of power for the Party was the necessary presupposition for the victory of Socialism, Rosa Luxemburg's glance was directed to the class needs of the proletariat. Furthermore, while Lenin's theory and practice were tied up mainly with the backward conditions of Russia, Rosa Luxemburg constantly took as her starting point the more highly developed capitalist countries and hence was incapable of seeing in the "historical mission" of the working class a party-and-leadership problem. She laid more weight upon the spontaneous mass movements and the self-initiative of the workers than upon the growth of the organization and the quality of the leaders. Thus she differed fundamentally from Lenin in her appraisal of the factor of spontaneity in history and hence also as regards the role of organization in the class struggle. Before entering into these differences, however, we should like to contrast briefly the views of Luxemburg and Lenin on the Marxian theory of accumulation, since this question is very closely bound up with all the others.

The Collapse of Capitalism.

In her campaign against the Revisionists, Rosa Luxemburg had already emphasized that the labor movement must be prepared to face the question of revolution, not that of reform, since capitalism is inevitably heading toward collapse. In opposition to Revisionism, which strove to impute to capitalism an endless duration, she maintained that "with the assumption that capitalist accumulation has no economic limit, socialism loses its granite..." (1) The first part of this article appeared in the Modern Monthly, September 1935.
foundation of objective historical necessity. We then take flight into the mist of pre-Marxist theory and schools which sought to deduce socialism from the mere injustice and badness of the present-day world and from the mere revolutionary determination of the working class". (2).

Her principal literary work, conceived as part of her struggle against Reformism, was designed to demonstrate an objective limit to capitalist development, and was at the same time a critique of the Marxian theory of accumulation. (3).

In her opinion, Marx had merely raised the question of accumulation in the total capital, but left it unanswered. Capital appeared to her "incomplete" torso; it contained "gaps" which were to be filled in. Marx had "represented the process of capital accumulation in a society consisting merely of capitalists and workers"; (3), in his system he "passed over foreign trade" (3) so that it is "just as necessary as at the same time it is impossible, in his system to realize surplus value" (4) outside the two existing social classes. In Marx, the accumulation of capital "has become involved in a vicious circle"; his work contains "glaring contradictions", which she set about to overcome. (R. Luxemburg, Antikritik.)

She herself based the necessity of capitalist collapse on "the dialectical contradiction that capital accumulation requires for its movement to be surrounded by non-capitalist areas,...and can continue only so long as it is provided with such a milieu." (R. Luxemburg, Die Akkumulation des Kapitals.)

She looked for the difficulties of accumulation in the sphere of circulation, in the question of turnover and that of the realization of surplus value, while to Marx these difficulties are already present in the sphere of production, since to him accumulation is a question of capital expansion (Kapitalverwertung). The production of surplus value, not its realization, is to him the real problem. It appeared to Rosa Luxemburg, however, that a part of the surplus value could not be disposed of in a capitalism such as that represented by Marx; its conversion into new capital was possible only by way of foreign trade with non-capitalist countries. Here is the way she put the matter:

"The process of accumulation tends everywhere to set in the place of natural economy simple commodity economy, in the place of simple commodity economy the capitalist economy, to bring capitalist production as the one and exclusive mode of production to absolutely dominance in all countries and branches of industry. Once the final result is attained--the this remains merely a theoretical construction--accumulation becomes an impossibility. The realization of surplus value is transformed into an insoluble task...The impossibility of accumulation means, capitalistically, the impossibility of further unfoldment of the productive forces and thus the objective historical necessity of the decline of capitalism." (R. Luxemburg, Die Akkumulation des Kapitals.)

These reflections of Rosa Luxemburg's were not new; all that was original about them was the foundation she gave them. She attempted to demonstrate their correctness by reference to Marx's scheme of reproduction in the second volume of Capital. According to Marx, capital must accumulate. A definite relation must exist between the different branches of production, in order that the capitalists may find on the market the means of production, the workers and the means of consumption for reproduction. This relation, which is not controlled by human beings, asserts itself blindly by way of the market. Marx reduced it to two comprehensive departments: the production of means of production, and the production of means of consumption. The exchange between the two departments he illustrated by arbitrarily chosen figures. On the basis of this Marxian schema, accumulation proceeds apparently without disturbances. The exchange between the two departments goes on smoothly.

"If we take the schema literally," says Rosa Luxemburg, "it would appear as if capitalist production exclusively realized its total surplus value and employed the capitalized surplus value for its own needs. If capitalist production, however, is itself exclusively the purchaser of its surplus product, no limit to accumulation is discoverable...Under the Marxian presuppositions, the schema permits of no other interpretation than limitless production for the sake of production." (R. Luxemburg, Die Akkumulation des Kapitals.)
But that, says Rosa Luxemburg, can after all not be the "purpose" of accumulation. Such a production as that suggested by the schema is "from the capitalist standpoint quite senseless." The Marxian diagram of accumulation gives no answer to the question: for whom the expanded production really takes place ... To be sure, in the course of accumulation, the workers' consumption mounts, as does that of the capitalists; still, the personal consumption of the capitalists comes under the heading of simple reproduction, and for whom do the capitalists produce when they do not consume the entire surplus value, but voluntarily "practice abstinence" i.e. accumulate? ... Still less can the purpose of uninterrupted capital accumulation be the maintenance of an ever greater army of workers, since the consumption of the workers is capitalistically a consequence of accumulation but never its purpose and its presupposition, ... if the Marxian schema of expanded reproduction were to conform to reality, it would indicate the end of capitalist production" (R. Luxemburg: Die Akkumulation des Kapitals.)

But the frictionless exchange relation between the two great departments of production, their equilibrium, is in the Marxian schema simply impossible, according to Rosa Luxemburg.

"The assumption of a rising organic composition of capital (9) would show that the maintenance of the relative quantitative proportion is predicated; that is, the impossibility of long-continued accumulation is demonstrable schematically in purely quantitative terms. An exchange between the two departments is impossible, there remains an unsaleable surplus in the department of consumption goods, an over-production of surplus value which can be realized only in non-capitalist countries." (Die Akkumulation des Kapitals.)

With this theory Rosa Luxemburg explained also the imperialist necessities of the capitalist countries.

This theory of Rosa Luxemburg's stands in direct contradiction to Lenin's view of the matter, as may be seen from all his works dealing with economics. In complete accord with Marx, he looked for the contradictions which pointed to the historical limitations of capitalism, not like Rosa Luxemburg in the sphere of circulation but in that of production. Lenin took his stand uncritically and unreservedly on the Marxian economic theories, because he regarded them as incapable of being supplemented. In his own theoretical works he confined himself to employing the Marxian doctrines in investigating the development of capitalism in general and of Russian capitalism in particular. There is a special, though still untranslated work of Lenin's against Rosa Luxemburg's theory of accumulation, but it merely repeats the viewpoint which he has set down in all his other works on the subject and which we have merely to become acquainted with here in order completely to grasp the full force of the contradiction between the two conceptions.

In his writings against the Narodniki, (10) Lenin had already anticipated many of his arguments against Rosa Luxemburg's conception. The Narodniki asserted that the internal capitalist market was insufficient for the further development of Russian capitalist economy and that it continually diminished with the accompanying impoverishment of the masses. Like Rosa Luxemburg later, they also could not grant that the capitalist surplus value could be realized without foreign markets. According to Lenin, however, the question of the realization of surplus value has nothing to do with this problem; "the lugging in of foreign capital is not a necessary quantitative solution of the problem, but merely shifts it." (Lenin: The Development of Capitalism in Russia, 1899.)

To him the necessity of the foreign market for a capitalist country is "not at all explained by the laws of the realization of the social product (and of surplus value in particular), but by the fact that capitalism arises only as the result of a highly developed commodity circulation which goes beyond the boundaries of the State" (Lenin: The Development of Capitalism in Russia.)

The disposal of the product on the foreign market explains nothing, "but itself demands an explanation, that is, (10) Narodniki (populists) is the name given to the "social revolutionists" and popular socialists in contradistinction to Marxists, mostly intellectuals who "went to the people" for the purpose of safeguarding their interests by way of reform. They could not bring themselves to believe in a capitalist development in Russia: they stated that the main condition to this end was the development of a foreign market, which was not present because Russia had come upon the capitalist scene too late.
is, the finding out of his equivalent. . . . When one
speaks of the 'difficulties' of realization, says
Lenin, one must also realize that these 'difficulties'
are not only possible but also unavoidable, and in fact
with regard to all parts of the capitalist product and
not to the surplus value alone. The difficulties of
this sort, which originate in the unproportional dis-
tribution of the different branches of production,a-
rise constantly not only in connection with the real-
ization of surplus value, but also in connection with
the realization of the variable and constant capital;
not only in connection with the realization of the pro-
duct in the form of consumption goods, but also in the
form of means of production." (Lenin: The Develop-
ment of Capitalism in Russia.)

"As we know", writes Lenin in his 'Characterization of
Economic Romanticism, 1899', "the law of capitalist pro-
duction consists in the fact that the constant capital
increases faster than the variable; that is, the ever
greater part of the newly formed capital flows to that
department of social production which turns out means
of production. Consequently, this department more un-
consciously and more rapidly than the one which
(Anticritique, as a "disgrace for the official Marxism")
limits. To his mind, "capitalism is conceivable even
without expansion" . . . ; hence that the latter was quf
"capitalism is conceivable even
without expansion" . . . It is "not on the mechanical im-
possibility of realizing surplus value" that capitalism
will go down, he says, but "on the indignation to which
it drives the masses of the people . . . it will receive
its death blow from the constantly growing working class,
schooled, united and organized that the mechanism of
capitalist production itself." (O.Bauer: Die Akkumula-
tion des Kapital, 1913) had rightly been denoted by the latter in her
Anticritique, as a "disgrace for the official Marxism"; for Bauer repeated in his attacks nothing but the revis-
ionist conception that capitalism is without objective
limits. To Bauer the capitalism is conceivably even
without expansion! . . . It is "not on the mechanical im-
possibility of realizing surplus value" that capitalism
will go down, he says, but "on the indignation to which
it drives the masses of the people . . . it will receive
its death blow from the constantly growing working class,
schooled, united and organized that the mechanism of
capitalist production itself." (O.Bauer: Die Akkumula-
tion des Kapital.)

By means of a modified schema of reproduction which a-
voided many of the defects deplored by Rosa Luxemburg
in that of Marx. Bauer endeavored to furnish proof that
even on the assumption of a rising organic composition
of capital, a frictionless exchange between the two de-
partments of the schema of capitalist reproduction was
still possible. Rosa Luxemburg demonstrated to him, how-
ever, that even in his modified schema an unsalable
surplus remains over in the department of consumption, and that in order to be realized it compels to the conquest of new markets. To this, Bauer had nothing more to say. And nevertheless Lenin referred to him as the "analyst of Rosa Luxemburg's false theory."

Not only did Bauer's argument leave Rosa Luxemburg untouched; there is also the fact that the conclusions which he drew from his schema, indicating a limited imperfection of the surplus value among the branches of industry (in the schema), whereby there necessarily occurs a change in the previous proportionality relation of the spheres of the schema, it is quite possible and even probable that a 'consumption balance' in the value schema subsequently vanishes in the production-price schema and, inversely, an original equilibrium of the value schema is subsequently transformed into a disproportionality."

The Marxian schema deals with the exchange values, but in reality the commodities are not exchanged at their values but at production prices. "In a reproduction schema built on values, different rates of profit must arise in each department of the schema. There is in reality, however, a tendency for the different rates of profit to be equalized to average rates, a circumstance which is already embraced in the concept of production prices, so that if one wants to take the schema as a basis for criticizing or granting the possibility of realizing surplus values, it would first have to be transformed into a price schema." (H. Grossmann: Die Wert-Preis-Transformation.)

Even if Rosa Luxemburg had been successful in demonstrating that in the Marxian schema the full turnover of the commodities is impossible, that with each year an increasing superfluity of means of consumption must arise, what would she have proved? 'Merely the circumstance that the 'indisposable remainder' in the consumption department arises within the schema of value, that is, on the presupposition that the commodities are exchanged at their values'. (H. Grossmann: Die Wert-Preis-Transformation.)

But this presupposition does not exist in reality. The Marxian schema deals with the exchange values but at production prices, and these rates are not equated to average rates, since the schema takes no account of competition. What do Luxemburg's conclusions amount to then as regards reality, when they are derived from a schema having no objective validity?

"Since competition gives rise to the transformation of values into production prices and thereby the redistribution of the surplus value among the branches of industry (in the schema), whereby there necessarily occurs a change in the previous proportionality relation of the spheres of the schema, it is quite possible and even probable that a 'consumption balance' in the value schema subsequently vanishes in the production-price schema and, inversely, an original equilibrium of the value schema is subsequently transformed into a disproportionality."

The theoretical confusion of Rosa Luxemburg is best illustrated in the fact that on the one hand she sees in the average rate of profit the governing factor which actually treats each individual capital only as part of
the total social capital, accords it profit as a part of the surplus value to which it is entitled in accordance with its magnitude without regard to the quantity which it has actually won," (R. Luxemburg: Die Akkumulation des Kapitalis.) and that she nevertheless examines the question as to whether a complete exchange is possible; and that on the basis of a schema which knows no average rate of profit, if one takes into account this average rate of profit, Rosa Luxemburg's disproportionality argument loses all value, since one department sells above and the other under value and on the basis of the production price the undisposable part of the surplus value may vanish.

Marx's law of accumulation is identical with that of the fall of the rate of profit. The fall of the rate of profit can be compensated by the growth of the mass of profit for only a limited time, due to the continuous compulsion to accumulation. It is not from an excess of surplus value incapable of being realized that capitalism goes under according to Marx, but from lack of surplus value. Rosa Luxemburg completely overlooked the consequences for the fall of the rate of profit; and for this reason, she also had to raise the question, meaningless from the Marxian standpoint, as to the 'purpose' of accumulation.

"It is said", she writes, "that capitalism will go under because of the fall of the rate of profit. . . . This concept is unfortunately quite dissipated by a single sentence from Marx, namely, the statement that for large capitals the fall of the rate of profit is counterbalanced by mass of profit. The decline of capitalism from the fall of the rate of profit is therefore still a good way off, somewhat like the time required for the sun's extinction". (R. Luxemburg: Antikritisik). She failed to see that while Marx had, to be sure, set forth such a fact, he had also at the same time suggested its limit, and that the fall of the rate of profit results in the fall of the mass of profit; in fact, the former gives expression to what is at first relative, and then the absolute fall of the actual mass of profit, in relation to capital's needs for accumulation.

It is true that Lenin had found it conceivable that "the rate of profit has a tendency to sink", (Lenin: Karl Marx, in the Collected Works.) and he referred to the fact that "Marx had analyzed this tendency and a number of circumstances by which it was concealed or which operated to counteract it." (Lenin: Karl Marx) But the full importance of this law in the Marxian system he too failed to grasp clearly; a fact which explains, on the one hand, his acceptance of Bauer's rejoinder to Rosa Luxemburg, and on the other the restriction of his own explanation of crisis to the disproportional development of the various spheres of production. And, for that matter, it may explain also his contradictory conceptions, by which at one time he believed in an unavoidable end of capitalism, and at another time emphasized that there were absolutely no situations from which capitalism could not find a way out. There is not to be found in his works any convincing economic argument for the end of capitalism, and yet he himself believed that the system is unavoidably heading toward its fall. This may be explained by the fact that while he did not believe with Bauer and the Social Democracy in the possibility of the reformist transformation of capitalism to socialism, he nevertheless assumed with them that the overthrow of capitalism was exclusively a question of the development of the revolutionary consciousness of the working class or, more precisely stated, a question of organization and its leadership.

Spontaneity and the Role of Organization

We have previously seen that Rosa Luxemburg correctly emphasized that for Marx the law of accumulation was at the same time the law of collapse of capitalism. Her reasoning was false; the conclusions nevertheless were correct. In her explanation of the law of collapse she diverged completely from Marx, she yet recognized the existence of that law. Lenin's arguments against the Luxemburgian conception were sound, and, ultimately, his argument went, completely in harmony with Marx. Nevertheless, he evaded the question as to whether capitalism is faced with an objective limit. His own doctrine of crisis is inadequate and inconsistent. His theory, while more correct, did not lead to truly revolutionary conclusions. Rosa Luxemburg's argument, even the false, still remained revolutionary. For the question is one of emphasizing and demonstrating capitalism's tendency to collapse.

Lenin, who still stood much nearer than Rosa Luxemburg to the Social Democracy, saw the collapse of capitalism more as a conscious political act than as an economic necessity. He failed to see that the question of whether the economic or the political factor predominates with reference to the proletarian revolution is not one of abstract theory but of the concrete situation of the moment. The two factors are in reality inseparable in other than a purely conceptual sense. Lenin had accepted much of Hilferding's speculations regarding capitalist development, which according to the latter tended toward a so-called "general cartell". (R. Hilferding: Das Finanzkapital, 1909). That is to say, it was not only that, as at first, he had to set out from the bourgeois character of the coming Russian revolution and thus consciously adapted himself to its bourgeois manifestations and nec-
esquisites, but he was also later burdened with the Hlderlingian attitude in relation to the more highly developed capitalistic societies, and thus arrived at his over-estimation of the "political side" of the proletarian revolution.

According to Lenin, it was also false to assume (and this held for the international scene) that we are living in the age of the pure proletarian revolution; in fact, such a revolution can never be. The true revolution is for him the dialectical conversion of the bourgeois revolution into the proletarian. The demands of the bourgeois revolution which are still on the order of the day can henceforth be actualized only within the framework of the proletarian revolution; but this proletarian revolution is proletarian only in the leadership; it is, to him such a revolution can never be. The allies of the proletariat: the peasants, the middle classes, the colonial peoples, oppressed nations, etc. This genuine revolution takes place in the age of imperialism, which, developed by the monopolization of economy, is for Lenin a "parasitical", a "stagnating" capitalism, the last stage of the capitalist development immediate prior to the outbreak of the social revolution. (Lenin: Address to the First Congress of the Soviets, 1917). Imperialism leads, in Lenin's conception, "very near to complete socialization of production; it drags, as it were, the capitalist against his will and without his being aware of the fact, into a social order which offers a transition from complete freedom of competition to complete socialization." (Lenin: Imperialism.

Monopoly capitalism has, according to Lenin, already made production ripe for socialization; the only remaining question is to take the control over economy out of the hands of the capitalists and put it in the hands of the State, and then also to regulate distribution according to socialist principles. The whole question of socialism is one of the conquest of political power for the proletarian party, which would then actualize socialism for the workers. Between Lenin and the Social Democracy there were no differences so far as concerned socialist construction and its organizational problems. The only difference has reference to the manner in which control over production was to be acquired: by parliamentary or by revolutionary means. The possession of political power, the control over the complete monopoly, were in both conceptions a sufficient solution of the problem of socialist economy. For this reason also Lenin is not alarmed at the prospect of state capitalism, against the opponents of which he says at the eleventh party congress of the Bolsheviks: "State capitalism is that form of capitalism which we shall be in a position to restrict, to establish its limits; this capitalism is bound up with the State, and the State—that is the workers, the most advanced part of the workers, the vanguard, is we. And it is we on whom the nature of this state capitalism will depend." (11).

While for Otto Bauer the proletarian revolution depended alone on the attitude of the class-conscious, organized workers, on the political will (which from a single party at the group or democratic organization, by which its members were completely dominated, practically meant that it depended on Otto Bauer & Company), so here for Lenin the fate of the state capitalism depends on the attitude of the Party, which in turn is determined by the bureaucracy, and the whole of history is again the history of the magnanimity, the selflessness and the gallantry of a group of democratic organization, by these virtues by the most supremely virtuous.

But with this position of Lenin's on state capitalism, which for him is determined in accordance with will and not by economic laws, in spite of the fact that the laws of state capitalism are not other than those of monopoly capitalism, Lenin had only remained true to himself, for to him in the last analysis the revolution also depended on the quality of the party and of its leadership. In harmony with Kautsky, for whom the revolutionary consciousness indispensably necessary to the revolution (a consciousness which for Kautsky was ideological) could only be brought to the workers from the outside, since the workers were incapable of developing it out of themselves, Lenin also asserted that "the working class, exclusively by its own efforts, is able to develop only trade-union consciousness; that is, it may realize the necessity for combining in unions, to fight against the employers and to strive to compel the government to pass necessary labor legislation, etc. The social doctrine, however, has proceeded from the philosophical, historical and economic theories which originated with educated representatives of the owning classes, the intellectuals." (Lenin: What Is To Be Done?) A political consciousness, the necessary presupposition of the socialist victory, the workers, according to Lenin, were incapable of developing. Thus socialism had again ceased to be the "work of the working class," as Marx viewed it;

(11) It is interesting to take a look at this gradation: The State, that is the workers, (first restriction) the most advanced part, (second restriction) the vanguard, (last restriction) that is we; that is, the Bolsheviks, who in their turn are so hierarchized that Lenin would finally be able to say like the great French king: "The State, that is I."
socialism now depended on the revolutionary ideology of the bourgeoisie; and no doubt the religious "Marxist" J. Middleton Murry is today merely a shadow of the old Kautsky and Lenin when he comes to the logical conclusion that the whole of socialism is nothing more than "substantially a movement of converted bourgeois." (Marxism—a symposium—London, 1935.)

Certainly, Lenin stands on Marxist ground when he asserts that the workers are incapable of developing a political consciousness. In his polemic against Arnold Ruge, who so sadly deplored the lack of political consciousness, and was puzzled by this lack because after all "conscience ought to have been developed by Ruge who so sadly deplored the lack of political consciousness and was puzzled by this lack because after the impoverishment existing at the time, Marx said: "It is false to say that social distress creates political understanding. Political understanding is an intellectual quality and is given to him who already has, who lives in clover." (K. Marx: On the King of Prussia and Social Reform. Selected Essays.)

But Lenin has no further connection with Marx, and sinks to the level of the bourgeois revolutionist a la Ruge, when he cannot conceive of a proletarian revolution without this intellectual-consciousness, when he makes the revolution a matter of the conscious intervention of the "knowing ones", or of the professional revolutionists. Against this Ruge-Lenin conception, Marx said: "The more cultivated and general and the political understanding of a people, the more does he, the proletariat, dissipate its energies in irrational, useless and brutally suppressed revolts. Because the proletariat thinks along political lines, it perceives the cause of all evils in the wiles of men and all remedies to lie in force and the overthrow of a particular form of the State... Political understanding conceals from it the roots of social distress; distorts its insight into its real aims, deceives its social instinct." (K. Marx: On the King of Prussia.)

To Ruge's assertion (and Lenin's position) that a revolution without the "political soul" is impossible, Marx answers: "A revolution of political souls organizes a ruling clique in society, in accordance with the limited and doubly-cleft nature of these souls, at the cost of society." (K. Marx: On the King of Prussia.) But Lenin had never aimed at more than a change of masters over the means of production, since this seemed to him sufficient for socialism. Hence also his over-emphasis on the subjective, political factor,--a circumstance by which he was led to view the organizational work of socialism as a political act. According to Marx there is indeed no socialism without revolution, and this revolution is the political act of the proletariat. But the proletariat "requires this political act only insofar as it has need of the process of destruction and dissolution that the organizing activity begins where its proper aim, its soul emerges, there socialism casts away the political hull." (K. Marx: Selected Essays.)

The bourgeois elements in Lenin's thought, which in the first place make the end of capitalism dependent on certain political presuppositions which are not necessarily present; which, furthermore, fancied that increasing monopolization was identical with the socialization of production (a thing which today it is obvious to anyone is not the case), which made the whole matter of socialism dependent on the taking over of the monopolies by the State and the replacing of an old by a new bureaucratic socialism, and for which this revolution was reduced to a contest between the revolutionists and the bourgeoisie for winning the masses: such a position had necessarily to minimize the revolutionary element of the spontaneous mass movement and its power and clarity of goal in order to be able to magnify correspondingly the individual role and that of socialist consciousness which has become concealed to an ideology.

Lenin cannot, to be sure, deny the element of spontaneity, but for him it is "essentially nothing other than the germinal form of consciousness," (12) which is brought to completion in the organization and only then is truly revolutionary because completely conscious. The spontaneous organizing of the masses can satisfy him; it does not suffice for socialist victory. "The fact that the masses are spontaneously entering the movement," he writes, "does not make the organization of this struggle less necessary. On the contrary, it makes it more necessary." (13)

The mistake inherent in the spontaneity theory, he says is that "it belittles the role of the conscious element and that it "refuses strong individual leadership", which for Lenin is "essential to class success." The weaknesses of organization are to him the weaknesses of the labor movement itself. The struggle must be organized, the organization planned; all depends on that and the correct leadership. This latter must have influence over the masses, and this influence counts more than the masses. Where and how the masses are organized, whether in soviets or in trade unions, is, to him, a matter of indifference. The important thing is that they be led by the Bolsheviks.

(12) Lenin: On Trade Unions; in the Collected Works.
(13) Lenin: What is To Be Done?
Rosa Luxemburg sees these matters in a quite different light. She does not confuse revolutionary consciousness with the intellect-consciousness of the Leninist professional revolutionists, but for her it is the act-consciousness of the masses themselves, growing from the constraint of necessity. The masses act revolutionary because they cannot act otherwise, and because they must act. Marxism to her is not only ideology which crystallizes in the organization, but the living and struggling proletariat which actually springs not only from growing organization and leadership; she demonstrates from experience that "during the revolution it is extremely difficult for any directing organ of the proletariat to foresee and calculate which occasions and factors can lead to explosions and which cannot, that she rejects on principle the over-emphasis on the role of organization and leadership; she demonstrates from experience that "during the revolution it is extremely difficult for any directing organ of the proletariat to foresee and calculate which occasions and factors can lead to explosions and which cannot. The rigid,mechanical,bureaucratic conception," she says, "cannot conceive of the struggle save as the product of organization at a certain stage of its strength. On the contrary, the living, dialectical explanation makes the organization arise as a product of the struggle." (14)

With reference to the Russian mass-strike movement of 1905 she says: "There was no predetermined plan, no organized action, because the appeals of the parties could scarcely keep in pace with the spontaneous rising of the masses; the leaders had scarcely time to formulate the watchwords of the on-rushing crowd." And generalizing, she continues: "If the situation should lead to mass strikes in Germany, it will almost certainly not be the best organized workers who will develop the greatest capacity for action, but the worst organized or totally unorganized." (14)

"Revolutions", she expressly emphasizes, "cannot be made at command, Nor is this at all the task of the Party. Our duty is only at all times to speak out plainly without fear or trembling; that is, to hold clearly before the masses their tasks in the given historical moment, and to proclaim the political program of action and the slogans which result from the situation. The concern with whether and when the revolutionary mass movement takes up with them must be left confidently to history itself. Even the socialism may at first appear as a voice crying in the wilderness, it yet provides for itself a moral and political position the fruits of which it later, when the hour of historical fulfillment strikes, garners with compound interest." (R. Luxemburg: Spartakusbriefe, 1917)

Rosa Luxemburg's spontaneity conception has often been denounced, the usual thing been to denominate it as a "catastrophe policy" as directed against the organization of the labor movement itself. She frequently found it necessary to emphasize that her conception was "not pour la désorganisation", (R. Luxemburg: Brief an Kautsky, 1905.) "The Social Democrat", she wrote, "are the most enlightened, most class-conscious vanguard of the living proletariat. They cannot and dare not sit idle, they have no time to think of the organization, the organization itself. According to Lenin, "the only serious principle of organization for our movement is the most absolute secrecy, the strictest selection of members, the forming of professional revolutionists. Once these qualities are present, something more still is assured than 'democracy', namely, complete comradely confidence among the revolutionists. And this 'more' is for us unconditionally necessary, for with us...there can be no question of replacing it by democratic control. It is a great mistake to believe that the impossibility of a real democratic control makes the members of the revolutionary organization uncontrollable. They have no time to think of puppet-like forms of democracy, but they feel their... (15)

(15) This "principle" was dropped by Lenin whenever such a course appeared opportune. Thus he once threw away the 50,000 revolutionary workers of the German Communist Labor Party (K.A.P.D.) in order not to be deprived of the five million votes of the reformist Independent Socialist Party (U.S.P.D.) of Germany.
responsibility very keenly." (16)

By means of the rules of organization (which, as long as they were democratic, meant nothing) Lenin wanted to "forge a more or less sharp weapon against opportunism. The deeper the source of opportunism lies, the sharper must be this weapon. (17)" This weapon was "centralism", the strictest discipline in activity; the central organizing over the activities of the central committee. Of course, Rosa Luxemburg was admirably capable of tracing this "night-watchman spirit" (18) of Lenin's to the special situation of the Russian intellectuals; but "it is false to think," (she writes against Lenin) "that the still imperceptible majority rule of the workers within their party-organization may be replaced by a sole-mastery on the part of the central authority of the party, and that the lacking public control on the part of the working masses over the acts and omissions of the party organs would be just as well replaced by the inverted control of a central committee over the activity of the revolutionary workers." (18) And even the self-leadership of the workers should lead to blunders and false steps, Rosa Luxemburg is nevertheless ready to take all this into the bargain, for she is convinced that "even mistakes which a truly revolutionary labor movement commits are, in historical perspective, immeasurably more fruitful and valuable than the imfallibility of the very best 'central committees'!" (18)

The differences between Luxemburg and Lenin which we have here pointed out have in part already been more or less surpassed by history. Many of the things which gave substance to this dispute are of no moment today. Nevertheless, the essential factor in their debates, whether the revolution depends on the organized labor movement or on the spontaneous movement of the workers, is of the most pressing significance. But here also history has already decided in favor of Rosa Luxemburg. Leninism is buried under the ruins of the Third International. A new labor movement which has no concern with the social-democratic remains which were still recognizable in Lenin and Luxemburg, nor yet has any intention of renouncing the lessons of the past, is arising. To separate itself from the deadly traditional influences of the old labor movement has become its first prerequisite, and here Rosa Luxemburg is as great an aid as Leninism has been a hindrance. This new movement of the workers with its inseparable nucleus of conscious revolutionists can do more with Luxemburg's revolutionary theory, in spite of its many weaknesses, and derive from it more hope, than from the total accomplishment of the Leninist International. And as Rosa Luxemburg once said, in the midst of the World War and the collapse of the Second International, so the present-day revolutionists can say in view of the collapse of the Third International: "But we are not lost, and we shall conquer if we have not unlearned how to learn."

Council Correspondence recommends:

F. ENGELS: Principles of Communism 15¢
A.M. Simons: Class Struggles in America 10¢
MARK: Wage-Labor and Capital 10¢
A.Pannekoek: Marxism and Darwinism 10¢
Mark-Engels: The Communist Manifesto 5¢
MARX: Value, Price and Profit 30¢
The Bourgeois Role of Bolshevism 10¢
R.Luxemburg: Leninism or Marxism 10¢
Bolshevism or Communism 5¢

What Next for the American Workers? 5¢
World-Wide Fascism or World Revolution 5¢
Outlines of Production & Distribution in Communism
(Soon to be published) 10¢
THE INEVITABILITY OF COMMUNISM 25¢
A critique Sidney Hook's Interpretation of Marx

ANTI-DUEHRING
Herr Eugen Dühring's Revolution in Science
By F.Engels 2.00

SELECTED ESSAYS: by Karl Marx
A Criticism of the Hegelian Philosophy of Right
On the Jewish Question
On the King of Prussia and Social Reforms. 2.00

Order all books dealing with Marxism and the Problems of the Working Class from Council Correspondence.
1604 N. California Ave. Chicago, Ill.