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This magazine, published by the Groups of Council Communists, consciously opposes all forms of sectarianism. The sectarian confuses the interest of his group, whether it is a party or a union, with the interest of the class. It is our purpose to discover the actual proletarian tendencies in their backward organizational and theoretical forms; to effect a discussion of them beyond the boundaries of their organizations and the current dogmatics; to facilitate their fusion into unified action; and thus to help them achieve real significance.

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WELCOME THE DEPRESSION

ONE of the latest cartoons of that intelligent artist, Wortman, shows a tailor saying to his employees, "They say this depression is psychological, but I feel it right down here in my stomach!" And so do the capitalists, even those who, together with John L. Lewis, spread the news about capital's "sit-down" strike against certain governmental measures. And so do the workers, who are laid off in masses, and who find their wages reduced because of fewer working hours. By now the pitiful "psychological approach" to combat the depression is forgotten; artificial optimism spent itself in the empty, friendly gesture of Roosevelt towards the businessmen, large and small.

What bewilderment everywhere! Each article in every business journal says just one thing: We know that nothing can be known. Ridiculous statements as to the future prospects of capital made recently by many financial experts are now shamefully excused with uncomfortable deadlines; and those writers with the shortest deadlines possible restrict themselves to the copying of some facts and the mumbling of non-committal statements. No real explanation, no serious suggestion; the readers understand every word, but not a single sentence.

Facts are not lacking. The London "Economist", the "Annalist" in New York, and innumerable business journals of lesser significance, not to speak of the many governmental publications cut down 100,000 trees in the Canadian Woods to tell their readers what is what. Let us raise Stuart Chase's anger to a higher pitch by participating in this exploitation of the natural resources.

From our point of view it is almost impossible to speak of a new depression, for we were convinced that the old one was still

in session when the new decline set in. But figures are against us, if figures mean anything. In the summer of 1937 *world* production exceeded the 1929 level by about 15 per cent if we include Russia, which we certainly do. However, this situation was shortlived; within three months, world production was again below the 1928 level. World *trade* never regained the position of 1929, and many individual countries, including the United States, never reached the pre-depression production level. Prosperity is like Stalin's "Socialism" — greater inequalities make for new accomplishments. The totalitarian countries were the busiest; the "democratic" countries, less successful in getting work for nothing, were less able to "create shortages in raw materials." Now however, the crisis may straighten out such injustices; maybe a war will help.

How did this new prosperity, which we failed to notice and which now suffers a recession, come about? *Arthur D. Gayer* provides us with an answer in "The New Republic" of Feb. 2, 1938. He says:

"The recovery which preceded this unusual crisis was a very strange one, too, and in certain respects not in accordance with the textbook rules. Normally, recovery starts from an increase in private investment and accelerated expansion of the capital-goods industries. This time large-scale government spending took the role of initiating the upswing. The hope that after a while increased demand from private sources would replace pump-priming sustaining a self-supporting and steady recovery was not fulfilled. The moment public expenditures for the purpose were stopped, the upswing stopped too."

This answer may not be all-inclusive, but it puts the emphasis in the proper place. In some parts of the world new private investments took place in the traditional manner. Private industry was partly able, by rationalization and technical improvements, to raise the productivity of their workers high enough within the depression to enable profitability and further expansion. However, the depression was largely "overcome" by what is now called "planning" by different governments, but which involves primarily money and credit manipulations. That is, capital was made profitable, and therefore productive by shifting the burden of the depression to other nations, or by taking from the "general public" and giving to the industrial entrepreneurs. Even granting that all factors working for recovery were working also in more or less modified form in the depression years up to 1932, it still remains obvious that all of the government's interferences were necessary to create an intermission in the crisis. The stimulus that production thus obtained, expressed materially in public works and armaments, could not change the acute crisis character of capitalism even during the upswing period. Only in a progressive accumulation of capital can a real recovery be seen; only when a progressively growing number of workers are employed can a new upswing be recognized. The absence of such signs during the entire "recovery" period explains our refusal to help celebrate the "new prosperity."

Of what did this prosperity consist? Industrial production in America improved in 1937 to a level 9.4 per cent below "normal". National income recovered even less than production. National income, according to U. S. Department of Commerce figures, paid out in 1937, approximated 67.5 billion dollars. This estimated 1937 total was half again as large as the 1933 aggregates of 45 billion dollars, but remained approximately 14 per cent below the 78.2 billion dollar level for 1929.

Compensation of Employees were,

in 1929	51,340 millions
in 1933	29,349 "
in 1937	44,983 "
Dividends, Interests, Entrepreneurial withdrawals, net rents, and royalties,	
in 1929	26,886 millions
in 1933	15,606 "
in 1937	22,480 "

Accepting these insufficient figures, for there are no better ones, it becomes clear that there was no reason to speak of an end of the depression in 1937, even without considering the tremendous unemployed army which recovery was unable to reduce.

But, "if death is not too high a payment for one night spent in Paradise," there seemed to be reason enough to celebrate in 1937. In the "American Economic Review", June 1936, *Carl Snyder* declared:

"Perhaps the most striking feature of this depression has been a full six years arrest of that prodigious industrial growth which for well over a century was one of the outstanding characteristics of the country. This abrupt stoppage in industrial development has no parallel."

And then in 1937 new factories were built in the U. S. to the tune of \$500,000,000, and raised new hopes as to the future, although the same activity in 1929 to the amount of \$547,000,000 was not able to halt the depression, for it was not enough and at the same time too much — not enough for accumulation and too much for the stagnant situation. Then, according to the Federal Reserve Index, the volume of industrial production dropped once more from 117 in August 1937 to 84 in December, or 33 points in four months. The depression of 1929 needed 13 months to accomplish such a drop. Since January, the index dropped further but with less rapidity. At the moment of writing, it can be said that the downward pace of the decline has been temporarily halted, and that business is trying to stabilize itself on the new low level. But what a level! With more than 13 million out of work, with farm prices declining, with profits disappearing. And there are no prospects for an increase in new investment in the industries, and resulting capital goods expenditures have shown no material improvement since the end of the year.

Already the new decline has gripped other countries, especially Canada and England. British unemployment, according to figures just released by the Ministry of Labor, increased by

162,200 between mid-December and January 17. On the latter date it stood at 1,827,607 — the highest figure in 21 months. And worse than that, *Business Week* of Dec. 11, 1937 reports:

"Smart restaurants in London's lively West End are also beginning to feel the effects of the slump. Hot spots which were formerly busy every night are now getting not more than three good nights a week."

And this may be only a beginning. What the end might be was recently shown by Professor Woytinsky of the International Labor Office, who estimated that the depression between 1930 and 1934 represented a loss of about 176,000,000,000 old gold dollars, an amount equal to the total cost of the great war.

The present decline within the general crisis started like the depression itself. Bond prices declined at the end of 1936. Stock prices followed in March 1937. Short-time interest rates increased, wholesale commodity prices decreased. All the phenomena indicating insufficient profitability reappeared. There is no mystery here. Only an increased priming of the pump could have mitigated this process, but this policy also has its limits. Only by a further strengthening of "state capitalist tendencies" and greater misery for the "private economic sector" could the present dilemma have been postponed — but only postponed.

The new decline, having all the symptoms of the beginning of a long drawn-out period of depression has once more brought forward all the old suggestions and proposals which were previously found futile. There are again the demands for a further increase of mass purchasing power, raised mainly by the liberal and labor press. And this despite the fact, as was pointed out in the "Annalist" of Jan. 21, 1938, by D. W. Ellsworth that,

"The present depression has demonstrated once more, but in highly impressive fashion, the fallacy of the purchasing power theory of the business cycle. The country's mass purchasing power was never so high in the country's history as it was at the beginning of the present depression."

The "mass purchasing power" was created partly by the greater exploitation of workers and partly by the aforementioned governmental measures. Because they were restricted to a reshuffling and crediting of the existing purchasing power, they served only to extend the prevailing misery. Born largely of such measures, the "mass purchasing power" was merely another factor hampering the reestablishment of a profit base for a real capitalist expansion. The necessity of such measures does not alter the fact that this necessity excluded that other necessity — the rentability of the exploitative enterprises. Against such measures, therefore, private capital fought under such slogans as, Balance the Budget, Abolish Regimentation, Oppose Labor Legislation.

Capital is not a unit operating according to a single necessity. The single necessity, that is the maintenance of the capitalist exploitative relations, is realized only by continuous strife among the capitalists themselves, nationally and interna-

tionally, and between capital and labor and the other classes. Within this general strife, the demand for mass purchasing power is only one element working towards the final necessity of securing capitalist relations. When applied, it has served always purposes entirely different from what its apostles intended. Temporary "losses" culminated in final "gains", and thus the phrase "mass purchasing power", used by liberals, was actually an ideological instrument of capital to ease the process of decreasing purchasing power.

We will not suggest that the workers' struggle for higher wages and more relief is senseless in present-day capitalism. However, it is necessary to say that the higher the purchasing power of the masses is in relation to total production, the greater are capital's difficulties in overcoming its depression and in maintaining its society. Precisely for this reason we suggest the continuous struggle for better living conditions. The "reformists" expecting a prosperity from an increase of mass purchasing power alone show thereby that they are merely out to reform capitalism. However, the only capitalist reform objectively possible today is the fascist reform. A recent pamphlet by Dr. H. Schneider on "Socialist Strategy on the Economic Front", published in London, said:

"The working class movement must take as its starting point in the struggle the recognition of the fundamental importance of mass-purchasing power as a means of overcoming the crisis."

This is simply nonsense; mass purchasing power is of fundamental importance in overcoming capitalism, not its crisis, but then questions of purchasing power lose all their meaning. For the truth of the matter is that there are only two ways of overcoming crisis and depressions. One is by overcoming the capitalist system as such; the other (with only temporary results) by overcoming the resistance of the workers to lower and still lower standards of living. Whoever wants to operate exclusively within the boundaries of capitalism will at last be forced to recognize this truth and will help to overcome the resistance of the workers. For this reason John L. Lewis, for instance, drew back before the steel industry and celebrates, although with a sour face, a contract which has lost all right to such a name. For the renewal of the steel workers' contract was secured only because its signers don't know yet which way the depression will go and what measures the government will use to combat it. If deflationary tendencies assert themselves, the "contract" may be cancelled within 10 days notice. If inflationary measures are applied, it will be a seal under a verdict of lower living conditions for the workers. And Lewis had to sign, unless he wanted to oppose the system as such, and call for strikes for the sake of striking. As a matter of fact, all theoreticians of the mass purchasing idea, are always ready to grant, at least in some cases, as for example in the building industry, that prices and wages are too high. From the discovery that some wages are too high to the recognition that all wages need cutting is only

one step. And in reality all practical measures undertaken according to the mass purchasing theories have led always to a further reduction of that buying power. In the course of time however, the economic theory of mass purchasing power is no longer open to a discovery of its real content, for it ceases to be an economic theory and becomes the political necessity to demand guns instead of butter. All underconsumption theories will be sacrificed for the honor of the Nation.

Till then, however, the arguments will continue, but all will agree, as the Business Letter of the National City Bank of New York pointed out in Dec., 1937:

"One of the first needs in the current situation is to encourage the formation of capital."

The question is only how to do this. And the answer, if found, bears still another question, as capital formation has led always to crisis and depressions. The "solution" looks for a solution. For this reason those who are afraid of the future lament:*

'Free competitive enterprise cannot endure in an atmosphere of national economic planning — once the government embarks upon partial control it must, inevitably proceed to full control."

And those still more fearful of the future either accept this "full control" or long for the return of the past. The "New Republic" of Feb. 16, 1938, carries an article pointing out that progress by way of free competition will have to count in the steel industry alone — by the introduction of continuous strip mills — with 85,000 displaced victims. What shall be done with these additional unemployed? And the Council for Industrial Progress paradoxically reported in the *New York Times* (8/8/37):

"Are not the very efficiencies of our ever-increasing productive ability of such a nature that it is questionable whether we can come out of future depressions by placing our dependence solely on the operation of "natural economic forces"?"

Yes, replies the Machinery Industry in the aforementioned pamphlet: "What America wants is stiffer competition and lower prices". And General Motor's Mr. Knudsen agrees:**

"Somebody has to reduce prices if business is to be encouraged,... at the present time it is actually being done in a kind of bootleg fashion... shopping in New York today is like shopping in an Oriental bazaar."

True, reflects Roosevelt in his recent message dedicated to the problems of the "recession", some prices are too high, others are too low; but "further expansion, more abundance, depends on balanced prices". The price of labor has to come down if prices shall be lowered; the price of labor will be lowered if prices rise. Which ever way you put it, price policies can only reflect what underlies all prices and their movements: The question of how much of social production, in its miserable

*) "The Case for Freedom from Federal Control of Wages and Hours. Machinery and Allied Products Institute, 1938, p. 13.

**) The Christian Science Monitor (1/11/38)

capitalist forms and results, shall go to the workers and how much to the non-workers. The latter have here the advantage, for they do the regulating. A balancing of prices can have no other object than to balance the exploitation of the workers with the needs of capital. If the 'rugged individualists' still believe they can do this themselves and profit by their own effort, other capitalist groups and the government hold necessary a central regulation of the distribution of the wealth created by the workers and a further control over investments. A free-for-all exploitation is challenged by a carefully planned exploitation; the power of the money bag is to be increased by the wisdom of government. That even under such conditions competition proceeds to assert itself, and that the wisdom of government, as in Germany for instance, liquidated many Jewish capitalists, and in America many of the weaker entrepreneurs, lies at the base of all arguments against regimentation. For those people in favor of stiff competition know quite well that the "elimination" of competition is only a form of competition to which they are sacrificed.

Contrary to Ben Akiba, nothing appears twice. Those people who believe that the "new" depression will warm up once more the inconsistencies of the "New Deal" are mistaken. Those who believe in a "second" bloodless revolution by Roosevelt in "favor of the masses" will be disappointed as Roehm was when Hitler let him have it. For those measures applied by the Roosevelt Administration have so far spent themselves without avail. Sharper measures must follow, but no longer in the old direction, for as long as business can be "attacked" the government may divide and rule. But if business and government are more and more identical the government would have to attack itself to divide and rule. It will forget about dividing and will only rule. Glumly Professor *Lionel Robbins* of the London School of Economics says in the *Annalist* already quoted:

"In most cases the very expedients which have been adopted in the last depression have weakened the capacity to stand depression anew. Currency depreciation, unbalanced budgets, vast programs of public spending—these are the measures with which trade has been stimulated in the recent past. And it should be clear that they cannot be applied indefinitely... Thus the underlying position is not stable; and a renewal of prolonged depression... is likely to be attended with very grave consequences. It is no exaggeration to say that the fate of democratic institutions may rest with those who have it in their power to bring about a revival of confidence."

— which would mean in the hands of the governments; but their answer lies not in the direction Professor Robbins hopes for; the democratic forces will in the end be forced, as Roosevelt remarked recently, to "take the place of dictation."

There are two futures, the distant and the immediate. But both are dependent on the reestablishment of capital rentability, regardless of whether this capital is controlled by individuals, trusts, or governments. Existing differentiations in economic and political power will allow the possibility of robbing Peter to

give Paul for some time to come. But this process will finally pauperize both. The problem is not one of the division of spoils, but of the creation of greater and always greater profits. But the immediate necessities of all capitalists lead to only one end — the progressive destruction for all time to come of the base of the profit system. The Dead End sign on the road of capitalism is already in sight, during its periods of prosperity as well as depressions. And we are happy about it. An end of capitalism though full of terror, is better than terror without an end. Therefore we welcome the depression.

"A BIRD IN THE HAND"

Thurman W. Arnolds "The Folklore of Capitalism"

Yale University Press, 1937. 400 pp. \$3.00

A few months after its publication *The Folklore of Capitalism* was already in its third printing. Seldom has a book of its character found in so little time such a wide audience, and seldom so many favorable reviews. Though it is very interestingly and often highly entertainingly written, this praise of the book is not due to what is described as its specific literary charm, but to its debunking attitude, which pleases large layers of intellectuals who don't like to be bothered by any kind of commitment, so that they may play the game of opportunism unrestricted. Using the Manager's formula presented in Goethe's *Faust* in the *Prelude at the Theatre*, "Who offers much brings something unto many, and each goes home content with the effect," Arnold is able to interest almost everybody concerned somehow with the problems of society. To do this most successfully he rejects the Poet and holds with the Merry-Andrew:

"Posterity! Don't name the word to me!
If I should choose to preach Posterity,
Where would you get contemporary fun?"

To judge from the enjoyment Arnold apparently derived from his debunking enterprise, his reviewers must have made him laugh very heartily. Re-printed on the jacket of the "Folklore" is Alfred M. Bingham's opinion that the book, "Will be as much revered as we now revere Darwin's *Origin of the Species*." Fred Rodell in the "New Republic" thinks, "that Mr. Arnold has his fingers on something miles ahead of Marx — in maturity, acceptability, and especially, usefulness." And one Trotskyite, trying to imitate Arnold's style, writes in the "New Internationalist": "Here is an anthropological analysis, admirable for its scholarly objectivity, of a strange and interesting tribe inhabiting the central portion of the North American continent, etc. etc. However, all Arnold wants to show is the difference between ideology and reality. Or as he states, 'by the folklore of capitalism, I mean those ideas about social organizations which are not regarded as folklore but accepted as fundamental principles of law and economics'. That is, he restates observations made long ago, which today would (if they could) already be commonplaces, and which were described in fiction and science more than often. Although the reviewer in the "New Republic" doesn't know it, Marx has shown 70 years ago why the ideologies of the present exploitation society are practical and in existence though they don't correspond to reality. But this is of no importance; a re-statement of known facts and observations will never hurt, especially when offered in such a readable form as Arnold's. The readability of the book, by the way, is due to his using the age-old trick of amusing the present with the "shortcomings" of the past.

We have already stated the main theme of the book: The current ideas in society don't correspond to the prevailing practice, though this practice is carried on, and in one sense is possible only because of such ideologies. The material side of society changes faster than its complementary ideology, and this causes conflicts, which are temporarily resolved in a repetition of this whole situation on a new plane. Nothing is easier than to show that society never does and never can live up to once accepted ideas; that tradition hampers the recognition of changing realities; and that society changes in spite and because of a false consciousness on the part of its members.

As society is made up of many differently interested groups and individuals, it could not function, as it does, without somehow unifying ideologies. So far, the ideologies were fostered consciously only to a small extent and were largely the result of general and specific conditions beclouding the real social relations. The socio-economic basis of society explains the ideological and emotional phenomena Arnold describes with the concept "social psychology". However, he is satisfied with the social psychological side of the conduct of men. That his explanation of social phenomena is itself in need of explanation lies outside his interest. The conflicts in society, reflected in the conflict of ideas, are not referred to specific class conflicts (despite his pragmatist attitude), but are explained by Arnold as caused by the discrepancy between actual needs for mankind in general, and the limitations set by attempts to follow traditional patterns and symbols.

And so it can be said that in more than one sense Arnold's book belongs to the category of late successes in the up-lifting literature like "How to worry successfully", "Life begins at 40", "Live alone and like it", etc., it tells its readers to accept unalterable situations without much fuss. Social organizations have always changed, and traditional thinking was at first always strongly opposed to such changes, only to be defeated eventually. The inevitable has to be recognized and to be accepted, and it doesn't matter if the inevitable is fascism or communism. There is no use lamenting against the growing power of the trusts, against Roosevelt's "socialism", against an unbalanced budget, or against the CIO; these phenomena are justified by their existence. If you don't like them yet, you will eventually; so why bother, why argue, why lose sleep over such matters?

If, from a reactionary or revolutionary point of view, one should oppose the present reality and its ideological expression, he will fail to rally supporters to his side if he restricts himself to appeals to the intelligent and understanding "thinking man". For the latter is a non-existing abstraction. Society is determined solely by every-day needs, which cannot be delayed, and only organizations fostering those needs and their ideologies will have success. The "needs" of the future are nothing but dreams. The day belongs to the realist who prefers the bird in the hand to the two in the bush; the dreamer can only be his servant. And so the actual "usefulness" of Arnold's book, of which the reviewer in the "New Republic" speaks, consists of an intelligent support of the Roosevelt policy, which once more explains the success of the book, owing to the present unity from Hearst past Roosevelt to Browder. It is also "useful" insofar as it tells the workers, who read the book, indirectly that they may as well cling to the Roosevelt bandwagon, for there is nothing else to do, and it presents to them Lewis's CIO as an excellent example of a timely realism.

It is true that Arnold refuses to preach, to propagandize, and that he wants only to state his observations regardless of what others may make of it. But what he wants and what he does are also two different things. The effect of the book, if it has any, will tend to support the forces in power, whatever they might be... That the problems of the workers are not as yet identical with the problems of society, that what may be extremely timely for society may also be extremely foreign to the interests of the workers, never occurs to him. To start and to stop an investigation of capitalism solely on the basis of the "discovery" that the prevailing ideas don't correspond to reality lead only to the appearance that the author approaches reality. He

looks under the shell as well as at it, but still he misses the meat it covers.

The statement of "usefulness" made by the already mentioned reviewer must have amused Arnold particularly, for he himself is convinced of nothing more than the uselessness of his "discovery" in practical life. He cannot conceive of a replacement of folklore with a real insight, but only of an exchange of one folklore with another. To justify somehow the writing of his book, he has nothing more to say than that he has "a feeling" that the replacement of the present folklore of capitalism (as that, for instance, expressed in the illusion that we still live under private property relations and that the Constitution is "a charter of positive government") with the other folklore, expressed in the "worship" of a single personality may be prevented by a third possibility, which however will mean no more than "to modify the bitter clash of extreme positions", if our "priesthood" gains a better insight as to what is really necessary and what preventable. In other words, and disregarding the fine expressions which Arnold used to say such simple things as bourgeois democracy and bourgeois fascism, all that he can conceive as useful by the recognition of the difference between reality and ideology as presented in his book, is that a few intellectuals try to reconcile the coming American fascism with the superstition of the past and the present to avoid unnecessary noise. And expressed still more simply, what Arnold wants to say is that those people who want to prevent fascism must become fascists in order not to be replaced by fascists. "I have no doubt," he writes, (p. 393) "as to the practical desirability of a society where principles and ideals are more important than individuals... Yet the belief that there is something peculiarly sacred about the logical content of these principles, that organizations must be molded to them, instead of the principles molded to organizational needs, is often the very thing which prevents these principles from functioning. The greatest destroyer of ideals is he who believes in them so strongly that he cannot fit them to practical needs." How realistic Arnold is here becomes clear when we merely take notice of the fact that the European socialist movements have become nationalistic and present a fascistic program in competition with the real fascists, as an indication that they have learned long before the appearance of Arnold's book that if you want to function in capitalism you have to be in step with capitalist "progress". In times where the professional pacifists become the greatest war-mongers, as at present in America, it is obvious that Arnold's suggestions only reflect present-day reality. This means that Arnold thinks that the recognition of the folklore of capitalism as springing out of capitalist relations, will lead to the possibility of manufacturing new folklore more in step with the needs of the present. The planless folklore will be replaced by planned ones, for he is convinced that "Men cannot fight over practical things." (p. 336). "Institutional creeds, such as law, economics, or theology," he says (p. 356), "must be false in order to function effectively." But he says this only to safeguard his readers from the misery of disappointment. The old truth that one has to strive for the impossible to reach the possible, that the general and the specific can never be divorced, is restated with an eye to the defense of the present, which will always be imperfect and still be the only thing worth living for. So he accepts Mussolini and Hitler without denying their "bad sides" and he supports Stalin against Trotsky as the realist against the dreamer. And really one might as well spare himself all indignation with the present or the future rulers of society. There is no reason to become excited because present needs oppose cherished ideas. "What was called heresy in the Middle Ages is called Communism today, but the essential ideology of the argumentative attack, then and now, is identical." (p. 3). Why cry, he argues, about attacks on private property, which is already a fiction because of the development of trusts and state capitalist enterprises? The whole social question is one of systems of governments and of changes of terms. "If the rise of new organizations is slow, the terms will change their meanings, rather than be supplanted by new terms. Capitalism will become 'socialistic' in a slow revolution. In a more violent one, 'Capitalism' will be

supplanted by 'Socialism' and then in the period of stabilization 'Socialism' will gradually become 'capitalistic'. This is what is happening in Russia" (p. 341) Arnold forgets to add to the statement — if one accepts the folklore of Russia's 'Socialism'.

Arnold's "philosophy" as a practical guide can have meaning only on the assumption that the "necessary" and "practical" are also possible. To show consistency in his thinking he is continuously forced to speak in non-capitalist terms to prove to the capitalist mind that it is not in conformance with reality. "The holy war between Capitalism, Communism, and Fascism", he says (p. 14) "is one of the greatest obstacles to practical treatment of the actual day-to-day needs of the American people. Even agricultural credit and soil conservation become tainted with Communism." If the objective reality were known to him, he would see that not the ideological battles hinder the fulfillment of practical needs, but the impossibility of a fulfillment of the practical needs leads to those ideological battles. Because the "people" are trying to live up to the philosophy of "the bird in the hand" they are forced, under present conditions, to defend all existing folklores and create all kinds of dreams. Here it is not a question of a poor adjustment to reality on the part of the stupid, the religious, the tradition-handicapped, but a question of life and death in the present, and this in spite of the fact that such may also be the case under less stressing circumstances. Instinctively or consciously the economically out-dated know or feel that their particular position in society is bound up with a particular ideology, and that if the latter is threatened the former is also challenged. To make this necessity of being reactionary appear ridiculous in the eyes of those who understand, Arnold ascribes to the present miserable society the possibility of satisfying the material needs of mankind. He assumes that if it were only properly organized, present day society could fulfill the real needs of the day, that with a different distribution of goods the idiocy of slogans opposing social security measures and similar necessary improvements would become apparent. He does not see that these up-to-date policies are an expression of the objective impossibility of solving by mere organizational changes the problems of society on the basis of a restriction to a "bird in the hand" philosophy. What can be done by organizational changes is a different distribution of the growing misery. To give those more who have little or nothing implies giving those less who have still enough or too much. But as soon as one gets less, his past and present position in society and his future in it are threatened, he is slipping, is on the downgrade, and will rally to defend his own, and this is possible only by fighting those practical necessary changes, which the understanding one holds necessary, and its ideological expressions. As there is no possibility, without revolutionary change, of developing organizations capable of satisfying urgent needs, it is obvious that without such revolutionary change the struggle for the diminishing product of society, and with this the ideological struggle, will increase, and will exclude more and more the maintenance of society even on a progressively miserable basis. The forces interested only in the "bird in the hand" philosophy will have to counteract this growing chaos by a forcefully manufactured "unifying" totalitarian ideology, which will exclude even the possibility of "discoveries" of contradictions between ideas and reality. And of this, Arnold is afraid, although he hides his fear by an amused nonchalance, and he hopes, however dimly, that the "understanding" he provides may "at least tend in the direction of preventing anger and excitement in government which destroy practical judgment." (p. 393)

Despite all this, Arnold's book may be recommended precisely for its "bird in the hand" attitude. But still the question remains: — what is this bird in the hand? With a remarkable clarity Arnold shows, for instance, that Norman Thomas' party is not such a bird, but with equally remarkable obtruseness he sees the feathers of such a bird on Lewis's C. I. O. In other words, the bird in the hand for him is always what he thinks is practical today. If the C. I. O., for instance, organizes the workers to make them more

capable of fighting backward orientated capitalists, it also regulates the workers to the will of its bureaucrats. They cease partly to be the victims of capitalists in order to become victims of union leaders. It remains to be shown that the unionization of workers in the C. I. O. manner actually allows for better living standards under the **present conditions of society**. If this can be demonstrated Lewis will be the "bird in the hand" regardless of what kind of ideology he may peddle. But if it can be proved that no real material gain results from this unionization, then the C. I. O. cannot be regarded as a "bird in the hand" policy but another folklore. However, Lewis and his C. I. O. may still be an expression of the actual needs of the time, but not for workers. But Arnold was not thinking of the workers. And so it is with all other problems in society. What may appear as a "bird in the hand" engaging people in all kinds of activity may be in reality an illusion hindering the fulfillment of practical needs. A propaganda for the fulfillment of the apparently most direct actual needs, objectively impossible without revolutionary changes, may lead to the postponement of the fulfillment of those needs because of a refusal to demand more than the "bird in the hand". The maximum demand may be the only realistic minimum demand. For this reason the revolutionary worker must continuously investigate and reinvestigate conditions, must continually distinguish between what is to be regarded as a "bird in the hand" and what only appears as such. This already means that he has to coordinate his activity of today with his recognized needs of tomorrow. He has to reject the one sided emphasis prevailing in Arnold's book and has to be both at the same time — a man of principle and a man of action.

THE MARXIST IDEOLOGY IN RUSSIA.

Communism, for us, is not a state of things to be established nor an ideal to which reality must adapt itself; we call communism the actual movement which transforms existing conditions. (Marx)

WE have to deal here with an especially pointed example of the striking discrepancy which in one form or another is noticeable in all phases of the historical development of Marxism. It may be characterized as the contradiction between the Marxian ideology on the one hand, and the actual historical movement which, at a given time, is concealed beneath that ideological disguise.

It is now almost a century since a special censor dispatched from Berlin to supplant the local authorities of Cologne in the difficult task of garroting the "ultra-democratic" paper edited by the 24 year old Karl Marx, reported to the Prussian government that the *Rheinische Zeitung* might now safely be permitted to continue as the "spiritus rector of the whole undertaking, Dr. Marx", had definitely retired from his job and there was no possibility of a successor capable of keeping up the "odious dignity" hitherto achieved by the paper or of "prosecuting its policy with energy". That advice, however, was not followed by the Prussian authorities who in this matter were directed, as has now become known, by the Russian Tsar Nicholas I whose vice-chancellor, Count de Nesselrode, had just then threatened the Prussian ambassador in Moscow to lay before His Imperial Majesty's eyes "the infamous attack which the *Rheinische*

Zeitung, published at Cologne, had recently made on the Russian cabinet". That happened in Prussia, 1843.

Three decades later, the censorship authorities of tsarist Russia herself permitted the publication in Russia of Marx's work — the first version of *Capital* ever to appear in another than the German language. The decision was based on this precious argument: "Although the political convictions of the author are entirely socialist and although the whole book is of a definitely socialist character, the manner of its presentation is certainly not such as to make the book open to all, and in addition it is written in a strictly mathematically scientific style so that the committee declares the book to be immune from prosecution."

That tsarist regime which was so eager to suppress even the slightest offence committed in any European country against the Russian supremacy, and so utterly careless as to the dangers implied in Marx's scientific exposure of the capitalistic world as a whole, was in fact never touched by the fierce attacks directed by Marx in all his later career against the "immense and unresisted encroachments of that barbarous power whose head is at St. Petersburg and whose hands are in every cabinet of Europe". Yet it was to succumb to just that apparently altogether remote menace which had invisibly lurked in the Trojan horse inadvertently admitted into the precincts of the Holy Empire. It was finally thrown over by the masses of the Russian workers whose vanguard had learned its revolutionary lesson from that "mathematically scientific" work of a lonely thinker, *Das Kapital*.

Unlike Western Europe — where the Marxist theory arose in a period when the bourgeois revolution was already approaching its close and Marxism expressed a real and actualized tendency to pass beyond the goals of the bourgeois revolutionary movement, the tendency of the *proletarian class* — Marxism in Russia was from the beginning nothing more than an ideological form assumed by the material struggle for putting across the capitalist development in a pre-capitalistic country. For this purpose Marxism was taken up greedily as the last word of Europe by the entire progressive intelligentsia. Bourgeois society fully developed in Western Europe was here just in its birth pangs. Yet on this new soil the bourgeois principle could not make use, once again, of those historically outworn illusions and self-deceptions with which it had concealed from itself the restricted bourgeois content of its developmental struggles in its first heroic phase in the West, and had kept its passions to the level of great historical events. For penetration into the East, it needed a new ideological costume. And it was just the Marxist doctrine taken over from the West which seemed to be most able to render the growing bourgeois development in Russia that important historical service. Marxism was far superior, in this respect, to the native Russian creed of the revolutionary Narodniki (populists). While the latter started

from the belief that Capitalism as existing in the "unholy" countries of the West was impossible in Russia, Marxism, by reason of its own historical origin, presupposed a fully accomplished capitalistic civilization as a necessary historical stage in the process of the ultimate realization of a truly socialist society.

Yet in order to render the rising bourgeois society in Russia such ideological mid-wife service, the Marxist doctrine required a few modifications even in its purely theoretical contents. This is the basic reason for the considerable theoretical concessions, otherwise hard to explain, which Marx and Engels in the 70's and 80's made to the set of ideas, essentially quite irreconcilable with their theory, that up to then had been held by the Russian populists. The final and most comprehensive form of those concessions is contained in the well-known oracular statement of the **Foreword** to the Russian translation of the **Communist Manifesto** (1882):

The object of the Communist Manifesto was to proclaim an inevitably impending dissolution of present-day bourgeois property. In Russia, however, we find by the side of the capitalist order which is developing with feverish haste and by the side of bourgeois landed property which is as yet in the process of formation, the larger half of the land owned by the peasants in common.

Thus arises the question. Can the Russian peasant community in which the primitive common ownership of the soil subsists, although in a stage of already far advanced disintegration, be immediately transformed into a higher and communistic form of landed property, or must it previously go through the same process of dissociation which is represented in the historical development of the West?

The only possible answer to this question at the present time is the following: — If the Russian revolution becomes the signal for a workers' revolution in the West so that the two supplement each other, then the present-day Russian system of common ownership can serve as a starting-point of a communistic development."

In these sentences, and in numerous similar utterances occurring in their correspondence, in the letters to the Russian populist writer Nikolai-on, in the letter to Vera Sassulitch, and in Marx's reply to a fatalistic interpretation of his theory of necessary historical stages by the Russian critic Michaelovski, there is already anticipated in a way the whole of the later development of Russian Marxism and thus also the ever widening gap between its ideology and the actual historical content of the movement. It is true that Marx and Engels qualified their acknowledgment of the intrinsic socialist possibilities of existing precapitalistic conditions in Russia by the cautious proviso that it was only together with a workers' revolution in the West that the Russian revolution might skip the capitalist stage and pass from the prevailing semi-patriarchal and feudal conditions directly to socialist conditions. (The same proviso was later repeated by Lenin.) It is also true that this condition was not fulfilled (neither then nor after October 1917) and that, on the contrary, the Russian peasant community to which Marx as late as 1882 attributed such a powerful future role, was shortly

afterwards completely wiped out of existence. Yet it cannot be denied that even such apparently anti-Marxian slogans as the recent Stalinist "theory" of building up socialism in one country, misusing Marxism as an ideological cloak for a development which in its actual tendency is capitalistic, can appeal not only to the precedent set by the orthodox Marxist Lenin, but even to Marx and Engels themselves. They, too, had been quite prepared, under certain historical conditions, to remould their critico-materialistic "Marxist" theory into a mere ideological adornment of a revolutionary movement which claimed to be socialistic in its ultimate tendency, but which in its actual process was inevitably subject to all sorts of bourgeois limitations. There is only this difference, and a remarkable difference indeed, that Marx, Engels and Lenin did so in order to promote a future revolutionary movement while Stalin definitely applied the "Marxist" ideology for the defence of a non-socialistic status quo, and as a weapon against every tendency of revolutionary realization.

And so began — actually during the life-time and with the conscious and active collaboration of Marx and Engels — that particular historical **change of function** through which Marxism, adopted as a ready-made doctrine by the Russian revolutionists, was in the further development transformed from a theoretical tool of a proletarian socialist revolution into a mere ideological disguise of a bourgeois-capitalist development. As we have seen, that change of function implied from the very outset a certain transformation of the doctrine itself which in this case was achieved through a mutual interpenetration and fusion of the traditional populist creed and the newly adopted Marxist ideological elements. Though that transformation of the Marxist theory was at first admitted by Marx and Engels (as they imagined) as a transitory step only, to be retraced by the imminent "workers' revolution in the West", it soon turned out to have been in fact the first step toward the permanent transformation of their revolutionary Marxist theory into a mere revolutionary myth which could at the utmost work as an inspiration for the first stages of a beginning revolution but in its final outcome was bound to act as a brake upon the real revolutionary development rather than as its furtherance.

It is a spectacle worth noting, the way this historical process of ideological adaptation of the Marxist doctrine has been worked out during the following decades by the different schools of the Russian revolutionaries themselves. It may be safely said that in those violent debates on the perspective of the *capitalist development in Russia* which were waged in the closely restricted circles of the Russian Marxists at home and in emigration from the 90's to the outbreak of the war and to the overthrow of the tsarist government in 1917, and which have found their most important theoretical expression in the principal economic work of Lenin, *The Development of Capitalism in Russia* (1899), the

true content of the original Marxian theory as a theoretical form of an independent proletarian and strictly socialist movement was, in fact, no longer represented by either side. This is certainly true with regard to the so-called "legal Marxists" who in their "scientific" exposition of the objective aspect of the Marxist doctrine boasted of a particularly unadulterated "purity", but abundantly made up for that doctrinal righteousness by utterly abandoning all practical consequences of the Marxist principles which might possibly pass beyond the restricted bourgeois goals. Nor was the whole of the revolutionary Marxian theory represented by other currents which during that period sought to combine in one form or another a recognition of the transitory necessity of capitalist development in Russia with an anticipated ultimate struggle against the future conditions of society which were to be created by that very development. Here belongs the above-mentioned learned populist writer Nikolai-on, the Russian translator of *Das Kapital*, who in the early 90's, under the direct influence of the Marxian doctrine, made the transition from the orthodox populist belief in the absolute impossibility of capitalism in Russia to the Marxistically revised populist theory of the impossibility of a normal and organic development of capitalism in Russia. Here belongs too, the lusty materialistic opponent of populist "idealism", the orthodox Marxist Lenin, and his followers who in the later period, after their break with the Western-minded "Mensheviks" claimed to be in their theory as well as in their practice the only true inheritors of the entire revolutionary contents of Marx's theory as revived and restituted in the doctrine of *Bolshevist Marxism*.

When from our present vantage point reached by historical experience we look back at the heated theoretical disputes of that earlier phase there seems to be a quite obvious relationship between the populist theory of the "impossibility of a normal and organic development of capitalism in Russia" (as represented by the Marxian Narodnik Nikolai-on and combated at the time by the Marxists of all shades, the "legal" as well as the "revolutionary", the Mensheviks and Bolsheviks) on one side, and the two mutually opposed theories which in a recent phase of the development of Russian Marxism faced each other in the form of a ruling "*Stalinism*" and an oppositional "*Trotskyism*." Paradoxically enough, both the prevailing "national-socialist" theory of Stalin as to the possibility of building up socialism in one country, and the apparently diametrically opposed "internationalist" thesis, set up by Trotsky, of the inevitability, of a "permanent" revolution—that is, of a revolution passing beyond the bourgeois revolutionary goals simultaneously on the Russian and on the European (or the world-wide) scale—rest on the common ideological basis of a neo-Narodnik belief in the absence or impossibility of a "normal and organic" development of capitalism in Russia.

Both Trotsky and Stalin base their versions of the Marxist ideology on the authority of Lenin. Indeed, even the most orthodox of the orthodox Marxists who had fought a bitter struggle both against the Narodnikism of Nikolai-on and against the Parvus-Trotskyist theory of the "permanent revolution" before October 1917 and who, in the same way, had most consistently opposed after October the then prevailing tendency to glorify the meager achievements of the later so-called "War-Communism" of 1918-1920, concluded that life-long fight for critico-revolutionary realism by upholding at a decisive moment the neo-populist concept of a home-made Russian socialism against the actually prevailing conditions. Within a few weeks those who had opposed the socialistic idealization of the first years and who at the first announcement of the NEP of 1921 had still quite soberly declared this "new economic policy of a worker's and peasant's State" to be a necessary step backward from the further going attempts of War-Communism, discovered the socialistic nature of State capitalism and a cooperatively tinged yet essentially bourgeois economy. Thus, it was not the Leninist epigone Stalin but the orthodox Marxist Lenin who, at that historical turning-point of the revolutionary development when the hitherto undecided practical tendencies of the Russian Revolution were "seriously and for a long time" directed to the restoration of a non-socialistic economy, at the same time added what he then deemed to be an indispensable ideological supplement to that final restriction of its practical aims. It was the orthodox Marxist Lenin who in opposition to all his earlier declarations first set up the new Marxist myth of the inherently socialist character of the Soviet State and of the thereby basically guaranteed possibility of a complete realization of socialist society in an isolated Soviet Russia.

This degeneration of the Marxian doctrine to a mere ideological justification of what in its actual tendency is a capitalist State and thus, inevitably, a State based on the suppression of the progressive revolutionary movement of the proletarian class, closes the first phase of the history of the Marxist ideology in Russia. This is at the same time the only phase during which the development of Marxism in Russia seems to show an independent character. Yet it should be pointed out that from a more comprehensive view-point, in spite of appearances and of many real differences caused by the specific conditions prevailing at different times in different countries, the historical development of *Russian Marxism* (inclusive of its last Leninist and Stalinist stages) is essentially the same as that of so-called *Western (or Social Democratic) Marxism* of which it really was and still is an integrating, though at present outwardly detached component. Just as *Russia* never was the unique and holy country as dreamed by the Pan Slavists, and *Bolshevism* never was that crude and backward form of a pseudo-Marxist theory corresponding to the primitive conditions

of the tsarist regime as it was represented by the would-be refined Marxists of England, France, and Germany, so the *bourgeois degeneration of Marxism in Russia today* is in no way essentially different from the outcome of the series of ideological transformations which during the war and post-war periods and, even more visibly, after the ultimate annihilation of all former Marxist strongholds by the unopposed advent of Fascism and Nazism, befell the various currents of so-called Western Marxism. Just as the "national socialism" of Herr Hitler and the "corporative state" of Mussolini vie with the "Marxism" of Stalin in an attempt to invade, by the use of a pseudo-socialist ideology, the very brains and souls of their workers as well as their physical and social existence, so does the "democratic" regime of a People's Front government presided by the "Marxist" Leon Blum or, for that matter, by Mr. Chautemps himself, differ from the present-day Soviet state not in substance, but only by a less efficient exploitation of the Marxist ideology. Less than at any previous time, does Marxism today serve as a theoretical weapon in an independent struggle of the proletariat, for the proletariat and by the proletariat. A so-called "Marxist" parties, both theoretically and in their actual practice, appear deeply engaged in contributing, as minor partners of the leading bourgeois protagonists, their modest share to the solution of the problem which the American "Marxist", L. B. Boudin, quite recently called "the greatest problem in Marxism, — our relation to the internal struggles of capitalist society."

I. h.

THE SIMPLE AND THE COMPLEX

Simple concepts are necessary at first to make a scientific reflection possible. When analyzing complex, coherent conditions one must, at the outset, avoid everything that may unnecessarily complicate the situation. Science is inconceivable without abstraction. Or, we can say with Liebermann: to understand is to omit. In other words, to comprehend the essential, it is necessary to exclude the unessential. How does natural science proceed in this respect? An example from physics may elucidate the subject. The law of the pendulum says that the period of oscillation of a so-called "mathematical pendulum" is dependent only upon its length and the acceleration due to gravity at the respective geographical location, provided that the angle of displacement of the pendulum does not exceed 5 degrees.

An abundance of abstractions! In reality, such a thing as "mathematical pendulum" does not exist; it is nothing but a scientific construction — namely, a point mass suspended by a weightless thread. There exists no point mass that is limitless in expansive force, neither is there a "weightless" thread. The "mathematical pendulum" is a mere theoretical structure, a fiction. We must ask then, if the law of the pendulum is based upon fictitious assumptions, of what value could it possibly be? The answer is, it all depends on the right application. Every real (physical) pendulum — requiring, besides, consideration of the air-resistance — could be conceived of numerous

mathematical pendulae, and the period of oscillation could be figured out mathematically, based upon the said simple law of the pendulum.

The same scientific principle is applied in Marxism: starting with simplified assumptions, factors more and more complex enter into consideration which were at the beginning arbitrarily eliminated. Marxism starts, so to speak, with a mathematical pendulum, which means that it regards capitalist economy as an isolated process: without the existence of non-capitalist regions, without modification through foreign trade, without capital export, etc. It is viewing reality "as if", comparatively speaking, it sought to arrive at the law of the pendulum. We know, of course, that present-day economy does not solely consist of capitalists and workers; that commodities do not sell at their value — the value based upon the socially necessary labor time — and that the value of money must not be taken as constant. And thus it is obvious for every scientific thinker that with these fictitious assumptions one is going away from empirical reality. However, every simplified supposition will have to be subsequently corrected, taking into consideration the at first neglected real factors. This procedure will bring investigations step by step nearer to and in conformity with the complex concrete reality (see Henryk Grossmann "Das Akkumulations — und Zusammenbruchsgesetz des kapitalistischen Systems", Leipzig 1929, Verlag C. L. Hirschfeld).

Now we can understand why Karl Marx, *Capital*, Vol. I — which may be considered the first stage of abstractions — was followed by a second and third volume. To analyze more clearly and arrive gradually at a thorough understanding of the various forces underlying our complex social system was the purpose of these additions. The apparent discovery of contradictions between the various volumes of *Capital* by many Marx critics can be explained only by their unscientific attitude. These apparent "discoveries" remind very much of the apparent contradictions between a mathematical and a physical pendulum. It is obvious that such "contradictions" are inherent in every scientific system; they imply various stages of abstractions, nothing else. But, exactly for this reason, it was to be expected that the academicians should have had a full understanding of the Marxian theories, had they not been afraid of the political consequences incumbent in Marxism.

H.

LIVING MARXISM

announces among other articles in issues to follow:

GERMANY AND THE COMING WAR — RUSSIA'S FOREIGN POLICY — MARXIAN IDEOLOGY IN WESTERN EUROPE — SCIENCE AND PROLETARIAT — THE MASSES AND THE "VANGUARD" — NEW ASPECTS OF IMPERIALISM — COMMUNIST PRODUCTION AND DISTRIBUTION — THE SOUTH: TOWARDS A NEW CIVIL WAR — ORGANIZATIONS OF THE UNEMPLOYED — THE MEANING OF STATE CAPITALISM — ECONOMICS AFTER MARX — COLLECTIVIZATION IN SPAIN — THE UNIONS AND THE WORKERS — THE FARMERS IN PRESENT-DAY SOCIETY — THE QUESTIONS OF THE PACIFIC.

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WHAT CAN THE UNEMPLOYED DO?

THE previous issue of this magazine expressed the view that the return of what the satisfied in society call "normal unemployment" can no longer be expected, that large-scale unemployment and its accompanying misery is here to stay despite temporary reductions of the unemployed figures through public work measures and war. We rejected the popular slogans demanding work for the unemployed, since we cannot conceive of their fulfillment in ways other than through greater miseries as were previously experienced by the workers. Under the present conditions of a deepening depression, the misery of the unemployed will take on once more the appearance and proportions already witnessed at the low point of the years 1931-33. To keep from starving, unemployed were then pressed into all forms of action. If the trend is not excluded by an early outbreak of the coming war, which would change all perspectives made on the assumption that "peace" will endure somewhat longer, it is to be expected that once more will the unemployed be forced into action of their own to safeguard their miserable existence.

Only once in American history before 1929 has the "interest" in unemployment been comparable to that existing since then; namely, in the depression period at the beginning of the world war. However, this "interest", caused by the unrest and action of the unemployed was again forgotten in the long period of "prosperity" nourished by the World War. Before 1929 the unemployed had no possibility of altering the prevailing attitude in society, which, in the words of President Hoover, saw in the unemployment problem "a sporadic and irregular phenomenon which merited only a sporadic and irregular control". Their minority situation reduced them to an object of christian charity. Under the pressure of the ever increasing scope of that phenomenon, that is, under the pressure of the unemployed, however, it soon became impossible to take the matter so lightly, and recourse was necessary to more than temporary relief measures. The economic stabilization which came about after the crisis had reached a certain level enabled and facilitated a "better regulation" of the social measures bound up with unemployment, and this process was still further promoted by the accelerated rate of advance in the centralization of economic power urged by political pressure.

Though because of this process situations have changed as regards the unemployment problem, it is to be expected that the force of tradition will induce the unemployed workers, despite the experiences of the past, to repeat their previous activities.

And though this repetition of already familiar methods may have today an entirely different effect because of the changed conditions, the question remains open whether this effect will be more fruitful now than before, or be of even less significance. It must be asked further if those traditional measures are possible at all, and if not, what will or must be applied instead of them? In short, the questions of what the unemployed may do and what they can do have to be reinvestigated in recognition of the changed conditions.

Such an investigation is limited in many respects. However logical and correct our analysis may sound, still it cannot be regarded as more than a general outline, unable to serve for specific purposes at particular moments in the unemployed struggle within the different territories of the United States. Specific plans must unfortunately always be left to the moment of action and to the needs of the changing situations in the course of struggle. No one is able to know in advance all the possible occurrences within the struggle. Since no one can conceive the whole of society in which the struggle takes place, he cannot foresee all the details of which it consists. International, national and local implications, conscious and spontaneous actions of this, the other, or all groups, here, there, and everywhere, may change within the daily struggle any situation, although all this may alter nothing of the "long run" factors of history. But the unemployed struggle, a life and death question of today and tomorrow, cannot be based solely on "long run" factors in history. Decisions have to be changed at particular moments, and this calls for self-initiative, spontaneous shifts, and careful modifications of tactics and propaganda. However, though we recognize all this, still it remains true that the more realistic the conceivable general outline is, and the better the history of previous struggles is known, and the more eventualities of the near future are foreseen, however roughly, the better and more effective will be the activity in each particular situation that calls for spontaneous satisfaction of the momentary needs.

To answer the question as to what the unemployed can do, we therefore have to deal with the past, the present, and the future conditions related to this question. Such an answer cannot be given in one issue of this magazine. We are forced to break this article into sections appearing in different issues. Although each section has a certain independence, the inner connection of the series should not be overlooked.

Unemployment and the Labor Movement In American History

Unemployment has accompanied the entire American industrial development, and to only a somewhat lesser degree in the days of pioneer activity. It is true that the scourge was

frequently somewhat mitigated by the westward procession, but the participants in that movement came mostly from the farms; in spite of poor living conditions, it was only in rare cases that the industrial workers accepted Horace Greely's advice. In old chronicles and forgotten literature, there are frequent references to urban unemployment. Thus for example *Niles' Register* of August 1819 writes: "There are 20,000 persons daily seeking work in Philadelphia, in New York 10,000 able-bodied men are wandering the streets, in Baltimore there may be about 10,000 persons in unsteady employment, etc." The improvement of the situation after the depression year of 1819 was soon followed by new waves of distress. The labor market waxed and waned with the business cycles. "Thousands of industrious mechanics who never before solicited alms", wrote the *New York Times* in 1829, "were brought to the humiliating conditions of applying for assistance, and with tears on their manly cheeks confessed their inability to provide food or clothing for their families". Similar reports, often accompanied by unemployed figures which range in the hundreds of thousands, are found in innumerable accounts of the various years of depression in American economic history. The deeper and the more persistent the depression, the greater the prominence of the unemployment problem.

Unemployment was immense in the years from 1857 to 1863, and it was precisely because of its magnitude that the conditions of economic crisis around 1884 impressed upon the class struggles of that time the pronounced character which found its culmination in the Haymarket Riot. Ten years later the growing importance of the unemployment question was brought home to the workers and capitalists alike by the great unemployed demonstrations, which took place in many parts of the country, and by the dramatic march of "Coxey's army" upon Washington.

The belated and, for that reason more rapid, development of American capitalism, together with its peculiarities — such as pioneer activity, the great variety of means of livelihood, and other structural differences — distinguished the development of the American labor movement to a large extent from that of Europe. A consciously organized labor movement with a socialistic ideology, as was known in pre-fascist Europe, existed in America always and even today only in embryonic form. Nevertheless, at times labor organizations occasionally took on important proportions; movements developed spontaneously only to disappear again as fast as they had risen. But up to the middle of the nineteenth century, because American industry was still backward in comparison with that of Europe, the labor movement in America was of a guild character, operating on a local basis, and combining their craft interests with the interests and aspirations of the farmers. After the Civil War trade union development accompanied that of capitalism. After 1870 this trade union movement grew more rapidly with the growth and

the changing character of the class struggles. The big strike waves following the crisis of 1873 and reaching their greatest strength in 1877 radicalized the workers to a large extent. The "Knights of Labor", the most important labor organization, could count in 1885 on 100,000 members, which by way of a few successful strikes in the boom period could be raised to 750,000. But with the end of the boom the Knights of Labor declined as fast as they had grown up. During all this time, the political movement of the workers, existing in various socialist language groups, was almost without significance. The American Federation of Labor, developing out of the ruins of the Knights of Labor, grew as an expression of the growing importance of skills and crafts in the capitalist industrialization process, and fostered by immigration and job control, led to a division of the workers into the so-called aristocracy and the great masses of unworkers into the so-called aristocracy and the great masses of unorganized. Attempts on the part of the I. W. W. to break this situation by industrial organizations had only temporary successes; the development of labor groups with specific interests within the proletariat hampered the development of socialist ideologies and, with this, the growth of socialist movements. Attempts on the part of the unions to safeguard their jobs against the newcomers supported the isolation and atomising tendencies among the working class that were already fostered by capitalism in opposition to the actual unification and socialization of labor and the laborers through the development of large industry. The absence of important socialist movements and the attitude of the trade unions led to an almost complete neglect of the unemployment problems and excluded support of their struggles through workers' solidarity. Only in times of utter despair spontaneous unemployment movements arose, unrecognized in their significance by the existing labor organizations, and unable to assert themselves with more than a mere demonstration of their misery, and disappearing without result again into the night.

With the twentieth century, America presents a full-fledged capitalism. All other classes are subordinated to the interests of the big capitalist concerns. The proletariat is the largest class in society. The "special characteristics" of American capitalism disappeared; they now play a part only in phraseology. But the rapid rate of capital accumulation occurring now in America for reasons which we cannot go into here, prevented to a larger extent than ever the growth of socialist ideas. The "American Dream" clothed itself in dollars and cents costumes, in bonds and stocks, in get-rich-quick schemes, in fairy tales of the newsboy and the millionaire. The capitalization of the labor movement proceeded even faster than the general capitalization of ideologies and social activities. The prosperity period before 1929 was accompanied by such an organizational and ideological

decline of the labor movement that it was hardly possible to speak of such a movement at all. Although the "prosperity" was only a reality for the labor-aristocracy in comparison with European labor conditions and wages, and remained a dream for the large majority of the American workers, just the same the "spirit" created by the prosperity nourished the hope that sooner or later all would participate in eating from the especially well-filled flesh pots of American capitalism, in which lay the formula for eternal happiness.

When the period of prosperity was over, the idea prevailed that the depression was only an accident and would be soon and forever overcome. "The jobless, the near-jobless, the countless victims of the market and bank failures", wrote A. R. Wylie in the *New York Times* (4/26/31), "are bearing their personal change of fortune with a gallantry and good humor." But soon after that the situation changed. Hope was replaced by despair in the unending crisis. The rapidity of the decline once more radicalized the American working class in a previously inconceivable way. The "gallantry" and the "good humor" of the first depression years made room for a general unrest and a special activity of the unemployed.

Welfare and the Unemployed

As long as unemployment could still be regarded as a local and temporary affair, the general tendency was to leave the resulting distress to the care of the local and private welfare agencies. "The recipients of unemployment relief", wrote the *Chicago Tribune* (11/9/32), "are objects of charity. Money has been given them not because the victims have a right to it, but because the community has a heart." The American poor laws, an adaptation of the English ones dating from the 16th century, contrasted with these latter in being of local, not national, origin.

American poor relief since the 17th century has assumed various forms. The most general one consisted in the establishment of poorhouses and workhouses. Wherever possible, able-bodied children and adults were let out to farmers and industrial employers, who in exchange for the duty of supporting them received the right to their unlimited exploitation. A further form of "poor relief" was public auctions of the helpless to the highest bidder; and, finally, though only in rare cases, those whose wretched situation could be regarded as transitory were the recipients of "out-door relief" in the form of food doles.

This poor relief, organized and administered according to cities and counties, always had as one of its aims to impress upon the needy the stigma of disgrace. The Pennsylvania General Settlement Act, for instance, enumerates strict requirements for legal settlement based on continued residence and occupation,

specifying rates of assessment for relief of the poor, and making provisions for discouraging applications for relief. To this end the statute required all persons receiving aid, even children, to wear on the right sleeve a large letter "P", signifying pauper, with the first letter of the district's name worn underneath. The still existing pauper oath for the relief recipients and the general treatment of relief applicants by welfare institutions and their agents are still based on the principle of stigmatizing and scaring away the relief seeker. This attitude is in line with the exploitative needs of the existing society. If it was more pronounced at the beginning of the capitalist development and if its changes form at the end of this development, that is owing to the fact that the thirst for profits is relatively greater and the appeasement of that thirst relatively smaller in these periods than in the heyday of capitalism. The miserable conditions of the working class make it necessary to resort to barbarous treatment of the non-working and poverty stricken elements of the population in order to spur the former to greater exertions.

In the course of the capitalist development the practice of poor relief underwent a gradual modification in which it became adapted to the ever-changing conditions, though the poor laws, which were almost medieval in their origin, were not thereby affected in principle. The poorhouses and workhouses, as the most important institutions of poor relief, lost some of their importance and in many states were converted into homes for the aged or into prisons. More attention was devoted to the distinction of types among the needy, and there was an increasing tendency to concentrate upon out-door relief. In the various states of the union the poor laws were revised at longer or shorter intervals. In the execution of the laws there was developed a certain uniformity in the industrial states and another uniformity in the farming states. Welfare work came more and more to be taken out of the hands of justices of the peace and directors of the poor and turned over to trained social workers. With the setting in of the crisis in 1929, the inefficiency of the local relief services was exposed everywhere.

The relief measures in the first years of the depression were insufficient and chaotic. After three years of economic crisis not a single serious attempt had been made to adapt the relief institutions to the demands of the great amount of unemployment. The jobless masses were thrown exclusively upon the mercies of the inadequate local and private welfare institutions. All that happened at first was that the already existing institutions were expanded, coordinated, and frequently completely merged with each other. The constantly mounting financial requirements were met, in so far as possible, by way of increased collections and larger bequests, private and public loans and higher local and state taxes. For a long time this extension of welfare

activity was looked upon as transitory measures, to be abandoned in the expected upturn in business.

The united or cooperating welfare institutions of the counties and cities restricted their activity mainly to the doling out of food to needy families. In the early depression years it was only in rare cases that the unmarried man out of a job managed to obtain relief. Almost all relief was conducted on a non-cash basis. Rentals were paid only in rare cases and in many cities not at all. Evictions of unemployed have accompanied the distress during all the years of depression since 1929. Even light, gas and water were also long refused in many communities. The relief recipient had to be literally without resources and without the means of obtaining them. A gauntlet of investigations had to be run, and the unemployed had to fight incessantly against cuts and procrastination. All kinds of difficulties were systematically promoted. In many cities and counties the pressure of "public opinion" was invoked as justification for compelling the unemployed, in return for the miserable relief accorded, to labor on public works.

In some localities the system of cash relief was adopted at a quite early date, in others not until the end of 1935.* But this policy was also not a consistent one. The idea of paying out cash relief was not taken up by a number of states until it became possible in this way to bridge over difficulties which arose from sharp cuts in the relief rates. The *Chicago Daily News* (5/11/35) reported that Mrs. Page, in a conference of state relief officials said: "that the reaction of clients to the relief cut at St. Louis was much calmer than had been expected, due to the fact that clients were gratified at having money in their own hands." After such successful operations, there followed in many cases a return to the old methods: foodstuffs or tickets with which to draw them were again handed out.

The relief given amounted in money terms on the average to about \$21 per month for each family or about \$4.60 per month for each person. This was at the rate of fifteen cents a day per person. On the basis of the Chicago relief budget, for example, the monthly relief figure during the year 1932-33 for a family of five amounted to \$28.79, while the necessary minimum for existence for the same family at the same time, without including rent, was computed by the Chicago Council of Social Agencies to be \$105.00. The difference between the two figures illustrates the inadequacy of the relief rates, an inadequacy rendered still more glaring when it is borne in mind that the Chicago rates were among the highest in the whole country.

*The change in the relief situation, initiated in 1933 by the Roosevelt Relief Program, will be dealt with in another chapter in the next issue.

"Self-Help" --- the American Way

Out of the economic and psychologic situation preceding the depression, including the described status of the American labor movement, and the status of the welfare institutions, the course taken by the unemployed's reaction to their new situation is understandable. The first response to the depression and their own condition was expressed in the spontaneous self-help movement of the years 1932-33. The absence of militant labor organizations of any significance, the disinterestedness of the trade unions towards the unemployed, and the general ideological backwardness of the masses burdened with a set of romantic traditions dating to the times of the frontiers, saw in these self-help organizations the practical American answer to the unemployment problem. At first these new organizations were conceived only as temporary institutions to help overcome extraordinary situations. Most of these organizations were nationalistic and petty-bourgeois in their outlook. Although they were spontaneously created by the unemployed themselves, they soon found the approval and the help of all kinds of reformist groups and humanitarian institutions, such as churches and business associations. They also secured endorsement by many trade unions and by the Socialist Party. Many city administrations supported those new expressions of a true "Americanism", and later the Federal Emergency Relief Administration saw fit to support the more promising units of self-help organizations. Upton Sinclair, who never lets a chance pass by, also incorporated this new idea into his utopian EPIC scheme.

Self-help organizations sprang up as early as 1930, and were in vogue during 1932. Some of them kept themselves independent, others united with kindred organizations. Unsuccessful attempts were made to coordinate them into nationwide Federations. All were engaged in two principal types of activities: organized begging, and the barter of labor and commodities. The exchange regulations were manifold. Some organizations developed bureaucratic apparatus, membership dues, due bills, goods certificates, credit transfers, vouchers, exchange checks, and what not. Most of them were engaged in agricultural pursuits, since most of them functioned in agricultural states. Land and implements for production were solicited, offered, rented, lent by individuals, authorities and societies. The strong religious sectarianism, one of the American peculiarities, lent impetus to such organizations. Most of the organizations abstained from competing with private enterprises; most of them also excluded all money-dealings. Even where such possibilities were open, only occasionally was advantage taken thereof. But as soon as the principle "Not for Profit" was broken, the sharpest protest arose from the small business men's organizations and from the trade unions. Many socialists en-

tering these self-help organizations developed an enthusiasm expressed in the wildest hopes of the socialistic future of such enterprises, which seemed non-capitalist islands in the ocean of capitalism. P. R. Haffner wrote, for instance, in the *American Guardian* of Nov. 25, 1932:

"Never before was there such a possibility to build up co-operatives. The small enterprises can not longer compete, the larger ones will not dare to fight against us. Hunger is like dynamite, no one likes to play with it. Experiences show that self-help is possible; in Tacoma alone we have already gattered means of production to the tune of 45,000 dollars, we built houses, employed workers, we have started an industrious community in which there will be no unemployment and no exploitation."

However, this optimism fell to pieces when reality did not conform to it. At the end of 1933 most of the self-help organizations had again disappeared. They collapsed because of the deepening of the crisis, as they did later because of the improvement of business conditions. In the field of begging, competition with the Salvation Army led also to diminishing returns. Corruption destroyed the organizations from the inside; the pressure of the growing misery from the outside. The proud "I Will" spirit could not withstand the complete devaluation of labor power. Labor power, which heretofore was only an undesired commodity, would not now be accepted even as a gift. The central idea of the self-help movement as celebrated, for example, by the "Conference for Progressive Labor Action", an organization which later merged with the Trotskyites into the American Workers Party, which again merged, etc., etc, the idea of "production for use", which this party believed was absolutely realizable because the idea would find the hearty support of the taxpayers, as it would lighten their lot—this central idea turned out to be a central illusion of both the self-help organizations and its supporters in the labor movement. Soon this organization, together with similar bodies and the trade unions found itself forced to protest against a self-help movement which went too far. The exchange of foodstuffs for work was now recognized as only one form of scabbing, of bringing pressure upon the wage rates. The self-helpers advertised themselves in newspapers, offering their labor for literally a piece of buttered bread. Unwilling to attack the self-helpers, for no one could tell how they might be used, the politicians made a compromise solution by insisting that barter should be practiced only among the unemployed themselves. But as long as the unemployed had nothing else to exchange with each other but their misery, this "compromise" was only a phrase to bridge the shift from self-help to relief demands.

The self-help movement, based on a primitive barter system and barbarous self-sufficiency, was unable to live up to its principles. It was supported by the government since it saved it some relief money. With the financial aid of the Federal Emergency Relief Administration some of them could continue to

exist to this day, although the majority of them had passed out by 1934. But those extant have ceased to be regarded as an expression of the self-help movement as it sprang into existence during the years 1930-33. They belong to the series of governmental experimentations in "long-range planning" to allow sufficient exercise to the many administrators who have to prove somehow that they are busy with the task of saving society. Or they have to be regarded as belonging to the many half-utopian agricultural colonies existing in America, as objects of a curiosity, just as the American Indians are to high school boys spending their vacations studiously.

(To be continued in the next issue)

BOOK REVIEWS

Spy Overhead, the Story of Industrial Espionage. By Clinch Calkins. Harcourt, Brace & Co., New York, 1937. (363 pp.; \$2.50).

The Labor Spy Racket. By Leo Huberman. Modern Age Books. New York, 1937. (195 pp.; \$.35).

Both these books are based on the investigations of the La Follette Civil Liberties Committee. They contain similar material, the book by Calkins, however, offering more information. The investigations show in what ways capitalists, large and small, use the diverse detective agencies to break strikes, frustrate them and to interfere in trade union activity. The different situations in the class struggle between capital and labor necessitate the use of different methods by professional labor spies and strike-breakers. Activities from working within unions in an attempt to destroy them, to open terror and murder, cover the scale of their services. This business often assumes proportions expressable in hundred thousands of dollars. Small as it is in comparison with the total social activity, its existence nevertheless characterizes, more than anything else, the real relationship in present-day society. The labor spy exists because his activity represents one way of making a living, and he is used because the capitalist desires to save money. In Miss Calkins' opinion, this primitive method cannot disappear except to be replaced by less crude but more efficient methods. Huberman, with the superficiality of all social reformers, expects from the La Follette investigation enough indignation of "fair-minded" Americans to end this "shameful" business. But where he assumes it will be possible to convince the capitalists that collective bargaining and trade unions are also serving the best interests of the entrepreneurs, a recognition which is supposed to induce them to fire the labor spy, Miss Calkins disagrees with him. She sees rather the possible replacement of the labor spy by the more effective "public relations man", who will take over the function of the former. Besides this change of appearance in the labor spy, there will be more frequent recurrence of vigilance committees, to handle strike matters according to the ethics of the "fair-minded" Americans. And in the growth of this vigilance activity, according to Miss Calkins, is also manifested the formation of fascist forces, calculated to deal with labor questions in a manner which may be called up to date. Miss Calkins' book makes Huberman's superfluous. We must direct the readers' attention especially to Miss Calkins' introduction, for it summarizes with rare truth and clarity the actual situation of the American worker. It is this

clarity and this unusual approximation of the truth that makes it a pleasure to recommend "Spy Overhead".

Japan over Asia. By W. H. Chamberlin. Little, Brown and Co., Boston, 1937. (395 pp.; \$3.50)

Chamberlin's book is without doubt one of the best, if not the best, of the recently published more popular books dealing with Japan, and not only because it is so readable and objective, but because it presents so many facts of such great interest that anyone, regardless of what he may think of Chamberlin's attitude here and in general, cannot help but profit by reading it. This work, though written by a non-Marxist, will assist the Marxist very well to a better understanding of the facts involved in the Asiatic problems.

The first half of the book deals with the imperialist policies of Japan, the second supplies a valuable description of the Japanese scene. The grasp Chamberlin has of Japan's present position may be judged by the fact that he wrote in September 1937, and in the face of a general optimism of China's chances, that a Japanese defeat is most unlikely to occur. Japan's aggression is here recognized as being no different from imperialism in general. Chamberlin understands that Japan's particular economic weaknesses hastened its action to safeguard itself in a growing imperialist world. The contradictions between Japan's necessities and the imperialist aims of other nations are stressed, and the author displays great knowledge of all facts involved, even if he does not trace those contradictions back to the fundamental contradictions of capitalist economy. Also, he has no illusions as regards the character of the Chinese anti-Japanese struggle, or the help it may receive from Russia. He sees that the issue of socialism is not involved in either question. Very interesting are Chamberlin's expositions of the Japanese class relations, and, most interesting for the workers, his descriptions of the economic struggle of the Japanese workers within a semi-fascist country without labor organizations. The book does little more than present relevant facts as they came to the author's attention. For this reason it contains little that may be challenged.

Forty Years of American-Japanese Relations. By Foster Rhea Dulles. D. Appleton-Century Co., New York, 1937, (281 pp.; \$3.00).

Recently, the possibility of war between America and Japan was widely discussed, especially when the Panay was sunk. In the last issue of Council Correspondence we pointed out that the outbreak of such a war is at this moment not to be expected. Dulles' book shows that similar frictions between America and Japan recurred at intervals during the last forty years of American-Japanese relations. From time to time America has raised the threat of war as a reaction to Japanese advances in Asia, but only to withdraw again. This policy appears to Dulles unclear and inconsistent. However, the struggle for the control of the Pacific involves more than the rivalry between Japan and America. Other nations such as England and Russia are also in the field. Vacillations by America are not the result of a weak foreign policy, but are based on the realities of imperialist world forces. It was not in the power of America to demand more than the Open Door in China, and its reluctance to start a war to defend the Open Door policy against Japan's imperialism is explainable by the fact that the Open Door was not of such value to American capitalism as to warrant a war — a war, which of necessity would become a world war. Dulles sees that it is not the actual, but the potential business which explains the great interest of America in China; but the potential business, the question of the future, involves much more than can be solved by greater consistency or clarity of American foreign policy. And this future will not, as Dulles seems to think, be a mere repetition of the past. The question of domination of the Pacific

is raised again, but if it leads to open struggle, America will not have to fight simply Japan, but as an ally of one group of imperialist powers, will oppose another group. To reduce the question of Japanese-American relations to one concerning these two nations alone leads to misinterpretations and causes Dulles to believe that the reason America has not championed her interests against Japanese imperialism is that America lacks the necessary determination. In spite of such conclusions, however, this book will help the reader to an understanding of the Japanese-American situation.

The Origins of American Intervention in North Russia (1918). By Leonid J. Strakhovsky. Princeton University Press, 1937; (134 pp.; \$2.00.)

The author attempts to show with this study that American Intervention in Russia, in 1918, benefited rather than damaged the interests of Soviet Russia. Besides this question, which concerns us very little, the book brings to light many aspects of the Bolshevik Revolution and contributes to an understanding of its character. The dependence of the revolution on the world war becomes obvious. Between the rivalries of the Central and Allied Powers the revolution could consolidate itself. The Bolsheviks played one imperialistic group against the other in order to remain in power. When it became impossible to continue this game, the Bolsheviks chose Germany instead of the Allies, who then attempted to destroy the revolution. They had previously offered to help, and actually did help, in the understanding that the Bolsheviks would continue to fight against Germany. Many similar incidents in the international policies of this period furnish the reader with a better understanding of not only the revolution itself, but also of its leaders. It is a valuable, even though a small, addition to other books of documentary value, as for instance, "The Bolshevik Revolution", edited by James Bunyan and H. H. Fisher, and issued by Stanford University in 1934.

Economics for Everybody. By Mervyn Crobaugh. W. Morrow & Co., New York, 1937. (293 pp.; \$2.50:)

The first twelve chapters of the book, tracing the economic development from the builders of the pyramids down to the beginnings of capitalism, although very superficial, might nevertheless, not only because of an amusing readability but also for some good formulations, provide the reader unacquainted with economics with a pleasant introduction to the study of economic history. The description, however, that follows the modern economic theories and their development is not only superficial but sometimes outright stupid. As Marx once said, popularizations are easy once the scientific basis is laid. Crobaugh's insufficient understanding of recent economic problems largely counteracts his popularization. But, whoever wants to read economics in order to find sleep, this book serves as well as any detective story, and besides this service will transfer a few good ideas, so to speak, in the course of sleeping. Though often painfully crude, the author succeeds in showing the connection between economic thought and economic reality. The book may be capable of arousing some interest in economic matters, inducing the reader to proceed to more reliable studies. As the book is both, good and bad, we cannot condemn or recommend it but must leave the judgment to those who will read it.

A Real New Deal. By Charles E. Carpenter. University of Southern California, 1937; (137 pp.; \$1.50.)

Carpenter dedicates his booklet "to all persons whose income is insufficient for their reasonable needs." Though he is a professor of law, he deals here with economic questions because he does not like, besides other things, "the irresponsible conflict between capital and labor." In his opinion,

the problem of society consists in the existing unfair distribution; he wants a more "equitable distribution of income" without the abolition of the present economic system. He desires "a real new deal", as Roosevelt's New Deal failed to fulfill its promises. He proposes a division of profits and a change of the tax system, and Congress is supposed to inaugurate these measures. The impossibility of their realization, however, is obvious to any one acquainted with the fundamentals of present-day society. His book — one of many of the same character recently published — has significance only because it indicates the trend of the growing resentment of the middle class. The combined protest against further capital centralization and against socialism expresses the "politicizing" of the middle class mind. But this "politicizing", if it begins to appear in actual politics, will be able to fulfill only what capital began. Capitalist development, unable to remove the middle class, brings about a situation in which the middle class removes itself in the very attempt to save its life. The developments in the fascist countries bear witness to this.

Science in the Light of Marxism. (Die Wissenschaft im Lichte des Marxismus) Jean Christophe-Verlag, Zurich, 1937. By H. Wallon, M. Prenant, H. Mineur, J. Baby and others.

The first part of the book deals with science and technic. Here the views of the astronomist Henry Mineur of the Paris Observatory throw light upon the connection between science and the requirements of everyday life. The second part of the book deals with the dialectical method and primarily stresses the principle of interchange. Tribute is paid to men as a motive force in history. The authors show that the human mind is affected in its development by material factors. But, simultaneously it is shown that this human mind — especially the scientific mind — becomes a steadily growing important factor of human development. Historical development tends toward the mastering of matter through mind.

The book is written in simple language, it is the result of various lectures given by the authors in 1933 and 1934 for the scientific commission of the Society for a New Russia. It is not distinguishable from other similar publications since Bucharin's "Historical Materialism", serving to satisfy the ideological needs of Bolshevist Russia.

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