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WHAT YOU OUGHT TO KNOW ABOUT RELIEF AND WPA

We are the worthless ones, the lazy ones, the corrupted ones. We are the chiselers, we who enjoy the luxury of relief diets. We are the careerists, who rest on shovels all day long, who never want to give up the paradise of WPA. We are too lazy, unless we are stimulated with 30 day layoffs, to look for work. We have been growing fat on a budget that is 35% underweight, so now we must labor 30 hours a month. We are the reason for the depression; without us the National Budget would be balanced, the government, and the landlords, and the businessmen would be very happy. Since we took the pauper’s oaths to take relief and the errand-boy wages we get on WPA, we must also take these slanders, of which the New Deal has a far greater surplus than the so-called food which is supposed to balance our budgets.

Yet, back in 1933, we did not suffer these insults, we were then the forgotten men to whom Roosevelt promised pre-depression security. The Democratic politicians offered the workers in exchange for their support, a program which would be a new deal, which would consider not only the profits of the few, but the welfare of the many. You suddenly had a “right to work,” and a “right to relief” — when work was not around.

THE DREAM WAS SHORT

They gave you work-relief. But — with all the high-sounding security propaganda — you were working, that is some of you, for less than $55 a month in some parts of the country, and for less than $26 in other parts. However, it was “better than nothing,” and you were still quite sure that you
would not be forever on WPA. Some day you would be able to land a real job, with real pay.

And into the relief-business, "order" was brought in. A real relief budget was figured out for you — by people who were sure never to be in need of relief. The budgets were different in various sections of the country. But they were all alike in so far as none allowed enough to live on. The lowest meant about $10 a month, the highest about $40 a month for a family with a few kids. Rent had to be paid from this, gas, light, clothing and often water.

O yes, there are real budgets; however, the budget itself gets leaner and leaner. They gave you, for instance, in Illinois, 95% of the budget figured on "basic needs." They cut it down to 85%, then to 75%, then to 65%, and now they announce they will cut it to 55%. You have the budget, but less to eat than before. To this budget, which you never get, "surplus commodities" are added with a generous flourish. They turn out to be a substitute for real relief, for cash relief. They give you flour, but you don't have fuel, or often not even a stove, with which to bake. They give you butter which melts under your fingers and stinks into your nostrils, for you don't have the ice to prevent it from rotting away. They give you some eggs which often smell no better, and serve you oranges without juice so that your kids may have something to play with in the alleys. And even of these inferior commodities you do not get enough. What is supposed to last you two weeks is gone in three days.

You are supposed to pay rent which has been calculated into the budget. But 35% of the budget, is left in the relief treasury, and you still must pay rent out of what you do get. You can't afford to stall the landlord, for if you are evicted you have a hard time to find another hole to park your butt. You use almost the whole relief you get to pay the landlord, to keep a roof over your head, and you starve yourself slowly but surely with the meager remainder of the relief allotment.

THE WONDERS OF WPA

The WPA workers have so far fared little better, and with new attacks upon the "living standards" of all who must have government aid in order to exist, their lot gets worse and worse. When we on WPA were at one time employed in private industry, we averaged between $25 and $50 a week. But today the security wage scale in Illinois, for instance, varies from $13 to $23 a week. Just as there is little security in the wages, there is little security in the job itself. There are unexpected shifts from one place of work to another; many workers, laid off, do not know when they will ever be called again, or what sort of work they will be needed for. Thousands of workers are thus shuffled around from one project to another, and overnight projects are discarded for "lack of funds," throwing thousands out of work, back to the greater misery of the relief budget.

Silent and patient, those on relief and WPA have taken cut after cut, lay off after lay off. As long as we could just hold on. Things have to change... they must change...

They have changed — sharply and critically, for the worse. The New Deal, Congress, the President, which the unions and the Workers Alliance said would take care of us, have clearly defined what they mean when they speak of social security, government economy, balancing the budget. What they mean is explained by the WPA bill made law by the last Congress. What they mean is made clear by new state laws revising the administration of relief.

The WPA bill cut down money for WPA by one-third. This forces the firing of one million WPA workers. The skilled WPA workers, who in exchange for the support of their unions, had previously the benefit of shorter hours, so that the hourly rate was higher for them than for the unskilled workers. Now they must work 130 hours a month, the same as anyone else. The most they can get under the new system is 73.33 cents an hour, far below the union hourly rate. The masses of unskilled workers are given a wallop in the stomach by another provision of the bill. This one is intended to level out regional differences in wages. Those of us in the North will be cut, those in the South are supposed to be raised. The result will be a much lower average rate for the entire country.

Most important of all provisions in the new law, is the one which lays off every one of use on WPA who has been on it for 18 months. Called the anti-careerist law, it affects none of those government bosses who do make a career of WPA: the fat-salaried administrators, supervisors, politicians. But those of us who are accused of having the idiotic wish to hold a $13 week job all their lives, will now be driven into the streets, supposedly to seek private jobs. After 30 days of being entirely without an income, they will not be rehired but must apply again, and wait together with the millions of others already on relief, already certified for WPA employment. They will get no new jobs, they will get only the old relief-station run-around. All that is accomplished is the cheating out of weeks and even months of relief for those laid off.

To sum up the whole situation: Millions of us on WPA will be fired and are now being fired. For those still on the projects, their hours are lengthened, their wages cut. Those of us on relief are affected by the new state relief laws. In Illinois, we must give 30 hours a month work, all their lives, will now be driven into the streets, supposedly to seek private jobs. After 30 days of being entirely without an income, they will not be rehired but must apply again, and wait together with the millions of others already on relief, already certified for WPA employment. They will get no new jobs, they will get only the old relief-station run-around. All that is accomplished is the cheating out of weeks and even months of relief for those laid off.

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WHY DO THESE THINGS HAPPEN?

Why can't something be done about this increasing misery which gets harder and harder to bear? Something can be done, says the union leaders and the politicians. Put the right people in the government, and we will intercede for you. Something can be done, says the Workers Alliance. Pay us dues, and we will collar the congressmen, which we told you to elect, in the lobbies of Washington. You listened to all of them. You helped to elect the Democratic administration twice. They made glorious promises in 1932, because they were afraid of you. They were afraid because there were millions of you out of work, millions of you so driven to despair that you made trouble, you were restless, hundreds of thousands of you milled in maddened throngs around the city halls and capitols, shouting for relief and work. There were far too many of you — and they lost control over you. So they had to pacify you, and in telling you what you wanted to hear, they used you. Programs were offered, slogans invented in order to get the masses behind the Democratic Party and the New Deal. The WPA came, and the change from charity to relief, because your support was needed to put an end to the chaos of 1933, to secure and re-organize society for further profit production.

But when profits dropped again in 1937, when the new depression got suddenly worse, when the government found its spending money on relief and projects, didn't really help to keep profits up for good, it decided, like all previous governments, that it no longer paid to throw its money away on cheap human lives. It resorted to the old wage cutting methods, and you see what happens to your social security on relief and WPA.

And not only are your wages cut. The workers everywhere are forced to take a wage cut, so that the bosses may keep their profits. To bring wages down, to make the workers slave harder, the weapon of unemployment has to be used to make the workers submit. But they have to be made afraid not only of losing their jobs, but also afraid of relief and of WPA. So they make unemployment worse than it already is. To cut wages then, means to cut the wages of WPA workers also. To cut WPA wages, implies the cutting of relief as well. This in turn means savings for the capitalists as it reduces government expenditures. It means higher profits, or at least permits them to hold on to what they have. You suffer so that the rich may keep what they have.

DIVIDE AND RULE

Though each attack upon the conditions of work or the workers standard of living is eventually directed against the whole of the working class, nevertheless, at first, groups of workers are singled out to prevent the erection of a class line of defense. For instance, today, the authorities claim that the wage rates in the building industry are too high, and prevent a real business revival. To help bring down those wages, the skilled WPA workers are attacked first. And so only a selected group of WPA workers struck back, and was defeated at the start, for they remained isolated. The rest of the workers did not see that after the defeat of this group another will be picked for wage cuts, and that, in the long run, all wages will have been reduced.

The relief authorities are just as clever. Each state has its own relief rules, often even each city handles the relief business in its own separate manner. Relief will be cut here and there, not everywhere at once. The defense of the workers is broken up in a number of small insignificant skirmishes. When, for instance, cash relief was introduced in St. Louis, the amount to be given was reduced at the same time. The Chicago relief authorities waited some weeks to watch developments in St. Louis. The isolated relief clients in St. Louis did not find the nerve to object. Then relief was also cut in Chicago. At the conference of relief officials which made the decision it was happily pointed out that the situation in St. Louis proved that it is possible to cut relief without any trouble if only accompanied with some new features appearing reasonable to the clients. If success accompanies the trial action somewhere, the authorities proceed to act at the next place, later to return again to the first. In the long run all are taken care of.

These methods are age-old and proven. And if the workers do not learn to see that an injury to one is an injury to all, if they are not able to establish at each attack upon them a broad front of defense incorporating hundreds of thousands of workers, it is difficult to see how they could ever win their battles.

AND YOUR ORGANIZATIONS?

But what are your organizations, your unions, your parties, your Workers Alliance, doing to defend your interests against the government attacks? They have lobbied in Washington ever since their man — Roosevelt — was elected President. They have succeeded to pay their leaders and organizers substantial salaries, but their lobbying did not prevent the passage of the WPA laws under which you now suffer. They could not make undone the reductions of relief appropriations. They turned out to have served not you, but those who do now attack you openly. All they ever did was ask for your dues, call you to silly demonstrations before state and city legislations, demand the writing of post-cards filled with slogans to the different authorities. They have not established the workers solidarity which is so much in need. They were not even interested in preparing you for the struggles you are now facing. They were only interested in the future of certain political parties, certain groups of union bureaucrats, they were only interested in the organizers, not the organized.

It is no wonder then, that these organizations have nothing to say to you at the present crisis. Certainly they do protest against the new relief and WPA measures, but they do no more. They do not want to do more, they could not do more, even if they wanted to.

The unions, which now protest against the doing away of the prevailing wage scale, have neither the power nor the will, to back up their words with
action. The union officials know quite well that in times of depression and large-scale unemployment they cannot operate against, — but only with the government. And what the union leaders know, the other labor leaders know quite as well. Under conditions as they are, they prefer to swim with the stream. Interested only in group problems, engaged only in serving their own organizations and their bureaucracies, they cannot be interested in establishing a front of struggle strong enough to force the authorities to reconsider their present decisions. They hope for some compromise solution, for some bargain, through which the most immediate interests of the unions in question are protected. They are engaged in political horse-trading, not in the struggle of the unemployed.

When Roosevelt announced that there can be no strikes on WPA, as there can be no strikes against the government, William Green hurried to state that the settlement of the issue “lies with Congress rather than through strikes on WPA projects.” John L. Lewis, too, came out against the strike and said he was in favor of amending the Relief Act by legislative means. The Workers Alliance, incorporating unemployed and WPA workers, declared repeatedly that “We have not called any strike and are not now calling strikes of WPA workers.” They are also taking steps to appeal to the President.

At a moment when in many cities, like in Minneapolis, workers battle in the streets against the present WPA policies, when workers march out of projects and declare strikes, not one organization took up the case of the workers, nor attempted to help them win their demands. The Workers Alliance tried to wiggle itself out of the situation by advising not to strike but only to protest the provisions of the WPA bill. The Chicago Daily Record of July 18th, speaking for both the Workers Alliance and the Communist Party, even now tries to help these very same people which are responsible for the new policies. At a time, when thousands of workers were thrown out on the streets, this paper wrote:

“WPA workers can note today some progress in their battle for decency and justice. True to its course, the New Deal has taken up the cudgels for revision of the un-American Woodrum Act (the WPA bill)... The New Deal Congressmen are doing all in their power to remedy the injustices that have been committed by the Hoover-Canner gang. Every unit of the labor and progressive movements is now compelled to exert extra energy in support of what the New Deal is attempting to accomplish.”

For a time the capitalist propaganda hammers against the “errors” of the New Deal. It has its purpose. The fiercer the attack upon the New Deal, the easier it is for the New Deal politicians, to change their policy in the direction of greater wage cuts. Apparently pressed against their will to do so, they may attack the workers without having to sacrifice their useful popularity among them. The trust of the great masses, though already waning, is still great enough to serve the Administration. As long as it is possible to make the masses believe that Roosevelt is still fighting their battle, they may be induced to hope that after all, and despite all temporary setbacks, he might be bound to win. Even Joe Louis has hit the canvas.

The swindle of the Communist Party and the Workers Alliance that only the “reactionaries” are responsible for the unpopular acts of the government, serves the present Administration well in its attempt to make the masses kiss the hand which hits them. This attitude on the part of these organizations is practically scabbing against the striking WPA workers, and sabotage of the defense of the unemployed against relief reductions. Among your enemies today are not only both the reactionaries and the New Dealers, but also the New Deal supporters in your own ranks. To fight, then, against the new measures and to have a chance to win the fight, most of all it is necessary to recognize the fact that you cannot strike and win with the existing labor organizations, but only against them.

**WHAT IS TO BE DONE?**

Perhaps those labor leaders are so reluctant to enter your struggle, or help you to win your demands, because they may know that such a fight will be without success. Maybe they think that your demands cannot be granted, that your power is not sufficient to enforce anything, that you better submit not to be worse off than you are now?

The truth of the matter is, however, that they consider themselves already as part of the law making machine, that they are politicians thinking in terms of politicians. They do not even want anything that cannot be gotten in the approved legalistic ways. They must get something for you, so that you may recognize their importance to you. They cannot stand the very thought, that you may gain something through your own efforts, for this would reveal their superficiality. Whatever you get, you have to get it through them or not at all.

You exchange your vote with your alderman’s small favors. The politicians and labor leaders want your support for their own purposes as politicians and labor leaders, they need something to give you in exchange. The bargain would be ended if you should need them no longer. They must prevent real action on your part to satisfy their own interests. And because, at present, it is not possible to get results through the medium of your politicians, you get no results at all, you are left alone. And when you are not left alone, you are prevented from doing something for yourself.

Whatever is produced in society by the workers is divided, one part to the capitalists, another to the workers, another to all the parasitic elements lingering between capital and labor. The order in which the national product is distributed is determined by the strength of each group participating. Whatever there might be, much or little, there are many possible ways of distribution. If you struggle hard enough you may succeed to force the capitalist’s to sacrifice part of their share in order to keep you quiet for a while. If you don’t fight for a greater share, or to keep the one you have, the capitalists will attempt to and succeed in diminishing it. All depends on what you are doing.

Your present situation is nothing really new. There were relief crises before, there were interruptions and changes in the works program before. But
sometimes you did succeed to hinder the carrying out of new and adverse policies on the part of the authorities. In 1933, in Chicago, for example, the relief authorities tried to make a cut of about 50% in relief. At that time there existed enough opposition in you and in the labor organizations which were not as completely under the sway of capitalistic forces as they are today. Thousands and thousands of you marched down to city hall, you flooded the business sections of the city with your misery, you stopped everything with the demonstration of your plight. You rebelled at each relief station against the treatment given to you. There were too many of you to be driven back by mere brute force. There was not enough involved for the authorities to provoke a real battle. You succeeded to change the relief order within 24 hours, you forced them to take the cut back.

What was then possible is still possible today. But you must be just as militant as you were then. It is more difficult today, because the authorities have learned to handle you better, and because your labor leaders and your political organizations will oppose such actions today with no less vigor than the relief authorities themselves. Such powerful demonstrations, such direct action, has to come now by virtue of your own initiative. You must bring them about! No one will help you; you must help yourself!

As there exists today no organization ready to fight with you, you must create your own organization to muster the greatest force possible, for your enemies are many and they are very powerful. You cannot win anything unless you create a power equal to theirs. Or at least strong enough to force them to concessions to avoid a struggle. It is not difficult to build such organizations. You only must have the will to do so. You do not need at all to bother about elections, officers, rules of order, dues and meeting places. Each relief station is already an organization. Each WPA project is an organization. You only have to speak to your fellow workers, council with them, arrange things with them, elect out of your own ranks committees of action, your own leadership.

Your acting as your own leadership will have the very good effect of concentrating your fight to one for your demands only. Stick to questions which deal with problems affecting you, and you alone. The government wants to level all wages, make them all equal. Very well, then to raise all wages to the level of the highest. At least, this is the surest way of preventing them from being cut. We must get all relievers to refuse to work for nothing. More, we must struggle not only for the restoration of the full budget, but for an increase over the original budget.

How can we effect the recognition of our demands from the government? By going directly to the relief stations, but no longer in the old submissive way. Right now they let you come down to the relief stations once a month. Let us go there from now on every single day. Embarrass the authorities with your misery. We must make the government listen to what we have to say. To do this, we don't have to go to Washington and Springfield. The government has its eyes and ears much closer to us, right in our neighborhoods, in the relief stations themselves.

They will not be able to keep us away from the stations if we come in sufficient numbers and proceed to all stations. Our coming everyday will be very disturbing to the supervisors, it will force them to promise action on our demands. But after we receive these promises, we must redouble our activity, to forestall the run-around they surely will have in mind to give us. From our friends and those who are fighting with us, we must elect flying squadrons to go to other relief stations which are not as yet incorporated in the general activity. Groups of us, of the unemployed and fired WPA workers, must go around to the different projects and start talking to those still working, to interest them in our struggle, to make them go along. Delegations at different relief stations can call together a house-of-delegates where representatives of relief stations and WPA projects can meet to decide on further and coordinated action.

Organize once more the prevention of eviction for non-payment of rents. Eat up your rent money, first fill your belly before you hand over a nickel to anybody else. They cannot evict a hundred thousand relief families, they cannot do it as it would cost them more than would the restoration of the budget. And most of all start thinking yourself about ways and means to get the unemployed and WPA workers acting together. Think of ways and means to develop the organized strength necessary to enforce your wishes. Listen to your fellow workers as you talk to them, make sure that those who suggest one way or another, are sharing your plight, leading your life, are in the same need as you are. Don't listen to anybody, never elect anybody in any council, who is not on relief, who is not exploited on WPA. Ignore all the professional labor leaders and politicians. They cannot help you, they will not help you. Listen only to the voice of your own necessities.

We can here only say to you that it is possible to better your life, and that to do so is your own job. We can here assure you only of one thing, that is, that you will get nothing but further misery unless you take your fate into your own hands. It is up to you, by intensive labor and great energy, to form out of all relief stations an organizational network capable of arousing great masses for common actions. It is up to you to build these organizations. Before you have built them you will not be able to do anything — after you have built them you have a weapon in your hands with which to start to battle. Unless you begin today with this work, as outlined here and as it will be elaborated and modified through your practical experiences, you will have to swallow the bitter pill of further cuts and greater exploitation. Don't wait for anybody's help, simply get going. You are the power!

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ON THE ECONOMIC THEORY OF SOCIALISM

Last year, under the title that heads this review, the University of Minnesota published a book which, besides a paper on "The Guidance of Production in a Socialist State" by the late Professor Fred M. Taylor, presented, with a lengthy introduction by Benjamin E. Lippincott, Dr. Oscar Lange's contribution to the economic theory of socialism. This paper has met with wide acclaim and has received a great number of favorable reviews in scientific and popular journals.

Lange's theories deal with a society where the means of production are controlled by the government; where, in the words of Professor Taylor, "the state maintains exchange relations with its citizens, buying their productive services with money and selling to them the commodities which it produces." He deals with a "socialist society in the classical sense." Dr. Lippincott informs us, which "socializes production alone, as contrasted with communism, which socializes both production and consumption." Whatever made this concept of socialism "classical" we will not now inquire; however, it does seem to us that the economic mechanism, based on two divergent principles in the two economic spheres is possible only as a theoretical blueprint, while in Karl Marx's production and distribution of necessity follow the same economic principle. "The distribution of the means of consumption at any period is merely the consequence of the distribution of the conditions of production themselves."* One cannot socialize the one without socializing the other.

The main characteristics of the conditions of production consist in the separation of the workers from the means of production by a complicated order of social control which permeates the whole socio-economic system of production and consumption. The fundamental property of a commodity producing society is that the wage contract and its final sanction the police and military power at the disposal of the controlling class is the means of production but only to set free of some of its earlier and now seemingly obsolete characteristics. Who he speaks of "socialism," he, though he may not realize it, is actually advocating the emancipation of capitalism, for he wants merely to continue by conscious interferences in the economic mechanism what this mechanism can no longer sufficiently perform alone. In his opinion, "Only a socialist economy can fully satisfy the claim made by many economists with regard to the achievements of free competition." Lange introduces his paper with an ironical tribute to Professor Mises, of whom it is said that his critique of socialism did more to further the cause of his adversaries, because he "forced the socialists to recognize the importance of an adequate system of economic accounting to guide the allocation of resources and to economize the capitalist economy." By "allocation of resources" is meant making the most effective use of raw materials, instruments of labor, and labor power as variable capital. Because of this class relation, there exist all the categories with which the economists work today. All concepts such as value, price, money, rent, interest, factors of production, etc., belong to present-day society and cannot be transferred to another social form. However, by regarding "socialism" as no more than the extreme concentration and centralization of the means of production in the hands of the State, Lange can develop only a theory of "socialism" of which it is possible for Dr. Lippincott to say that it demonstrates that "the main theories of the capitalist orthodox economists would apply equally well to a socialist capitalist and a socialist economy." It may even be considered, he continues, "whether socialist institutions might permit a closer approximation to the capitalist economists ideal economy; as theoretically this would certainly be the case (7)."

Lange deals with problems which are the exclusive property of commodity producing society, problems which depend upon the rule of commodity fetishism, a rule which he doesn't want to end but only to set free of some of its earlier and now seemingly obsolete characteristics. When he speaks of "socialism," he, though he may not realize it, is actually advocating the emancipation of capitalism, for he wants merely to continue by conscious interferences in the economic mechanism what this mechanism can no longer sufficiently perform alone. In his opinion, "Only a socialist economy can fully satisfy the claim made by many economists with regard to the achievements of free competition." Lange introduces his paper with an ironical tribute to Professor Mises, of whom it is said that his critique of socialism did more to further the cause of his adversaries, because he "forced the socialists to recognize the importance of an adequate system of economic accounting to guide the allocation of resources and to economize the capitalist economy." By "allocation of resources" is meant making the most effective use of raw materials, instruments of labor, and labor power as variable capital. Because of this class relation, there exist all the categories with which the economists work today. All concepts such as value, price, money, rent, interest, factors of production, etc., belong to present-day society and cannot be transferred to another social form. However, by regarding "socialism" as no more than the extreme concentration and centralization of the means of production in the hands of the State, Lange can develop only a theory of "socialism" of which it is possible for Dr. Lippincott to say that it demonstrates that "the main theories of the capitalist orthodox economists would apply equally well to a socialist capitalist and a socialist economy." It may even be considered, he continues, "whether socialist institutions might permit a closer approximation to the capitalist economists ideal economy; as theoretically this would certainly be the case (7)."

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the means of production and the production mechanism allows for objective standards of national orientation of economy without a doubt. Value calculation or substitute for the market mechanism, he argued, a socialist economy is not worthy of consideration.

"Official Marxism" found no answer to this critique. Kautsky, for instance, admitted that he could not see how it would be possible "for the Marxist school to explain to themselves" so that labor-time accounting could replace the historically established price system. However, to determine how much labor time has been consumed in the productive process by each single product provides no difficulty for any enterprise, and it is not difficult either to find the social average labor time for a single product by combining the data of all enterprises with a different productive development. Hence, a process of which leads to the possibility of a conscious regulation of production and distribution.

The first serious attempt to show that labor-time accounting in the way outlined by Marx and Engels can very well serve a socialist society, was the theoretical achievements of a worker's movement which stood in strict opposition to all forms of workers' exploitation, including those forms which appeared under the name of "socialism." With this exception, Lange is quite right in stating that the "writers of the Marxist school were and are quite aware of the necessity of the price system in a socialist economy." The difference between the traditional Marxist and the modern position on the problem" is then "but a difference as to the technique applied," and in Lange's opinion, "the question is whether a capitalist society is to be governed by the modern method of marginal analysis" which enables us to solve the problem satisfactorily (142).

In opposition to the objective labor theory of value, the marginal utility theorists constructed a subjective, psychological value concept, which became popular with the bourgeoisie economists because it seemed to justify existing class and income differentiations. Value and price is here determined by demand for a commodity is determined by the utility it has for the individual buyer. This utility is largely determined by the scarcity of a commodity or service. The satisfaction from the utilization of an object declines progressively with the greater abundance of the object, till the maximum desire of its user is fulfilled. For example: To a hungry man the first piece of bread possesses the greatest value. If he keeps on eating his hunger will slowly disappear and the desire for this sort of bread will be satisfied. Each additional piece of bread means less to him. Finally, whatever bread remains will at the moment have no value for him. The last piece of bread which he still desires of the "final degree of utility," economists call the "marginal utility" which utilitarian value was ascertained by dividing the utility of the final increment by the existing quantity of the final increment. This marginal utility is to determine the exchange values, as the consumers will compare the final degrees of utility of different goods and choose according to their individual needs. This is the"socialism" in which appears has no connection with what the bourgeoisie economists call the cost of production. Since demand results not only from primary needs but also from such needs as those set by fashion and advertising, the marginal utility theory became of importance to capitalists attempting to influence demand in the interest of profits. It was attempted, though without success, to extend this theory from the sphere of consumption to all other phases of the bourgeois economy, such as productivity, accumulation, rent, interest, profits, and wages, in the course of discussion of the various means of changes. However, as an explanation of all economic phenomena, the marginal utility theory is now rejected by the majority of bourgeois economists. As a partial explanation, it was adopted by the Neoclassicists, or the so-called modern value theorists. The fundamental cost of production theory with the marginal utility theory, in the neo-classical theory therewith comes to fight the limitations which had been opposed to the marginal utility theory. The latter is able only to serve as an explanation for certain features of the existing price system. The theory is neither able to comprehend and explain prices without the objective value theory, nor the deeper-lying economic reasons for market and price fluctuations. The workers are interested only in the scientific analysis and critique of the main functions of capitalism, such as the process of accumulation, the crises cycle, the movement of profit, exploitation, etc. phenomena which cannot be understood only with the help of an objective value concept. By theoretically indetermining value and price, Marx right-fully ignored all the problems raised by marginal utility theory. However important they may be to the capitalists, they are no importance for an analysis of the fundamental laws of motion in capitalism.

Bourgeois economists who played with the problem of a socialist economy concerned themselves from the beginning only with attempts to find a "substitute" for the market. There is a long list of possibilities of economic calculation in a socialist system, some taking an affirmative, and others a negative position. There is a long list of theorists who have dealt with these questions**, though we are here restricting ourselves to Lange.

Lange first points out that in consideration of the capitalist pricing system, a distinction must be made between the two meanings of price. "It may mean either price in the ordinary sense, i.e., the exchange ratio of two commodities on the market, or it may have the generalized meaning of terms on which alternatives are offered*** (60)." Only the price in the latter sense does he hold as indispensable for the understanding of the allocation of resources. "If one has a preference scale which guides the acts of the individual," he says, "and knowledge of the amount of resources available," and both data are given equally well to a socialist and a capitalist economy, then, "the terms on which alternatives are offered are determined ultimately by... When bourgeois economists spoke of other social decision-making possibilities of capitalist society repeated in those other forms. The bow and arrow of the primitives as well as the instruments of production in socialism appear to be equally as capitalist. And so, too, price to them is a "phenomenon incident to all forms of organization of society and to economic action in general." This is why they have long made the distinction between the two meanings of price employed here by Lange. J. A. Schumpeter, also follows: "If we take the organization of a centralist socialist state ...it stands to reason that central management would have nothing to do with any declaration of value, the question of the what and how of production unless it gave the commodities an opportunity to enter in competition with each other on a quantitative precision. This is equivalent to saying that the coefficient of choice of the numbers of such a society would have to be found out somehow, for instance, by assigning to them a certain number of claims to units of product in general and allowing them to express their preferences for the various means of these units. If then prices can be considered to be coefficients of choice, then the coefficients of choice of the commodities would be essentially prices...Values of alternative production show themselves in capitalist society in the money price of the means of production and would show themselves in equivalent expressions in any other form of society. An economic dimension is always necessary for the understanding of price and its change at all times and under all circumstances finds expression in coefficients of choice which are fundamental for an understanding of capitalist society." The Nature and Necessity of a Price System. Economic Reconstruction. Columbia University Commission. New York 1934.)

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the technical possibility of transformation of one commodity in another; e. i., by the production functions (61). And here "the administration of supply and demand will have exactly the same knowledge, or lack of knowledge, of the production function as the capitalist entrepreneur."

After a detailed exposition of the elements of the bourgeois theory of economic equilibrium, according to which equilibrium of supply and demand is established on the competitive market and error, Lange states that the trial and error method can be successfully employed in a "socialist" economy. Quite conversely he demonstrates that in "socialism," the process of price determination is analogous to that in a competitive market. The Central Planning Board performs the functions of the market. It establishes the rules for combining factors of production and choosing the most efficient of plants, fixed by determining the output of an industry, for the allocation of resources, and for the parametric use of accounting. Finally, it fixes the prices so as to balance the quantity supplied and demanded of each commodity (83)." Bourgeois critics of Lange point out that the problem of accounting is not stated in contradiction to "a socialist society where freedom of choice in consumption and freedom of choice of occupation are non-existent and where the allocation of resources instead of being directed by the preferences of consumers, is directed by the state (90)."

However, he does not recommend the second possibility, and refers his readers to Dr. A. P. Lerner who has "sufficiently shown the undesirable character of such a system and its incompatibility with the ideas of the socialist movement (95)."

As in Lange's "socialism" the productive resources outside of labor belong to the state, the incomes of the "consumers" are divorced from the ownership of those resources and are dependent on administrative principles of labor distribution. Thus the idea of "the socialist movement (95)."

With given incomes of consumers and a given set of prices, the demand for consumer goods is determined. The managers of production are to minimize production costs. Output will be fixed so that marginal cost is equal to the price of the product. Each industry has arbitrary power to pay exactly as much of a commodity as can be sold to other industries at a price which equates the marginal cost incurred by the industry in producing this amount (77)." Since prices are indices of terms on which alternatives are offered, the method of production which will minimize average cost will also minimize the alternatives sacrificed (78)." Surplus or excess which results from incorrect valuations. The right quantities simply found out by watching the quantities demanded and the quantities supplied by raising the price of a commodity to a price at which the reverse is the case, until by trial and error, the price is found at which demand and supply are in balance (59)."

The close relationship between capitalism proper and that which Lange terms "socialism" must lead to the question, "If much the same forces would operate a socialist system as operate the competitive... why change to a socialist? (18)."

Because, Lange answers, "Only a socialist economy can distribute incomes so as to attain the maximum social welfare (99)." The other feature which distinguishes a socialist economy, that is based on private enterprise is the possibility of taking into account all the alternatives a socialist economy would not be subject to the fluctuations of the business cycle (108)."

However, in stating the case for socialism, Lange adds that the real issue is not the comparison of the merits of a capitalist or a socialist economy, but "whether the further maintenance of the capitalist system is compatible with economic progress (110)," a question which he answers again, "as a doubtful, monopoly, restrictionism, and interventionism can be done away with only together with private enterprise and the private ownership of the means of production, which, from being promoters, have turned into obstacles, of economic progress (120)."

Who those who want to follow Lange's exposition in his details will have to read his book. We must restrict ourselves to the statement that we have no intention of challenging the logic of his arguments or the way they are directed against his adversaries in the bourgeois camp. We are quite
confident that his claim of computa-

tility in an invented system of mar-

kets is unjustified. How-

ever, we are of the conviction that
the whole discussion from Mises to
Lange is quite beside the point and
entirely disconnected from reality. As a
matter of fact, Mises did not attack
socialism but argued against a
system of state capitalism which he
and his adversaries aimed at for
socialism. Lange does not defend so-
cialism but an imagined state cap-
italist system.

Contrary to other writers, Lange is
of the opinion that Marx "was well
aware of the problems" which he at-
tempts now to solve, though Marx
"was never in a rather satisfactory
way." (130) Marx, Lange says, "seems to have thought
of labor as the only kind of scarce
resources to be distributed between
different uses, and wants to solve
the problem by the labor theory of
value (132)." However, he contin-
ues, "Engels was aware of the role
utility in determining the allo-
cation of resources, though they were
used to find demand and functional
expression of the law of demand
(134)." However, Marx awareness
of the fact that no society can pre-
vent few persons to disregard the
real needs of the people, and his
recognition of the fact that the mass
of products corresponding to the dif-
fererent needs require different and
quantitatively determined masses of
the total labor of society, has noth-
ing to do with the solution of the
problems he himself solves by modern
marginal analyses and does not re-
quire a value calculation. The mar-
ginal analysis to which Lange at-
tributed so much importance is, af-
ter all, only a largely miscarried at-
tempt to state more adequately the
old supply and demand theory, with
greater emphasis upon the side de-
demands or utility in the explanation
of value. A value explanation by
supply and demand, with or without
market prices, leaves unanswered
the question, what lies be-

hind prices, supply and demand? Lange himself states that demand or utility are determinants of the private produc-
tion's profitability or nonprofitability to
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plain market prices, and that is possi-
able, as in the case of market prices.
Lange does not deny socialism but argued against a
socialist system. Lange says himself that "the real
problem of a socialist state is not
economic at all, but sociological; it
is the problem of bureaucracy" (24)."

In his system it depends all-

on the bureaucrat whether evalua-
tions are made and prices fixed
so that the required social welfare
is achieved. The demand schedule,
which shall guide the bureaucrat in
their choice of prices and supplies,
may or may not be followed by them.
It is entirely up to them if such
things as leisure, safety, and ag-

reens of work" are at all en-
terpreted as marginal welfare scales of the
individuals. It is up to them wheth-
er there should be distributed a so-
cial dividend constituting the indi-

viduals their change of prices and supplies,
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ed only ideologically as a justifica-
tion of continued class and income
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and more accepted as unavoidable, though it is feared that it will be "dis- nastic" and not democratic." The coalescence of economic and politi- cal power, writes Bertrand Rus- seler, "is an irresistible tendency in the world. It may be effected in an undemocratic manner by the politicians, as has happened in Russia, Italy and Germany. It may be in an undemocratic manner by the plutocrats, in the countries that are nominally de- mocratic. For the believer in de- mocratic economy, the only course is to advocate its happening in a de- mocratic way, by the transference of ultimate economic power into the hands of the democratic state."

The liberal bourgeoisie, as yet un- willing to embrace bolshevism or fascism, faces therewith a great problem: how to reform capitalism that it may continue to function, without applying the pre-requisite for such reform, a dictatorship. Ap- parently, Lange's book seems to provide a solution which makes it possible to have state capitalism and de- mocracy, and as Dr. Lippincott said in his introduction, even "might make the achievement of that rare thing in history — a funda- mental change in political control, or in class relations, without a con- flict (66)." Small wonder then, that this book found so many attentive ears. For example, we may quote Alfred M. Bingham, who, reviewing in 1930 *Labour" Max Lerner's book "It is Later Than You think," criti- cizes the latter slightly because "he ignored the new literature of "monopo- listic competition", which might sug- gest that the democratic planned capitalism he calls for as a transition step is much nearer to socialism than he dared to hope."

Indeed, we, too, could not discover any essential difference between the nucleus of a democratic reform of capitalism as an alter- native to fascism recently brought forward by liberal theorists, and Lange's socialism, "in its possible practical implications. For that matter, we are unable to see any fundamental difference between all these suggestions of capitalist reform into socialism and its actualization in fascism including its most complete Russian form. And really, "the concept, which regards only the con- dition of distribution historically, but not the conditions of production, is, on the one hand, merely an idea begotten by the incubent, but still handicapped by being in the economy. On the other hand it rests upon a misconception, an identifica- tion of the process of social produc- tion with distribution, such as might be performed by any abnormally situated human being without any social assistance."

It is quite amusing to notice, that, as everything appears upside down in capitalist economy, so also Lange's concept of socialism, which only attempts to alter distribution, presents itself as a concept which "socializes production alone."

It remains to be said that the capi- talistic character of this type of "socialism" comes to light also in its proposals for transition during the period preceding it. At first glance, these proposals seem to be quite radical; indeed, Lange says emphati- cally, "This is an economically policy for the timid (125)." But the resolute fighter for socialism should, in Lange's opinion, first of all make clear "that socialism is not directed against private property as such, but only against that special type of private property which creates pri- vileges to the detriment of the majority of the people (125)."

The socialist government, he says, must start its policy of transition im- mediately with the industries and banks in ques- tion (122)." That is, those industries "with monopolistic and restrictionist practices and which are subject to economic progress." But, "All private property of the means of produc- tion and all private enterprises which have useful social function will enjoy the full protection and support of the socialist state (125)," and "to prove the seriousness of its inten- tions, the socialist government may have to undertake some im- mediate deeds in favor of the small entrepreneurs and small property holders (including holders of saving deposits and bond holders (126))." For Lange is convi- nced that "competition forces en- trepreneurs to act as much they want to realize the managers of production in a socialist economy (98)." "By appropriate legislation, taxes, and bounties a so- cialist economy can induce the small- scale entrepreneurs to take all alter- natives into consideration and avoid the danger of their causing serious business fluctuations (127)."

What can be controlled should not be ex- pro priated. But such control is sens- less if it excludes entrepreneur profits. The state control must guarantee profitability so that the entrepreneurs are willing to remain as such, for they are only entre- preneurs to realize profits; they are not pursuing a hobby. If these still tremendous numbers of small en- trepreneurs extract profits, and, if the state does not give to the ruling bureaucracy living from the social dividend, which is the surplus product of labor, then in the face of the new nationalized inter- national competition to the point of war, the whole economy will be forced, despite all possible ethical considerations, to neglect production and distribution even more depre- dately into channels guaranteeing the largest possible quantity of surplus labor. Under such conditions, and with such a program, a boundless optimism alone can expect that the merge of now stagnant monopolistic enterprises and an im- proved price system and the eventu- ality of a socialist minded bureau- cracy will allow this "new" society to be free of the fluctuations of the business cycle. However, even the present monopolistic and state cap- italism, are more or less subject to the fluctuations of that business cycle which regulated the old and less monopolistic and more dynamic capitalism. Now they are still subject to crisis conditions and have a far greater destructive character, though these crises conditions are no longer manifest merely in the destruction of capital in a more or less automatic way, but by a more grandiose de- struction of capital and human life by military attempts to reorganize and defend exploitation with a view to maintaining capital labor relations."

Last in his proposals, Lange out- lines the "special situation where a socialist government, even if it does not have the power to achieve a com- prehensive socialization, may have a useful task to fulfill, a task which a capitalist government is still unable to carry out (127)." On the basis of the reasoning of Mr. Keynes, as laid down in his "General Theory of Employment, etc." Lange suggests a bold program of public invest- ments to restore employment to a higher level (127)." As such policy, because of its nonprofitability, may not be, carried out by the governmental itself, "it may take a socialist government, free from the ballast of bourgeois prejudices about economic policies, to restore the capitalist econ- omy (127)," which program, if "carried out successfully would in- crease the popularity of the so- cialists, and may, perhaps, even by the way of thinking, which makes so- cialism popular because it restores capitalism, its alleged enemy, over- throws the simple ease with which a restoration of capitalism can be un- dertaken only at the expense of the workers. Besides, the "new" credit, money, and employment will be in the sense of Keynes, the quest for a lower rate of interest, and even the "socialization of investments" are as old as capitalism, and not even intense application only reflects the increasing difficulties of capitalism. They are not designed to change the system, but instead they follow the changes already made in the capi- talist structure, and mean practi- cally that the concentration and centralization of capital proceeds now with additional political means. After all, Keynes' proposals are based on the discovery that it is easier to reduce the working population inflationary than by deflationary methods. As a crisis is chiefly caused by a decline of profitability, he knows quite well that this can only come only by restoring profitability, which he would bring about by price inflation, decrease of the rate of in- terest, and public works. As far as
labor is concerned, he still holds that "in general, an increase in employment can only occur to the accomplishment of a decline in the rate of real wages." The more intense exploitation of the workers is the objective of his theory. Would such a policy greatly enhance the popularity of socialism? Dr. Lange did so in German "National-Socialism," and in the American "New Deal-Socialism." But we doubt very much whether Dr. Lange is very happy about the result and the consequences of the popularity of socialism brought about by the application of methods as outlined by Keynes and largely adopted in the two countries mentioned.

If it weren't for these more practical proposals, the need for criticizing Lange's concept of socialism would be less urgent because of the highly abstract manner of his argumentation. His play with a socialist price system is quite removed from all practical considerations. As long as the logic of the abstract assumptions is maintained, all is well as far as Lange's contribution to the theory of socialism is concerned. If these theoretical assertions are not applied, he could argue that this is not his fault, but the mistake of those responsible for actual policies. However, on the basis of such abstractions, whether or not practically realizable, practical politicians conscientiously and ideologically. This is the more true at the present time because not only do the proponents of state capitalism, but also its eventual victims, conceive, like Lange, a mere transformation within the capitalist mechanism as an entirely new society. At the recent convention of the Illinois Bankers Association, for instance, former Congressman S. B. Pettengill excited his audience considerably by declaring that America "faces a knockout and drag-out fight between those who want to maintain the country's traditional system of free economic enterprise and the socialists who are new in Washington." He based his argumentation on the testimony of A. A. Berle, assistant Secretary of State and a Roosevelt brain-truster, who advocated before the monopoly committee the socialization of credit and government ownership of the country's basic industries. This increasing neglect of questions of profitability, however, serves only one purpose, to save profit economy. To avoid expropriation of capital, the capitalist society has to expropriate the individual capitalists to an always greater extent. To prevent socialism it is necessary to turn state-capitalistic. In all proposals appearing recently under the name of "socialism," the proletarian class remains a proletarian class. The only thing that is to be modified and made more efficient is the control over this class. The only thing really to be planned is the exploitation of labor. As Lange's book helps to support the propaganda for this sort of "bastard-socialism," it must be rejected by the workers fighting for a socialist Society.

IN THE NEXT ISSUE OF LIVING MARXISM

Economy and Social Legislation in America
Bread and Union-Dues
Recent Development in France
Mexico: Today and Tomorrow
Reviews: Fascism and Big Business — Death is not Enough — The Black Jacobins — Work-Hour Value — and other articles and reviews.

THE STRUGGLE AGAINST FASCISM BEGINS WITH THE STRUGGLE AGAINST BOLSHEVISM

Russia must be placed first among the new totalitarian states. It was the first to adopt the new state principle. It went furthest in its application. It was the first to establish a constitutional dictatorship, together with the political and administrative terror system which goes with it. Adopting all the features of the total state, it thus became the model for those other countries which were forced to do away with the democratic state system and to change to dictatorial rule. Russia was the example for fascism.

No accident is here involved, nor a bad joke of history. The duplication of systems here is not apparent but real. Everything points to the fact that we have to deal here with expressions and consequences of identical principles applied to different levels of historical and political development. Whether party "communists" like it or not, the fact remains that the state order and rule in Russia are indistinguishable from those in Italy and Germany. Essentially they are alike. One may speak of a red, black, or brown "soviet state," as well as of red, black, or brown fascism. Though certain ideological differences exist between these countries, ideology is never of primary importance. Ideologies, furthermore, are changeable and such changes do not necessarily reflect the character and the functions of the state apparatus. Furthermore, the fact that private property still exists in Germany and Italy is only a modification of secondary importance. The abolition of private property alone does not guarantee socialism. Private property within capitalism also can be abolished. What actually determines a socialist society is, besides the doing away with private property in the means of production, the control of workers over the products of their labor and the end of the wage system. Both of these achievements are unfulfilled in Russia, as well as in Italy and Germany. Though some may assume that Russia is one step nearer to socialism than the other countries, it does not follow that its "soviet state" has helped the international proletariat come in any way nearer to its class struggle goals. On the contrary, because Russia calls itself a socialist state, it misleads and deludes the workers of the world. The thinking worker knows what fascism is and fights it, but as regards Russia, he is too often inclined to accept the myth of its socialist nature. This delusion hinders a complete and determined break with fascism, because it hinders the principle struggle against the reasons, preconditions, and circumstances which in Russia, as in Germany and Italy, have led to an identical state and governmental system. Thus the Russian myth turns into an ideological weapon of counter-revolution.
It is not possible for men to serve two masters. Neither can a totalitarian state do such a thing. If fascism serves capitalistic and imperialistic interests, it cannot serve the needs of the workers. If, in spite of this, two apparently opposing classes favor the same state system, it is obvious that something must be wrong. One or the other class must be in error. No one should say here that the problem is one merely of form and therefore of no real significance, that, though the political forms are identical, their content may vary widely. This would be self-delusion. For the Marxist such things do not occur; for him form and content fit to each other and they cannot be divorced. Now, if the Soviet State serves as a model for fascism, it must contain structural and functional elements which are also common to fascism. To determine what they are we must go back to the “soviet system” as established by Leninism, which is the application of the principles of bolshevism to the Russian conditions. And if an identity between bolshevism and fascism can be established, then the proletariat cannot at the same time fight fascism and defend the Russian “soviet system.” Instead, the struggle against fascism must begin with the struggle against bolshevism.

II.

From the beginning bolshevism was for Lenin a purely Russian phenomenon. During the many years of his political activity, he never attempted to elevate the bolshevik system to forms of struggles in other countries. He was a social democrat who saw in Bebel and Kautsky the genial leaders of the working class, and he ignored the left-wing of the German socialist movement struggling against these heroes of Lenin and against all the other opportunists. Ignoring them, he remained in consistent isolation surrounded by a small group of Russian emigrants, and he continued to stand under Kautsky’s sway even when the German “left,” under the leadership of Rosa Luxemburg, was already engaged in open struggle against Kautskyism.

Lenin was concerned only with Russia. His goal was the end of the Czarist feudal system and the conquest of the greatest amount of political influence for his social democratic party within the bourgeois society. However, the force of the Revolution of 1917 brought Lenin far beyond the preconceived goal, and the Bolshevik Party came into power over all Russia. However, it realized that it could stay in power and drive on the process of socialization only if it could unleash the world revolution of the workers. But its own activity in this respect was quite an unhappy one. By helping to drive the German workers back into the parties, trade unions, and parliament, and by the simultaneous destruction of the German council (soviet) movement, the Bolshevists lent a hand, to the defeat of the awakening European revolution.

The Bolshevik Party, consisting of professional revolutionists on the one hand and large backward masses on the other, remained isolated. It could not develop a real soviet system within the years of civil war, intervention, economic decline, failing socialization experiments, and the improvised Red Army. Though the soviets, which were developed by the Mensheviks, did not fit into the bolshevik scheme, it was with their help that the Bolshevists came to power. With the stabilization of power and the economic reconstruction process, the Bolshevik Party did not know how to coordinate the strange soviet system to their own decisions and activities. Nevertheless, socialism was also the desire of the Bolshevists, and it needed the world proletariat for its realization.

Lenin thought it essential to win the workers of the world over to the bolshevik methods. It was disturbing that the workers of other countries, despite the great triumph of Bolshevism, showed little inclination to accept for themselves the bolshevik theory and practice, but tended rather in the direction of the council movement, that arose in a number of countries, and especially in Germany.

This council movement Lenin could use no longer in Russia. In other European countries it showed strong tendencies to oppose the bolshevik type of uprisings. Despite Moscow’s tremendous propaganda in all countries, the so-called “ultra-lefts,” as Lenin himself pointed out, agitated more successfully for revolution on the basis of the council movement, than did all the propagandists sent by the Bolshevik Party. The Communist Party, following Bolshevism, remained a small, hysterical, and noisy group consisting largely of the proletarianized shreds of the bourgeoisie, whereas the council movement gained in real proletarian strength and attracted the best elements of the working class. To cope with this situation, bolshevik propaganda had to be increased; the “ultra-left” had to be attacked; its influence had to be destroyed in favor of Bolshevism.

Since the soviet system had failed in Russia, how could the radical “competition” dare to attempt to prove to the world that what could not be accomplished by Bolshevism in Russia might very well be realized independently of Bolshevism in other places? Against this competition Lenin wrote his pamphlet “Radicalism, an Infantile Disease of Communism,” dictated by fear of losing power and by indignation over the success of the heretics. At first this pamphlet appeared with the subheading, “Attempt at a popular exposition of the Marxist strategy and tactic,” but later this too ambitious and silly declaration was removed. It was a little too much. This aggressive, crude, and hateful papal bull was real material for any counter revolutionary. Of all programmatic declarations of Bolshevism it was the most revealing of its real character. It is Bolshevism unmasked. When in 1933 Hitler suppressed all socialist and communist literature in Germany, Lenin’s pamphlet was allowed publication and distribution.

As regards the content of the pamphlet, we are not here concerned with what it says in relation to the Russian Revolution, the history of Bolshevism, the polemic between Bolshevism and other streams of the labor movement, or the circumstances allowing for the Bolshevik victory, but solely with the main points by which at the time of the discussion between Lenin and “ultra-leftism,” were illustrated the decisive differences between the two opponents.
The Bolshevik Party, originally the Russian social democratic section of the Second International, was built not in Russia but during the emigration. After the London split in 1903, the Bolshevik wing of the Russian social democracy was no more than a small sect. The “masses” behind it existed only in the brain of its leader. However, this small advance guard was a strictly disciplined organization, always ready for militant struggles and continually purged to maintain its integrity. The party was considered the war academy of professional revolutionists. Its outstanding pedagogical requirements were unconditional leader authority, rigid centralism, iron discipline, conformity, militancy, and sacrifice of personality for party interests. What Lenin actually developed was an elite of intellectuals, a center which, when thrown into the revolution would capture leadership and assume power. There is no use to try to determine logically and abstractly if this kind of preparation for revolution is wrong or right. The problem has to be solved dialectically. Other questions also must be raised: What kind of a revolution was in preparation? What was the goal of the revolution?

Lenin’s party worked within the belated bourgeois revolution in Russia to overthrow the feudal regime of Czarism. The more centralized the will of the leading party in such a revolution and the more single-minded, the more success would accompany the process of the formation of the bourgeois state and the more promising would be the position of the proletarian class within the framework of the new state. What, however, may be regarded as a happy solution of revolutionary problems in a bourgeois revolution cannot at the same time be pronounced as a solution for the proletarian revolution. The decisive structural difference between the bourgeois and the new socialist society excludes such an attitude.

According to Lenin’s revolutionary method, the leaders appear as the head of the masses. Possessing the proper revolutionary schooling, they are able to understand situations and direct and command the fighting forces. They are professional revolutionists, the generals of the great civilian army. This distinction between head and body, intellectuals and masses, officers, and privates corresponds to the duality of class society, to the bourgeois social order. One class is educated to rule; the other to be ruled. Out of this old class formula resulted Lenin’s party concept. His organization is only a replica of bourgeois reality. His revolution is objectively determined by the forces that create a social order incorporating these class relations, regardless of the subjective goals accompanying this process.

Whoever wants to have a bourgeois order will find in the divorce of leader and masses, the advance guard and working class, the right strategical preparation for revolution. The more intelligent, schooled, and superior is the leadership and the more disciplined and obedient are the masses, the more chances such a revolution will have to succeed. In aspiring to the bourgeois revolution in Russia, Lenin’s party was most appropriate to his goal.

When, however, the Russian revolution changed its character, when its proletarian features came more to the fore, Lenin’s tactical and strategical methods ceased to be of value. If he succeeded anyway it was not because of his advance guard, but because of the still reluctant workers which had not at all been incorporated in his revolutionary plans. And when Lenin, after the successful revolution which was made by the soviets, dispensed again with this movement, all that had been proletarian in the Russian Revolution was also dispensed with. The bourgeois character of the Revolution came to the fore again, finding its natural completion in Stalinism.

Despite his great concern with Marxist dialectics, Lenin was not able to see the social historical processes in a dialectical manner. His thinking remained mechanistic, following rigid rules. For him there was only one revolutionary party — his own; only one revolution — the Russian; only one method — the bolshevik. And what had worked in Russia would work also in Germany, France, America, China and Australia. What was correct for the bourgeois revolution in Russia would be correct also for the proletarian world revolution. The monotonous application of a once discovered formula moved in an ego-centric circle undisturbed by time and circumstances, developmental degrees, cultural standards, ideas, and men. In Lenin came to light with great clarity the rule of the machine age in politics; he was the “technician,” the “inventor,” of the revolution, the representative of the all-powerful will of the leader. All fundamental characteristics of fascism were in his doctrine, his strategy, his social “planning,” and his art of dealing with men. He could not see the deep revolutionary meaning of the rejection of traditional party policies by the left. He could not understand the real importance of the soviet movement for the socialist orientation of society. He never learned to know the prerequisites for the freeing of the workers. Authority, leadership, force, exerted on one side, and organization, cadres, subordination on the other side, — such was his line of reasoning. Discipline and dictatorship are the words which are most frequent in his writings. It is understandable, then, why he could not comprehend nor appreciate the ideas and actions of the “ultra-left,” which would not accept his strategy and which demanded what was most obvious and most necessary for the revolutionary struggle for socialism, namely that the workers once and for all take their fate in their own hands.

To take their destiny in their own hands — this key-word to all questions of socialism — was the real issue in all polemics between the ultra-lefts and the Bolsheviks. The disagreement on the party question was paralleled by the disagreement on trade unionism. The ultra-left was of the opinion that there was no longer a place for revolutionists in trade unions; that it was rather necessary for them to develop their own organizational forms within the factories, the common working places. However, thanks to their unearned authority, the Bolsheviks had been able even in the first weeks of the German revolution to drive the workers back into the capitalistic reactionary trade
To fight the ultra-lefts, to denounce them as stupid and as counter-revolutionary, Lenin in his pamphlet once more makes use of his mechanistic formulas. In his arguments against the position of the left he does not refer to German trade unions but to the trade union experiences of the Bolsheviks in Russia. That in their early beginnings trade unions were of great importance for the proletarian class struggle is a generally accepted fact. The trade unions in Russia were young and they justified Lenin's enthusiasm. However, the situation was different in other parts of the world. Useful and progressive in their beginnings, the trade unions in the older capitalist countries had turned into obstacles in the way of the liberation of the workers. They had turned into instruments of counter revolution, and the German left drew its conclusions from this changed situation.

Lenin himself could not help declaring that in the course of time there had developed a layer of a "strictly trade-unionist, imperialistic orientated, arrogant, vain, sterile, egotistical, petty-bourgeois, bribed, and demoralized aristocracy of labor." This guild of corruption, this gangster leadership, today rules the world trade union movement and lives on the back of the workers. It was of this trade union movement that the ultra-left was speaking when it demanded that the workers should desert it. Lenin, however, demagogically answered by pointing to the young trade union movement in Russia which did not as yet share the character of the long established unions in other countries. Employing a specific experience at a given period and under particular circumstance, he thought it possible to draw from it conclusions of world-wide application. The revolutionist, he argued, must always be where the masses are. But in reality where are the masses? In trade union offices? At membership meetings? At the secret meetings of the leadership with capitalistic representatives? No, the masses are in the factories, in their working places; and there it is necessary to effect their cooperation and strengthen their solidarity. The factory organization, the council system, is the real organization of the revolution, which must replace all parties and trade unions.

In factory organizations there is no room for professional leadership, no divorce of leaders from followers, no caste distinction between intellectuals and the rank and file, no ground for egotism, competition, demoralization, corruption, sterility and philistinism. Here the workers must take their lot in their own hands.

But Lenin thought otherwise. He wanted to preserve the unions; to change them from within; to remove the social democratic officials and replace them with bolshevik officials; to replace a bad with a good bureaucracy. The bad one grows in social democracy; the good one in Bolshevism.

Twenty years of experience meanwhile have demonstrated the idiocy of such a concept. Following Lenin's advice, the Communists have tried all and sundry methods to reform trade unions. The result was nil. The attempt to form their own trade unions was likewise nil. The competition between social democratic and bolshevik trade union work was a competition in corruption. The revolutionary energies of the workers were exhausted in this very process. Instead of concentrating upon the struggle against fascism, the workers were engaged in a senseless and resultless experimentation in the interest of diverse bureaucracies. The masses lost confidence in themselves and in "their" organizations. They felt themselves cheated and betrayed. The methods of fascism, to dictate each step of the workers, to hinder the awakening of self-initiative, to sabotage all beginnings of class-consciousness, to demoralize the masses through innumerable defeats and to make them impotent, — all these methods had already been developed in the twenty years of work in trade unions in accordance with bolshevik principles. The victory of fascism was such an easy one because the labor leaders in trade unions and parties had prepared for them the human material capable of being fitted into the fascistic scheme of things.

On the question of parliamentarianism, too, Lenin appears in the role of the defender of a decayed political institution which had become a hindrance for further political development and a danger to the proletarian emancipation. The ultra-lefts fought parliamentarianism in all its forms. They refused to participate in elections and did not respect parliamentary decisions. Lenin, however, put much effort into parliamentary activities and attached much importance to them. The ultra-left declared parliamentarianism historically obsolete. According to Lenin's logic, it is then not possible to fight capitalism in a revolutionary manner. Rather a compromise would have to be found. Opportunism, bargaining, political horse-trading, — that would be the consequence of Lenin's tactic. The monarchy, too, is only historically but not politically surpassed. According to Lenin, the workers would have no right to do away with it but would be obliged to find a compromise solution. The same story would be true as regards the church, also only historically but not politically antedated. Furthermore, the people belong in great masses to the church. As a revolutionist, Lenin pointed out, that one had to be where the masses are. Consistency would force him to say "Enter the Church; it is your revolutionary duty!" Finally, there is fascism. One day, too, fascism will be historically antedated but politically still in existence. What is then
to be done? To accept the fact and to make a compromise with fascism. According to Lenin's reasoning, a pact between Stalin and Hitler would only illustrate that Stalin actually is the best disciple of Lenin. And it will not all be surprising if in the near future the bolshevik agents will hail the pact between Moscow and Berlin as the only real revolutionary tactic.

Lenin's position on the question of parliamentarianism is only an additional illustration of his incapacity to understand the essential needs and characteristics of the proletarian revolution. His revolution is entirely bourgeois; it is a struggle for the majority, for governmental positions, for a hold upon the law machine. He actually thought it of importance to gain as many votes as possible at election campaigns, to have a strong bolshevik fraction in the parliaments, to help determine form and content of legislation, to take part in political rule. He did not notice at all that today parliamentarianism is a mere bluff, an empty make-believe, and that the real power of bourgeois society rests in entirely different places: that despite all possible parliamentary defeats the bourgeoisie would still have at hand sufficient means to assert its will and interest in non-parliamentary fields. Lenin did not see the demoralizing effects parliamentarianism had upon the masses, he did not notice the poisoning of public morals through parliamentary corruption. Bribed, bought, and cowed, parliamentary politicians were fearful for their income. There was a time in prefascist Germany when the reactionists in parliament were able to pass any desired law merely by threatening to bring about the dissolution of parliament. There was nothing more terrible to the parliamentary politicians than such a threat which implied the end of their easy incomes. To avoid such an end, they would say yes to anything. And how is it today in Germany, in Russia, in Italy? The parliamentary helots are without opinions, without will, and are nothing more than willing servants of their fascist masters.

There can be no question that parliamentarianism is entirely degenerated and corrupt. But, why didn't the proletariat stop this deterioration of a political instrument which once had been used for their purposes? To end parliamentarianism by one heroic revolutionary act would have been far more useful and educational for the proletarian consciousness than the miserable theatre in which parliamentarianism has ended in the fascistic society. But such an attitude was entirely foreign to Lenin, as it is foreign to Stalin. Lenin was not concerned with the freedom of the workers from their mental and physical slavery; he was not bothered by the false consciousness of the masses and their human self-alienation. The whole problem to him was nothing more nor less than a problem of power. Like a bourgeois, he thought in terms of gains and losses, more or less, credit and debit; and all his business-like computations deal only with external things: membership figures, number of votes, seats in the parliaments, control positions. His materialism is a bourgeois materialism, dealing with mechanisms, not with human beings. He is not at all really able to think in socio-historical terms. Parliament to him is parliament; an abstract concept in a vacuum, holding equal meaning in all nations, at all times. Certainly he acknowledges that parliamentism passes through different stages, and he points this out in his discussions, but he does not use his own knowledge in his theory and practice. In his pro-parliamentarian polemics he hides behind the early capitalist parliaments in the succeeding stage of capitalism, in order not to run out of arguments. And if he attacks the old parliaments, it is from the vantage point of the young and long outdated. In short, he decides that politics is the art of the possible. However, politics for the workers is the art of revolution.

VI.

It remains to deal with Lenin's position on the question of compromises. During the World War the German Social Democracy sold out to the bourgeoisie. Nevertheless, much against its will, it inherited the German revolution. This was made possible to a large extent by the help of Russia, which did its share in killing off the German council movement. The power which had fallen into the lap of Social Democracy was used for nothing. The Social Democracy simply renewed its old class collaboration policy, satisfied with sharing power over the workers with the bourgeoisie in the reconstruction period of capitalism. The German radical workers countered this betrayal with the slogan, "No compromise with the counter revolution." Here was a concrete case, a specific situation, demanding a clear decision. Lenin, unable to recognize the real issues at stake, made from this concrete specific question a general problem. With the air of a general and the infallibility of a cardinal, he tried to persuade the ultra-lefts that compromises with political opponents under all conditions are a revolutionary duty. If today one reads those passages in Lenin's pamphlet dealing with compromises, one is inclined to compare Lenin's remarks in 1920 with Stalin's present policy of compromises. There is not one deadly sin of bolshevik theory which did not become bolshevistic reality under Stalin.

According to Lenin, the ultra-lefts should have been willing to sign the Treaty of Versailles. However, the Communist Party, still in accordance with Lenin, made a compromise and protested against the Versailles Treaty in collaboration with the Hitlerites. The "National Bolshevism" propagated in 1919 in Germany by the left-winger Lauffenberg was in Lenin's opinion "an absurdity crying to heaven." But Radek and the Communist Party — again in accordance with Lenin's principle — concluded a compromise with German Nationalism, and protested against the occupation of the Ruhr basin and celebrated the national hero Schlageter. The League of Nations was, in Lenin's own words, "a band of capitalist robbers and bandits," whom the workers could fight only to the bitter end. However, Stalin — in accordance with Lenin's tactics—made a compromise with these very same bandits, and the U. S. S. R. entered the League. The concept "folk" or "People" is in Lenin's opinion a criminal concession to the counter-revolutionary ideology of the petty bourgeoisie. This did not hinder the Leninists, Stalin and Dimitrov, from making a compromise with the petty bourgeoisie in order to launch the freakish "Peoples Front" movement. For Lenin, imperialism was the greatest enemy of the world proletariat, and against it all forces had to be
mobilized. But Stalin, again in true Leninistic fashion, is quite busy with
cooking up an alliance with Hitler’s imperialism. Is it necessary to offer more
examples? Historical experience teaches that all compromises between revolu-
tion and counter-revolution can serve only the latter. They lead only to the
bankruptcy of the revolutionary movement. All policy of compromise is a
policy of bankruptcy. What began as a mere compromise with the German
Social Democracy found its end in Hitler. What Lenin justified as a
necessary compromise found its end in Stalin. In diagnosing revolutionary
non-compromise as “An Infantile Disease of Communism,” Lenin was suffer-
ing from the old age disease of opportunism, of pseudo-communism.

VII.

If one looks with critical eyes at the picture of bolshevism provided by
Lenin’s pamphlet, the following main points may be recognized as character-
istics of bolshevism:

1. Bolshevism is a nationalistic doctrine. Originally and essentially
congeived to solve a national problem, it was later elevated to a theory and
practice of international scope and to a general doctrine. Its nationalistic
character comes to light also in its position on the struggle for national in-
dependence of suppressed nations.

2. Bolshevism is an authoritarian system. The peak of the social
pyramid is the most important and determining point. Authority is realized
in the all-powerful person. In the leader myth the bourgeois personality ideal
celebrates its highest triumphs.

3. Organizationally, Bolshevism is highly centralistic. The central
committee has responsibility for all initiative, leadership, instruction, com-
mands. As in the bourgeois state, the leading members of the organization
play the role of the bourgeoisie; the sole role of the workers is to obey orders.

4. Bolshevism represents a militant power policy. Exclusively interested
in political power, it is no different from the forms of rule in the traditional
bourgeois sense. Even in the organization proper there is no self-determina-
tion by the members. The army serves the party as the great example of or-
ganization.

5. Bolshevism is dictatorship. Working with brute force and terrorist
measures, it directs all its functions toward the suppression of all non-
bolshevik institutions and opinions. Its “dictatorship of the proletariat” is the
dictatorship of a bureaucracy or a single person.

6. Bolshevism is a mechanistic method. It aspires to the automatic co-
ordination, the technically secured conformity, and the most efficient totali-
tarianism as a goal of social order. The centralistically “planned” economy
consciously confuses technical-organizational problems with socio-economic
questions.

7. The social structure of Bolshevism is of a bourgeois nature. It does
not abolish the wage system and refuses proletarian self-determination over
the products of labor. It remains therewith fundamentally within the class
frame of the bourgeois social order. Capitalism is perpetuated.

8. Bolshevism is a revolutionary element only in the frame of the
bourgeois revolution. Unable to realize the soviet system, it is thereby unable
to transform essentially the structure of bourgeois society and its economy. It
establishes not socialism but state capitalism.

9. Bolshevism is not a bridge leading eventually into the socialist so-
ciety. Without the soviet system, without the total radical revolution of men
and things, it cannot fulfill the most essential of all socialist demands, which
is to end the capitalist human-self-alienation. It represents the last stage of
bourgeois society and not the first step towards a new society.

These nine points represent an unbridgeable opposition between
bolshevism and socialism. They demonstrate with all necessary clarity the
bourgeois character of the bolshevik movement and its close relationship to
fascism. Nationalism, authoritarianism, centralism, leader dictatorship,
power policies, terror-rule, mechanistic dynamics, inability to socialize — all
these essential characteristics of fascism were and areexisting in bolshevism.
Fascism is merely a copy of bolshevism. For this reason the struggle against
the one must begin with the struggle against the other.

BOOK REVIEWS

World Communism. A History of the Communist International. By

Besides being an excellent history of the Communist International
(C.I.), Borkenau’s book reflects the disillusionment of increasing
numbers of intellectuals with the Marxian expectation of a proletarian
revolution. Here the author points out that Marx misread the future,
only apparently proletarian, can only confirm that the bourgeoisie of the pro-
etariat opposing, victorious, all
other classes of a complex modern society is a fantastic one.” It is
utopian to see in the proletariat the leading element in the upheavals
of our time. In Russia, “it was not the proletariat, but a quasi-religious
order of professional revolutionaries of the intelligentsia which took the
lead, with the help of the peasants, the peasant soldiers and the work-
ers. In Borkenau’s opinion not communism but fascism is on the order
of the day, unless a policy of class collaboration, co-operation, and com-
promise is adopted in favor of a progressive and evolutionary democracy.
It is true that Marx’s prediction as to the polarization of society into
two essential classes has not as yet run its full course. But Borkenau
does not bother to criticise the base of Marx’s prediction, the theory of
capitalist development, but simply accepts the apparent contradiction of
present-day political phenomena with those predictions. However, a realistic
analysis of the positions of the various classes in their relation to the
possessions or control of the means of production and political power
will show that the process of the polarization of society into two
essential classes is not only still continuing, but, by way of fascism and
bolshevism, continuing in an accelerated manner. As superficial as
Borkenau’s critique of Marx, are the consequences he draws from his
mistaken appearances for reality. To posit as the alternative to fascism
a “progressive and evolutionary democracy” and nothing else, means,
in practical matters, no more than to serve the ideological “anti-fascism”
of some imperialistic nations against the imperialism of the fasci-
astic countries. What today is “progressive and evolutionary in bour-
geous democracy” is exactly that which is an essential part of fascism.
Furthermore, it is not a political form of government which will determine the future action of men, but the further disintegration of the capitalist economic system, and that can be stopped neither democratically nor fascistically.

However, these ideas of Borkenau do not detract from the main theme of his work. The history of the C.I. he divides into three distinct periods. "During the first period the Comintern is mainly an instrument to bring about revolution. During the second period it is mainly an instrument in the Russian factional struggle. During the third period it is mainly an instrument of Russian foreign policy." Its whole history proves to Borkenau, "the complete unfitness of international Bolshevism. The author illustrates the bourgeois character of the Russian Revolution and its party with descriptions of the bolshevik organization and its tactics. He deals with the Hungarian "soviet" regime, the German revolution, the Chinese revolution, and the many events of the diverse labor movements of various countries. He does not distinguish between the different bolshevik factions, who differ only on unessentials, but he makes clear the wide gap dividing the Russian and the Western labor movement. In opposing Lenin's position to that of Rosa Luxemburg, he makes clear that the problems of the proletariat are others than those visualized by the Bolshevists. The world revolution has failed because of the historical immaturity for such a change. The bolshevistic world revolutionary attempts he finds only ridiculous.

Because of the author's previous political attitude (he was a member of the Communist Party), and his present position, it is natural that, despite all his criticism of bolshevism, he should still defend it not against the right, but against the left. The Western European "ultra-lefts" who even in 1920 were able to predict the course of the C.I., are even now in retrospect looked upon by Borkenau as the 'crazy fringe' of the left labor movement. This is somewhat surprising, since he himself is forced to acknowledge that the views of the "ultra-lefts" concerning the difficulties facing the proletarian revolution in the West were "infinitely nearer to the facts than Lenin's belief that only a revolutionary party using appropriate tactics is needed in order to reach the goal." From the position that the working class is neither able nor willing to make its revolution, Borkenau rejects the bolshevik idea that the history of the failures of communism is a history of betrayals. The concept of "betrayals" Borkenau sees as a consequence of the Bolshevist Party structure and tactic, which always require a scape-goat in the event of failure, as well as for purposes of party control. Though this is undoubtedly true it is still incorrect to reject political betrayals altogether. Borkenau goes even so far as to declare that had "all the socialist leaders (of Germany) sided with the revolutionaries the majority of the proletariat would simply have left them for some moderate party." This is contrary to all the facts. The socialist leaders could maintain control over the broad masses occasionally only by proclaiming that socialism was to be realized. Too often socialist and communist leaders and organizations placed themselves at the head of a workers' movement in order to break it. Though it is true that the German fiasco cannot be explained solely by betrayal, it is incorrect to deny that the actual betrayals considerably influenced the course of events. The masses were not non-socialistic; they were without self-initiative because of their previous education; and they unfortunately left the decision to their leaders in the conviction that these leaders would best know how to improve their conditions. This belief of the masses may show inexperience but certainly not an absolutely conservative attitude.

Despite its many shortcomings, of which only a few are mentioned here, the book is nevertheless an important asset to the understanding of recent labor history. Because of its many qualities, which we must let the reader find for himself, it will better serve the purposes of the "crazy fringe" of the left labor movement than the present political attitude of its author.