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# LIVING MARXISM

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## BOOK REVIEWS

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# LIVING MARXISM

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## WAR AND REVOLUTION

The relation of war to revolution has become one of the most important problems of our epoch. It has become, furthermore, one of the most bewildering problems of a time in which former non-interventionists have become interventionists, pacifists clamor for war, National Socialism craves Empire and Peace, and Communist apostles of the revolutionary class war meekly renounce all use of violence as an instrument of national and international policy.

While it would be an utterly meaningless proposition to deal with the questions of war and peace in general, a careful historical investigation shows that war as we know it today has been implicit in present day bourgeois society from its earliest beginnings in the 15th and 16th centuries and that, more especially, every major progress in its historical development has been achieved, if not by war itself, by a series of violent events of which war was an essential part. This is not equivalent, of course, to a prediction that war, and other forms of collective violence, could not be gradually regulated and ultimately eliminated entirely from the life of human society. Such long range developments are not considered in this discussion. The only concern of the following study is the relation of war to revolution in our time and the various conflicting and complementary tendencies that can be discovered in the previous phases of its historical development.

While for most phases of the history of the last four hundred years a close relationship between definite forms of war and social change is readily admitted by most students of the subject, there are at least two periods for which such general consensus cannot be found. They are at the same time the favorite playground for writers of various descriptions who delight in dealing with war not in terms of a strictly empirical (strategical, social, political, economic, historical) investigation, but from broader aesthetic, philosophical, religious, moral or humanitarian viewpoints. Here belongs the famous description of the war (and the state) of the Italian Renaissance as a "work of art" by the German historian, Jacob Burckhardt. Another example is the frequent glorification of the wars of the pre-revolutionary 18th century as an all time high in the history of human



culture. Despite its characteristic counter-revolutionary bias, this class of literature has for our purpose the advantage of being comparatively free from the peculiar superstitions of the 19th and 20th centuries. Thus it happens that just the writers of this class — a queer species of “historians in reverse”—have been able to bring to light a number of otherwise neglected phenomena that are of particular importance for the study of war and revolution.

\* \* \*

The first of the two apparent “exceptions” to the main contention of this study is presented by the middle period of the Italian Renaissance that was terminated by the French, Spanish and German invasions which began in the last decade of the 15th century and destroyed the indigenous political development of Italy for more than three centuries. There is indeed, at first sight, very little unity between the numerous little wars that were fought out between the leaders of the well equipped and well paid professional armies in the service of the various princes, republics and popes, and the incessant domestic disorders that were begun and terminated within every unit of that political microcosm.

Instead of one characteristic connecting link, we find here a bewildering mass of superficial connections. War was widely used as a means for internal as well as for external aims, and civil struggles were frequently decided on the battlefields of a war against an outside enemy. Yet this temporary overlapping of war and civil discord was of an occasional and accidental nature, without consequence either for the mercenary soldiers who fought the extremely bloodless battles of this period or for the subjects of the quarrelling parties. “A town may rebel a score of times,” said a contemporary observer, “it is never destroyed. The inhabitants may retain the whole of their property; all they have to fear is that they will be made to pay a levy.” Nevertheless all of these disconnected elements were already connected to a conceptual unity by the political genius of a great statesman, Niccolo Machiavelli. He dealt with the comparatively unimportant political discords and belligerent conflicts of his time in the manner in which Plato and Aristotle had dealt with an equally restricted experience in theirs. He thought that a revolutionary conspiracy from below or, if that failed, a revolutionary action by “the prince” from above would bring about the forceful unification of the Italian nation under a republican or monarchistic, but by all means a modern bourgeois government.<sup>1)</sup> This lofty dream of the great political thinker did not mature. It lost its basis and was swept away — just as was, in our time, a still greater revolutionary plan devised by another political genius — through the adversity of external conditions and an altogether unexpected turn of events. The scene of great historical action shifted from the Mediterranean world of Machiavelli’s city states to the

<sup>1)</sup>These two aspects of the expected event are discussed with complete impartiality in the two main books of Machiavelli, *THE DECADES OF TITUS LIVIUS* and *THE PRINCE*.

great monarchies that bordered on the Atlantic just as it is shifting today from the nationally divided areas of 19th century Europe to the greater battlefields of a world-wide war. Yet Machiavelli’s reasoning was valid in regard to the historical facts on which it had been founded. Even a more realistic thinker who would not admit that the chaotic and fragmentary relations between war and civil war in 15th century Italy had presented a sufficient basis for the far-flung political speculations of Machiavelli could still recognize in them the first undeveloped germs of that essential unity of war and revolution that is shown in more mature forms by subsequent phases of modern bourgeois society.

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For the time being, the whole development with its visionary dreams and its modest achievements was interrupted, not only for Italy but for the whole European society, by the forceful inauguration of a new period. In this new period both the intensity of war and the intimacy of its connection with what we know today to have been the historical prelude to the political and social revolutions of the 17th and 18th centuries reached an all-time high — not surpassed even by 20th century warfare — in the *Wars of Religion* beginning with the *Reformation* and reaching their climax in the *Thirty Years War* that exterminated one-third of the German-speaking people in Europe, seven and one-half out of twenty-one millions. This was indeed the first historical appearance of all the enormities of the “ideological” wars of the present epoch. It was for this reason denounced from the outset by men like Sir Thomas More and Erasmus as vehemently as the monstrosities of “total war” are denounced today by any 20th century pacifist. Even Francis Bacon was horrified by the consequences that would result for the political and cultural stability of his time from the inclination in cases of religion “to put the sword in the hands of the common people.” He called it “a thing monstrous,” that should rather “be left to the Anabaptists and other furies.”<sup>2)</sup> This recoiling of a certain section of the intelligentsia from the violent and plebeian aspects of a fundamentally progressive movement is typical of all revolutionary epochs. A common phenomenon of our time is that a belated discovery of the violence connected with the revolutionary struggle for socialism and its counterrevolutionary repercussions has alienated so many humanitarian people from a progressive aim that apparently could be reached only at such terrible cost.

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There has been much superficial speculation about the reason why that first catastrophic phase of the development of the modern ideological war came to such a rapid end just when it seemed to have reached its greatest intensity. It is of course sheer mysticism to assume that men at such extreme moments as those reached by Roman society in the last century before Augustus or by European society at the end of the Thirty Years

<sup>2)</sup> Bacon, *ESSAYS* III — Of Unity in Religion.



War in 1648 "drew back at the edge of the precipice" <sup>3)</sup> as it were. Nor is there any historical evidence for that most appealing assumption according to which — since the middle of the 17th century — the furious passion of the Religious Wars have been gradually replaced by a new and more tolerant attitude toward religious differences. It is safer to rely on the judgment of the learned scholar who says that in this new period "the devil of sectarian religious fanaticism was exorcised" not "through the grace of a deeper religious insight," but rather "in a spirit of cynical disillusionment."<sup>4)</sup>

In spite of the undoubted progress achieved during the 18th century through a comparatively successful restriction of the belligerent excesses of the preceding epoch,<sup>5)</sup> it is only the most reactionary-minded who today look back to this pre-revolutionary 18th century as an unmixed blessing, a truly "halcyon time" and the only "lucid interval" in the dismal history of human insanity.<sup>6)</sup> It was a "lucid interval," indeed, as far as the immediate atrocities of warfare are concerned. Yet from a more general point of view the virtue of this short interval between two dynamic epochs is mainly of a negative character. The apparent moderation of warfare resulted from the fact that war was now no longer being used as an instrument of ecclesiastical policy and had not yet begun to be used as an instrument of national policy. Thus it was transformed for the period of more than a hundred years known in general history as *The Enlightenment* into a veritable institution and perfectly adjusted to the needs of those powers who alone at that time were in a position to make use of this "peculiar institution." From the point of view of socialism, which today in this respect has become almost a general opinion, we can by no means agree with that eloquent praise which until recently was lavished upon a time when, it is assumed, war was a "sport of the kings." But in truth it was only conducted in the same backward manner as any other kind of capitalist business was under those immature conditions. We live today in an epoch when even in the economic field the motive-power of the so-called "enlightened self-interest" of independent commodity producers is no longer accepted as a sufficient substitute for a social control of production. How could we accept as a model of perfection a period in which this same spirit of "enlightened self-interest" was still naively applied to all fields of social and political life?

We need only look more closely into the vivid description of the "civilized" wars of the 18th century presented to us today by belated en-

3) Hoffman Nickerson, *THE ARMED HORDE*, 1793—1939. New York 1940; p. 35.

4) A. J. Toynbee, *A STUDY OF HISTORY*, vol. IV, London 1939, p. 143.

The author of this article is indebted to all the six volumes of Mr. Toynbee's work that have up to now appeared for many valuable facts and ideas.

5) According to Toynbee "the evil of war was reduced in the 18th century to a minimum which has never been approached in any other chapter of our Western history, either before or after, up to date."

6) Hoffman-Nickerson, l. c. p. 63.

thusiasts of the "age without enthusiasm," to discover the prosaic truth that underlies all such poetic metaphors. It was a time in which both business and warfare were still restricted by "small numbers, poverty, and the laws of honor."<sup>7)</sup> In the sphere of business these "laws of honor" were represented by the remainders of the rules of the medieval craftsmanship, in the sphere of war by a kind of artificially revived code of medieval chivalry which, however, had by now been filled with a new and entirely bourgeois content. The following is a description of this "sport of kings" by one of its most fervent modern admirers.

"A war was a game with its rules and its stakes — a territory, an inheritance, a throne, a treaty. The loser paid, but a just proportion was always kept between the value of the stake and the risks to be taken, and the parties were always on guard against the kind of obstinacy which makes a player lose his head. They tried to keep the game in hand and to know when to stop. It was for this reason that the great eighteenth-century theorists of warfare urged that neither justice, nor right, nor any of the great passions that move people should ever be mixed up with war. Hapless indeed are those belligerents who take up arms in conviction that they are fighting for justice and right. Both parties being persuaded that they are in the right, they would fight until they were exhausted, and the war would go on forever! One must go to war admitting that the cause of one's adversary is as just as one's own; one must take care to do nothing, even for the sake of victory, that may exasperate him, or close his mind to the voice of reason or his heart to the desire for peace; one must abstain from treacherous and cruel acts. For there is nothing that arouses an adversary to greater fury."

This is indeed the very essence of early bourgeois philosophy: *freedom, equality, property*, and *Bentham*. The ideas of the shopkeeper of the dawn of the capitalist era are raised to the dignity of a universal law and applied to all institutions and to all eras of human development. Even the curious paradoxical spirit of old Mandeville is conjured up: "*Private Vices — Publick Benefits*," wrote Mandeville in 1706. "*It was avarice and calculation that made war more human*," echoes the famous bourgeois historian in 1933.

Even for that epoch when the scope and intensity of warfare were reduced to their lowest level, the relationship between war and revolution still held good since this was also a time when all vestiges of revolutionary processes had been wiped from the surface of society. The comparative decline of war is closely connected with an equal decline of the revolutionary process. On the other hand, the events of the subsequent epoch show that just this apparently so peaceful and so well balanced period of the 18th century was both for war and revolution the time of a new incubation. Even greater revolutions and greater wars that were to break out in European and American society in the immediate future were already germinating under the surface of this apparently stable equilibrium of the political and social

7) The terms in quotes are used by the Italian historian, Guglielmo Ferrero in his description of 18th century warfare in his book, *PEACE AND WAR*, London 1933, pp. 7—8.



powers. From the viewpoint of present day psychology, psycho-analysis and so-called "psychology of the masses" it seems curious that historians and sociologists should still continue to treat as non-existent those forms and phases of the driving forces of a given epoch which do not appear on its surface but are temporarily repressed into unconsciousness or directed into other channels by a process of "social sublimation."<sup>8</sup>) All those much advertised forms in which the "Age of Reason" tried to restrict and civilize war were in fact only so many forms to prepare that hitherto unequalled outburst of the slowly-accumulated new driving forces of the fully developed bourgeois style of modern warfare that was to explode in the wars of the French Revolution.

It appears then that during the three centuries preceding the full maturity of modern bourgeois warfare there has never been a time in which the essential unity of war and revolution has been interrupted. More particularly, the much glorified period of the *Enlightenment* cannot be described as an interval during which the revolutionary passions of the Religious Wars had been really tamed and controlled by a supreme effort of human morality and reason. They had in truth only suffered a temporary check under the impact of the failure of either side to win the upper hand in the religious wars. An influential part of the population had become aware of the fact that they had begun to care much more for the newly opened ways of acquiring material wealth than for any further sacrifices of their personal comfort for the sake of a truer form of religion. The great revolutionary driving forces of the new bourgeois class that had made their first historical appearance in the fury of the Religious Wars and were to reappear in the violent social and political battles of the French Revolution were not weakened or destroyed during the intervening period of the so-called *Enlightenment*. They were only repressed and had gained tremendous future momentum just because of this temporary state of repression.

\* \* \*

The phases of the historical development of war and revolution from 1789 to 1941 should not need a detailed explanation. It is of course a great shock for those naive democrats of Europe and the U. S. who until recently had quite honestly believed in the opposite claims of the Nazi propaganda to be reminded of the historical fact that modern "total war" is by no means one of the devilish inventions of the Nazi revolution but is really in all its aspects, including its very language, the genuine product of democracy itself and more particularly the fruit of the American War of Independence and of the great French Revolution. Nevertheless this is such an obvious fact of the most recent history of our society, and it has been so often expounded in

8) For a criticism of this attitude—somewhat mysterious in form but sound in substance — see Denis De Rougemont, *LOVE IN THE WESTERN WORLD*, New York 1940, Book V, Love and War, pp. 223 ff. and the same author's study on *PASSION AND THE ORIGIN OF HITLERISM*, in *The Review of Politics*, vol. 3 No. 1, January, 1941.

unambiguous terms by all historical and military experts<sup>9</sup>) that its utter neglect by the public opinion both in the totalitarian and the democratic countries presents in itself a major problem. The secrecy which until today surrounded everything connected with a modern war seems to be an intrinsic and necessary condition of the existence of present day society itself. "We do not know the war" — this means, among other things, that we cannot control what we do not know. If we did know, we would no longer live under the conditions of a society based on capitalist competition or even of a society based on those imperfect and fragmentary forms of planning that are compatible with the maintenance of private property and wage labor. A full knowledge, and an ensuing conscious control of the war by the people themselves pre-supposes that society of freely associated producers which will result from a genuine social revolution. Under such conditions, there would no longer be any need for war. Thus it appears that the amazing amount of plain ignorance and equally surprising unpreparedness to think hard, clearly, and realistically about the war do not result from an insufficient state of our general political education. They belong to the essential features of a pre-socialist society and are of the essence of war itself.

\* \* \*

The whole theory and practice of bourgeois warfare during the last 150 years is dominated by the idea of "total war". *Total war* was invented and first practised on a gigantic scale by the fourteen citizen armies organized and put in the field at the darkest hour of the new French Republic for the purpose of defending the revolution against a host of threatening enemies from without and from within. This was the meaning of the famous "levée en masse" that was decreed by the law of August 23, 1793 which, for the first time in history, put all the resources of a belligerent nation — its men, foodstuffs, labor, industry, the whole genius of the people, and the tremendous passion of its newly aroused enthusiasm — into the service of the revolutionary war. This was indeed, within the limits set by the degree of technical and industrial development, a "universal draft" and a veritable "total war". If we disregard for a moment the abysmal difference in language — between a period when the revolutionary spirit of the bourgeois class was genuine and powerful and the present phase of its beginning decay — what we read in the speeches of the National Convention and in the text of the revolutionary decree itself might indeed have been written yesterday.

"The young men shall fight; the married men shall forge weapons and transport supplies; the women will make up old linen into lint; the old men will have themselves carried into the public squares to rouse the courage of the fighting men, to preach hatred of kings and the unity of the Republic.

9) See for a most up-to-date, factual report on the gradual rise, survival and (hypothetical) decline of the mass army and other implements of modern total war the above quoted book of Hoffman Nickerson. For a masterful treatment of the same matter in condensed form see the chapter on "THE IMPACT OF DEMOCRACY AND INDUSTRIALISM UPON WAR" in Toynbee's work, vol. IV, pp. 141-151.



*"The public buildings shall be turned into barracks, the public squares into munition factories; the earthen floors of cellars shall be treated with lye to extract salpeter.*

*"All fire-arms of suitable caliber shall be turned over to the troops: the interior shall be policed with shotguns and with cold steel.*

*"All saddle-horses shall be seized for the cavalry; all draft horses not employed in cultivation will draw the artillery and supply wagons." 10)*

Yet even that, the highest point ever reached in the history of bourgeois warfare, the revolutionary total war, showed the fateful marks of an intrinsic ambiguity. This war for the defense of the revolution and for the delivery of all oppressed peoples was inevitably conceived and carried on from the outset as a national war of the French people against foreign countries. From a war of defense it soon developed into a war of conquest; the promised delivery of the oppressed peoples degenerated into a mere propagandistic pretext for the annexation of their territories, and the revolutionary war was at all times conducted indiscriminately against every country, free or unfree, which did not side with the French republic in its mortal struggle against the coalitions of its enemies. It is characteristic that the first steps toward the "war of revolutionary expansion," that is, toward the use of revolutionary slogans as a means of external warfare, were not originated by the Jacobin radicals but by the moderate Girondist faction which was already secretly aspiring to conclude rather than to further expand and intensify the revolutionary process. Yet it was the revolutionary Jacobins who later carried through, with all their tremendous energy, the new policy of war and conquest which they had reluctantly accepted as a means for their internal revolutionary policies. A similar development was to recur, after a long interval but under closely analogous conditions, in the internal and external policies of the Russian revolution of 1917. At the present time the old Girondist slogan of revolutionary warfare is used as one of the chief ideological weapons of the Nazi propaganda in spite of the recent extension of the Nazi war into an indiscriminate attack both against the "decaying capitalist democracies" of the West and the new totalitarian regime of the Soviet Union.

This latest development was prepared during the whole 19th century through a gradual dissolution of the original revolutionary content of the bourgeois total war and a corresponding weakening of that tremendous striking force that it had manifested during the epoch of the Revolutionary and Napoleonic Wars from 1792 to 1815. The long period of gradual disintegration and decay of the so-called National Wars in 19th century Europe can be subdivided, according to Marshal Foch, into three successive periods:

*"War became national in the first instance for the sake of winning and securing the independence of peoples — that of the French in 1792-93, of the Spaniards in 1804-14, of the Russians in 1812, of the Germans in 1813 and of Europe in 1814. At*

10) Translation by Hoffman Nickerson, l. c. p. 64.

*this stage it produced those glorious and powerful displays of popular passion known as Valmy, Saragossa, Tarancon, Moscow, and Leipzig.*

*"War then went on being national for the sake of winning unity of races or nationality. This is what the Italians and the Prussians claimed to be fighting for in 1866 and 1870. In its name also the king of Prussia, after he had become German emperor, put forward a title to the German provinces of Austria.*

*"But if war is still national today, it is for the sake of securing economic benefits and profitable trade agreements.*

*"After having been the violent means whereby peoples wrested a place in the world for themselves which made them into nations, war has become the means to which they still resort in order to enrich themselves." 11)*

This is indeed a brilliant description of the various successive phases that bourgeois war had to pass through in close analogy with the simultaneous decline of the revolutionary tendencies and achievements of the ruling bourgeois class. And again we can observe the fallacy of the ordinary pacifist confusion of the periods of comparative peace with the truly progressive phases of human development. The last period of peace which was enjoyed by Europe during the so-called "colonial era" from 1879-1914 was, as de Rougemont observes, nothing more than a period of utter cultural decay. "War was growing middle-class. The blood was getting commercialized." "In short, colonial warfare was but an extension of capitalistic competition in a form that laid a heavier burden on the country at large though not on the great business firms."

The most impressive further consequence of this state of affairs was the eventual collapse of all Revolutionary-Napoleonic and Clausewitzian, competitive-capitalistic and nationalist-bourgeois warfare in the first world war of 1914-1918. This long-prepared-for, crowning war of the nationalistic age was no longer fought between single nations but between extremely heterogeneous groups of nations. It proved that the old competitive form of unrestricted total warfare was utterly impotent either to win victory or to allow for a real peace after the conclusion of the belligerent action. Even the revolutionary repercussions of the collapse of the war and the impossibilities of the ensuing peace in the defeated countries of Central Europe seem to enhance rather than to detract from the general picture of an irretrievable break-down and decay of the whole traditional structure of Western capitalist society.

Nor has the relation of war to revolution attained a new positive phase in the developments of warfare during the post-war period. From a purely formalistic point of view it might be said that the revolutionary significance of war has increased in the last 25 years in the sense that the former rigid distinction between war and civil war has shown a tendency to become more fluid and finally to dissolve altogether. Whereas during the first world

11) Marshall F. Foch, *LES PRINCIPES DE LA GUERRE*, Paris 1903. English translation by de Rougemont, pp. 245-46.



war the proposition to "transform the capitalist war into a civil war" was still regarded as an utterly impractical slogan by the majority of the socialist workers themselves,<sup>12)</sup> twenty years later the Spanish War originated as a genuine civil war and in its further process developed into a rehearsal of the present war between the totalitarian and democratic countries. With the outbreak of the present war the existing confusion has reached an even higher point. This war has revealed from the outset and at all its decisive junctures the features of a world-wide "ideological" and "political" war, that is, of a struggle between different factions of a civil war rather than of an old fashioned war of one country against another.

Thus, the whole development traced in this study seems to have moved in a circle. In the latest phase of bourgeois society we come right back to the ideological wars of the 16th and 17th centuries. Yet, closer investigation reveals this apparent revival of the intimate relationship between war and revolution to be a matter of appearance rather than of real historical significance. What has actually happened is much better described by the paradoxical formula that in the present epoch not only war, but even "civil war," has lost its former revolutionary character. Civil War and Revolution are no longer synonymous terms.

Moreover, it is not at all certain that this new pseudo-revolutionary feature of present-day totalitarian warfare, which stirred up such intense feelings throughout the world, has come to stay. The opposite event is equally possible, — and this possibility has been further increased through the recent extension of the war to Russia. The present tendency of the Nazi regime to improve its comparatively weak position within the existing power-field of capitalist competition by a concomitant drive toward a totalitarian reconstruction of the whole existing system of society may still be entirely abandoned in the further course of the war. The totalitarian war would then return to the forms of an ordinary capitalistic war that is conducted from both sides merely for an external gain of national power. It is true that even the continuance of the war in such an old fashioned bourgeois style may ultimately result in an internal change of the given structure of the society. Yet in that case the internal repercussions of the war will not result from any conscious action of either belligerent party, whatever the "aims" proclaimed by their ideological propaganda. They will result, if at all, from the force of unforeseen circumstances as, for instance, from the action of a new revolutionary class that was not represented in the councils of this war. They will result without and against the common intentions of both the belligerent powers. The question whether such further developments of the present crisis can be expected at all on the basis of the existing conditions, will be discussed in the concluding section of this study.

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The main differences between the present "totalitarian" form and the

12) See *Living Marxism*, vol. V no. 4, Spring 1941, pp. 2—4.

older forms of bourgeois total war are not — as both Nazi propaganda and its foolish democratic antagonists would have us believe — derived from the fact that bourgeois society today has entered a new phase of its revolutionary ascendancy. Yet these differences do express a real change in its objective economic structure and development. As already shown, war in capitalist society was at all times a necessary complement to the normal conduct of business. Already the great theorist of 19th century warfare, General Carl von Clausewitz, followed up his famous description of war as a "continuation of politics by other means" with the remark that war is "even more closely related to trade which also presents itself as a conflict of human interests and activities, and that politics itself must be regarded as a kind of trade on an enlarged scale."<sup>13)</sup> He described the war of the first part of the 19th century as being "much like business competition pushed to its logical consequences and unrestrained by any law other than expediency." This is how "the great interests of the nation", that is, the common interests of the capitalist class and more particularly those of the leading groups, were attended to at a time when capitalist production was still predominantly regulated by the competition of apparently independent commodity producers. In the same manner also the most recent methods of total warfare, as they are applied in more or less perfect forms by both sides in the present world war, represent a later and more highly developed form of the conduct of the old capitalist business. "New forms of material production," said Marx "appear earlier in the forms of warfare than in peace-time production." Thus the present totalitarian war anticipates those new economic forms which will be achieved at a later date through the complete transition of all capitalist countries to a planned rather than to a market-conditioned and to a monopolistic and state-capitalist rather than to a competitive and private mode of capitalist production. It is mainly for this reason that the present war is not just a "repetition" of the 1914-1918 conflict, but seems to show an "essential difference" from the characteristic form of its predecessor.<sup>14)</sup>

This difference, among other things, appears in the lessened importance of the "armed horde." According to a generally reliable source, only one third of the German army is even nominally infantry and much, if not most, of its real work is done by the long-service professionals of its tank corps

13) C. v. Clausewitz, *VOM KRIEGE*, 1832—Book II, chapter 3, section 3.

14) See Clement Greenberg and Dwight MacDonald, 10 PROPOSITIONS ON THE WAR, in *Partisan Review*, vol. VII, no. 4, July-August 1941, p. 271. The authors do not agree on the character of this existing "difference". One of them believes that the novel characteristics of the present war arise from the fact that "a new kind of society" is already existing in present-day Germany. They do not further clarify this point, but lose themselves in a discussion of the greater or lesser "desirability" of fascism and other mainly subjective problems. This tendency detracts to a certain extent from the otherwise considerable value of their attempt at a serious discussion of the main problem of our time.



and air force.<sup>15)</sup> Most of its military operations up to the Russian campaign have been performed by a surprisingly small contingent of selected "shock troops" and with a comparatively low number of casualties.

Another feature in the character of the present totalitarian war which points to the general decline of the enthusiastic competitive spirit in the present phase of monopoly capitalism is the notable decrease of that wave of general enthusiasm that was aroused by the national wars of the 19th century and that reached its climax during the first years of the world war, 1914-1918. Despite the vastly increased efforts of expert professional propaganda, there is nothing in the attitude of the general public toward the present war that reminds one even slightly of the strong ideological intoxication of whole nations that was so characteristic of the wars of the preceding epoch.

Finally, although every war of the last century and every successive year of warfare between 1914 and 1918 evidenced an increasing extension of the principle of planning beyond the traditional limits of the military field, this principle has now for the first time been consistently applied to a complete mobilization of all resources and manpower of a society that by its technical and industrial development has far transcended all previously existing levels. What is new here is not the idea of the "universal draft" *per se*, but the fact that in its application today nothing is left to individual initiative and competitive strife. Another novelty consists in the fact that this time the principles of "war economy" were already applied in the preceding time of peace. The whole industrial system of such nations as Germany and Russia had been methodically subordinated in advance to the needs of a war that was not to begin until many years later.<sup>16)</sup> Since the outbreak of the present war the traditional barriers between production for war and production for peace have been broken down everywhere. The resources of all countries have been pooled for the use of a world-wide war economy.

In all these respects the present "total war" of Nazism shows a different character from the older forms of total warfare which reflected the spirit of a predominantly competitive capitalism. Today's total war thus appears as a new form of total war — a total war of monopoly capitalism and state capitalism as against the competitive total wars that pertained to a preceding economic epoch.

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15) Hoffman Nickerson, p. 397.

16) Ironically, the first formal adoption of the principle of "total war" in post-war Europe was decreed not in Soviet Russia or Nazi Germany. A bill for the mobilization of all forces and resources of the nation for "la guerre totale" was submitted to the French Chamber of Deputies under the sponsorship of the socialist leader, Paul-Boncour, and passed overwhelmingly over the votes of the Communists on March 3, 1927.

The same economic developments that have gradually destroyed the positive function of war as an instrument of the bourgeois revolution have created the objective premises of a new revolutionary movement. The problem of war and revolution assumed a new aspect through the rise of an independent movement of the working class. Against this new threat the ruling bourgeois class has now to fulfill a repressive function. Under the changed historical conditions it becomes increasingly difficult to decide whether a given form of war or even war itself has still retained any positive significance for the revolution of the 20th century.

First of all it must be stated that on the various occasions during the last two or three decades when the proletarian class has embarked on a struggle for its independent aims, the social revolution of the workers has not derived any benefit from those positive functions that assumedly can be fulfilled by a revolutionary war for the emancipation of an oppressed class. As far as the bolshevik revolution in Russia is concerned, its "revolutionary wars" mark a particularly dismal chapter of its history. It found its tragic conclusion in the broadcast address of July 3, 1941, in which Stalin no longer referred to socialism and the working class at all. Instead, he asked the various peoples of the U.S.S.R. to defend their national state existence within the Russian Empire and generally to display "the particular qualities that are inherent in our people." Since then, the tremendous new forces that were released in Russia by the revolution in 1917 have been used as tools for the ambiguous defense of the capitalist *status quo* in Europe and the U.S.A. against the equally ambiguous innovations that would result from the defeat of the "democratic" powers of the West in their competitive struggle with the "totalitarian" forces of Nazi-fascism.

How are we to understand the paradoxical contention that war, the mighty tool of the bourgeois revolution of the past, may have lost all positive importance for the socialist revolution of the present epoch? Surely, the historical movement of the 20th century is not separated by a Chinese wall from its predecessors. If it were true that war fulfilled an entirely positive function in the revolutionary change of society in the past, it would be difficult to see how it could have lost its progressive function today.

The answer is to be found in the already discussed ambiguities that were inherent in the bourgeois war from the outset, and in the underlying ambiguities of the bourgeois revolution itself. There is no doubt that the revolutionary and nationalist wars of the 18th and 19th centuries were necessary steps in the process that led to the establishment of the existing capitalist society and its ruling bourgeois class. Yet, in spite of the glowing revolutionary passion in the hearts of the citizen soldiers who did the violent and bloody job, their real function had much less to do with the genuinely emancipatory and democratic aspect than with the simultaneously repressive effect of the revolution. It is an unjustified historical generalization to refer to modern mass war as an outcome of the French Revolution in general. A closer examination reveals that it sprang from one particular phase of that revolution. It originated at the critical juncture when the rise of the



*Vendée* and outside aggression had enforced the replacement of the much more democratic principles of the first phase of the revolution by the authoritarian and violent measures of the revolutionary dictatorship of the Jacobin party.

In the second place, the further development of universal conscription and all other features of "total war" during the 19th century lay not so much in the hands of democratic France as in those of the anti-democratic Prussian state. This was not, as some people have said, mere historical irony. It had its foundation in the greater appropriateness of an exalted use of force for the purpose of the reactionary governments of Central Europe who restricted their "Wars of Liberation" to the recovery of the national independence of their parochial states from the French Empire while at the same time refusing to grant the institutions of a genuine democracy to their own people. Again, in the following decades, when the new form of mass war reached a still higher pitch in the American Civil War and Bismark's three Prussian wars of aggrandizement, it was bourgeois nationalism in its narrow parochial sense rather than democracy that was entrenched in the centre of Europe through the outcome of these increasingly violent and sanguinary wars.

From that time onward all capitalist and imperialist wars up to 1914 were opposed more or less consistently by all shades and currents of the international movement of the working class. It was only under the impact of the world war and the ensuing economic and political crisis that two minorities within the German socialist party rediscovered the "positive" value of war for the socialist revolution. One of these minorities led the abortive revolution of the German workers and later took refuge in the pro-Russian activities of the Communist Party. The other accepted the war itself as a genuine fulfilment of the social aspirations of the workers and thereby anticipated the "revolutionary" war that is waged today, against Soviet Russia and democratic capitalism alike, by the counter-revolutionary forces of National Socialism.

The significance of war for the future revolutionary movement of the working class is today entirely in the balance. Whatever the outcome of the present "total" war will mean for the rival factions of the international ruling class, it is clear that for the workers the assumedly "revolutionary" war is only another and further-enhanced form of their normal condition of oppression and exploitation. In spite of all the clamor and turmoil this internecine struggle within the ruling capitalist class is no longer — as former capitalist wars have been — a necessary form and part of historical progress. It produces even those minor changes of the existing economic and political structure which are indispensable to keep the old system going in an altogether distorted form. The capitalist war has exhausted all its revolutionary potentialities.

The struggle for the new order of society does not take place on the battlefields of the capitalist war. The decisive action of the workers begins where the capitalist war ends.

Karl Korsch

## STAGES OF TOTALITARIAN ECONOMY

A comparison of the evolution of Italian and German economics after the establishment of the respective totalitarian governments gives rise to speculation as to whether there are any inherent laws which have determined the parallelism of their development. Despite the differences in the economic structure of Italy and Germany, both countries have run through a sequence of economic stages which, though longer in one country than in another, and occasionally brought about by different events, are nevertheless related by their consecutive order and essential characteristics.

Before a more detailed inquiry into the functioning of the system during each of these stages enables us to name either of them, let us first characterize them by those external characteristics which the totalitarian parties themselves emphasize.

The first period was called "sindacalista" in Italy, "Staendestaat" in Germany, and in Portugal, Spain, France, "corporatism", "Corporativism", or "Etat Corporatif". The fact that totalitarian ideologues and legislators mistook the intention for the achievement and regarded this period as the inauguration of their final aim created a good deal of theoretic confusion. It led either to their giving up the corporatist ideology in the later stages (Germany) or to declaring the inaugurative act of each of the following stages as the "final achievement of the realm of corporatism" (Italy). In the countries which have not yet progressed to the later stages, every legislative act is considered as the first true fulfilment of corporate state ideas (Spain, France).

The corporate State period was characterized by a variety of new class organizations, institutions and offices, which among them carried on a good amount of the class struggle to the exclusion of the workers' class organizations. The latter were rooted out. In contrast to this, the one party state established its supreme authority by incorporating and co-ordinating into its frame-work as many organizations as possible, by carrying on experiments in the social and economic field and by directly interceding in the class struggle where it aimed not at equilibrium but at satisfying completely one class or another.

This period came to an end when the state was no longer able to prevent open class struggle from breaking out. The bloody suppression of "left wingers", ideologues of the "second revolution", totalitarian "integralists", "national bolsheviks", corporativists, etc., left the economic sphere to the organizations of big business and the political power concentrated in the hands of an economically independent and, socially speaking, relatively homogeneous group.

The second period was usually described by totalitarian authors as the stage of the "economic miracle". It coincided with a period of world prosperity. The intervention of the state into economy was restricted to main-



taining equilibrium, supporting the weak points of industry, securing a constant flow of capital through foreign loans or pump-priming, supervising the capital market and foreign trade, and preventing the emigration of capital. Totalitarian authors ascribed the prosperity of this period to the so-called "moral renovation", to the absence of class struggle, the control of foreign trade and the encouragement given to capital. Anti-totalitarian authors also emphasized the efficient control of consumption through the regulation of markets and prices. We shall see that the economic policy of this period resembled the mercantile system or "geschlossener Handelstaat".

This period ended with the periodic economic crisis. Enter the third stage. From now on the totalitarian party-state felt obliged to save the economy from disaster by the following methods: taking over the losses and preventing new ones, keeping employment up, splitting the general crisis into a series of partial ones, and overcoming economic congestions by shifting consumption to newly created outlets. The growing pressure that arose from the collapsing equilibrium led to ever-more-complicating and haphazard constructions, which, in turn, instantly called for new measures of planning and control.

This third stage was generally described as "autarchy" or "Wehrwirtschaft". It implied a considerable amount of "planning", state intervention and nationalization of business corporations. Mechanisms of control, originally conceived as temporary, were systematized and made difficult to repeal. Production was shifted from marketable commodities to substitutes and armaments. Amortization was shifted from individual business to the whole of industry.

The "radical" totalitarians emerged once more. Theorists of etatism and all-around corporatism occupied important posts. Totalitarian apologists announced that the "second revolution" had come and that the Chief had resolved to set up a new economic system and abolish capitalism for good. Socialist critics denounced the new system as "state capitalism", the worst of all class societies, and liberal critics regarded the new system as "inverted bolshevism".

The new equilibrium, however, proved to be less steady the more the new corporations merged into the capitalist nexus. The crisis, prevented from breaking out and destroying unsound parts of the economic structure, became latent. All parts of the economy became more or less afflicted with excessive investments, artificial planning and pooling and participation in national losses. All outlets on the home market became glutted in accordance with the laws which govern capitalist economy.

The totalitarian state had to decide, then, whether it wanted to transform the "economy of national defense" into a complete war economy (which in the end was impossible without actually going to war) or whether to abolish all the laws of capitalist economy. There was no other way for a dictatorship since a return to economic liberalism would precipitate a

crisis. The totalitarian countries found imperialism the easier outlet and they declared war on foreign rather than on home capitalism, i. e., they shifted the internal crisis to international affairs.

This period lasted two years in Italy, from the Matteotti crisis of 1924 — which established the totalitarian regime — to the Farinacci crisis. In Germany it covered only fifteen months — from the Reichstag fire in 1933 to the Roehm purge.

The second period covered the years of prosperity: in Italy 1925-31; in Germany 1934-36. Economically, this was a period of inflation in Germany. In Italy a policy of harsh deflation — particularly of wages — was combined with encouragement to foreign investments in Italian industry.

As a result of the world crisis, foreign capital investment was discontinued in Italy. The crisis that followed and the threat of crisis in Germany after the technical means of pump-priming had been exhausted, led to a complete reversal in the traditional attitude of the totalitarian politicians towards economy. The ensuing "period of economic revolution" lasted in Italy through the Ethiopian war and sanctions, and until 1938 in Germany.

The economic system that has obtained since then in the totalitarian states has been described as "war economy". We shall see whether this meant a capitalist system distorted by the necessities of war or a system whose functioning was entirely determined by the war.

## II.

The "syndicalist" or "corporate" stage of totalitarian economy was characterized by the establishment of class organizations which waged continuous class war against each other and which tried, with more or less success, to wrest the state power from others, to lay hold on as much political power as possible and to realize economic aims through political means. In this class struggle the state used its mediatory power in an arbitrary and despotic manner.

In Italy the Marxist trade unions were dissolved, but the first fascist "syndicates", which included employers and employees in one organization, proved unmanageable. Independent workers' unions under fascist leaders were established and their chief, Rossoni, attacked the government's financial policy. In Germany the semi-official Nazi shop stewards continually pressed their demands on the official "German Labor Front". The struggle for the often postponed elections of the shop stewards was a main issue in German politics. The "old militants" of the Nazi organizations got busy in the economic sphere as soon as they tired of book-burning, Jew-baiting and Marxist-killing. Storm Troopers often turned to "direct-action" against refractory employers or landlords.

At the same time the Peasants' Estate, the League for the Defense of the Middle Classes, the Estate of Industry, etc., were no sooner called



into being that they began to "snatch all the covers" of state protection. Each wanted to create a monopoly for its own products and to exclude the others from participating in the national cartels. The peasants and the middle classes obtained favorable regulations of investments, prices and markets. Their goal of social security was temporarily satisfied; and the unemployed were given something to do, though not remunerative jobs.

The economic and financial policy remained, however, in the hands of liberal businessmen or officials — Stefani in Italy, Schmitz and Hugenberg in Germany: men hostile to any interference on the part of the state in business operations. To them the state's job was to root out "Marxism", keep the demands of the middle class within the bounds of National Renovation, protect industry with tariffs and real estate with subsidies. A careful perusal of the laws and decrees in the economic field during this period shows that their common aim was to drain the greatest amount of ready money into the pockets of big industry — with the sole exception of the measures aimed at securing jobs for Nazi partisans.

The failure of the totalitarian governments to secure social security for the middle classes led to extremist revolts — the preparations for the second "March on Rome" and the Roehm conspiracy. Both were crushed. At the same time the totalitarian parties took the opportunity to smash the old conservative parties and to free themselves from any outside interference with the political machines they had set up. The totalitarian states came out of these crises with considerable increases in homogeneity, efficiency, independence and power, but they deliberately renounced direct intercession in economy and steered clear of using it as a means of class struggle.

### III.

In the prosperity period, the radical totalitarian partisans were replaced as shapers of economic policy by the pre-totalitarian leaders. Rossoni was not heard from for a long time, fascist shop stewards were abolished, shop stewards were not re-elected in Germany and the Nazi shop cells disappeared from the scene of social politics. At the same time that the theory of corporations was exalted to the sky, Bottai, the main theorist of corporatism, was relegated to a mock Ministry of Corporations which was not allowed to create corporations. Up to 1932 there was only one corporation — that of the Theater. In the meantime the famous *Carte del Lavoro* was elaborated by moderate-conservative jurists like Rocco, and the Ministry of Finance was given to the business man Jung.

In Germany Schacht was made Minister of Trade. Goerdeler was recalled to the post which he had occupied at the time of Brüning's chancellorship. As Commissar for the Control of Prices he had more power than Dr. Darré the leader of the Peasants' Estate and Minister of Agriculture. Dr. Trendelenburg, Minister of Commerce in the Weimar Republic was nominated president of the Estate of Industry in place of the Nazi ideologues who had applied for or held this position.

In Germany as in Italy financial policy became liberal or conservative according to circumstances, but never totalitarian. Northern Italy was industrialized and electrified with the help of English and American capitalists. Germany amazed the world by the sweeping success of its unhampered capitalistic policy of re-employment through re-armament, state loan expenditure, and inflation combined with rigorous control of foreign exchange and foreign trade, protective tariffs, prohibitive control of imports, dumping, subsidies, export-stimulating clearing agreements, liberal taxation combined with tax bonuses for investment, and last but not least, freedom to form cartels, trusts, pools, and coercive cartels (which established the domination of the business branches of the big business corporations). All these measures increased profits, encouraged investment, and kept consumption down. All these measures may be found in any handbook of German mercantilism from List to Schacht or in any list of requirements drawn up by industrialists during the days of the Weimar Republic. The much decried "Banking Enquete" ended in Germany with a rather helpless and regretful "report" which did not lead to anything approaching the state control that the Nazi radicals wanted. Business maintained its legal representations through chambers of commerce to the exclusion of corporations, Nazi organizations and state-created institutions.

### IV.

By 1932 the crisis really broke out in Italy as soon as the influx of foreign capital was discontinued, and exports of the over-capitalized and hypertrophic industry of durable goods slackened. In Germany there was the same phenomenon of over-capitalization and over-investment in durable goods though here it was only felt as an increasing strain on economic policy. Neither country had created home markets for the consumer goods industry during the time of prosperity. Retail trade lagged far behind the sweeping growth of capital goods, and had actually not reached the level of former prosperity phases. In Italy the state had to take over 80% of the total industrial shares in order to prevent a wholesale bankruptcy of Italian industry. The state became practically the master of industry as the taking over was done through the state banks. In Germany, on the contrary, the state financed the industrial "miracle" by means of special bills which had been "pressed into the hands of business", as the official "Institut fuer Konjunkturforschung" admitted in one of its "Reports". Twice before Germany had experienced an increase in unemployment as soon as the printing of currency had been discontinued. Schacht and Wageman rather frankly expressed the fear that further inflation would lead to general disaster. A well-documented paper which circulated in industrial quarters at the end of 1936 stated that "investments made since 1933 must be written off entirely as they are irrational and cannot yield profit under normal conditions". The result was that business treasuries were uneasy in the midst of plenty and felt themselves at the mercy of the state.



There were social differences corresponding to these economic differences. In Italy fascist and business "society" had already merged into one by 1932. In Germany, however, the National Socialist Party faced a strong bourgeois and Reichwehr opposition through 1936 and kept their "Fuehrerkaders" separate from a "society" which did not respect them.

Opposite causes had similar results in the climate of totalitarian economic policy. The state had to find profitable employment for the hypertrophic capital structure for which it was responsible in one way or another, and of which it was in charge, however involuntarily. Contrary to the legend of liberal critics the totalitarian state, far from carrying through a policy of nationalization, decided to create economic conditions in which unprofitable investments became profitable.

This was the self-styled "anti-capitalist" move or "second revolution" of the totalitarian parties. The "old militants" re-appeared: Rossoni replaced Rocco, and Bottai was given the important post of Governor of Rome. Goering, Wagner, Kepler replaced Goerdeler and Trendelenburg. New posts were created for Nazi partisans. Autarchy was declared to be the "task" of industry, and the Four-Year Plan was announced at the Party Congress to the amazement of Dr. Schacht who had advised against it. Interference with business was systematized and legally established during this time. Goering was given discretionary powers to issue compulsory regulations. At the same time important shifts were effected in property and management; party officials stepped in and acquired seats in the boards of joint stock companies, created new holding companies and trusts (Herman Goering Werke, the Italian State Banks). A considerable legislative output swelled the volumes of the Official Gazette and the Commercial Codes.

To create the new conditions of autarchy took considerable time. In Italy the struggle between the old and new principles continued through the Ethiopian War. Sanctions, though they did not create autarchy, helped Mussolini to persuade the nation of its necessity. Not until the end of the war, however, was the complete system of the new corporations (which, as we shall see, have nothing in common with the original idea of corporative "Estates") legally set up. In Germany a year and half passed before Dr. Funk replaced Schacht as Minister of Finance and another year before he also became President of the Reichsbank.

## V.

Technically, financially, and economically, the new stage was not characterized either by the increased number of bureaucratic regulations — which were only its consequence — or by the increased participation of government employees in business, a situation whose social significance will be discussed at once but which was incidental, economically speaking. Rather the new stage was characterized by

1.) The replacement of public works by the production of "substitutes".

2) The replacement of pump-priming, inflationary methods by methods that forced, and enabled, industry to make self-liquidating investments.  
3) The replacement of state interference with particular marketing conditions through the creation of new general conditions of capital expansion on the home market.

Whereas over-produced capital had actually to be destroyed in the second period and wasted in the form of armaments, roads, unprofitable equipment, etc., the third period saw the creation of innumerable new industries whose work was artificially rendered profitable. There was no increased satisfaction of the nation's needs, however, and the profits so made were turned to a further production of armaments.

The boundaries of capitalist expansion were thus widened, not by opening new markets and increasing the efficiency of satisfying existing demands, but by the creation of new detours of production and the limitation of the sources of satisfaction. Full employment was maintained by adding to the industrial pyramid rather than by enlarging the basis of production. It is obvious that this involved widespread reorganization of the capital structure and business machine, as well as the formation of new trusts, the abolition of old ones, and continuous modification and adaptation of the technical and managerial machine.

This rebuilding of the business organization involved changes in the social composition of the managing and supervising personnel. On the one hand party officials availed themselves of the chance to acquire both property and key positions in industry. They willingly amalgamated with the former ruling class. On the other hand, representatives of the old business class were called upon to sit on the boards of planning and supervision. Goering became the largest industrialist in Germany, and Agnelli, the owner of the largest mining and industrial plants in Italy, became the dictator of Italian economic policy. Party officials, military leaders, and big business managers virtually merged into one class.

## VI.

In the second stage of totalitarian economy the state had tried to steer clear of economy and to interfere only in case of necessity. But it nevertheless had become involved in an ever-growing and increasingly complicated network of bureaucratic regulations. In the third stage it abandoned its aloofness — a feature which has caused superficial critics to define the system as one of "State Capitalism".

This much-misused phrase, State Capitalism, may mean one of three things to those who use it: 1.) That a certain amount of private business is done by the state or taken over by it within the framework of capitalism. Thus defined, state capitalism does not appear as a new system. 2.) That the state controls so great a percentage of industry that there is practically a general state monopoly which does business without any regard for profit.



This is certainly not true of Germany or Italy. It has been the principle of both fascists and national socialists to turn back into private hands as many business corporations as possible after the crisis was over, and to make it possible for all entrepreneurs — whether private, or corporate, or public institutions — to earn profits. 3) That the state controls the flow of capital, of demand and supply, and leaves to entrepreneurial activity only the execution of its demands. This is more than a definition in that such a proposition would not only describe the actual control that is being exercised but would also imply or suggest the idea that the aims of the state could be artificially imposed upon production and thus actually be carried out through a decree of the government. The feasibility of this is to be questioned, however. Neither is the state free to decide the tasks to be performed by production nor are its decisions carried out in actual fact. A system in which the decisions of the state were not determined by any but technical reasons and production were carried through regardless of profits might be called State Socialism, although such a definition would not take into account the generally accepted definition of socialism as an economy controlled by consumer needs. A system in which consumption itself has to be "controlled" cannot, however, be called State Socialism.

The economic policy of the totalitarian state might be described as widening or narrowing the "environmental conditions" of national production so as to maintain "full employment" in a profit-earning industry. As equilibrium in such an economy would be unstable, the regulations would have to be changed continually. Regulations that concern general conditions would call forth new regulations that concerned the technical and economic "tasks" of industry, and vice-versa, ad infinitum.

Thus in the totalitarian state the laws which governed capitalist production continue to be in force, but the symptoms by which they were felt will now be reversed. What might have appeared as price fluctuations in a free capitalist system will appear in the totalitarian state as fluctuations in industrial organization. What used to appear as disproportionalities of capital now appear as lack of proportion in technical equipment, raw material and supply of labor. Instead of adjusting supply to demand, demand is now adjusted to supply.

It is obvious that unless the natural sources of national wealth were to be wasted in wholesale fashion (at the expense of the national defense program and other implements of totalitarian regimes), the expansion thus created could not exceed certain limits. Contradictions between the various systems of regulations were bound to arise. The only outlet that remained was imperialist expansion. What appeared as *Wehrwirtschaft* was, therefore, from the outset an investment in the business of national imperialist expansion. The distortions brought about by the creation of such an ever-growing field of investment must invariably increase the strain of the existing disproportions, yet they are offset by the successes of the expansion program. As the disproportions grew larger and larger, however, the field

of expansion, too, had to grow larger at an ever-increasing rate. The necessary consequence was war.

War economy was not, therefore, the necessary consequence of a controlled economy in the way that sanctions were the accepted consequence of the decision to embark on a program of autarchy. War economy was a new feature that grew out of the decision to switch policies when the "natural" and intrinsic sources of inward and outward expansion were exhausted. It implied a return to the pump-priming methods of the second period and called for a new set of bureaucratic controls which were mainly concerned with limitations of consumption.

## VII.

Schematically we find, therefore, four periods and two transitions: 1.) the introductory stage of experiments and class struggles where the state was used for different economic ends first by one class and then by another; 2.) the stage of "Keynesian economy" where mercantalism was combined with public works and pump-priming; the state deliberately refrained from direct economic activity; 3.) a period of "revolution"; a.) the state took over a certain amount of business which subsequently returned to private entrepreneurs; b.) the state enlarged and systematized the field of planning and control; c.) the state and entrepreneurial class merged. 4.) the stage of "conditioning measures" when autarchy led to the creation of "inner expansion" and reconstruction; 5) the transitional stage of imperialist expansion; 6.) a final return to "war economy".

The system which has finally emerged from these developments reveals characteristics of all the various stages. This system is a "corporate community" in that state and party officials share in property and managerial functions. It is a "Keynesian economy" in that the state is the greatest consumer, and pyramid-building represents a considerable percentage of national output. It is "war economy" in that the problems of autarchy and of establishing new large-scale industries are resolved with the help of the state. It is a capitalism based on "conditioning measures" in so far as its development and expansion, as well as the forms and symptoms under which the abstract laws of capitalist economy are allowed to become manifest, are determined by state intervention and the monopolistic agreements of corporations.

From another point of view the totalitarian system as we know it today may also be called "managerial capitalism", since the decisions dictated by technical and economic considerations are no longer hampered by the rights of ownership and title holders. Yet it should be emphasized — speaking of "managers" — that the true technical directors have nowhere acquired the disposing power of technocrats; the real power rests mainly with economic and business managers.



The new system might also be called "managed capitalism" or a "political capitalism" for the reason that behind the efficiency of the system lies the merger of political with economic power on a national scale. One may also speak of "abstract" or "totalitarian" capitalism because of the fact that the economic laws of capitalism control the economic developments of the system without any interference from such "faux frais" as capitalists and holders of rent-income.

Finally, it may be called "pure capitalism" because profit is entirely transformed into rent and no longer determines the rate of investment and accumulation. The true law of capitalist accumulation is rising to the surface of economic development: the proportions of the "schemata" (as developed in the second volume of Marx's *Capital*, in Rosa Luxemburg's *Accumulation of Capital*, and Hilferding's *Financecapital*), that is, the pure necessity of expansion, the law of declining profit rates, the law of concentration, the increasingly higher organic composition of capital — these govern the policies of the big corporations and the state's "planning" departments.

But why quarrel about names? Political reasons might even militate in favor of calling the system a "state economy" in order to emphasize its political rather than its economic characteristics. And now after roughly tracing the origin of the system a scientific analysis should describe its functioning, its working and its tendencies. This will be done in a second article.

H. Bruggers

## TWO MEN IN A BOAT — NOT TO SPEAK OF THE EIGHT POINTS

If God is a great mathematician as some scientists believe, our lesser gods seem to be engaged in a sort of numbers game. Wilson had his 14 Points, a relatively high number compared with the 8 Points (plus two on the sly) of Churchill and Roosevelt. The oft-bewailed deterioration of the intellect seems now to be a fact; today it takes two men to count up to eight. But the superiority of the free spirit of democracy over the dark forces of fascism is still assured, for in their counter-declaration Hitler and Mussolini were able to count up to only four. This modesty, however, might be explained by the fascist leaders' inability to overcome their "proletarian" past.

Like all meetings of statesmen the Churchill-Roosevelt Conference served two purposes: to decide first what to do and second what to say. The first decision of course has nothing to do with the second. As far as the public is concerned the meeting was a mere propaganda stunt. Real pacts are not publicized. What is published is what the authors of pacts want other people

to understand. The Eight Points of Roosevelt and Churchill are utterly meaningless save as a renewed declaration of war on the Nazis. They are also meant to suggest to those nations not as yet actively engaged in fighting, or still pondering the question of whether or not to line up with Germany, to think twice in the face of Anglo-American determination to see the war through to a victorious end.

In order better to understand the full implication of the Roosevelt-Churchill meeting, it might be well to review the events of the recent past. The Anglo-American bloc has lost two great battles, one in France, the other in the Balkans. Notwithstanding the relatively easy victory in France, Hitler was not able to follow through with an invasion of England. Whether or not this was an "error of necessity" we do not know. At any rate the war continued. With the end of the Balkan campaign almost the whole of Europe was in the hands of the Germans. The *Blitzkrieg* proved itself even in the difficult terrain of Yugoslavia and Greece. In fact, the rapidity of the German advance surprised Hitler himself. The day his battalions began to march he pointed out that the going would be difficult and that such surprises as occurred on the Western front should not be expected. Yet all was over in about three weeks.

### After the Debacle

The more optimistic Allied spokesmen had hoped that the Balkan campaign would become the turning point of the whole war. Forced to fight on "two fronts," Germany would be in a position similar to that in the first world war. Though it was difficult to recognize a "second front" in the sea and air activity against England and in the engagement of small forces in Lybia, careless commentators nevertheless predicted a German defeat. The Balkan front was considered a bridge-head from which the invasion of Germany could finally be launched. Only after the debacle was it said that the whole affair was after all of small importance, merely a question of the salvation of the Yugoslav soul, the Greek tradition and the honor of England. The battle of the Atlantic again became the "really decisive one" and it was pointed out that Hitler's "seven league boots are not watertight."

More cautious politicians among the Allies expected the campaign in the Balkans to last several months at least. Undoubtedly they had been encouraged by the Italian difficulties in the Greek campaign. But it was the precariousness of the Allied situation rather than over-confidence that made them accept the fight. They must have hoped that a prolonged struggle in the Balkans would draw Russia and Turkey into the melee. But these two nations were too deeply convinced of England's essential weakness and of America's inability to determine events. They preferred to wait rather than to gamble with the imperialist book-makers. The previous successes of the German army weighed heavily. And the Germans nourished the illusion that a benevolent neutrality would be highly rewarded later on. They did not demand military participation on their side. So the waiting-policy



seemed the better one; and there would still be time to jump on the victor's band-wagon, if a victor should emerge.

Modern warfare can successfully be waged only by industrially highly developed nations. Necessarily the war centers around America, England and Germany. All other nations can only be minor partners to one or the other major war camp. The action of lesser nations are determined by the interests of their ruling classes, their geographic position, their value to the great contestants and by the abilities of the latter to supply and support them. Greece, for instance, waged war against Italy and Germany because England controlled the Mediterranean. The British need for allies in that territory put Greece in a favorable position. English dominance and its acceptance was profitable for both the English and the Greek ruling classes. Besides, British troops could reach Greece with or without her consent. A German and Italian occupation involved, however, not only territorial losses but also the end of all privileges connected with the English alliance. However willing to fight the ruling classes in Greece might have been, yet it was England and Germany that forced the issue.

The defense of ruling class interests in Yugoslavia coincided with the war designs of the Allies. Yugoslavia was, however, divided by national rivalries inherited from the last war. With the help of demands by Hungary and pressure by the Croats, Germany tried to enforce her will on the Serbs. To give in to German demands would have meant the slow destruction of all Serbian influence in Danubian Europe. On the other hand, a successful Serbian defiance of Hitler would have stimulated all the suppressed anti-Germanism in the Danubian countries. To induce Serbia to resist Germany was of the utmost importance to England and America. But it was also the logical course for the Serbian ruling classes unless they wished to abdicate freely and forget their aspirations. The date of the struggle, however, was fixed by England and Germany.

The Balkan war was England's war underwritten by the United States. The German victory strengthened her position greatly. It was to be expected that the Germans would turn their victory into an initial step towards the Suez Canal and the oilfields of Mossul. A defeat for the Allies in the Near East following upon one in the Mediterranean could turn out to be as disastrous as the invasion of England itself. The defeat of Chamberlain-England had been augmented by a defeat of the England of Churchill. The defeat of France had been laid to the appeasers. But the Balkan debacle was Churchill's responsibility. Resistance had proved as much a failure as appeasement. Discouraged, the British might come to terms and Hitler was determined to help them do it.

### Hitler as Peace Angel

Like the Romans who conquered a formidable part of the world in a mere "defensive" struggle, Hitler claims to wage war for the sole purpose of establishing a lasting peace. Europe, he says, alternated consistently

between war and peace because of the disruptive "balance-of-power" policy of Great Britain. At the same time, though England is proclaimed the source of all evil, all of Hitler's peace offers find their way to London. In a speech before the German *Reichstag* after the Balkan war Hitler complained:

*"All my endeavors to come to an understanding with Britain — in fact, to arrive at a lasting and friendly cooperation with her — were wrecked by the desire and the determination of a small clique who — either through hate or avarice — rejected every German proposal for an understanding. They were resolved to resort to war whatever happened. Their endeavors received the most powerful support both openly and secretly from the so-called great democracies on both sides of the Atlantic."*

Hitler offered the establishment of a German-English partnership for the control and exploitation of the world on the basis of an uncontested German rule over continental Europe. He hoped to convince the British that such a situation would correspond with their own interests, and he found men in England who agreed with him. All that was necessary was to make those who remained reluctant to see the light. He produced the fact of a German-controlled Europe. He threatened the Empire by attacking in Africa. He demonstrated with the conquest of Crete that there are no "invulnerable islands." British shipping was being destroyed on a progressive scale. Clouds of airplanes darkened the sky and lighted the ground of England. But all without avail. The English could not be convinced either of their weakness nor of German strength. In speaking to the *Reichstag* on May 4, 1941, there was a tone of disappointment in Hitler's victory speech:

*"If any other man (except Churchill) had experienced as many defeats as a politician and as many catastrophes as a soldier he would not have remained in office six months unless he also possessed the sole gift that Mr. Churchill possesses: the gift of lying with a pious expression on his face, and of distorting the truth until finally glorious victories are fabricated from the most terrible defeats. In this way Mr. Churchill may be able to throw dust in the eyes of his fellow countrymen, but he cannot eliminate the consequences of his defeats. The fact that this man who would be court-martialed in any other country gains fresh admiration as Prime Minister in his own ... is merely proof of that blindness with which the gods afflict those whom they are about to destroy."*

No doubt Hitler felt himself cheated of his victories. He was actually fighting for peace. Not for an everlasting peace, but for a peace that would give Germany another "creative pause," that would allow her to consolidate her gains, to develop new strength on a larger scale in order to make the next step from the dominance of Europe to the dominance of part of the world. The first step had to be taken against England, the second was to be made with England's help. America's early entrance into the war, however, changed the whole situation. The English "appeasers" faced not only the "anti-fascist" English imperialists but the United States as well. The fight against England turned into a German-American struggle for England. The war began to shape itself into one between continents. After the Balkan defeat the U. S. Secretary of the Navy's *Chicago Daily News* (4/21/41) wrote:



"The European phase of the war is over, temporarily, and Hitler won it. From this point on the war, if it goes on, must become a war of continents — truly a world war. The battle of production here in America is the most important battle, the really decisive battle, of the whole war from now on."

The further pursuit of the war became the exclusive responsibility of the United States, a fact that Roosevelt willingly acknowledged.

## You Cannot Trust Hitler

To find out why Hitler's hopes for an appeasers' peace came to nought we must look back into history. We will find that not mere ideologies but social and economic forces determine the character of the present war. In many ways this war is a replica of the first world war. The direction of the German expansionist policy prior to 1914 was symbolized by the attempted construction of the Berlin-Baghdad railway and by the Kaiser's naval program. Germany was making inroads into the interest spheres of British imperialism. The dream that occupied imperialists at the beginning of the century became the goal of all the leading German parties during the war. In 1916 the spokesman of Social Democracy proudly announced in the German *Reichstag* that

"The peace which seems possible today will leave Germany and her allies in the eyes of Europe as a group of powers, whose spheres of economic control extends from the marches of the Elbe to the waters of the Persian Gulf. Thus Germany will have won by her arms the kernel of a great sphere of economic control, worthy to be set as a closed economic territory by the side of those of the other world empires."

The military defeat destroyed the realization of the dream but not the dream itself. But the defeat served as a great lesson. It was clear that the strength and resources of Germany were no match against a coalition of all the other great powers. The first prerequisite of winning the second world war was to prevent the recurrence of such a coalition. This idea was back of the bewildering German diplomacy during the days of *Weimar*, as well as in the *Third Reich*.

The same "balance-of-power" policy which, according to Hitler, turned Europe into a warring camp, also provided for the comeback of German imperialism. After the first world war England became Germany's "friend." Lord Palmerston had been right: England's enmities and friendships are not for eternity; only her interests remain invariable. It was in the interest of Britain to have Germany strong on the Continent and weak as an imperialist competitor. It was to England's interest that France should continue to be dependent upon England, unable ever to control Europe on her own account. Germany had not only to serve as a counterweight against French ambitions, but also as a threat to Russia's expansionist designs in the Far East. It can be said that the re-armament of Germany was really undertaken by the Macdonald-Simon Government in London. The German submarine construction really got under way only after the English-German

Naval agreement of 1935. So, although Mr. Thyssen might flatter himself that he and his colleagues paid Hitler's way into power, the monster of German imperialism was created by the British Frankenstein.

Of course one must not conclude that it was merely the selfish stupidity of English statesmen that led to the resumption of the war. England was quite convinced of her ability to control the Germany she strengthened. Capitalist statesmen will not understand that the force of the economic world crisis is more powerful than all the power and cleverness of politicians. The job of politicians is to proceed *as if* they really do determine events. Still, their clear eyedness might turn into utter blindness not, however, because they are really blind, but because politics not history is made by politicians. History is made by all.

In addition, England had insured herself heavily against the possible loss of control over Germany and Europe by a change of policy towards the United States made as early as 1917. England's policy was of course also determined by the actions and counter-actions of other nations. To a certain extent Germany herself could exploit English needs both as a protege and as an enemy.

If England helped in the reconstruction of Germany, Hitler was convinced that an understanding with Britain was a necessity. If England's friendship was limited, not so Hitler's. He thought it sheer folly to think of fighting England again, but he also thought that Germany and England together could rule the world. The arch-enemy was France. It was France who had been responsible for the harshness of *Versailles*, had prevented the *Anschluss* with Austria, had insisted upon reparations, occupied the Ruhr and encircled Germany with the *Little Entente* and an Eastern Pact. The desire for revenge need not disturb British interests. The expansionist aspirations of Germany could find an outlet in Central Europe, through peaceful trade-penetration into the Balkans and possibly by taking from Russia's manifold riches.

There were appeasers in England who began to weigh the value of a closer cooperation with Germany. The world crisis had somewhat shaken their confidence in the security of capitalism. It was certainly worthwhile to make some additional concessions to Germany to ease the tensions of Europe. Political unrest gripped the world; it might lead to great social upheavals in those nations that suffered most from the crisis. To support Hitler was to support the capitalist system proper. It was the reactionary side of Hitler that appealed so strongly to the British ruling class.

Hitler understood his position as well as what his English admirers wanted. When the radical elements within the Nazi movement began to disturb the English capitalists, he hastened to assure them by way of the London *New Chronicle* that "under certain conditions and in the interest of the cause he was ready to divorce himself from his old friends and early party comrades." His cause was still the cause of England and when he



served the cause, the London *Times* (7/2/1934), commenting on Hitler's bloody party purge, did not spare the applause.

"About Hitler's methods one may think as one likes. Yet, Hitler has shown his honest determination to change from a revolutionary to a sober constructive policy. Although coming to power by force, this power is now used to destroy all radicalism based on force."

What aid England granted Germany in order to safeguard her own interests turned into just so many Hitler victories. German pleas changed into requests and then into demands. As long as those demands concerned the property of others and did not disturb vital British interests, it was good business to appease Hitler. There was no hurry about calling a halt to his appetite. British resistance was low because her fears of Germany were small. There was no reason to doubt that after Munich Chamberlain was deeply convinced that he had managed to gain "peace for our time," that is, peace for the English. There is no reason to assume that Hitler lied when he insisted that he had no further territorial demands. He probably did not have them on that particular day. But neither Chamberlain nor Hitler were masters of the situation; the situation mastered them.

With the Sudeten region in German hands it was easy to take the whole of Czechoslovakia. Its incorporation into the *Reich* opened the gates to the Balkans. The Balkans led to the Near East, the Near East to India. What in Germany had begun as a struggle for the restoration of pre-Ver-sailles borders and for economic concessions to keep the capitalist system and Hitler's regime alive, led necessarily to the same situation that initiated the war of 1914. Because Hitler could not be controlled, because he could not control himself, all imperialist forces of the world were released once more.

Germany's determination to overcome the economic crisis by way of expansion revived the danger that all the major imperialist powers would once more combine against Germany. Those nations had to be divided among themselves; they could not be taken on all at once. The proper timing of actions, surprises and sudden turns, the *Blitzkrieg* methods, an unprincipled diplomacy, might prevent combined action against the Nazi drive. Certainly Hitler could not be trusted, but neither could anybody else be trusted. At what point would the appeasers turn into warriors? What unknown agreements had been reached? The Nazis gained confidence through easy victories. Yet the French had confidence, too, in their Maginot line. The British had confidence in the French Army and the combined sea power of England and America. They had not been fooled by Hitler's earlier antics. Why should they be fooled now? They had laughed when Hitler, during one stage of his development, had suddenly scrapped the idea of revenge against France, when he proclaimed, in spite of all that he had written in *Mein Kampf*, that he had always held that a Franco-German rapprochement was more important than an Anglo-German one. They had not been disturbed by the splendid relationship between the *Reichswehr* and

the Red Army, the less so as this relationship had been maneuvered by the British themselves. England was certain that neither France nor Russia would fight on Germany's side. They did not believe that Hitler would dare to attack, as Hitler did not believe that they would dare to resist. But the bluffers were caught in their own bluff.

Since the days of Napoleon England has been convinced that a united Europe means the end of England's privileged world position. Europe must always be divided, nations must remain nations. Despite his hatred for bolshevism it was Lloyd George who sent Lord Lothian to Lenin to make certain that bolshevism in Russia became and remained a *national* bolshevism. By securing Lenin's rule he created Hitler's *national* socialism in advance. Through a policy of proportioning the strength and opportunities of the decisive European powers England determined the question of Europe's peace or war. She knows that ruling classes might fight together but that they do not combine, as combinations imply liquidations. A German-Russian unification would mean the elimination of either Russia or Germany. The same would hold true for a Franco-German combination. Britain knows that the United States of Europe cannot be realized through the agreements of statesmen but, if realized at all, only as the result of enormous struggles that give Europe to the victor.

In each country the interests of the ruling classes are closely bound up with the nation's previous history, existing relations, and its particular position within the frame of a given world situation. Any change of borders, activities, alliances, losses, and opportunities affect the ruling classes deeply, because all existing relations are power and property relations. All external shifts and struggles are thus undivorcably connected with internal shifts and struggles between the classes and within the ruling class. To recognize this fact, one has only to think of the series of social and political upheavals that took place in the process of bringing a small country such as Rumania into the German fold, of the turmoil in France that accompanied the attempts to coordinate the French and German interests, of the butcheries in Russia, long before the outbreak of the war, the changes in Germany that accompanied the new imperialism, the mixture of revolution and imperialism in the Spanish civil war, and so forth.

The interests of the diverse ruling classes in the various European nations prevents a European unification by agreement. The defeat of a nation is the defeat of its ruling class. In so far as nations can "disappear" at all, its ruling classes also disappear. "Defeat" is only another term for the concentration of capital in fewer hands. War has to decide whether these hands belong to French, Russians, or Germans. All that England had to prevent was not a European war, but the decisive defeat of all European nations by one. The chances for such an occurrence seemed slim in 1939. Yet, thoroughly frightened by the temporary nearness of a German victory during the last war, England prepared diplomatically for all eventualities. Her policy followed two general lines. One was a quasi-independent European



policy in the traditional manner, the other the creation of an Anglo-American world bloc of resistance to Europe if it should come to the worst.

The antics of the politicians produced "crisis" after "crisis." Who would outbluff whom? Each one fought for peace on his own terms, all thus fought for war. But the "crises" the politicians produced were only the results of the crisis that existed independent of their doings, that determined their actions and forced them to play their ridiculous diplomatic game. The world trembled through the contradictions of the economic class system it supports. Vast changes must be brought about by human actions. These actions, however, are determined by nationally-orientated class and group interests and are thus competitive actions, actions of war.

The armament race gained new impetus. The weaker a nation is in an economic sense, the greater the need for superiority in arms. Yet, the very weakness of such a nation hinders such superiority. Its expansion in armaments must simultaneously be an economic expansion. *Under existing conditions economic expansion is possible only through territorial expansion.* Once this process is under way, more and still more arms are needed to consolidate the gains. The process is cumulative. These forces, set in motion, cannot be stopped short of their destruction by other, still greater, forces, or through utter self-exhaustion.

The nations which are unable to prevent the advance of others enter the armament race. Appeasement is only the first phase of war. The general armament caused by a particular nation's superiority in arms inevitably destroys the basis for all non-martial procedures. In capitalism it is either the *status quo* as the result of a previous war that rules, or it is a new war. The politicians may believe that they decide events, yet it is the war, as previously it was the economic mechanism of capitalism itself, that moves the movers, controls the controllers. How, under such conditions, can Hitler be trusted? He can no longer trust himself. He ceases to understand what he is doing. And this he shares with all his enemies.

### British Imperialism: Old and New

Lord Palmerston's maxim that nothing but the profit counts — which expresses not an English but a general attitude — said nothing about the self-development of this invariable interest. His saying relates, furthermore, to a stage of English imperialism now past. The new imperialism speaks not only of opportunities but also of eternal friendship, i.e., of a "union of the English-speaking people" that is to rule the world. This idea is of course not new; but it meant something other during the days of the old imperialism than it means today. Who does not smile today when he reads the proud descriptions by English capitalist apologists like Stanley Jevons who wrote in 1866:

*"The several quarters of the globe are our willing tributaries. The plains of North America and Russia are our cornfields; Chicago and Odessa our granaries, Canada*

*and the Baltic our forests; Australasia contains our sheep farms, and in South America are our herds of oxen. Peru sends silver, and the gold of California and Australia flows to London; the Chinese grow tea for us and coffee, sugar and spice arrive from the East Indian plantations. Spain and France are our vineyards, and the Mediterranean are our fruit gardens; our cotton grounds, which formerly occupied the Southern United States, are now everywhere in the many regions of the earth."*

How funny it is today to think of Cecil Rhodes' "Secret Society," the purpose of which was to "realize British rule all over the world and to bring about the recovery of the United States of America as an integral part of the British Empire." This same process has meanwhile turned into an "Americanization of the World." This change of character in the hoped-for union of the English-speaking world was initiated by the first world war and is now vigorously pushed forward by the second.

The reason for this transformation is the development of capitalism itself. England's rule was based on the weakness of other nations. It was difficult to break her early industrial and trade monopoly. But only in her colonies has she been able to prevent important industrial development, that is, to live up to some degree to the elder Pitt's postulate that not a single nail should be produced in English possessions. Through colonial exploitation and her early start in industry Britain could undersell wherever competition was not hindered by military means. Because she was the workshop of the world free-trade was her philosophy. It was free trade that secured her monopolistic advantages. Europe's struggle against England, as well as the American War for Independence, were attempts to break the English monopoly that hindered the capitalization of other nations. And it was through these struggles rather than through free-trade that the world market came into being. Because "power is more important than wealth" as Adam Smith once remarked, it was possible — so to speak — to develop capitalism in spite of the capitalists.

The growth of world capitalism diminished the world importance of Great Britain. Yet her favored position was seriously challenged only during the first world war. The first attempt, as Napoleon himself confessed, had been quite utopian as there did not exist at that time a real basis for the unification of Continental Europe. In order to defeat the German challenger in 1914-18, however, it was necessary not only to rely to a great extent upon American production but on her military support as well.

At the end of the last century America began to display imperialistic designs of her own. But she was still a debtor nation, a nation largely dependent upon agricultural exports. She was a secondary power. The war changed this quite suddenly. America's rise to a major power was, to be sure, inevitable, but without the war it would have taken considerably longer. Out of the war America emerged a creditor nation, ready and able to export everything and to invest capital abroad. She was on the verge of surpassing all other nations, Britain included. The world crisis of 1929 called a halt to this development but increased the need for further im-



perialistic expansion. In the grip of the depression the general development changed into general stagnation, but the positions of the nations relative to each other remained largely the same. The war had obviously been won by the United States. To quote just one item of many: In 1913 England controlled 60 per cent of the world's foreign investments; in 1936 only 50 per cent. During the same period French foreign investments dropped from 25 per cent to 10 per cent, and German from 15 per cent to minus 6 per cent. That is, Germany was in debt abroad. U. S. investments, however, rose from minus 12 per cent to 25 per cent.

Britain still remained, nevertheless, the richest country in the world. She was only tending towards decline, but this unmistakably. Not only were her foreign investments shrinking, her profits from abroad diminishing, her trade with both the outside world and her colonies declining, but her political prestige and her indirect control over other nations were slowly going down as well. It seemed that in the not so distant future the British Empire would cease to be an Empire. The Dominions became more and more independent; India clamored for Dominion status. The forces of capitalism itself destroyed England's unique position that had been based on out-moded conditions.

Free-trade no longer favored England. Tariff policies created home industries in the developing nations able to challenge English rule. The political strength of these nations increased. Even the colonies and the suppressed races of the world saw the dawn of a new day. The cry for self-determination and capitalist liberty arose everywhere. Great national movements mixed with the struggles of the great imperialist rivals. During the war, the controller nations could not help fostering the development of their possessions. Nationalistic movements were further fanned — for a while by Russia, then Germany — in order to exploit them for the needs of these countries. In brief, the continuance of the old imperial rule of Britain became increasingly more problematic.

Farsighted politicians learned to understand during the last war that the days of Cecil Rhodes were gone for good. Yet it was difficult to accept the new situation. Up to the last England attempted, and even now tries at all cost, to maintain as much as possible of the old glory and privileges. This allowed for a number of illusions, among which was the half-truth — based on the completeness of the German defeat in 1918 and the temporary disappearance of Russia as an imperialist force — that the next great war would be one between England and America. These were the two great capitalist rivals, almost equal in strength and equally determined to rule the world. In the course of time and in accordance with the rules of capitalist competition they would have to clash.

The European nations did not participate in equal measure in the post-war prosperity that came to an end in 1929. However slowly, England herself was running down. American mass-production, brought to a climax during and shortly after the war, was not equalled by any other nation. It

spelled the end of English rule, for it was clear that England must export or die. She must invest abroad or face ruin. Her economy is determined by her dominance in the capital market and by her large contribution to international trade. England cannot become self-sufficient. Even if the agriculture of golf courses should be changed into agriculture pure and simple, it would not suffice to keep the population alive. Yet her exports, vital as they are to her existence, declined steadily. All the expansion there was was inward. No increase in foreign trade resulted. She would have to stop the American competition or cease to exist, as a main capitalist power. Thus ran the arguments. Even in purely physical terms, not to mention the requirements of a progressive capital accumulation to escape permanent depression conditions, it seemed obvious that England's real enemy was the United States.

In self-defense England would be compelled to come to a closer understanding with the Continent. Indeed, England's policy supported this reasoning, for her relations with Japan, for instance, were clearly designed to hinder American expansion in Asia. Her South American intrigues opposed, first of all, American interests. However, there was no sense in granting Japan what she denied the United States. So she supported Russia to keep Japan in check, and Germany to keep Russia in bounds. France was assured that the Rhine would always remain England's frontier. In turn, American statesmen had to be assured that England's competition must not be taken seriously, that it was a mere business proposition which would not at all invalidate close political alignment. A complicated situation no doubt, but then such is the capitalist world.

There exist forces in Britain of course whose interests strictly oppose those of America and this to such a degree that if the question of subordination were raised at all, they probably would prefer to be subdued by Europe rather than by America. These forces play no important part in English politics, however. Britain is large enough to harbor all kinds of interests within her realm. But the variety of interests that English rule incorporates makes for the most chaotic and contradictory lines of British procedure. It seems at times that this chaos of variegated interests can never be bound to one particular and persistent course. The American writer Guerard once described this situation by saying:

*"It is only in retrospect that the English rationalise their drifting into a national purpose. England has no single principle of action, not even 'sacred egotism'; she has at least five and they are incompatible. It is not 'perfidy' it is inner contradiction. England was honest when she promised to evacuate Egypt, and honest when she constantly refused to do so; honest when she pledged her support to France in case of aggression under the Locarno pact, and honest when she reminds the world that such an agreement is to be taken only in a Pickwickian sense."*

One of the reasons for the persistency of English democracy lies in the complicated composition of English capitalistic interests. So that Britain and the Empire shall not fall apart, accumulated frictions have to be dissipated



through shifts of policies which, from any other view, remain un-understandable; by governmental changes that eliminate pressures of economic groups which would disturb the needed internal balance. In brief, a balance-of-power policy similar to that employed in foreign affairs appears as a democratic inclination in internal and Empire politics.

Notwithstanding all this, as soon as the balance-of-power in Europe breaks down, all these variegated interests combine, because the necessity to resist at all costs the domination of Europe by a single power prevails for most of them. The absence of such a threatening situation was the reason for the lack of English unity against the outside world. This lack of unity was not a weakness but a luxury.

So long as Britain was not threatened on the Continent, she could use all her remaining strength to make her further retreat before America as painless as possible for herself and as hard as possible for the United States. But in the case of a unified Europe, Britain would clearly be at the mercy of the United States; she would cease at once to be on equal terms with America. She would no longer be able to fight independently for the maintenance of her position, for she could not attack the United States without inviting defeat by Europe, and she could not fight Europe unless supported by the United States. She would not have the choice between Europe and America, because an alliance with Europe would transform England into a mere outlying province of the far more powerful nation that controlled the Continent. There would be less to lose through the acceptance of American protection.

Despite all the remaining rivalries between England and America, the Anglo-American alliance during the last war showed the real direction of Britain's future imperialist policy. At an important British war conference in 1917 it was pointed out that the co-operation of the Anglo-American fleet would have to continue after the war. Only in this way could a recurrence of the situation that had led to the war be prevented. It was further said that to rule the seas is to rule the world and that meant that the two most powerful navies must work together. No other nation must ever be allowed naval parity with either England or America. Thus Anglo-American co-operation would hopelessly outnumber any and all nations. Though dressed in terms directed against Germany, this principle was a declaration of war on the part of England and America against the rest of the world.

The idea of a permanent Anglo-American alliance penetrated American war propaganda as well as British. It was now maintained that the policy of both nations was identical, faced as they were by the danger of European unification through Germany's military expansion. In his book *The Defense of the Empire*, Norman Angell illustrates this point quite well. Germany, he writes,

*"which had annihilated France as a great power, overcome Russia, opened the roads to the East through Slav territories and the Near East, was in a position to occupy, when she would, the Continental parts of the narrower seas — such a Germany would*

*have been master of our policy: irresistible. We might as well, in such contingency, have had no armaments at all, because the outcome would have been a foregone conclusion... Even distant America, at the period of the German onslaught, was stirred by the same spectre, of this growing Germanic power. One of the most effective bits of war propaganda in the United States was a map of Europe showing pan-Germania dominating the whole."*

America's refusal to enter the League of Nations was directed not against England but against Europe. Austen Chamberlain reassured the House of Commons in 1929 that in all important questions of international relations, legal or otherwise, Anglo-American conceptions stood together and in opposition to those of Continental Europe. The Dominions were even more than the mother country interested in the continuation of the alliance created by the last war. Canada of course had no other choice. But notwithstanding the continued commercial rivalries between England and America in Asia, fear of further Japanese expansion prompted Prime Minister Hughes of Australia to say on the eve of the 1921 Washington Naval Conference that he would "salute with satisfaction every American warship laid down in the ship yards." In 1936 Winston Churchill, in an article on Naval Policy, vehemently opposed all those who insisted upon naval parity with the United States. He pointed out that a big American navy, exceeding even that of Britain, was exactly what England needed to feel secure.

Events have meanwhile shown that against all appearance to the contrary the Anglo-American bloc of 1917 continued to constitute the basic policy of both nations. They could not unite, for as we said before, combination implies liquidation, but they could work openly and under cover against a third force that seemed detrimental to their interests. It is clear, too, that the capital mergers which progressed with the spreading of American investments supported a common policy with England rather than any sort of solidarity with the crisis-ridden and bankrupt European nations. American capitalists began to look on England as if she were their own country, just as the English had once looked upon America as lost territory that had to be regained. Despite jokes about Yankee coarseness and English nobility, there was much intermarrying. The frictions that remained were family frictions, internal struggles for economic and political advantages, rather than rivalries between two imperialist nations.

### The End of Appeasement

But what about Chamberlain and the policy of appeasement? What about the Nazi hope of coming to an understanding with the umbrella-men? It might well be that the Nazis, like most of the Marxists before them, overrated the importance of the existing frictions between Britain and the U.S.A. But whether the Nazis seriously engaged in wishful thinking about an Anglo-German collaboration or not, they had to consider and make ready for an Anglo-German war.

The Nazis' desire for a friendly solution of the issues at stake was largely of a propagandistic nature. It was in line with anti-semitism in



Germany and abroad, with their support of the nationalistic aspirations of the Hungarians, Croats, Bulgarians, Finns, Arabs, with all the other devices that spread confusion and disunity among their actual and potential enemies. Her repeated willingness to come to terms with Britain led astray many diverse elements: those English politicians who preferred a European orientation, those who thought themselves, as did the German capitalists before them, capable of controlling and using the Nazis, and those who expected that things would eventually straighten themselves out. And of course the threat of a possible Anglo-German collaboration led to bewilderment in France, Russia, and the United States.

In view of the tremendousness of the issues for which this war is fought, all these propagandistic devices seem to be quite insignificant. Yet Germany cannot afford to overlook even the smallest item that may work in her favor. Against a powerful coalition of enemies Germany is indeed extremely weak. She has no navy capable of opposing the combined sea power of the allies, no comparable productive capacity or raw material sources, not even man power. To be able to fight the United States with any possibility of success, she must first subdue the whole of the European Continent — a very difficult undertaking in the midst of war. What she lacks generally she has to make up for specifically with better organizational methods and greater efficiency. The superiority of the German war machine — of which diplomacy and propaganda are a part — is based on her inferiority in other respects. This situation is not a recent one but has accompanied the whole of German history and explains her stern military tradition.

However, it no longer matters whether the Nazis seriously believed in the possibility of an Anglo-German collaboration, or whether the idea was mere propaganda. More interesting is the question as to why there were people in England who preferred an appeasement policy. Some of the appeasers went quite far in their readiness to satisfy German demands. Mr. Garvin, for instance, urged consistently in the English *Observer* that Central Europe and the Danubian countries should be brought under German control in order to secure a lasting European peace.

"Under German control" did not, however, mean the outright annexation of the Danubian countries by Germany, but a sort of economic union that, by relieving temporarily the tension in Germany, would without doubt increase the tension between Germany and Russia, as the latter nation would be most directly threatened by a German penetration into the Balkans. Behind the willingness to grant far-reaching concessions to Germany was both the desire to keep England out of war and, if a war should be unavoidable, the desire to have it occur in the East. Such a war would interrupt Germany's march to the Near East. She would instead turn into the Ukraine. It would appear easier to the Germans to expand at the expense of Russia than to face once more the combined forces of France, England and America. Hitler himself had spoken ecstatically about what

Germany could do with the wheatfields of the Ukraine, the oil of the Caucasus and the minerals of the Ural mountains. Furthermore, a number of study commissions had spent some time in Russia and had returned convinced that it would not be an easy task for Germany to subdue the Bolshevik regime. Thus with the possibility of a prolonged and exhausting war between Russia and Germany, peace and strength could be preserved in the democracies. In the end the democracies would be able to control further both Germany and Russia, regardless of the outcome of their war.

Behind this reasoning there was no more than the inability to realize the full force of the new military power of Germany and the meaning of Nazi diplomacy, which was determined by a consistent distrust of all nations' politicians, and agreements — their own included. If the English appeasers hoped to solve their problems by re-directing Germany's expansion from one sphere to another, the Nazis made ready for a struggle in all the spheres that German arms could possibly reach. They were realistic enough to understand that they were facing a multitude of enemies as soon as they reached out to become the first European power. At the same time that they did all in their power to strengthen the belief that the direction of their expansion was towards the East, they prepared nevertheless for a war against the West. If, however, the Russians had not played into Hitler's hands, he most probably would have attacked Russia first, but without losing sight for a single moment of the inevitable struggle in the West. The Russian-German pact was no doubt the most important victory the Nazis ever won — the greater because it had been prepared by the enemy himself. The Russian-German pact was the direct result of pre-war English diplomacy. It was exactly the opposite from what had been intended by the policy of appeasement.

The appeasers wanted an alliance neither with Germany nor with Russia. Since Russia's power was overestimated and Germany's underestimated, it was reasonable to expect that a war between them would inactivate them for some time to come. Thus neither the fate of Austria nor that of Czecho-slovakia could stir Britain to action. Lord Halifax could not see that the Munich agreement of October, 1938, had in any way been broken by Germany when she invaded Czechoslovakia six months later. In one of his speeches he pointed out that the Czech state "had ended its own life by internal disruption", and he admitted that "the architects of Munich had not contemplated the operation of the guarantee of Czech independence in a situation of this kind". But with the German attack on Poland and the signing of the Russian-German pact, the whole situation changed at once. Suddenly it was clear that Germany was either not ready for a major war, or was bent on an attack against the West.

At this time Germany was probably still trying to wrest further concessions from England and France without serious struggles. Both nations could either go to war or give Germany half of Poland and the whole of the Danubian territory. Germany would thus have had an enormous ad-



vantage in the European struggles which would have been merely postponed. France's military position would have been extremely weakened and the black-mailing tactics of the Nazis considerably increased. Just what was the situation? Did Germany feel herself too weak even for a war against Russia, or did she feel strong enough to risk war against the West? In the later case the war would be inevitable and its postponement could serve only the Germans. Thus there was no longer any need to weigh the question of peace or war. Over night the appeasers turned into warriors.

There was, however, still another element involved in the appeasement policy. This element should not be exaggerated but neither should it be overlooked. This was the fear on the part of private capital that it would face destruction in the course of another war. The English capitalists as a whole had gained nothing by the last war. On the contrary, their position had become increasingly more precarious. The war had led, furthermore to a state-controlled capitalist economy in Russia. Germany herself had come quite close to similar changes, and if the German revolutionary forces had succeeded, the whole European Continent might well have ceased to support a private capitalist economy. The turmoil of the first world war, as subsequent events proved, had not been sufficient to realize the potential threat, but who could be sure that a second world war could be terminated with equal success? Who could be sure that it had not been a mere stroke of good luck that secured the preservation of the traditional capitalist system after 1918? Would the exhausted Allied troops, desiring peace above all, really have fought against a powerful revolutionary wave that involved the greater part of Europe? And even if they had remained loyal to their masters, would they have been able to crush a revolutionary force? No one could be certain. Not even in 1918 since, at that time, the German army and parts of the Russian had not been disarmed. Though the Germans had lost the decisive battle in the West and were in full retreat, there had been no panic, the retreat was orderly. Besides, the victory of the Allies had been a costly one, expensive enough to make them accept an armistice instead of a triumphant march to Berlin.

What would a prolonged second world war bring? Ten years of depression had left their marks all over Europe. Even a second defeat of Germany might result in no more than a collapse of the whole European capitalist economy. Long before its conclusion, the war itself would in all probability lead to important social and economic changes in England as well as in Europe. It might endanger the Empire — there was the possibility of a series of national revolts. For the first time in capitalist history capitalists became convinced pacifists. They were unable either to overcome the economic crisis by means hitherto effective or to envision escape from the crisis by way of warfare. Just as they had learned to eat from their reserves rather than to attempt to increase their profits by further capitalist accumulation, so they became deeply interested in the maintenance of the political *status quo*. Not that they had ceased to be imperial-

ists. It was only that they could no longer act as imperialists without endangering the whole economic structure and the social institutions so dear to them. Out of the fear that they might lose as private capitalists what the nation might gain by imperialist actions, the more class-conscious of the old bourgeois class in Germany, England, France, and the United States as well hesitated to enter another war. The case of Thyssen only dramatizes this attitude that also came to light in the English appeasement policy and that still plays its part in the policy of American isolationists. A fascistic revival at home in the exclusive interest of private capital would be quite desirable, but vast imperialistic adventures under the auspices of fascism would only hasten the transfer of economic and political power into the hands of the aspiring fascist elites.

The sudden shift in English policy in 1939 thus also indicates the degree to which the old capitalist power groups had already been displaced by new political forces, themselves capitalistic, yet in many respects distinct from that ruling class which fought the last world war. The strengthening of the state as against individual enterprise, the pre-dominance of "political" over "economic" power as a result of capital concentration and, more directly, of that concentration under prolonged crisis conditions, was a necessary prerequisite to overcoming in some manner the capitalistic stagnation and to launching a new series of imperialistic struggles. In Germany the fascist elites had already completely merged with the old capitalist class; in sociological terms the initiative in the war could thus fall to Germany. The fact that in the other capitalist nations this same process was also on its way helps to explain the sudden turn from appeasement to war. If England and France were sacrificing their capitalist interest in an increasing measure to Germany, it meant the slow destruction of private capital in the democracies, for this situation had to sharpen progressively the internal crisis in these nations which, in turn, would foster the fascization process. An appeasement without an end, and there is no other appeasement, even if it is designed to safeguard private capital, turns inevitably into a powerful lever for the further fascization of the world and the end of traditional capitalism.

In 1939 it must have been clear even to the most willing foreign Nazi sympathizers that the Nazis were neither the protectors of private capitalist interests in Germany, nor respecters of private or any other sort of property elsewhere. The imperialist drive of the Nazis spelled not only the end of her own "independent" bourgeoisie, threatened not only England's privileged position in the world, but forecast also the end of private capital in Britain. Further appeasement would have been suicide. Both from a national and a capitalistic point of view. War was once more the lesser evil. A defeat of Germany, administrated by all the democratic private capitalist forces of the world, may not only safeguard national independence and the Empire, may not only improve England's position in relation to Europe and America, but may also stop or at least slow up the capitalist transfor-



mation process towards a state-controlled capitalist economy, which eliminates the hereditary capitalist class.

Notwithstanding their reluctance to enter any war, the motivations of the English appeasers have always been a mixture of specific class interests and official British foreign policy. Both were fused, but fused in such a way that the emphasis given to one or the other was determined by necessities produced by the interplay of the numerous world forces. In other words, the emphasis upon appeasement to safeguard the prevailing English ruling classes could never become strong enough to lead, on its own part, to disaster. Appeasement might come to an abrupt end at any particular moment. The signing of the Russian-German pact was that moment.

It was clear that the German-Japanese alliance did not allow Russia to change her policy at will. England was thus threatened simultaneously in both Asia and Europe. Russia's inactivity would force England to appease Japan unless she would be willing to weaken America's striking power in the Atlantic and Europe by engaging her in an Asiatic war. America, the English ally, had thus to be restrained in her ambitious Asiatic designs. This was possible only by granting America far-reaching concessions. England's position was indeed a very difficult one. She was bound to lose from whatever situation might arise; her policy was restricted to creating conditions that involved the smallest loss. It was this difficult position in which Britain found herself that never allowed Stalin's fear that England and Germany might strike a bargain at his expense, to come to rest.

A war between Germany and the Western powers was indeed highly profitable to Russia, provided that it did not end with a rapid and overwhelming German success. But such a contingency was not easily thinkable in 1939. At least the risk to be taken appeared rather small. The war would grant Russia security for more time to come — time that could be used to speed armament production, to acquire strategical positions. Russia felt freer not only in regard to the West but also in regard to the East. Russian imperialism could only wax if all the other imperialist powers were engaged in deadly combat. Stalin's famous smile on the occasion of the signing of the German-Russian pact came directly from the heart. That smile brought to England the blood, sweat and tears that Churchill loves so dearly.

## The Struggle for England

The full meaning of the diplomatic game that was played before the outbreak of the war came to light only in the course of subsequent events. Political cynicism is hidden behind high-sounding ideologies. No one in England could admit that Germany had been appeased in order to be deprived of her ambitious goals, that peace was to be maintained in order to foster a war profitable to Britain. Nor were the Germans willing to declare that their pact with Russia was designed to outsmart English diplom-

acy, that it would not change Hitler's attitude towards Stalin's Russia, and that the great "Christian Crusade" had merely been postponed. Nor was Stalin able to announce that he shook hands with von Ribbentrop because with "Asiatic cunning" he had just succeeded in double-crossing friend and foe alike and that he merely worked for the greater glory of the "fatherland" which, with a war between the imperialist rivals, would now really be in a position to "overtake" the capitalist world. Nor was America willing to lift the mask of neutrality and reveal its war-hungry face that had not changed expression since Roosevelt's quarantine speech of 1937. Thus the appeasers were taken for appeasers, the aggressors for crusaders, Hitler and Stalin were judged as two of a kind, and America was celebrated as the only civilized nation on earth. The innocent ones among the rulers and their subjects excited themselves on the apparent, not on the real, issues at stake.

What appeasement meant was revealed by its failure. How close to success the English had come in their attempt to drive Hitler into Russia had long been demonstrated by the Nazi-Polish non-aggression pact signed in 1934. This pact spelled the possible creation of a Berlin-Warsaw-Kiev-Baku axis against Russia. The Polish ruling class, however, encouraged by the French who feared a stronger Germany and so counteracted English plans, were deadly afraid, and justifiably so, that a strengthened Germany at the expense of Russia would only be the prelude to their own end. They preferred the bird in the hand to the two in the Russian bush and were not able to overcome their suspicion in favor of an alliance with Hitler. Up to 1939 the Nazis tried to win Poland for a war for the Ukraine. The last offer was probably made by Goering himself during his visit to Colonel Beck in January 1939. No agreement was reached and two months later the Nazis marched into Prague. However, Poland was still allowed to participate in the dismemberment of Czechoslovakia.

Out of the growing fear that German expansion might not be prevented, nor diverted into a war against Russia, England and France signed a pact with Poland to secure her integrity. Germany answered with the Hitler-Stalin pact. Thus the war which, as far as Britain was concerned, should have found Poland and Germany side by side against Russia turned into a German-Russian alliance for the new partitioning of Poland. The new world war had begun in earnest. And a few months later, to the amazement of everybody, France's military power was broken in a few weeks. Britain, now isolated, seemed to be lost.

However, at the moment when England seemed weakest her really powerful position in the world became at once manifest. At that moment, the unfolding of the war really began. Every capitalistic and nationalistic interest opposed to Germany practically entered the war. All that was now necessary for Britain was to "carry on" no matter what might happen. The most senseless activities as, for instance, the Balkan campaign of some time later, became reasonable undertakings. As long as the war continued, noth-



ing was lost that could not eventually be regained. The appeasers pushed themselves aside; a new defense effort was made. No peace with Hitler under whatever terms and conditions became the sole strategy necessary. Time had to be gained — time to allow America to arm herself sufficiently and prepare a new A.E.F.; time to organize the whole Hitler opposition all over the world and throw it actively into the war. Every interest opposed to Germany was now concentrated in the defense of Britain.

The destruction of England might prove to be equal to a vast "world revolution", though not necessarily one of a proletarian character. The consequences of an end of Britain and the collapse of the Empire are unforeseeable. But this much seems almost certain: that it would release nationalistic and imperialistic forces all over the globe which might well escape any kind of control. All ruling classes in all the world might be directly endangered. There would in all probability be a general rush of the numerous national and imperialistic scavengers to grab as much as possible in the re-division of the world initiated by a total British decline. America — prepared or unprepared — would act at once, and so would Japan and Russia. National uprisings in India and the Near East would mix with the general struggle for positions and resources. Manifold interests would clash. The whole world would become embroiled in warfare. The organization of the various operating forces would become impossible; alliances would collapse over night, all plans and procedures would be overturned. Chaos would rule; not only the necessary capitalistic chaos without which the capitalist world cannot exist, but chaos in an as yet inconceivable sense. Production of life-essentials would be further reduced; destruction would rule supreme. Revolutions would mix into the imperialistic and nationalistic struggles; in brief, a situation could arise that would escape all comprehension. The small-time "Nihilists" of the Nazi Party as well as the imperialist Babbitts recoiled before the spectre of the enormity of the possible world conflagration released with the destruction of Britain. They were not willing to accept the final consequences of their cherished social structure. They tried to re-organize the world in accordance with their specific capitalistic needs, to prevent its being thrown into complete anarchy. They proved to be able to enjoy the entrance to hell, not hell itself. Britain and the Empire must be saved either for German-Europe or for America. But it must be saved, it must not be allowed to fall apart and thus turn the whole world inside out.

Hitler must have hoped that the Russian pact, the rapid defeat of Poland and France and the invasion threat would convince the English ruling class that it would be better to accept the losses implied in an understanding with Hitler than to continue a war whose outcome pointed not only to the utter destruction of Britain but of the whole capitalistic world. Hitler's arguments were indeed powerful and convincing, yet no ruling class has thus far freely abdicated either before an internal or an external foe. The British ruling class was aware of its own role within the capitalist world structure. It dared Hitler to invade. Yet Hitler had no intention of doing

so, quite independent of the question whether or not he would have been able to do so if he had wished. If England was not willing to come to terms before an invasion, after a successful invasion there would no longer be a question of reaching an understanding. Not even the fleet, not to speak of the resources of the Empire, would fall into Hitler's hands. Part of the ruling class, if not all, would have left the country. Valuables would have been removed or destroyed. Hitler would have found himself in possession of some additional territory, whose inhabitants he would have been unable to feed, and a demolished productive apparatus which, in the face of an already acute shortage in raw materials, would be a very questionable gain. The war would not have been terminated but only spread further, and would have taken on new forms which might be even more destructive than the methods previously employed. The whole of Europe might be slowly starved to death, as there was no way to force America's acquiescence to the new situation by military means. There was no reason why America should come to terms with Germany after a successful invasion of England. Europe's position was extremely difficult due to the long disruption of world trade and the great part played by non-consumption production. The job facing Germany was too gigantic to suggest success. Even political unification seemed to be an impossibility in the face of the continued war that would make the food problem increasingly more threatening, that would make it more and more difficult to hold the superiority in armament production. Even after the invasion the world would still be closed to German Europe; she would still have to fight on in the Near East, for India, in defense of Africa, and possibly against Russia. But now she would have only a decimated army, a still more insignificant navy, and a weakened air force — the unquestionable results of an invasion of Britain.

England must not be defeated but forced into an alliance with Germany. Britain had to be shown that to subordinate her interests to those of Germany, to pool her resources, i. e., to pool her riches with Germany's poverty, was still better for her than to continue an apparently endless fight on the side of America which would lead only to the ruin of the whole world. Thus the great attacks of the *Luftwaffe*, often described as part of an unsuccessful invasion attempt, came to a sudden end from time to time. Nazi air bombers were careful not to demolish the English railway system, not to destroy too many harbors and docks, not to interfere too much with other essentials for the continuation of Britain's economic life. Their destruction was a sort of demonstration of what could happen to Britain if an all-out war really got under way. The concentration of bombing attacks such as on Coventry were only "samples" — gigantic symbols of future possibilities.

The military defeat of England would not be enough to serve German ends. It would have meaning only if it terminated the war with an Anglo-German agreement that led to the pacification of the Continent and to the resumption of international trade. Germany's refusal to attempt at any time the invasion of England brings out her essential weakness, but also



the conscious and instinctive recognition on the part of her politicians of the real issues of the war. The only peace they seem to be able to get is a peace by force. Yet, force may exclude the possibility of a peace that leads to the establishment of a European situation that will force the United States, for some time to come and in her own interest, to come to terms with Hitler, to share the rule of the world with the Nazis.

To share the world with Hitler may mean to lose it to Hitler. Not necessarily so, but possibly. Who knows if Hitler will not succeed in constructing with Britain's help a real United States of Europe able to compete on equal or better terms with the United States in Asia and South America? Nations there would have the choice between America and Europe; they may counteract American politics, they may have to be continuously bribed or be completely subjected by military force. The creation of a closed economic system in the Western hemisphere alone forecasts, through the reorganization processes connected therewith, the end of innumerable vested American interests. A period of warfare to ease America's position may well coincide with a period of European reconstruction under German dominance. Will Europe regain her position in the world economy that she lost during and after the first world war? Her productive capacity pooled, her organization centralized, she might well be able to exceed all the capacity of America.

However far-fetched all this may sound at the present stage of development, it is nevertheless one possible perspective — a perspective already foreshadowed by actual occurrences such as the co-ordination of Central Europe, the Franco-German agreements, the barter exchange and its success in South America before the outbreak of the war. Actual occurrences determine actual policies, but the threat inherent in that practice of expanding the present practice into a permanent one leads straight to the fears of the future previously described. Thus long-run perspectives and immediate practice both determine the present activities of the various nations. In order that the larger perspective may disappear, its small-scale reality must first be ended. Thus Britain's independence from Europe must be defended at all costs, the unification of the European Continent must be prevented by every means.

Even if Hitler's optimism in regard to the possibility of an enforced Anglo-German understanding had been justified, this understanding could no longer be a question between England and Germany. It was a question to be settled between the Nazis and America. Of course, without the Anglo-American alliance it is difficult to see how England could have withstood German pressure for long. But with this alliance a reality, England was no longer master of her own decisions. Thus the Balkan battle, Hitler's second great attempt to bring Britain "to reason" could have no results. It is not Britain but America that must be convinced of the futility of an attempt to defeat Germany.

To do business with Hitler means to do business at England's expense. If Hitler at present and in view of objective limitations has to be satisfied with sharing the world with Roosevelt, the latter, who does not face such limitations, cannot be convinced that it would be right to turn into a "Benedict Arnold". Why should he "eat the crumbs from Hitler's victorious table", when at small expense he can have the whole cake and table too? What Hitler can offer America she can get herself without his help. When Hitler says that he has no designs in the Western hemisphere it is merely funny. The Western hemisphere was America's long before Hitler offered it so generously.

Yet America's help to Britain is no act of charity. The American isolationists' complaint that lease-lend billions and other aid to Britain impoverish America merely to satisfy the interventionists' perverse love for England is just as "hypocritical" as the American "defense needs" enumerated by the "Great Hypocrite" himself. What Britain has lost to America and what she is going to lose makes up a hundred-fold for all the "aid" received and all the "aid" to come. How pitiful are the attempts of English businessmen to keep up their world trade in spite of the war. During the course of this war most of it will fall automatically to the United States. How realistically Churchill spoke when he "allowed" the United States to protect "British interests" in Asia. The longer the war lasts and the more "aid" America extends, the weaker England will be. The professional appeasers cannot help being just as generous towards Roosevelt as, not so long ago, they were toward Hitler. When interviewed by a reporter of the *Chicago Tribune* (9/16, 41), Lord Halifax declared:

"...The necessity forces itself upon the minds of the American statesmen of pushing her defense boundaries further out, as, for instance, to Iceland. The defense of America and the defense of the British commonwealth are essentially a single problem; this is why we provided America with bases in the West Indies and so on... The British government will be agreeable to America CONTINUING AFTER THE WAR her defense policy of extending her frontier further out."

Halifax simply states that whatever America takes now in the course of the war she will be allowed to keep. But here he is only plagiarizing from his old friend Hitler, who also has the habit of offering what is already taken. More sensible men than Lord Halifax are, however, no less aware of the losses involved in the Anglo-American alliance. G. Crowther of the *London Economist*, for instance, writes in the October issue (1941) of *Foreign Affairs*:

"If the American people have to learn the responsibilities of their strength, the British people have to learn the limitations of their weakness — and there can be little doubt which of the two is the more painful adjustment to make."

He cautions his American friends to take it easy in the face of the great opportunities open to them, and he advises his fellow Englishmen to lose what they must lose as cheerfully as possible. "Thumbs up" while the pockets are rifled.



Because of the fact that Britain will lose regardless of who wins the war — Germany or America — one phase of the German-American struggle consists of competitive bids for England's support. It is up to the British to decide whose offer to accept. In the end, however, it depends on the fortunes of war whose offer they will accept or will be forced to accept. England's weakness, paradoxically, turns into a new strength. She can at the moment almost at will wrest great concessions from both America or Germany. Thus it appears that Britain is determining America's policy, that her Foreign Office dictates in Washington. Thus she can continue to sing defiantly that there will always be an England, being quite sure that Hitler will not attempt an invasion for some time to come, if ever. It was Churchill who after the Balkan debacle maintained that a Nazi invasion of Russia would be far more likely than one of England.

At present, because of the great role that private capital still plays in England, the British ruling class is convinced that though it will lose under any circumstance, its losses will be smaller under Roosevelt's than under Hitler's "protection". To change their minds, or to bring to power "new minds" and, at the same time, to convince the United States of the uselessness of her resistance to the realization of a German Europe, Hitler marched into Russia. This march had many reasons behind it but the most important, it seems to us, was the recognition that an open and full-fledged war with America had become unavoidable.

### The German-Russian War

Seldom can a single clear-cut reason be found for political occurrences. A general policy emerges out of a multitude of reasons which are by no means in harmony one with another. The always-latent yet unexpected turn in German-Russian relations has as many causes as it has objectives. It is true that Germany wants to have the wheat, oil, and raw materials that Russia provides. But this is not enough to explain the German attack. For the time being, and probably for a long time to come, war destroys the possibility of getting these materials in significant quantities. A continuation of the German-Russian trade would have yielded better results. To be sure, if the German invasion turns out to be successful, the direct possession of the Ukraine and the Caucasus will in the long run be of greater value than any sort of trade agreement that might fluctuate at any time or vanish altogether. It seems clear, however, that no immediate need for Russian supplies could account for the invasion. As a matter of fact, aware of the possibility of a German attack and anxious to postpone it as long as possible, Russia had stepped up her deliveries to Germany precisely at the moment when the German-Russian relations began to deteriorate. There was, furthermore, an ever increasing Russian dependence upon German industrial products because of the blockade. The future of German-Russian trade pointed towards improvements.

It is argued, however, that Hitler counted upon a very short war in Russia and hence on the possibility of a rapid exploitation of Soviet resources in a very short time. Though the methods of control and production have been improved considerably, and although it is not possible to draw conclusions for the present war from the last one, still those experiences cannot be altogether disregarded, and the German general staff knew from the last war how difficult it is to organize production in occupied territory and make it yield even meager results. It should also be obvious that though the German general staff may have hoped for a short war, it could not base any decision on the mere hope. It must have taken into consideration the possibility of a prolonged war, the more so as it was certainly aware that mechanized warfare is less successful in less developed countries. Yugoslavia and Greece did not disprove this fact because there the enemies had not themselves been mechanized, the onslaught could be prepared and supported from near-by bases in Rumania and Bulgaria, the territory was limited, the supply lines short. In Russia the German army faces another mechanized force. The farther the Germans advance, the less efficient their mechanized force must become. It takes time to move the bases from which to operate further. It is not a question of travelable roads: the decentralized Russian industry, the Russian "scorched earth" policy, the large stretches of mainly agricultural territory must slow down a mechanized army and diminish its destructive power.

The industrial density of the West not only increased the independence of the advancing motorized columns, not only provided them with repair facilities, oil, and other essentials, but made the Western nations far more vulnerable than Russia. With the rapid capture of important industrial sectors the supremacy of the German army was assured. The military striking force of the allied armies became a temporary and meaningless factor because of their early divorce from their industrial bases. There was thus little fighting and there were millions of prisoners. In Russia the situation is different, and such sweeping immediate successes as had been possible in the West were not to be expected. In the face of these obstacles, the actual advance of the German army in Russia seems rather more imposing than their quick victory in the West. It is nonsense to speak of Hitler's "time-table" that the Russian army has upset. To speak in such terms merely means to take the German propaganda more seriously than the Germans do themselves; for, after all, this time-table business is a mere stunt of the German propaganda institute in line with their success movies and other devices for scaring the timid.

We are inclined to believe that the Nazis were well aware of the difficulties they would have to face in Russia. They most probably attacked when they did, not because they felt that Russia was weak, but because they were aware of her full strength. Of course the Nazis might have expected Russia's early political collapse as well as a revival of Ukrainian nationalism. Yet by merely looking at their own methods of suppres-



sion, largely copied from the Russian, they must have known how slim the chances were. To destroy the ruling group in Russia, the army must first be destroyed. To revive nationalism in the Ukraine, the Ukraine must first be "liberated". Today it is more difficult to revive nationalism than it has previously been to suppress it.

Because of its friendly relations with the Red Army, the German *Reichswehr* was certainly well informed about Russia's military position. Even during the last war Russia's army commanded great respect. It is held by a number of historians that Germany lost the war only because of her preoccupation with the Eastern Front. Why then in face of all this did the Nazis risk the war? Hitler himself enumerates the following reasons:

1) An Anglo-Russian bloc was in the making. Sir Stafford Cripps was trying, and seemingly successfully, to turn Stalin against Germany. The ambiguity of Stalin's policy came to light in Russia's attitude towards the anti-German government in Yugoslavia. The Balkan war was instigated by both England and Russia.

2) The price Russia demanded for her collaboration with Germany was too high and ever-increasing. She took more than had been arranged for in Poland, Finland, Rumania and the Baltic. Stalin's appetite, as demonstrated by Molotov during his Berlin visit, was insatiable.

3) Russia increased her army at her Western front continuously, thus forcing Germany to do likewise, which greatly hampered all other German operations and endangered Germany herself.

Hitler did not deny, however, that for him the pact with Russia was from its very inception only a momentary expediency to destroy England's policy of encirclement. "I considered myself entitled", he said, to "set the strongest power in the East, by especially solemn declarations, at rest concerning the limits of our interests." There is no need for disputing Hitler's arguments. Russia certainly did everything he blames her for and possibly more that he does not know about. Here Stalin acted in exactly the same manner that Hitler himself did. For Stalin, too, the pact was merely a momentary expediency to be broken at any opportune moment. If Hitler tried to come to an understanding with Britain, why should Stalin not try to do likewise? As far as "appetites" are concerned, it is doubtful that the "limits of interests" of which Hitler spoke to Stalin included most of the Balkan down to the Dardanelles. The Bukovina which Stalin took in addition to Bessarabia was rather small compensation for Hitler's Balkan "interests". And if Stalin took some important parts of Finland, he thereby only enabled Hitler to take entirely without cost the rest of Finland. The Red Army assembled for the same reason on Russia's Western borders that Hitler's divisions stood ready on Germany's Eastern front. What Hitler says against Russia is exactly the same thing that Stalin can say against Germany. Both are speaking the truth. Capitalist nations are never lying when they proclaim their enmities. They are always lying when they speak of eternal friendships and inviolable trust.

However, it was Germany that broke the treaty first. The non-aggression pact had served its purpose. It had served its purpose earlier for Hitler than for Stalin. The question may arise: could Stalin have not known that, pact or no pact, sooner or later the Nazis would fight Russia? Of course he knew of that possibility. But such arguments are beside the point. Stalin said that

*"by concluding a non-aggression pact with Germany we secured for our own country peace for a year and a half and the opportunity of preparing its forces to repulse Fascist Germany should she risk an attack on our country despite the pact."*

Thus he admits as openly as Hitler that the pact was made to better prepare for the possible war with Germany, in case Hitler should change his mind. But Stalin's mind, too, is not fixed; it might also have changed. All the bolshevik "treachery" of which Hitler speaks, may also be interpreted as just so many steps to safeguard Russia against the day when Hitler should re-discover his "civilizing" mission. All the "treachery" of which Stalin may accuse Hitler can also be interpreted as so many German steps to insure themselves against the "resumption of the bolshevik world-revolution", that is, against Russian imperialism. In the capitalist society any preparation for security is a preparation for war. Security and aggression are only two words for the same thing.

It was clear after Munich that war was inevitable. The great question was only where and when it would start. That it would involve all nations was also clear. Not so clear, however, were the combinations of the opposing power blocs. There was the danger that England and France, out of the same considerations that forced Stalin into his non-aggression pact with Hitler, would make some sort of agreement with Germany that would start the war in the East instead of in the West. There was the danger that France and England would allow Hitler — for the time being — to march into the Ukraine; there was the greater danger that Hitler would march without their consent. Would the Allies really storm the *Siegfried* Line just to stop Hitler's march into Russia? And if they should try "to hang their washing" there would they succeed? Would Japan not take advantage of such a situation and attack in the East to get in Siberia what she failed to get in China? In that case would America really start a war against Japan? Would she not prefer instead to let Japan increase her strength at the expense of Russia and thus leave the "Open Door" in Asia open for the entry of American imperialism? Would England not wait to attack Germany until Russia was sufficiently weakened, in order to kill two birds with one stone? These dangers were not merely speculative. For had not Russia been excluded from Munich? Did not the policy of "collective security" fail to win the ears of the bourgeois diplomats? In the face of all these dangers what would be better than to turn the whole situation around? Peace with Germany would start the war in the West. It would put Russia in the position that England apparently tried to occupy. And then, doubtful as it was that the British would take the *Siegfried* Line,



just as problematic was German success against the Maginot Line. Japan would not dare to attack Russia at peace on her Western front. She would involve herself further in China thus bringing on a crisis with the United States. If America entered the war, there would still be time to change to the side of the Allies. Then Germany as well as Japan could be attacked. With America's help victory might be assured in the Far East, and in the West with the help of France and England. Out of the second world war Russia might emerge if not strengthened, at least not weakened. She would have been able to hold her own.

It is hard to see how Stalin could have chosen any other course than he did. Even if the worst should happen, that is, a quick German victory over England which might prevent America from entering the war, there was still reason to believe that Germany would be quite busy for years to come organizing the new Europe and preparing the next war against the United States. Of course in that case, peace with Germany would have been an expensive proposition. Russian concessions to Germany would have been enormous, but if freely given, might have prevented a German attack. Germany would once more have been the mediator between Russia and the rest of the world and would have preferred peace for precisely this reason — that her new position would bring her greater profits than a devastating war. All this, to be sure, in order to become reality, presupposed a peace between German Europe and the rest of the world. But with such a peace, Russia's independence would not necessarily be threatened and hence Stalin's regime not necessarily endangered. Risky as such a situation would be, it would still be a lesser risk than a war with Germany under conditions as they existed in the fall of 1939.

Unfortunately for Stalin and Russia, there was neither a quick German victory over England, nor a quick entrance into the war in an effective way on the part of the United States. The unexpected results of the German *Blitzkrieg* on the one hand, and the German weakness in her dealings with England on the other, overthrew all political perspectives that could have been considered before the onset of the war. Russia, instead of being secure in the East and in the West, was now exposed on both sides as never before. However, Hitler might not have attacked Russia if he had been able to come to terms with England and thus, for the time being, with America. He would probably have waited at least another year to reorganize the Continent for the purpose of another and greater offensive. Thus Rudolph Hess flew to England to offer peace not, as is generally assumed, by telling Churchill that Germany would attack Russia instead of taking more from England, but to tell him that Germany would not attack anywhere, that the European Continent which she now possessed was about the "limit of her interests". Those proposals were made much earlier, immediately after the Balkan campaign, but Hess's arrival in England was to indicate that Hitler was really serious and willing to stick to his proposals.

Because of the fact that an understanding had already been reached between America and England to continue the war under any circumstances, Churchill could "prophetically" announce that Hitler's next victim would be Russia. He could "quickly", a few hours after the entry of German troops in Russia, outline a "new policy" that proved his "genius" able to make proper decisions in the twinkling of an eye. And thus it appeared that Roosevelt adopted Churchill's attitude towards the new situation, when in reality Churchill merely followed out the orders of his master's voice.

The Russian-German war is first of all America's product. It was Roosevelt who turned out to be the true leader of the "Communists"; who made them, as R. M. Yoder has said, "go to bed convinced that no aid should be granted imperialistic England only to wake up singing 'God Save the King'." And it only speaks for the fairness of Roosevelt when he now, although belatedly, discovers that the Russian *Constitution* really corresponds to the *Four Freedoms* for which American democracy is fighting. And as behooves the proper wife, Mrs. Roosevelt, in her column "My Day", speaking of E. Lyons's book, "The Red Decade", that exposes the ways and means of Bolshevism in the U.S., describes the red-baiting attitude of its author as thoroughly un-American, for America has always stood in favor of social changes. The "Waves of the Future" now shine in so many colors that one can easily forget to swim.

Rudolf Hess could not have gone to Churchill with a Hitler proposal that the Nazis would turn against Russia instead of continuing their fight against England, for the march into Russia, on the basis of the newly created European situation, would be no more and no less than the continuation of the war against England and America. The invasion of Russia is an attempt to make impossible once and for all a final German defeat. It puts England in greater danger than she has hitherto faced. It is a more forceful attempt by the Nazis to tear Britain away from the United States, to make her accept the Nazi rule in Europe. Through Russia, Iran and Iraq can be reached, Turkey can be brought into the German fold without a fight, the Near East can be brought under German control with minimum effort and the way to India can be opened.

The conquest of England would be just as costly to Hitler, if not more costly, than the Russian invasion. The conquest of England would have been a barren one. Not so success in Russia, for this would enable the Germans to begin seriously breaking up the Empire without exposing herself too much anywhere on the Continent. The conquest of the Caucasus, Iran, and Iraq, would immediately yield all the oil that Germany could ever use. It would minimize to a greater extent the effect of the Anglo-American blockade against Europe. And most important of all, the fiction of an independent England would be maintained.

The breaking up of the Empire, the conquest of Egypt and India, could take place in a manner less costly to the capitalist society as a whole.



Rulers would change, not the rule of the "master race" itself. The chaos to be expected in the wake of Britain's collapse could be prevented. America would now be hampered in the fulfillment of her imperialistic desires precisely by reason of being Britain's ally. She would, in turn, prevent all other nations from taking from the Empire while the taking was good. The only nation really able to profit by the maintenance of Britain's fictitious existence would be Germany. The breaking up of the Empire would prove to the British that they were unwise when they chose Roosevelt instead of Hitler. Political changes could be expected in England, changes that might throw Britain into Hitler's lap without any effort on his part. Or rather, the effort exerted in the conquest of England but expended in the Near East and Russia instead would now have yielded not only England, but Russia and the Near East, too. And if even now the British should not come to terms, the final invasion of England, if unavoidable, could now be made with much greater guarantee of success. This general perspective is much more reasonable, however risky, than the mere satisfaction of the emotional desire of subduing Britain physically and at once.

How well the United States was aware of this line of reasoning that prevailed among the Nazis came to light in Roosevelt's opening of the Red Sea for American shipping, in the great and ever-increasing amount of war materials sent to the Near East, in the training of American soldiers in desert-fighting, and last but not least in the "Retreat" that the American ambassador Stinehardt purchased for himself and his staff outside of Moscow, safeguarded against air attacks and equipped with everything for a long siege, months before the German invasion of Russia started.

This German strategy, furthermore, made it conceivable that in the Far East, Japan, lured by the Siberian prospects, might be induced to turn away from her expansionist policy directed southward. America might thus remain unchallenged in the Pacific and be more inclined to reconsider the Nazis "share-the-world-plan". If America would sacrifice England, Germany would sacrifice Japan. German propagandists were the most successful in re-awakening the world to the new "Yellow Peril". The relations between Japan and Germany cooled of at that moment when her relations with America seemed to have reached the breaking point. Once more both America and Japan felt their difficulties might be solved without going to war. The occupation of Indo-China was a precautionary move, as was the new China offensive, and before that the non-aggression pact between Moscow and Tokio. Whatever Japan may do, however, in the final analysis her destiny is determined by the outcome of the war between Germany and America. Japan will have to go as the wind blows.

To prevent a German attack on Russia, there was just one policy for Stalin to follow, and that was to strengthen Germany in the eyes of England and America. Thus the ridiculous pro-German propaganda of the "Communists", and the fight to keep America out of the war. It is quite amusing to compare the Bolshevik utterances in regard to the war and to Germany before the Nazi invasion of Russia and afterwards. This

is just as amusing as comparing Roosevelt's attitude towards Finland's fight against Russia unsupported by the Nazis and against the same Finnish fight against Russia with the support of the Nazis; just as funny as Churchill's accepting Roosevelt's *Four Freedoms* that guarantee national self-determination, and at the same time imprisoning 7000 people of India for expressing agreement with the *Four Freedoms*; just as funny as the American isolationists' desire both to protect Britain and to keep out of the war, for the first necessitates the reverse of the second; and finally just as funny as Hitler's latest aspiration to bring socialism to Russia — real socialism, not the fake socialism of the Bolsheviks.

However, behind all these cheap propagandistic reversals are very important strategical maneuverings. As long as Germany appeared strong, and as long as she appeared secure on the basis of the non-aggression pact with Russia and in the face of her military successes, there was a chance that England might come to terms with Hitler in recognition of the hopelessness of her situation. Thus the war might have been terminated. This is why Sir Stafford Cripps never came to see Stalin until it was too late. Molotov bluntly refused to receive the British delegate, "for political reasons", as he said. Only an Anglo-German agreement could prevent the war that Russia feared, never an Anglo-Russian agreement. Thus Russia maintained, literally to the last moment, that a German-Russian war was simply inconceivable. Russian appeasement of Germany became frantic. After the Balkan campaign, and the final recognition that for the time being Germany could not be stopped in Europe, Stalin did everything in his power to show his friendly feeling towards Nazi Germany. He refused to recognize any longer the national existence of Belgium, the Netherlands, Norway, Yugoslavia, but he did recognize the anti-British government of Rashid Ali in Iraq. In addition, deliveries to Germany increased enormously. But there were no further German demands on Russia. Probably all of them would have been fulfilled. There was no German ultimatum as has been alleged. There was only Rudolf Hess and his mission, and that failed. Roosevelt's answer had been given in unmistakable terms: the Atlantic patrol and the occupation of Iceland.

Hess's peace offer undoubtedly contained a guarantee of the integrity of the British Empire and her fleet. Any other proposal would have been simply idiotic, but whatever the German policy is, it is not idiotic. A peace that merely maintains the British Empire can mean nothing to America and nothing to an English ruling class that still believes in a chance to win the war despite all previous reversals. America does not defend Britain as such, but she defends Britain solely to prevent the unification of Europe under German dominance. The "defense of Britain" is only incidental. Hess brought no bargain for America, not even for an England assured of America's help "to the end", for the very existence of a German Europe means the slow but certain destruction of British world rule. It means the possible degrading of the United States from the first to the



second world power. However, as the *United States News* (7/18, 41) wrote:

*"It is necessary for an understanding of President Roosevelt's strategy to understand the stake of his struggle as he sees it. That stake, essentially, is to decide who is to be the boss of the world in the future — Germany and her satellites, or the United States and her friends".*

Roosevelt's strategy brought the Nazis into Russia. After the Balkan campaign, Molotov could only believe more firmly in his earlier lie "that a strong Germany is an indispensable condition for durable peace in Europe", for now that the hypocritical wish had become a painful reality, the world simply had to be convinced of Germany's invincibility and peaceful inclinations. But the American imperialists refused to accept Stalin's point of view just to keep the Nazis out of Russia. Churchill, who knows America's responsibility only too well, advised his new friend Stalin in a letter (7/26, 41) to direct his requests for help to America rather than to Britain, for "the extent and character of the aid Britain gives to Russia depends to a considerable degree upon the assistance Britain receives from the United States."

The fact that the German-Russian war is first of all a war between Germany and the United States, explains, in part, the course of the war itself. England was not going to make her own position still more difficult by risking an invasion in the West to help Russian defense. America was not ready to participate in such an adventure. But without an A. E. F. there would be no B.E.F. What if a new B.E.F. should again be defeated? It might well mean the end of the Churchill government and a return of the "appeasers". Why should Churchill risk what Hitler did not dare? A possible failure might not only overthrow the Churchill cabinet, but weaken England in every other respect too. Her chance of getting better terms from Hitler, if coming to terms with Hitler should prove unavoidable, would be lessened. Her dependence upon America would become still greater and thus also the losses implied in the alliance with the United States. The only sound policy for Britain to follow is to keep her own forces intact, to avoid losses wherever possible, and to keep her bargaining power strong in regard to both Germany and the United States. After all, America might lose the war without losing anything, but England will lose even in victory. The weaker she finds herself on the day of peace, the more she will have to lose. The war can only be won — this much seems clear — with an all-out effort on the part of the United States. Unless such an effort is made, only an act of despair could make England send troops to France and Spain to open up a Western front.

The Russian war was of course highly desirable. It might weaken Germany sufficiently to make her propose a peace that would give better guarantees for the continuation of British rule than anything hitherto suggested. It might keep her occupied long enough to drain her resources sufficiently to assure success to a final Anglo-American invasion of the Con-

tinents. A successful invasion necessitates enormous forces and endangers the fleet, so vulnerable to air attacks and so necessary to invasion. But only joint-activity, joint-responsibility with America could induce England to risk that much. America, however, was not ready and Hitler did not wait.

It is nonsense to believe that the Allies refused effective aid to Russia merely to satisfy the desire of some reactionaries to see the two totalitarian nations tear each other to pieces. No two nations would destroy each other just to please the rest of the world. To refuse aid to Russia is to help Hitler to victory, but it is Germany, not Russia, that threatens the interests of Anglo-American capitalism. A war of mutual exhaustion might have been conceivable under conditions as they existed prior to 1939. But now, with all the European resources in German hands, it even became questionable that the Russian would hold out for very long. It is true that the industrial superiority of Western Europe does not exclude military failures. There are "accidents" in history; there have been "miracles". Yet no sane person would base his policy on the expectation of new miracles. If aid to Russia was slight, it was probably for no other reason than the simple one that the Allies found no way to make it more effective.

It is also wrong to assume that little aid only was forthcoming because of the fear that a Russian victory might in the end turn out to be just as bad as a German victory. There is no basis for such reasoning. In relation to Europe Russia occupies about the same position that China does to Asia. It is not enormous China that represents the "Yellow Peril", but Japan. In Europe it is not Russia but Germany that threatens to dominate. Like the danger of China, so the danger of Russia is of the future, a future that may never arise if the present German-Japanese threat is removed. Through force of circumstances, and not because of the absence of imperialistic inclinations, has Russian imperialism thus far been largely a failure. Her attempts in China yielded small results; her gains in Europe have been presents from the hands of Hitler,— who turned out to be an "Indian giver". Whatever the course of the war, Russia will emerge from it weaker than she entered. In the event of final victory for the Allies, her decimated army will meet millions of fresh American and English troops on German and Asiatic soil. There will be no Russian expansion either to the East or to the West. Because Russia had to play a major part in the war, she will be forced to play a minor one at the peace conferences. The head of the American mission to Moscow, W. A. Harriman, was certainly right when he said (10/10, 41):

*"that AFTER THE WAR we will find Russia much more interested in nationalism than internationalism, and a nationalist Russia is a Russia we can well become intimate with."*

The Allies recognized quite early how little help they were able to give. British and American observers looked upon Russia as a hopeless case not only from the beginning of the present war, but even prior to



the outbreak of German-Russian hostilities. Although the war started at the end of June, the London *Economist*, for example, was already convinced at the end of May "that Hitler will soon control the raw material resources of Russia". On July 11th, 1941, American newspapers reported "form unimpeachable British sources, that the Churchill war cabinet is convinced that the Red Army must win now or be lost for good."

If the British overestimated Russia's strength and underestimated that of Germany prior to the war, they were inclined to think differently after the Fall of France and the Balkan campaign. However, Russian resistance caused them to change their minds once more. To keep Russia going, they were now willing to do anything, which was not much. After three months of fighting, the Nazis had captured or inactivated about 50 per cent of Russia's industrial capacity and weakened the Red Army almost beyond repair. Unless the trend of events unexpectedly turns again, it is difficult to believe that the Russians will be able to keep on fighting much longer. It is not German but Russian industry that is a shambles. The prolongation of the war will thus progressively favor the Nazis. The road of supplies from abroad is largely closed, and what is still open is of little importance. The Russian winter, on which great hopes are staked, cannot alter anything on its own account. Even the old army of the Kaiser was able to withstand three Russian winters in succession. As things stand at this writing, it seems almost certain that the Allies are in the process of loosing the third phase of the world war — the one now fought in Russia.

We shall not be disappointed if further developments should prove this assumption wrong. We do not profess to know the actual strength of either the Russian or the German army. We do not know what reserves exist. We know as little as anybody else what will happen next on the Russian front. All that we know is what everyone can see: the fact of German success and the admittedly dangerous position in which the Russians find themselves. On the basis of these facts, it seems more reasonable to expect a Russian defeat — or at best another temporary stalemate — than the collapse of the German war machine.

The very reluctance on the part of the British to open up a Western front, the very reluctance of Roosevelt to declare war on Germany, seems to indicate the present hopelessness of the Russian situation. If it is true, as General Wavell said, that "the Germans must be beaten on their own soil, exactly the way Napoleon was beaten," the proper time for an invasion would have been during the height of the German-Russian war. Of course General Wavell also pointed out that for such purposes "we certainly need American manpower, just as we did in the last war"; yet, if the Russians had any chance of winning, it would be incomprehensible that merely the unpreparedness of America should have delayed an invasion. If Russia represented a real danger to Germany, it should not have been too difficult to make the Western attack with the help of the combined Anglo-Am-

erican fleet. After all there are millions of English soldiers at hand, enormous quantities of war materials accumulated, and there are enough American troops to initiate a new A. E. F.

The hesitance of the Allies to risk an invasion may be explained by their fear that such a contingency would possibly lead to a Hitler peace offer which the Russians might accept. The surest way to keep the Russian fighting was not to attack in the West. There will not arise the question of a new Hitler-Stalin pact as long as Hitler can be reasonably sure that he can force a military decision and thus settle the Russian question "once and for all". Without a Western invasion, Stalin must keep on fighting to the last, in the hope of making the Germans realize that they would be far better off to accept a new truce instead of seeing the war to the end. What would really happen, however, depend upon events on the battlefields. And there the Nazis were once more victorious.

But even now, with the Germans hammering against Moscow, one still can not be too sure of what will happen next. There exist a number of possibilities, any of which may be realized. It is not impossible that the Stalin regime will be able to maintain itself even after the fall of Moscow. But its collapse and the installation of a new regime willing to come to terms with Hitler are also possible. It is also not impossible that Stalin himself, in order to save his own regime, will conclude a separate peace. Yet whatever may occur, it will not count for very much. Even if parts of the Red Army should succeed in withdrawing to the East; even if war materials should reach Russia; even if there is a chance of re-organizing the Russian forces for a new Spring offensive — all these possibilities do not effect the immediate realities of this war. The "final" victory over the Nazis is pushed too far into the future to have much meaning even for the Russians. In view of this situation a Vichy-peace might prove to be the "lesser evil". If it indicates anything, the fact that the Russians have thus far not changed their "line" again shows that all the advantages are still on the side of the Nazis.

That the Allies recognize that for all practical purposes Russia may be considered lost also comes to light in the new and sudden change in Japanese-American relations. As long as it was not clear which way the war on the Continent would turn, neither Japan nor America was willing to act. We have pointed out that Japan's attitude was a very ambiguous affair. The Moscow-Tokio pact, the occupation of Indo-China, in fact the whole policy of Japan, could work in two ways, for and against Germany. Which way it will finally work depends on the fortunes of the German-American struggle.

The Moscow-Tokio pact strengthened Japan in regard to both America and Germany. Japan could operate more freely in Asia and with a greater measure of independence. The German-Russian war was also, in part, an answer to the Moscow-Tokio pact. It robbed Japan once more of



her new position of relative independence. With Russia's defeat, Japan stands alone in the Pacific against the combined Anglo-American forces. She must either come to a still closer cooperation with Germany or consider herself lost. As long as Russia existed as a real power, America was to a certain extent handicapped in her Asiatic ambitions, for as little as the Japanese-American interests in Asia can be harmonized, just as little are the Russians willing to leave Asia to the Americans. As long as a number of rivals fought for the same thing, there was always a chance to go with one of them against another. The Russian defeat excludes such an opportunity. Thus Japan feels herself completely "encircled" at that moment when she faces a single enemy. Churchill has made it clear in his declaration that England would be on America's side in the event of a war between America and Japan; that, in this respect, too, there are no longer rivalries between Britain and the United States; that Britain would be willing to sacrifice her Asiatic interests to America but not to Japan.

Since America has shown her unwillingness to sacrifice England, Germany is determined to hold on to Japan. Yet until Russia was brought down, all expectations that Japan might march into Siberia because of the German-Russian war, that she might stop American shipments to Russia, were not fulfilled, because it would have been utterly stupid to enter the war on the side of the Axis while Russia still had a chance of keeping alive. Japan's government of reconciliation with America functioned only as long as there existed a chance that the Germans might be stopped. Now, however, it depends on Germany's strategy whether or not Japan will attack Russia in the Far East. A Vichy-peace with Russia might prevent this. An outbreak of hostilities between Japan and America might induce the Russians to participate on the side of America.

It is now clear that Russia's defeat was essential for Germany, not only for a new attempt to pry Britain loose from America, but also to continue, if necessary, the war against the United States in the battlefields of the Far East and in the Pacific. The complete destruction of Russia's power was necessary in order to accomplish either a temporary peace or to secure the continuation of the war that still leaves all the advantages to the Nazis. Thus the Russian collapse might well release the long prepared American-Japanese war.

### America — Germany — Japan

It could be argued that even now the Japanese may try to escape their most unhappy situation. This would, however, amount practically to suicide. America, like Germany, would prefer to deal with her enemies piecemeal. If avoidable, it would be foolish for the Japanese to give America that opportunity. It is much more to be expected that an all-out war of America against Germany will lead to a Japanese declaration of war on the United States, not because the Berlin-Tokio axis provides for it, but because any other policy would spell the end of Japan as an independent

capitalist power. Aware of the unavoidability of this conflict, America may for this reason be the first to attack.

Japanese imperialism cannot retreat. It can adopt a waiting-policy only as long as Germany, or America, or both, deem it best to maintain peace in the Pacific. Japan can exist only by continuous expansion. To offer her, as Mr. Hull does, "spheres of interest" in the Asiatic trade is to offer her nothing. It is not "trade" with which America is concerned. If it were "trade" she would prefer Japan to China, for her business with Japan is the better one. "Trade problems" are not the issue; the whole of American commerce in China and Japan is of little significance. Free-trade in the former sense of the term has long since come to an end, it cannot re-appear. Trade, today, implies the direct possession of large territories, or it implies military force able to dictate to weaker nations. The only trade possible today is that exercised by the Japanese army in China, by the German armies in occupied Europe. All that America has thus far offered Japan is plain starvation. All that it will ever be willing to offer is the maintenance of a powerless Japan at the mercy of the United States. Starvation of Japanese capital, a stoppage of imperialist expansion, is equal to real starvation, for, unless socialism arises in important and decisive areas of the world, starving Japanese capital means to murder her population. To give Japan what she must have for her capitalistic existence means for America to give up her most important sphere of imperialistic expansion. And in this connection, Chiang Kai-shek appears as what he actually is, a tool of American imperialism, but not the "liberator" of "his people". For the "liberation" of the Chinese people can never proceed with the help of England, America, or Germany, but only in the form of a struggle against all capitalist nations and against capitalism in China itself. But such a liberation would not be a "national liberation". It is "too late in history" to expect a recurrence of national wars such as shook the world a hundred years ago. Within the framework of capitalism "national liberation" means the choice, if one has the choice, between different imperialist power blocs, each of them equally capable of preventing self-determination of the people they "protect". National issues are mere subterfuges to hide the real imperialist notions of the great powers. It will thus be the task of socialism, not to do what capitalism failed to do, namely to assure national independence for the various countries, but to do away with the whole problem in its traditional as well as in its imperialistic form.

It is capitalism that rules in the United States. It will not sacrifice its own interests just to help those of the Japanese. People who are so delighted that the paper-cities of Japan can be destroyed over night are as capable of "unselfish acts" as the Japanese who celebrate with pomp and circumstance the Fifth Anniversary of their organized slaughter of the Chinese population.

No permanent agreements can be reached between America and Japan. The only obstacle to a Japanese-American war was the existence of the Red Army. With the latter out of picture America may force the war,



for she will not be able — for some time to come — to do much in Europe. The possible direct connection between Japan and Germany must be prevented. It may well be that the greatest proportion of American war efforts will be directed against Japan, in an attempt at a quick victory, that will free America for more efficient action against the Nazis. But concentration upon the issues of the Pacific may also indicate a dawning recognition on the part of the American Administration that it is too difficult a task to beat Hitler in Europe; that it would be wiser to operate where operations yield better results.

As far as South America is concerned America has displayed no hesitation, as Roosevelt's recent *coup d'état* in Panama so strongly reveals. America may cease to hesitate in Asia, too, and thereby demonstrate that her struggle is not directed against "Nazi-Germany", but for the greatest possible control over the world economy. Of course, in the long displayed hesitancy to declare war on Germany there is also hidden the desire to leave a way open for retreat, if retreat should become unavoidable. After all, Germany is fully aware of the fact that America is at war with her. The "Hypocrite" and the "Rattlesnake" have already declared war a dozen times. The German population has long since been made acquainted with the fact, and no "psychological effect" detrimental to the Nazis can any longer be expected through the mere formality that accompany openings of hostilities. It seems to be mere "politeness" on the part of the Nazis to help maintain the illusion that both nations are still nominally at peace. The lack of a war declaration hurts nobody but the United States. It hinders the necessary centralization needed for modern warfare. It is explainable only by the Roosevelt Administration's own uncertainty as to what course to pursue. Thus, the greatest support the Nazis have yet found in the United States has been provided by Roosevelt's own strategy. It is quite understandable that the Administration should complain so bitterly about "sabotage" on the part of the isolationists. Yet one may be sure that even if there had not been a single isolationist in America, the situation would have been just as it is. The isolationists perform a real service for the Roosevelt Administration by opposing war measures that Roosevelt otherwise would have to oppose himself. If the isolationists had not existed, Roosevelt would have been forced to invent them, because of the fact that the discrepancy between his imperialist ambitions and the possibility of realizing them is still too great.

The isolationist bloc means for Roosevelt what *hara-kiri* means for the Japanese: it "saves face". All possible defeats that he may suffer or has suffered, he can put easily on the shoulders of his "opponents". This is the secret of the persistence of American democracy even under an "Emergency". Yet all "steps towards war", i. e., "short of war", thus far taken have shown that the isolationists in America are entirely powerless, unable even to influence events. It is also certain that if war is finally declared, the great bulk of the present isolationists will become ardent interventionists. Like the English appeasers they will accept the new situation not because

their "patriotism" is greater than their "convictions, but because their real interests cannot be divorced from the interests of American capitalism as a whole. A defeat of America will hit both interventionists and isolationists equally hard. The only isolationist act thus far undertaken was Representative Fish's attempted gesture to introduce the issue of a war declaration in Congress. The war mongers and the peace-mongers both recoiled in utter terror, not because they doubted that Congress would declare war—for this Congress declares anything that Roosevelt wants them to declare—but because of the certainty that Congress would declare war if forced to make a stand.

### German Europe

We are not so sure as Hitler claims to be that the Russian war is practically over. We do not know enough about the actual conditions in Germany and in the occupied countries. However, with the exception of Norway, where large parts of the population have opposed Nazi rule, and of Yugoslavia, where remnants of the army are still fighting, it seems that the opposition in Nazi-occupied territories consists of no more than the activities of professional provocateurs and isolated nationalist or bolshevist fanatics. The masses remain apathetic. We do not know the real attitude of the Vichy-government, nor the real situation in Italy. This ignorance, however, we seem to share with Roosevelt and Churchill, as both—to judge by their actions — also do not know whether to see in Vichy-France a potential friend or a potential enemy. It seems clear, however, that France cannot be transformed into a "real friend" without a successful invasion and defeat of Germany.

Notwithstanding all the difficulties that will accompany the reorganization of Europe, Hitler proclaimed before the start of the great October offensive, that if victory should be won, the basis for a durable peace will have been laid down. For a long time the Nazis have hinted at the calling of a European Congress for the coordination and pacification of the Continent. If Europe should indeed become an entity under Nazi dominance, it will be difficult, if not impossible, to defeat Germany on European soil. What, then, are the chances for a Nazi-dominated United States of Europe?

It must first be noted that the Nazi pattern of domination provides for both employment and abolition of national issues. Useful as national rivalries and race-issues are for the diplomatic and military conquest of a country, as soon as the latter is accomplished, the frictions originally fanned must be dampened. This is often difficult, as may be seen from the trouble that arise in the occupied nations. Political and economic positions have to be reshuffled over and over again, until each nation has that administration that serves the Nazis best. Of course the larger plans in this respect do not answer the changing needs from day to day, and thus contradictory moves are always possible. But their occurrence does not eliminate the general policy that the Germans follow in their attempt to bring Europe under complete control.



For a *Pax Germanica* it would be foolish of the Nazis not to bring to an end the various territorial claims of different national entities. Nationalism is now fiction anyway. If the groups in each nation that received their privileges from the existence of certain boundaries and particular industries are eliminated; if each nation in Europe is economically controlled; if a political leadership is developed whose interests are thoroughly integrated into the Central German control system — there is then no longer any need to suppress ideologies and national cultures which, divorced from their previous material base, are destined to die out by themselves in the course of time. In brief, the Nazis will appear as “saviors” rather than as “destroyers” of nationalism. They will shift populations until there are, in given territories, no longer issues of race or national minorities to disturb the “peace”. There will be no French in Alsace-Lorraine, no Croats in Serbia, no Serbs in Croatia, no Slovaks in Rumania, no Rumanians in Slovakia, and so forth. The world will look then like a sort of zoo. People who think of themselves as national groups because of certain common characteristics will be separated so as not to devour each other and to make the job of the “animal-keeper” easier. They will be left to enjoy their particular cultures or idiosyncrasies until they grow tired of them. They will be allowed a fictitious self-determination until the old ideologies are worn out. The Nazis will foster this separation in order to rule better. For only by keeping the people ideologically apart is it possible, under present conditions to maintain a centralized rule over them; to keep them from recognizing that their particular existence is, in reality, part and parcel of the common existence of the world population. Nevertheless, the “renaissance” of nationalism today does not prove that its importance — based upon the destruction of world trade — is growing. It only indicates that national issues may still be used for the re-organization of world economy through the struggles of different imperialist power blocs. National issues in the traditional sense are everywhere on their way out. As Bruce C. Hopper remarked recently: “The prevalence of treason in the small states since 1938 indicates the extent to which nationalism is already broken down.”

It would be foolish to assume that because Germany wins battle after battle, the war — in one way or another — must soon end. It would be just as foolish to think that Germany may win all the battles and yet lose the war. Though the present war is in many respects a repetition of the last one, in this particular respect it is not. Even if the imperialist drives are essentially the same as far as direction is concerned, in this war the Germans not only win battles that can be utilized at a coming peace conference, but they transform at once the whole European economy with a view of establishing a German dominated Europe that is there to stay. The “odd thing” in this regard, writes the London *Economist* (6/14, 41),

“is the extent to which this prospectus of the “new order” coincides with the plans of reformers both of the Right and of the Left in democratic communities. The union of Europe has been under discussion for two decades.. NOW IT IS AN ACCOMPLISHED FACT.”

It is true that this “accomplished fact”, as the *Economist* further remarks, is “an obvious travesty of the ideas” of the social reformers of yesterday, for “Europe has been united by destroying all freedom — personal and national — save that of a small gang in control of Germany”. But then, under conditions of capital production, the United States of Europe will always remain a travesty no matter under whose auspices it may be realized. Even as an unhappy substitute for an “ideal capitalistic United States of Europe”, it may still be forceful enough to endanger both Britain and the United States. The very fact that this “travesty” is fought so bitterly should indicate that the American and British rulers are quite convinced of the possibility that Nazi Europe may endure, despite its miserable character. The very existence of this German Europe makes it increasingly more difficult to think in terms of a German defeat. All the plans of redivision now concocted in Anglo-American headquarters may find growing opposition even in those countries that are supposed to be “liberated” by American arms. If Germany is not defeated soon, it is quite conceivable that Germany’s enemies of today may change into her friends tomorrow, both ideologically and materially. This danger is well recognized by the more realistic of the spokesmen of the Allies. The article in the *Economist* already quoted points out that:

“The lesson of the New Order which most need to be absorbed is that the age of enterprise has given place to the age of security. Every category of producers — workers, peasants, industrialists — was weary of the struggles of Europe. It may well be that even the control itself which the Nazis have come to exercise is not altogether unwelcome. The desire for independence is not one that goes easily with the search for security. The extent therefore to which the Nazis have found willing collaborators is not altogether surprising. Industrialists have, of course, been driven into collaboration by the need for raw materials, but there is no doubt that many of them would have been ready for it without this compulsion. It is, after all, only extending to the whole of industrial Europe the practice of monopoly which has long been the goal of the average businessman and his associations. The heavy industry of France, Belgium and Holland were already inextricably bound up with German industry and one of the reasons why there was so little resistance is that the Nazis are not altering economic relations so much as abolishing the political frontiers which, until 1940, hindered the unlimited cartellization and merging for which many industrialists were perfectly prepared.”

With the continuation of the war, the further interlocking of European industries is unavoidable. The European blockade, unless it assures a quick collapse of Germany — a situation less and less to be expected — will turn finally into a blessing for the Nazis, because it forces the European nations into continually closer collaboration with Germany. As long as the Continent is ruled by German arms, the recognition must grow in all European nations that it will be far better for them, in order to relieve their own miseries, to help Germany terminate the war successfully. To prevent this situation Germany must be defeated by extra-European powers and by military measures. “Undying love” for “real, national independence”, and “undying hate” for the oppressors are, after all, only luxuries in which the



various governments-in-exile may indulge; but the puppet-regimes and their subjects in the occupied nations face other problems. They are bound to develop vested interests of their own and will be ready to defend them with the same vigor with which the governments-in-exile try to regain their lost positions. In the course of time, those puppet-regimes will have to serve Germany better, not only in order to defend their own newly-acquired interests, but in order to defend their own lives. Thus if Germany is not defeated soon, the whole European Continent will have to be defeated.

With the defeat of Russia, or with the conclusion of a separate peace, the power of German Europe will be greatly enhanced. Of course, a Nazi Europe is no blessing for the workers and the other powerless groups in society. It will not improve their lot. It will only allow the Nazis to stay in power either by continuing the war, or by reaching a peace that can serve only as a prelude to a new and mightier war. If the unification of Europe by itself would mean anything, it would be difficult for a worker and socialist not to support Hitler for, after all, if socialism presupposes the end of national boundaries, the United States of Europe could be considered a progressive step in the direction of socialism. However, the British Empire as well as the United States of America is proof enough that a mere enlargement of the capitalist state from a national to a continental or imperial form implies nothing of interest to the workers. It is a step in the development of capitalism, no doubt, and thus a step in history vitally affecting the working class. Yet it is of interest only to a working class still capitalistically determined, and it is thus a step against them.

Theoretically, and independent of the possibility of its attainment, even a United States of the World could very well maintain its capitalistic character and would not constitute a socialistic goal. Socialism begins not with the state and geography, but with the worker and his relation to the means of production and the products of his labor. Unless this fundamental problem is solved, no problem can be solved socialistically. Thus the workers, one might say, must oppose Hitler not so much for what he is doing as for what he is not doing. Because he claims he is doing something *for* the workers, it is obvious that he is acting *against* them. Nobody can do anything *for* the workers. What the workers need they can realize by themselves alone. Short of socialism, that is, the conscious regulation of production according to social needs, the production for consumption and for no other purpose, the elimination of special interests in society and special power centers able to control the rest of society and thus to preclude a social production—short of this goal and of all activity leading toward it, the crisis resulting in the present war will continue to prevail in a unified Europe. The war will go on and the great energies released in the unification process will be wasted in the more rapid destruction of the products of labor. Capitalist society will never find peace again. The possible temporary cessation of warfare will only bring out into the light of the day that crisis that was at the bottom of the war and that the war has been unable to solve.

The "new" crisis will again lead to the resumption of war in the relentless yet futile attempt to make the capitalistic system work through organizational changes that leave untouched the essential socio-economic relations between capital and labor.

### Hitler's "Secret" Weapon

How was it possible for Germany to accomplish what she did in so short a time? We have already traced the event of Germany's comeback as an imperialist power to the simple fact that after the last war the world remained a capitalistic world, and thus a world divided on the question of whether or not to destroy Germany for good. Roosevelt and Churchill spoke of mistakes that were made in 1918, particularly of the mistake of not disarming Germany completely. At their Atlantic meeting they vowed not to repeat this mistake. The truth is, however, that Germany was disarmed in the most thorough fashion after the last war. Re-armament started from practically nothing, and was rendered possible not by any mistakes made at *Versailles*, but by rivalries among the victorious Allies. To avoid the recurrence of such a situation it is not enough to keep Germany disarmed; *all* nations except that nation or that bloc of power which gains an absolute monopoly in arms must be kept disarmed. And this is the goal of Roosevelt and Churchill. By announcing their determination to destroy Germany as a military power once and for all, they are proclaiming themselves the dictators of the world.

This is an attempt, or rather a hope, at out-doing the Nazis. If, for reasons of objective limitations, Hitler does not at the moment aspire to more than a German Europe with great influence in all parts of the world, his Anglo-American opponents need not share such "humility", for they are already in possession of most of the world. Certainly it seems easier for those who control the world to capture Continental Europe than for one nation controlling Europe to capture the world. Hence the confidence in final victory on the part of the Allies ideologists. Thus also Mr. Adamic's recent suggestion to adopt a "Two-Way-Passage" policy, that is, to have Europe controlled by "returning" Americans, who have learned during their stay in the U.S.A., how best to solve all social, political and human problems. America is seen here as a sort of *Ordensburg* à la Hitler, educating a ruling class able to control Europe for a "Thousand Years". The Nazi-slogan *Hitler ist Deutschland* is transformed by Mr. Adamic for the needs of American imperialism in the more comprehensive *Dale Carnegie is the World*. This "spirit" even gripped more successful writers than Adamic. The German ex-patriot Thomas Mann writes in the July, 1941, issue of *Decision*, that today

"the term 'Europe' is already a provincialism. The concept of the world state has been born and will not rest until it has achieved reality. The notion that such a world state must be German is a lunatic jest."



However, this lunatic jest, Mr. Mann forgets to state, has not been made by the Nazis but by the propaganda experts of the Allies. It is not Hitler's goal, but it expresses the actual fears of lunatics and it is out to create more fearful lunatics. Furthermore, it serves to justify the propaganda for an "Anglo-American World State", for "Union Now", for "hemispheric control", and all the other current slogans of American capitalism. Behind the concept of the illusory capitalistic world state, which "will never come to rest", is nothing more than the desire of the most vicious of American imperialists to "out-nazi" the Nazis.

Thus far, however, Hitler's "provincialism" has proved more effective than the attempt of the Allies to transform the poor novels of H. G. Wells into a rich reality. Notwithstanding the "new concepts", namely, the recognition that it is not enough to suppress one nation in order to maintain peace but that all nations must be suppressed by one, these great "concepts" have utterly failed against the direct actions of the Nazis.

Hitler recognizes no problem but that of how to stay in power. His "program" consists of the various steps necessary to secure Nazi rule. What kind of steps these are is of little importance. All are satisfactory as long as they answer Hitler's single-tracked need. This "narrow" point of view provides for a consistency in action which transcends all the various contradictory steps that have to be taken because of the force of changing circumstances.

The principle that assures success for each capitalistic enterprise remains successful if applied to a whole nation. Yet, as in the case of a single enterprise, what one does, one does not know. Even what one "wants", aside from power, one does not really know. Hitler may "want" to prolong the war and thus bring about peace; he may "want" peace, and thus extend the war. What he "wants" and what he does are two different things, and thus it really makes no difference whether he consults the stars or the German general staff. However, he consults both — the stars, because there is no information as regards the future; the general staff, because he wants to remain in power the next day and, if possible, the next year. The Nazis' "direct actions" are still reactions to forces that escape control and comprehension.

Yet there is a kind of knowledge, a degree of planning, and a limited predictability with regard to certain phenomena. The greater the sphere of action that falls under the control of a single-track interest, the more forceful will that interest be. Just as a capitalist monopoly controls more of the social life than does a small enterprise, and controls it more consciously, so the centralized political and economic system in Germany controls its sphere of interest better than do the less centralized "democracies".

"Better" means here only better for the Nazis. As little as the extensive control of society by monopolies was profitable to society, just as little can "social" be applied to the still greater social control exercised by the

Nazis. In both cases only the immediate needs of the controllers find recognition. In this manner the more efficiently the controller's needs are met the more social needs are violated. The whole of society is more and more adapted to the specific needs of the ruling class — needs which, even from a capitalistic point of view, correspond less and less to the needs of society as a whole. The more conscious regulation there is under such conditions, the more chaotic society becomes. One has only to look around today to recognize this immediately as a fact.

Although the "successes" of the Nazi regime benefit no one but its ruling class, they remain successes nevertheless if compared with the demonstrated inability of the Allies to break the Nazi Rule. Because of the fundamental weaknesses of Germany, which we have already dealt with, the Nazi successes remained a mystery, though an explanation of them was sought in "secret weapons". A Goebbels' joke was taken seriously. If the reasons for the Nazi victories remained "secrets", they were at least "open secrets" and their recognition has been delayed only because of Allied propaganda devices adopted early in the game. The secret of fascistic successes is fascism itself.

To admit that much means for the "fighters of democracy" not only to admit defeat in advance, but also to admit a share of responsibility for the rise of fascism. The transformations taking place in particular nations find their reasons in the present status of world capitalism. The "German crisis" that brought Hitler to power was part of the world crisis. Hitler was nourished in New York, London, and Paris as well as in Munich. If the capitalists in the "democracies" have only a pitiful smile for the *Dummkopf* Thyssen, the latter, if he is still able to, can get a great kick out of every defeat the Allies suffer. Did not Hjalmar Schacht warn them even in 1931 that "large-scale alienization of German industry would produce nationalist and social reactions which would make peaceful conduct of foreign business impossible"? After all, even in Germany, as now in Europe and on a world-wide scale, Hitler took, as he still takes, primarily from "foreign capital", since the German capital was either near bankruptcy or actually out of business.

The German capitalists lost little by Hitler's ascent to power. They hoped that fascism would bring them gains, and thus supported Hitler for reasons of their own. Peaceful attempts to escape the dead-end that German capitalism had reached proved futile. The famous *rationalization* of German industry, a triumph of technique, was a flop economically. Though productivity was greatly enhanced and competitive power strengthened, the economic and political counter-measures of the competitor nations turned all this effort into just so much waste. So, after the rationalization of technique, came the "rationalization of political economy". The state was to bring back "profitability" where the capitalist "automatism" had failed. After trying hard to erect a dictatorship without Hitler (Bruening, von Schleicher, von Papen), they found that a dictatorship could be erected only



with Hitler, that is, as a "popular movement". Half they were drawn, half they went themselves" into the arms of the fascist state. They had not the slightest reason to distrust the "drummer" when, in a speech before the industrialists of *Rheinland-Westphalen*, he assured them that his program stressed particularly

*"The necessity of private property and of an economic order based upon the profit system, individual initiative, and inequality of wealth and income."*

They knew then that Hitler was "their" man; internally against the workers, externally against foreign competitors and monopolists.

The increase of profitability at the expense of labor, though still a factor, is now, however, a factor of minor importance because of the small part of the total capital that now accounts for labor. Of course high wages can still be brought down, but then ten years in Germany had brought them down already. To lower them still further to any great extent would lead only to a decrease in productivity, a fact now generally acknowledged. At any rate the little to be gained thereby would not solve the problems that Hitler faced. The question of unemployment simply had to be solved. In so far as Hitler's movement was a "popular movement" it was a "movement of the unemployed" in the widest sense: workers, intellectuals, professionals, crisis-ridden peasants, bankrupt traders and industrialists, all were constantly fearful of losing even that miserable hold they had on life. Hitler's employment program was one of public works, made temporarily possible by a levelling process that cut down wages wherever possible and raised the income of the unemployed to the lowest wage levels. But once this levelling process spends itself, this type of work-creation find its end unless the levelling process is extended beyond the proletarian layers of society.

To solve the problems of German capitalism "at the expense of labor" can mean only to increase its productivity and decrease its actual income; that is, it can only mean more unemployment. But Hitler came to power precisely for the reason that this traditional capitalistic policy could no longer be employed without endangering the whole capitalistic structure. Capitalism can solve its problem, however, only at the expense of labor. This dilemma may be temporarily overcome through the extension of the levelling process over larger territories and greater masses. What works for a while at home, works for a longer time when carried out abroad. With limited resources, the economy that polarizes society into a small gang of owners and broad masses of paupers will near stagnation and permanent crisis conditions when a certain point in the process of capital concentration is reached. To overcome this stagnation it must find new resources. But the capitalist stagnation was world-wide, and each nation found itself in need of new spheres of exploitation in order to realize those additional profits that are necessary to get the home economy once more afloat. The smaller the resources and the sooner the "blessings" of the leveling processes of the crisis found their end, the more pressing became the need for conquests. The lack of resources explains the aggressive character of the fascist na-

tions. The "lethargy" of the democracies is explained by their greater and richer possessions. The levelling process, which is resorted to in lieu of real capital accumulation, and which is in evidence also in England and the United States (Keynesian Economy and the New Deal), exhausted itself earlier in Germany than in the richer nations. Because the latter would not freely grant what Hitler needed to stay in power, he tried to take it by force.

If Hitler succeeds, the present German "prosperity" may well continue. The more territory he takes in, the more raw material he can reach, the more capital he can expropriate, the more workers he can exploit — and exploit without making the concessions he still has to give to the German workers to make this whole process of acquisition possible at all — the longer will the "prosperity" last.

The "secret" of his success is quite simple. It consists of nothing more than the earlier adoption of the "new" organizational principles that increased Germany's military power. Just as in the beginning of capitalism, the *division of labor* — a mere organizational principle — gave those entrepreneurs and nations that first employed it enormous advantages over those still engaged in traditional handicraft, so a "new" principle, or rather the extension of an old principle over a greater field of activities gives the Nazis their present advantage. One must remember that the industrial revolution that changed the world was only the *result* of the division of labor already in force; organizational changes preceded technological ones. The early adoption of "new" organizational principles by the Nazis has in the same manner led to a new industrial revolution. Necessity being the mother of inventions, this industrial revolution is of course closely connected with the German war needs, and thereby differs from the industrial revolution which made possible the capitalization of the world. In view of the previous general stagnation of capitalism, it is an industrial revolution nevertheless. The very collapse of liberal capitalism is its base. Reality itself proved that *laissez faire* was only an ideology that apparently fitted the early conditions of capital expansion. What was real in liberal society was the exploitation relation: between capital and labor. The only real organization in the economy was that which existed in each enterprise, or monopoly. To organize a whole nation as efficiently as each enterprise is organized, or, rather, to look upon the whole nation, or the whole Continent, as an enormous factory of bosses and workers — in this consists the "new realism" of which the Nazis are so proud. What they had not been able to learn from Marx, because they burned his books too early, the capitalist reality itself made them understand with the result that they became better capitalists than the capitalists before them.

To be a bigger capitalist is to be a better one. German capitalism, although highly advanced, remained a "poor" capitalism in comparison to English and American capitalism. In Germany, the concentration of capital did not proceed as rapidly as in the United States. Thus an apparently



new contradiction arises, for if fascism results from a highly concentrated monopoly capitalism it should have reached America first, not Germany. But many roads lead to Rome. Though there was less concentration of capital in Germany, there was more *cartellization*. Though the enterprises and trusts were not so rich as they are in America, the Germans made up for this lack in capital strength by more thorough organization through the cartel system. Thus the weaker monopoly capitalism in Germany lost its "private" character earlier than the stronger one in America; thus the nation "economically" much better adapted to the "laissez faire system" than the American plutocracy, lost its "democracy" first. It had to become a bigger and thus a better capitalism by way of pooling its resources and organizing its activity rather than by the ordinary way of general competition. Therefore politics, not market economy, began to determine the destiny of German capital. Technological changes in Germany, and the resulting increase of productive capacity, demanded — in order to become possible at all — central control over all capital, labor, and natural resources. The new industries, especially in the field of chemical production, could no longer be built upon the basis of a private property capitalism of the old order, for as the *Deutsche Bergwerks Zeitung* wrote:

"Today you have to produce where production seems the most profitable from the viewpoint of BOTH national and private economy, that is to say, where you have to use minimum manpower and materials to obtain maximum volume and quality of production... Now then it is inevitable that you give one enterprise what you take from another, and conversely, and there is no way of adjusting a balance equitable for all... The idea of balancing and compensating must not be allowed to hamper technological and economic development, even if the measures to be taken imply a new set-up which might hurt particular interests."

All this, of course, took place by way of internal and external struggles that involved the most contradictory and variegated interests of all layers of capitalist society. The "end-product" of these struggles was the Nazi state of today.

When we say that the capitalist crisis has to be solved at the expense of the workers, we are fully aware that there is more to capitalism than just this particular process. If the crisis cannot be solved at the expense of the workers, it becomes a permanent condition of society, though this permanence may be obscured by the most lively and deadly activities. The capitalist crisis, as well as its prosperity, sees continuous changes in the distribution of wealth. Profits are concentrated into fewer hands. The crisis only accentuates this process. When people speak of Hitler's undertakings and Roosevelt's "New Deal" as "socialistic measures", they actually speak of the re-distribution of wealth. This, too, is a levelling process, because it still further weakens the weaker capitalistic elements, and thereby still further strengthens the stronger ones. It is the enforcement by political means of what would otherwise occur at a much slower rate in the general development of capitalism: the polarization of society into controlled masses and a few controllers. However, this does not solve the capitalist

crisis, but "artificially" increases the economic activity, until the levelling process has spent itself. In short, what exists and what is produced are still sufficient to finance — in the interest of social stability — some non-profitable enterprises. But it is not enough to overcome the crisis capitalistically, that is, through the stepped-up accumulation of capital.

Unfortunately for all concerned, if a nation engages in this type of economy on a large scale, it becomes difficult, if not impossible, to reverse the trend. For new power centers are developed and new vested interests created, all bent on the continuation of the levelling process. Those forces have a large "clientell", a "mass following" among those who have to be "appeased" in order to maintain social peace. What has been thought of as only an "emergency" to be abolished by the new prosperity "just around the corner" becomes the "new prosperity", and by itself precludes the arrival of a "true" capitalist expansion. Yet to continue to think and act in terms of the "emergency" means to come nearer and nearer the point where the "economy of re-distribution" will cease to support the capitalistic structure. To escape that point an "emergency" within the "emergency" must be created. At that point a nation goes to war.

With their creation of German Europe the Nazis merely demand the right to participate on more equal terms in modern "welfare economics". Unable to equal Roosevelt's WPA on German soil, they asked for more *Lebensraum*. It is their serious attempt to safeguard the capitalistic structure, not to abolish it, that causes them to speak in "socialistic" terms.

### The Atlantic Brenner

What happens in America today is what happened in Germany only yesterday. What happens in Europe today is the attempt of German capitalism to hold the initiative which it won by being the first highly developed country to go fascist. And as the principle of an organized capitalism yielded immediate results in Germany, so it may bring corresponding results on the Continent, if the battlefields of the war can be kept outside Europe. In fact, from a purely technical-economic point of view it might yield even better results — since the additional agricultural territory, the new raw materials, and the additional cheap labor lend themselves more effectively to an economic integration of the total economy — than does an extension of the previous emphasis upon an industry lacking raw materials and unable to feed its working population. However, for political-economic reasons it may yield fewer results since the bureaucratization necessary to "harmonize" the thousandfold needs and interests of Europe with the specific war needs of Germany may be costly enough to offset gains in other fields. The relationship between Germany and the extra-German nations of Europe may deteriorate, or develop, into one similar to that between North America and South America at the present stage of development — the controller nations having to feed the controlled nations instead of being fed by them. The war itself is responsible for this situation; its continuation



makes the whole prospect of continental economy increasingly more problematic. At the present time and despite all successes "Europe", as Mary MacCollum has said, "is absorbing the Germans, the Germans are not absorbing Europe". Thus, as in the last war, the Germans are the ones to clamor for peace, not because it is characteristic of beer-drinkers to be friendly, but because the Germans get the jitters when they realize their real position in the world.

Though Germany never followed a policy of autarchy, German Europe is an autarchy because of the blockade. To enter world trade means to send additional armies into extra-European territories. But for a long time to come, German arms will be unable to carry on business in the Western hemisphere and in Asia. To make Europe self-sufficient in regard to foodstuffs is not altogether impossible, but it will take so much time that, even if undertaken with success, it will "benefit" only a dying population. It means the re-allocation of economic activities on the largest scale, the industrialization and intensification of agriculture, the education of millions of peasant masses. It means work, work, and more work. Work that is rendered largely senseless by the fact that at the same time these efforts are made, foodstuffs rot away in other parts of the world and agricultural production is reduced in favor of armaments. If the war should end with capitalism still intact, the dislocations and disproportionalities of profit production will be even greater than they were before the onset of the war. To utilize the economic possibilities inherent in the unification of the Continent would mean to organize the Continent as an integrated part of world economy.

The control of the Allies over the foodstuffs and raw materials of the world, although a forceful weapon, is not powerful enough to bring Hitler down. Their control over South America and Asia promises neither permanence nor profits unless Hitler's plans for a German Europe are shattered. To stop the exchange of goods between South America and Europe, for instance, means for the United States that she must compensate her "friendly neighbors" for their losses. In this way Hitler hurts America either way; by extending his barter system to South America and by not doing so. To make the coordination of the economies of South America and North America a profitable business is just as difficult, if not more so, as to make Europe a source of profit for Germany. Both processes tend to pauperize both the controlled and the controlled nations.

To make South America profitable to the United States means to change much of her agricultural into industrial production. This is still in line with the general trend of capitalist development. The transformation of agriculture into industry is another expression for the concentration of capital. Within a given territory a certain stage of capital concentration prevents further capital expansion. Just as in the case of labor, so in the case of agriculture the appropriation of profits from the land diminishes with the diminishing importance of agriculture within the whole capitalist

setting. Just as in the case of the labor of other nations, so must other agricultural territories be absorbed by the more powerful capitalistic nations. Thus, even without the war, a "hemispheric policy" would have been adopted by the United States.

The European nations are dependent upon the foodstuffs and raw materials from overseas. Their "independence" is not real. A successful transformation of the still backward agricultural nations of South America into industrial states would make necessary the transformation of the industrial European nations into agricultural states. It would necessitate a general European exodus to the Western hemisphere. Marx who once said that because "money is the god of the Jews, all Christians have turned into Jews" could now say that "because Europe is emptied of the Jews, it soon will be emptied of the Europeans". Stating the problem, however, means to realize its insolubility. In reality, South America will remain an agricultural territory because of American control. If America wins the war, South America will become even more "backward", that is, impoverished. A nation that has not been able to solve the problems of her own Southern States, or rather, that solved them capitalistically by impoverishing the poorer sections still further, has nothing to offer in the way of hemispheric control except a large-scale repetition of this process.

German Europe, too, is not organized in order to benefit the world, but as a means to win the war. And here it is quite possible that it will help the Germans, albeit at frightful expense, to "carry on". For this reason the blockade will never be relaxed until America is ready to share the world with Hitler or until Hitler is defeated. It is not so much the idea that the hungry people of Europe will rebel that makes the democratic humanitarians so human that they will not relax the blockade. Even the dullest of them must know by now that unarmed people, however hungry, cannot arise against a war machine such as the Nazis possess. It is rather the hope that they will starve and die, so that Hitler cannot utilize their labor in his reconstruction schemes that may enable him to wage war "indefinitely."

German Europe, even at its "best", will be a sickening substitute for a needed continental world-integrated economy. It will be a wasted effort, just as the industrial revolution in Germany turns out to be a wasted effort. To be sure, the changes in Germany have made her largely independent in regard to certain essential raw materials. She could thus enter the war with greater confidence than in 1914. This industrial revolution, laughed at as the German *Ersatz* industry, will prevent an early collapse of the German war machine. Attempts to extend this revolution over the whole of Europe may also serve to prolong the fighting ability of Germany. Yet, the greater productive capacity is nullified through the increasing destructive needs of capitalist society. The energies needed in the reconstruction of German Europe may exhaust Germany sufficiently to make her vulnerable in the highest degree on the very day of her greatest triumph.



Roosevelt's and Churchill's entire strategy, if one can use this term here at all, consists then of the simple attempt to prevent peace. Foremost in their minds is the thought that the war must continue no matter what happens, and no matter how long. Hitler must not be given the opportunity to utilize his conquest. Even if he wins continuously, his enemies are so numerous that the victor over nine might well be sufficiently exhausted to be brought down easily by his tenth opponent. This last opponent is, of course, America. What does it matter if France went down? A weaker France may arise again. If Russia and the Balkans lost out? They will only be more dependent upon America later on. What does it matter even if England is invaded? It will show her who is master of the world. America Hitler will never be able to subdue. Roosevelt's war spirit is not determined by the fear that Hitler may invade the United States, but by the certainty that he will not. All the battles in Europe lost by the Allies will in the end also be lost by Germany. Once more America will be the sole winner. A defeat of Russia will no more alter Roosevelt's determination to bring down German fascism than have previous defeats. New theatres of war will be opened, more lend-lease aid extended, and, in Mussolini fashion, America will only more speedily prepare herself for that final thrust when the time is ripe.

However, this "clever strategy", dictated as it is by necessity, has its Achilles heel in Britain. The English politicians cannot be too enthusiastic about this long range point of view. When will the time be ripe, if ever? Though delayed action may suit the United States, and, for a time, England too, in the end it may be deadly for the latter. Thus England's needs may force the United States into active engagements before she is really ready and able to administer that final blow to Hitler.

After the Balkan debacle it was said that the outcome of the war depended on the "Battle of the Atlantic". However, the war is a world war and its outcome does not depend upon a particular scene of battle, but is determined by a great complex of economic, political, and military factors. The Russian defeat may put Britain in about the same position that Greece occupied before the swastika was raised over the Acropolis. The British had to sacrifice Greece, and they are fearful that England too may be sacrificed in order to prolong the war. Will America really be able to save England? Only recently Prime Minister Mackenzie found himself obliged to remind his American friends that they must be serious not only in their guarantee of Canada, but also in regard to England proper. He can rest assured; America will do her utmost to defend Britain. The question is only, will the utmost be enough? Even if Churchill is convinced that it will be, not everyone is.

Things have changed in England. Not that socialism is sprouting there, but the rapid disappearance of the Chamberlain-men indicates the existence of a "popular movement" capable of influencing events. The Labor Party has always closely guarded the interests of British imperialism. It,

too, fears a unified Continent, because it fears that the increased competitive power of a united Europe will destroy the better living standard of the English labor aristocracy. Their opposition to "appeasement" indicated only that they were even better imperialists than their masters. However, their imperialism is determined by a stricter nationalism, and for very good reasons. They think not so much in terms of British world capitalism as in terms of the British Isles. The ideologists of the English labor movement have not forgotten what happened to the German labor bureaucracy and to those workers who insisted upon an independent labor movement when Hitler came to power. Out of sheer physical fear that all this will be repeated in England, they are quite willing to accept Churchill as the true symbol of English unity, and to look upon this ordinary imperialist war as a genuine anti-fascist struggle. Still, they are beginning to view with great suspicion the trend of the war that now turns more and more into a mere defense of American imperialism. They may put pressure on the Churchill cabinet to safeguard British interests more consistently, and may force Churchill, in turn, to put pressure on Roosevelt, who seems inclined to gamble away the whole British Empire just to insure final victory. In the interest of Anglo-American unity, America may therefore strike "before her hour has arrived". And yet, in doing so, she may once more play into Hitler's hands: first by not acting early enough, that is, during the German-Russian war; and second, by acting too soon, that is, before Hitler is sufficiently weakened and before America is sufficiently armed. The "correctness" or "incorrectness" of America's policy will be judged in the battles still to come. Until then the inconsistencies displayed in American politics may well continue.

The "battle of production" in America will not determine events. Even if brought to a climax in a reasonably short time it may well have been in vain, for though it is true that battles are won by the possessor of the superior war machine, it is too simple a conclusion to foresee an American victory merely because of her greater productive capacity. Those political accountants who measure production against production and then predict defeat or victory forget that, aside from the element of accident and the problem of transportation, there must still be considered the more important fact that in capitalist society class and group interests, not technical abilities, are of foremost importance. These interests may foster or hinder the war effort.

However necessary, it is impossible to include the class element in the calculation of warfare. The only way to deal with the matter — to some degree — is to suppress class frictions and to subordinate the diverse interests to the will of the war leaders. Under certain conditions, though not always, dictatorship guarantees "unity" and concerted action. The strength of private property in England and America, though waning, is still effective enough to interfere with the "proper" execution of the war. How long will it take to merge capital and state completely? That the



war has gone the way it has shows clearly that the foreign policy of a nation is not a thing apart, but is closely related to existing class relations. As the war progresses and brings about shifts in class relations and rearrangements in the relationships of all existing interests, the objectives for which this war is fought are also bound to change. Thus the further trend of the war will be determined by what happens on both fronts, the one at home and the one abroad. Predictions as to the future become less than probabilities. There might be many changes and there might be none. The only thing that seems to be a certainty is that the war is going on.

The present goal of Churchill and Roosevelt, however, is as clear as Hitler's. Though England's world domination was assured under less developed conditions because she ruled the waves, this is no longer sufficient because of the capitalization of the world accomplished in the meantime. The nation that is to rule the world must rule it, and not just the seven seas. The difficulties here involved suggest a sort of "automatic" police system which necessitates the continuation of numerous quasi-independent states, the control of raw materials, foodstuffs and trade. Already the numerous nations of Europe are assured of their continued national existence. Already the framework is laid for the control of the world's resources. The control of trade will be assured by the destruction of all save the Anglo-America navies. The "freedom of the seas" upon which Roosevelt so firmly insists means to free the seas still more completely of all vessels that do not fly the flags of Britain, America and, of course, "Panama". At the end of September, 1941, an Allied Committee sat in London whose job it was to construct in advance the framework for the great humanitarian effort of feeding the dead when the war is over. A big reservoir of foodstuffs and other supplies is to be created to be poured into Europe as soon as the Nazis are done for. Yet even the European allies of the Anglo-American bloc, not to speak of Hitler's continental allies, were beset with great suspicions. Ivan Maisky, the Russian representative at the conference, protested the "all-British character of the proposed central coordinating bureau and reserved for himself the right to make proposals that would give it an inter-allied character." The representative of the Netherlands

*"warned against exceptions to plans for access of all nations to world trade and raw materials after the war, and declared that everyone will have to make sacrifices. He referred specifically to point IV of the Atlantic declaration in which Britain and the United States promised to provide such access to all nations, but, with due respect for their existing obligations."*

"With due respect for their existing obligations" — can mean only their "obligations" to America that usurped world "leadership" in the very effort of defending "the smaller nations against aggression." Under such conditions, the various nations and their governments will be just so many puppet regimes of the Anglo-American power bloc. They will have escaped Hitler only to be caught by his enemies.

If all the other issues of this war are still clouded, it is perfectly clear that this war is a struggle between the great imperialist contestants for the biggest share of the yields of world production, and thus for the control over the greatest number of workers, the richest resources of raw material and the most important industries. Because so much of the world is already controlled by the small competitive power groups fighting for supreme rule, all controlled groups in all nations are drawn into the struggle. Since nobody dares to state the issues at stake, false arguments are invented to excite the population to murder. The powerlessness of the masses explains the power of the current ideologies. Yet these ideologies are not invulnerable.

The ranks of the powerless, armed with deadly weapons, exercise the greatest power there is — the power to kill. The final meaning of the existing social relations will enter the consciousness of men. There will be for once a perfect harmony between the material and the mental side of capitalist society. This might be more important than all the empty phrases that have issued from the Brenner Pass and the Atlantic Brenner. Men may then see clearly that capitalism means death and life something else.

*Paul Mattick*

## BOOK REVIEWS

*WORKERS BEFORE AND AFTER LENIN.* Fifty Years of Russian Labor. By Manya Gordon. E. P. Dutton & Co., New York, 1941. (524 pp.; \$4.00).

Similar to Yvon's book of some years ago, but more comprehensive and in part with superior material, Miss Gordon's book deals with most of the important changes in Russian labor policy and labor legislation from the beginning of the bolshevik regime to the present. Interesting as are her descriptions of the attitudes toward labor problems in pre-war Russia, they serve rather as an introduction since the book as a whole is designed as a critique of bolshevism. Nevertheless, such things as the story of Count Witte's intelligent suggestions for solving the labor problem in Czarist Russia, the story of the Zubatov-movement, the characterization of the early labor movement and the first Duma help one to understand the Russian development better.

There is little in the book, however, that will surprise our readers. The author produces the data which simply show that the working and living conditions of the Russian population — apart from the ruling bureaucracy — have not been improved but have deteriorated. — For example: "Between 1929 and 1937 a working family's food expenditure increased 5.4 times, while the head of the family's income in rubles increased 3.3 times, from 75 rubles to 250 rubles. Instead of the much publicized increase in wages during the Five Year Plans, 1928-37, there was an actual decrease in real wages of something like 40 per cent... Whereas in 1937 the production of machines was twenty-eighth times as much as in 1913, wages were lower than in pre-war Russia".



In the attempt to prove that the bolshevik regime is rather worse than that of the Czar, Miss Gordon corrects a number of misunderstandings as to the character of pre-war Russia. She brings to light facts such as this: "despite being rigidly anti labor and hostile to trade union activities, Russia was in advance of the Western nations in a number of labor laws". However, Miss Gordon does not recognize that here she has her fingers on an important item that helps to explain the totalitarian tendencies closely associated with capitalist development in Russia. Rather, she is inclined to accept those facts as signs of a possible liberal development that has been unnecessarily interrupted by the wrong policies of bolshevism. However, it has been revealed throughout the world that forced capitalization in relatively backward nations is accompanied by advanced labor laws despite all anti-labor policy. In Germany, for instance, state fostered industries coincided with the "Anti-Socialist Laws" as well as with the most advanced social legislation.

Miss Gordon, although very able in selecting and assembling relevant data is, unfortunately, also possessed of what is usually called a "humanitarian" and "noble-minded" attitude — a quality that is now identified with "democracy", "liberalism", and "progress". The facts she produces and the philosophy she adheres to do not fit well together. For instance, though Miss Gordon points out that the promises made to the workers by Lenin and Trotsky could not have been kept because of the economic backwardness of the nation, she herself nevertheless believes that a "democratic regime", a re-

gime more to her own liking, would have been able to improve the conditions of the population. She points out that "communist concentration on machinery instead of on the essential needs of the people made a mockery of all the propaganda about a victorious Socialism". It does not occur to her that this "communist concentration" was nothing else than the "production for the sake of production" that characterizes all capitalist nations. The form of government — democratic or dictatorial — does not effect the main feature of capital production, which is accumulation for the sake of accumulation. Even in a "socialism" more to her liking, this process would be valid and would finally lead to a fascist dictatorship. The bolsheviks merely did in advance what in Miss Gordon's "socialism" would have appeared at a later date. For though the bolsheviks changed the government and abolished private property in the traditional sense, they did not end the capitalist mode of production. This latter essential item however, does not bother Miss Gordon in the least. Her concept of "socialism" differs not at all from that of the bolsheviks. The difference lies in her "noble-mindedness" that lives and lets live but does not question how. Besides, the problem of the Russian dictatorship cannot be understood solely from the point of view of the internal struggles between bolshevism and the democratic forces in society; they are just as much determined by external occurrences within the setting of world competition. But being a champion for democracy, it is only natural that Miss Gordon does not look for the reason for dictatorship in the capitalist democracies.

*Luenika*