

Some Issues in the Party Discussion

By JAY LOVESTONE

(From December 15th to 19th, 1928 the Central Committee of the Workers (Communist) Party of America held a most interesting and important plenary session. Comrade Lovestone reported for the Political Committee of the Party on the Present Situation and the Tasks of the Party. During the discussion a number of basic problems were dealt with at length. THE COMMUNIST herewith presents its readers with excerpts from the summary remarks of Comrade Lovestone in closing the discussion and replying to the critics of the Central Committee's policies. For lack of space we are omitting entire sections dealing with the trade union question, the labor party, the inner party situation, the status of the party organization, and the perspective for the class war in the United States.—EDITOR.)

The following four charges have been made by the Foster-Bittleman Opposition against the Central Executive Committee of the Workers (Communist) Party: *First*, the C.E.C. has a wrong estimate of the general trend of American imperialism and consequently a wrong estimate of the international situation. *Secondly*, the C.E.C. does not properly estimate the immediate economic situation. This wrong estimate is shamefully illustrated by its bankruptcy on the agricultural question. *Thirdly*, the extent and significance of the industrialization of the South is exaggerated in an unwarranted fashion by the C.E.C. of the Party. *Fourthly*, the C.E.C. is wrong on the question of radicalization and has no perspective for struggle. Except for these four differences, the Opposition agrees with the C.E.C. The other differences are small; we might make concessions to each other. On the basis of such differences the C.E.C. is a right wing, says the Opposition.

Let us examine these differences, one at a time, to see where the Opposition stands, if it stands at all, and where the C.E.C. stands and what its position means.

OPPOSITION REPEATS ITS SIXTH CONGRESS ATTACKS

First of all, the comrades are entitled to know that the attack on the C.E.C. thesis made by the Opposition in this plenum is precisely along the line of the attack made by the Opposition in company with Comrade Lomanadze at the Sixth World Congress. I will read to you, in a moment, a list of the reservations the Opposition in our Party made to the thesis presented by Comrade Bucharin in behalf of the delegation of the C.P.S.U. You will say you

heard that here only a few days ago. I think it is time to stop the flow of reservations, but apparently it can't be done.

Comrade Bittelman, the theoretical, political and organizational leader of the Opposition is laying down the theoretical basis for his simultaneous acceptance of and disagreement with Comintern policies. It requires a first rate theoretician, of a certain caliber, to be able to do that. In "accepting" Bucharin's thesis the following reservations were made by our Opposition:

1. That there be an elaboration of some sections.
2. Emphasis on other sections. But you know what a little emphasis here and there does. Sometimes, unfortunately, one side becomes lopsided. The thesis of the C.I. is not lopsided because it is a Communist thesis. Precisely for this reason *their* proposals for emphasis were rejected.

3. The rate of decline in growth in the United States is already clear. The whole thesis of the Comintern is based on the increasingly aggressive role of American imperialism growing out of its rising strength and not out of its declining power.

4. The Opposition demanded a *new emphasis* on America. There was a certain emphasis on America and that emphasis remained in the C.I. thesis. But the Opposition said: "No, that is an old analysis." What is the old emphasis of the C.I.? A correct one, one which says that America's aggressive imperialist role today, unlike that of the present aggressive role of Great Britain, grows out of its rising strength and not out of any present tendency to decline.

5. According to our Opposition the thesis of Comrade Bucharin failed to show clearly the interdependence of the class struggle within the imperialist countries and the contradictions between capitalist countries. Comrades, don't be mistaken. This is not a little "leftist" deviation. This criticism remains opportunism on firm ground.

6. That the Comintern should work out more concrete perspectives for America. Here is the contribution of Comrade Foster's agreement with the thesis.

7. They "accept" the thesis but want a *new word* on America. They have a right to demand a new word. Every section of the Comintern has a right to demand, to correct, but once it listens to the correction of the C.I. it must accept this correction. The time has arrived to stop reserving for yourself the right to be wrong. This means, if persisted in, opposition to the line of the Comintern.

THE RELATION BETWEEN INNER AND OUTER CONTRADICTIONS

We will examine your criticism. For our Opposition the question of inner and outer contradictions is a mechanical one not only on an American scale but also on a world scale. Let us see how correct your thesis is. The Opposition is in this condition:—In one pocket the Opposition has the internal contradictions. In an-

other still smaller pocket the Opposition has the external contradictions. What is the basis of this pocket theory of internal and external contradictions; of this theory of separating the internal from the external contradictions? The theory is to be found as perhaps Comrade Lerner, who is himself a living contradiction—I do not know whether internal or external (interruption Bittelman—interdependent) both, internal and external contradictions, I accept it)—and arises from the fact that the Opposition bases its policy on the supposition that American imperialism has reached its apex. Of course, after it has reached its apex, American imperialism must begin to go down and to go down primarily because of the inner contradictions. Under such circumstances, the outer contradictions are secondary.

What did Comrade Bucharin say about this? I still quote Comrade Bucharin. For me he does not represent the right wing of the Communist International; altho for some he does. For me Comrade Bukharin represents the Communist line, the line of the C.E.C. of the C.P.S.U. Therefore Comrade Bucharin is an authority—of the C.I. Let us see what Comrade Bucharin says about this:

“In my opinion, attempts to transfer the center of gravity from the question of the war danger to that of the internal contradictions or to some other, imply a failure to understand the seriousness of the situation. This question is closely connected with the underestimation of the intervention which has already commenced in China. I think also that it is connected with what I referred to in my speech: the inadequate internationalism of our Communist Parties.”

Very clear English. You might call us right wingers but you will get tired of that just as you have become tired of other wrong charges you have made in the past. The Party is much better off for it. On the basis of your analysis, you are bound to underestimate the war danger. Comrade Bucharin goes on to say:

“The question of internal contradictions and the connection these have with the external contradictions is a very complicated one . . . Rejecting as I do the eclectic point of view of the comrades who isolate internal from external contradictions, I must deal with the *mutual relations* of these contradictions.” (Our emphasis).

Any other method would be a method of eclectics. An eclectic method is not a Leninist method, but comrades must keep in mind in discussing the “analysis” of the Opposition that eclectics and gymnastics go hand in hand.

“What are the mutual relations between these two categories of facts, where is the function point, which is to serve as the starting point for the conclusions we must draw? In my opinion, *world economic contradictions, the great world conflicts are of first class importance in this respect.* Take England for example. Are the

internal contradictions becoming more acute there? Of course they are. The growth of these contradictions in Great Britain are connected with the process of the decline of the British Empire. But has not the process of decline of the British Empire its roots, in the majority of cases, in the international situation? Is it not due to the competition of the United States, to the centrifugal tendencies of the British Dominions and partly also of the colonies, and a number of other international factors? Picture to yourself a different international milieu for British capitalism, and the results will be altogether different." (Our emphasis).

Mind you, that is true even for England where productive processes are going down, where capitalism has passed its "apex" a little while ago and not "about to reach" it. Why don't you say this about the United States? Why don't you draw certain conclusions from this? What is the matter with the British steel market? Is the English coal less black and less dirty than American coal? What is the matter with the British rubber monopoly? Why these difficulties? Why is the Bank of England, which has more gold today than it had years ago, a vassal, in certain respects, of the American Federal Reserve? Comrade Bucharin is such a good "right winger" in the opinion of our self-styled "left" Opposition that I want to continue to read:

"Why was the Trade Union Act passed in Great Britain? Is it possible for us to understand this "internal" Act if we ignore external problems and completely lose sight of the preparations for war? If we ignore this point in this way we shall be incapable of carrying on any agitation whatever against this Act. Does not the new orientation of Social Democracy towards the internal question of class truce intensify the treacherous role of Social Democracy in foreign politics? Is this not clear to every infant? Is there anyone so foolish as to deny the connection that exists between Paul Boncour's Military Law with the internal situation in France as well as with its foreign relationships? I could quote numerous examples of a similar character. But the examples I have already quoted are sufficient to convince us that all other problems are subordinate to the central problem of the war danger, to the problem of war. This applies to the problems of internal politics and to internal contradictions. Any other approach to the question of internal politics and to the tactical problems connected with them are unsound and certainly not revolutionary."

This criticism would be especially true for our Opposition because the center of its whole theme, of its entire analysis of American imperialism and the perspectives for the class struggle in the United States in its "apex theory" of American imperialism and its mass radicalization illusion growing out of the sharpened inner contradictions of American imperialism.

Comrade Bittelman's pocket system of contradictions is also applied by him to war *and* rationalization. *He fails to see that rationalization is an integral part of the whole process of the war prepara-*

tion. To talk about war *and* rationalization is to fight them separately, divide them. For example take the A. F. of L. at its last convention. Is not the significance of this convention clear to every infant, if not to all adults?

What are the relations between inner and outer contradictions? It is clear that *they are mutually interdependent.* It is clear that *in the present world situation the primacy, the center of gravity lies in the world antagonism of capitalism.*

For instance, in the United States: why the attacks on the workers? They are part of the war preparations, of preparing to put the screws tighter on the American workers because we are heading towards a cataclysm. Why war? Perhaps because the country is so decrepit? The working class may be decrepit in certain respects but not yet the American bourgeoisie.

PRESENT WORLD POSITION OF AMERICAN IMPERIALISM

Why are the American imperialists driving so hard for markets? Here we have the question of the United States plant capacity; an internal contradiction bound up organically with the outer contradictions—with the whole world situation.

If the Opposition will agree that the war danger is the central point before us, then it must admit that the whole approach to the question of tactics in any country must be tied up *first of all* with the question of outer antagonisms which are organically bound up with inner antagonisms. Now, what does the C.I. thesis say? The Comintern's estimate of the international situation is woven around one point. There is a red thread running thru the world congress thesis. That red thread is not "the decline of the reserve powers of American imperialism," as our Opposition says. I wish the objective conditions were already such that the thesis of the C.I. also said this. Then, we would be in a different situation today. We would not be having this discussion today, if the decline of American imperialism's reserve power had already begun. The whole, *the central point in the international situation is woven around the fact of the aggressive role of American imperialism growing out of its still ascending strength.*

We all say, the Opposition with us and we with the Opposition, that the center of gravity of capitalist world economy has shifted from Europe to America. What is the meaning of this? Is it just a sentence, merely to make your thesis 90 pages? No! The Opposition does not do it for that reason. They put it in because they accept it. But I am afraid that they do not understand it. If the center of gravity of world capitalism has moved to America, this event has some content for America. The content it has for us is that *American imperialism is the aggressor today, precisely because of this transfer of economic hegemony, precisely because of this in-*

crease of strength. But the Opposition says the following: "American imperialism is aggressive." We have no difference on that. "American imperialist aggression is increasing." No differences yet. Then, where do we differ? The Opposition says that the aggressive role of American imperialism is based on the fact that United States capitalism has already reached or is about to reach its apex and that this aggression is based on the already declining reserve powers of American imperialism. We say that *the aggressive role of American imperialism is based on its present strength and precisely on its tremendous, still unexhausted reserve powers.*

The increase in strength in certain respects, the expansion of European capitalism thru rationalization (and we must recognize that there is a partial stabilization of capitalism in Europe)—how did this come about? Primarily thru American capitalism. What does this mean? Does it mean that because international capitalism succeeded since the World War, in strengthening certain of its positions that the world revolution is further away than it was before the World War? *Nonsense. It is just this strengthening of certain positions of international capitalism itself that is a generator of contradictions and antagonisms making for the overthrow of capitalism.*

The Opposition took exception to this analysis of the role of American imperialism as laid down by the Comintern Sixth Congress. *Comrade Johnstone's declaration of reservations is still the Bible of the Opposition. The position taken by the Opposition is a right wing position.* I will prove to you that it is.

The Opposition's theory is based on the notion that it is possible for a Communist Party to engage in mass struggles, to lead mass struggles, *only* when the imperialism of the country where the particular Communist Party exists goes down or is about to go down. Why do they say this? They charge that we find no basis for struggles, no perspectives for conflict of the classes here, because we maintain that American imperialism is still going up. Such an "analysis" is not Leninism. *There are opportunities for Communist Parties leading to mass struggles not only when imperialism declines but also when it goes up because the very upward trend generates certain contradictions, certain antagonisms. These contradictions and antagonisms afford us splendid opportunities for class struggle.*

FROM FALLACY TO FALLACY—THE ROAD OF THE OPPOSITION

Let us discuss bourgeoisification a moment. It is no contradiction that the Opposition in an article by Comrade Foster in the July, 1926, issue of the *Workers Monthly*, developed the theory that American imperialism is so powerful that it bourgeoisifies *materially* not only the upper stratum but also large sections of the working class—the great mass of unskilled and semi-skilled. There is no

contradiction between maintaining this position of material bourgeoisification of the working class as a whole when imperialism goes up (in your heads) and maintaining the position of radicalization when it goes down (in your thesis). I will show you why.

In 1927 our Opposition saw American imperialism so rapidly and so terrifically ascending that they concluded that the working class as a class was materially bourgeoisified. This blinded our Opposition into the further deduction that an ascending capitalism—in this instance in the United States—cannot have contradictions and antagonisms within itself. What is the meaning of this “reasoning”? The Opposition has learned something since. It now sees antagonisms and contradictions within American imperialism, but it still adheres to its false premise that an ascending capitalism is incompatible with and cannot have contradictions and antagonisms within its system. Therefore since they see some contradictions and antagonisms within American imperialism today, they are led from their false premise to the erroneous conclusion that American imperialism is already really going down.

That is how it comes about that the father, (theory of bourgeoisification) has given birth to the son (theory of nation-wide radicalization). It is not an illegitimate child. It is the *only* child that such false theories could give birth to. The theory of the material bourgeoisification of the American working class as a class in 1927 logically gave birth to the theory of deep-going, nation-wide radicalization in the bulk of the working class in the United States in 1928. The Opposition’s wrong theories of 1927 have blossomed out into their wrong theories of 1928. In 1927 the Opposition’s wrong theories were swinging naturally rightward. Today these erroneous conceptions of the Opposition are swinging artificially leftward. Lopsided to the Right yesterday, lopsided to the “left” today—lopsided all the time.

That is why the Opposition is bound to come to the very dangerous conclusion: that only when an imperialism declines, does it afford possibilities and opportunities for sharp class struggles and the development of mass Communist parties. This error is deeply imbedded in their erroneous conception of the relations between inner and outer contradictions. The Opposition can see only either outer or inner contradictions at a time. *They cannot see the interdependence of outer and inner contradictions at the same time.* The Opposition can see at a particular time only either the forces making for an ascending imperialism or the forces making for a declining imperialism. They cannot see forces and counter-forces, trends and counter-trends simultaneously. The Opposition’s method is not a method of dialectics. Certainly not Marxian dialectics.

The Opposition must try to learn that *the very strength of Ameri-*

can imperialism bring about contradictions and hence opportunities for Communist mass work. The outer contradictions are quite inside American imperialism. Whoever develops the theory that even British imperialism is already gone, will have to learn something. Here I must refer the comrades of the Opposition once more to that "horrible right wing document" known as the Thesis on the International Situation adopted by the Sixth World Congress of the Comintern. And we are now speaking of the United States, not Great Britain. The Opposition accuses us of being right wingers because we speak of the prosperity of the United States. The Opposition tells us: "Don't you dare speak of prosperity in the United States, because you will get a letter from the Comintern, or a thesis from us, calling you right wingers." What does the Comintern thesis say about this question. Let me quote:

"The general and economic basis of this fact is the slow rate of development of the crisis of capitalism in the course of which one of its principal component parts is on the upgrade, while others are entering a process of relatively slow decline. This includes the growing consolidation of the position of the United States as the world exploiter, creditor, and usurer. (The "prosperity" of the United States . . .)"

Mind you, the Comintern dares speak of the relatively slow decline of British imperialism! And the Opposition would have one believe that American imperialism has already passed its apex. How does the Comintern dare speak of the "prosperity" of the United States?

Now is this position of our Opposition Leftism? Yes, a peculiar kind of Leftism. But *it is inverted Leftism.* The Opposition charges us with being optimistic and praises itself for being pessimistic about American imperialism. *It is plain stupidity to discuss the international situation in terms of optimism or pessimism.* In reality it is not American imperialism that is declining before the Opposition but I fear, and with too great justification, that the *Opposition's policies if ever adopted, would lead the Party to a decline before capitalism.*

SOME CANADIAN QUESTIONS

Now let us go to Canada for a moment. I think Comrade Buck allowed himself to be enmeshed in a net-work of Opposition "theories."

Comrade Buck has a sort of a three wheel theory about Canadian imperialism. He sees Canadian imperialism within American imperialism within British imperialism. This "theory" reminds me of the Russian wooden doll system—a series of dolls within dolls. It also reminds me of the fact that the leader of the Canadian Communist Party, unfortunately, used to be an ex-comrade by the

name of Spector. When I heard Comrade Buck speak, I saw the ghost of Spector hovering over the Canadian Party. I do not for a moment want to deprecate nor disparage the criticism given us by Comrade Buck, but I think Comrade Buck, in the same spirit, should take some of the criticism we will now give him. It will be quite sharp.

Is Canada moving toward British imperialism? There is no need of burdening the comrades with facts and figures on this question. It is wrong to say that Canada is moving toward British imperialism. But where is Canada going? *Comrade Buck says that Canada is developing its own imperialism.* He tells us that Canada is going to have a couple of battle-ships built for itself! (Interruption: Buck: I said that the Canadian bourgeoisie are developing their own imperialist ambitions). Yes, Comrade Buck, that means that Canada is developing, must be moving somewhere. It is a dynamic process. According to you and your "theories" which you contracted in the camp of our Opposition, Canada is going in the direction of decolonization. How? By a revolutionary struggle against imperialism? No, not on the basis of your "theories"; but on the basis of your false conclusion that Canada is developing its own imperialism, one has to say that Canada is being decolonized through the growth of its own counter-revolutionary, its own imperialist forces. This is the very antithesis of Leninism. *The only way a colony can be decolonized, can stop being a colony, is thru the revolutionary overthrow of the ruling class in the colony and the imperialist forces oppressing the colony.* That "theory" of yours, Comrade Buck, is our "old friend decolonization" condemned by the Sixth World Congress of the Comintern as a right wing deviation.

Is Canada moving in the orbit of the United States? If the Opposition will permit me, I will read from a document which according to their thesis is a right wing document. I am now reading from the Thesis on the International Situation proposed by Comrade Bucharin and adopted by the World Congress of the Comintern:

"Canada and even Australia are more and more gravitating toward so-called 'economic cooperation' in which the hegemony of the United States is assured beforehand."

Canada is moving and its battle-ships are moving, but it is moving *in the bloody orbit of the bloody dollar.* For us, it is axiomatic, of course, that your job is to fight your own imperialism first. To the extent that Canada has its own imperialism, or is beginning to develop its own imperialism, to that extent it is not necessary for the Canadian working class under the leadership of the Canadian Communist Party to fight British imperialism or American imperialism.

Do you think that it is a *left* position to tell us that British and American imperialism are being kicked out by the growing Canadian imperialism? This is not a left position. *This is a Right position*, a damned Right and therefore a damned wrong position at the same time. This decolonization theory also traces its fatherhood to Spector. Its contents spell the giving up of the fight against American and British imperialism. We have no fears. We know the Canadian Communist Party will never adopt such a position.

THE IMMEDIATE ECONOMIC SITUATION

The Opposition persists in confusing the immediate economic situation with the basic trend of American capitalism. Our Opposition must learn to understand not to confuse. It says that in the middle of 1928 prosperity began to increase again in the United States. This is progress for the Opposition. We were all at the World Congress of the Comintern at that time. We said it then. For this the Opposition called us Right wingers. But *why doesn't the Opposition tell us why prosperity went up in the middle of 1928?* All right; assume for the moment that it did go up again. What was the trouble? Was this merely a high fever in summer time? Why don't you tell the Central Committee, the Party as a whole, how it came about that there was a temporary spurt in prosperity? The answer is clear. Because you don't know why. You don't know the facts and you don't understand the phenomenon.

The comrades in Opposition charge that I am misinterpreting their position. Let me therefore read from a very well advertised "Left" document, the theses of the Opposition. Bear with me comrades if I read quite at length from this document:

"The curve of industrial development which in the middle of 1928 took a turn upward is again beginning to show downward trends. The persistence of the present industrial depression, aggravated by the critical situation in such basic sections of economy as coal, textile, shipping, oil and agriculture, points to the maturing of economic crisis with the consequent misery and suffering for the toiling masses.

"Only a few industries have shown increasing production in recent months. These are automobiles, steel, farming machinery and electric power and equipment. This fact and the further industrialization of the South (coal, iron, textiles) explain the slight upward turn in the last several months.

"This, however, produced no notable improvement in the general depression.

"From a record output of 91.3% of capacity in October, steel production has fallen to 79% in the third week of November. The average for November is estimated at about 82%, while the output for December is for a rate of about 80%. The automobile industry, which was the main buyer of steel in recent months, is itself slowing

down production. The October output of automobiles shows a decline of nearly 4% from the output in September. Building permits and operations are on the decrease. **The same is even more true of the industry producing agricultural machinery.**"

"We are going towards a maturing economic crisis" says the Opposition. **WHEN?** That is the question. Of course we are. But *how soon will it be here?* And *why haven't we arrived there already?* How is it that the Opposition doesn't answer these questions? What sort of reasoning is this? What method is this? How can we judge an economic situation on the basis of "tendencies" for a period of three weeks? Again this is gymnastics. This is a classic example of how a Communist should not analyze an economic situation.

We must examine some dry and dreary statistics. These facts and figures happen to be painful ones. First of all, how are we to judge the economic situation? We should not examine it on the basis of a three-week period, or even a month. We must examine trends over a longer period of time. We must judge the situation relatively. It is not enough to say that one month was lower in comparison with the preceding month. Maybe September was such an extraordinarily high month that October, which was 4% below September, was in itself also an extraordinarily high month. Certainly such methods as the Opposition uses cannot illustrate tendencies for us. Let us delve into the facts for a few moments.

November, 1928, on the basis of the amount of electrical energy consumed was 2.2% greater than October and 17.2% than November, 1927. This is certainly a "downward" swing! Perhaps it is to the "Left!" Consumption of electricity by rolling mills and steel plants shows that in November, the rate of operations was nearly 3% higher than in the previous month and about 37% above the level recorded in November, 1927. Ferrous and non-Ferrous metal plants increased their rate of operations to the highest point on record—47.3% above last November. Certainly this is not a light industry; nor is it a small industry. It is a terrible time indeed that the American bourgeoisie are having today!

Even the hard-pressed textile industry shows a rate of operation, as measured by consumption of electrical energy, nearly 10% higher than October and 11% more than November, 1927. In Comrade Bittelman's declining automobile industry, we find a seasonal drop in November. But it is the depth of shallowness to come to a conclusion that the automobile industry is therefore going down. The fact of the matter is that November, 1928 rate of production is fully 26% higher than that of November, 1927. Comrades must learn to understand that there are also seasonal factors. In comparison with a year ago, substantial gains were also to be noted in

chemicals and allied products—rubber and its manufactures, stone, glass, clay, etc. These are facts.

A few other "little things" regarding the economic situation. As compared with 1927, chain stores in 1928 showed a gain in sales of over 19%. Even workers do a little buying in chain stores! Then there is the "small matter" of export trade. American export trade has reached the highest level in five years during 1928. Business failures last month were fewer than in October and less than a year ago. The total liabilities for the year are less than last year. Over 200 companies show a gain of 21% in their profits for the first nine months of the year. American imperialism is apparently going down so rapidly and the economic situation is so black for the bourgeoisie, that our Opposition can't catch up with the decline!

A few words on the steel situation. Steel did go down within the three-week period mentioned by the Opposition. But what is the perspective? We must judge it relatively—last year, this year, the outlook for next year. There is a usual slackening which marks the year-end, December, production figures. This year's total production will be approximately 50 million tons of steel ingots. This is a 14% gain over 1927, a 7% gain over 1926, the previous record year, 15% over 1923, the best post-war year until 1925, and a 65% gain over 1912 and 1913, the two best pre-war years. The recent seasonal decrease, on the basis of present factors, does not indicate an impairment of the tonnage figures for the first six months of 1929. The November decline from October should not be viewed superficially because October production was swelled somewhat by special conditions. The comrades should stop playing with figures. They are dangerous weapons to play with. Three or four million tons of steel are no small amount to play with, even though you set yourself aside only a period of three weeks.

A few words about the agricultural situation. In relation to industry, it is still in bad condition. *The bourgeoisie cannot meet this crisis.* But let us judge the situation within agriculture itself relatively, in comparison with previous periods in which there was distress. No one can deny that though *the basic agricultural situation remains bad*, there are fewer distressed areas in agriculture this year than in any year since 1920. The situation is less uneven than in many years.

A few words about wages. There have been wage-cuts. There will be more wage-cuts. Wage-cuts are being made today. But no matter how much you will yell right wing, the fact of the matter is that the general wage level last year has increased. This fall the wages of industrial workers have reached the highest level since 1920, according to the investigation of the National Industrial Conference

Board, based on the reports of 1500 manufacturers, employing over 800,000 workers. The figures of the U. S. Bureau of Labor Statistics indicate the same condition. Consult the November Monthly of the Bureau of Labor Statistics.

Do I deny that there were wage-cuts in textiles? Do I deny that there are wage cuts and more coming in mining? But in steel, railroads and in other industries, there have been some increases. Examine the figures, on pages 10 to 17 of the U. S. Bureau of Labor Statistics Monthly Review for November. Maybe these facts are wrong but don't make unfounded charges. Produce other facts if you have them.

Why doesn't the Opposition speak of general trends? Let not the Opposition tell us that we say there is prosperity for the working class as a whole in the United States. Read our thesis. *We say nothing of the kind.* But we certainly don't say, as the Opposition ridiculously does, that prosperity declined 4% within the last three weeks. So authoritative a source as Moody's has declared in its report for November 30, 1928, as follows:

"1. That American corporation earnings as a whole are increasing much more rapidly than before the war and promise this year to show a gain of about 13% over 1927 or 6% over 1926 when the previous high record was made.

"2. That American wealth is increasing at the rate of about 5% means a gain of approximately twenty billion dollars each year.

"3. That the net savings of the American people available for new securities and making permanent investments are now about ten and a half billion dollars per annum as compared with approximately three billion dollars before the war.

"4. That the general establishment of the gold standard in foreign countries practically insures the soundness of our vast foreign investments amounting to more than fifteen billion dollars."

Of course, Moody speaks for the most powerful of the American bourgeoisie. Perhaps this is what the Opposition meant when it spoke of the upward trend which began last July and has not yet been frozen out completely! *The Central Committee maintains that an economic crisis is coming. It has been delayed.* We have given you the reasons for the delay. We maintain that last Summer we did not have enough facts at hand to state, as the Opposition did, that the crisis impending was as deep-going as or even worse than, the 1921 crisis. The Opposition said then that American imperialism can never again have such a period of productive capacity as it did in 1926. Despite the theses of the Opposition, American imperialism this year exceeded in many respects the record year of 1926.

Before closing this question I want to say a few words about the "city dollar" invented by Comrade Foster. To speak of a "city dol-

lar" as Comrade Foster did, in comparing the "city dollar" with the "rural dollar" is utterly ridiculous. I admit I am bankrupt on this question. I don't know what Comrade Foster meant. "What is this "city dollar?" I know that in the city there is a dollar for the workers and a dollar for the trusts. In the country there is a dollar for the exploited farming masses and a dollar for the monopolists. We are speaking of standards of living and of purchasing power of the masses. And when we speak of masses we do not speak of them as city masses or country masses, but as exploited farming masses and exploited industrial workers in class conflict with their exploiters.

The Central Committee maintains that *the economic crisis in the United States which has been long due has been delayed. We give three reasons for this: 1) The industrialization of the South; 2) The intensification of the exploitation of Latin America; 3) Increased foreign trade, particularly with Europe and Asia.* These three reasons may be wrong, but let the Opposition come forward with its own reasons. Why doesn't the Opposition give them to us? It is because they haven't any. They don't know any and can't understand the economic situation.

We don't want to speak about "sick" industries. But for the workers as a mass, capitalist industry as a whole is sick. *There are sources of severe crisis in the United States today.* Look at the credit situation. American capitalism is literally choking with surplus capital. *We have here a storm signal of a serious crisis.* Shall we say, as the Opposition would have us conclude, that credit can be a source of crisis under capitalism only when there is an insufficient quantity of it? That is not our method. We accept the objective facts. We analyze these facts and their trends. Today there is the basis of an economic crisis in the very plethora of capital.

INDUSTRIALIZATION OF THE SOUTH

A few words regarding the industrialization of the South. Our good Comrade Kjar whom I esteem very greatly, for he is a valuable Party comrade, charges that the Central Executive Committee (and in this particular instance, myself) has been hiding a discovery. We took this discovery out of our pockets, as it were, and flashed it on the Party on the eve of the Convention! This discovery deals with the industrialization of the South. Really I don't know who produced this "theory" for Comrade Kjar. The fact is that in the May, 1927 Plenum, the Central Executive Committee report pointed out the significance of the rapid industrialization of the South. In the February thesis, the question is dealt with quite at length, though not as elaborately and clearly as in the present thesis. The May resolution which Comrade Kjar's "theoretical" masters condemned as a right wing resolution and which Comrade Kjar perhaps

did not read had a special section dealing with the significance of the industrialization of the South.

We are charged with exaggerating this phenomenon when we say there is a new Ruhr growing up in the South. Examine the latest books on the progress of industry in the South. They are building up there industries so gigantic and so highly developed as to put the efficiency of the Ruhr to shame. (Interruption by Grecht: Shame!) Yes, Comrade Grecht, there can be a lot of reasons for shame.

Now about the South. I am compelled to use as my source book the "Manufacturers Record," an organ of heavy industry in the South. Let no comrade say that these facts and figures are dirty capitalist statistics, dirty capitalist facts in the dirty capitalist South. I am very sorry that there are no other sources but these official reports and investigations. These are the only ones that the investigators for the Communist International can use. We do not yet have our own state apparatus or machinery of investigation. I quote:

"In ten South-eastern states an expenditure of two billion dollars is called for to carry out programs which have been planned for hydro and steam stations, for sub-stations and transmission lines and other facilities, within the next ten years. In Arkansas a Power Company has a program looking as far ahead as 1940, a program which will strive to keep up with the industrial growth of that state."

I hope we won't let them finish that program. But even the bourgeoisie merely having such a program is a fact of great significance. Mr. Schwab, one of the leading steel magnates, in speaking of the South, has thus declared:

"If you people of the South, particularly in that section which is tributary to New Orleans, think you have witnessed industrial development in the last decade, you have in store even greater gratification in that line. *The South has just begun to bloom industrially.*

"South American trade is just developing and the visit of Herbert Hoover will give it greater impetus and weld the peoples of the Americas together."

In this same issue of November 29, 1928, the "Manufacturers Record speaks of the

"hum of the generator, throb of the internal combustion engine, and the pulsing power of steam."

as speeding the South's industrial advance. Of course, the "Manufacturers Record" in speaking of the South's industrial advance does not tell us of the degradation of the workers simultaneously as a result of this very advance under capitalism.

Remember that the South has 100,500 square miles of coal area or over five times as much as Europe, excluding the Soviet Union.

Today Southern anti-union coal mines are producing 40 per cent of the country's coal. The South has five billion barrels of oil reserve and is producing 63 per cent of the country's output and 45 per cent of the world's petroleum supply.

It is not enough merely to say the South is being industrialized. This is paper talk. As Leninists, we must draw certain class struggle conclusions. What does it mean for class relations—for the working class, for the bourgeoisie, for the international position of the American bourgeoisie? The rapid industrialization of the South within the last two decades has built up a real reserve power of American imperialism. Does anybody say: "Look at the glorious South and its benefits insofar as the workers are concerned?" *That is sheer perversion and idiocy.* It is becoming a glorious place for the big bourgeoisie and precisely for this reason, *there is growing up in the South a new and dreadful capitalist tyranny. The South is the bulwark of the open shop. The South is the center of the most reactionary rule against the workers. In the South we have capitalist oppression of a kind which would make some towns in the steel industry appear like islands of freedom for the working class.* This condition generates the forces of resistance, the forces of militant antagonism to the new bourgeoisie on the part of the newly rising proletariat—overwhelmingly native—Negro and white.

Perhaps our Opposition will again say we are advertising American imperialism when we present these facts. Why cannot the Opposition sometimes learn to see trends and counter-trends simultaneously and not one set of tendencies at a time? Why doesn't the Opposition try to examine things dialectically, to notice the trend, to notice and understand antagonism and contradictions which a given situation can produce? Is this demanding too much? We hope not.

MORE ABOUT RADICALIZATION

Let us look into radicalization a bit. A few words about the Smith vote since Al Smith has taken up a lot of time from us. What is the test, the meaning of the Smith vote? Does the Smith vote serve as an index of the radicalization of the working masses? Did the Smith vote help to brush away the illusions burdening the minds of the masses and responsible for their voting for the Democratic Party? No. The very contrary is the truth. *The Smith vote is an expression of some of the most dangerous of these illusions among the masses.* Is the development and strengthening of more illusions among the workers an expression of the workers becoming radicalized? Is this what the tremendous Smith vote means? Are we nearer to a breaking away of great masses of the working class from the old parties? Certainly radicalization, if it is genuine at all, would indicate a

tendency toward the breaking away from the old parties. Would Smith's getting a bigger vote be an index of still greater radicalization? This is the fruit of your logic.

The Smith vote is a most powerful factor holding the workers to the cursed two party system. You say the big Smith vote proves the radicalization of the masses. Perhaps (and you cannot avoid it), you will tell us next that there would have been a still greater radicalization force let loose in the country, if Smith were elected. Yes, a Smith administration, a Tammany administration in Washington would be proof to the Opposition of the tremendous radicalization of the bulk of the American working class! Let the Opposition put that on paper. The Communist International will smoke them out of it. Comrades, this is the logic of the Opposition's stand. Oh yes, but the Opposition will perhaps tell us that the real trouble is that Smith was not elected! Please tell that to us. You will not be glad to listen to our answer.

The Opposition compares the Smith vote with the La Follette vote. Smith may have worn different clothing than La Follette, he may even have been afflicted with more liberalism—a real master of hackneyed liberal phrases that would give La Follette a good run in many respects. But we are not interested in the empty phrases of capitalist politicians. *We are interested in the class relations these politicians symbolize and the classes these politicians speak for.* La Follette was a symbol of class forces making for the disintegration of the two party system. Smith is the symbol of a force momentarily strengthening the two party system.

Then, you compare the Smith vote with the Roosevelt vote in 1912. This is ridiculous. The fact of the matter is that the *Roosevelt movement*, not necessarily Roosevelt himself, *was an expression of forces making for the disintegration of the two party system. Smith's role is the very antithesis of this.*

What is the source of the Opposition's fallacies? For the Opposition everything leads to one conclusion and one premise—the Central Executive Committee is no good, all roads must lead to the destruction of the Central Executive Committee! The Opposition says the Smith vote is big; it shows radicalization. The Workers Party vote is small; it shows opportunism. "It is due to our opportunist program," is the cry of the Opposition. When will the Opposition tell us that Smith had a left program? Logically this is their next order of business. Why does the Opposition keep quiet about the significance of that fact that *of all parties participating in the election campaign, like ours which was a genuine working class party, and like the others, the S. P., and S. L. P., which actually are petty-bourgeois in character, but still pretend to cover themselves with a veneer of*

working class phrases, the Workers (Communist) Party is the only one which increased its vote? The others lost heavily.

The radicalization of our Opposition is in tatters. It is not radicalization. *The policies leading to this conception of a radicalization would lead the Party to radical isolation.* The radicalization of the Smith vote is simply the Raskobization of the Democratic Party. Since when is a movement, at the head of which stands the president of the General Motors Company, a sworn enemy of the trade unions and mortal foe of the organization of the workers—a sign of a measure of radicalization of the working class? Such radicalization does not bring the revolution.

Yes, we have made many mistakes in the election campaign. Many serious errors, right errors, left errors stupid errors and errors of incompetency. But the Opposition should tell us why they do not look beneath the skin. Take the case of New Bedford. The Party got a smaller vote there than anyone expected. I am painfully disappointed with the Party's vote in New Bedford. Here is a situation where the Party led 25,000 workers in battle not only against the employers, not only against the labor fakers and their socialist partners, but against the government, against the military forces. Yet the Party got only 170 votes in New Bedford. The Socialist Party stabbed the workers in the back once or twice (Interruption: Every day in the week). All right, five times a day. But the Socialist Party got more votes than we did. And Smith who not only stabbed them, but did a lot of worse things to them, carried the city.

Why is it that we got only 170 votes in New Bedford? Primarily the political situation of the country as a whole and the social composition of the workers locally are responsible. I do not say this in order to blur the errors we made in New Bedford. The Party has made mistakes there, opportunist mistakes. Yet comrades should sometimes have a little faith in the Party. The Party did some very good work in New Bedford, though we got a small vote. The fact of the matter is that *the masses following us in New Bedford in the strike are exactly those masses who are mainly disfranchised. They are the unskilled and semi-skilled workers, foreign-born, who have no vote.* The upper stratum of the masses, the skilled, the Anglo-Saxons, the natives who have a vote supported either Smith or the Socialist Party. If you want any proof of the correctness of our deduction, please look at the fact that out of 662 leading fighters going to trial in New Bedford for strike activities, only four are citizens. And this in the ranks of the most active fellows in the front line of the fight. Such a factor we must take into consideration.

The Opposition says the Central Executive Committee has no

estimate of radicalization. With its kind permission, we will read our estimate as given in our thesis:

"The unquestionable, existing discontent which is growing in many sections of the working class and even some sections of the poorest farmers has not yet assumed sufficient class consciousness to break thru the framework of the two party system. The big election vote for the Democratic Party showed the existence of a large volume of discontent. This discontent has not yet assumed the character of a radicalization. In considering the attitude of the workers in the elections, attention must be given to the fact that the parliamentary elections did not mirror the actual sentiment and moods of the most proletarian sections of the working class. Millions of foreign born and Negro workers and farmers are disfranchised and their anti-capitalist attitude did not appear in the vote at all. The terror of the employers forced many workers to vote against their own conviction, for the capitalist parties. Wholesale theft is also a factor of import in lowering the vote recorded for the Revolutionary party. Consequently the extent of the process of radicalization in the ranks of the proletarian masses could not find expression in the election vote.

"The stubborn economic struggles of the miners, textile and needle trades workers are a more adequate evidence of the amount of radicalization which tho not yet definitely crystallized, not yet national and general is nevertheless the most promising sign of the growing class consciousness of important sections of the working class."

Our Opposition calls this estimation pessimism. Let no one be startled by the remarkably brilliant statement by Comrade Bittelman that he has many formulas for radicalization. This is perfectly fine; particularly if you have correct formulas which supplement each other. Otherwise you are only helping radicalization in your own imagination. The many formulas of Comrade Bittelman for radicalization are not supplementary but contradictory.

And this great symbol of radicalization in the Connecticut district, Comrade Siskind, has brought us the message of the tremendous radicalization in his territory. No one can say that Comrade Siskind is a competent District Organizer, is not a bureaucrat. Nor will the Opposition say that he is a right winger. He himself admits he knows Leninist criticism. A remarkably rare combination of virtues! But why did we not get a tremendous vote for the Party in Connecticut? Let no one blame only Comrade Siskind. That would be factional. We did not get a tremendous vote for the Party in Connecticut, not so much because of Comrade Siskind, that helped some, not so much because the Party was in the way of a big vote, not so much because the Central Executive Committee gave instructions that there should be no big vote, but primarily because *the bulk of the working class in Connecticut is not yet radicalized.* Comrade Siskind and his caucus supporters to the contrary notwithstanding. In fact in Connecticut we got a smaller proportion of the working class votes than in any other district.

We must try to think politically even though it is difficult, Comrade Siskind. The Comintern Congress has spoken of the partial stabilization of world capitalism. It has spoken even of the strengthening of certain positions of world capitalism, but Comrade Siskind calls this right wingism. That is why Comrade Siskind is against Comrade Bucharin's theses—the line of the Sixth World Congress. But what Comrade Siskind cannot see and finds it impossible to understand is that *this very partial stabilization and this very strengthening of certain positions of world capitalism themselves serve as a source of antagonism, of vital contradictions in the capitalist system of the United States*—creating numerous opportunities for our Party to lead great masses in sharp class struggles, and thus to develop into a powerful mass Communist Party. . . .

HOW TO FIGHT AND HOW NOT TO FIGHT THE RIGHT DANGER

The Right Danger cannot be fought properly by merely reciting errors, even if we recite in each instance all of our errors and then go over them ten times a day. You cannot fight the Right Danger by prayers. By saying Peccavi! Peccavi! I have sinned, oh Lord, I have sinned! The C. I. is no Lord and the Opposition does not consist of angels. The fact that we admit our errors is in itself no guarantee that we shall not repeat them, even if we repeat these admissions five times in each instance.

How shall we fight the Right Danger which is the main danger before our Party? We must view the country, the objective conditions historically, the conditions in which the Party finds itself, the social composition of the Party, the historical development of the Party, the history of its groups, the elements within the groups, the changing social composition of the groups, development in Party policy, the liquidation of the groups. Incidentally, I must emphasize that the Party groupings are no accidents. Right wings and left wings do not come from heaven. We begin with the premise (and this is for the Central Executive Committee axiomatic) *the main danger in the American Party is in the Right Danger*. But comrades, one of the crassest manifestations of the Right Danger is the insistence on the right to reservations to Communist International decisions. This is an expression of the Right Danger in our Party.

Secondly: pessimism. Belittling the achievements of the Party is another expression of the Right Danger. When I was somewhat pessimistic for a short time about building new unions, I was making a right error. Trotskyism is opportunism covered with left phrases. Opportunism covered with left phrases also has something to do with opportunism uncovered with left phrases. But when we examine the Right Danger, comrades of the Opposition, we will be a little more detailed on this matter.

I would never say what I am going to say if the Opposition had not insisted that the Communist International is giving them a special right to have a wrong opinion in the American Party. Comrades, the Communist International was polite to you. The Communist International has very good reason and necessity to be polite to the comrades of the Opposition. But is it an accident that Askeli, Sulkanen & Company have been your bulwark in the ranks of the Finnish comrades against the Central Committee? How can you call the Central Committee the Right wing, when *the Right wing organs and organisms in nearly every fraction, in nearly every sub-division of the Party are your offspring and your guardian angels?* We welcome your criticism but not when it is slander.

What is Right and what is Left? I have only one test. And that test is the question of policy—the test of policies insofar as they make for the necessary moving to the left away from the bourgeoisie or moving to the right when going closer to the bourgeoisie. If our policies help to create class consciousness, they are correct. When they do not, they are wrong. In the present objective circumstances, the tendency is to make more errors of a Right character. Comrade Bittelman's policy in the mining situation is a good example. I want to know: was Comrade Bittelman's policy in the mining situation proposing that we declare the strike lost even months before the Lewis machine did, was this Left or Right? It was wrong and was a Right wing policy. It is true that the Lewis machine wanted us to take the initiative, to assume the leadership in this particular instance of calling off the strike. *If the Party had adopted this so-called "Left" position of Comrade Bittelman, we would have been left far behind the masses.*

Comrade Bittelman's policies of helping the Pennsylvania Labor Party to nominate Foster and Gitlow long before we did is another example of a dangerous error, a Right error. Was that a "Left" policy too? No. It gave the Labor Party the initiative in nominating the candidates of the Workers (Communist) Party (Interruption by Bittelman: Comrade Stachel informed us who might be the candidates). Comrade Bittelman should not base his policies on whispering campaigns.

Or, Comrade Foster in his policy of being opposed to inserting the class struggle in the new Miners Union platform? Was this a Right or a Left error? *It was a real Right error.*

I remember the "brilliant" analysis I gave at the February Plenum in defense of my wrong position in favor of endorsing Panken! *That was a Right error.* We even developed the illusion that if we succeeded in nominating Pankin, this in turn would cut down the power of Tammany Hall and Smith might not get the chance to mislead a lot of workers. You see, we did not have

the radicalization issue then. Comrade Foster's proposal against our Panken position was correct insofar as it was opposed to the Panken maneuver, *but his policy as such was especially Right wing.* Instead of proposing to vote for no Socialist candidate, *Comrade Foster proposed that we go still further to the Right and wanted us to offer a united front on the whole Socialist Party ticket in New York City's elections.* (Interruption by Foster: I just picked up the wrong club.) Comrade Foster said he picked up the wrong club. I said *we* picked up the wrong club, but if we ever picked up Foster's club it would be still worse. (Interruption by Weinstone: Bittelman's Labor Party club of individual members.) That would club us to death.

The Open Letter to the Socialist Party: Why was it an error? It assumed that the Socialist Party was still a party of the working class. And Comrade Bittelman took the initiative in this. I am more guilty than he for following his lead! We took this step not because we were Right wing biologically or had a Right wing line. Already at that time we made motions which showed we had a clear understanding of the completely changed character of the Socialist Party.

The Right errors of the Central Executive Committee have been criticized properly by the Comintern.

Now regarding the last letter sent by the Comintern and read by Comrade Wagenknecht, the official reader of Communist International letters in the Opposition caucus. We have not yet received the official letter from the Comintern, but if the contents you have read are accurate, *I fully accept it without the slightest reservations. I am willing to fight for this letter. I can tell you that I will never again write an October 2nd statement of the kind I wrote. But will you accept this letter without reservations? We are waiting for your answer.*

And when you speak of self-criticism, why don't you please take that section of the last Comintern letter which declares that the *Communist International is of the opinion that the charge against the Central Executive Committee of being a Right wing is unfounded.* Why don't you accept the Comintern's decision on this? Why do you tell us that you accept five-sixths of the letter, but you don't accept the other one-sixth? Why don't you join with us in a 100 per cent acceptance of that letter, dropping all reservations? Why do you not help in removing factionalism? We are waiting for your answer.

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