

INTERNAL BULLETIN

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NOTE: The Socialist Workers Party International Information Bulletin for June, 1949, published the Political Resolutions of the Seventh Plenum of the International Executive Committee of the Fourth International, on:

1. The War Danger and Our Tasks.
2. The Evolution of the Buffer Countries.
3. "The Third Chinese Revolution."

Through an inadvertence, this bulletin neglected to explain that the second Resolution on "The Evolution of the Buffer Countries" had been adopted as a basis for discussion and that other points of view on this question would be published in the course of the discussion.

This number of the Socialist Workers Party Internal Bulletin publishes the Minutes of the Seventh Plenum of the IEC for the information of its readers. The bulletin also records a discussion which has taken place on this question in the Political Committee of the Socialist Workers Party. Other material on the same question is in preparation for publication in future numbers of the Internal Bulletin.

THE SEVENTH PLENUM OF THE IEC

The Seventh Plenum of the IEC met April 9 to 18, 1949, with members and fraternal delegates representing the organizations of the Fourth International in the following countries: Holland, Belgium, Switzerland, Central Europe, France, Italy, Spain, Greece, England, South America, India, Ceylon, Indo-China and China. Also, two Swedish delegates came to put forward the proposal of their recently formed organization to join the International as an official section.

The Seventh Plenum was incontestably one of the most representative international conferences of our world movement and one of the most successful. The number in attendance was hardly less than that at the Second World Congress a year ago. The presence of numerous comrades representing organizations of the Fourth International in the Far East was noteworthy, particularly that of the Chinese comrade, whose organization had never before had the opportunity to participate at so broad and so important an international conference of our movement.

There were many questions on the agenda of the Plenum, which lasted 10 days, among them the following:

- a. A report of the IS in its activity since the Sixth Plenum (October 1948) and the development of the situation in the International since the Second World Congress.
- b. Adherence of the Swedish organization of the Fourth International.
- c. Discussion of the resolution on the "War Danger and our Tasks."
- d. Discussion of the resolution of "The Third Chinese Revolution."
- e. Discussion of the resolution on "The Evolution of the Soviet Buffer Zone."
- f. Report on the development of our movement in Latin America since the Second World Congress.
- g. Miscellaneous questions: Italy, England, Switzerland, Youth, Spain, Ireland, finances, IS personnel.

The report on the activity of the IS was adopted unanimously. All the resolutions adopted are published herewith except the resolutions on England and Italy which were sent directly to the leaderships of the sections.

The resolution adopted on "The Evolution of the Buffer Zone" will serve as the basis of an internal discussion in the International up to the next Plenum of the IEC.

The growing political maturity and homogeneity as well as the consolidation of the International and its sections were unanimously noted with great satisfaction by all the participants of the Plenum.

The improvement of the situation in the European sections, some of whom were undergoing a serious internal crisis only a year ago, was particularly marked.

The Seventh Plenum took up the financial situation of the IS which has become critical these last two months with the falling off of part of the resources that served to balance its budget up to the present. It decided unanimously to launch an urgent appeal to the whole International for swift and effective aid.

The International Secretariat

May 1949

RESOLUTION ON SWEDEN

The Seventh Plenum of the IEC salutes the Swedish comrades who, on their own initiative, established contact with the Fourth International and on the basis of their own political experience, came to the conclusion that the building of a revolutionary party in Sweden is possible only on the programmatic basis and within the organizational framework of the Fourth International;

Is happy to receive the formal request for adherence brought to the IEC by the Swedish fraternal delegate in the name of the entire Swedish group;

Decides to declare in favor of recognizing this group as the Swedish Section of the Fourth International as soon as it will elect a representative leadership at a national conference and adopt a political platform applying the Trotskyist program to the specific conditions of Sweden;

Instructs the IS to work closely with the Swedish group in order to determine, by common agreement, an appropriate tactic by means of which to organize itself as a party;

Instructs the IS to aid in orienting the work of the Swedish leadership with a view to extend and coordinate the Trotskyist movement in all of Scandinavia.

Adopted Unaminously

RESOLUTION ON SPAIN

The Seventh Plenum of the IEC notes that comrade Munis and the Spanish comrades who followed him in forming a group that publishes the organ "Revolucion" have placed themselves outside the ranks of the Fourth International, by their entire activity since the World Congress and particularly since the Spanish Conference of August 28 and 29, 1948 and the Sixth Plenum of October 1948; they have refused to heed repeated appeals to carry on disciplined activity inside the Spanish Section of the Fourth International, and have publicly violated the political line and the discipline of the International.

The Seventh Plenum, therefore, decides to consider that they have definitively ceased to be members of the International.

Adopted Unanimously

RESOLUTION ON IRELAND

The Seventh Plenum of the IEC, noting that no explanation has been given by comrade Armstrong and the other members of the Irish Section who have followed him, regarding their departure from Ireland as well as their attitude toward the Fourth International, as was formally requested of them by the Sixth Plenum of the IEC (October, 1948);

Considers all these as having definitively left the Fourth International and expels them from its ranks.

Adopted with all in favor
except for one abstention
(Central Europe).

MOTION ON APPEAL BY MEMBERS OF SWISS SECTION

The Seventh Plenum of the IEC has before it a letter in the name of four members of the Swiss Section appealing against the action of its February 1949 conference in expelling and suspending some of its members.

The commission designated by the Plenum to examine the appeal was confronted with many documents indicating that the case is complicated by a sharp and bitter struggle which preceded the conference and that it could not carry out a proper examination of the case.

The commission therefore recommends that the appeal be referred to the IS which is to designate a subcommittee to investigate the case. That this subcommittee make its decision in the name of the IEC.

The fact that this case has kept the Swiss Section in turmoil for some time makes it advisable that the IS act with a minimum of delay and not later than 30 days after the conclusion of the IEC sessions.

RESOLUTION ON THE FINANCIAL SITUATION OF THE IS

The IS shall issue a declaration in the name of the IEC explaining the financial situation and setting forth concrete proposals to resolve the present crisis and to stabilize the IS budget. The national leaderships shall have the special responsibility to carry on campaigns in their own organizations in order to assure the success of this appeal. The month of May shall be considered as a campaign month for the International in all the sections that do not have special obligations in this period.

Adopted Unanimously

APPEAL OF THE PLENUM OF THE IEC

TO ALL SECTIONS OF THE FOURTH INTERNATIONAL

The Seventh Plenum of the IEC, held April 8-18, 1949, was the most representative gathering of its kind to date. The Plenum gave evidence of growing homogeneity and consolidation on part of the International and its sections. The discussions, resolutions and decisions of the Plenum will be communicated to all sections as soon as technically possible. In this letter we shall limit ourselves to the urgent financial problem which was discussed in a special commission of the Plenum as well as at the Plenum itself.

The budget of the leading organisms of the International is dangerously out of balance, which threatens to greatly reduce their activity and particularly the subsidies given to sections in the process of construction. Concretely, the total monthly expenditure of the IS consists of wages for the executive and technical personnel of the IS, office expenses, a full-time functionary in Germany and in Italy; also, publication and mailing costs of the Press Service, the French magazine Quatrieme Internationale and the German magazine Die Internationale. All this could be done only by effecting the strictest economy, reducing wages for functionaries to the minimum of subsistence.

Up to the present we have received for the sections only about half of the minimum necessary for this work. The other half was obtained by the IS itself through independent efforts. Unfortunately, these required too much attention on part of the IS and could only be applied at the expense of its political functioning. The present financial crisis faced by the IS arises from the fact that for the past two months the IS has not been able to obtain funds by its own means and from the lack of any prospect of improvement in this situation. In fact, after a thorough discussion of this problem, the IEC has decided that the IS must henceforth abandon all efforts to obtain funds by itself, convinced that this is not a normal procedure and that it damages the political functioning of the IS.

We have also examined the possibility of reducing expenses. That would imply the discontinuation of the German and French magazines as well as the full-time functionaries in Germany and in Italy. But in these two countries, the sections are in the process of formation and we run the risk of dropping them before they can stand on their own legs.

The IEC has therefore decided against a reduction of the budget and for an appeal to all sections to cover the existing deficit by an increase in the monthly contributions and by the regular payment of the latter at the beginning of each month.

But even if these quotas are accepted and regularly paid, this will not suffice to cover the deficit of the last two months and the debts accumulated thereby. To cover the deficit, the IEC has decided to appeal to all sections to conduct a special financial campaign for aid to the International, devoting the month of May to this campaign, and to transmit all funds collected to the IS without delay.

The IEC urges the sections to place this appeal at the head of their agendas and to apply these decisions swiftly and responsibly. The continuation of effective functioning by the IS, of the support furnished by it to weak sections or those in the process of formation -- all this depends upon what the sections can accomplish in this financial campaign.

The International Executive Committee

RESOLUTION ON THE INTERNATIONAL GATHERING OF YOUNG WORKERS

AGAINST THE WAR

The Seventh Plenum of the IEC, considering:

1. That winning the young generations of workers is an essential task for the building of the Fourth International;
2. that the struggle against colonial and imperialist war is indissolubly linked to the struggle of arousing the youth against capitalism, of inspiring them with confidence in their own strength, of educating and organizing them against the bourgeoisie;
3. that these tasks can only be carried out by the independent organization of the working class youth on a national and international scale, as against the organizations of the reformists, Stalinists or centrists. This need for independence felt by the youth is increased by the disgust and distrust aroused among them by the adult organizations. Only the program of the Fourth International can allow organizations of young workers to fight effectively against capitalism and its wars, but these workers can only understand that through their own experiences --

Decides:

1. That all sections of the Fourth International shall develop the following line: "The Fourth International does not ask the young workers to trust its words. It asks them to unite nationally and internationally in organizational independence of all governments and all parties, with the view of forming a Revolutionary Youth International. It will send into this revolutionary International of young workers, its most capable and experienced young militants to become the most devoted advocates of the independent organization of the revolutionary youth and to aid it, in the course of its struggle against capitalism and its wars, to make the program of the Fourth International, its own program."
2. Concretely, the Fourth International will support the initiative of the French MLAJ, calling upon all organizations of working class youth in the entire world to participate in an International Gathering of Young Workers, to be held in Paris at the end of July. It shall make this initiative known as widely as possible and will aid in assuring the participation of the greatest possible number of organizations at this gathering.

In particular, all the organizations of youth influenced by Trotskyism should, if at all possible, participate with resolutions and delegations. The IEC shall address circulars to all sections calling their attention to this gathering, giving the necessary instructions for the participation of young Trotskyists and setting forth the political line and the appropriate tactics to apply during this gathering.

3. The IS shall appoint a coordination bureau which, beginning with this plenum, shall supervise the application of the present resolution on an international scale, shall undertake to coordinate the efforts of all sections in this sense, and participate during the gathering in the leadership of the international Trotskyist forces present there. Above all, this bureau shall be instructed to draw up as soon as possible:

a. a political platform which our organizations and militants shall put up for discussion before all participants at the gathering;

b. a short popular pamphlet, published if possible in several languages, which shall be distributed to the participants, illustrating the revolutionary methods and aims applied by the Fourth International in the struggle against war.

4. The IS shall closely follow the preparation and the holding of the gathering, with a view to ascertain the possibility of forming an international liaison organism of all the organizations basing themselves on the working class youth, as the first step to the formation of a revolutionary International of the working class youth.

5. The IEC calls the attention of all sections and all militants to the really historic importance that this whole matter can assume. It calls upon them to assign sufficient forces to this task so that the short time left can best be utilized in order to make this gathering a big revolutionary international demonstration.

Adopted Unanimously

RESOLUTION ON LATIN AMERICA

The Seventh Plenum of the IEC, having heard the reports and discussed the developments of the situation of our movement in Latin America since the Second World Congress, declares:

a. That the decision of the Second World Congress regarding the need for a discussion in the sections and organizations belonging to the Fourth International in Latin America, by means of an internal bulletin and a magazine, in order to prepare a Latin American Conference that could adopt a more precise political orientation for these countries and elect a sub-secretariat working under the control of the IS, could not be carried out up to the present; the developments show that differences have sharpened between these organizations, especially between the Argentine organizations claiming adherence to the Fourth International;

b. That this evolution is due, above all, to the lack of a concrete interpretation of the general program of the Fourth International dealing realistically with Latin America, to the lack of

political clarification which still characterizes our Latin American movement, and to the neglect of the International leadership to remedy these shortcomings up to the present through effective political intervention. The questions of an organizational, and even personal character, which often seem to dominate the life of the Latin American organizations and the relations between them, in the last analysis, merely reflect the inadequate political development of our movement in these countries, and its inability, up to the present, to express in clear political terms the problems posed by the concrete situation in these countries, with the aim of building a genuine revolutionary movement based on the program of the Fourth International;

c. That the provisional Latin American Bureau appointed during the Plenum of December 1948 must confine itself exclusively to the task of effectively promoting the discussion in the Latin American organizations and of preparing the projected conference. All of its activity remains subject to the strict control of the IS.

The Seventh Plenum of the IEC decides:

a. To maintain as an objective, the holding of a Latin American Conference in 1949;

b. To send a delegate of the IEC and the IS as soon as possible to Latin America, for a stay of several months, in order to promote on the spot the political and organizational preparation of this conference, and, more concretely, to report on the Latin American situation and the decisions it requires at a future Plenum of the IEC.

Adopted Unanimously

MOTION ON THE ORTIZ CASE

All of the accusations and complaints relative to financial questions involving the Latin American Bureau must be presented in writing. A copy thereof must be submitted to comrade Ortiz. His reply as well as all other declarations shall be examined by the IS.

Until this material has been received and discussed by the IS, all allegations and recriminations concerning this financial question must cease.

Adopted Unanimously

RESOLUTION ON THE ORIENTATION OF WORK IN ITALY

The Plenum of the IEC, taking note of the IS report on the consolidation of the Trotskyist organization around the magazine "4a Internazionale;"

Notes the change in the objective situation following the defeat of the general strike of July 17, 1948, which brought about a temporary set-back for the labor organizations, the departure of many vanguard elements from these organizations and the absence of broad mass left-centrist tendencies within these organizations -- that is, a situation in which fraction work can no longer be as fruitful as open work;

Notes the increasing maturity of the organization formed around the magazine "L'Unita Internazionale" which makes possible the establishment of an independent movement in the near future that will be capable of applying in practice the line of the International to the Italian situation;

Therefore considers it necessary, both in view of the objective, as well as the subjective situation, to orient the work of the Trotskyist movement toward the establishment of an independent organization in Italy as soon as possible while continuing fraction work wherever it is appropriate;

Calls upon the leaders of the group in Italy to mobilize the entire organization and its sympathizers along the line of an independent movement;

Decides to establish immediately a commission to aid the Italian organization so that the establishment of the movement can take place under better material conditions than those existing at present in the Italian group.

Adopted Unanimously

AMENDMENTS AND DECLARATIONS

A. Resolution on the War

Comrade Privas voted for this resolution with reservations on some points.

The comrade from Central Europe presented the following amendment which was adopted with 2 against (Jerome, M.L.);

"In thesis 18 replace 'Socialist States' with 'Socialist Council Republic!' In other languages, appropriate terms having the same meaning should be used."

The representatives of the British RCP presented the following amendment which was rejected by all other members of the IEC:

"Rewrite in order to show that the changes in Stalinist policy are the result of changes in world relations that led them to undertake very extensive nationalizations and agrarian reforms in certain areas and to eliminate the domination of capitalism and world imperialism there while strangling all independent revolutionary movements once this had been accomplished."

Add:

"That we are for the defense of the USSR and its allied buffer countries against American and world imperialism, and to explain what is progressive and why we are defending it."

B. RESOLUTION ON THE BUFFER ZONE

Note: The vote on this resolution, which was accepted in its general line as a basis of discussion in the International up to the next Plenum of the IEC, was accompanied by the following declarations:

a. Declaration of Comrade Jerome: "I am voting for this resolution as a basis of discussion in the International up to the next Plenum of the IEC with this supplementary declaration: I believe that the resolution does not answer in a positive way what is the class nature of Yugoslavia, and that the analysis given of this country must logically lead to the conclusion that Yugoslavia has ceased to be a capitalist state."

b. Declarations of Comrades Colvin and Ali (Ceylon and India): "In voting to accept the resolution only as a basis for discussion in the International, we declare: a) That the resolution does not attack the differences in the development of events in Yugoslavia and the questions resulting therefrom; b) That Yugoslavia is a degenerated workers' state; c) That although a process of structural assimilation has been pursued in the other buffer countries, these changes are still of a quantitative nature, and these states remain in a transitional stage as defined in the resolution adopted by the Second World Congress and in the present resolution. "

c. Declaration of Comrade Privas (French PCI): "As long as the Yugoslav question is not solved there is not, properly speaking, any general line in the text, because this country can take an entirely different road of development -- except for the statement that we are witnessing a process of structural assimilation. But even this very general idea cannot be voted on, because the idea of the revolutionary participation of the masses, which was underlined as indispensable in the resolution of the World Congress, is not touched upon at all.

"The text returns to the slogans of the World Congress, while it can be logically deduced from it that the slogan of a Balkan Danube Independent Socialist Federation should come before that of independent socialist republics.

"I am abstaining on this resolution."

Declaration of Comrade Santen (Holland): "I am voting for the resolution in principle, with the declaration that the Yugoslav question should be dealt with in a special resolution to be submitted for discussion at the next IEC."

Declaration of Comrade Jacques (Switzerland): "I am voting for this resolution as a basis of discussion although, in view of various shortcomings, it leaves the door open to a great deal of confusion on the class character of Yugoslavia especially. I am voting for this

resolution in the sense that: a) The question of the state should be treated more extensively and more thoroughly; b) The point dealing with the 'destruction of the bourgeois state apparatus in Yugoslavia' should be expanded and show that a new bourgeois state apparatus has been built up there; c) That in treating the buffer countries the creation of new bourgeois layers by the Stalinist bureaucracy should be shown; d) That the general line of this thesis can be resumed in the formula; in the buffer states we have capitalist states with tendencies pushing towards structural assimilation."

Counter resolution presented by the two comrades representing the RCP (England).

CLARIFYING MOTION ON ENGLISH SITUATION

The motion of the Sixth Plenum of the IEC to send a commission to England to find a solution for the reported friction between the RCP and the other group has given rise to speculation that it was intended as a censure of the RCP and that this alleged censure was passed without giving the RCP a hearing since its representatives were not present at the Plenum.

The Seventh Plenum of the IEC states categorically that the above mentioned motion was in no sense intended as a censure of the RCP or anyone else and that the IEC was in no way concerned with fixing the responsibility for the friction but merely to find a solution, so that the work carried out under the supervision of the IS should in no way suffer as a consequence of the friction.

The Plenum states furthermore that the subsequent publication of that portion of the minutes which deals with this question was done by mistake and that if and when these minutes are republished, this section will be omitted.

MEMORANDUM ON RESOLUTION ON

"THE EVOLUTION OF THE BUFFER COUNTRIES"

(Submitted by E. R. Frank)

The class nature of the buffer countries is defined in the resolution as "capitalist countries on the road toward structural assimilation with the USSR." This definition flows neither from the specific analysis provided by the resolution itself nor from our method of reasoning with regard to the USSR. We cannot accept the reasoning of the present resolution without calling into question our yardstick for estimating the USSR as a degenerate workers' state.

We previously recognized the extreme transitional character of the economies and state structures of the East-European countries, but characterized them, nevertheless, as capitalist, because of such outstanding facts as the existence of a sizeable part of industry and commerce in capitalist hands, the capitalist character of many of the nationalizations, the coalition nature of the governments, etc. As the resolution correctly indicates, the situation has altered basically in a number of the countries in the intervening period.

It is our contention that the analysis and description of the resolution itself indicate that such states as Yugoslavia, Poland, Czechoslovakia and Bulgaria have a basically similar sociological character to the USSR, and that Hungary and Rumania are moving in the same direction. (I agree with the resolution's analysis on Finland, Austria, East Germany.)

The resolution speaks of these states being "on the road to structural assimilation with the USSR." This is a moot point. No one knows whether the Kremlin will attempt to absorb these states, or some of them, as it has Eastern Poland and the Baltics, or will find it more advantageous to continue bleeding them, while permitting them to retain their formal independence. But it is undeniable, by the yardstick we have heretofore applied to the USSR, that a number of these states are in the same sociological orbit as the USSR -- because the overwhelming portions of their industry, banking and commerce are nationalized and run on lines similar to the USSR; because these countries have a de facto monopoly of foreign trade; because, in addition, their political regimes are roughly similar to that of the USSR.

Even in the realm of agriculture, conditions are not too dissimilar from that which obtained in the USSR in the NEP period. It is wrong to derive a qualitative sociological difference from the nationalization of the land in the USSR and its absence in the border countries. We must remember that with the Stalinists, slogans and legal forms often correspond very little with the reality. Actually, the Stalinist state apparatus exercises a close control over agriculture in these countries through progressive taxation, organization of "harvest militias," etc., and in pushing the formation of cooperatives and state farms, commensurate with its modest abilities to supply farm machinery. Georgi Dimitrov, in outlining Stalinist agricultural policy at the Bulgarian Communist Party convention last December, was correct when he stated that under the Stalinist regime land nationalization

"has no practical significance for us." The results of nationalization could be obtained, he explained, through establishment of mechanized farm cooperatives on a collective model and their general agricultural policy.

The resolution correctly takes note of the fact that planning in these countries is of necessity very inadequate and is not even on a par with planning in the USSR which is also "the bureaucratic deformation of real socialist planning," and that the major part of production in these countries is destined for a capitalist market. All this is undeniable but does not negate the sociological similarity of these countries to the USSR. It must be recalled that many of the difficulties mentioned would exist, to a considerable extent, even if these countries were Sovietized through a workers' uprising, i.e., the hostile pressure of the USSR under Stalin, the narrow national limits and consequent dependence on the capitalist world market, the essential petty-bourgeois nature of their agricultural economies, etc., etc. We are sure that a close examination of the administrative apparatus and economies of even the ex-Baltic states would reveal many differences in comparison with their counter-parts in the older sections of the USSR. But what is essential for this discussion is the fact that the economic structure is basically similar to that of the USSR -- if we do not change our previous rules of measurement -- and therefore the class character of the states enumerated is basically similar also.

The resolution introduces a new arbitrary demand which must be met before it will consider these states as sociologically in the same orbit as the USSR -- "the abolition of the national frontiers between the buffer countries." Naturally, we favor such a step. Naturally, socialist production cannot be organized within the narrow national confines of these small states. We are on record for a Balkan and Danubian Federation as part and parcel of a Socialist United States of Europe. But this demand is irrelevant in the present discussion and does not help clarify the precise sociological character of the East-European states as they exist at the present time. We cannot set up arbitrary rules how the sociological process must unfold, but have to follow the actual developments without prejudice, from the viewpoint of our class criteria and our program of world revolution.

This question has considerable importance from a propagandist as well as from a theoretical viewpoint. Many young intellectuals are becoming conciliatory to Stalinism because they believe it is introducing Socialism in Eastern Europe. They are not unaware of the bureaucratic filth and police terror, but believe this is the necessary overhead in the introduction of a new social system.

We would make ourselves appear as lifeless doctrinaires in the eyes of the new thinking generation if we did not recognize and correctly analyze the profound social changes taking place in these countries. Moreover, only on the basis of a correct evaluation can we effectively demonstrate that capitalism as a world system cannot be toppled by bureaucratic or military means, that it will be crushed only by a profound socialist revolution powered by the masses, that Stalinist crimes and counter-revolutionary repressions in Eastern Europe damage the cause of Socialism in the eyes of the world working classes, and because of that, do far more harm to the cause of the world revolution -- the only force that can destroy world capitalism -- than any incidental progressive nationalizations or worth-while reforms in this or that border country.

March 31, 1949

REMARKS BY M. STEIN OPENING PC DISCUSSION ON IEC RESOLUTION ON
EASTERN EUROPE AT PC MEETING, JULY 12, 1949

The extension of the power of the Soviet bureaucracy beyond the borders of the USSR, which was one of the consequences of World War II, has posed the following questions: (1) Does the basic Trotskyist analysis of the Kremlin bureaucracy retain its validity under the new conditions of Stalinist expansion? and (2) What is the nature of the regimes established by the bureaucracy in the new territory it acquired?

These questions were the subject of an extensive discussion in the World Trotskyist movement which came to a close at the World Congress in April, 1948 with the adoption of the thesis on "The USSR and Stalinism." However, the Seventh Plenum of the IEC, which in its representation and deliberations almost had the weight of a World Congress, decided to reopen a discussion in the International on the nature of the buffer countries.

This was motivated by two considerations: (1) The year 1948 witnessed a new phase in Stalinist policy in those countries, which requires an analysis and the education of the ranks in an understanding of this problem. (2) Some shadings of difference developed among the supporters of the World Congress Thesis which required an airing. Namely, while there was general agreement at the Seventh Plenum on the totality of the buffer countries, some comrades felt that Yugoslavia belongs in a category by itself for reasons I shall deal with later. I am not dealing with the position of the British RCP which represents no new factor in the discussion, since its point of view was already presented to the World Congress and overwhelmingly rejected by it.

In introducing the discussion it is best to start with a summary of the evaluation of the buffer zone as contained in both the World Congress Thesis and the Seventh Plenum resolutions. The Plenum resolution is only an extension of World Congress document. It brings the situation up-to-date within the framework of the basic analysis made at the World Congress.

The fortunes of war left the Stalinist bureaucracy as the undisputed heir to the Balkan countries excepting Greece, parts of Austria, Finland and Eastern Germany, Manchuria, and Northern Korea in Asia. They inherited these countries in which the state apparatus had collapsed as a result of the war, military defeats, Nazi occupation, the guerrilla war, Russian occupation, etc. The possessing classes in these countries had been extremely weakened or had virtually disappeared.

Anglo-American imperialism was in no position to intervene and had abandoned the impotent bourgeoisie of these countries to the mercy of the Stalinist bureaucracy. From 1944 to 1946 this non-intervention corresponded to the agreements arrived at at Teheran, Yalta and Potsdam and constituted the price world imperialism paid Stalin for crushing the German proletariat and for his active aid in strangling

the insurgent Greek and Italian movements and for reconstructing the capitalist states and economies of the Western European countries.

Following 1946 the imperialist powers failed to come to the aid of the bourgeoisies in the buffer countries, because the relationship of forces, both military and political on the European continent, were as yet unfavorable for a showdown fight. They had to confine themselves to the so-called Cold War.

What did the Stalinist bureaucracy do with the countries and their peoples -- with their political and economic structure -- over which it was now the master? A review of the Stalinist course will bring into bold relief the contradictory nature of the counter-revolutionary nationally limited bureaucratic caste resting on the foundation of nationalized property relations created by the October Revolution.

The first stage of Stalinist policy is characterized by the crushing of all initiative by the masses. Towards this end it deliberately promoted national hatred and chauvinism between the countries within its own orbit and between all of them on the one hand, against the Germans on the other. The Stalinists retraced the national boundaries and uprooted over 10 million people in the process expelling them from one country into the other. The Germans were expelled from Eastern Prussia, Upper Silesia and the Sudeten area. Rumanians were expelled from Bessarabia, Poles were expelled by the Russians from the area east of the Curzon line, Czechs were expelled from Carpathia, Hungarians were expelled by the Czechs from South Slavia, etc.

They concluded alliances with the most reactionary forces in the buffer countries -- Rumanian Court -- Finnish bourgeoisie, semi-fascist Bulgarian formations, national democrats in Poland, etc. Any manifestation of working class opposition was repressed. Whatever remnants of the bourgeoisie could be found were drawn into a national front to constitute the framework of capitalist states.

The economic policy of the Stalinist bureaucracy in the buffer countries consisted of merciless pillage of their resources through reparations, mixed corporations, seizure of so-called German property and phony trade agreements. In addition, these countries had to pay the cost of maintaining the Soviet occupation troops and in the case of Germany of forced labor by prisoners of war. The policy of pillage was practiced not only against the countries which had been at war with Russia, such as Hungary and Rumania, but also against "allied" countries such as Czechoslovakia where some 60 large plants were dismantled. From the German territory ceded to Poland Stalin removed some 25-30% of all industrial tools, according to Minc, the Polish Minister of Industrial Production. Each one of the buffer countries was left more or less in this period to its own depleted resources as far as economic reconstruction was concerned.

Nationalizations at this stage were limited to enterprises seized by the workers at the end of the war, where there were no legal owners in the country. Otherwise the bourgeoisie retained its economic position. The Stalinist bureaucracy and the Stalinist parties sought to utilize capitalist production relations for their own advantage.

It was only after the Marshall plan took form and the Kremlin was compelled to ban the participation of its satellite countries in the plan, that the Soviet bureaucracy turned its attention toward the consolidation of its dominant positions in Eastern Europe on a long range basis. It was forced thus to counteract U.S. efforts to push the Russian bureaucracy back into the confines of the USSR.

The exigencies of the Cold War forced the Kremlin bureaucracy to undertake the liquidation of the strong positions of the native bourgeoisie in the buffer countries -- to make an effort to develop these countries economically, to seek to limit Kulak grip on agriculture, and to undertake some sort of planning.

Great changes have taken place in the buffer countries within the past year. Industry, banking, communication, transportation have been almost completely nationalized in Bulgaria, Yugoslavia and Czechoslovakia -- they are on the road to completion in Poland and Hungary. Wholesale trade is equally on the road to complete statification. Retail trade and agriculture remain, however, as yet largely in the hands of private proprietors. The private exploitation of agriculture is extremely important for Eastern Europe affecting a large segment of the population: About 80% of the people in Bulgaria and Rumania, about 70% in Yugoslavia, about 50% in Hungary, Poland and Czechoslovakia.

Any attempt at planning in the buffer countries has the obstacle of capitalist relations in agriculture -- the Soviet mortgage on the economies of these countries in the form of reparations, mixed companies, etc., the narrow national limits of each of the countries, the apathy and even the passive hostility of proletariat. The Stalinist bureaucracy which started out in the buffer countries with a policy of pillage and exploitation on the basis of capitalist property relations has been compelled in time to change its course and to seek to bring the economies of these countries into conformity with that of the USSR.

At every stage of development it had to resort to new police measures against recalcitrants. Not only did it destroy all opposition parties but it had to carry out successive purges of its own agents when they gave the slightest expressions to the sentiment of resistance to Stalinist policy. The whole course of the Stalinist bureaucracy in the buffer countries shows once more that it has no historical perspective, that it cannot pursue a fundamental orientation, but reacts empirically to the situation of the moment.

The resolution summarizes this policy as follows:

"Because it wanted first of all to strangle all possibility of a proletarian revolution it was led to conclude a temporary compromise with the bourgeoisie; because its privileges are historically incompatible with the maintenance of the capitalist regime, it had to take the course of the gradual and bureaucratic liquidation of the capitalist forces in the buffer zone."

There are indications that a new stage in Stalinist policy is in the making. There are signs of growing economic coordination between the different countries and the constitution of the Council of Mutual

Aid, etc. These come in response to the Tito split and the Marshall plan.

The Plenum Resolution on the Social Nature of the buffer countries comes to the conclusion that they are capitalist countries on the road toward structural assimilation with the USSR. This definition takes into account the historical origin of the situation as well as the social physiognomy which is as yet undecided. It tries to fix the position of these countries between capitalism and the USSR.

Differences Between Buffer Countries and USSR

1. Necessary but insufficient conditions for planning, even in degenerated bureaucratic form:
 - a. Narrow national framework.
 - b. Lack of material resources.
 - c. Mortgage imposed by Soviet bureaucracy.
 - d. Predominantly agricultural character, which remains under small private exploitation and reproduces capitalism from day to day on the village scale.
2. The dependence of these countries on the world capitalist market -- Poland, Czechoslovakia and Hungary -- foreign trade embraces about half the national revenue -- and even by 1952 according to present plans -- more than half of this trade will be with Western countries.
3. The fact that changes did not come about as a result of victorious revolutions but by military-political measures against the bourgeoisie and the proletariat leads to the conclusion that -- with exception of Yugoslavia -- it is unlikely that a civil war would be necessary to reverse the present orientation in these countries. The return of these countries to the capitalist orbit would not require the destruction of the present state apparatus, but a "purge" in reverse.

The fate of the buffer countries has not been decided not only in historical sense, as in the case of the USSR, but in a more immediate sense. The resolution indicates under what conditions it would be necessary to modify the above definition and say that structural assimilation has been completed. This would require above all that there be effective coordination and planning applied to the combined economies of these countries linked organically to the economy of the USSR. Such an achievement could reverse the present predominant tendency of these countries of dependence upon capitalist economy. This could happen if the national frontiers were abolished. It would require the disappearance of the hybrid state apparatuses -- saturated with bourgeois elements -- and the constitution of a state apparatus of a new type.

As I indicated: The differences expressed at Plenum were of a two-fold character:

1. There were some -- namely Jerome, Silva and Ali -- who, while accepting the fundamental line of the resolution, thought that Yugoslavia should be treated in a different category. Jerome's argument

essentially boils down to this:

1. The state apparatus there was destroyed by the independent action of the masses.
2. The bourgeoisie was largely expropriated in the process of a protracted civil war.
3. When the resolution says: "It is very unlikely if not excluded that a civil war would be necessary to reverse the present orientation of these countries towards a structural assimilation with the USSR" it specifically excludes Yugoslavia.

While making all these distinctions between Yugoslavia and the other buffer countries the resolution nevertheless fails to draw conclusions. In Jerome's opinion it was necessary to conclude that in Yugoslavia -- unlike the other buffer countries -- capitalism has been destroyed.

De Silva argued that it has been precisely the policy of the Kremlin bureaucracy, whose economic and political measures are designed to exploit the buffer countries, which has blocked the tendency of these countries towards structural assimilation with the Soviet Union. But Yugoslavia, by breaking with the Soviet bureaucracy, has liberated itself from these fetters and can be considered a workers state.

It appears to me that while there is much truth in both these arguments they cannot, nevertheless, be isolated from the totality of the picture. The unstable equilibrium in the relations between the Soviet bureaucracy and capitalist world places Yugoslavia in a particularly vulnerable position. Meantime it remains a fact that in Yugoslavia as well agriculture -- which embraces 70% of the people -- remains capitalist in character.

Rather than jumping at conclusions as to the social character of the states in Eastern Europe it is far better to await further development. This is especially important when dealing with such hybrid formations directed by bureaucracies whose main concern is with survival and who are capable of all sorts of sharp turns in their struggle to retain police power at all costs.

CONTINUATION OF DISCUSSION ON BUFFER COUNTRIES

AT PC MEETING. AUGUST 2, 1949

Stein: In my presentation of the resolution on the Eastern European countries at the last meeting, I failed to deal with the position of the British RCP. I will speak on it briefly now. I haven't read their latest documents, but this is of little importance, since their position dates back some sixteen months. Already then they declared that the buffer countries are workers states. As a matter of fact, they have a similar position today on China. They proceed from the concept that Stalinism in power equals a workers state. When they first took their position that the buffer countries were workers states, these countries had not yet undergone any extensive nationalizations. In a sense their method of reasoning is similar to that of the Shachtmanites, even though they arrive at opposite conclusions.

To the Shachtmanites, Stalinists in control of the State equals bureaucratic collectivism, that is, a new social class is born as soon as the Stalinists gain state power. To the RCP, Stalinist control of state power also amounts to an automatic social change but they term it a workers state. It is a convenient method which absolves its practitioners of all responsibility for analysis of the concrete living processes.

It is noteworthy from point of view that only serious analysis of the evolution in the buffer countries has been made by the majority tendency in the International. By trying to simplify the problem of buffer countries, the RCP on the contrary complicates this problem and brings into question all the ideological positions of Trotskyism.

If Stalinism in power means workers states, then what is the role of the Fourth International? What happens to the Marxist concept of the state?

Within the RCP several tendencies have been emerging which are fed precisely by these contradictions in their position on the Eastern European countries. One of their leading members, for example, concluded that if Stalinism is such a revolutionary force, we may as well join the CP. Others question the existence of the Fourth International, claiming it was formed prematurely.

Now let us take up some of the arguments that entered our last discussion. I was amazed by Cochran's approach to the question. I was amazed by the manner in which he brushes aside what I consider to be fundamental questions. For example, he agrees that agriculture in the buffer countries remains in private hands, is exploited privately. But that, he tells us, isn't too important. He makes no attempt to analyze why it isn't important. He simply dismisses it.

The IEC resolution poses the question of the national boundaries and their reactionary role. It demonstrates the impossibility of planning within the confines of small national states. But he dismisses that too. Why?

The IEC resolution poses the question of the special methods

devised by Soviet bureaucracy for the exploitation of these countries, so that a good part of their industry is actually operated as capitalist trusts for the profit of the Kremlin. He dismisses that.

I think we should have a little explanation as to how these elements can be dismissed. How can anybody, for example, dismiss the fact that the land is privately owned in countries which are predominantly agricultural to the extent of 50 to 80%.

In analyzing the nature of the Soviet Union during the struggle with the Shachtmanites, the Old Man weighed the question from every conceivable angle. He also posed the question: In what way would a political revolution against the bureaucracy in Russia that we think is necessary, differ from a social revolution? He then answered this question by demonstrating that all the tasks of the revolution would be of a political nature. Try to apply the same question to the buffer countries. What kind of revolution would you need in the buffer countries to establish a workers state? Would it be a political revolution? What would be the tasks of the revolution once the Stalinists were overthrown? It is obvious on the face of it the entire state apparatus would have to be smashed and one of a new type, a Soviet state set up. The land would have to be nationalized; the national boundaries would have to be abolished and a Balkan Federation constituted, so as to create the conditions prerequisite to planning; the Kremlin trusts would have to be expropriated, etc. In a word, these are all the tasks of the social revolution.

Now, it is precisely when dealing with such a complicated phenomenon as a degenerated workers state, which the Soviet Union is, and what appears to be its likeness in Eastern Europe, that it is important to analyze not so much their likenesses as their differences. We must probe into the factors which separate them, rather than those which identify them.

It is very easy to be deceived by likenesses precisely because the totalitarian Stalinist methods of political rule are similar in all the countries where they hold state power. But the problem is to understand the differences and the social nature of these differences. This is the approach of the IEC resolution in which the social nature of the differences are clearly demonstrated.

Let us pose the question in yet a different way. Let us imagine that in the Soviet Union the land were privately owned. Let us imagine they were to set up in the Soviet Union boundaries between the various nationalities. Would you call it a workers state? The question of national boundaries must not be minimized. The Old Man pointed out that national boundaries are no less reactionary than private ownership.

It seems to me that whichever way you tackle this problem you come to the same conclusion. But the question is asked: in what way the Eastern European countries look like capitalist states? Our answer is that they have similarities as well as differences with capitalist states just as they have them with the Soviet Union. That is why the definition of these states cannot be categorical. It must express the process that is taking place in these countries and the tendency of their evolution. The IEC resolution does precisely that.

Cannon: I would like to ask how the comrades differentiate between buffer countries and countries assimilated -- that is, the Baltic states and Eastern Poland. Do you recognize any difference between them and the buffer states?

Cochran: If it is a question of the fundamental sociological orbit of Poland and Czechoslovakia and the Baltics -- no.

Hansen: On that particular point the Old Man discussed that in relation to Burnham and Carter -- that in itself is not decisive criteria. What is involved is trend.

Cannon: They were compelled to integrate them into Soviet economy because they couldn't fit them into the Soviet system on any kind of capitalist basis. Trotsky even said...this is a powerful testimony that the revolution is still living -- when the Soviet Union expands organically...cannot integrate capitalist property relations inside it. Conversely, when Nazis conquered Russian territory they overthrew the Soviet system in agriculture as well as in every other industry and restored private capitalist property relations.

Cochran: I don't believe you are grappling with this thing. When we are talking of sociology, you can't have one set of criteria for determining the class nature of the USSR and another set in this case as it suits your convenience. The nationalization of land in the Soviet Union was never a fundamental criteria, and you have made it a fundamental one in this session. You go through the whole polemic with the Shachtmanites, what it is we still defend and by what criteria we still determine Russia is a workers state--you will not find the nationalization of land there as a fundamental criteria. As a matter of fact, the land in the Soviet Union is worked on a petty-bourgeois basis. The fact that the land is juridically owned by the state does not change the reality of the situation that the property is being run on petty-bourgeois lines. Even with collectivization, the regime was confronted with the problem of capitalist developments and tendencies to accumulation leading up to the Kulak revolt in 1928.

The resolution itself does not make that the decisive criteria, as Stein does. The big point it leans on is planning, as we said last week.

We all know there is a big difference in the planning in Czechoslovakia and Poland and the planning that goes on in the Soviet Union. But the differences are quantitative and not of sociologically dissimilar categories. It is false argument to say that planning does not exist there. As a matter of fact, where the commanding heights of economy are nationalized and run by the state, the economy cannot be operated except through planning. The state must determine where capital will be invested, in which industries, etc. The resolution points out that this planning is a very bastardized proposition and doesn't approach the planning of the Soviet Union. But they plan nevertheless. They have to operate according to a plan because they have nationalized all the commanding heights of economy -- industry, banks, most of wholesale trade, and they are now nationalizing most retail trade. They are trying to proceed in agriculture with techniques learned from Stalinism, the way Stalin proceeded in Russia, try to collectivize it in part, and have the state gain the ascending control by pressures and its state power.

I don't deny the importance of origin and I don't deny that sometimes it might be the decisive question involved. But where the sociological similarities are so great as in the case of Poland, Czechoslovakia and the USSR, then the different origins cannot overthrow this towering fact.

You ask: If you had a political revolution in these countries, what would be their tasks -- in order to contrast these countries to the Soviet Union? They would have to smash the state, you say, whereas in the Soviet Union the state was smashed by the revolution. Look at these states -- Bulgaria, Czechoslovakia, Poland. A revolution occurs. I don't see that a Polish Soviet would have a different task in relation to the state than a Russian Soviet.

The old bourgeois states had been purged, smashed, by a process of infiltration, military terror, and in part, in the early stages, by the revolutionary uprisings of the working class -- and they have now been Stalinized. I don't know why the tasks differ fundamentally. You are simply asserting something instead of proving it.

What would we do in Russia with the economy. We would purge it of its bureaucratic control. We would permit the workers to set up their own committees and begin participating in planning. It seems to me that is what we would do in Czechoslovakia and Poland.

We would certainly abolish the out-moded boundaries; but here you are counter-posing a norm to the degenerate reality. I admit a workers revolution sweeping through the Balkans would set up a Balkan Federation. But the USSR does not conform to our norms either. You cannot, because the repugnant reality does not conform to the norm, cut away the fundamentals of an economic approach. A country like Czechoslovakia, its whole commanding economic heights are nationalized, 95% of industry, the whole banking system, 83% or so of wholesale trade. They are biting into retail trade. It has a monopoly of foreign trade. The big bourgeoisie has been crushed and expropriated. If you can denominate an economy like that as capitalist, you have torn away your foundation for our analysis of the Soviet Union. You are left with an arbitrary set of rules.

It was interesting to me why comrades could speak of Yugoslavia as similar to the USSR, but were unwilling to apply the same definition to Czechoslovakia. Here the agricultural and planning arguments are absent. It is incomprehensible, except for the fact that Yugoslavia has attained its present sociological estate without direct intervention of the Red Army, independently of the Kremlin, and its origin is of a quasi-revolutionary character. They could thereby feel that it was legitimized. But on a simple comparative scale it is impossible to point to one fact of sociological significance why Yugoslavia could be so designated but not Czechoslovakia.

The decisive criteria that we have applied to the Soviet Union in past discussions, nationalization of the economy and monopoly of foreign trade, which is admittedly in existence in these states -- these decisive tests apply here and you can't deny them at the expense of over-emphasizing differences, without at the same time destroying the very criteria which you have applied all along to the Soviet Union.

Behind all these arguments lurks the fear that by admitting that a state like Czechoslovakia or Yugoslavia is sociologically similar to the USSR, we are endowing Stalinism with a progressive mission, and if Stalinism has a progressive mission, doesn't that call for a reconsideration of the role of the Fourth International.

If you think about this you will see the problem really rests on an entirely different plane from the discussion that has occupied us this evening. I would say this. If we thought that Stalinism could accomplish in the world, in America, in Western Europe, what it accomplished in Czechoslovakia and Poland; call it what you will -- capitalist, neo-capitalist, in-between state -- apply any definition you please to it -- if Stalinism could do in America by its methods what it accomplished in Czechoslovakia, then I think it would follow that Stalinism is the wave of the future which is destined to usher in the new society.

From that would follow that the crimes and horrors of Stalinism are apparently inevitable by-products of the introduction of a new social system. In other words, your definition of the character of Poland or Czechoslovakia is not the determining question here at all.

But our fundamental conception has always been and remains that Stalinism cannot do that. It was only able to do that in sections of Eastern Europe because of a specific conjuncture in the international situation -- the presence of the Red Army in those countries, the vacuum created by virtual bankruptcy of the capitalist classes. But it cannot do that in the U.S., or even in Western Europe where it is up against a formidable capitalist class buttressed by American imperialism. Therefore, Stalinism is historically bankrupt. Our fundamental analysis of it remains.

Our propaganda in the past has been faulty concerning Eastern Europe because of our feeling of uncertainty about the developments there. There was always a fear it would encroach on our fundamental concepts. For that reason theoretical clarity is highly in order on the question.

Clarke: You keep using the word "sociological." Make it concrete. You mean degenerated workers state? Is that what exists in the satellite countries?

Cochran: There are many differences naturally, but they are not of a basic sociological character.

Clarke: What is China? Is that a degenerated workers state?

Cochran: No fundamental economic change has occurred there. I didn't discuss China.

Clarke: I prefer this resolution of the IS, perhaps because of its vagueness rather than concreteness, its refusal to spell out the question "sociologically" -- workers state -- capitalist state. Obviously what is involved is the question of number of states in transition under unique conditions. What Stein said, which you still wave aside, does indicate the prevalence of strong capitalist tendencies within these states which is a dominant factor in determining their

economic and social trends. How can you deny that the private ownership of land in predominately agricultural countries has powerful influence upon the trend of these states? How can you deny the Soviet mortgage, which creates a form of capitalist ownership and exploitation, is a strong capitalist remnant, a remnant of private property relations within these countries?

The planning you speak of in Eastern Europe is a farce. The material base is too narrow; the national boundaries and private property on the land makes such planning a caricature.

Germain's article shows that more than 50% of the trade of these countries goes to the West. This dependence upon capitalist relationships is a decisive factor and has far greater influence than Western economy has had on the Soviet Union. The narrow compartmentalization of these states -- their "Balkanization" -- which before the war made them dependents of foreign imperialism now helps to preserve private property relation forms. You can't dismiss this when you speak of trends and what exists within these countries. You get into difficulties when you proceed mechanically in the attempt to reduce this complex phenomena to a simple formula. What is a workers state? Is it nationalized property and planning only? Don't forget that these are the remnants of a workers state in the USSR which continues to be a workers state because these remain. It is the old mechanical materialist argument of reducing things to a common denominator whose only result is to obscure reality.

The question of origin is important as regards the evolution of these states, class relations within these countries. These countries can be buffeted one way or another. Since capitalist forms are so strong, the tendency is also in the direction of capitalism. What is involved furthermore -- the direction would appear to be toward a workers state because of nationalization. But on the other hand, capitalist forces are so strong within these countries as to mitigate the whole direction and to change its whole course.

It isn't quite so simple as to say there has been more nationalization than existed before. That is not enough to decide this question. You say that some believe if we say it is a workers state we, therefore, give to Stalinism a quality which it does not possess. You say that if these transformations can take place regardless of whether they are called workers states then it leads to the same thing. What is involved is the question of the bureaucratic revolution. Can Stalinism transform property relations, create a new form of social relations between the classes without the proletarian revolution merely by using the tremendous weight of the Soviet Union for this purpose? I think that is what is involved once you say these are similar states to the Soviet Union "sociologically."

Cochran: You are creating a principle here that is non-existent. The resolution admits that possibly the Kremlin might annex some of these states. In annexing them, it would transform their social character.

Clarke: I am speaking of bureaucratic impulse given to property relations outside of the military factor or annexation. This bureaucratic impulse you said gave rise to a new form of state. I think the conclusion from that is that Stalinism plays a progressive role

historically. That is the conclusion. That is what I think we should be wary of in finding some pat formula in determining the character of these states, particularly in view of the world crisis and the struggle that exists elsewhere in the world.

To say that this is a unique formation existing because of certain specific conditions which arose in Eastern Europe and as a result of revolution aborted by Stalinism is to say enough with regard to these states in Eastern Europe. Then to show point by point how Stalinism has prevented the development of these states along socialist lines, has kept them going by means of two kinds of expediencies which include nationalization of certain property and the more fundamental expediency of maintenance of private property relations on the land.

Wood: There was also a certain amount of Kulakism in the Soviet Union and, therefore, there was undoubtedly, as Cochran said, appropriation of land by one peasant or another. As a matter of fact, it reached a crisis and could have gone back another way. Stalinism got panicky and was forced to call a halt. But there is also another factor. You can't compare a country with a revolution with a country that hasn't had a revolution. As the Soviet Union went along, if Trotsky had remained in power, they would have proceeded with nationalization and doing away with Kulaks at a much slower pace. But you can't compare a country that hasn't gone through a revolution and say that is the same stage the Soviet Union went through, and the danger of reversal is much greater. The fact that so far the Kulaks have held their own is an important factor. I am inclined to agree with Cochran rather than Clarke that the trend is toward nationalization. The tendency is toward a workers state. There is still a great danger of reversal and for that reason I feel we should be in no hurry to jump on the bandwagon. There is time to watch developments closely, but at the present time I think as Stein pointed out, note the differences especially and we should emphasize these differences at the present time.

Cannon: I read the resolution since the last meeting and read over the World Congress resolution. I think it is entirely correct both in what it said and what it leaves for further development in the sense that it is impossible to say a final word about these countries now. It seems to me that these countries are conditioned by their size and their geographic position and the relation of forces between the Soviet Union and the Western powers. They are robbed of the possibility of free independent development. Bastardization is forced upon them.

I don't think that you can change the class character of a state by manipulation at the top. It can only be done by revolution which is followed by fundamental change in property relations. That is what I understand by a change of the class character of state. That is what happened in the Soviet Union. The workers first took power and began the transformation of property relations. They didn't do it all at once or right away, but were impelled by the situation to move in that direction more rapidly. And once they got going, they eliminated capitalist private property in all forms of trade, even in small trade and even deprived the peasants of the possibility of independent trade.

Then they were compelled, because of the isolation of the Soviet Union and a number of factors, to back up during the period of the NEP, which began in 1922, to make some concessions to capitalist trading; to allow peasants to sell part of their products in the open market; to allow entrepreneurs to enter private trade. But they did it deliberately in order to stimulate trade and production. Lenin's contention was that they could afford certain competition of this kind as long as they controlled basic industry. Nevertheless, forces unleashed under the NEP brought them to serious danger in 1929, and they had to make a sharp turn. They were able to do this because they had the impulse of the revolution and had completely wiped out the old urban capitalist class and the landlords.

I don't think there has been a social revolution in the buffer countries and I don't think Stalinism carried out a revolution. My opinion of the situation is that a tremendous revolutionary movement was indicated by the situation toward the end of the war with the victories of the Red Army, and that the instinctive movement of the masses was to carry through, sweep away capitalism, workers take power and immediately unite themselves with the Soviet Union or Federate the Balkan states and create a sufficient arena for socialist planning.

I think the role of Stalinism is not revolutionary at all. It gave an impulse to the revolution in this sense, that the victories of the Red Army stimulated the revolutionary movement. But the actual role of Stalinism was to strangle that revolution, to suppress the mass movement of the workers and to restabilize the capitalist state and capitalist property relations.

The fundamental role they played there was counter-revolutionary. That is in the first stage. Now in the period since then I don't think the character of the state has changed fundamentally. They have gradually squeezed out and replaced capitalist politicians by Stalinists, but I don't think they have effected yet a fundamental overturn of property relations.

There has certainly been a nationalization, but with bonds to former owners, compensation to foreign interests, etc. I don't call that a degenerated workers state. I would rather call it a "degenerated" bourgeois state which has reached its present stage without a revolution in the Marxist sense of the word, and can return to an "undegenerated" capitalist state without a counter-revolution.

If you once begin to play with the idea that class character of a state can be changed by manipulations in top circles, you open the door to all kinds of revision of basic theory. I believe the buffer countries not only can return to the capitalist orbit, but the chances are that they will, unless the situation is altered by a revolutionary movement in Europe.

I regard these states as pawns at the present time between two powers -- Western capitalism and the Soviet Union. It is quite conceivable that a deal in the cold war can be the starting point for a loosening of Stalinist control of the state apparatus in these countries and gradual reinfiltration of bona fide capitalist representatives. Whether I am correct in saying that such a development is

probable, doesn't alter the situation. If you admit that it is possible, then you have to take the position that the class character of the state can be switched back and forth without revolution or counter-revolution. It is that idea, carried to the extreme, that some people are playing with; the idea that perhaps England can gradually nationalize the mines, banks, steel, and other industries and thus creep up on socialism without a revolution. We have always considered that reformist.

One thing is absolutely certain: what is there now cannot remain. That it is transitory, everybody agrees. Either the power of America and the West will push the Soviet Union back further toward its own borders and allow these states to resume free ties to the West, allow reinfiltration of bourgeois representation in the state, or Stalinists themselves would become caretakers for a restoration of the old capitalist power. Or it could go the other way if the Soviet Union is forced to go further and assimilate the buffer states into the Soviet Union. They can't remain as they are. They either have to be assimilated into the Soviet Union or at least into a Baltic Federation, and completely wipe out capitalist property relations or become reintegrated into the capitalist orbit -- one or the other. In the meantime you have to recognize them as transitory formations where there has been no social revolution, but rather an aborted revolution, and let it go at that for the present. It is too early to make a final characterization.

I agree with the point that Clarke made about the Soviet Union, that nationalization plus the foreign trade, is not the criterion of a workers state. That is what remains of workers state created by the Russian Revolution. That is the remnants of the Russian Revolution. That is why the Soviet state is called "degenerate."

There is a tremendous difference whether a state has nationalized property relations as a result of a proletarian revolution, or whether there are certain progressive moves toward nationalization, by the Stalinists in one case or by English reformists in the other.

Hansen: When the imperialists take over countries again would that occur in a "cold" war? Or would you have civil war as in Greece?

Cannon: I think even the Stalinists are capable of carrying it out, as they did in Italy and France. They made themselves responsible until the capitalist power was re-stabilized. Germain in a letter claims that control of Finnish State has changed three times since the end of the war. If you begin to characterize a state by who controls it at the moment, you lose sight entirely of Marxism.

I would say the control of the Italian and the French states has changed quite a bit since the end of the war. They began after the collapse of the war with Stalinists having the whole working class under their control. They began by taking responsibility for the bourgeois state in France and in Italy with the slogan: "No strikes -- increase production." They were stabilizers of the bourgeois economy. They were thrown out of the governments of Italy and France only when they were no longer needed.

Cochran: Theoretically it is possible that Poland or Czechoslovakia or Yugoslavia can be reintegrated again into the capitalist world without a civil war. It is incorrect to imagine that this proves that these states are still capitalist or that you have hereby embraced a theory of the "bureaucratic revolution." We are dealing here not with a normal development of history, but unique phenomena coming into existence because of a special conjuncture of circumstances. This shift back and forth has as a matter of fact already occurred in the case of Eastern Poland. The Kremlin absorbed it in 1939 and transformed its sociological character in line with that of the USSR. Then the Nazis marched in and it became capitalist territory again. Then the Kremlin changed it over again. Now that is what they are in the process of doing in some of these other countries, except it is being accomplished in piecemeal fashion.

Everyone has admitted that you can change the social nature of a state by conquest and annexation. It is illogical to argue that the fundamentals of Marxism are disturbed if these states are transformed by conquest and control exercised without outright annexation. No, the question has to be settled by concrete analysis and not references to doctrine.

Stalinism is a contradictory phenomenon. It is counter-revolutionary, because it manipulates the international working class in the interests of the Kremlin's reactionary diplomacy and needs and because it crushes the revolutionary working class movements whenever it has the power. On the other hand, it is a bureaucracy that rests on the sociological foundations or remains of the Russian Revolution and is a carrier of these socio-economic relations where it possesses sovereignty. We have to understand this contradictory character if we are to analyze events correctly and formulate our world perspective in a realistic manner.

Burton: It seems to me that on this last point Cochran puts the question wrong too. It isn't the Stalinists that did violence to capitalism in these countries. What actually happened there toward the end of the war? You had a revolutionary situation. What does that mean. You had the collapse of the capitalist class throughout and you had a revolutionary sentiment among the masses which would push for a complete overturn. It was not the Stalinists who pushed in a progressive direction at all. They are not the ones who destroyed capitalist power in Eastern Europe. On the contrary. The capitalist power was completely destroyed, collapsed, and to some lesser degree, but just as evidently, in France and Italy. In all these countries the role of Stalinism was to give the capitalists a break to return to power. That is a fundamental fact in the situation, that you have to proceed from. That is the way the process actually developed and that is what you had in Eastern Europe when the Stalinists had coalition regimes with the bureaucracy there.

Their trend toward nationalization and toward tightening up of the state apparatus was not a reversal of a previous trend at all. It was a concession to that trend, utilized for their own purposes as the cold war began to wax hotter. That is what you have to proceed from. That brings us once again to the question of the character of the state.

I said in the last discussion, if you want to maintain your position that you have a new type of state in the countries of Eastern Europe, you have got to make some changes in the methodology of Marxism if you want to be serious. You can't proceed by nibbles. In the discussion tonight Cochran has gone further than in the previous week. Even in the previous discussion I asked the question whether a change "back" to a bourgeois form of state there in Eastern Europe is considered possible without a social counter-revolution. I didn't get a clear answer then, but we have a clearer answer tonight from Cochran. The re-establishing, according to his opinion, of capitalist states in what are now degenerated workers states, is entirely possible in Eastern Europe without a social upheaval. You have got to seriously tell us how that is possible and what social force undertakes such a re-establishment of states, because the problem is not confined to these countries of Eastern Europe any more.

I like the way you waved off China. In China the Stalinists haven't undertaken such measures yet. They haven't been forced to, but are they any less in control of China than in the countries of Eastern Europe? What type of state do you have in China? When will you tell us what kind of state they have there? They certainly changed the political rulership of the country. What is your determinant? The determinant in Eastern European countries is that the state has been changed because of certain criteria, you said. What are these criteria? Nationalization, etc. Who undertakes this kind of nationalization? Who undertakes it in Eastern Europe? Some social force must undertake it. Our criterion for the establishment of a state is not only in the measures. Our criterion is who rules the state, who establishes these measures. That is what it has been all along. Classes establish states by revolution, we said before. It can't be done otherwise than by revolution, which means a social overturn of class rulership. From that point of view, what difference is there between China and the Eastern European states?

The resolution of the IEC gives the old criteria by which we went in determining the character of a state; that is, the criteria including ownership of property, planning and also the social origin. When you mention one of these at one time or another, that doesn't mean you are shifting your ground. I don't see that argument at all. That means that you emphasize a point in the criteria for the characterization of a state from the Marxist point of view. The resolution points out, on the basis of these criteria, that the states in Eastern Europe can't be considered as anything as yet but capitalist states, weak as they are and formless in a certain way as they are.

You say in this connection that ownership of property is more or less juridical and consequently you wouldn't see big differences between the Soviet Union and the Eastern European states insofar as the peasantry is concerned. What does juridical mean? That means law established in land, law established by a certain class and in the Soviet Union that law, ownership of the land, was established by a social revolution made by the working class.

What is the ownership of the land in the Eastern European countries? A law that was established by the capitalist class that

hasn't been changed. You don't consider that an important difference? It seems to me that is highly important.

Abolition of boundaries between the states in order to facilitate social planning -- you say that is an ideal. What does that mean? That is what the program of proletarian revolution calls for. I can't understand that.

The planning is different. It constitutes a big difference between Eastern European countries and the Soviet Union. Any kind of a progressive development in the direction of socialist planning would have to bring about abolishment of the boundaries. Otherwise planning is a fiction. That is recognized also by all serious economists who study the economies of Eastern Europe today.

The governments are all crying that in one industry after another the plans cannot be met.

Stein: I am not clear in my own mind yet as to the real nature of differences here. If they are merely terminological as would appear from some of the remarks here tonight, they may not be serious. Cochran agrees with the resolution as far as its factual description of the buffer countries is concerned. The facts, he says, are correct. That means he accepts the facts both as to the points of similarity between these countries and the USSR and the points of difference between them. Right? It seems to me that if you want to find a definition for a state of this kind, you must obviously argue also that the degenerated workers state definition cannot be satisfactory because of the important differences as yet remaining between the Eastern European countries and the Soviet Union. Otherwise, terminology would lose all meaning. If you call the Soviet Union a degenerated workers state, you must then find a definition for the Eastern European countries which would take into account not only the similarities of these countries with the Soviet Union, but also the acknowledged differences. The definition given in the resolution does precisely that when it states that they are capitalist countries on the road toward structural assimilation with the USSR. This definition takes into account the origin of these countries, their development and indicates the road they must yet travel before we can say that the process has been completed.

If this definition does not satisfy you then try to find a better one. It may be acceptable to all provided it corresponds to the existing reality. If, however, you insist on applying to these countries the same definition you apply to the Soviet Union brushing aside the differences between them then you throw overboard a number of norms which we apply to the characterization of the Soviet Union, and then the differences can become serious.

NO SUPPORT FOR TITO

By J.R.

I must at least state the premises upon which I reject support to Tito in the Tito-Stalin struggle.

1. (a) From monopoly capitalism sprang the imperialist struggle for the redivision of the world; the export of surplus capital; super-profits as the basis of the labor aristocracy. All this has been superseded by the movement of Modern Industry to centralization on a world scale. The dominant economic form becomes state-capitalism in various stages of maturity which creates qualitatively new conditions for revolutionary struggle.

(b) State capitalism has placed its stamp upon the Communist Parties of Western Europe which nevertheless remain based upon the working class. The Communist Party of Russia is an entirely different formation being based not upon the working class but upon the state power. The very character of contemporary capitalism compels the Communist Parties of Eastern Europe to follow the Russian model, given the defeats of the world revolution.

It is impossible in the circumstances of the present discussion to elaborate upon these ideas which have been treated elsewhere. I draw only the conclusions.

2. Where half-a-dozen imperialist powers fought for redivision of the world, revolutionaries could advance the proletarian revolution by supporting particular struggles for self-determination, in the bourgeois sense. Today this is still possible on the periphery of the world struggle and in countries like India and China. But there is no possibility whatever of national independence for any bourgeois state in Central Europe, not excluding Germany.

3. As with self-determination, the evaluation of Tito's defiance of Stalinism is rooted in the sociological conditions. Mobilization of a mass Communist Party even by Togliatti or Thorez in defiance of the Cominform or the Russian regime would be an event of world-wide significance for the revolutionary movement, however empirical, limited or halting might be the ideological basis on which such a defiance might begin.

The defiance by the Yugoslav Communist Party is of a fundamentally different character. It is and cannot be seen otherwise than as a defense of the possession of the state property, control of the surplus-labor and other bureaucratic privileges, on the one hand, and on the other, fear of being submitted to the ruthless purges of the GPU.

4. The immediate concrete question is whether the Titoist party can wage a revolutionary struggle, i.e., a struggle which can advance the masses on their road to the international proletarian revolution.

(a) When the Yugoslav Communist Party rejected the German state power during the war, it was able to lead a struggle with genuinely revolutionary characteristics. Even during the war, however,

this struggle contained the elements of decay precisely because it did not depend for victory upon the world proletarian revolution and therefore had to depend upon the victories of the Red Army. In the sharp revolutionary crisis which marked the end of the war, the counter-revolutionary development of events in Europe as a whole and in Eastern Europe in particular decided the fate and character of the Yugoslav Communist Party. Now as a party of power with a material base, to the extent that it departs from the Russian orbit, it falls inevitably into the orbit of Western imperialism.

The objective perspective of any struggle led by the Titoist party is therefore further enslavement of the Yugoslav masses. The first requisite for reevaluation is the recognition of the counter-revolutionary role of the Yugoslavia Communist Party, along with the other Communist Parties, in the suppression of the revolutionary masses in 1945. But the Yugoslav Communist Party owes its present power over the Yugoslav people precisely to this suppression.

(b) The only basis for democracy in the Yugoslav Communist Party and the destruction of monolithism, with its strangulation of economic and social progress in Yugoslavia, is the revolutionary creation of proletarian political forms (Soviets, etc.) by means of which the army, the party, the state can express the historical creative energies of the masses. Without this the economy on a world scale and in Yugoslavia dooms the state and with it the party to totalitarianism, whether with or against Stalin. All oppositions which persist in attempting not to destroy but to correct the Stalinist bureaucracy have ended in failure and capitulation. After a year of the struggle there is no evidence (in fact, quite the contrary) to believe that the Yugoslav Communist Party which seeks merely to ensure its share of bureaucratic privileges will do anything else except betray the people of Yugoslavia.

(c) The essence of the struggle can be seen by its effect upon the world working class movement. Whereas the labor lackeys of the Second International carefully refrained from any assistance to Ethiopia or Republican Spain, they are ready to support the bourgeoisie in stimulation of Tito's opposition to Stalin. The past and present of the Titoist party, in the present world crisis, make Tito a pole of attraction far more to the supporters of Western imperialism than to the genuinely revolutionary masses.

5. The struggle for Yugoslav independence, like the struggle for the independence of Czechoslovakia, does not in any way depend upon whether Tito or Gottwald is in conflict with Stalin or not. The masses of Yugoslavia must be told the harsh truth that for them independence and freedom rest in the first place on joint revolutionary struggle with the masses of Eastern Europe and above all in winning over the soldiers and proletarians of Russia. The Titoist party is an obstacle in the path of this imperative development.

6. The extent to which the party and the new state in Yugoslavia can be transformed to serve the needs of the Yugoslav masses can be ascertained and concretized not by support of Tito but on the contrary, by the most merciless struggle against the Tito regime.

September 23, 1949.