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Central Bureau: Berlin SW 48, Friedrichstrasse 225, III. — Postal address Franz Dahlem, Berlin SW 48, Friedrichstrasse 225, III  
for Inprekorr. — Telegraphic address: Inprekorr.

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**HOOVER WAR COLLECTION**

## 40% or 60% — That is the Question

By Paul Frölich (Berlin).

"The situation is best characterized by Stinnes' utterance in the State Economic Council: "We cannot form a concern with Loucheur in which Loucheur would have 60 per cent and Stinnes 40 per cent."  
(*Rhenish Westphalian Periodical*, January 20, 1923.)

In Germany the nationalists are shrieking themselves hoarse: The Fatherland is in danger! Forward to the national united front!

In France there is the same uproar: For the only just and sacred cause! To go on with the communists!

It is true that the Ruhr occupation means the strangulation of the masses of the German people. And the arrest of the communists in France demonstrates the dangers threatening the French people through Poincaré's imperialist policy: the abolition of civil liberties to the end that the French proletariat may be the better exploited.

It is also true: the German government has presented the great industrial magnates with gifts of milliards, and has failed to fulfil the Versailles treaty.

But is it a question of preserving unstained morality and eternal justice, of saving the peoples? No! It is a question of business. As in 1914! As always!

Almost simultaneously with the sending of troops into the Ruhr area, there came an invitation from Paris to Essen. The Comité des Forges (the organization of the French iron works), invited the Stinnes concern to a conference regarding closer relations between German and French heavy industries. Mr. Stinnes refused to accept this invitation so long as there were French troops in the Ruhr. The organ of heavy industry *Rhenish Westphalian*, gave the authentic explanation of Stinnes' attitude in the quotation given above: The Essen-Briey, Westphalian coke and Lorraine ore Trust, will come to nothing, if

Loucheur is to receive 60 per cent of the booty and Stinnes only 40 per cent.

Halves first, colleague, and then let us embrace!—thus cries Stinnes, and thus the voice of justice. Halves, and then the prices may rise, then Europe may feel our power. And the Fatherland can go to the Devil!

60 per cent! Loucheur bellows back, Show your claws, Poincaré!

And in fact, this is the sole point in question. This is the real essence of the political struggles between Germany and France preceding and following 1918.

The conquest of Belgium and Northern France was the aim of the Rhenish Westphalian industrial magnates during the war, as may be seen from the pronouncements with which they flooded the government and the commanders of the army. For the attainment of this end they drove millions of human beings to the shambles. The sole aim and object was the control of French ore. When the defeat of Germany buried these extravagant hopes, it became the aim to come to an understanding with French heavy industry—an understanding to be paid for, if needs must, with the abandonment of the Ruhr area. If the business had failed under German supremacy, then it must be attempted under French. Stinnes' provocative attitude at Spa in July 1920 aimed at irritating French imperialism into occupying the Ruhr district.

The French heavy industrial barons, Schneider, Wendel, Loucheur, and company, thought they had ensured for themselves complete domination of the steel market by the conquest of Alsace Lorraine, and the separation of the Saar district from Germany. But it turned out that the domination could not be complete without Westphalian coke. Hence the renewed inclination for negotiations. These were taken up. The Stinnes-Lubersac agreement cleared the way, and, at the same time, assured gigantic

extra profits. A preliminary agreement was reached between Stinnes and Jules Bernhard, for the formation of a trust to embrace on the one side the Stinnes undertakings Deutsch-Luxemburg, Gelsenkirchen Elbe-Union, and on the French side the Banque de Paris et des Pays-Bas, the Comité des Forges, and the firm of Girois and Loucheur.

But then arose the question of the respective shares in the future booty. And with this arose the conflict.

And now on both sides the call of: national united front! Here the workers are goaded forward to a general strike. There the communists are thrown into prison for high treason and anti-national agitation. Everything for the 60 per cent!

Again the Stinnes men utilize the favorable moment, as during the world war. At that time they enriched themselves by unscrupulous usury against the fatherland, they left the army in the lurch by non-delivery of supplies when they got higher prices abroad, and to-day their watchword is the same: enrich yourselves! The first act after the occupation of the Ruhr area, was to raise coal prices to a height which neither the wages nor the cost of materials justified. The second act was to grab at the state railways. The third was to demand that the government place credits at the disposal of heavy industry. The result of this last step is not yet known. But Cuno's government is absolutely obedient! The fourth act: Stinnes ensures for himself the business in English coal. And the natural result of all this: The price of labor power sinks and sinks: God's blessing on us, the profits rise.

And the Exchange! It is dancing the cancan for the fatherland is in danger. It speculates *à la baisse* in marks; 22,000 marks are already being paid for the dollar \*); *à la hausse* in industrial papers. The mining shares of the Ruhr district mount higher than all others. Between January 12 and 22 the shares of Deutsch-Luxemburg (Stinnes) rose from 25,900 to 55,000; Gelsenkirchen Mining Joint Stock Co. (Thyssen) from 26,100 to 61,500; Harpener Mine (Haniel) from 59,600 to 132,000; Phönix (Wolff) from 26,500 to 51,000; Rhine steel from 21,250 to 50,000; Bochum cast steel (Stinnes) from 23,600 to 53,000. The dance is so wild that even the *Deutsche Allgemeine Zeitung* is dizzy, and even this Stinnes crocodile is beginning to preach morality. But the Exchange does not care. Business first, then the fatherland.

How can the *Temps* assume such an air of morality and justice, and proclaim with calm self-confidence: "France's cause is just. She defends the interests of all." Just! Because she is pulling at the rope which hangs around the neck of the starving German people. Just! For she is pulling for Loucheur's 60% per cent!

But the German working class? There was perhaps a moment's uncertainty, the intoxicating fumes of nationalism dulled an eye here and there. But now the shop stewards of the Stinnes and Thyssen mines have decided to recall the representatives who were going to stand up for that martyr for the fatherland, Thyssen Jr. And they have further decided to convene a shop stewards' congress for Rhenish Westphalia, to resolve on a general strike. Strike against the lie of the national united front. On the basis of class war!

## POLITICS

### The Chemical War and the Franco-German Ammonia Agreement

By G. Fink.

When one speaks of the economic grounds of the reparations policy of French industrial capital and of the Ruhr occupation, one thinks mostly of iron and coal, round which centres the fight between the French and German heavy industries. But there are also certain groups of French capitalists which display a great interest in the dye industry of the Rhineland. The entrance of French troops into the Elberfeld territory, with its important dyeworks, is certainly in line with the schemes of French capital.

Before the war, Germany possessed a world monopoly in dyestuffs. During the war, both England and America attempted to establish a dye industry. But the processes of production were the secrets of the aniline firms of Germany, and the American and English attempts had to contend against the greatest difficulties. The English industry, such as the British Dyestuffs Corporation, has not yet succeeded in overcoming these difficulties, even with the generous support of the govern-

ment. Even today, Germany produces 160,000 tons of dyestuffs, as against a production of 50,000 tons in all other chemical industries.

The Ruhr occupation then, aims not only at a French and German mining combine, but also at the appropriation of the greatest chemical production apparatus in the world. Apart from the great economic importance of the chemical industry and the dyestuffs production, they have acquired an enormous military importance. One still remembers the use of poison gasses by both sides during the war, and the constant discovery of new gasses as soon as the enemy had found an effective remedy against the last. Just as the American dye industry continues to be extended and England controls her dye works in the interests of her armaments, so the plans of the French militarists consist in seizing the West-German industrial district, in order to obtain for France the necessary means for the production of poison gas and the manufacture of explosives.

In the light of these plans of the French financiers and militarists, the agreement between the French Government and the *Baden Aniline and Soda Company* over the concession of production secrets for synthetic ammonia, and which was recently ratified by the French Chamber, becomes especially significant. French heavy industry in possession of the German dye works in West-Germany can maintain production. French militarists cannot undertake the preparation of poison gas unless the German dyestuff capitalists furnish them with information as to the process of production. Two days before the ratification of the agreement by the French Chamber, and on the same day that the official of the important dye-stuff company of *Luscus and Bruning* were in Höchst on-Main, the details of the French agreement with the *Baden Aniline and Soda* factory were already known.

According to this agreement, the *Baden Aniline and Soda Factory*, independent of all rights conceded by the Treaty of Versailles, offers France her voluntary help in establishing the production of synthetic ammonia. The company pledges itself to communicate all details of manufacture and production, the employment and control of which is necessary for obtaining the best results. All patents and licences concerning production are to be transferred to the French Government, which will also have the right to install engineers and other technical experts at will. The French engineers to be granted free access to all parts of the *Baden Aniline and Soda* Factory. The Company shall not attempt any competition against the French Government either in France or in the French colonies, and protectorates. In return, the French Government pays to the *Baden Aniline and Soda* Company 5 million francs (about 1 milliard of German marks) and assigns it a share of profits varying between 2 and 4 per cent.

This agreement of the *Baden Aniline and Soda* Factory, which is one of the biggest and most important of the aniline firms, and in which, only a few weeks ago, there took place the great strike of the aniline slaves (in Ludwigshafen), makes possible the success of the French militarist plans. While the capitalists of Germany are striving to arouse the workers against their "sworn enemy", and while in France the *Comité des Forges* is attempting to stir up war fever against Germany, German and French capital comes to an understanding . . . and German aniline capitalists convey the secrets of the production of war chemicals to the French Government.

This ably illustrates the real meaning of the national united front in Germany as well as in France. As the *Krupp* Firm used to deliver cannon and other war materials to "enemy" states, as *Schneider-Creusot* and the German-American capitalists, in spite of nationalistic gestures, were the best purveyors of war materials to the Entente, so the *Baden Aniline Factory*, which, during the war produced *Gold Cross Gas*, from the newest inventions of *Professor Haber* and the holder of the Nobel prize, *Nernst*, is today turning over its patents and licences to the French Government. The *Baden Aniline and Soda* Factory and the entire aniline production, is closely allied with the West-German heavy industry, as for instance, with the Lorraine industry.

And so the first agreement, the first business deal between the German and French capitalists, still pursuing their war for profits, has been concluded. Both this agreement and the plans of the French militarists and the French General Staff constitute a terrible menace to the working class of Germany and France. The revolutionary proletariat of both countries must combine under the leadership of the Communist parties of France and Germany for the common fight against this danger.

\* ) Towards the end of January, the dollar reached 50,000.



## Danger in Delay

By J. Steklov.

Moscow, January 20, 1923.

Now, who was in the right? When we kept on repeating that it was highly possible we should be plunged into a new world war, nobody believed us. When we showed that the Versailles treaty is not only entirely incapable of re-establishing general peace, but has actually prepared the way for innumerable new conflicts, we were charged with exaggeration. And even now, when we assert that capitalist rule is ready at any moment to plunge humanity into a new war, still all — except the communists — refuse to listen. And this is not all: our opponents speak of "red imperialism", in order to weaken our arguments. It is a despicable lie, to say that peace is threatened by the soviet republic and not by international imperialism. And to-day, when the spark approaches so nearly to the powder cask and a trifling explosion may take place at any moment — now everybody can see who was in the right.

On the eve of the great world war nobody wanted to believe in its possibility either. But still it broke out, and threw humanity back for decades, if not for centuries. And at that time there existed only *one* immediate cause, *one* seat of conflagration for starting the world war: the Balkans. To-day, thanks to the efforts of international imperialism, a large number of such starting points exist. There are at least four smouldering fires at which a world conflagration may be kindled. These are: those same Balkans, those eternal Balkans, which invariably served as material for conflicts during the nineteenth century; the Ruhr basin occupied by the French; the Memel territory occupied by Lithuania; and finally Poland, which has added fresh fuel to the old embers scattered by the world marauders, and which is ready to break out into flames at any moment.

So far we have only spoken of immediate causes of conflicts. We have not mentioned the underlying and continually working factors tending to future world wars. We have not named the old competitive quarrel between Japan and the United States, the similar competition between England and the United States, or the increasing antagonism between France and England, etc. Under certain circumstances these causes for quarrel may lie beneath the surface for a long time yet, and need not necessarily exercise their destructive force. But it only requires some trivial conflict in one of the areas mentioned, and these factors can suddenly display their full energy, and transform the single combat into a general mêlée.

The funeral pyre in the Balkans has not yet burnt out. The conference at Lausanne failed to solve the Near Eastern question. The danger of fresh conflicts in the Balkans continues to exist. Recently the conflagration spread over a larger area. Besides the campaign against emancipated Turkey, we see fresh flames springing up on the Hungarian frontier. White Guard Hungary seizes the opportunity to fish in the muddy waters of the French attack on the Ruhr, and is of the opinion that the day of vengeance has arrived. In central Europe we detect the smoke of possible armed conflicts. Roumania has already declared a state of war on the Hungarian frontier, the states of the Little Entente are mobilizing their troops, the conflict is maturing into which Czecho-Slovakia, Hungary, Roumania, Poland, and perhaps Italy, anxious for an opportunity to settle with Yugoslavia, will be drawn.

But of all events of recent occurrence, the occupation of the Ruhr basin is the one most calculated to let loose the hounds of war. This occupation has brought about the utmost tension everywhere. And should this dangerous situation lead to a serious struggle, this struggle will threaten the interests of the Soviet republic in the highest degree.

It goes without saying that the complete subjugation of Germany would constitute the greatest danger for Soviet Russia. Germany's complete subjugation would have the effect, so to speak, of rendering French imperialism the immediate neighbor of Soviet Russia, and it must be remembered that the hostile activity of French imperialism towards Soviet Russia has never abated. In the second place, it would have the effect of increasing the possibility of a new war of intervention, for such an intervention would find willing and malicious support from our nearest neighbors, Poland and Roumania.

The political equilibrium of Eastern Europe depends on the attitude adopted by Poland in the approaching conflict. Those versed in Polish politics are well aware of the aggressive plans against Germany and Russia cherished by Polish imperialism. These plans represent a real danger to our security. At the same time they are a serious threat to our peaceful work of reconstruction, to which we are devoting all our powers, at the cost of great sacrifices. The Polish imperialists do not attempt to conceal their designs, not only of conquering German soil, but Russian. Further they are endeavoring to break up the united federation of Socialist

Soviet Republics into states at enmity with one another, and to turn some of these states, as White Kussia and the Ukraine, into their own tools.

To-day it is easily understood why the Polish delegates at the Moscow disarmament congress rejected our peace motion (it may be observed, with the support of the Balkan states), and would not enter into any serious discussion of an actual reduction of armaments. It is to be left solely to Soviet Russia to limit her army, and our neighbors, above all Poland, are thinking of nothing else but how they can best increase their armed forces for aggressive purposes. The belligerent plans of the Polish militarists, which may once more plunge Eastern Europe into a bloody chaos, take into consideration the reduction of the Red Army.

We have actually reduced our army very considerably, and shall reduce it even further. According to the decisions of the last Soviet congress, the standing army of the workers' and peasants' state is to be reduced to 600,000 men. It is however, unnecessary to remark that the Soviet power, when reducing its armed forces does not for a moment lose sight of the threatening war danger from its enemies. The reduction of the army is naturally accompanied by various measures rendering it possible for the required armed forces to be mobilized again, should this be rendered necessary by the attacks of our enemies. And if we remember that a few years ago the revolutionary power proved able to create a gigantic army practically out of nothing, in the midst of the worst possible material conditions, complete chaos and destruction, it will appear obvious that to-day, now that our position is fundamentally different, the Soviet republic will be able to mobilize a mighty fighting force with much greater rapidity, and will be thoroughly competent to meet our enemies. This time the Soviet republic is in possession of extensive military forces steeled by four years of fighting, is in possession of a peace army of 600,000 men, supported by an economic system becoming prosperous in every sphere; this time the Soviet republic will be able to place such a force under arms, and at such brief notice, that the imperialist adventurers will bitterly rue the day they called this force into existence.

*The Soviet republic wants peace.* This it proves not by words alone, but by deeds. But this does not mean that Soviet Russia intends to permit itself to be attacked without retaliation, and is not capable of returning blow for blow. It is precisely with the desire of preserving peace that we issue this warning to the treacherous elements so anxious to utilize the present moment for fresh war adventures, for fresh threats against our internal and external interests. We hope that our warning will be heard and understood. If not, so much the worse for those who do not want to hear.

## The Lausanne Conference

By M. N. Roy.

The Near East problem still remains unsolved. The rivalry between France and England renders the solution impossible. At the eleventh hour, when everybody hoped for a final agreement, the Lausanne Conference broke down and the diplomats assembled there had nothing else to do but to return home. The mysterious Poincaré Note, to which is attributed the responsibility for this breakdown, indicated that over and above the international rivalry there is a very serious conflict of interests within the organism of French Imperialism, a conflict which aggravates the already complicated problem which imperialism is called upon to solve under pain of death. This internal conflict of French Capitalism affected the Lausanne Conference from another angle. It seriously told upon the attitude of the Turkish Delegation all along. On their side, the Angora Delegation, caught in the mazes of this conflict as well as of the rivalry between the two groups of Imperialists, greatly weakened the position conquered by the might of the Turkish people, and thus failed to impose its terms upon Allied Imperialism which was otherwise in a tight hole. Most of what had been won so heroically on the battle fields of Asia Minor was gradually surrendered in the comfortable saloons of Lausanne. The liberation of the Turkish people still remains an unrealized goal, and a bitter struggle has to be carried on before the direct and indirect domination of Imperialism is finally overthrown.

A triangular fight was waged at Lausanne; it was between the English and the French on the one hand; between the Turks and all the imperialist powers, including the "spectator" America, on the other. The Turkish Delegation had very little to say when the real decisions were taken affecting the fate of the Turkish people. These decisions were taken by the Entente Powers and finally placed before the Turks either to accept them, or to reject them at the risk of forfeiting the "support" of a certain group of French Capitalists, on whose questionable



friendship the Angora Government staked its all. If there was difficulty and delay in determining the terms which would be conceded to Turkey, it was not so much due to the resistance of Ismet Pasha as to the need for settling the conflict of interests among the Allied Powers themselves. It is true that the Angora Delegation congratulated itself upon its own cleverness, in deriving benefit from this conflict, but in fact, it was the Angora Government that proved all along to be the most helpless victim of this imperialist rivalry. Every time the Anglo-French conflict became sharp, the Turkish Delegation was encouraged by the crafty French diplomats to stiffen up its attitude, so as to threaten the British with a rupture in the Near East. The whole show at Lausanne was run, not to sign a peace-treaty with the Sovereign State of Turkey, at it was ostensibly declared to be, but to strike a bargain between French and British Imperialism over their respective shares in the exploitation of the Near East. Turkey, which is supposed to be the principal factor in the struggle, was used only as a pawn in the game. Nothing better was to be expected of the imperialist robbers; but what is tragic was that the Angora Government, at least the faction dominating it at present deliberately assumed this unenviable rôle after having conquered an otherwise almost invincible position.

Why did the Angora Government start on a road which led to such a tragic end? The answer is simple. It is to be looked for in the social character of bourgeois nationalism, and not quite bourgeois nationalism in the strictest sense of the term, at that. In the course of its evolution the Turkish national struggle arrived at a point where it had to choose between two ways: one of revolution leading to final victory, and the other of compromise, meant to preserve the social *status quo*. The social affiliation of the elements leading the struggle naturally made them prefer the latter way, and thus handed them over to the mercy of French finance under the pretext of a "friendly alliance".

The growing antagonism between different groups of Imperialism is undoubtedly an opportunity for the subject peoples to free themselves; and to take advantage of this antagonism is indeed a very powerful tactic. But it requires a thoroughly revolutionary outlook and purpose to pursue these tactics without getting caught in the treacherous snares of Imperialism. The Angora rulers chose this method of fighting the enemy; but lacking the required revolutionary outlook they succumbed to imperialist intrigues. For the time being they have compromised the cause of Turkish Independence. They have played out their rôle. History will give them proper credit. But the final liberation of the Turkish people demands more revolutionary leadership.

That day, when, with the victorious National Army standing at the gates of Constantinople, it preferred the deceitful hand of French finance extended through its crafty envoy Franklin Bouillon, to the unconditional aid of Revolutionary Russia, the Angora Government started a career whose logical conclusion is the disgraceful defeat at Lausanne. It is a defeat not for the cause of Turkish independence, which is an historic necessity and thus will be attained eventually; it is a defeat for a certain brand of Nationalism and the compromising tactics followed by it. The present Angora leaders would much rather hand over the Turkish workers and peasants to the exploitation of French finance, than permit the Turkish people to surge forward in the channel of revolution, aided by Soviet Russia. Fear of revolution drove the Angora rulers into the embrace of French capital which either alone or in conjunction with the British will reduce Turkish Independence to a fiction. French finance will employ the Turkish ruling class at least as its slave-driver in Angora, whereas a joint struggle with Soviet Russia might lure the Turkish peasantry dangerously far on the road of freedom,—this was the consideration that tied the hands of the Turkish generals at Mudania, and those of the Turkish diplomats at Lausanne.

The sudden breakdown of the Lausanne conference appears to have disturbed the agreement reached between France and England over the Near East. It is thought that Turkish intransigence is responsible for this rupture. Nothing of the kind. Turkey has as much to do with the rupture as she had to do with the agreement. Lausanne blew up because of the combustibility of Mosul oil was immensely increased by the addition of Ruhr coal. The group of capitalists, which stood behind the Agreement of San Remo, were represented by Lord Curzon from the English side, and M. Barrère from the French. Therefore, so long as the Mosul oil fields constituted the principal bone of contention at Lausanne, France and England could go hand in hand in the process of ramming one bitter pill after another down the throat of the helpless Ismet Pasha. But M. Loucheur does not see eye to eye with M. Franklin Bouillon. The Ruhr occupation, opened

up another aspect of Anglo-French conflict. Under the tremendous pressure of Ruhr coal deposits, the delicate oil veins burst, and the spirit of Poincaré appeared on the scene to sabotage the Lausanne Conference on the very eve of its successful conclusion.

Mr. Lloyd George, representing the commercial and industrial interests of Britain, stoutly opposed France's wild dream of Twentieth Century Napoleonism which rendered all hopes of reconstructing Europe impossible. After a feverish search in all directions, French capital whose ambition was thus thwarted by Lloyd George, turned towards the Near East; and by concluding the Angora Agreement, stole a march upon England. When the agreement was made, no serious opposition against it was raised in France. But the necessities in Europe soon convinced France that she could not very well afford to step on the toes of England. The result was the growing criticism of the agreement and the united front put up against the Turks in Lausanne.

The overthrow of Lloyd George brought into power the pro-French party in England. The interests represented by Bonar Law thought it wise to connive at France's adventure in Europe, in order to disturb her menacing orientation towards America. In return for a free hand in Europe, France agreed to abandon her protégé in the Near East to the mercy of England. Hence we found the French Delegation at Lausanne faithfully supporting all the methods of Curzon for bullying the Turks. This policy of consolidating the undermined Anglo-French Entente went so far, that it became positively dangerous for the financial interests, represented by Franklin Bouillon, having a big stake in the Ottoman Debt. A few days before the final draft treaty was presented to the Turkish Delegation in the form of the Curzon Ultimatum, the alarm was sounded by the bitterest political opponent of M. Poincaré. In *L'Echo National* of Jan. 23, André Tardieu wrote: "I quite understand and that we have given in so much at Lausanne in order to have a free hand in Essen." On the authority of M. Barrère, he terrified the French bondholders in these terms: "The final text of the treaty will astonishingly abandon French interests in the Near East. In the matter of the Ottoman Debt, the French bondholders have been scandalously deserted." Thus was started the financial wire-pulling which broke up the Lausanne Conference.

Big finance, with a firm hold on Turkey through the Ottoman Debt, revolted against the policy which meant the betrayal of its interest in favor of the industrial magnates of Lorraine. Caught between these two fires, M. Poincaré had to tax all his diplomatic genius. Such was the genesis of the mysterious note, which was caught at by the Turks just as a drowning man catches at straw, and which created such consternation at Lausanne. The mystery which enveloped the interchange of notes during the days preceding the final break up of the Conference, is not yet cleared. But enough of it is already known to draw the main lines of conclusion.

In order not to alienate the support of the interests behind the Franklin Bouillon Agreement, Poincaré made a gesture to show that Lausanne would not be permitted to end in a complete victory for England. This was interpreted by the Turkish Delegation to mean that, in spite of Barrère's and even M. Bompard's (the spokesmen of the Franklin Bouillon group) adherence to the Curzon methods, French "support" was still there. Poincaré intended to kill two birds with one stone, and it seems that he has succeeded, at least for the time being. On the other hand, France can still claim to be the "disinterested friend of Turkey" and, on the other, England is threatened with a new war in the Near East if she will not leave France alone in the Ruhr.

So, the Lausanne Conference has ended precisely where it started. This is specially true in so far as the Turks are concerned. They came to Lausanne elated with the hope of placing one imperialist against another, but they only played the part of a pawn. They are returning without signing the Treaty, not that they are convinced that the National Independence of the Turkish people cannot be won except through a revolutionary struggle, but again hoping to consolidate their diplomatic position while England and France are engaged in a new dispute. But the latter will prove as hopeless as the former. The internal conflict of Imperialism can never be over. It will grow sharper in proportion as the process of capitalist decay goes on. But in so far as the colonial peoples are concerned, Imperialism will still put up a united front. To have learnt this lesson from the experience at Lausanne would be of the greatest benefit for the Angora Government. The sincerity of the refusal to sign the treaty will be tested by the latter's attitude towards Soviet Russia, whose unconditional help the Turkish rulers have so far rejected, if not in words still in deeds. The sinister design to perpetuate imperialist domination in Turkey can only be frustrated by a resolute struggle along revolutionary lines.



## Part II. of Salvation

By V. Stern (Vienna).

The first part of the action for the salvation of Austria, arranged at Geneva by the League of Nations, has been carried out exactly according to program. This part consisted of inducing Austria to accept all the conditions under which the "aid" was offered, and to fulfil these conditions "in good time". "Democracy" was scrapped. The government, with the aid of an enlarged cabinet Council including social democrats, was authorized for the period of two years to adopt all measures which it considered necessary for putting Austrian economics on a "sound basis" without being obliged to consult Parliament; that is, in plain language, to adopt all measures dictated by the general commissioner of the League of Nations.

The General Commissioner arrived, and the whole financial authority of the government was transferred into his hands, so that the government must now do all that he demands. A new bank of issue has been established, controlled by foreign bank capitalists. A reconstruction law has been passed which imposes a fresh load of taxation on the masses, and which amounts, per head of the population to 2 million crowns, that is, double a month's wages. The wholesale dismissal of civil servants is in full operation. The 25,000 who were to be dismissed by New Year (it is intended to dismiss 100,000 in all) have received their notices. Where higher officials are discharged they receive such ample compensation as places them beyond all want, even if they were not received with open arms by private undertakings, on account of their "good connections".

Energetic means are being adopted in the army for removing revolutionary elements and enlisting reactionary ones. At the same time the gendarmerie and police are being developed along reactionary lines, and the Orgesch organizations are naturally continuing their preparations.

The first part of the work of salvation has thus passed off with perfect smoothness. It must be admitted that Austrian and international social democracy have done much to contribute to this result. The Austrian social democrats lulled the proletariat by getting up magnificent sham fights, in the course of which however, Otto Bauer did not omit to declare that, were these fights victorious, the proletariat would have to die of starvation on account of the resultant non-payment of the Geneva credits. The fight ended with the social democrats in Parliament voting for that part of the pact in which their votes were required to pass the amendment to the constitution contained therein. As regards the other parts of the pact, they were extraordinarily courageous in letting themselves be quietly outvoted. The 2½ International had issued an appeal to all the workers of the world in support of this struggle. The appeal was successful in inducing the social democrats in all the countries concerned to vote for the Geneva pact. Only the German social democrats in Czecho-Slovakia voted against it, a circumstance explained by their being confronted with a foreign national government. The Czech social democrats openly scoffed at the "fight" being carried on by the Austrian social democrats. The French socialist deputy Bracke, who had personally promised support to the workers in Vienna, and who was probably part author of the appeal made by the 2½ International, extricated himself from the dilemma by speaking against the pact in the French Parliament, and then voting for it with his party.

But now the second part of the "salvation", the collection of the credits, is due to begin, and this does not seem likely to pass off so smoothly. It can be seen already that the Communist International was right in declaring that the League of Nations only held out prospects of "aid" to Austria in order to facilitate the aims of the Austrian bourgeoisie with respect to an unheard of enslavement and exploitation of the Austrian proletariat, to render Austria a better fulcrum for reaction, and at the same time to complete Austria's colonization. Even if the "aid" were really to come it would, under such conditions, imply the ruin of the Austrian working population; but there is not the slightest sign that it will really come.

It is true that the first effects of the "salvation", prophesied by the communists, are beginning to be felt. In order that Austria might be enabled to carry out the first part of the Geneva pact, towards a "sound economic basis" in all "tranquillity", it has been receiving small advance credits for some months. These credits have so far enabled the crown to be stabilized, after it threatened in August to lose all value. The results of this "improvement" are frightful. The disastrous unemployment assumes ever greater dimensions. While in August, there were about 20,000 unemployed, to-day there are far more than 140,000, to which must be added two to three hundred thousand part-time workers. The crisis becomes more acute from

day to day, and is utilized by the employers for reducing wages to the utmost, for depriving workers of their rights, and for "ridding" undertakings of elements inconvenient to the employers.

But everything comes to an end, even the shabby credit advances made to Austria. In accordance with the original plans for a "sound economic basis", it had been calculated that the advances would last until the New Year. It was then intended to raise 130 million gold crowns before April, 50 millions by means of an internal gold loan, and 80 million crowns in foreign intermediate loans. By April the "large" foreign credits were to have arrived. But the internal gold loan ended in a disastrous fiasco, despite the usurious conditions offered to subscribers. It was only possible to find small subscribers. Large ones probably know of better, and above all more secure, investments for their money. But with regard to the foreign intermediate credits, M. Avenol, who had undertaken the task of "working" for them abroad, returned without having accomplished his errand. As the foreign capitalists are thus not even inclined to grant the small intermediate credits, we can imagine what poor prospects the large credits have of being found by April. It is no wonder that the whole capitalist and social democratic press is in the lowest possible spirits. The unheard-of deception practised on the Austrian proletariat, with the help of the social democracy, is shouting on the housetops, and the culprits are beginning to shake in their shoes. It is true, certainly, that the surety states have met their "obligations" fairly well. They only bound themselves to pass guarantee laws in Parliament before January 1, 1923. On December 31, the law was passed in France. Italy managed to settle the matter in time by a decree issued by Mussolini. But of what use are all these guarantees if no private capitalists are to be found who are willing to lend Austria anything on these guarantees.

The government is naturally still making frantic attempts to conceal the bankruptcy of its entire policy. During the last week of the old year it even had a "victory" to report. The government does not find the powers which it has been authorized to exercise sufficient, and simply takes it upon itself to extend these. It issued customs regulations of far-reaching effect without even consulting the enlarged cabinet council, the only body competent to deal with the question. The social democrats hastened to the scene of battle. They demanded that the national council be convened, and then tranquilly permitted themselves to be out-voted. The national council "ascertained" that there had been no breach of the constitution, and the government has thus won greater freedom of action than ever.

But even this "victory" does not alter the fact that there is no more money. The Geneva pact prohibits the government from employing the bank-note printing press, as it was intended to put all power into the hands of the general commissioner. The government has none the less resorted to bank-note printing by round-about methods, and probably with the permission of the higher authorities. The credits had not been completely expended during the last few months, and the government deposited them with the Austro-Hungarian bank, receiving bank-notes for them. Now the government is employing these same credit residues for the same purpose for a second time. But it is not applying to the new note bank, but to private banks which lend money on these credits, and which obtain the paper money required for this purpose by having it printed and supplied by the bank of issue. Thus the paper money in circulation increases to a frightful extent from week to week, although "the state is having no more notes printed for itself". In the third week of December the increase amounted to 140 milliards, and the increase in the last week of the year 1922 is said to have been 200 milliards. This signifies that the bank-notes in circulation have already exceeded the fourth billion. To all this must be added that it is extremely difficult to realize one of these credit residues. The credit residues consist of 48 million French francs, 86 million lire, and 81 million Czech crowns. The government is also making similar use of 15½ million gold crowns from the liquidation of the Austro-Hungarian bank.

The prospects of obtaining credits are naturally much damaged by the break-down of the Paris conference. Here we again had opportunity of observing that the Communist International again judged rightly when it emphasized, in its appeal against Geneva, that an experiment was being made with Austria, and that it was intended to try the same experiment on Germany. The dangers involved for the peace of the world in such a common colonization of these countries, also emphasized in the appeal, could be plainly seen at Paris. Austria will be the bone of contention in the impending imperialist conflicts. Seipel's journey to Buda-Pest therefore, is of much significance; its political character, at first denied, is now openly admitted.



The conclusion drawn by the *Arbeiter Zeitung* from all the experiences of the past year is that at next year's autumn election more votes must be given to the social democrats! There is all the more reason for the communists to continue and increase their unwearying endeavors towards the establishment of a united fighting front.

## International Mass Action against War

Against the Threats of War.

The Central Bureau of the C.G.T.U., and the Executive Committee of the French Communist Party, sent on January 24, the following telegrams to Mr. Finnen, secretary of the International Trade Union Federation in Amsterdam:

"The C.G.T.U. supports the proposals of the Red International of Labor Unions with regard to a common action for the prevention of the danger of war.

For the Central Bureau: Dudilleux."

"For Tom Shaw and Fritz Adler. The Communist Party of France requests you most urgently, to consider the proposal of the Communist International with regard to the speediest possible organization of a joint action of all labor organizations against the occupation of the Ruhr.

We urgently ask that you agree to take up immediate negotiations with the Communist International, and declare that we do not regard the term, 31st. January, already fixed for the action, to be unalterable.

For the Executive Committee: Louis Sellier, Tommasi."

The situation becomes worse from day to day, the threats of war become increasingly acute.

The conflicting imperialisms are being roused to an ever-increasing pitch of excitement, thus increasing the dangers threatening the working class. Poincaré-la-Guerre, the agent of the Iron Works Committee, has, by his mad policy, provoked an alarming revival of Pan-German nationalism.

The German capitalists are endeavoring to utilize the military occupation of the Ruhr area, and the various petty quarrels incidental to it, for the purpose of deceiving the workers as to their real interests, and they are being partially successful in re-establishing the "civil peace" of August 1914, that peace between capital and labor which is identical with our Union sacrée" (sacred unity).

The German communists are carrying on ruthless war against the German capitalists. In the midst of unchained chauvinist passions, they are endeavoring to show the workers that the protection of their own interests lies in resistance to capitalist conspiracies.

They are telling the workers that they must assemble their forces, and carry on the struggle in the closest possible contact with the workers of all countries.

It is the duty of the French workers to exert all their energies in the same struggle.

The capitalist newspapers have never ceased leading the working class astray.

First they treated the occupation of the Ruhr as an operation easy of execution, requiring nothing more than the sending of a few engineers.

But facts have speedily exposed these lies, and from day to day the real character of the Ruhr occupation, and its disastrous consequences, become more apparent.

As the operation is being carried out for the benefit of the French iron magnates, it is bound to be disastrous for the workers; it is bound to involve fresh wage reductions, and to facilitate the attack on the eight hour day.

The international complications which it has caused with all our allies of yesterday: England, America, and Italy, signify constant danger of war.

The protests of the workers have increased to such an extent, that the French government can no longer be in any doubt as to the real opinion of the working class on the occupation of the Ruhr.

But there is still a very great deal to be done, if the criminal designs of the bourgeoisie are to be thwarted.

The Communist International and the Red International of Labor Unions have submitted a proposal to the International Trade Union Federation in Amsterdam, suggesting joint action in the form of a general strike, as resolved upon by the Amsterdam International itself.

The C.G.T.U. and the Communist Party of France, support this proposal at the moment when the Amsterdam International Trade Union Federation, meets the representatives of the Second International and the Vienna Working Union for the purpose of settling upon the necessary action to be taken.

They are of the opinion that the workers will only be able to protect themselves against the danger of war, by uniting all their forces into one bloc, and by carrying on a determined and united struggle. The proposal of proclaiming the strike for the 31st of January serves to accentuate the necessity for action and its extreme urgency. But we are of course prepared to consider any other date in the immediate future, should this appear more suitable.

Our sole aim is to awaken the conscience of all workers in view of the events of essential importance now taking place, and to discover the form of fighting by which alone the workers can be saved.

Down with war!

Down with imperialism!

Long live international solidarity and the international struggle of the workers!

## ECONOMICS

### Survey of the World Economic Situation in the 4<sup>th</sup> Quarter of 1922

By E. Varga.

#### Germany as object of imperialist policy

The United States did not participate in the proceedings of the Paris Entente conference. But the hundredfold rumors in the German newspapers, that the United States would interfere in the course of the reparation negotiations, that they would protest against France's proceedings, that they would grant Germany an extensive loan, all this has not been substantiated by any actual fact. It may be that official steps have been taken, but up to now there has been no actual interference on the part of the United States. But this by no means signifies that the United States take no interest in the problem, it only signifies that they do not consider the right moment for interference to have arrived.

If we examine Germany's position, and the part it plays in imperialist politics, we can draw the following conclusions:

In consequence of the war, and of the severe peace conditions, Germany has fallen into such an economic condition that she cannot continue to exist as an independent power. The debasement of Germany from an independent state to a colony is being worked out, not only by the control of German finances provided by both the English and French plans but by the fact that German capital is passing more and more into foreign hands from month to month.

The question now is: If Germany cannot remain an independent power — in what imperial state is she to be incorporated?

Apart from distant Japan, there are three imperialist systems whose rulers could make the attempt of bringing Germany within their range of power.

1. France has the advantage of immediate neighbourhood, of the economic necessity of combining German coal with French iron ore; she possesses the necessary military forces, and the necessary allies: Belgium, Poland, and the countries of the Little Entente, enabling her to keep Germany in subjection. Since the victory of Fascism, Italy also inclines more to the French imperialist system than to the English. Germany's reparation obligations give France a legal hold over Germany, a pretext for colonizing her by force.

But imperialist France feels herself too weak to draw the whole of Germany within her sphere of power. The population of France stagnates; within a few decades the population of Germany within her present boundaries will be double that of France, and as the numerical and economic forces of France scarcely suffice to maintain even the existing French imperialist system, France cannot venture to colonize Germany as a whole. As may be seen from the eternal repetition of the demand for productive pledges, French policy aims at separating from Germany, those areas most important for France's economy, the district on the left bank of the Rhine and the Ruhr valley, thus creating the necessary coal basis for the French heavy industry, and at ruling the rest of Germany politically and further partitioning her if possible. The separation of the Upper Silesian industrial area, and the allotment of this to Poland, was already one stage on the road to the diminution of Germany, and the destruction of her economic foundations.

2. The United States. In the course of the past year the bourgeoisie of the United States has often proclaimed its willingness to play the role of saviour to Germany. The first



assumption for the granting of this aid would be that France agree to a reduction of the reparation payments, and in particular abstain from applying force for the purpose of preventing Germany from gaining economic strength in the future. In this case the bourgeoisie of the United States would be prepared to put large sums at Germany's disposal in the form of loans, to help Germany out of the reparations dilemma.

The import of this procedure on America's part would be to incorporate Germany into the imperialist system of America; for there can be no doubt that America's financial terms for placing Germany on a sound basis would not be any easier than the reparation payments and control measures proposed by England. The United States certainly possess sufficient economic power to transform the whole of Germany into their colony. Not only do they possess the required capital, but they are the sole country in the world who can venture on such a step. Germany is a country whose dense population can only be maintained by industrial work. The United States is the only country in the world suffering from a lack of industrial workers even under normal conditions of the market. It is the sole country able to feed the German industrial proletariat, and can do this, not by having raw materials transformed into finished articles in America itself by the aid of foreign immigrants, but by having the work done in Germany itself by German workers earning about one fifth — expressed in dollars — of the wages earned by the American workmen.

It is erroneous to suppose that the bourgeoisie of the United States, when deliberating on the reparation question, or possibly interfering, is moved by any sympathy for Germany, or by any anxiety for the future of European civilization or similar ideas. The sole question is, how to get the capable workers of Germany to work for the United States at the lowest possible price, and how best to obtain a firm political footing in Europe.

3. *England.* It would be just as difficult to incorporate Germany into the British imperialist system as into the French. England has not enough capital to reconstruct the whole of Germany's economies. And what is still more important: England is herself an industrial country, and is faced, and will a long time to come be faced, with very great difficulties in selling her own products in the world's markets, and obtaining bread for her masses of industrial workers. But the reconstruction of Germany involves increased industrial production, and increased export of German goods abroad. For Germany can only pay interest on foreign capital invested in Germany by exporting industrial products, or by carrying on an active shipping business.

For England the colonization of Germany would thus merely signify an increase of the difficulties under which England is already laboring at the present time with her 1½ millions of unemployed. As England is thus unable to colonize by herself, she has the choice of helping either France or America to do so. The English proposals in the reparations question clearly show that they have been drawn up with the intention of giving the United States the possibility, and of making the way as easy as possible for Germany to solve the reparations question by large loans, to crowd France out of Germany, and to convert Germany into a part of the American imperialist system. The antagonism of interests between England and France is so strong that it completely pushes into the background the Anglo-American antagonisms. It may be confidently asserted that the continental-French-imperialist system is being confronted by a more and more united Anglo-American, Anglo-Saxon world market system.

Recent events prove that France feels herself strong enough at the present moment, to defy the Anglo-Saxon opponent. She knows very well the weaknesses of the English imperial world system in the East; she knows very well that modern war techniques would deprive England to a great extent of the advantages of her insular position in the event of a war between France and England. We are thus of the opinion that an armed conflict is not likely between the two systems on the reparations question — at least not within the immediate future. England and America appear to be lying in wait until the increasingly hopeless condition of French finances, and the acute depreciation of the franc — this latter probably rendered more acute by English and American franc purchases — convince France that she is not able to subjugate Germany without outside help.

### The United States and Europe

In our reports we have frequently emphasized that the fate of European capitalism is greatly dependent on the question whether the United States will decide in favor of a pro-European or an anti-European policy. Expressed in other words: whether the United States will try to find the markets required for the extension of its flourishing economic life, and especially for

its extensive capital export, in the non-European parts of the world, above all in South America, in Asia, and in the English settlement colonies, or if they will prefer to attempt to support and save European capitalism by active interference.

The differences of opinion in the United States have not disappeared during the past quarter of a year. Although much has been said and written on interference in Europe, nothing has actually been done. On the contrary, the acceptance and coming into force of the high protective tariff shows that at the moment the anti-European tendency of American politics is stronger than the pro-European. The favorable state of the American market has doubtless strengthened the anti-European tendency during the last few months, for the American capitalists take this as a proof that American economics can flourish in spite of the ruin of Europe. This opinion is clearly voiced in the November report of the National City Bank, which states:

"Up to now facts appear to support the opinion that Europe will be obliged to buy from us at least as much foodstuff as before the war, and the revival of business during the past year, in spite of the great strike, further supports the opinion that this country can attain a high degree of prosperity even if Europe can find no way out of the confusion."

Despite this, the conflict of opinion upon this question is by no means at an end. All American economic journals continue to occupy themselves in detail with the European question. The "American Academy of Political and Social Science", has for instance devoted 2 numbers of its annals this year to the European question.

The question being one of great importance, we shall repeat the main data of its development.

As a general rule it is assumed that the foreign trade of the United States does not exceed 10 per cent of the total trade. It would thus appear that foreign trade is of no great general importance for the United States. But there are a number of branches of production which export a much greater percentage of their product. For instance, before the war 67 per cent of the cotton was exported.

It must further be emphasized that the constant running expenses of a plant form a great part of its total outlay, and that these are for the most part independent of the amount of the output, so that even a small reduction in production, resultant on lack of selling markets, may suffice to render an undertaking unprofitable.\* The president of the American Steel Trust, J. A. Farrel, when making an application to the foreign trade office 1 or 2 years ago, wrote to the following effect:

"In every business there is a certain part of the production, roughly estimated at 20 per cent, which cannot remain unsold if the first 80 per cent of sales are to be profitable. If the last 20 per cent are left out, the whole transaction ceases to yield a profit."

From this viewpoint the export trade of America is of much greater importance than the average six figure of 10 per cent might lead one to suppose. And it is from this viewpoint that the situation in Europe is regarded.

When judging the European situation, an important point for America is the difference in prices caused by the depreciation of monetary standards. The *Federal Reserve Bulletin*, for November 1922, reduces the prices of various European countries to dollars. The prices for 1913 being taken at 100, the wholesale price index for the most important states, at the end of October 1922, shows the following development:

in the United States	165
Great Britain	148
France	112
Italy	130
Germany	79

This means that the United States, reckoning in dollars, could buy all goods in Germany at half the price paid in the United States. And although the higher freight rates, the export import duties, would have to be added, still it appears probable that the increase of imports into America from Europe is caused in part by these price conditions.

The European question is, now as ever, of the greatest importance to the farmer. It is true that the new tariff protects the farmers of the United States against agricultural products from Canada and Argentina. The price of agricultural products in the United States is thus regulated by the possibilities of finding markets in Europe. The American farmer is thus extremely anxious that Europe remain capable of buying his products. For although the amount of wheat and cotton consumed in the United States themselves has increased with the

\* This, in our opinion, is one of chief causes why Germany is, actually becoming impoverished at the present time, in spite of the full employment of all existing labor.



increased industrialization of the country, and the time may come when the export of wheat and cotton from the United States will entirely cease, the farmers are still dependent on export to Europe for the sale of a great part of their other products. And despite the increase in the prices of food which took place in 1921, the farmers are still in a very difficult position, as we shall see in our next section.

### What is the position of the American farmer?

The value of this year's crops amounts to 7½ milliard dollars. To this must be added the profits of cattle raising, or a quarter of a milliard. Roughly estimated: an income of 7½ milliard dollars. From this sum must be deducted the workers' wages. These amounted to in 1916 ¼ milliard, and for 1922 may be estimated at one milliard. Outlay for machinery, tools, tractors, and artificial manures may be estimated at 1¼ milliards. There thus remains a total income of 5,5 milliard dollars for 6,500,000 farmers, that is, an average yearly income of \$ 850 per farmer, counting, of course, wife and children.

In 1917 the wage level was about the same as at the present time, and at that time the average annual earnings of the

Railwaymen	=	\$ 1072
Building trade	=	973
Craftsmen	=	945
Factory workers	=	1022
Miners	=	1025

The farmer earns less than the worker. And his earnings are further reduced by the depreciation of the soil. There is no extensive tract of country where a considerable number of the farms — probably the majority — do not deteriorate. More fertility is drawn out of the land than is returned to it.

Besides this, the interest on the capital invested, about \$10,000 per farm, is to be deducted at 5 per cent, \$500 yearly, from the income of the farmer. The farmer's family is thus left with a wage income of \$ 350.

The rise in price of arable land has been pointed out. But this is entirely incorrect. A great part of the land is going down in price, or, where the price is maintained, the land cannot be sold. The whole family of the farmer earns less annually than the man alone would earn in the city! This is the chronic evil of the farmers, and has been in every age.

But the farmers of America will not tolerate this. An extensive emigration into the cities is on. The development of the railway and the motor car has so far absorbed the young generation of farmers.

This process will lead to a world-wide famine. The virgin districts have already been conquered, and the consumers multiply mightily. If the disparity between the monopoly prices of industrial goods and the fluctuating prices of farming products, which to-day, are even 25 % lower than in pre-war times, is not removed, the farmers face complete ruin. Measures must be adopted for fixing the prices on farming products.

We have elaborated upon this study, because it treats of a question which will decide Europe's fate in the next few years. In our opinion the question of whether the United States will adopt a pro-European or an anti-European policy depends on the American farmers. The farmers of the United States — where there is no more virgin land, as in Canada, Argentina, or Siberia — must receive better prices for their products. This will only be possible if the buying capacity of Europe is enhanced. This implies the reconstruction of Central Europe, above all of Germany. Along these lines the interests of the farmers and of the American bourgeoisie coincide. Germany, as an industrial colony of America, supplies cheap labor for the capitalist, cheap industrial articles for the farmers, and at the same time a better market for farming products. The sufferers would be the American-workers, who would have dear food and lower wages.

The attitude adopted by the farmers will be of great importance in the bitter struggle between capital and labor in the United States. The capitalists seek to incite the farmers against the workers with the argument that the workers earn more than the farmers, and that the high wages are the cause of the high prices of industrial articles. They propose that the farmers form an alliance against the workers! The cheap labor of Germany is one point against the workers in this fight.

The conflict between the pro-European and anti-European tendencies in American politics continued during the last quarter of 1922. But though the struggle is not yet at an end, it seems as if the pro-European policy gains in strength, despite the acceptance of the high protective duties. The demand of the Chamber of commerce, that the United States send representatives to the Reparations Commission; the demand that the Senate should agree to a settlement of the English debt on some other basis than that of payment of 4½ % interest and principal;

America's offer to send a commission to ascertain Germany's paying capacity; all this proves that the American bourgeoisie is preparing to interfere decisively, on the side of England, in European affairs, and to incorporate Germany in its imperialist world system. America is only waiting until France has suffered economic shipwreck in the attempt to subjugate Germany by force.

## II. Special section. Germany.

Germany's economic position during the last quarter of 1922 can be characterized by the following main points:

1. Despite the breathing space afforded in the reparations payments by the agreements with Belgium, the fall of the mark continues. All suggestions and attempts towards stabilization of the currency have been in vain.

2. The "favorable" state of the market running parallel with the depreciation of the mark came to an end during the last quarter of 1922. By December there were already 2 % of unemployed in the trade unions, a percentage almost as high as the average pre-war unemployment.

3. During the 3 months which this report covers, the prices continued to rise, and to rise more rapidly than the mark depreciated. Even in the short periods in which the mark remained stable, the prices continued to rise, and in many cases the wholesale prices were much higher than those of the world markets.

4. The lack of credit and capital in Germany, already noticeable in the third quarter of 1922, was alleviated, during the period of this report, by credits from the Reichsbank. Thus the increased requirements of the capitalists were added to the increase of circulating mediums required by the State. When several milliards of marks were taken from the Reichsbank by the capitalists, this signified a tremendous raid on the general public — despite the increase of the bank rate to 10 % — for these credits are repaid with marks worth half as much as before. The profits thus gained by the capitalists are naturally at the expense of the great mass of consumers.

5. The disparity between higher prices and higher wages became more acute than ever during the last three months, and led to a growing impoverishment of the working masses.

### The depreciation of the mark and the attempts at stabilization.

During the period of this report, the depreciation of the mark has become catastrophic. Within 3 months, the mark, compared with the dollar, has fallen to about a quarter of its value. The Berlin quotations for a dollar were:

4. Oct. 2,100 M., 3. Nov. 6,000 M., 8. Nov. over 9,000 M., 16. Dec. 6,400 M., 4. Jan. 1923 8,000 M., 10. Jan. 1923 over 10,000 M.\*

As this continuous depreciation of the mark, now lasting over 1½ years, and assuming ever acuter dimensions, ruins Germany's economy with proportionate rapidity, it is natural that fresh plans for the stabilization of the mark are continually being made. It is not our task to occupy ourselves with all these suggestions and plans. We shall only make mention of those having political significance. Of these there are three:

1. The opinion of the Socialization Commission.
2. The plan of the Social Democrats and the trade unions.
3. The demands of the foreign experts called by the Government.

The Socialization Commission confirmed in principle its standpoint of last spring, according to which a final stabilization of the mark is only possible if the reparations demands are cut down to Germany's paying capacity and the finances of the Reich consolidated. The Socialization Commission deviated from its original standpoint only in its opinion that immediate steps are necessary to prevent foreign securities being hoarded as safe investments, and that the required securities should be secured for actual economic purposes. "The sole means available at the present time for this purpose, is the utilization of the gold reserves of the Reichsbank. These reserves are dead at the moment. It is imperative to render them effective, and to induce the Reichsbank to fulfil its fundamental duty as prescribed by the Reichsbank's statutes, which is, to regulate the circulation of gold in the whole Reich. The utilization of the gold reserves of the Reichsbank can be carried out without necessarily spending the gold itself. It would suffice if reserves of securities were obtained by banking negotiations, to an extent enabling the Reichsbank to obtain a powerful influence on the regulation of the rate of exchange of securities. A stabilization of this character would be the first step towards rendering effective the political, economic, and financial-political measures which are intended to balance

\* At the end of January 1923, the dollar was quoted on the Berlin Bourse at 50,000 M.



the budget, and by which alone the effect of any relief action can be made permanent."

(Quoted from *Berliner Tageblatt*, 18. 10. 22.)

This train of thought met with the support of Adolf Braun, Hilferding, Kautsky, Leugerer, Umbreit, etc., and it was intended to issue gold treasury bonds in the middle of November.

The opinion of the Socialization Commission was most emphatically represented to the public by the financial expert of the United Social Democratic Party of Germany, Hilferding. In his speech to the Berlin functionaries of the party, on October 16, he made the following calculation:

"If we assume that the deficit . . . (of the foreign trade balance) amounts to half a milliard gold marks, we then require 125 million gold marks quarterly. The sum of 250-300 gold millions is required to cover our import requirements. Now, we have a gold milliard in the Reichsbank.

Why is this gold milliard not utilized?

We are told that it is being kept in reserve against a famine. But does the economy of Germany not lose more through the continued depreciation of the mark than through the utilization of 200-300 gold millions for the relief of the mark?"

He actually succeeded in convincing his party, and in getting a resolution passed which provides for an action in aid of the mark, to be effected with the help of the gold reserve of the Reichsbank and by the floating of an inner loan based on permanent values.

Precisely the same train of thought recurs in the memorandum submitted by the trade unions to the chancellor at the end of October. But here the utilization of the gold reserves of the Reichsbank is no longer categorically demanded.

The memorial is signed by the German Trade Union Federation and the trade union organization affiliated with it.

The reason why the petition of the trade union commission no longer demands that the mark be supported by the use of the Reichsbank's gold reserve, is that Hilferding's plan had been definitely rejected by all sensible political economists. The severest criticism was expressed by the president of the Reichsbank board of directors, Havenstein, on October 28:

"Until these premises . . . (moratorium, bearable solution of the reparations problem, increase of output, reduced expenditures, balance of the budget, improvement of trade balance, etc. . .) have become actual fact, the utilization of the gold reserves of the Reichsbank would be absolutely futile . . . As long as such a state of affairs obtains, the use of the gold reserve would simply effect a brief temporary improvement, followed by a more rapid fall than heretofore, and bought at the price of a permanent loss of the gold reserve or of a part of it.

During the summer of this year the Reichsbank acceded to the urgent request of the government, and intervened in the security market with permanent values (a round sum of 230 million gold marks). This did not by any means stop the depreciation of the mark, but merely slowed down its speed for a few weeks." (*Vorwärts*, Jan. 11.)

That such a plan could be thought out and accepted by German social democracy demonstrates the complete decay of theoretical understanding in Hilferding personally and in his party in general. It is obvious that the depreciation of the mark is not the cause of Germany's bad economic condition, but that the reverse is the case: the economic decay has caused the collapse of the mark. The increasing impoverishment of Germany is reflected in the mark. This impoverishment of Germany is not occasioned by the reparations payments alone, but is caused by the consequences of the world war on German economics, by the "peace" treaty, and by the chaotic condition of the capitalist economics of the world. A central bank can regulate the rate of exchange by buying and selling securities, without losing its gold reserve, but on one condition only: the economic balance of the country must be active, that is, there must be more produced than consumed. The activity of the economic balance is automatically followed by the equilibration of the payment balance in relation to foreign countries. It is only under such circumstances that it is possible to regulate the rate of exchange by a bank policy. (The Austro-Hungarian Bank kept the Austrian crown constantly at par, before the war, with a very small fraction of its gold reserve.) But as the economic balance of Germany, especially when the reparations payments are calculated, is passive to a very high degree, the idea of stopping the depreciation of the mark by the aid of a trifling amount of gold is simply ridiculous. This is sufficiently proved by the experience of the Reichsbank last summer, when such an attempt was made. At the present time conditions are much less favorable for such an attempt. The fact that the depreciation

of the mark is such that the gold value of all the notes in circulation does not amount to a whole gold milliard, does not make the slightest difference. It seems at first glance as if the whole circulation could be put on a gold basis at once by utilizing the Reichsbank's reserves. But when judgment is pronounced on such a question, the sphere of circulation should never be taken statistically into consideration, but only the sphere of production. And there is no doubt whatever that if the attempt were made to utilize the Gold reserves of the Reichsbank, the gold would vanish in no time, without effecting any permanent stabilization of the mark. That the United Social Democratic Party of Germany could officially lay claim to such a plan is a proof that it has not only completely forgotten the class war theory, but even Marx's economic theories.

The foreign experts gave two different awards. The first is signed by Brand, Cassel, Jenks, and Keynes. Its essential contents are as follows:

The stabilization of the mark is necessary, but under the present circumstances impossible. The first premise is that "Germany be freed for a time from the payments demanded by the Versailles treaty." Without this, every attempt at stabilizing the mark is bound to fail, and will only waste Germany's last reserves . . . The most essential point is that payments should not be resumed until they can be made from a real surplus, and not from fresh inflation. We are of the opinion that the present postponement should be for at least two years. The moratorium should include payments in cash and in kind alike.

In this opinion it is pointed out that the success of a stabilization plan does not depend on an inner loan, but on the state of production and of the state economics in Germany, and on the most rapid possible final settlement of the reparations problem. We shall not go into the details of the reparations plan to be executed after the above premises have been fulfilled.

The second award, signed by Vissering, Dutois, and Kamenko, considers—so far as can be seen from the extremely scanty extract which has been published—a stabilization action to be possible, if the banks in countries with higher rates of exchange would participate. It proposes the founding of a foreign syndicate, with a capital of at least 500 million gold marks. A further 500 million gold marks are to be furnished by the Reichsbank for the same purpose.

A comparison of the two opinions shows that while the first of these rightly from the point of view of political economy, lays the most stress on placing Germany's economic structure on a sound basis, the second one regards the problem from financial technical standpoint.

In accordance with the latter expert opinion, the German government addressed, on the 4. December, a communication to the Reparations Commission, asking that the amount of reparations to be paid by Germany be finally settled, in accordance with Germany's paying capacity, within the shortest possible time, and proposing that an international syndicate be formed, granting Germany a gold credit of 500 million gold marks.

Up to now all these plans have led to no definite result, with the sole exception, perhaps, that both the English and the French reparations plans recognize the necessity of stabilizing the mark.

In the meanwhile the German mark is making catastrophic downward plunges.

## THE LABOR MOVEMENT

### A Year of the Trade Union Educational League

By Charles Krumbain.

Although the Trade Union Educational League was organized in November, 1920, it is really only a year old, because previous to the launching of *The Labor Herald* in March, 1922, it consisted of little more than a few scattered groups throughout the country. But in the past year it has taken on a truly wonderful growth. Not for many years past, if ever, in this country has there been an organization operating upon the industrial field which has created such a stir in the labor movement and made so much genuine progress.

When the League began its operations a twelve-month ago, the situation was anything but promising. On the one hand there was the reactionary bureaucracy heading the trade unions, unprogressive and tyrannical, and having behind it a demoralized, discouraged, and defeated labor movement. And on the other hand there were the militants, confused and befogged by dual unionism, inexperienced in the trade union movement, and overwhelmed with contempt for the old mass unions.



### Attacking the Problem.

But despite this double difficulty of a reactionary leadership to contend against, and a very inexperienced body of militants to draw upon for support, the Trade Union Educational League has nevertheless made most substantial progress in the twelve months of its activity. It has become a real force in the labor movement, and one which even the most powerfully situated reactionaries have to reckon with.

In its operations directly upon the mass organizations the League has real results to show. It has popularized various planks of its program among groups of workers hitherto untouched by radical propaganda. Its agitation for the formation of a Labor Party has struck home in many organizations and is bound to bear fruit in the near future. Likewise its advocacy of the Red International of Labor Unions. But the one brilliant success of the League's work was in connection with its work for industrial unionism. It has gone to the masses of organized workers with its message of solidarity and got an overwhelming response, a response which has not only snocked and frightened the reactionaries but heartened the rebels more than anything else that has happened in the United States for decades. How the innumerable local unions, central labor councils, state federations, and international organizations have been won over to declare for industrial unionism through amalgamation in spite of the bitter opposition of the reactionaries in their ranks, is an old story now to all who follow the course of the labor movement. It is not too much to say that in the short period it has been in the field, the League has already got the majority of the organized masses to accept in principle, at least, the highly important proposition of industrial unionism. With this accomplished, the definite re-organization of the craft unions on an industrial basis will inevitably and unfailingly follow.

But far more important than the effective work done among the broad masses were the educational results secured among the militants themselves. The one thing that is needed to set the American labor movement on its feet and to make a real fighting body of it is a clear-seeing, self-confident, and well-organized body of militants. Substantial headway has been made by the League in creating such an organization. By their experience of the past twelve months the militants are learning that the workers making up the trade unions are eager and willing to accept a militant program, once it is put up to them in a way that they can understand. And the way they are recovering from the infantile sickness of dual unionism constitutes one of the most remarkable phenomena in the whole history of the labor movement. The change that has taken place in this respect due to the League, is nothing short of an intellectual revolution.

### The Opposition Defeated.

As few organizations in the labor movement have achieved so much success in so short a time as the Trade Union Educational League, likewise few have had such heavy opposition to contend with. Hardly was the announcement of the organization of the League made than a general rallying of the reactionary forces took place to withstand the onslaught of the threatening newcomer. Fulminations flared forth on all sides in an attempt to discredit the League in the eyes of the rank and file by painting it red and denouncing it as a Russian conspiracy against the labor movement. No less a person than Mr. Gompers himself took the lead in this virulent campaign of attack, and when he broke a few lances fruitlessly, he called upon his faithful lackeys, Matthew Woll, Chester Wright, etc.

But the opposition, reckless though it was, did not break up the advance of the League. This is primarily because of the soundness of the latter's policies. When its militants went to the masses with propaganda of industrial unionism through amalgamation, for example, they received such wide-spread support that the old guard were unable to fight back successfully. A case in point was the National Railroad Amalgamation Conference. Despite the fact that that historic gathering was condemned in bitterest terms by Stone, Johnston, and many other high officials of the railroad trade unions, it was a glowing success. For once the rank and file, acting in intelligent opposition, took the bit between their teeth and made a determined move for progress. Grable, in the Detroit convention of his organization, tried to step in front of the amalgamation movement and to bring it to a halt, but what happened to him is now a classic in labor history. The League has demonstrated beyond all doubt that it is possible to organize progressive movements among the mass unions in spite of the most determined opposition of a reactionary bureaucracy. This in itself is an achievement of the first magnitude.

### The Tasks Before Us.

Although the League has already made its influence felt in the labor movement it is only an infant in size and experience. There is still a world to do to give it the necessary volume and power to achieve the great task before it. This work is of a manifold nature. First we must see to it that all militant workers throughout the length and breadth of the country, become members of the trade unions and plunge deeply into the activities of these organizations. We must organize local general groups in every city and town in the United States and Canada. These in turn must be subdivided into industrial sections, which shall work ceaselessly to educate the members of their respective organizations locally. Then there must be National Committees set up to co-ordinate the work of the local industrial groups throughout the entire labor movement. Especially is this latter task very essential, because without national organization the work of the local groups is fruitless.

Besides building the structure of the League, we must also see to it that it has a powerful weapon wherewith to reach the minds of the masses. The Labor Herald must be developed. Its present circulation must be quadrupled in the coming year. This can readily be accomplished if all the individuals and groups in the League will do just a little towards developing its circle of readers. When The Labor Herald reaches a circulation of 50,000, and this should be in a year's time if the militants realize their opportunity, it will have power and influence that will astound both reactionaries and revolutionaries.

### The Year to Come.

The Trade Union Educational League looks forward with confidence to the oncoming year. The experience of the past twelve months shows it that its methods and policies are fundamentally correct and that the workers of America are ready for its message of solidarity and liberty. The old Gompers bureaucracy is bankrupt. It has absolutely nothing constructive to offer the workers. Industrial evolution proceeds with ever increasing speed, but the Gompers crowd, learning and forgetting nothing, cling desperately to their outworn and futile policies. The Trade Union Educational League, despite its youth, has a practical monopoly upon the advocacy of progressive policies in the mass organizations of the workers. It is the only organization, radical or otherwise, in the field today which has any message of real instruction and inspiration for the masses. Its policies of industrial unionism through amalgamation, organization of a Labor Party, affiliation of the trade unions to the Red International of Labor Unions, the Workers' Republic, etc., correspond to the needs and aspirations of the American working class. The Trade Union Educational League is the key to the industrial situation in this country and Canada.

## FASCISM

### The Latest Coup of Italian Fascism

By G. Aquila (Rome).

#### Wholesale Arrests in Italy.

During the night of February 4-5, hundreds of Communists, Maximalists and Anarchists were arrested in all parts of Italy. Among these are included nearly all the members of the Communist Party of Italy; those Maximalists whom the Police were able to seize and who were in favor of fusion with the Communists, and some leading comrades of the Railwaymen's Union. In Rome, Perugia, Alessandria, Turin, Genoa, Ascoli, Bologna, Naples, Aquila, Venice, Florence, etc., the Police arrested all Communists, Maximalists and Anarchists whom they were able to lay hands on. In the little province of Ascoli alone, 297 workers were arrested. These are only the first and probably still incomplete reports. From the character of these arrests, one can with certainty conclude, that the next few hours will bring further reports of arrests in the remaining towns and villages.

Mussolini therefore considers the favorable moment to have arrived for proceeding against the revolutionary working class and its class organizations in a systematic or "legal" manner, in contradistinction to the "punitive" expeditions of the Fascist bands, which always lacked any comprehensive and regular plan, and whose "unlawful" acts of arson and murder often caused inconvenience even to Mussolini. In the meanwhile Mussolini himself is conscious of the absolute illegality of these mass arrests, and in an official "communication" he attempts to justify these on the ground of an appeal of the Communist



International. The appeal in question is one which the Communist International recently issued, entitled: "Fight against Italian Fascism—To the Workers and Peasants of all Countries".

"On the basis of this document"—says the official report—"all those arrested will be handed over to the judicial authorities on the charge of *conspiracy against the security of the state.*"

A paltry and miserable pretext! The appeal cited, was not issued by the Italian Communists, but by the Communist International itself. It bears the signatures of the Executive Committee of the Communist International and of the Red International of Labor Unions.

But it is quite beside the point whether Mussolini's pretext is a more or less clever one or a palpably absurd one, as in this case. The true reason is one which he cannot admit, but which we must none the less know.

The essential idea of Fascism, not only in Italy but in all capitalist countries alike, is as follows: the bourgeoisie can no longer set up by so-called "democratic" means, its economy, which has been shaken to its foundations by the war and the consequences of the war; it therefore attempts by means of open terror to beat the proletariat into shouldering the burdens of reconstruction.

Mussolini was not able to take this step immediately after seizing power. He was at first obliged to overcome the danger which threatened him from his own Fascist bands, who wished to set up a sort of military dictatorship which would have enabled them to plunder the country, not sparing (at a later phase) the bourgeoisie. It was in order to offset this danger that strong emphasis was laid on "absolute legality and constitutionalism", the "universal validity of the law", indeed, Mussolini even spoke of pursuing a "labor policy". All this was necessary, partly to curb the Fascist bands, and partly to hold back the workers from an immediate and spontaneous counter-action which would have evoked an increased activity of the Fascist bands and materially and morally strengthened their position as against Mussolini.

To the Italian communists however, it was always clear that as soon as this danger was passed, the government of Mussolini would attack the working class with a hundredfold fury in order to break its resistance.

In the middle of January, Mussolini succeeded in solving the first problem by creating the Fascist "Militia for National Safety": he had assured an easy "existence" to the 110,000 Fascisti. Thus he brought them under his discipline with comparatively little difficulty. The attacks upon the working class could therefore not be allowed to wait much longer. The more so as various circumstances rendered it necessary to expedite matters. In the first place there was the discontent of the broad masses, which in the last few weeks, under the pressure of the government's "economic policy", was continually assuming a more serious form.

The economic problem to be immediately solved by Mussolini fell into two parts: to restore the state finances, and to give special advantages to the bourgeoisie at the expense of the state finances. The most important points of this program which he has so far realized are the following:

a) Up to the end of December, 14,000 railway workers were discharged; the ministerial council decided on a further dismissal of 36,000 railway workers from the 15. January; the eight hour day for the railway workers has been abolished. These measures were adopted to render the railways "profitable" and then to hand them over to private capitalists;

b) The raising of immunity from discharge enjoyed by civil servants; all officials were "reviewed", i. e., all those who ever had anything to do with Communists or Socialists were discharged;

c) Taxation of wages; the tax amounts to over 10 per cent;

d) Exemption of securities, bank shares, etc. from taxation;

e) The dissolution of the *Control Commission for War Supplies*, which was set up under pressure of the labor movement, in order to confiscate war profits by means of high taxation. Meanwhile, in order to "pacify" the masses, the government removed the tax on grain and thereby cheapened bread by about 3 to 5 centimes a pound. A few days later however, it did away with the *Rent Act*, which afforded some protection to tenants, thus exposing the workers to the increased extortion of the landlords.

This last decree of Mussolini aroused a general feeling of bitterness in the whole country. The spontaneous outbreak of general discontent and bitterness revealed to Mussolini the dangers to which he had but one answer: to expedite the commencement of a far-reaching persecution of the revolutionary working-class. He prohibited the national conference of the tenants' organizations on the ground (among other things) that

"one of the speakers at the conference, a certain Mr. Ezio Riboldi, a member of parliament, was a voluntary subject of a foreign country, whose governing party had just declared war against Fascism". This was only a prelude. The present mass arrests, which had to be prepared first, are the actual beginning.

But perhaps it is the war plans of the Italian bourgeoisie which render it urgently necessary to "prepare" the working class through wholesale arrests of the revolutionary element: Italy is feverishly preparing for war!!

We shall substantiate this by some data. The preparations up to now can be divided as follows:

#### 1. In the Army:

a) General reorganization of the army, whereby the number of officers will be increased as follows: 164 Generals, 13,477 regular officers, 2,795 Surgeons, Administrative Officers, etc.;

b) Extension of the period of service from 8 to 18 months! The standing army will thereby be raised, in round figures to 350,000 men;

c) All non-commissioned officers who are pensioned, but are still capable of service, will be placed on the active list;

d) Reserve officers will be appointed regular officers.

#### 2. In the Navy:

a) Term of service increased from 24 to 28 months;

b) 3 light cruisers, 16 torpedo boat destroyers and 16 submarines built;

c) Increase of the budget on account of "pressing repairs".

#### 3. Aviation service.

a) 1000 new aeroplanes built;

b) Aviation stations extended.

#### 4. "Militia for national safety".

a) 100,000 Men.

#### 5. Police.

a) Royal Guard (35,000) disbanded;

b) Number of Carabinieri increased from 65,000 to 50,000;

c) Detective Corps increased from 6,000 to 12,000;

d) Fascisti enrolled in the Police service.

Italy has at the present time 350,000 men in the army, 100,000 in the "Militia", about 120,000 in the Police; in all a standing army of 580,000 (under peace conditions!), besides the Navy and the Air Service.

This gigantic army is not only destined for the "inner enemy"! This is shown by the constant enrolling of voluntary recruits, the placing of non-commissioned officers on the active list, the hasty extension of the aviation service and the navy. The Italian bourgeoisie is arming for war!!

And we repeat: The mass arrests, which may be continued to-morrow and the day after, are closely connected with the war plans of the bourgeoisie as well as with the interior political situation. Mussolini believes—or perhaps he does not believe it at all, but is compelled to attempt the impossible—that by the arrest and imprisonment of some hundreds or even some thousands of Communists and Maximalists, he can terrify the remaining workers and bring the terrified workers under the influence of the reformist leaders, who will sell them to the bourgeoisie for a sham "Democracy".

Mussolini is mistaken! In vain his hope in the reformist leaders! In vain also the favoritism which his officials display towards those Maximalists who oppose the fusion with the communists, while placing the supporters of the fusion in the same category as the communists! In vain the attempt to force the Italian proletariat to its knees! He can perhaps succeed for the moment. But his economic program and the imperialist plans of the bourgeoisie will restore unity in the ranks of the proletariat.

#### The Answer of the Italian Party.

The *Lavoratore* of Trieste, prints at the head of its front page the following declaration, dated from Rome and obviously emanating from the new Executive Committee:

"The manifesto of the III. International which was not published in our press up to now, has had the unexpected good fortune of being published in its entirety by the official Stephani Telegraph Bureau, as well as by all the newspapers in the kingdom. One thing is certain: If the bourgeoisie has been terrified (the manifesto was certainly not intended to make the bourgeoisie laugh), the proletarians on the other hand, who are being persecuted and imprisoned like bandits, have made quite another commentary on this publication; particularly those workers about whose homes "cordons sanitaires" have been carefully drawn in order to prevent the communist press from penetrating.

We rejoice that things have turned out so, although we must pay for the dissemination of the manifesto with increased persecutions."



## E. C. C. I.

### War against Italian Fascism!

To the workers and peasants of all countries!

After two years of looting, arson, and murder, against the working class, the Fascisti have seized the state power in Italy. The parliamentary regime has been set aside; the freedom of the press, even that of the semi-liberal bourgeois press, has been destroyed; the whole legislative, executive, and judicial power has been vested in a small clique with Mussolini at its head, calling itself the "Great Council", and supported by a Pretorian guard of one hundred thousand men.

Civil rights no longer exist for the workers and peasants, while the Fascisti are immune from all penalties. All rights of the working class, of citizenship and political freedom, have been done away with. The right to hold meetings, to form societies, to enter into international relations, all have been abolished. The goods and chattels of the workers are given over to destruction and plunder. The dwellings of the proletariat are devastated, the buildings of their cooperative societies, trade unions, and political organizations, are burnt down or occupied by armed forces. The best elements of the working class are beaten, arrested, and killed, the women violated, old people and children murdered, but no one is punished. To all this is added, the frightful verdicts pronounced against workers who have dared to defend themselves. The Fascisti, on the other hand, are allowed to commit the most atrocious crimes, the cruellest acts of violence. Their sole law is their own judgment. The Terror knows no limits.

This is the arbitrary and murderous regime now prevailing in Italy.

Comrades, fellow-workers! The present situation in Italy shows you what may happen to-morrow in your own country, if you do not prevent Fascism from spreading, and fail to exterminate it where it has already found a foothold.

The special conditions obtaining in Italy impart special power to Fascism there. But the original causes and resultant phenomena of Fascism are not peculiar to Italy; they are common to all countries. The world crisis of capitalism bears the germ which threatens the spread of Fascism all over the world.

In every country there is a disappointed petty bourgeoisie, suffering from the effects of the war, and hoping, even if in vain, that Fascism will order and improve its uncertain conditions of existence. And in every country there is a large agrarian and industrial bourgeoisie lending Fascism direct support, and furthering its ends with the aid of the state apparatus. It is precisely on this basis that Fascism has developed and conquered in Italy.

In order to re-establish the capitalist economy destroyed by the imperialist war, the international bourgeoisie not only reduces the standard of living of the working class to the utmost limit of misery and starvation, but it attempts to crush out of the working class all consciousness and will to arise out of its misery. It attempts to do this through Fascism, a phenomenon closely related to the anti-proletarian offensive of capital, and constituting its final phase. Violence and murder, starvation and want, these are the means used by Fascism to terrorize the working masses, to destroy their class organizations, and to reduce them to complete slavery.

Fascism does not fight merely against this or that political tendency in the working class, but against the class as a whole, for the bourgeoisie sees the sole possibility of a capitalist reconstruction only in intensified exploitation and absolute political subjugation of all workers.

Fascism also permits the nationalist mania of the bourgeoisie to have full scope. Fascism increases armaments, supports imperialist adventures and provokes political conflicts everywhere. Imperialist war is one of the most important items in the Fascist program, and its rule must thus necessarily lead to renewed massacres of human beings, to be carried out by Fascism with the same brutality as the present Fascist social war.

Fascism is endeavoring to spread itself over a number of countries, with the object of solving the world crisis at the expense of the working class. Fascist phenomena are already observable in Hungary, Germany, Poland, etc. The European governments fraternize with Fascism. This shows the danger to be serious and urgent; immediate action of the international proletariat is necessary.

Comrades, workers, and peasants! In order to exterminate this pest and to emancipate the Italian proletariat from the bloody Fascist oppression, an immediate action of defence and solidarity is imperative. Your own ruling classes and your

governments share the responsibility for the crimes of Fascism. Without their approval the dictatorship of the Fascist bands would not have been able to develop and to seize power. You must attract all sincere elements to your side, and form a solid moral blockade against Fascist Italy. You must show your bourgeoisie and your governments the power of your will, and exert every endeavor to isolate the Fascist state. Until the Italian working class is emancipated from the despotism, the attack, and the crimes of the executioners appointed by the bourgeoisie, the workers of all countries must regard themselves as mobilized, and directly and indirectly, carry on ruthless war against the leaders responsible for the Fascist terror.

Great demonstrations must be staged in the towns and villages of all countries, and all workers and peasants must be summoned to take part. The foreign supporters of the Fascist state must be made to feel all the contempt and hate of the working masses for the executioners of their brothers. Every deed committed by the Fascist state, every official step taken, must be answered with demonstrations of abhorrence from the masses. The emigrants from Italy, the Italian refugees abroad, must be concentrated in fighting groups by all organizations; they will certainly lead the fight against the cruel tyranny raging in the country which they have had to leave in order to escape starvation and the dangers of the Black Shirts.

The Communist International and the Red International of Labor Unions have resolved to give their undivided political, moral, and material support to this action of the world proletariat against Fascism. For this object an *International Fighting Fund* against Fascism has already been formed, and the necessary organs created for leading the struggle. But the main work has yet to be done, and the means to victory provided by the political, trade union, and cooperative organizations, in short, by the whole world proletariat. The proletariat of each country must find the means best adapted to defence against any attempt at Fascism in its own land, and must find the most suitable forms of organization and combat.

Workers of France, Germany, England, America, and other countries! In fighting against Italian Fascism, you are fighting for your own liberty, and are showing the ruling classes that you will never permit the rule of despotism and murder now raging in Italy to spread to other countries. Exert all your strength to crush the vanguard of International Fascism—Italian Fascism!

Long live the heroic Italian working class!

Long live the solidarity of the workers of all countries against the Fascist murderers!

Moscow, January 18, 1923.

The Executive Committee of the Communist International.  
The Executive Bureau of the Red International of Labor Unions.

### Circular addressed by the Comintern to its affiliated Sections

Dear Comrades!

The joint appeal of the Comintern and the Profintern on the fight against Fascism is being sent you by to-day's post.

The fundamental questions are dealt with in the appeal. Here we shall only emphasize the necessity of practical organizational work in the struggle against Fascism. (Demonstrations, mass meetings, systematic press campaigns, etc.) The labor organizations in Italy's neighbour states have a special responsibility. Thanks to their proximity, these labor organizations can do much for the struggle against Fascism, and for their Italian comrades.

In addition to this, it is imperative that every possible material aid be lent to the Italian workers in their fight against their oppressors. The Comintern and the Profintern have decided to create an international fighting fund against Fascism. Every organization affiliated to the Comintern is called upon to devote a lump sum to this purpose, and to organize continuous collections of money for this fund. The money will be given to those organizations which are carrying on revolutionary work against Fascism.

The Committee of Action of the Comintern and Profintern will issue further instructions as to how and to whom the money collected is to be delivered.

With communist greetings,

Secretariat of the  
Executive Committee of the Communist International.  
O. W. Kuusinen.

Moscow, January 18, 1923.



### Statutes for the collection and administration of the International Fighting Fund against Fascism

1. In accordance with resolutions passed at a joint session of the executives of the Communist International and the Red International of Labor Unions, an international fighting fund against Fascism is formed.

2. The object of the fighting fund is to raise the means for energetically fighting Fascism, and to lend pecuniary support to all proletarian organizations and revolutionary groups engaged in direct combat with Fascism. At present, only the Italian labor organizations are involved in the active fight against Fascism.

3. Money for the fighting fund is to be raised:

a) by grants from the central treasuries of the various organizations,

b) by the collection of money, among the proletariat of all countries, through subscription lists.

4. All proletarian organizations, in all countries, are to be appealed to, to take part in the collection.

5. A committee is to be formed in every country to organize the collection of money, on which every labor organization of whatever political tendency participating in the collection shall have at least one representative.

6. Only these national committees have the right to issue collection forms, which must be numbered and provided with a stamp. All monies and subscription forms must be delivered up to the national committee in each country. The receipt of the money collected on the collection lists is to be publicly acknowledged in the labor press of the country in question.

7. The headquarters of the international fighting fund are in Berlin. The Executive Committee consists of one representative each from the various political and trade union internationals taking part in the collection. The central committee appoints two general treasurers and the auditors, and assumes the duty of administering the fund and of publishing periodical accounts of the monies received.

8. The national committees have to pay over all their monies to the central committee.

9. The central committee decides on the expenditure and distribution of the monies.

The R.I.L.U. has already opened the fund with a contribution of 10,000 gold roubles (about 5,000 dollars).

### Declaration of the Communist International regarding the alleged "Section of the Comintern" in Memel

A so-called "United German-Lithuanian Socialist Labor Party for the Memel district, III. International" has made its appearance in Memel, and has instigated an uprising for the purpose of affiliating the Memel district to Lithuania.

The Executive Committee of the Communist International proclaims to the general public, and especially to the workers of the Memel district in Lithuania, that there exists no such organization of the Third International in the Memel district. It is solely a despicable provocation on the part of the Lithuanian nationalists, who do not venture to come forward in their own names, but hope to serve their purpose better by acting under the cloak of the Third International, whose followers are persecuted in Lithuania with greater severity than in Tsarist times, and who are tortured in the prisons.

The Executive Committee of the Communist International.  
O. W. Kuusinen (Secretary).

## IN THE INTERNATIONAL

### The Situation in the French Communist Party

By Amédée Dunois (Paris).

Is the Communist International now at the end of its trials in France? Many of us who did not even venture to think this eight days ago, now venture to hope it. To be sure the crisis still continues, but it has already lost much of its violence. And it is above all a good sign for the convalescence of the party that Frossard's secession, instead of sharpening the internal disturbances, has by no means caused the confusion which our enemies had hoped for.

The crisis continues. But who could have believed that the decisions of the 4. world congress, relating to the French question, would cause so little resistance or schism in the party itself? From what we know of our centrists — I am not speaking of the masses, but only of the leaders — it is a very good thing that their counter-mines were not more powerful, and that it took so long before they exploded.

The crisis is not of recent origin. If we wanted to write its history, we should have to go back to the period immediately following the 3. world congress. Indeed, a thorough investigation into its causes would oblige us to look even further back into the past, to the party conference at Tours. Our research would show us the following: First, that the two tendencies which united at Tours against reformism have never become so completely fused with one another as to lose their distinguishing characteristics, and secondly, that the elements composing the committee of the 3. International, originally forming the party Left, were far too lacking in homogeneity not to be condemned to divisions within a very short time.

The crisis came to an outbreak at the party conference at Marseilles at the end of December 1921. Its outbreak was distinguished by three facts:

1. The non-election of comrade Souvarine to the new Executive Committee, this following on a violent campaign ostensibly carried on against him personally, but in reality against the ideas represented by him, the ideas of the International itself.

2. The election to leadership of a number of persons who were communists only in name, and who have since withdrawn from the party, either voluntarily or on compulsion: *Barabaut, Verfeuil, Jules Blanc, Ferdinand Faure, Pioch, Brodel*, etc.

3. The immediate resignation from office of four of the newly elected executive members: *Loriot, Treint, Vaillant-Couturier*, and *Dunois*, as a protest against the election methods which had been employed, and as a protest against the out-voting of Souvarine and against the offensive return of the party Right.

From this time onwards there was war within the party. The party factions were revived. On the one side the Left, which (in its best elements at least) incorporated the true spirit of the International, and placed the International before everything else. On the other side the elements of the Right, the Centrists, the hyper-radicals, and the councillors of confusion, in short, all those who inclined, more or less openly, to setting up the party in opposition to the International, as if it were possible to oppose a fraction to the whole, and to divide the indivisible!

The main fight was fought around the question of the United Front. While the Left from the very first accepted the tactics proposed by the International, the right, centre and extreme left rejected these tactics decisively, and attempted to make them appear ridiculous in the eyes of the workers. The Executive of the C.I., which followed the course of the conflict with anxious attention, speedily recognized that this antagonism to the United front, in the case of the majority of its leaders, concealed a growing antagonism to the International itself.

Twice the International tried to adjust the crisis along peaceful lines, for it feared the effects. Already in February some of the representatives of the majority were invited to Moscow, for the purpose of discussing in detail with the International the organizational and tactical questions dividing them from the left. The representatives of the majority went to Moscow, and there undertook to submit to the resolutions passed. But unfortunately their actions were not in accordance with their promises, so that the crisis was not cured, but became acuter than ever.

Immediate action was necessary. The first was the expulsion of Henri Fabre, the second the summoning of Frossard to Moscow. In the course of a renewed session of the Enlarged Executive, in June, the French question was thoroughly debated in a plenary sitting, and a long resolution finally passed, and signed by Frossard. This resolution contained the well known slogan which would have put an end to the crisis. This parole consisted of the union of the party centre with the left, against the right.

At this time we were justified in hoping that everything would now fall into its proper course, and that the union of centre and left for the welfare of the party would become actual fact.

But nothing of all this occurred. Frossard, who possesses a clear head but an easily affected heart, a keen understanding, but a weak will, declared at first that he would be no French Serrati. But who can build on Frossard's words? Three months later he had no other object in life than evasion and denial of his promises. Has Frossard really been a second Serrati? Not at all, he has merely been a second Levi! Frossard has undoubtedly been the most guilty of the leaders of the party executive, the greatest culprit of all. The failure of the Paris party conference



in October was desired, thought out and contrived by him. It was solely his fault that this party conference went to pieces, after four days of dreary debates, with an open breach between the two main factions, whose union would have saved the whole situation. This was his fault alone, for he neither organized nor led the conference, but left it to anarchy.

But was this break with the left anything else, for the party centre, than the break with the International already intended?

Much could be said on this sorry episode. The task is much facilitated by the judgment pronounced on the October party conference, first by the delegates of the International and then by the International itself. It is the centre, the centre alone, which is "responsible for the breach which has occurred". It is true that the centre quitted the party conference as material vicar, and took over the sole leadership of the party, but morally it left the conference as the vanquished, for it left it discredited.

To us it was perfectly clear that in the centre, and especially among its leaders, there were many who actually desired a breach with the International, who had not submitted to the most moderate decision of the delegates of the Executive in the party committee, and would just as little submit to the supreme decision of the International itself at the world congress.

The resignation from office of a number of editors of the *Humanité*, and of some party functionaries, appeared regrettable to many comrades at the time; as perhaps did also many of the publications of the *Bulletin Communiste*. But both proceedings were fully justified in view of the existing urgent and serious danger arising for the party from the breach of faith of the centrist leaders. It was necessary to strike quickly and energetically. And this the left did, even at the risk of not being immediately understood by the masses.

Thus six weeks passed. While the world conference was holding its sessions in Moscow, in Paris the struggle against the split in the party was being organized. For what could be the ultimate result of the rebellion against the International if not a split? The left, led by a committee of seven which held consultations almost daily, increased its announcements, corrections, warnings, proclamations, and appeals. It presently published a weekly periodical for purposes of fighting and information, the *Cahiers Communistes* (Communist Pamphlets). It caused resolutions to be passed all over the country, expressing unqualified fidelity to the III. International. The party centre appeared to regard this lively public activity of the left with perfect passivity; it seemed as if the centre had ceased to exist.

But the centre had its plan. At this moment the centre was composed of Frossard alone, for Cachin, Ker, and Renault, were in Moscow. And Frossard had a plan, well thought out and prepared. This consisted of having the resolutions of the 4 world congress, of whatever nature, rejected by the party leadership as "dangerous and impracticable", summoning the French party to resistance against the International. Frossard was well aware that in France, nationalist feelings are never appealed to in vain. To be sure the left would rage, protest, and threaten. But that would not matter much. The left could be condemned to impotence by being deprived of all inner and outer means of propaganda and expression, or, if necessary, by being expelled from the party. And as regards Moscow—the centre was prepared to meet action from this side with perfect calmness! Moscow would certainly suspend the French section. And this was precisely what Frossard wanted: He wanted to regain his own freedom of action, and then later, when he had his own party and his own newspaper, and felt himself sufficiently powerful, he would "re-enter" the International on his own terms, not on those of the International. Frossard actually cherished the fantastic dream of one day imposing his own conditions on the International! The confidential friends of the clever General Secretary of the Party had been long familiar with these plans.

But even the most carefully prepared intrigues do not always succeed, and that conceived by Frossard was destined to a miserable collapse. The affiliation of the C.G.T.U. (Unitarian General Labor Confederation) to the Red International of Labor Unions was a severe and bitter disappointment to Frossard and his followers. The *Humanité* devoted merely a few obscure lines on its third page to this event which was of so great importance to the labor movement! The extreme moderation of the 4 world congress was also a great disappointment to our conspirators, who had certainly not expected so much consideration and forbearance.

At this moment Frossard wrote a strange and disquieting article, in which he reserved to himself the right of complete liberty of action with regard to the award of the International the right of saying yes or no, of submitting or defying, and this although he himself had applied for the award to be given.

In the *Humanité*, and in the party, the campaign of schism was energetically carried on. For a whole week, from December 9. till 16. everything was hanging fire.

But despite this the rupture was not accomplished. At the last moment Frossard thought better of it and submitted. He had not only the left against him, but even the masses of the party centre, who are faithful followers of the International and the Russian revolution. The powerful opposition of Louis Sellier, Cachin, Ker, and Renault, all leaders of the centre, completely crushed his intrigues. In the party sitting of December 16. Frossard was the first to sign the agenda submitted by Sellier, expressing unconditional recognition of the decisions of the 4 world congress. This saved the unity of the party. The danger of a rupture again vanished abruptly.

All that remained to be done was to carry out the resolutions passed. While Frossard prepared for the journey to Moscow, where he was to take up his position as delegate to the Executive, the party executive adopted measures for the immediate execution of the decisions relating to the resignation of the communists from the free-masonic lodges and the *League for Human Rights*. The editors who had resigned from the *Humanité* were re-instated. But this re-instatement involved dismissals, which were arranged for by a commission especially appointed for the purpose. This commission selected for dismissal, in the first place, those editors of the leading newspaper who had most contributed to the split adventure. The editors thus discharged set up a deafening uproar of recriminations, which was benevolently echoed in the bourgeois and reformist press. Indeed, they did even more. They uttered such violent threats against Frossard, their accomplice and clique-leader of yesterday, that he saw no other way of escape but to resign from the party: "The fox was caught in the trap!" This is the state of affairs at present. The "refractory" elements have founded a so-called "Communist Defence Committee", which is trying to gather together all oppositional elements, all the weak spirits, the seekers for vengeance, would-be politicians, and legal tricksters. In a few days this committee will have its own newspaper, the *Egalité* (Equality), which is to be the organ of an alleged united communist party, which party must however be first founded. We have nothing to fear from either this newspaper or this party, and merely look quietly on at the impotent agitation of a group whose credit is already exhausted.

Under the leadership of Louis Sellier, the party central has energetically combatted these despicable intrigues. The unruly elements who most compromised the party have been expelled, the rest have been appealed to to cease to support the instigators. At the same moment the persecutions of the Communist Party and the C.G.T.U. set in: About ten comrades were thrown into prison. House searches were made in the *Humanité*. As these arbitrary measures do not happen spontaneously, but have been long expected, every single worker will be able to recognize without any difficulty that Frossard, Pioch, Torres, etc., have only left the party in order to place their valuable persons in safety before it was too late. Discretion always has been the better part of valour!

The sitting of the National Council (central committee), which was held recently, will vanquish those enemies of the International who had insinuated themselves into the party. It will clear the party of the unsound and dishonest elements which have tried to lead it on the wrong path. It will complete the work began at Tours. It will correct the errors and mistakes of the party conference of Marseilles, and wipe out the last traces of the Paris party conference.

### The Convention of the German C. P. to the C. P. F. and the Revolutionary Trade Unions

The party convention of the German Communist Party expresses its deep feeling of satisfaction and appreciation to the Communist Party and the revolutionary trade unions of France. Against the tricolor, which no longer leads the way to revolution, but covers the greed for power and profit of the imperialist bourgeoisie, they have raised the glorious banner of the Communist International, the symbol of the revolutionary solidarity of all the exploited and oppressed.

The party conference hails with great satisfaction the fact that the Communist Party and the revolutionary trade unions have joined hands in the common fight against imperialism, against the bourgeoisie. The leaders and the masses of the revolutionary vanguard of the French proletariat have proved themselves worthy of the historical task of the hour. Above the clanking of the sabre now being wielded by Poincaré in the



Ruhr and the shouts of the confused and excited masses: "to Berlin! to Berlin", is heard the cry of the revolutionary vanguard: "Hands off the Ruhr! Down with the Versailles treaty of robbery and dishonor! No war of imperial robbery!"

Some of the best leaders of the Communist Party and of the revolutionary trade unions in the republic of the French bourgeoisie, have gone cheerfully to prison, with heads unbowed, for proclaiming, by actual deeds, their proletarian solidarity, their fidelity to the working class of Germany and their firm bond of brotherhood with Germany's revolutionary vanguard. Growing masses of the working people, following the communist slogans and examples, are throwing themselves against the chauvinist flood, despite Millerand's spies and myrmidons, his political and legal lackeys, the slanderers of the bloc press, the insults and maltreatments in the streets. All these demonstrations of solidarity with the German proletariat involve the more danger and honor, in that Renaudel, Faure, Jouhaux, and their like have again shamefully deserted the cause of the world proletariat and of socialism. At The Hague they swore solemn oaths, as leaders of the reformist internationals of London, Vienna, and Amsterdam, to put a stop to threatened war by calling the general strike. But now that Poincaré's policy of the mailed fist, serving the ends of imperialist greed, has rekindled the danger of a world conflagration, they have nothing but high-sounding words, and not the smallest deed.

The party conference of the German Communist Party is proud of its comrades, its brothers in France, the true heirs and descendants of those glorious and immortal fighters of the Commune who, amid the jubilation of the Paris workers, broke down the Vendôme column, the symbol of the bourgeois wars of conquest, of enslavement and exploitation of the peoples, of the trampling underfoot of their national right by the capitalist class and its sword bearers. The party conference sends fraternal greetings to those imprisoned and persecuted. It thanks them, and all sharing their clear spirit and bold will, for their brave attack on French imperialism, which shows to the proletariat of Germany and of all capitalist states, that their most dangerous enemy is in their own country.

Imperialism, mad for conquest, wishes to divide the world among the Capitalist classes of various states and groups of states for purposes of exploitation. It can only be subjugated if the proletariat of each separate state overcomes the bourgeoisie within its own frontiers. In defeating Poincaré on the Seine, the communists and revolutionary trade unions defeat him in the Ruhr as well, and strengthen the power with which the German proletariat may be enabled to conquer the great coal barons and financial magnates of the German bourgeois republic.

The Communist Party will continue to lead the fight against the German bourgeoisie with the greatest determination and energy. It will summon the proletarian masses to this struggle and will lead the way into battle, in solidarity with the proletarian masses of France and of the whole world, fraternally united with them, for the purpose of casting the burden and cost of the last imperialist war onto the shoulders of those who originated the war and profited, by it. United fraternally with them for the restoration of the areas devastated by the war, but united as free creative workers, and not as the profit producing slaves of capitalism on this or that side of the Rhine, of the English Channel, or of the ocean.

Long live the revolutionary fighters against the iron barons of France and the mining lords of Germany!

Long live the fight against the imperialist war danger!

Long live the international united front of the proletariat for the overthrow of the world bourgeoisie!

Long live the world revolution!

## IN SOVIET RUSSIA

### The Moscow Demonstrations against the Occupation of the Ruhr

By F. Rubiner.

Moscow, January 18., 1923.

During three days, January 15—17, the Moscow proletariat expressed its solidarity with the proletariat of Germany and the whole world. January 15., the Liebknecht-Luxemburg memorial day, is in any event a day of profound significance for the

Russian workers; in addition to this, news came of the occupation of the Ruhr basin, which at once aroused the Russian workers.

Immediately after the news arrived that French troops had marched into the Ruhr area, meetings were held in all factories and workshops of Moscow. When work was over on January 15., huge contingents of workers streamed from every quarter of the city, and gathered before the building of the executive committee of the C.I., in the Mokhovaya. The gathering began at about 4 o'clock, and lasted until late in the night. The same was repeated on January 16., and on the following day.

These masses of Russian workers presented a most impressive spectacle; after a full day's work, with the grime and dirt of their work still on their hands, without having rest or refreshment they marched through the streets, in many cases coming long distances from their places of work, for the purpose of demonstrating their protest against the danger threatening the proletariat of Western Europe.

It was an example of practical proletarian solidarity, and readiness to follow up words with deeds. It was no long-prepared demonstration: within 24 hours, in many places within 12 hours, all preparations for the demonstration were made. The masses came into the street almost spontaneously. And not communists alone, but thousands upon thousands of non-partisans took direct part in the action. With their proletarian instinct they felt that the working class is being threatened more seriously than ever; they understood that the occupation of the Ruhr district signifies the danger of a new imperialist war, and they took immediate action. They acted in dead earnest.

A small incident is characteristic of the feeling prevailing among the demonstrators. The Pravda reports that, in front of the Moscow Soviet in the Soviet Square, a workman suddenly knelt down before one of his comrades and cried: "Forgive me, Aliosha, in 1914 I struck you because you spoke against the war. Now, when I stand before the Soviet and think of that time, I see how right you were!"

The processions of demonstrators assembled before the Moscow Soviet, before the building of the Executive of the C.I., and before the Hotel "Lux", where the delegates of the Comintern are residing. This demonstration proved how close are the ties binding the Russian workers to the fighting proletariat of the whole world, and proclaimed that the Soviet of the workers' and peasants' delegates alone is capable of finding a way out of the blind alley which the capitalist world has got into.

The columns of workers, with their red flags and torches, defiled through the streets for many hours in the chill winter air, some accompanied by bands of music. The foreign delegates spoke from the balcony of the Executive of the C.I., comrade Hörnle from the German CP., comrade Hula from the Czechish CP., and comrades from England, France, etc. The effective speech of comrade Serrati from the United CP. of Italy was greeted with the utmost enthusiasm. But it was not only the foreign comrades who spoke; special mention must be made of the speech delivered, by a manager from the electric works *Amo*. He, and the representative of the Russian working masses through him, said: May the working class of Germany, and the whole world, know that we are ready to come to their aid!

A huge number of resolutions has been received by the Executive of the C.I.; these have been passed in the various factories and institutions. We may cite a few extracts from these resolutions. Thus in a resolution passed by a group of factories in the Rogoschsko Simonov district, in memory of the murder of Karl Liebknecht and Rosa Luxemburg, we find the words: "We are consoled by the thought that during these four years a real leader has grown up for the German proletariat—the mighty Communist Party of Germany, capable of combat, steered by fighting, strengthened by the struggles it has gone through". In the resolution passed by the factories *Sulfit*, *Ero*, *Perun*, etc., we read: "We promise that at difficult moments we shall lend our aid, to the utmost of our power, for the overthrow of the world bourgeoisie." The resolution of the *Gosaviosavod* addresses the Comintern as the army staff of the revolutionary movement of the world, and appeals to it to mobilize the world proletariat, and to take all measures to prevent a fresh imperialist war. In this, as in all resolutions, we find the same promise: We shall come to your aid, workers of Western Europe.

These demonstrations are not only a proof of the strong feeling of international solidarity among the Russian workers; they further prove that the Russian workers have by no means become indifferent and apathetic, as is asserted by their enemies; on the contrary, they are now ready—after so many struggles and privations—to enter the lists immediately it is a question of triumph or defeat for the revolution.



## THE WHITE TERROR

### An Amnesty Campaign in Finland

A joint action of Communists and Social Democrats against reaction.

*Helsingfors, January 25, 1923.*

The class war which raged in Finland in the year 1918 has been heard of all over the world. But its immediate results, the shameful White Terror which still continues to rule, even to-day, are little known.

The revolution of the year 1918 was crushed by the aid of German troops. Ninety thousand workers were driven into concentration camps. Three months after the defeat of the revolution there were still 72,589 workers, among these 4,575 women, languishing in the prisons. According to statistics given by the central of the Social Democratic Party of Finland, 18,788 workers, including hundreds of women, were executed or murdered (outside of actual fighting), and without any trial whatever. About 45,000 more died in the concentration camps of starvation or disease, while innumerable others were simply tortured to death. All labor organizations were suppressed and their property confiscated. Thus reigned the White Terror in Finland in 1918 and the years following.

Not quite a full year passed since the brutal strangulation of the revolution, when the workers began once more to rebuild their organizations. But one immediate result of the revolution was a split of the workers into two fractions on the question of the tactics to be adopted in the class war; these two fractions struggled for domination within the Social Democratic Party. The social democrats, for the time being, maintained the majority, and thus ruled the party. The Communists, or rather the elements believing in the principles and tactics of communism, left the party or were expelled from it. In May 1920 they founded the

Socialist Labor Party of Finland. Parallel and simultaneously with their fight against the bourgeoisie, these two parties carried on violent struggles against each other. This naturally signified a weakening of the fight against the common enemy, reaction.

From the first moment of coming into existence, the Socialist Labor Party suffered frightfully under the brutal attacks of the ruling classes and of the government. Its founders were condemned to many years of imprisonment and penal servitude. The whole central leadership of the party is confined behind prison doors, and many hundreds of party members with them. More than a year ago the Finnish court of justice pronounced the party illegal, its members unprotected against summary punishment. But despite this declaration of war, the party has not ceased to work openly. Last summer it even took part in the general election to Parliament, gaining 27 seats out of the 200 of the national diet. The social democrats won 53 seats.

Although 5 years have passed since the Finnish revolution, there are still more than a thousand workers languishing in the various penal institutions of the country. The workers have never ceased to fight for the liberation of the victims of the revolution. But the struggle for the liberation of all political prisoners has hitherto been much hindered by the lack of unity in the working class. For over a year the Socialist Labor Party has been striving for joint action against the oppressors. Last September it addressed an appeal to the Social Democratic Party asking the latter to join in a common united front to fight for a general amnesty. After numerous negotiations between the centrals of both parties, an understanding was finally come to as to a joint action for amnesty. This understanding was expressed on January 17 of this year in a jointly signed manifesto summoning the members of both parties, as also the whole working class, to a combined fight and demonstrations in the week from January 28, to February 4, when the liberation of all political prisoners, without exception, is to be demanded.

The signing of this manifesto is the first step on the road to a united front of the Finnish working class, and to its united struggle against the bourgeoisie.