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RECOVER WAR
COLLECTION

The International Situation

By Comrade Tchicherin.

The concentration and trustification of capital.

If I am to sum up the results of my recent observations of foreign affairs, I must first say, speaking generally, that the most important feature of our period is the concentration and trustification of capital on an international scale. In some countries the process of concentration was already greatly advanced. Now we find, behind the scenes of events, a constant motive force consisting of a struggle towards the international alliance of the national trusts, towards the international extension of national trusts and their growth beyond national frontiers. This process of international concentration of capital, is being carried out within the post-war crisis and collapse. Consequently, it frequently assumes degenerated forms, and its gradual progress is accompanied by many morbid symptoms. The ruined middle and petty bourgeoisie, and the increasingly impoverished bourgeois intelligentsia plunge into the extremest chauvinism, and create a heated political atmosphere. In France these elements support what is left of the National Bloc; in Germany they join the Orghesh organizations or simply vote for the extreme right; in Italy they form one of the motive powers for the complicated phenomenon of Fascismo. Their furious activity keeps war ever near, and within certain limits, even leads to direct military action. But there is no immediate danger of a new world war: The motive forces of a world war can only be fundamental antagonisms between leading economic groups, and these last have still to undergo a long period of development before their relations become so acute as to provide the possible conditions for a world war. Before the war the situation was different; at that time, large industry supported militarism, while the petty bourgeoisie supported pacifism; but now, large industry is, as a rule, the upholder of pacifism, and the petty bourgeoisie, at least its ruined section, is becoming the main prop of military and ultra-chauvinist tendencies.

France and Germany.

Diplomatic life in Western Europe is based on the triangular relations between England, France, and Germany. The Anglo-French world-antagonism is by no means fully developed. And yet this antagonism permeates all present day diplomatic relations. Among the questions at present existing between France and Germany, the most important is that of their economic approach, of the understanding to be reached between the industrial capitalists of the two countries. This interesting example of an endeavour towards international trustification deserves close attention. In the sphere of the reparation question, this endeavour assumed the form of economic agreements regarding payments in kind. But it has much more important aims. The France of to-day differs very much from pre-war France; developing industrial capital is gaining an ever-growing influence over the politics of the country: it requires markets, it requires the development of economic relations with other countries. Thanks to the treaty of Versailles, France possesses a surplus of iron, and needs material from Germany for working up this iron. Negotiations are already being carried on between a number of French and German industrial undertakings with regard to contracts, trusts, and cartells. These efforts on the part of industrial capital, and its growing influence, were the cause of France seeking, particularly towards the end of last year, to resume official commercial relations with Russia.

The leading representative of the new policy of French industrial capital is the *Banque de Paris et des Pays-Bas*, headed by one of France's best economic functionaries, the banker Finali. These elements belong to that political grouping at present in course of development, if not in Parliament, at least in leading French political circles. Among this group one of the most talented French statesmen of the new generation, Loucheur, must be counted; he has connections with the industry of the North.

The Ruhr adventure.

The Ruhr adventure, which has shaken the political and economic life of the whole of Europe to its foundations, and has also much injured Soviet Russia, who needs economic relations with other countries, is bound up in a most complicated manner with various tendencies within French industry itself. The bourgeoisie of course preserves the customary sacred unity against the national enemy, but already the industrial periodical *Journée industrielle*, is openly expressing its dissatisfaction with the Ruhr policy. This policy, which leads to the impoverishment of Germany, brings no advantage to France, who is unable to utilize the riches of the Ruhr area without the aid of Germany. The indirect result is, further impoverishment in France, and injury to her industry. The main object of this adventure was to pacify the shrieking chauvinism of the masses. And it is possible that the idea occurred to some members of the governing group, that it would be good to carry out the chauvinist desires of these masses to a point of absurdity, and to prove, by actual demonstration, their utter nonsense; but this would be a very dangerous method of giving an object lesson. The Ruhr question is, at the same time, bound up with one of the most important points of contact between French and German industry. It is a well-known fact that the French heavy industry, possessing the ore of Lorraine, requires the Ruhr coal, and that German heavy industry, if in a lesser degree, requires French iron. Many have been inclined to explain the long planned occupation of the Ruhr by France's anxiety to lay hands on the coke it needs, which coke—it may be observed—she cannot produce without the organizational help of the Germans. Thus, even the secret report of the chairman of the finance committee of the chamber of deputies, Dariac, which aroused so much sensation when published by the "*Manchester Guardian*" in November, and was regarded as the clearest expression of France's aggressive designs, recommended nothing more than a preparation for the separation of the left bank of the Rhine from Germany; but as French heavy industry is about to enter into a trust with German heavy industry, even this report goes no further than to demand the retention of the bridge heads occupied in 1921 (Düsseldorf and Duisburg). It is known that the Poincaré government, shortly before the Ruhr adventure, prevented negotiations from taking place between the representatives of French and German heavy industry, apparently for fear that control of the reparation question might slip out of the hands of the government. Despite this, the industrial magnates of the two countries opened communication with one another, and the demands from the French side were spoken of as too high. But though the formation of a trust with German industry can be of enormous profit to the industry of eastern France, it would wreck other undertakings, for instance those of Normandy. It is difficult for an outsider to form a comprehensive idea of the struggle going on behind the scenes between the various interested groups; a very intimate acquaintance with all the circumstances is required to penetrate these secrets. Even those industrial magnates anxious for a peaceful understanding were not opposed to a trial of strength upon whose results the future division of the spoil would depend. This is of course a mere detail, and in no way alters the fundamental outlook of events for us. To the French militarists it is not a matter of indifference whether or not they gain possession of the raw materials which they imagine to be necessary for a future war between England and France. Industry, for its part, requires in its own interest a peaceful understanding with Germany, but at the same time a peaceful penetration into Germany. Even Schneider went over from the National Bloc to the "centre", and recently supported the policy of a peaceful agreement with Germany. It is possible that this mutual tendency towards a peaceful understanding will not gain the upper hand at once; it is extremely difficult to find a way out of the crisis if the French government insists on its reparation demands, and if the German government insists on the evacuation of the Ruhr before commencing negotiations. But it is highly probable that the Ruhr adventure will only form an episode in the process of trustification of the industries of the two countries. So long as the suffering German masses abandon themselves to nationalist feelings, so long will the elements of the right draw advantages from the extremity of the crisis. But at the same time the whole of Europe suffers from the consequences of this adventure.

The waiting policy of England and America.

The intervention of England, or rather the joint intervention of England and America, would lead to an immediate reconciliation, but both powers continue to wait and to observe the course of events. It must be observed that the closer political and economic approach of these two states to one another is one of the most important political facts of to-day. Under the

rule of the present Conservative government, England is taking much more interest than before in the colonies and dominions, and is investing capital in them; still a great number of English banks are closely connected with the continent, and a considerable portion of German economic circles still follow England. In France there is a widespread opinion that England employed a number of skilful manoeuvres, forcing France to take the Ruhr plunge, and is now leaving France in this difficult situation with the intention of gaining time until England can play the rôle of the laughing spectator. The same Frenchmen would not be at all surprised to hear that England had simultaneously instigated Germany's resistance.

The antagonism between England and France.

The Ruhr question, as also the Lausanne conference, increased the estrangement between England and France to actual hate, although as world competitors they are highly dependent on one another. There is no doubt that the breaking off of the Lausanne conference, is bound to be followed by a period of very active secret diplomacy, and increased struggle between France and England. But the concession hunters set to work sooner than the governments: The press makes no attempt to conceal the fact that the negotiations of the American Admiral Chester with the Turkish government, with regard to railway concessions and the exploitation of mineral riches, are successfully progressing. And it is well known that the ubiquitous Urquhart is negotiating for large concessions in Turkey. The governments will find that negotiations with Turkey are expensive, that serious concessions will be demanded from them, now that Turkey will no longer permit continuous interference with her laws, and the fettering of her economic life, as demanded by the draft treaty drawn up by the Entente.

Soviet Russia is the only true friend of the oppressed peoples.

Simultaneously with international trustification of capital, but poles apart from it, there is proceeding the emancipation of the peoples oppressed by capitalism. The numerous delegations of the Eastern nations in Lausanne, saw in the Soviet republic their sole true friend, and this alliance became closer and closer in the course of the Lausanne conference. Many of the native newspapers of the Eastern lands showed the diplomatic success of Turkey in Lausanne to be due to the diplomatic support of the Soviet republic, the presence of whose delegates lent a firm security to Turkey up to the end of the conference. The Soviet republic played its historical part as friend of all the oppressed peoples, all peoples whose existence is in danger, or who are threatened with attack.

The Straits question remains unsolved.

The constant oscillation of French policy at Lausanne was doubtless the reflection of anglo-French conflicts in the Ruhr question. Thanks to our attitude, the conviction spread in French political circles, during the course of the conference, that the opening of the Straits for foreign war-ships, that is, the surrender of the Black Sea to England, would be disadvantageous to France. France, Italy, and Turkey, are all still bound by their previous engagements in this question. But even should the period of diplomatic negotiations with Turkey end with the signing of a general treaty, and should the Straits convention worked out at Lausanne, and which is unacceptable to us, be actually signed, the convention will not exist for long; this is openly stated, not only by a few Turkish journalists, but also by the French and Italians.

Without Russia there are no world politics.

The situation is thus one of unheard of complexity, and Soviet diplomacy is also in consequence characterized by great complexity. We must think of the security of our frontiers and coasts, and the means of access to our coasts; we must at the same time combat everything endangering general peace, and be prepared to come to the protection of oppressed and endangered peoples; but we must not forget for a moment our most pressing actual task: the liquidation of the blockade against the Soviet republics where it has not yet been completely raised, and the complete clearing of the way to unhampered economic relations with all countries. We must be constantly on guard, we dare not let a single detail of the daily play of world antagonisms escape us, for there can be no world politics without Russia and her allies, and no international question towards which Russia and her allies can adopt a neutral attitude.

POLITICS

The Occupation of the Ruhr and Soviet Russia

By N. Bukharin. *)

The events in the Ruhr bear witness to the fact, that a far more disastrous situation has arisen in Europe than that which existed in the past months. The events in the Ruhr have done much to shaken faith in the belief that stability has been secured in the sphere of international relations between the states, and between the various social forces of the continent of Europe. These events in the first place, confirm the correctness of our assertions and predictions. We pointed out, in opposition to a large number of bourgeois imperialist optimists, that the peace entered into at the end of the world war was inevitably bound to be broken by the course of events. After a few historical deviations, it finally turns out that we were in the right; the happenings in the Ruhr are the proof of the correctness of our forecast.

Strictly speaking, we ought to be grateful to M. Poincaré, for the Ruhr events constitute a powerful means of propaganda against the further development of imperialist and bourgeois tendencies. The imperialist war of 1914 was carried on by the bourgeoisie under an extraordinarily powerful ideological cloud. Every book and paper — the most important instruments of capitalism — asseverated that the war pursued idealistic aims. We orthodox Marxists were obliged to pursue by very complicated arguments that the imperialist powers were actuated by economic motives. But the events in the Ruhr lay bare the naked economic interests at stake, expressed in terms of so many tons of coal, in so many square kilometres of foreign territory, in such and such a quantity of gold, to be received by France in accordance with the treaty of Versailles. There is something new in the character of these events, and in so far as the economic roots of the whole Ruhr adventure are exposed in their undisguised and prosaic nakedness, these events are the best possible propagandist instrument for dispelling the illusions still existing in the heart and mind of many a French proletarian. The Ruhr events dispel every illusion cherished by the French working class in 1914. Thus the chief significance of the Ruhr occupation lies in the great campaign of exposure which it represents, implying for us a great political asset upon which we can rely in the future, upon which we can already rely to-day, for dispelling the illusions of the working class.

An even greater importance is to be attached to the Ruhr events when considered from the standpoint of their ultimate results, as imagined by bourgeois ideologists. The main question, upon which depends the future destiny of the whole of humanity, is the question whether the bourgeoisie will succeed — through the victory of one bourgeois coalition over another — in healing the wounds made by the war, and whether it will succeed in restoring political balance.

The events in the Ruhr have, during the last few months, considerably altered the form and balance of forces and conditions, especially in the sphere of economics. There have, at times, been favorable conditions of the market permitting a slight recovery. But these partial improvements have been so trivial and inconstant that they could not be regarded as a sign that the capitalist world has entered upon a phase of improvement. The Ruhr events chiefly affect Germany. The German mark fell with a rapidity far exceeding that of the depreciation of the Russian rouble. This depreciation of the mark led to the greatest confusion in the sphere of economics in general, and especially with regard to wages.

On the other hand, the effects of the adventure have also been acutely felt in France itself. Enormous sums are being wasted in occupying the Ruhr area, and in the attempt, somehow, to keep the work going in the Ruhr basin. All this is unremunerative outlay, for sabotage is effectually preventing the French from gaining any profit whatever. Besides this, the whole of Europe and America must realize that the Poincaré government is playing *va banque*, and this game may end with a crash which will be inevitably accompanied by a corresponding depreciation of the French franc.

International financial questions are inextricably involved in the catastrophic depreciation of the German mark and the depreciation of the French franc. In this respect the general economic situation can only be characterized as an abrupt de-

struction of that equilibrium which appeared to be gradually establishing itself during recent months. This economic confusion is mirrored in the sphere of political relations. If hitherto, it was believed (we ourselves did not believe it) that equilibrium would be restored among the powers of Europe, any such prospect has now completely vanished. Political relations have reached a most critical point, and we may regard the political equilibrium as completely overthrown. However we may consider the conditions within the Entente, there is no combination which will afford the possibility of effecting a balance, having regard to Germany's further development. A potential power must arise from within to break through the ring.

With regard to the relations between French capital and Germany, it is perfectly clear that the situation is bound to become more acute. This is also the case within the Entente itself, in its relations to the Near East. No agreement was reached on the most important points, and we are fully aware that we are standing on the brink of a fresh war between Turkey and Greece, each country backed by certain groups of states.

This confusion and aggravation of the situation is of advantage to the proletariat, for the restoration and establishment of the capitalist order in western Europe would have been most dangerous for us. It would have meant that the starving working class would have become more passive by some slight alleviations, and reformism would have flourished. Under the present circumstances it is quite impossible for this to happen — the events in the Ruhr have helped us greatly. Whatever turn events may take, they will result in the relative strengthening of our forces, for it will be accompanied by a weakening of the total forces opposed to us.

Perhaps France will be able to surmount all difficulties; perhaps she will go further after vanquishing Germany. It may be, she will recognize the necessity of according some compensation to England and Poland — and perhaps the dividing up of Germany will become an actual fact, and as a result of all these events,—an attack on Soviet Russia. But it is equally possible that France will find herself unable to cope with the economic tasks presented by the Ruhr area. Perhaps she will go further without having digested what she has already swallowed. The result will be Poincaré's downfall, and the displacement of his government by that of the so-called Left Bloc. Thirdly and finally, it is possible that France will not undertake any special initiative, but enter into a compromise. Should the first possibility turn out to be right, then France, with Poland and her other vassal states, will fall upon us; but we have struck deep roots, our position is extraordinarily secure. We for our part would be extremely foolish to plunge into any adventures. We by no means desire war, but we must openly admit to ourselves the possibility of a treacherous attack, and must enlighten the masses as to the possibility.

The second possibility is the most probable. In consequence of the weakening of the bourgeoisie, its realization would involve a general revival, and create favorable conditions for us. Should the third possibility come to pass, the solution of all problems will be retarded. But during this period our strength will grow, while that of the bourgeoisie will weaken.

When we take all this into consideration, we must realize that for us, the point of essential importance is our economic reconstruction, and the emphasis on our will to peace, as mainly exemplified in the considerable reduction of our army. But at the same time we must emphasize that we have no intention of permitting the enemy to seize us by the throat as the French troops have seized the republic of Mr. Ebert.

French Militarism and the Chemical War

By Marcel Fourrier (Paris).

Why Poincaré wants to annex the Rhine country.

M. Dariac's *) secret report, exposed to the light of day by the *Humanité*, and suppressed by a complete conspiracy of silence on the part of the great capitalist press obedient to orders from above, has thrown much light on the real intentions concealed behind Poincaré's Ruhr adventure. His ultimate aim is nothing more nor less than the annexation of the Rhine province.

In the opinion of French imperialists, this annexation is justified by urgent reasons of national defence. In one part of his report, M. Dariac refers to the Rhine country as "a military glacis of France", and M. Poincaré emphasized these words

*) Extract from the speech delivered by comrade Bukharin at the 4th All Russian congress of press workers.

*) Chairman of the Finance Committee in the Chamber of Deputies.

still more in the speech before the Chamber, in which he justified his military action, and made insinuations as to "certain pressing necessities of national defence.

At the present juncture it is not merely a question of the notorious policy of natural boundaries and the "Watch on the Rhine", for the war of 1914-1918 gave us conclusive proofs that no river, however well guarded, can afford any serious obstacle to the advance of a modern army. The irresistible charm of the Rhine for French militarism lies in the gigantic dye factories, which can be transformed overnight into poison gas factories.

The gas war of 1915 to 1918.

The whole world knows of the gigantic development of poison gas as a military weapon in the last imperialist blood bath. Those soldiers who escaped the hell of Yperis will never forget the first attack, with its preliminary of chloride gas, in the year 1915. And all through their lives will they remember the gas grenades and their effect.

The sudden and rapid advance of the Germans in 1918 was to be attributed almost solely to the extensive employment of blue gas grenades. And Ludendorff's memoirs have since revealed to us that at this time the German artillery was actually shooting 70% gas grenades.

In the face of this danger, the Allies have been exerting their utmost endeavors, since 1917, to create for themselves a chemical industry of equal efficiency. Huge sums have been expended for the rapid erection of great chemical works, and to provide these with the necessary raw materials. But it was not until July 1918, that the poison gas production of the Allies had made any noticeable progress.

Dye works and the production of poison gas.

What was the attitude adopted by the Allies and the Germans, after the war, to a problem causing the utmost distress to chemical capital! For though the English and French poison gas factories, built and developed exclusively for the war against Germany, became practically useless for purposes of post-war production, this did not by any means apply to the German chemical works. These, on the contrary, were at once re-transformed into what they had been before 1914: excellent dye works. The French and English factories, on the other hand, were obliged to disappear altogether and to undergo complete reconstruction.

A few figures may serve to represent the situation more graphically: The present production of dyestuffs in Germany exceeds 160,000 tons, as against 50,000 tons in the rest of the world. In 1918, France produced 18,000 tons for her war purposes, but this has now receded to a round production of 9,000 tons.

Poison gas and the strength of the armies.

Germany's crushing superiority in this line thus becomes obvious. For the poison gases known to day are obtained from dyestuffs through a simple chemical process.

It was for this reason that even after 1918, Germany, though vanquished and disarmed, still remained a great military power, for she had at her disposal, the mightiest chemical producing capacity in the world.

The peace treaty of Versailles devoted some attention to the chemical war. It formally forbade Germany to manufacture poison gases. Moreover, it provided for a strict supervision of all German dye works. But of what use is supervision? The dyestuff industry is once and for all a peace industry, and its products are simply indispensable in the dye works throughout the world, so that it cannot be reduced or otherwise limited without turning world economics upside down. Hence, Germany remains in a position enabling her to transform the same raw materials and products, overnight, into poison gases, and to convert her peace industry into a war industry at a moment's notice.

The United States and its dye industry.

This material impossibility of disarming Germany on this point is a source of great concern to the French army staff, and the government of a country which is striving for a world hegemony for its militarism at any price. And indeed, the significance of the chemical factor in the next war could scarcely escape the notice of the French army staff, despite its mental limitations, just as it has not escaped the notice of the other world powers. The United States, however, was the first to take measures towards reinforcing its military position by the increase and development of the chemical equipment of its army.

General Fries, the head of the chemical department of the American military headquarters, wrote as follows in the *Journal of Industrial and Engineering Chemistry*, as early as the year 1910:

"The chemical war represents, above all, a real science. Since the invention of gun-powder, nothing has been discovered which has so fundamentally altered the conditions of conducting warfare . . .

The general introduction of the chemical war on land, water, and in the air, will secure an incontestable superiority to the nation which is able to produce most in this line. . ."

The cares of the French military Headquarters.

This view was lately confirmed by field marshal Foch himself. This confirmation may be found in the preface of a book by an English officer, Major Lefebure, entitled *The Riddle of the Rhine*. This preface seeks to enlighten its readers as to the fate awaiting them during the next capitalist war. The aeroplane, we read, which is becoming capable of carrying ever greater weights from day to day, will form a fresh means of spreading immense quantities of poison gas in the form of bombs of ever increasing size, making it very easy to attack armies, or centres of population behind the front, or of rendering whole districts uninhabitable for human beings . . .

Bright future!

After all this, we may well comprehend why French militarism gazes as if hypnotized at the German dye works, all of which happen to lie, by a miraculous accident, in the Rhine country.

We must decry this policy of French Imperialism in every country.

Germany and the end of the Entente

By E. Pavlovsky.

The scramble between the great imperial powers for the right to exploit Germany has led to an open rupture between England and France. All the international institutions which were created after the war—League of Nations, Supreme Council etc., had the sole aim of deluding the war-weary masses of the Entente countries into the idea that we are living in an era of organized and peaceful capitalism, but it has become impossible to maintain this delusion in the face of the sharp imperialist antagonisms. For years the two allies, France and England, have been arming against each other. The Washington disarmament agreement, which has not been ratified by France, does no more than draw the logical consequences of the changed war technics of to-day; the great battle ships have become superfluous. But there is no limit to the increase of submarines, aeroplanes, poison gases and tanks. It is already an open secret in England and France, that these countries are arming against each other. When the English government demanded from Parliament a supplementary credit of 2 million pounds for building aeroplanes, the member of the Lower House, Wedgewood, inquired of Lloyd George whether this was rendered necessary by France's armaments, and Lloyd George gave the cool reply:

"In adopting these measures, we have taken all circumstances into consideration." And there is scarcely any doubt that the Greco-Turkish war was in part an Anglo-French war.

The events taking place in connection with the reparations question are only to be understood in the light of these imperialist antagonisms. The Anglo-French antagonism in the reparations question, which more and more assumes the form of: *moratorium with pledges, or moratorium without pledges*, signifies: Is Germany to be dismembered and her most important industrial areas absorbed by France, the rest being divided up into vassal states, and French hegemony in Europe finally established from the Atlantic Ocean to the frontiers of Soviet Russia, across Czecho-Slovakia and Roumania and into Asia Minor? Is France at the same time to become the greatest country of heavy industry in Europe? Or—and this is the meaning of "Moratorium without pledges"—is a Germany to arise, under an Anglo-American protectorate, playing the part of an economic and political counter-balance against France's design of gathering the whole continent of Europe under her sway? The policies of the great bourgeoisie of France and England clash on this point.

This also explains England's policy on the question of the inter-allied debts. The English politicians are well aware that they will receive no payment from France, but they will not abandon this political weapon except in exchange for France's renunciation of a forced advance into Germany . . .

It is too early yet to draw any conclusions from the rupture between France and England. Only one thing is clear: the outlines of an Anglo-American alliance, of an Anglo-Saxon world imperialism, are becoming increasingly distinct. In the reparations question, England and the United States stand on

one side, while, on the other stands the continental-European bloc headed by France: France, Belgium, Italy, Poland, and the Little Entente. The world political strivings for power cherished by France, appear so dangerous to the English bourgeoisie, that the latter is doing its utmost to overcome the differences with American Imperialism, so that it may have a support to counteract France.

Germany has become the main bone of contention between the imperialist world groupings now in the process of formation. The German bourgeoisie, disarmed as it is, and unable to conduct an "active foreign policy", can only look on in perplexity. The German bourgeoisie has but one aim left, namely, to maintain its class domination. If it can keep that, then Germany can be a French, an English, or an American colony—it matters not a bit.

For the German proletariat the most important thing is: No illusions! The German proletariat must fight the Versailles peace with all its consequences, and must fight it hand in hand with the French proletariat. It must fight against the French plan, because the dismemberment of Germany will be detrimental to the development of the proletarian revolution. But it must not be a prey to the illusion that the English or American plan would be any improvement. Should the reparations be reduced to-day to the minimum of 20 to 30 milliards gold marks, as proposed by the German bourgeoisie itself, should the Americans give a correspondingly large loan, and should the mark be thereby stabilized, all this would be no solution; for, whether the Germans pay reparations to French capitalists or interest to American capitalists, it will not alter the adverse productive balance of Germany. Only a far-reaching transformation of the relations of power of the classes, and a corresponding redistribution of income, can improve the situation of the proletariat. The various stages of such a transformation are: seizure of real values, control of production by the shop stewards, prevention of export of capital, proletarian control of the entire tax collecting apparatus of the state. But this requires revolutionary class fighting. However much the heads of parties and trade unions may hate class war, however dearly they may cherish the illusion of renewing German capitalism by a "happy" solution of the reparations question—the German proletariat will none the less be driven into revolutionary class fighting. And the German proletariat will fight the class war to the end, conjointly with the proletariat of that imperialism which emerges victorious out of the struggle for the possession of Germany.

ECONOMICS

Survey of the World Economic Situation in the 4th Quarter of 1922

By E. Varga.

VIII. Norway.

The economic situation of Norway had improved during the year 1922, but appears to have suffered a decline during recent months. The unemployed statistics are as follows:

Beginning of 1922	47,000
End of August	19,000
End of October	24,000

The unfavorable condition of the freight market strongly affects the economic life of Norway, for seafaring is one of Norway's chief sources of income.

The Norwegian crown is still much below par, but shows a tendency to improve of late. This improvement is probably due to the circumstance that the Norwegian government has received a loan of 17 million dollars from America; the greater part of this goes for building railways. The food prices have fallen somewhat of late. This gives a good pretext to the employers for an offensive against wages. Recently the bourgeoisie formed a union under the name of the *Tax Payers' Union*. This association is alleged to be non-political, but in reality it bears the character of a bourgeois bloc, and is a form of reaction against the successes of the Communist Party at the last municipal elections.

Denmark.

Denmark's economic situation has also somewhat improved of late. In March 1922 there were 103,000 unemployed; at the beginning of October this number fell to 31,000. It must, however, be recollected that even then 11% of the organized workers were out of work. Unemployment decreased among unskilled and field laborers, as a result of the seasonal work during the summer.

The situation of Danish industry is still very unfavorable. The government has attempted to protect Danish industry by damming the imports, especially of shoes and tobacco. Duties have been increased all along the line. It is a characteristic fact that in August 1922, although the imports were 20 million crowns below those of the preceding year, the customs revenues were 2 millions higher.

The failure of this year's crops is chiefly to blame for the unfavorable condition of Danish industry. As is well known, Denmark is mostly an agrarian country. For export purposes especially, the products of cattle breeding are of the greatest importance to Denmark. For this reason the foreign trade balance is considerably more adverse this year than in 1921. This has led to a lower rate of exchange of the crown. More than 22 Danish crowns were paid in December for 1 English pound, instead of the parity of 18.16.

Prices show a tendency to rise accordingly. But in spite of this, a census taken of the wages of 100,000 workers showed these to be 16% lower than they were a year ago. The high cost of living bonuses granted to Civil Service employees have also been considerably reduced. It can be seen from this that the real wage of the worker sank considerably after the defeat of the workers in the general lock-out.

Italy.

The development of Italy's economic situation deserves special attention, for the seizure of power by the Fascisti has placed power in the hands of the industrial bourgeoisie — for the first time in the history of Italy! For this reason the capitalist press abroad greeted this seizure of power with great joy. The Exchanges reacted with a higher valuation of the lire.

The Fascisti have been too short a time in power to justify any judgment as to the results; particularly because the Italian economic statistics are miserably kept and published late. It is, however, obvious that Mussolini is trying very energetically, not only to stabilize his own power, but to reconstitute Italy's economics on a purely capitalist basis.

The general conditions confronting Mussolini at his accession to power are extremely difficult. The corn crop fell nearly a million tons below that of 1921; the rice crops were also poor. It is calculated that it will be necessary to import about 2 million tons of grain involving an expenditure of over 2 milliard lire. The general industrial situation is very bad; the textile industry could report some improvement during the summer, but the crisis remains unaltered in heavy industry, ship-building, and shipping, and in the sulphur industry. The number of unemployed, in thousands, is as follows:

1. August	1. September.	1. October.	1. November
304	316	321	334

The increase is to be mainly attributed to the decline in agricultural work. In the year 1921-22 nearly 10,000 workers emigrated, one half to the United States.

The statistics showing the investment of capital are still more characteristic for Italy's economic situation; the diminution of the total capital of the corporations due to bankruptcies, dissolutions etc., is greater than the investment of capital,—an actual dis-accumulation; The data are:

	Fresh investments	Diminution in millions lire	Net fresh investment
June	477	656	— 179
July	208	300	— 92
August	185	91	+ 94
September	299	37	+ 262
October	432	460	— 28

The constantly increasing number of bankruptcies, confirms these figures; the monthly average for the first half of 1922 was 279, in October there were 339, in November 336.

State finances are also in a critical condition. The inner debt amounted to over 93 milliards in September 1922; to this must be added the debts owed to France, England, and America. The fiscal year 1921-22 closed with a deficit of 8 milliards. It is characteristic for the distribution of the taxation burden that, during the first 5 months of the current fiscal year, the revenues from direct taxes were 140 millions less than the year before, the revenue from indirect taxes 390 millions higher.

The sole factor showing a somewhat better line of development is the rate of exchange; measured by the English £, the value of the lire has taken the following course:

End of 1921	19. April 1922	26. Oct. 1922	End of 1922
98.24	80.12	114.12	91.24

In the course of the year, the lire followed the whole improvement of the £, even overtook it. The lire has improved 80% since the Fascist coup.

Mussolini's economic policy.

Mussolini's economic policy is based on the typically capitalist fundamental assumption, that the output of the individual worker, and of the collective population, is too small. There is no doubt whatever that production has decreased in Italy since the war, as it has done everywhere else. The following interesting statistics have been compiled regarding the railways:

	1913/14	1921/22	
Total number of employees	147,289	204,425	= 39% increase
Output of train kilometres (mill.)	153,7	129,5	= 15% decrease
Number of Working hours	—	—	29-38% decrease
Working days lost	—	—	25-105% increase

Increased production is to be attained by reducing the number of employees and lengthening the working hours. On the other hand, state finances are to be balanced by an increased taxation of the non-capitalist strata of the population.

So far the following concrete innovations have been introduced:

1. The wages of the workers and officials employed by the state, the municipalities, the railways and tramways, etc., are taxed to the amount of 10%. The tax is deducted from the wages.
2. A new census is being drawn up, in order to estimate the proceeds of the soil (last estimate, 1891). Income tax, hitherto required from tenants only, is now required from those tilling their own land.
3. In order to facilitate the reduction of wages on the part of the capitalists, the corn duties have been reduced from 11 gold lire to 4; a reduction to 1½ lire was even mooted. These last two reforms are plainly directed against the agrarians and peasants, and are in the interests of the capitalists.
4. Working hours have been lengthened on the railways, and 17,000 workers discharged; further discharges are expected, in part among Civil Service employees.

On the other hand, the political necessity of finding jobs for the Fascisti has thwarted the efforts to restore equilibrium in the state finance. 100,000 Fascisti are to form a militia; the term of obligatory military service has been lengthened from one year to 1½.

When we take a general survey of Mussolini's economic policy, the line he takes is perfectly clear: for the bourgeoisie, against the workers, against peasants and agrarians.

France.

The reparations question was dealt with in the general section. Here we shall only touch on the agreements on deliveries in kind. First of all, it must be pointed out that the great hopes set on these agreements, especially on the *Stinnes-Lubersac* agreement, have turned out entirely deceptive. The quantity of goods received by France under this agreement is ridiculously small. According to the official statements given at a session of the French committee for deliveries in kind, Lubersac, representing the minister of the liberated territory, reported as follows:¹⁾

The success of the agreements on deliveries in kind can be designated practically at zero, as the total amount of the goods delivered has not reached the value of 15 million francs.

What is the reason for this failure?

According to the periodical mentioned, an organ of French heavy industry, the cause lies on the side of the Germans.

"It must be observed that if the deliveries in kind have had such poor results up to now, the fault does not lie with the French industry, but with the German, which has demanded much higher prices from the claimants than the German inland prices, thus appropriating the difference between the German and the world market price."²⁾

But that the influence of the French industrial magnates has also played a part, may be seen from the fact that the representative of the minister for commerce was opposed to the extension of the minimum tariff to other articles required for restoration purposes. It appears that German and French capitalists alike have co-operated to prevent the agreements respecting deliveries in kind from being carried out. It is an actual fact that all the combinations connected with the *Stinnes* agreement—involving deliveries to the value of hundreds of milliards—have come nothing.

¹⁾ *L'Usine* of 6. 1. 1923: According to the statement of the *Economist* of 2. 12. 22, goods to the value of 12 millions only had been ordered up to then, while the goods actually delivered were to the value of 1 million francs only.

²⁾ According to the *Economist* of 9. 12., bricks were offered by Germans, loco St. Quentin, in the middle of November, at 150 fr. The French price was at that time 125 fr. "The French observer believes that the German government, which is responsible for these prices, is deliberately seeking to sabotage the *Wiesbaden* agreement."

Real accumulation and growing state debts in France

It is extremely difficult to judge of France's economic situation. We are confronted by two apparently contradictory facts:

- Gigantic increase of the national debt and.
- Real accumulation.

The main data of the French state finances are as follows:

According to the latest official statement,³⁾ the national debt amounted on 31. March 1922, to

	milliards of francs
Inner consolidated debts	155.1
Inner floating debt	87.0
Total	242.1
Consolidated foreign debt ⁴⁾	41.4
Floating foreign debt	33.4
Total	74.8
Sum total of inner and foreign debts =	317 milliards of francs.

France's present financial position is as follows—if we abandon that senseless differentiation between ordinary, extraordinary, and other expenditure (expected from Germany):

	1921	1922 1923 (Estimate)	
	in milliards of francs		
Expenditure	52	52.3	54.5
Revenue	21.5	20.9	19.3
Deficit	30.5	31.4	35.2

Though these figures are alarming enough, it must be taken into consideration that a great part of the state deficit corresponds to a real accumulation, and that a great part has actually been employed for rebuilding factories, houses, roads, railways, etc. This part of the deficit must be accorded an entirely different valuation, from the standpoint of political economy, to that of the German deficit. Since the end of the war, about 20,000 factories have been rebuilt, 220,000 new dwelling houses built, and 180,000 temporarily restored, railways, bridges, etc. built. The sum actually expended for restoration purposes is estimated at 60 milliard francs. The increase of the national debt corresponding to these 60 milliards is by no means to be regarded as an impoverishment of the French people. It merely signifies that the cost of restoration is advanced to the immediate sufferers by individuals in the state through the intermediation of the state; the state shifts the cost on the whole population by means of taxation. The fact that French political economy has been able, after the war, to accomplish such an extensive real accumulation, substantially out of the surplus of its own production (electrification and canal building also come under the heading of accumulation), shows the soundness of French economics.⁵⁾ Although the position of French state finances is very bad, it cannot by any means be compared with that of Germany. The German deficit is a result of the real impoverishment of the country, whereas a great part of the French deficit represents an actual accumulation!

It would also seem that French finances are improving.

The following is in milliards of francs:

	1918	1921	1922	1923
Increase of national debt ⁶⁾	51.3	31.1	21.0	18.2
military expenditures ⁶⁾	18.2	6.3	4.9	6.8
State revenue ⁶⁾	6.8	21.5	—	11.6
	1918	1919	1920	1921
	—	51.3	42.8	31.1
	—	18.2	7.6	6.3
	—	6.8	11.6	21.5

These data have probably been trimmed for presentation to the public—the final results of French financial operations being published only after 4 or 5 years—none the less, we believe them to show the general tendency of the curve correctly.⁷⁾ This is further confirmed by the fact that though the French franc tends to depreciate, it does not fall in proportion to the deficit in state finances.

³⁾ The above data are from the *Federal Reserve Bulletin* of December 1922.

⁴⁾ Reduced to francs at the rate of exchange then prevailing.

⁵⁾ We shall endeavor to ascertain how much of the real accumulation falls to the German consignments, how much to foreign loans, and how much to the surplus of French economy itself.

⁶⁾ All these data are obtained from the *Federal Reserve Bulletin*.

⁷⁾ At the same time French capital has been exported abroad. "Hundreds of millions of francs were sent abroad for Royal Dutch Shell and other enterprises. . . Small French savers have suffered enormous losses in German and Polish marks. . ." (*Economist*), 16. 3. 1922.

The state of the market

has much improved in the last quarter of 1922. Since the disturbance brought about by the great mining strike in America, the competition of English coal in the French coal market has noticeably diminished. This effect is enhanced by the circumstance that the high rate of exchange of the English pound holds English coal more and more from the French market. The total coal output in 1922 was 4 million tons more than in 1921, but was still only 32 million tons as compared with 40 millions pre-war output.

The steel and iron industry has gradually improved in the last few months. But the manufacturers constantly complain of a coal shortage. The production of crude iron reached 5.1 million tons in 1922 as compared with 4.1 in 1920, but it has not yet attained the pre-war level of 5.3 million (without Lorraine).

In the vehicle building industry, and in the manufacture of agricultural machines, aeroplanes, etc. much business has been done, but at unfavorable prices. The textile industry is also working satisfactorily.

The prices show a corresponding upward tendency. In 1922 the wholesale trade index was as follows:

I. quarter	II. quarter	III. quarter	IV. quarter
357	368	360	407

The improvement of the franc must be taken into consideration.

Foreign trade has developed as follows:

	first 11 months, in milliards of francs	
	Imports	Exports
Foodstuffs	5,171	1,672
Industrial raw materials	12,144	4,258
Finished manufactures	3,662	10,740
Parcel post	—	1,193
	20,977	17,863

Foreign trade is thus passive to the extent of 3 milliard francs as compared with only 1½ milliards in 1921.

Taking all in all, it may be said that the last quarter of 1922 shows a moderate improvement in France's economic situation, despite the shaken condition of state finances.

The decision of the American Senate, that 4½ % interest is to be paid yearly, stands in the way of a final reorganization. The English are anxious for a graduated rate of interest and amortization: first 2 %, then rising to 6 %. There is scarcely any doubt that the Senate will accede to England's wishes. And although the old rivalry continues to exist between the two Anglo-Saxon world powers in the petroleum question, in South America, and in China, and although the English capitalists complain that the new high protective duties render it difficult for England to pay her debts to America in goods, it is still probable that in the coming period, close co-operation of the two Anglo-Saxon powers may be expected.

IX. Belgium*)

Belgian politics and Belgian economics are so bound up with those of France, that the rate of exchange of the Belgian franc has run parallel to that of the French franc since the war; the Belgian franc is invariably a few points lower than the French. From an organizational standpoint, the relations between the French and Belgian coal, iron and glass industries, have become very close. Economically considered, Belgium may almost be regarded as an appendage of France.

Economic conditions improved very much in Belgium last year. Unemployment decreased steadily. While in September 1921, there were 132,000 unemployed workers — 17.7 % of the workers organized in trade unions — a year later, in September 1922, only 26,000 or 3.8 % were out of work. Increasing numbers of Belgian workers find employment in France. According to the *Matin*, there were no fewer than 450,000 Belgian workers employed in France in August 1922.

Coal production has made tremendous strides of late. During the first 9 months of 1922, 16 million tons were produced as compared with 10.4 millions in the corresponding period of 1921. There is a shortage of workers in the coal mines. To this it must be observed, that the real wage of the Belgian worker is exceedingly low, the lowest in Western Europe, with the exception of the German. This gives rise to extensive emigration to France, so that wages were raised in November. Belgian coal and coke is very much in demand abroad, especially in France.

Iron production also shows great signs of improvement. The number of blast furnaces at work, increased from 17 in January to 32 in October; during the first 9 months of 1922 the output increased by 50 % as compared with 1921. The state of the

market is also satisfactory in the glass and china industry, and in the textile and ready made clothing industry.

The finances of the country still suffer from the consequences of the war, but financial conditions are better than in France. Prices develop parallel with those in France, like the rate of exchange. On the whole, it would appear as if Belgium's financial position is much better than could have been expected after the long war. This is probably to be attributed to the circumstance that, though Belgium was occupied, it was not actually the scene of war, so that the apparatus of actual production and the population suffered less, than in France.

England.

Economic life in England continues to show the slow improvement which we were able to indicate in our last report. The English bourgeoisie has been tenaciously striving to bring the pound up to gold parity again, so that England may again become the central point of the financial transactions of the world. In the course of the last quarter of 1922, England has again succeeded in raising the value of the pound by some ten cents. At present the English pound is only about 5% under dollar parity, in spite of the fact that England has paid considerable sums to the United States, as interest on her American debt. The comparative rates of exchange were given in the introductory section of this report.

The improvement of the rate of exchange, and of economic conditions in general, has been achieved partly through high taxation of the propertied classes, but mostly at the expense of the working class. Wages have been pushed below the level conditioned by the high prices, and the competitive capacity of English industry on the world market somewhat restored.

This is particularly the case in one of England's most important industries, coal production. Official reports ¹⁾ show the average weekly wage of the English pitman to have been 58% higher in October 1922 than during the first seven months of 1919.

The Ministry of Labor states the cost of living on October 1., to be 78% above that of July 1919, and on November 1., 80% higher.

"It is thus clear" writes the capitalist periodical: "that the present wages of the miners are considerably lower than in 1914, and it must not be forgotten that the average wage gives no real idea of the conditions obtaining in districts with lower wages."

The complete defeat of the English miners becomes even more evident when we learn that, despite these wage reductions, the output has greatly increased. Before the great strike, 1,200,000 workers produced only 4.25 million tons weekly. After the break-down of the strike, the output increased steadily. The weekly output figures are as follows:

	million tons
1922 September	5.12
1922 October	5.30
1922 November	5.42
1922 December, first week	5.57
1922 " second week	5.59
1922 " third week	5.74
1922 " fourth week	5.51

And yet the number of miners has dropped from 1,200,000 before the strike to 1,114,695. The weekly output has already surpassed the pre-war figure; it has however been calculated that with English industrial undertakings running full speed, England needs 5 million tons of coal.

The business revival in the iron industry is far behind that of the coal industry. The slump in ship-building and building are responsible for this.

Production in thousands of tons:

	Iron	Steel
September	430	556
October	481	565
November	494	600
December	533	546

The figures for November are the highest since 1921. But still, only 57% of the average production has been reached in iron, 94 in steel, and only 50% of the present producing capacity of the country.

On the other hand, export of iron and steel, as well as of coal, has greatly increased during recent months, reaching the maximum of 372,000 tons in November; even in the most favorable year, 1920, there was no month in which exports attained such a height. To this the "Economist" makes the cool observation:¹⁾

*) This is the 9th and last section of comrade Varga's quarterly economic report.

¹⁾ See *Economist* 16. December 1922.

"These figures show what great profits foreign trade has drawn from the great sacrifices in wages accepted by the workers of these industries. These two industries (coal and iron) have taken the lead in the painful process of returning to an economic basis. They are now beginning to reap the harvest. It is a pity that many of the other industries are so slow in following their example."

In the textile industry the employers are also endeavoring to reduce wages. At a dinner given by the cotton industrial magnates, in Manchester, the vice-president declared it to be "cheaper to send the unfinished cotton web to Germany to be bleached, printed, and dyed, and then brought back again, than to have it finished in Lancashire". Hence the offensive against wages.

Thus we observe, in every sphere of industrial economics, a generally successful endeavor on the part of the capitalists to reduce the wages of the workers below the pre-war level, the reason adduced being the necessity of rendering England capable to compete on the world markets.

Unemployment.

Have the English workers at least created opportunities for work by their "readiness for self-sacrifice"?

Not at all!

The official data on unemployment are as follows:

1922	% of all insured	% of trade union members
January . . .	16.2	16.8
September . . .	11.9	14.6
October . . .	12.0	14.1
November . . .	12.4	14.2
December . . .	12.2	14.0

The round number of unemployed has fallen from 1,900,000 at the beginning of the year to 1,400,000 at the end.

It must not be forgotten, however, that every worker struck from the list of dole recipients has not obtained work. Many are struck off, although still out of work, because they have lost the right to the dole. The great significance of this may be judged from the fact that the recipients of poor relief have increased in proportion as the decrease of the official number of unemployed²⁾, and have reached an hitherto unknown number:

Recipients of poor relief:

February 18, 1922	1,465,599 workers,
June 18	1,838,000 "
September	1,454,577 "
November	1,417,000 "
simultaneously with unemployment dole	793,000 "
without unemployment dole	65,000 "
paupers	603,000 "

A report issued by our English brother party observes, that poor relief is given only to those entirely without means of subsistence; on the other hand there are many districts in England where the workers rather sell their houses and furniture than "come on the parish". Poor relief thus signifies absolute lack of any means of existence. And in the year 1922, about 5% of the population of England and Wales were such absolute paupers. Truly the English proletariat has enjoyed but little benefit up to now from the improvement in England's economic situation.

The price movement.

During the last quarter of 1922, the price movement was very steady. The index figures were as follows:

	Wholesale trade (<i>Economist</i>)	Cost of living
September	163.5	79
October	166.1	78
November	167	80
December	166	80

The fluctuation in the wholesale trade index did not amount to more than 3 to 4% in the course of the year. The increase of prices on the world market found its counterpart in the improvement in the rate of exchange of the pound.

Foreign trade.

Foreign trade improved during the past year. The main figures are:

	Import	Export	Excess of Imports
	in millions £		
September	76.9	68.9	8.0
October	85.0	68.7	16.3
November	95.6	75.0	20.0
December	94.9	67.4	27.5

²⁾ During the past year, poor relief reached the highest point known in the social history of the country. (*The Times* of December 23, 1922.)—The figures relate to England and Wales only, not to Scotland and Ireland.

The data for the first eleven months of English foreign trade, as compared with 1921, are as follows:

	'921	1922
	Millions £	
Import	1,086	1,003
Export of English goods	703	725
Re-export	107	104
Total export	810	824
Import surplus	275	179

The average monthly import surplus is 13 million pounds sterling as compared with 11 millions in 1913. It appears that the excess of imports is well covered by the "invisible export", shipping freights, bankers' and middlemen's profits. Hence also the rise in the rate of exchange of the pound.

Economic policy.

In the general section, we dealt in detail, with England's attitude in the reparations question. Apart from this question, that of the debt owed to America has mainly occupied the economic crisis in England.

The unfavorable impression made by Balfour's note in America, has been fairly neutralized during the period covered by this report. Firstly by McKenna's speech at the conference of American bankers, then by the journey of the English minister of finance, Baldwin, to America. Both repeatedly emphasized England's willingness to pay her American debt "to the last penny". And as these two Anglo-Saxon powers have also effected a closer rapprochement in foreign politics, the negotiations on the postponement of payment of England's debt to America were carried out in the most accommodating manner.

United States.

At the present time the United States occupy such a prominent position in world economics that we were obliged to deal, in the general section, with the politico-economic currents in the United States, as those are decisive for Europe's political economy. We shall therefore confine ourselves here to sketching the inner process of American economics.

All American reports are unanimous in declaring the state of the market to have been satisfactory during the last quarter of 1922. "Industry is active in general, practically all working powers are being employed, and the wages are rising to a high level", this is approximately the report of the National City Bank for October. Almost every branch of industry: iron and steel, motor-cars, textiles, and the building industry, attained their best productive output of the year in November. We bring here only the most important figures:

Production in millions:

	Coal	Anthracite	Petroleum barrels	Iron	Steel	Motor cars in 1000's	cotton in 1000 bales
Sept.	40.96	4.98	45.25	2.03	2.37	190	495
Oct.	45.15	8.53	47.26	2.64	2.87	214	534
Nov.	—	—	—	2.89	2.93	—	—
Dec.	—	—	—	—	—	—	—

These figures give some idea of the development of the market.

There is, however, no other country in the world where the economic statistics are so carefully kept as in the United States; no country where there is such a constant endeavor to improve these methods. It may be said that the bourgeoisie of the United States is striving to escape the consequences of capitalist anarchy by means of the most careful possible observation and registration of the economic facts.

The *Federal Reserve Board* recently attempted to create a collective index figure for estimating the economic situation. The most important branches of industry were estimated with regard to their significance for the collective economics: the production for the year 1919, of the article in question, was taken as "standard" and set at 100, etc. In this manner a single figure was obtained as the index designating the economic position!

It is not without interest to note the "importance" attached to the various branches of industry, as it permits of an excellent insight into the structure of American economics as a whole. The importance of any branch of industry was determined by: 1. The newly produced value created by the branch of production in question in the course of the year. 2. The number of workers employed. The "importance" ascribed to the different branches of industry was determined as follows:

Iron and steel 24, textiles 22, foodstuffs 11.5, wood 11, coal 9, metals 5, leather 4.5, cement 3, petroleum 3, tobacco 2.

The development of the year 1922, expressed in this collective index figure, is as follows:

January 89.6, February 91, March 95.2, April 85.5, May 92.3, June 94.4, July 94.7, August 93.6, September 100.3, October 107.

Unfortunately the data for the last two months are still lacking. These figures are worked out on a complicated method—which we cannot give here—so that the effect of seasonal influence is excluded.*)

The table shows the rising tendency of the collective economics of the Union, but shows, at the same time, that the full capacity is by no means utilized. Production maintains the approximate output of 1919; this was however 3% lower than that of 1913. This means that the whole increase of productive capacity during the last decade, 1913 to 1922, still remains unutilized. As a matter of fact the production of the steel trust is estimated at about 75 to 80% of its capacity. But in comparison with the year 1921, the situation is favorable, and what is more important, shows a tendency to further improvement.

The full development of the favorable conditions was hindered in the autumn by the effects of the miners' and railwaymen's strike.

The main cause of the improved economic situation, may be found in the improved agricultural situation. The total value of agricultural produce this year, exceeded that of the year 1921 by 1,873 million dollars.

The higher proceeds of cattle raising are not included in this. This favorable figure signifies a considerable increase in the buying power of the farmer. The great difference in prices between industrial and agricultural products, has been diminished by an increase of prices on agricultural products. But the disproportion in prices has not been eliminated, and the farmer does not lie on a bed of roses. This unsatisfactory position of the farmer, and the confused state of affairs in European economics, render it a matter of great uncertainty whether improvement will continue in America. We have already dealt with both factors in the general section.

Foreign trade and foreign loans.

The foreign trade of the United States has been much influenced during recent months by the new tariff, so that no reliable conclusions can be drawn from the figures. Expressed in millions of dollars, the figures are as follows:

	Exports	Imports	Excess of Exports
September	313.1	228.8	84.3
October	370.1	—	—
November	383.0	—	—

The excess of exports over imports is covered increasingly by capital export. During the last four years the United States invested the following amounts in foreign loans:

In millions of dollars:			
1919	1920	1921	1922 (11 months)
292	397	550	588

To this must be added the purchase of shares in foreign undertakings, purchase of houses, estates, etc.

We thus see how the United States has evolved into the pure type of a highly capitalist country. High protective duties for the security of the home market, the highest possible concentration of industry in monopoly associations, capital export on a large scale. (Two features out of keeping with the whole: the favorable trade and the export of foodstuffs, are of a temporary nature; they will disappear—should the equilibrium of capitalist world economics be restored). The political consequences are inevitable: extension of colonial possessions, militarism, imperialism. American pacifism is a dead ideology, corresponding to the economic conditions of pre-war times, but not to those of to-day.

The other non-European countries.

As our report has already become longer than was intended, we shall confine ourselves to outlining only the most essential economic features of the non-European countries.

1. Owing to the rise in prices for agricultural products—corn, meat, cotton, wool, rubber, coffee—the situation of countries producing raw materials has much improved during the last six months. The industries producing half-manufactured goods, wood, paper, and unrefined sugar, are also improving.

*) We must emphasize that this economic index figure applies to industrial production only, and not to agriculture. The 11.5 points relating to "foodstuffs" comprise: mills, sugar production, and slaughter houses!

2. The severe competition on the part of European industries renders the position of industries manufacturing finished articles very difficult. As a general rule we may say that the more a country is industrialized—with the exception of the United States—the more critical is its economic situation.

3. Despite this fact, industrialization continues, above all in China, India, and South America.

4. The employment of American capital, for state loans and immediate investments, increases steadily, especially in Canada and South America. Not only the United States, but also England, has recently taken to investing a great deal of capital outside of Europe.

5. There is a great demand for new immigrants in the English settlement colonies and in South America.

6. The centre of gravity of the world's economics moves further and further from Europe!

THE LABOR MOVEMENT

The Strike of the Miners in the Saar District

By E. Becker (Saarbrücken).

On the 5th of February, a conflict of far-reaching significance for the international proletariat, broke out in the Saar district. The miners have taken up the fight against the continuous provocations of the French mining management. The mountains of gold which were promised to the Saar miners on the seizure of the Saar mines by the French state, have not materialized. The situation was endurable until the introduction of payment of wages to the miners in francs. From this point onwards the mining management attempted to utilize the apparently higher wages for their reactionary purposes. In order to increase output, premiums were paid to the officials, and a speeding up system created, which put everything hitherto practised completely in the shade. The miners had a great deal to suffer from what is known as the material saving system. A great number of accidents must be attributed to this system. Hand in hand with this, the management proceeded to disregard the social provisions made for the miners. Holidays for recuperation were no longer permitted. Lengthy negotiations were required before an extremely limited holiday was finally granted. Two reductions in wages, amounting together to 7 francs, raised indignation to the boiling point. House rents in the miners' settlements rose to an exorbitant height. Even the social legislation, defective enough as it is, was partially abolished. The assistance given by the sick clubs was further reduced shortly before the strike broke out. All these things created an atmosphere among the miners, that was bound to lead to an explosion sooner or later.

Almost the same state of affairs has been developing in the adjoining coal area of Lorraine. It may be safely assumed that the managements of the Lorraine coal mines and of the Saar mines have been working hand in hand. State capitalism and private capital have been using every endeavor to reduce the miners of the Saar district and Lorraine to docile slaves.

But they have miscalculated. The leading aim of the Miners' Union of Alsace Lorraine, which is affiliated to the Red International of Labor Unions, is to maintain and further in every respect the feeling of solidarity and the international idea between the miners of Lorraine and the Saar. This circumstance will be of decisive importance in the struggle now taking place. For months, the Lorraine miners have been agitating over the wage question. The employers, headed by the coal baron, de Wendel, are implacable. Notice has been given terminating the existing wage agreement, and reductions in wages have been announced.

The miners' movement in the Saar district has led to the mobilization of the miners of Lorraine. To this must be added that considerable unrest is to be observed among the miners in the interior of France.

The Executive Committee of the French Mining Union is now meeting in Paris, in order to take up a position with regard to the situation. It is hardly likely that the reformist leaders of the French Mining Union will succeed in curbing the fighting spirit of the miners.

The occupation of the Ruhr area has led to a considerable increase of activity among the miners of Lorraine and France. The miners have perceived the favorable situation created by the occupation of the Ruhr, so that they are saying, *now or never!* Never again shall we have such a favorable opportunity

for pushing our demands. Now is the moment for action! The cessation of supplies of coal from the Ruhr district has practically exhausted France's coal reserves. There is no reserve stock of coal now in the colliery districts.

In view of these circumstances, the Lorraine Miners' Union has again approached the mine-owners with its demands. The owners attempted to pacify the miners with a 2 francs a day rise in wages, but flatly refused to negotiate with the organization. This was the last straw. On February 4th the delegates of the Alsace-Lorraine Miners' Union met and decided on a strike. Communication is to be immediately opened with the colliery districts of the interior of France. An agreement for fighting unity will be made with the Saar district.

Should the struggle prove unexpectedly long, the solidarity of the Ruhr miners will be called into action.

All these occurrences show the intimate connection between the occupation of the Ruhr district and the international labor movement. The measures taken by the capitalist rulers of France here threaten to break down. The miners of the Ruhr district, who were sensible enough not to strike for the sake of their exploiters when the Ruhr was occupied, will perhaps have to decide, within the next few days, whether they are willing to stand for their own interests, and for the interests of their fellow sufferers in the Saar, in Lorraine, and in the interior of France. We have every confidence in the sound common sense of the Ruhr miners, and have no fear that they will succumb to the attractive offers of the French rulers.

A decisive international fight has broken out! The eyes of the miners of the whole world will be centered on Germany and France during the next few days.

Wm. Z. Foster "The Bankruptcy of the American Labor Movement".

By Z. Leder.

A prominent champion of our movement, comrade Foster*) describes in his pamphlet, what he calls "the bankruptcy of the American labor movement"; he deals with the symptoms of this bankruptcy, its causes, the ravages caused by dual unionism (competitive organizations), and then passes on to the means which promise to place the movement on a sound basis capable of further development: the birth and growth of the "new radicalism" in contradistinction to the "old Utopianism", and the activity of the Trade Union Educational League. From this it will be seen how interesting and opportune is this pamphlet of comrade Foster's. It gives us the possibility of informing ourselves on the latest development of the American trade union movement, at least in its main features.

And yet I am inclined to question much in the pamphlet—even its whole historical outlook!

To begin with, the title of the pamphlet seems to me to be badly chosen. Why speak of the "bankruptcy" of the American labor movement? It is not the labor movement which has gone bankrupt in America, but its traditional forms. Indeed, even this last term appears to me to be hardly correct. The whole tendency of Foster's pamphlet is in accord with the resolutions passed by the CI and RILU, to the effect that we revolutionists must join the unions affiliated to the mass organizations of the proletariat—among these being the American Federation of Labor—because we expect before all, from these organizations, that the pressure of the left wing of the labor movement will enable them to withstand the offensive of capital during the era of capitalist collapse, and to play a leading rôle in bringing about and maintaining a revolutionized state of society. It is not the trade unions themselves, but the old trade union leaders and methods, that are bankrupt.

The reader may perhaps be of the opinion that the terminological inexactitude which I here emphasize is of trifling importance. That it is a mere inexactitude in terms I already stated when I pointed out, that Foster's work, in tendency and spirit, is entirely at one with the RILU. I do not however agree that the inexactitude is unimportant. This is not the case, for this inexact mode of expression supplies an easy argument to those against whom Foster is striving:—the exponents of dual unionism. However simple minded the line of argument may appear, still there is something to be said for it: if the old trade unions are bankrupt and dead—why galvanize the corpse?

Further. I hold it to be historically incorrect when Foster seeks to explain the "bankruptcy" of the American labor

movement, as an effect of the canker of dual unionism gnawing at its roots. He denies the importance of the immigration of foreign labor as a factor which may be considered as a partial cause of the backwardness of the American labor movement, and he likewise denies the effect of economic prosperity; for him there is only one "real cause", the dread spectre of dual unionism. We maintain—without being able to substantiate the assertion within the scope of a short discussion—that Foster's thesis and his substantiation are both erroneous. To deal with only one point: For Foster, America appears to be the sole exception to the rule,—laid down by Marx—that the country with the greatest industrial development has the most developed labor movement. I believe that the alleged exception is, in reality, no exception at all. It is true that before the war the United States already took a leading place in industry as regards technical equipment, financial concentration, and social development. But still the country was not greatly industrialized. It is extremely difficult to draw any international comparisons in this respect. But if we glance at the statistics of occupations before the war, for Germany, Great Britain, Belgium, France, and the United States, we see that the social structure of the United States resembled much more that of France than of Great Britain, Germany, or Belgium. And in this matter it is not a question of the absolute number of great undertakings and plants, but of the part these play in the whole economic life, of the degree of industrialization of the country.

On the other hand, it appears to me that Foster does not perceive the obliquity of his politico-historical outlook. The IWW and other revolutionary organizations, though cherishing the principle of dual unionism, none the less played a revolutionary part in the pre-war epoch. To maintain the contrary is equal to making them responsible, like the conservative leaders of the A.F. of L., for the fact that the A.F. of L. has not achieved greater success in the fight against capital. Foster's greatest error lies in his complete disregard of the essential difference between pre-war and post-war epochs in the development of world capitalism—of American capitalism as well—and in his forgetting that tactics suitable in one epoch may be unsuitable in another. At the II Congress of the CI, this fundamentally determinant factor was pointed out by Radek in the course of a discussion with the American opponents of our trade union tactics. At that time, in the middle of 1920, he cited the evidence of the *Times* and Sydney Webb (both of whom unanimously declared that "Gompers' throne was tottering and his day over") in favor of the view that the A.F. of L. can be won over. This phenomenon—quite apart from dual unionism and cell tactics—was to be attributed to nothing else than to the effects of the revolutionizing events, of the collapse of imperialism in the world war. All honor to the activity of the Trade Union Educational League! But we must not forget that human beings and organizations alike, are merely the instruments of history.

To sum up, I repeat the opinion already given, that Foster's historical outlook is much too one-sided. But just as an incorrectly painted picture may give an excellent representation, or a profound impression, despite its disregard of the rules of perspective, in the same manner can we learn much about the latest developments of the American labor movement from Foster's booklet.

In this regard Foster finds an excellent supplement in the pamphlet written by comrade Loaf**). He teaches us to recognize the importance of mass fighting, and no longer of organizations and organizational forms, for the development of the trade union movement. There is no doubt that the great miners' strike of last year, exercised a great influence on this development, and will continue to exercise it in the future. Undoubtedly the "amalgamation" of the railwaymen's organizations, propagated and carried out by Foster's League, is to be attributed to the summer conflicts.—The 37 pages of introduction to the actual account of the coal miners' strike, is a valuable portrayal of the American trade union movement, a portrayal which is only roughly outlined in Foster's pamphlet, owing to its purely political aim. I only regret that the author has not dealt in greater detail—as the matter deserves—with the attitude adopted by the Amsterdamers with regard to the American strike; that he has not more thoroughly detailed the settlement of the strike, nor shown the importance and results of the movement as evidenced by the bourgeois press. This completion of the pamphlet would have been the more appropriate in view of the fact that the fight may possibly break out again this year, for the compromise of 1922 was a mere postponement of the conflict, on the part of capital.

*) Wm. Z. Foster, "The Bankruptcy of the American Labor Movement". The Trade Union Educational League. Chicago. 62 pp.

**) T. Loaf, "Der Kampf der Kohlenarbeiter in den Vereinigten Staaten von Nordamerika". (The coal miners' struggle in the United States. Published by Viva, Berlin SW. 61.)

The Unemployed Movement in England.

By J. T. Murphy.

The Hunger Marchers have returned to London. They have marched and marched. Now whither shall they turn? For months they have tramped from city to city and town to town declaring that they will "see Bonar Law". And Bonar Law will not meet them. This is a serious situation of which we must take stock. The problem of unemployment finds no solution in Europe. Indeed everything points to this problem becoming of primary importance in all the countries of Central and Western Europe.

This is the third year of acute unemployment in Britain. Throughout the whole period there have never been less than 1,500,000 unemployed. At one time they totalled nearly 2,500,000. At an early stage efforts were made to organize them. It was exceedingly difficult to make headway at first. The trade union unemployment benefits plus the state insurance cut away the grounds for agitation. This was especially the case with the skilled workers. It was only the poorest sections of the proletariat, often those who had never been in the trade unions and lacked organizational experience that were approachable. These of course were hit severely right from the early days of the slump. When the call was issued "Go to the Guardians", they were the first who made response. There was no other course for them to take. They were thus thrown together in large masses with nothing else to do than ponder on their misery and listen to the voice of the agitator. Out of these and the rebel elements who had been active in the "unofficial" shop stewards movement, there sprang up the organization of *Unemployed Workers Committees*.

Success attended their early efforts. The Board of Guardians gave way under the pressure of the mass agitation that developed all over the country. Better terms than had ever been granted to those in distress were now established. The methods adopted by the Guardians to divide the forces only served as a means to more efficient organization. The guardians made it a condition of relief that the applicant should put in so much work, and sent the unemployed to the outskirts of the towns to clear the ground for parks or bowling greens, etc. Each of the centres to which these groups of workers were dispatched served as a centre for organization during the summer months. Out of the summer agitation grew the strength and organization to demand halls for shelter in the winter. In this they were successful during the first year. But the whole movement remained segregated from the unions, and the unions and the official labor movement practically ignored its existence.

It was not until union benefits began to give out, and the State insurance benefits got into difficulties, so that large numbers of trade unionists, including the skilled workers, were compelled to resort to the Guardians for relief and were brought into more real contact with the unemployed workers' committees, that the strong prejudices of the craft unionists were broken down. Even then it was only these who were actually unemployed and suffering all the misery of their position, that listened in any other than a pious way to the pleas for united action. Every union was a bulwark of conservatism safeguarding the financial interests of its members, as an insurance society, and thought this was not the time for fighting and simply ignored the agitation of these masses. The union leaders pleaded the difficulties of the slump and the futility of strikes, but the revolutionary fervour of the unemployed prevented blacklegging during the lock-outs while the union leaders negotiated the retreats. The unemployed pressed for action by the employed. The trade union leaders permitted the unemployed leaders to appeal to the Trade Union Congresses and the Labour Party Conferences, passed resolutions, interviewed Ministers of the Government, but never took a single step to join the forces of the employed and the unemployed for united action of any character.

Meanwhile, the funds of the unions were being depleted and wages fell. Discontent with the leadership found its echo in the loss of membership. The unemployed became tired of their appeals to the unions, and discontent fastened on to the fact that the unemployed organization was the only organization which would do any fighting, and an agitation sprang up to make of the unemployed an all-inclusive organization. This was an exceedingly grave danger for the trade union movement, and, had it not been for the prompt action of the Communist Party, the unemployed would certainly have taken steps along these lines and become a rival organisation to the unions. The union leaders would have had themselves to blame.

The continued isolation of the unemployed and their vital question right from the beginning of the slump, has become the

central problem of the movement. For a period of four months the sharpness of this issue was modified. The danger just mentioned had caused alarm. Then came the general election and the Hunger March well timed for the effect on the election campaign. Right from the north of Scotland and all parts of the united Kingdom, the marchers roused the constituencies. Neither the Trades Union Congress nor the Labour Party could ignore them. The unemployed broke down the barrier between the union headquarters and the Unemployed Workers Committees. All joined in great demonstrations on Unemployed Sunday.

The Hunger Marchers had demanded to see the Prime Minister. He refused. As a result of the demonstrations, he met the General Council of the Trade Union Congress. The General Council did not put forward the demands of the unemployed, the victory of the unemployed had not gone so far. But in true parliamentary style, at which the leaders of the Second International are adepts, they "drew attention to the serious position etc.", and there the matter rested for the moment. The Labor leaders were at a dead end. The Unemployed set off to repeat the Hunger March with the cry "We will see Mr. Bonar Law", intending to make a big show at the opening of Parliament. The Trade Union leaders and the Labour Party simply sat tight waiting to make a Parliamentary protest, while the leader of the Amsterdam International, Mr. J. H. Thomas, condemned hunger marches and "such sensational exploiting of the distresses of the unemployed".

The Hunger-Marchers returned to London several hundred strong. After the police had turned a few demonstrators back from the route of the procession at the opening of Parliament, a large protest meeting of the unemployed was held in Hyde Park. They have not seen Mr. Bonar Law. And so, what next? All the months of agitation, of sacrifice and endurance, of marching and hungering seem to have gone for nothing. The men in the factories seem to think the unemployed problem is an unemployed workers question. The labor leaders consider parliamentary speeches to be the only fit and proper form of agitation.

When the lock-outs were in progress the unemployed acted again and again in the interests of the employed workers. In town after town they marched on the union committees and into the factories in thousands to present a united front of the locked-out and unemployed workers. It is the only line that can be pursued now if the unemployed organization is not to fall to pieces.

From the Wood-workers' International

(RILU). After the international conference of wood-workers, held in connection with the 2nd RILU congress, the secretariat of the International Propaganda Committee has endeavoured to make the results of the conference known as widely as possible among wood-workers. The whole material has been submitted to 29 revolutionary wood-workers' unions, and 9 centres of revolutionary minorities, so that it may be safely assumed that the work accomplished by the conference will not be without influence on the movement. At the same time the Propaganda Committee is endeavoring to spread our ideas among the wood-workers by issuing a bulletin. This is published in Berlin, in three languages. No. 3 has already appeared.

Among the events of interest to our industry in the different countries, special mention must be made of the strike of 20,000 wood-workers which broke out in North Sweden in December. It is a singular fact that no union affiliated with us received any notice concerning this strike from the Swedish wood-workers union. This union is in the hands of the reformists, and these do not seem desirous of having their quietness disturbed. The Propaganda Committee communicated with our Swedish friends for the purpose of learning the details of the strike, and if possible of rendering aid to our class comrades left in the lurch by the reformists.

From France we have to report that in Lower Alsace there exists an autonomous union of cabinet makers, not affiliated to the national federation, and possessing 2,000 members, while the national federation numbers, in all, 8,000 members. The Propaganda Committee has taken steps towards securing the affiliation of this union to the federation.

In Great Britain there are also differences between the English Cabinet Makers' Federation and the Amsterdam Wood-Workers' International, although a representative of the former body belongs to the executive committee of the International. The Propaganda Committee has placed itself in communication with the Cabinet Makers' Federation, and will endeavor to bring about closer relations.

In Finland work is proceeding for the fusion of the two wood workers' unions existing in this country—the Wood-Workers' Union with 3,541 members, and the Wood-Cutters' Union, with 5,426 members; both unions stand on our platform.

The Deutsche Holzarbeiterzeitung (German Wood-workers' Periodical), reports as to the situation in its international which is affiliated to the International Trade Union Federation. From this we learn that the representatives of the American Wood-Workers' Union, numbering 325,000 members, are visiting Europe for the purpose of entering into relations with their colleagues in the old world. The results of this attempt are not yet known. In France the reformists have found it necessary to form a rival union as the French cabinet makers and wood cutters do not want to have anything more to do with the Amsterdamers. In Holland the reformists are preparing to facilitate the capitalist attack by offering the feeblest possible resistance. In Italy the wood-workers received financial aid from the reformist international central, to assist them in their economic struggles. What attitude is the reformist central adopting towards the necessity of helping their Italian colleagues in the struggle against Fascism?—The reformists preserve silence on this point.

The Trade Union Movement in Bulgaria

By Dimitroff (Sofia).

The West European trade union movement frequently publishes inaccurate news respecting the trade union movement in Bulgaria. The following will provide a true picture of Bulgaria's trade union movement.

Before the war there were two trade union federations:

1. The General Trade Union Federation of Bulgaria, based on the principle of revolutionary class war, and connected with the Social Democratic Labor Party, now the Communist Party, and
2. The Trade Union Federation, standing for the principles of reformism, and associated with the Social Democratic Party ("broad socialists").

According to their published reports the membership of these trade union federations, at the end of 1914, was as follows: Revolutionary trade union federation: 3 central unions, 176 local sections with 6,563 members.

Reformist trade union federation: 6 central unions, 77 local sections with 3,168 members.

The income received by these federations, in 1914, from members' subscriptions was as follows: revolutionary trade union federation 15,535 leva; reformist trade union federation 3,920 leva.

Up to 1911 the reformist trade union federation was affiliated to the International Trade Union Central. The Budapest congress held during that year however, decided to regard neither federation as affiliated until the two were united.

In 1914 Legien, who at that time was international trade union secretary, visited Sofia, with the object of bringing about an alliance of the two trade union federations, but the attempt was a failure.

Out of the separate craft unions belonging to the reformist central, only five were affiliated to their corresponding international centrals. The craft unions belonging to the revolutionary central were all, without exception, affiliated to their international centrals.

During the post-war period the reformist social democratic party (broad socialists) compromised itself completely in the eyes of the Bulgarian workers, in consequence of which it entirely collapsed. Its left wing broke away and joined the Communist Party. In September 1920, the two trade union federations united on the basis of revolutionary class war, in which action they were joined by all the unions affiliated to them. For this purpose a special declaration, signed by the executive committees of both centrals, was published. Thus the longed for unity of the Bulgarian trade union movement was realized.

The development of our trade union alliance since the war, both before and after the union of the two federations, may be seen from the following statements:

Membership (End of 1918): 13 unions, 115 local sections, 5,713 members

Finances: Income from members' subscriptions in 1919: 532,275 leva, total income 1,941,439 leva; in 1921: members' subscriptions: 1,146,206 leva, total income 2,046,408 leva.

Wage conflicts: 1919: 135 lock-outs and strikes involving 76,310 workers, successes 57, partial successes 54, unsuccessful 22; 1920: 68 lock-outs and strikes with 8,634 participants, successes 30, partial successes 17, unsuccessful 21;

1921: 66 lock-outs and strikes with 3,115 participants, successful 23, partially successful 18, unsuccessful 25.

In 1922 more than 200 strikes had been carried out by October, participated in by no fewer than 20,000 workers. The overwhelming majority of these strikes were successful, a smaller number partially successful, and only a very small number unsuccessful. Thanks to these wage movements, wages were raised by 35 to 40 %, between April and October 1922, in the tobacco, timber, shoe, sugar, and other industries, while the price of necessities during the same period rose at most, by 25 %. (Compared with pre-war times 225 times).

The remnant of the "broad" socialist party still attempts to make a fraudulent use of the name of its lost trade union federation. At the present time this party is engaged in forming, in addition to its party central, a trade union committee with a secretary paid by the party.

This fictitious trade union committee however, has no workers whatever behind it, except a small number of the typograph-workers, employed in the state printing establishment. This can be seen from numerous facts. During the recent sessions of the congress of the broad socialist party, a certain "trade union congress" was convened, as well as "congresses" of the separate unions. Despite these "congresses"—of which nobody in our country even knows when and where they were held, there has not, up to now, been a single report published as to the membership and activity of these "unions". *Narod*, the organ of the broad socialist party, published whole pages of reports of these congresses, but no figures were given regarding the membership, or the income and expenditure of these "unions". Only the typographical workers belonging to this party published a detailed report, giving figures, according to which their union has 450 members.

The repeated challenges made by *Rabotnitshesky Vestnik*—the organ of the Red trade union federation—to the "broad" socialists, to publish the number of members in the broad socialist trade union federation, and to state where these members are hiding themselves, are either evaded or entirely ignored.

It is no wonder that this fictitious trade union federation, despite its affiliation to the Amsterdam Trade Union International, has so far paid no contributions to this body. (See report of the Amsterdam International.)

The "trade union secretary" paid by the broad social party serves it as an agent for supporting the bourgeoisie in its campaign of slander against the trade union movement. The strongest proof that this "trade union alliance" is a fictitious organization, lies in the fact that during this year, when a wave of strikes and wage movements was sweeping the country, not a single strike or wage movement, was recorded as being conducted by this "trade union federation".

Nevertheless, the "secretary" of this federation took part in the congress held at Rome by the Amsterdam International, and delivered his speech in the name of the Bulgarian proletariat. Last year the same "secretary" participated in the conference of the international Geneva labor bureau.

But the climax of the whole matter is, that the international organizations refuse admittance to our unions on the pretext that they do not belong to this bogus central, which is affiliated to the Amsterdam International. On this account our unions are deprived of their international relations to the unions of other countries!

Another circumstance rousing no less indignation is the fact that this so-called central, to justify its existence, has published purely imaginary figures in its last year's report. Here we read that there are 36,000 organized workers in Bulgaria, that the central affiliated to the Amsterdam International possesses 14,803 members, while our trade union federation, here designated as communist, possesses only 12,000 members, and that there are other craft unions with a membership of 9,197.

It may be plainly seen from the above that the statements of the Amsterdam International are false from A to Z. It is true however, that there are more than 30,000 organized workers and employees in Bulgaria; but these are members of the unions belonging to our trade union federation, which is affiliated to the Red International of Labor Unions.

IN SOVIET RUSSIA

How is the Russian Worker housed?

By Frida Rubiner.

If we seek for an answer to this question, we receive the most varying impressions. We find workers' dwellings perfectly exemplary, and others which leave much to be desired. Two examples will illustrate this:

1. The workers' dwelling houses belonging to the motor-car factory *Amo* in the Rogosho-Simonov district, is what is known as a "House Community", that is, a house with separate dwellings and a common kitchen. The great three-storied house (once the residence of merchants' wives) now accommodates 150 families or 456 persons. The house is strongly built, has broad clean staircases, a well lighted entrance and spacious corridor. Each dwelling consists of a large, well lit room, in which a bed-room is partitioned off. The furniture is simple, but in every respect sufficient. There is water laid on in almost every room. The common kitchen, is on the ground floor. There is also a common wash-house and bathing accommodation. The house possesses central heating and telephone. It contains a club with a reading room for the residents, as well as a school for their children.

2. Not far from this house there is another workers' home (in the great Alexeyevkaya 14), very different from this. Here dwell the workers occupied at the factory Russ Cable No. 2. It was once occupied by bourgeois families, and has been confiscated for the workers. The house is in itself well built, but is dirty and neglected. In one dwelling, for instance, consisting of three large rooms with large kitchen and corridor, three families are living, 9 persons in all. The three families keep house together. There is sufficient accommodation, but the rooms are in a frightfully slovenly condition, the kitchen black with soot and filthy, the whole furniture ruined by neglect. And the workers living here appear to be on a much lower level than those in the *Amo* house. I was able to ascertain the remarkable fact that the dwellings in which there were no sacred pictures were the cleaner; in houses where the bed clothes were the dirtiest there were the most pictures of saints hanging over the beds.

Among the scores of workers' dwellings which I have seen in Moscow there were good and bad ones, even very bad ones: dark damp hovels and draughty windy dens. In Moscow as everywhere else in Europe, there is a housing problem, and the lack of dwellings seems to be much more acute here than in Berlin or Paris, for, apart from the fact that all building has been at a standstill since 1914, many houses were destroyed during the civil war, or suffered through the revolution. During the blockade, it frequently happened that a house went to ruin because the simplest repairs could not be carried out. A few nails would perhaps have sufficed to repair the roof and to save the house, but just these few nails were not to be had. The house went to ruin, and the residents were left without a roof over their heads.

As is well known, after the seizure of power, the workers were given accommodation in the bourgeois houses. All empty villas were confiscated for workers' dwellings or for administrative offices. If one now visits a large factory, one can tell beforehand where the workers live; it is generally in the large and well-built houses near the factory. The textile factory Prochorovka alone confiscated 15 to 20 houses as dwellings for its workers. This itself did not suffice. The workers returning from the war had frequently to put up with very bad accommodation indeed. The fight with the bourgeoisie for the dwellings continued. Despite the strict measures taken by the Soviet government, the non-working elements contrived to gain possession of good dwellings. How did this come about? During the years in which almost every Russian citizen was in the Soviet service, each citizen had also to be allotted a dwelling, and the "Burshuys" managed to get hold of the best dwellings, even after they had quitted Soviet service. At the end of 1922, the municipal administration of Moscow carried through what was known as the 10 % standard, which placed 12,000 further rooms at the disposal of the working class. The fight for dwellings goes on from house to house. In every house there exists a "housing guild", and endeavors are being made to strengthen the workers' representation within these housing guilds. The *Pravda* recently commenced a housing campaign. Information is collected from house to house regarding the housing conditions, and published in the newspaper. It may be safely assumed that this press campaign will greatly contribute to the improvement of housing conditions.

How is the Moscow worker housed? As a rule it may be said that the cause of lack of dwellings, and of faulty housing, lies solely in the lack of means. The housing conditions will improve with the further development of Soviet Russia, and this improvement will benefit the workers. But even now the Moscow worker is incomparably better housed than before the revolution. Russian capitalism was young, and pursued the methods of colonial capitalism; the worker was treated like a slave. The conditions were especially bad when this exploitation was combined with the cutest "American" methods. For instance, the "Workers' Home" belonging to the textile factory Giraud, in the Chamovniki district, deserves a certain immortality as an

example of capitalist barbarism in the housing question. Imagine a great factory hall on the topmost story of the factory. Here there are 580 plank beds for 580 persons. Each bed is about 80 centimetres broad and 180 long; the beds are placed close together in long rows of 20 to 30 beds. Thus the sleepers lay squeezed together like herrings; a small board at the head separates one plank bed from the other, so that faces did not touch. The first improvement was brought about by the revolution of 1905, when every third plank bed was removed.

It was not until the October revolution, that an end was put to this vile system, which should be preserved in a museum of capitalist exploitation. This sleeping hall was closed. The workers belonging to the factory were partly accommodated in the villas of the factory owners and directors, and common dormitories were provided for the single and unattached women (the factory employs almost 75 % women), large clean rooms with beds, chairs, small tables and cupboards, and a common kitchen.

A Kindergarten and a home for small children was also provided for the factory, and here the mothers can leave the children who are under school age, while they work in the factory. The children are taken to the home at 7 o'clock in the morning, and remain until the afternoon, when they are fetched away by the mothers. In the home they are fed, washed, and amused. The children play here, are taken for walks, and the older ones are taught to read.

The workers of the Giraud factory, in whose memories the old conditions are still fresh, are fully conscious of what they have won by the revolution. It is only necessary for them to compare their former housing conditions with their present, to feel that the Soviet government is a workers' government. To be sure, conditions are not yet by any means ideal; the wages are not high, the workers suffer from the high prices. But they feel that progress is being made. The better the factory works, and the greater its production, the greater the improvement of the conditions under which the workers live. And this the Russian workers, down to the last non-partisan, know.

IN THE CAMP OF OUR ENEMIES

Frossard in the footsteps of Levi

By A. Lozovsky.

The decisions of the Fourth World Congress have evoked a storm of dissatisfaction from the intellectuals of the Communist Party of France. The old sickness of French socialism was strongly present in the Communist party. Abstract revolutionism, intellectual hair-splitting, estrangement from the masses, lack of proletarian discipline, freedom of action for single bodies of the party,—all these things gnawed at the roots of the French Communist Party. The Communist International has frequently taken up the French question, but the matter proceeded slowly. At last the Fourth Congress adopted a series of salutary resolutions and demanded that every "independent" or "autonomous" member of the French Communist Party declare whether he does or does not agree with these conclusions. At the conclusion of the Fourth Congress, it was plain that the great majority of the party had accommodated itself to the international discipline; but there remained about a hundred communists who kicked against the decisions of the world-congress and founded a "Committee for the Protection of Communism". Among these were; Ferdinand Faure, Garnier, Lafont, Morizet, Meric, Pioch, Torrès and quite a number of other journalists and lawyers of such "broad" dispositions that they could not accommodate themselves to the "narrow" limits of the Communist International.

Frossard hedged at first, then announced his desertion of the party and placed himself at the head of the committee for non-ratification of the decisions of the Fourth Congress.

All these "free spirits", who have been expelled from the party, have founded a unified communist party, the central organ of which is called *l'Égalité* (Equality) with the sub-title, "In the interests of Communist unity". In the first number of this organ we find a declaration of the program and two articles by Frossard, "Who are we?" and "Why I have left the Communist Party". Frossard explains that he is "in agreement with the principles of the Communist International, but not with its methods", and that even at Tours, he had only accepted the 21 conditions of the Comintern with reservations: "I dreamed", he writes, "of a great proletarian party which should combine the bold revolutionary realism of Lenin and the broad humanity of Jaures in one harmonious synthesis".

Against the humanism of Jaures we have nothing to say, but we have much to say against his reformism. In vain does Frossard attempt to conceal his wish to create a synthesis between the revolutionary realism of Lenin, that is between Communism and the reformism of Jaures under the name of Humanism. It is a *reformist communism* of which Frossard has been dreaming.

Against the Communist method, Frossard cites the watchword of Blanqui "Neither god nor master". Frossard is displeased because the Comintern revised the charter of Tours, he protests against the laborism of the Comintern, against its trade union policy, and centralization tendency. He writes, "I regard the International as a *sum of parties* while Moscow regards the International as a *single party* which is strongly centralized and directed by a small group of people with unlimited power. This conception repeats the faults of the First International which fell because of its oligarchical centralization."

So the "broad" Communist, Frossard, attempts to correct the errors of both the 1st and 3rd Internationals, and for this purpose the autonomy of the party and non-interference by the International in its inner affairs is of course necessary.

The central point of the entire program of the new party is the trade union movement. It is understood, of course, that in this new party the trade union has an absolutely independent position. Frossard "cannot imagine that the party in France could take upon itself the initiative for strikes and conduct them together with the union organizations." Frossard declares that the sentimental attachment of the C.G.T.U. to the Profintern will not last long, that the "organic connection between the Comintern and the Profintern would be supplied by a permanent committee of action. The day will soon come, when the demand for autonomy in the C.G.T.U. will burst forth in a tempest".

In the declaration "To all Communists and syndicalists" the independence and autonomy, of the trade union movement is emphasized. Finally one finds the entire philosophy of communist independence in a special editorial on the trade union movement. "The party frankly declares that it stands for the absolute autonomy of the trade union movement. And by the autonomy of the trade union movement the united communist Party understands that as a party, it will not interfere in a single official discussion of the proletarian economic organizations. The Party expresses itself as categorically opposed to the tactics of forming nuclei and declares its purpose to be that of service to the unions and not one of taking them in tow; that the question of discipline will never be brought up inside the party, to restrict the freedom of its members in the field of trade union activity, that it will be left to the conscience of each single member to act in the interests of the working class. Both the adherents of the R.I.L.U. and those of the Anarcho-Syndicalist International will be free to write for the central organ, since neither organization necessarily excludes the other."

This, then, is the theory of the new organization which "is in perfect agreement with the principles of the Comintern, but not with its methods."

Even from these few quotations, we can judge how far this group of intellectuals is in agreement with the principles of the Comintern. It is enough to glance through the pages of this journal to see that about as much remains of the Comintern principles, as remains, with Fabre, Verfeuil and others who were expelled long ago.

Here, Andre Morizet writes regarding the declaration of Bukharin at the Fourth Congress relative to the theoretical possibility of a Red intervention. There appears in the official declaration of the "Committee for the protection of Communism", a dogmatic presentation by Stapel, of the decisions concerning the mutual relations of party and trade union. The same writer scoffs at "Revolution by means of war, revolution by means of militarism, revolution by means of cannon, areoplanes, tanks and poison gasses." Victor Meric reveals in "Two years of Communism" that he stands for the Russian Revolution and International Communism; but with perfect freedom heart and mind, not under the club, not with the howling of chained dogs or under the deluge of ever-lasting theses

The exit of Frossard and his friends from the Communist Party occurred at the time of the Ruhr occupation, and the savage persecution of French communists and revolutionary syndicalists. These one-time communists have been much offended when they have been told that their conduct smacks more of political cowardice than of theoretical keenness. But the truth remains. At the moment of arrests the general secretary left the party and created his own little party in which he assembled all those who like to applaud Communism without doing anything for it. History repeats itself. Frossard, six months later, repeats the action of Paul Levi. Levi too, was quite in agreement with the principles of the Communist Party but not with its methods; he too, built up a compromise party. Levi, who, like Frossard, was

so much in accord with the principles of the Comintern, is now in the arms of Renaudel and Brackes? The first number of *Egalite* shows, that Frossard has taken a big step in that direction. Frossard, who wished to discover a new method for the Communist International can think of nothing else but to follow in the foot-steps of Paul Levi. But why let that trouble us? Communism did not die when Paul Levis left the party, nor is it likely to fall at the desertion of Frossard. On the contrary!

THE COLONIES

Indian National Congress

By M. N. Roy.

In the last week of December, the thirty-seventh Annual Session of the All-India National Congress was celebrated at Gaya, an old pilgrimage town in the heart of the Province of Behar. It is one of the most backward provinces of the country, being the seat of powerful landlordism. Except coal-mining and several small iron works and Railway workshops, the entire province is predominantly agricultural. The great Tata Iron and Steel Works are geographically situated within the boundaries of this Province, but hardly affect its social-economic life, being at the farthest southern end. In short, the Province of Behar is industrially backward, and therefore, lacks on the one hand a progressive bourgeoisie, and on the other a newly created proletarian mass in the throes of a spontaneous social upheaval. The peasantry is extremely exploited, and supplies the labor forces to the far off Tea Plantations of Assam, as well as the Jute and other industries around Calcutta.

Such was the social atmosphere in which the National Congress met this year, a year which has been the period of the acutest crisis in its whole history. The social elements, that control the Congress and that had to fight in the last session to maintain its domination, could not choose a better place. The reactionary and politically bankrupt petty bourgeoisie, the standard-bearer of "pure-Gandhism"—was very anxious to go away from the dangerous influence of the two revolutionary factors behind the National movement, namely the progressive bourgeoisie and the militant proletariat. They took the Congress to Gaya and placed it under the hospitality of, and tied it to the purse strings of the landlords wearing Gandhai-cap, which symbol alone is enough to cover their sinister economic character before the sick vision of the degenerated and semi-intellectual lower middle class controlling the destinies of the National Congress. The Reception Committee (a body entrusted with the organization of the Congress) was composed of these landlords and their relations at the Bar. The Chairman of the Reception Committee was one of the richest landholders in the Province. Under such auspices did the Thirty-seventh Congress meet. The result has been precisely what can be expected from those seeking such eminently reactionary patronage. "Pure Gandhism" has held its own against the onslaught of the Radical intellectuals from the Right and of the Utopians from the Left. The petty bourgeois religionists are so much encouraged by their victory at Gaya that the next annual session of the Congress will take place at Andhra, the stronghold of Brahmanic reaction.

Objectively however, Gaya marks the beginning of a new period in the Indian National Struggle. The apparent victory of petty bourgeois reaction is in reality its last gasp of life. Though the great political questions confronting the Congress still remain unsolved, the confusion reigning in its ranks ever since the fateful days when the mighty mass demonstrations during the visit of the Prince of Wales, as well as the revolutionary agrarian uprisings, were disowned and denounced under the personal leadership of Gandhi, is nearing its end. Social readjustment outside is reflecting itself upon the Congress, in which class demarcation can no longer be kept confused by sentimental effusions. The events of the last twelve months proved that the Congress could not continue as a heterogeneous body united not by political expediency, but on the treacherous ground of sentimentality. What happened during the last twelve months has crystallized at Gaya in the form of a split which is the forerunner of the growth of cohesive political parties, reflecting the interests of the several social classes objectively antagonistic to British rule, and forming a fighting coalition inside the National Congress, which can only be the Organ of national struggle. So, the process of political regrouping begun at Gaya sounds the death-knell of the non-political Gandhites, in whose hands the Congress lately came to be more of a prayer-hall and conclave of theologians than the leader of the national struggle. It can be predicted in the words of C. R. Das, the defeated president at Gaya, that "the minority of today will be the majority of

tomorrow." That is, those who have at last raised the standard of revolt against the quietism of "pure-Gandhism" may appear to be beaten today, but the future belongs to them. They will initiate a new period of action in the national movement, and thus will capture before long the leadership of the Congress. This very welcome eventuality was indicated by the split at Gaya, which therefore marks a step forward in the Indian national struggle, the temporary victory of the petty bourgeois centrists notwithstanding.

Three social elements went into the composition of the Non-cooperation movement from the very beginning, namely, the middle class intellectuals with a radical tendency, the petty bourgeoisie in a desperate economic condition, and the masses of workers and peasants in the initial stages of awakening. Taken as a whole, the Non-cooperation movement was a petty bourgeois movement. Fundamentally, it was not so much a struggle against Imperialism as a revolt against the big bourgeoisie. The gradual clarification process is proving it to be so. Towards the close of the Great War the situation in India came to such a state, the national struggle objectively became of such potentiality through the awakening of the proletariat and the wide-spread discontent among the peasantry, that Imperialism found it imperative to accommodate itself to the aspirations of the native bourgeoisie. The Montague Reforms were conceded and the big bourgeoisie which had so far been the leader of the national struggle, was placated and won over. The Non-cooperation movement was initiated with the avowed object of wrecking the Reforms which had given the native bourgeoisie a place in the sun. Divested of its metaphysical phraseology and sentimental effusions, the Non-cooperation movement politically meant: "the Reforms have left the middle and lower strata of the bourgeoisie in the lurch; we won't have anything to do with them, until they are so extended as to make provisions for us." The *Swaraj* of the Non-cooperators, to which many a revolutionary interpretation has been attributed, never stood for anything more than such measures of self-government, which would transcend the limits of the big bourgeoisie. During two eventful years this petty program was kept shrouded in bombastic phrases, and the movement was carried on, not on account of the attractiveness of the program, but by a spontaneous revolutionary upheaval with which the petty bourgeoisie had not only nothing to do, but of which it has always been in deadly terror. In the course of a movement, which was essentially an opposition to the big bourgeoisie coming to power, the class concessionaryness of the petty bourgeoisie went on developing till it discovered the danger of playing with fire. Consequently it severed all connection with the revolutionary workers and peasants, which separation however, proved its own political impotency. Non-cooperation became a moral creed, a religious dogma, a metaphysical abstraction and anything else that goes to strengthen the hand of social reaction, thus hindering the development of the political consciousness of a nation.

This degeneration of the Non-cooperation movement naturally failed to win the approbation of the radical intellectuals within its ranks. The latter revolted and demanded that "the object of the Congress should be material". They called for "political activities" as against the ethical vegetation of the petty bourgeoisie. So the Congress became the stage of battle between the two strata of the middle class, which originally had started the Noncooperation together. This battle was fought at Gaya. The 37th annual session of the National Congress was engaged in deciding whether the radical upper middle class or the reactionary petty bourgeoisie, would lead the national movement in the next period. This otherwise harmless battle was, however, fought on an extremely revolutionary background where were arrayed the mighty forces of the workers and peasants, awakened, but still unconscious of their historic role, without leadership, advancing with faltering steps. The presence of these revolutionary forces standing in the background was felt in the Congress through the medium of a Left Wing which, however, had a very hazy outlook and was actuated more by sentiment than by understanding. The voice of the workers and peasants was raised through the program published by the Communist Party on the eve of the Congress, a program which burst on the situation like a bombshell, created great consternation in the congress and helped very much the process of class-clarification. We sought to strengthen the hand of the Left Wing, but only succeeded in frightening it. It is, however, a gain. It has proved how unreliable is the sloppy sentimentality of those who talk glibly about "the masses" without breaking away from their lower middle class moorings.

C. R. Das, a renowned lawyer who gave up his extensive practice at the Bar, who was clapped into jail on the eve of the Ahmedabad (1921) Congress, to whose presidency he had been unanimously elected, and the president-elect of the Gaya

Congress, unexpectedly put himself at the head of the incipient Left Wing. Four months before the Congress met at Gaya he came out of jail, and to its great surprise the country came to know that the man raised to the pedestal of Gandhi was advocating the abandonment of the path marked out by Gandhi. The evolution of Das in his post-jail days was rather interesting. It appeared that in order to feel the pulse of the country, he kept on talking vague generalities in the first months. Suddenly he came out with a statement couched in such phrases as: "we do not want bourgeois democracy", "brown bureaucracy will not be any better than the white bureaucracy", "the middle classes have failed to carry on the Non-cooperation", "the masses want Swaraj more than the middle classes" and similar other sentiments which outraged the sense of propriety of the Congress and brought upon Das' devoted head the epithet of "Bolshevik" from the ruling class. Many of the sentimentally revolutionary elements within the Congress, who had been smarting under the ethical dictums imposed upon them by Gandhism, enthusiastically welcomed the leadership of Das. Thus, in addition to the radical intellectuals, who had been for a long time demanding a change in the congress program, there came into existence another factor advocating a change in the congress activities.

This latter had the appearance of a Left Wing Party and in fact its rank and file did contain left wing, that is, revolutionary elements. But the leadership of this incipient Left Wing Party proved lacking in revolutionary vision. At Gaya, they identified themselves with the radicals of the Right Wing, the change advocated by whom would mean practical repudiation of the method of Non-cooperation and would lead the National movement back to the impotent tactics compatible with constitutional agitation. Both the wings wanted a change and joined forces on this identity of issues. This tactical mistake proved suicidal for the growing Left Wing which, thus forfeited the adhesion of a considerable section of the lower middle class sentimentalists, who mean well, but do not possess the courage and vision to carve out a revolutionary path for themselves. The make-believe talk of the "pure-Gandhites" about Civil Disobedience proved more fascinating for these elements, who therefore remained attached to the Centre. The Left Wing forces failed to assert themselves on the situation and when the split came, they were found with the radicals of the Right.

The split, which ought to have taken place on the issue of petty bourgeois politics versus mass action, was diverted to an internal quarrel for power between the radical liberals and the lower middle class reactionaries. The latter have won, because the Left Wing was not yet developed enough to take the field alone. The new opposition party is a combination of two diametrically divergent forces which cannot be expected to operate in harmony. Therefore, a second split is inevitable. This split will happen as soon as a sufficiently strong nucleus of a Mass Party is formed. The materials for such a nucleus are there. They are already in the process of accumulation. The publication of our Program has on the one hand exposed the real intentions of the petty bourgeois politicians, and on the other, opened up an inspiring vision to all the revolutionary elements. Hopeful signs were to be seen even at Gaya, where reaction reigned supreme. In spite of the obstruction of the bureaucratic machinery of the Congress, the resolution calling for complete independence as the aim of the congress received more support this year than the last. More than 30 per cent of the delegates voted for it. A great majority of the delegates came back disgruntled, looking for a new lead which can alone be given by a truly revolutionary Left Wing Party, whose rise is imminent.

POLEMICS AND DISCUSSIONS

International Strike? You don't want much, do you!!

(Reply to the barbarians of Moscow.)

Free interpretation of Amsterdam by A. Lozovsky.

We were not surprised at your inquiry about an international strike, for the simple reason that we are already accustomed to every description of demagoguery from Moscow. You must know that the resolutions passed by the trade union congress at Rome, and by the international peace congress at The Hague, made the strike dependent on a large number of conditions. How very far wrong you are in seeing any connection between the occupation of the Ruhr basin and an international strike, may

be seen from the following statements, the correctness of which you will not question.

1. Neither in the resolutions passed by the trade union congress at Rome, nor in those passed by the international peace conference at the Hague, is there a single word to be found against the defence of one's fatherland; and this appeared as a matter of course to all participators in the congresses; the leader of the II. International, Vandervelde, declared this quite openly at the Hague.

2. The peace conference at the Hague did not pass any resolution regarding an international strike in the event of the Ruhr being occupied. A special resolution was formulated on this question, and was submitted to the French CGT., the French Socialist Party, the Belgian trade unions, and the Belgian Labor Party. As you will be well aware, this resolution raised a protest against violence, but it contained not a single word as to the above named unions and parties having recourse to strikes should violence occur.

3. The resolution submitted by the pacifist committee proposes, that all questions be decided by international arbitration. The same resolution desires the present statutes of the League of Nations to be altered, so that the League shall settle all international disputes. The Amsterdam International proposed that disputes be submitted to the League of Nations, but with regard to the statutes, the sub-committee appointed by the congress for their alteration could not finish this work in the short time at its disposal.

4. The resolution submitted by the political committee also expressed the desire that all disputes be laid before the League of Nations for arbitration, and raised the most energetic protest against the possibility of acts of violence. But this resolution does not mention Germany or the Ruhr area, and it would be a very strange thing if we were to extend this resolution to a given concrete instance.

5. The resolution passed by the International Congress at the Hague on the educational question provides for the commencement of serious work among the youth, in order that young people may be educated in the spirit of hate against war. You are fully aware that this is a task which cannot be accomplished in three weeks. The trade unions and parties participating in the Hague congress are just beginning this work, and we hope that when the coming generation grows up, its attitude towards war will, thanks to our work, be quite different, from that of the present generation, which took part in the last war, and still feels its consequences.

6. The resolution moved by the trade union committee — the only resolution mentioning the general strike — provides for an international strike in the event of war. We can state with satisfaction that the occupation of the Ruhr has not led to war, a circumstance which must undoubtedly be attributed to the spread of pacifist ideas, and to the influence of the recent Hague conference.

7. The resolution passed on the suggestion of the French and Belgian delegations contains — as you know — a solemn declaration on the justice of the reparations. It must be clear to all that when justice is not done voluntarily, force must come to the aid of justice.

8. Everyone knows the despicable part played by the German bourgeoisie in the reparations question. It openly sabo-

tages the reparations, although the German workers are anxious to fulfil the obligations. This desire for fulfilment has often been expressed in the declarations of the representatives of the German Social Democracy, and of the German trade unions, at all international trade union and socialist congresses. We, as sincere representatives of the working class, cannot tolerate this despicable course of action on the part of the German bourgeoisie, which is solely to blame for the fact that Europe has not been able to return to a normal condition in the five years which have elapsed since the end of the war.

9. A strike at the moment when the troops are marching into the Ruhr district, might lead to the sabotaging of the war operation, although not a word about sabotage was mentioned in the resolutions passed. It should also not be forgotten that we have brothers in the army, and that the sabotage of the war operations might have an exceedingly disastrous effect upon them.

10. Of course, we condemn the acts of violence on the part of the French government. This we have already declared in quite a large number of resolutions. But from an international point of view the occupation of the Ruhr area may even be highly useful, in that it puts a final end to the imperialist and military longings of the German bourgeoisie, which is still possessed by the spirit of the ruling class of that country. The occupation of the Ruhr area will undoubtedly also lead to an increase in wages, as the French rate of exchange is much higher than the German.

11. The international strike could not take place, because we were not sure whether the German workers would strike from international or purely national motives. The past of the German proletariat makes us distrust its international feeling. Under such conditions an international strike would mean a deception of the French workers, and would only be of service to the German imperialists.

12. Another reason why the international strike could not be carried out is, that we have not yet received a single proposal from the pacifists to declare a strike, although we agreed with them at The Hague that we neither should nor could undertake any action without them. But on the other hand, should the pacifists strike just at the moment when there is danger of war, that is, should they cease propaganda against war, this would only increase the war danger.

13. The united front and joint action which you proposed has not been accepted by us, because the united front was rejected at the Hague conference, and the conference tacitly accepted the standpoint taken by Troelstra: not to join a united front with the communists until these have undergone quarantine. We know that you have not yet completed quarantine: Soviet Russia is not yet recognized by all states, and thus the question of the united front does not arise.

14. In conclusion we must energetically protest against the insolent demagogy with which the Comintern and Profintern agitate against us among the workers. We have always fulfilled our international duty, and we do not permit the agents of the Russian government to throw the vanguard of the international proletariat into confusion.

On behalf of the Second and Amsterdam Internationals:
Vandervelde, Martens, Jouhaux, Brouha, Buisson, Buisson,
mas, and Fimmen.