

At the constitutive assembly of the Fasci on March 23, 1919, he declared: "Actual political representation cannot suffice us; we want direct representation of all interests. One could offer as an objection to this program that we are returning to corporations. What does that matter?"

And, in fact, the fascist program of 1919 demanded the "creation of national technical councils of labor, industry, transportation, etc., elected by the collectivity of professions or trades, with legislative powers, and the right to elect a general commissioner with power of minister."

But here the reactionary inspiration re-appears; the fascists understood "politics first" in an entirely different way from the reformists. The political State to which they would subordinate the corporate organizations was already, in Mussolini's mind, the authoritative State, and the "parliament of competents" was in reality a war machine directed against the "parliament of incompetents", against democratic parliaments.

Moreover, the fascists counted upon building the future "corporate State" not upon the basis of free workingmen's syndicates, but upon the basis of "fascist syndicates", created beginning with 1921 which constituted above all a war machine directed against free syndicalism.

In Germany.

In "National Socialism" the reactionary inspiration is equally visible. It must not be forgotten that in Germany, the medieval corporate regime survived up to the middle of the 19th century for independent trades, and that in the years that followed there was an attempt to revive them. Thus a law of 1897 accords to artisans and small business men the right to group themselves into corporations and this right could even be transformed into an obligation if the majority of the members of the trade demanded it.

From Fichte (17) until our days, numerous reactionary writers have extolled the reestablishment of medieval corporations, notably after the war. "It was logical", wrote Mueller van den Bruck, "that the attack against the parliamentary system which, among the revolutionaries was carried on under the slogan of 'councils', should be led among the conservatives under the banner of corporations. They are concerned with giving the corporations their due by understanding them, not his-

(17) L'Etat commercial ferme, 1800.

torically and romantically, but by inspiring them with modern ideas, by mixing corporative and syndicalist ideas." (18)

Gregor Strasser declared that "German socialism takes its point of departure from the spirit and continuation of the professional system of the guilds and the corporations of the middle ages." (19)

But at the same time, the Nazis borrowed the corporatism of "collaboration of the classes" from the German reformists. The laws called those of "socialization" of 1919, in the elaboration of which the reformists took part, admitted, for certain industries, a mixed administration by patron representatives and worker representatives. The Constitution of Weimar speaks of "assuring the collaboration of all the elements of production, of interesting employers and employees in the administration." (article 156)

And, on the same point, Feder extolled the "incorporation of employers and workers of the different economic branches into professional corporations whose aim would be to lead them, one and the other, from an atmosphere poisoned by the class struggle and to orient them towards the common aim, which is national production, with a sentiment of confidence and of reciprocal responsibilities." (20) Within these corporations, "employers and employees should sit in the court together with the same rights." (21)

The Nazis also borrowed the idea of a consultative economic parliament from the reformists. In the image of the Economic Council of the Reich, created in 1919, they proclaimed, in 1920, the creation of elected regional economic councils with a Supreme Economic Chamber at the head which would be charged with conciliating the diverse interests. (22)

But the Nazis understood "politics first" in an entirely different way from the reformists. The "Political State" to which they would subordinate corporate organizations figured in their minds as the authoritative State, and their economic parliament was in reality a war machine directed against democratic parliaments. "The elections," wrote Goebbels, "will no longer be made upon the basis of political parties,

- (18) The Third Reich, 1923.
- (19) Discourse of July 20, 1925 in Kamp und Deutschland.
- (20) "Fondements de l'economie nationale-socialiste"
- (21) Daundered: "Les Buts du N.S.D.A.P."
- (22) Program of the National Socialist Party, Feb. 1920.

but on the basis of organized professions in the midst of the State." (23)

Moreover, the Nazis do not hide the fact that the "cornerstone" of their future "corporate State" will not be constituted of free workers' syndicates under their actual form, but of "disenfranchized"-syndicates deprived of their representatives and placed under the strict guardianship of the national-socialist State.

Capitalist Magnates Against Corporatism

There remains for us to examine a very important point. What do the capitalist magnates, the money-lenders of fascism, think of its "corporate" demagoguery? As long as the fascists had not yet seized power, the magnates saw more advantages than inconveniences in this demagoguery. Would it not attract numerous petty-bourgeois to the fascist ranks? Would it not turn aside from the class struggle and free trades-unionism a certain number of workers? Would it not make a breach in democratic parliamentarianism?

But, if they were permitted to say so, the money-lenders of fascism are at heart themselves irreducibly hostile to all corporations, to all "collaboration of classes", to all relations "upon an equal footing of equality" with their exploited workers. In their enterprises as in the industry, they wish to dictate their orders, and not meet their personnel as equals. They fear, above all, that the exploited will demand a right to control their own affairs, and will claim a certain part of the economic administration. They do not forget their great terror after the war when the workers in Italy occupied the factories, claiming the right to run their production themselves; when in Germany, for several days, the councils of workers and soldiers were the only legal power. Therefore, they have systematically sabotaged all the plans for corporatism and workers' control whose principles they momentarily accepted. In Italy, the "workers' control" promised to the metal workers after the occupation of the factories (1920) was never applied. In Germany, the patrons systematically opposed the application of the laws called "socialization" of 1919, and refused to take part in organizations like the Councils of Coal and Potassium, refused every effective collaboration with the representatives of the workers. In Italy, in Germany, in no country do capitalist magnates want "corporatism", or, if they accept the principle, it is only after it has been rendered unrecognizable, emptied of all content. Thus it is, for example, that

(23) Goebbels: "Der Nazi-Sozi".

the French industrialist, Mathon, deplored the fact that "there are those who have dreamed of restoring corporations", seeing in that "a collaboration often pushed to the point of the workers' participating in the management and enjoying the benefits of enterprise." On the contrary, this realm should remain the hunting preserve of the boss. He says that "in principle, only the employers ought to direct an economic corporation. To them belong the enterprises which it constitutes; they should have, from this fact, the supreme direction of it, and the responsibility. They are more qualified for this direction. They alone can judge with clarity and a sufficiently large viewpoint, with necessary competence and experience. The necessity of a single leader is formal." (24) In consequence the economic corporation ought to be composed exclusively of employers. But, this domain being reserved, Mathon does not see the inconveniences of this when employers and workers find themselves in the "social" corporation and there debate together the questions relative to salaries and to conditions of work.

All French employers who have written on the "corporation", whether it be Maurice Olivier (25) or Lucien Laine (26) have given the same opinion: no participation of workers in the economic direction. "That would be to fall into disorder." Hitler himself, in a moment of sincerity, expressed an analogous opinion. Otto Strasser asked him in 1930: "Then will 'the collier be master in his own home'?" Hitler replied angrily: "The present system is basically just; there can be no other. Co-ownership and co-decisions of workers is Marxism." (27)

The national German party, which calls itself national socialism when it speaks to the masses, expressed the intimate thought of a big capitalist when it inscribed in large characters upon its program of 1932, "We drive back the corporate State". (28)

And, in fact, we shall see that the next step in Fascism, once it is master of power, will be to drive back the corporate State which it promised in order to institute finally a ridiculous caricature.

(24) La Corporation, base de l'organisation économique, 2nd ed. 1934.

(25) Pourquoi, comment sauver l'économie nationale, 1935.

(26) Cf. Information Sociale, June 20, 1935.

(27) Cf. Conrad Heiden: History of National Socialism, (German edition)

(28) The framework of this study being limited, we must imagine corporatism, especially here, under the interesting light of the working class; that is to say,

Footnote #28 continued:

mixed corporatism, or "the collaboration of classes". But all the capitalist magnates are also hostile to autonomous "corporations" for the independent petty bourgeois (artisans, small business men). They feel no need that small producers should be protected by such "corporations" against their competition. They are even opposed to a "corporate State" in the midst of which all interests would really have a voice in the court. They do not wish to harmonize their interests with other interests, but they want to make their interests prevail in wiping out or ransoming all others.

- Daniel Guerin -
From "Revolution Proletarienne".

(D. Guerin: Author of "Fascisme et Grand Capital", just published by Librairie Du Travail, 17 Rue De Sambre-et-Meuse, Paris X. - price 18 Francs.)

NEW STRIKES -- NEW METHODS

The international character of the class struggle comes more clearly to light in direct actions of the workers themselves than in the paper-actions of the petrified Internationals. The real character of the proletarian class struggle is shown better in the most immediate necessities of the workers than in all the complicated theories of the leaders of Labor. This fact was very well illustrated in the last few years by the adaption of the "sit-down" strikes in various countries.

In Poland, Hungary, Spain, Belgium, France, England, and now also in the United States, workers have occupied working places in order to win their demands. Instinctively, as well as by intelligent consideration of the changed situation, workers have realized that it has become almost impossible to fight the bosses successfully by sticking to the traditional means of striking and bargaining. The new method of the "stay-in" strike resulted and results out of two different situations. It may be an expression of weakness as well as of strength on the part of the workers.

In fascist countries, or in countries with extremely

weak labor organizations, in order to fight against unbearable conditions, the workers have to use strike tactics which exclude immediate defeat. The absence of organizations for arbitration forces the workers into spontaneous actions at their working place. Staying-in in the mines, as it happened in Poland and Hungary for instance, was, under the prevailing conditions, the only possible way of forcing the bosses to consider the demands of the strikers. The difficulties involved in evicting the workers from the mines was the reason why this form of strike was first adopted by the miners. Those "hunger-strikes" aroused the laboring population outside of the mines, whose pressure on the authorities brought about concessions on the part of the bosses, even if only temporary, in order to relieve the situation.

Workers in Belgium also occupied mines and factories and thereby gained some results. In many cases they were driven out by soldiers or swindled out of their positions by the professional labor fakars. (Compare C.C., Vol. II, #5) The strikes in Belgium, greater than the attempts in Poland and Hungary, assumed at once political character. Arising out of necessity, it brought the real character of the struggle between labor and capital to the fore: the question of power became visible to the ideologically most backward worker. The alignment between state, labor leader, and capital, did not need to be proven theoretically. Simply by trying to strike for higher wages and better working conditions, a real revolutionary condition was brought about in which the workers, so to speak, learned over night that their real interest lay in the possession of economic and political power which, however, presupposes the destruction of the power of the bourgeoisie.

Even what little real action there was on the part of the workers in Fascist-Germany, it had to take place on the factory grounds. The absence of legal labor organizations brings about the development of the self-initiative of the workers, of actions and organizations based on the working place. Out of this arises new strike methods and also the necessary development of Committees of Action which are the forerunners of Workers Councils.

The big strike-wave which forced the Blum-Government in France to grant temporarily large concessions to the workers was successful only due to the adoption of the sit-down method. The occupation of the factories created an entirely new situation with which the bosses could not cope at once. Under the then existing conditions an attempt to drive the workers from

the factories probably would have meant civil war. The relative great strength of the French workers at that particular time allowed for the successful carrying thru of the sit-down strike on a large scale, without creating a real revolutionary situation at once. How close this form of striking comes to open revolutionary activity was made clear by the decision of the government never again to allow such a situation to arise. (Compare C.C., Vol. II, #8.) Yet as long as powerful reformist labor organizations have decisive influence over the workers, even such mass occupation might pass quite harmlessly for the bourgeoisie, even if - in the long run - considering the development of revolutionary class consciousness, they might prove to be of considerable danger to the ruling class. But as soon as the workers have escaped the control of the professional labor leaders, this form of strike will seriously threaten the existing form of society. Recognizing this fact, all reformist elements abstain from advocating it. If, during the French strike, the labor organizations did not object directly to the new strike methods, it was because they felt sure that they would maintain control and leadership during the struggle. Sometimes it is more expedient to destroy revolutionary possibilities by participating in revolutionary action with the view of ending the fight as soon as possible. Whenever this should be impossible, the labor leaders of the reformist organizations - interested in prolonging the capitalist system - will, together with the bourgeoisie, do everything in their power to break the strikes. Even where, due to conditions, sit-down strikes will have no direct revolutionary consequences, the labor bureaucracy will only, in exceptional cases, lend their support to such movements because they recognize quite well that this form of struggle eventually will make them superfluous.

These strikes initiate self-action in the striking workers. They bring to the fore, the fact that the arbitrators are unnecessary, that the struggle between workers and capitalists does not need a third party. The labor fakers will not, under conditions which are not generally revolutionary, directly and openly oppose the sit-down strikes because these strikes might serve also the purpose of the labor bureaucracy. Such strikes might convince the bosses that they are much better off by recognizing the professional labor leaders than to leave the class struggle to the self-initiative of the workers.

Monopolization of capital and the large unemployed army have weakened the strike-potentialities of the working class. As exceptions to the rule here and there strikes of the old order might be still success-

ful, but on a larger scale involving broad masses of workers; the obsolescence of the old forms of organization and tactics was recognized by the workers; this brought about the development of the new method. It is not accidental that with the attempts to form Industrial Unions, to organize the unskilled workers, the example of the French workers had been carried over at once to the American scene.

Following the strikes in the Akron rubber industry and the sit-down strikes of the W.P.A. workers, it is now the automobile workers strike that brings the new method into focus. The workers in the automobile industry know from experience how difficult it is to fight an enemy like General Motors, Ford, etc. The power of the industry is tremendous. With their company unions they still can split the ranks of the strikers; with their money they hire thugs galore; with their influence they can direct the militia against the workers. A prolonged strike, under the present conditions, makes the position of the workers more and more precarious. Their illusion that the Roosevelt regime is in favor of unionization and would support labor struggles for this purpose, gives the strike a greater impetus. The legend built around John L. Lewis and his determination, as well as his close connections with government agencies, created an optimism which led to the adoption of the new strike method. But at the bottom of it all stands the tremendous increase in the cost of living that nullified all previous wage increases, as well as the unbearable speed-up in the automobile industry which brought about a rising industrial activity and with this - due to a larger demand for labor - a favorable strike situation. (#)

Unfortunately, not everywhere but only in some places, like in Flint, did the workers put the new strike form to a real test. The bureaucracy of the Automobile Workers Union uses this sit-down strike as a weapon against General Motors and also as a warning to capital in general; that the latter better recognize the new Union as a lesser evil in contradistinction to the possibility of the self-action of the workers. The sit-down strike is not the strike of the union; it is only used by the Union as one weapon out of many within the bargaining policies. It is in the interest of the Union that this weapon is only demonstrated, not used, to the fullest possibilities. The expansion of the sit-down strike would change the character of the present struggle far beyond the wishes of the union. It would force the bourgeoisie to a real showdown and would destroy once and forever the illusion that the government stands (#) The next issue of the Council Correspondence will deal with the automobile strike at length.

behind labor. To preserve legality and an "orderly" union movement, the labor leaders, in their own interest, have to look out that the sit-down strike does not spread too far. At the first chance, for an empty promise, the Union decided to lead the auto-workers of Detroit to the music of their brass band out of the factories. The sit-down strike can be extended only against the wishes of the Union leadership; this form of strike will remain to be the exclusive property of the workers.

The sit-down strike is a powerful weapon. It eliminates scabbing within the plant as well as from without. It maintains a greater solidarity. If it leads to a real battle with the authorities, it forces the whole of the striking workers to participate, not a militant minority. It brings about a warlike situation in which the "general public" at once has to take clear sides. The factory, not the partial organization, as long as unionization is at its beginning, is now the real organization. The factory becomes a school for the development of class consciousness, as well as a training camp for self-leadership. More than this, regardless of whether the workers realize this or not, it is their first preparation for their future position as masters of their own destiny; as the rulers over the means of production. But for immediate purposes, by stopping production entirely, it cuts down the profits to an extent which might force the companies to consider the requests of the strikers.

But all this holds good only for certain periods, and in particular situations. If the mass of the workers is backward and due to the fact that the ruling class has all means to "form public opinion" at its disposal, such strikes might also arouse sentiment against the strikers and force defeat upon the workers in spite of the new weapon. A long drawn out strike, in cases where the ruling class can stand such a situation, might weaken the position of the workers inside the factories just as well as outside the gates. The desire to end this divorced situation, or the impossibility of bringing food into the plants, might tire the workers out before their demands are gained. Or the bourgeoisie might at once use military means to drive the "trespassers" from their property and end the strike more quickly.

Whatever the results - in particular cases - one thing is clear: this sit-down strike, by challenging directly the property rights of capital, is the first real step in revolutionary development since the establishment of workers councils at the end of the last war. At a time when ideologically the whole organized international

social movement is really going to the dogs, the actual class struggle, the motive force of social development brings out of itself new fighting forms and organizations, which, in turn, undoubtedly will also change the ideologies towards a more revolutionary position. Not even the present control of the sit-down strike by reactionary organizations and leaders can becloud this fact. It is true that the American workers can as yet only conceive a struggle for the betterment of their position by way of the Union. For this reason the present sit-down strikes will not have immediate revolutionary results. The present strike, because it remains an isolated affair, might be defeated; but a new wave of strikes, which unquestionably will arise again, will have to base itself on the last experiences and undoubtedly will be more forceful and revolutionary.

All present demands of the workers are incorporated in the general demand: recognition of the Union as the sole bargaining force. That demand is merely the result of previous experience which the workers had in their dealing with the bosses; however, it involves a contradiction brought about by the new strike method itself which will not forever remain in the dark. The workers exert here their real power in order to bring about a situation in which this power is again reduced to the bargaining abilities of a few new labor leaders. A whole revolution takes place as far as the forms of strikes are concerned; but the goal of these new strikes remains the same: to deliver once more all real class power into the hands of new labor lieutenants. But this shall not irritate us; behind all this activity stands the real desire of the workers to overcome their miserable situation. The sit-down strike must be extended and propagated irregardless of the fact that the labor fakers still cash in on them because this form of strike is, after all, of greater significance than all the labor fakers wish to see.

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TWO NEW MARXIAN QUARTERLIES

Recently there appeared two new Marxist magazines: Science and Society and Marxist Quarterly. The first one directs itself to the academic world; the latter caters to the intelligentsia in general. Both do not seem to care to be of direct value to the workers, but hope to recruit their readers from the middle class. Contents and style are selected accordingly. Science and Society enjoys the support of the Communist Party; the Marxist Quarterly is a kind of "United Front" proposition made up by the Lovestonites, Socialists, Trotskyites and irritated Friends of the Soviet Union.

There is undoubtedly a real need for a theoretical Marxist publication in the United States. Judging from the first issues of the new quarterlies, it can hardly be said that they fulfill this need. Both show an outspoken tendency to avoid questions of the actual class struggle of today and to remain in the spheres of abstract thinking in spite of their claims to establish the unity of theory and practice. There is a civil war raging in Spain but these "Marxist" publications do not seem to find it important enough to give it some space. The war is too near and it is dangerous to risk an analysis of it without developing some contradictions. Since Science and Society is a veiled C.P. publication, the opportunistic policy of this organization, based on the needs of Russia, excludes scientific treatment of actual problems as any theory in this respect made one night might have to be denounced the following day. In a Quarterly the danger is correspondingly greater; to avoid difficulties, the magazine has to restrict itself to problems as remote as possible from present-day needs. Sterility is the presupposition for the existence of this publication.

Marxian theory wants to help to change the world, not merely interpret its history; it therefore must deal foremost with theoretical problems which have direct connections with the immediate needs of the working class. But so far these new publications seem to serve only the competitive needs of the "left" intelligentsia. Adhering to the "Marxism" of the Third International, it is impossible for the scientists to take into consideration the real and important questions of today without falsifying Marxism so crudely that the scientist is reduced at once to a cheap prostitute of the ruling clique in Russia. He can remain a scientist only if he adheres to the bourgeois principle of

divorcing science from the real needs of society. He restricts his activity to problems which have no immediate value in the struggle against present-day society.

Even though Ginzberg in the Marxist Quarterly laments that it is "one of the great tragedies of our time that the two major cultural forces of modern life, science and socialism, should see one another thru the distorting fog of mutual misunderstanding", this divorce is once more upheld by these pseudo-marxist's themselves. And as long as they only fight for partial interests, this cannot be different. The very language used by these people shows that they are really not interested in what they preach: how is it possible for science to identify itself with socialism? It would have to divorce itself first from capitalism which presupposes abolishment of capitalism. Present-day science cannot find its way towards socialism; it has to be brought to socialism thru the proletarian revolution. The appeal to the bourgeois scientist to become a revolutionary means practically that he should cease to be a scientist. In order to function as such, he cannot dissociate himself from capitalistic interests. Socialism will free the scientists, also, from capitalistic fetters; but it is the work of the proletariat.

However, for Ginzburg, the "scientists have a world to rebuild for themselves and for humanity"; the workers have only "a world to win". Brameld, in Science and Society, does not demand so much. For him it is sufficient that the American scholar enters the United Front of the Communist Party "for the defense of whatever democratic rights now exist." On the wrong assumption that the schools can actually function as institutions of learning, that they are not restricted institutions of learning for capitalistic purposes, he serves a "Marxism" adaptable for school use, but sufficient only for the capitalistic, political needs of the Communist Party. By both, science is opposed to Society: first, science and capitalism; then science and socialism. That each form of society, due to the division of labor, has its science separated does not mean that it is largely more independent from the direct needs of society than other groups and functions within society. Socialism will do away with the artificial distinction between science and society which has arisen with the division of labor within exploitive societies. It will bring clearly to light the interdependence of all social functions and thereby eliminate all requests and needs for privileges.

The Marxist Quarterly, although it does not serve a

particular party, has more freedom in the choice of subjects, but by adhering to the general needs of all parties this freedom is again limited. For commercial reasons, it also cannot say "too much"; someone's feelings might be hurt. In order to safeguard the existence of a Marxist Quarterly, it has to be as little Marxian as possible. The elements writing in this magazine, as well as those who contribute to the other, are unable and unwilling to do more than repeat repetitions as their political-party commitments exclude a new start toward a Marxian approach to social questions. Some articles are readable in both magazines, but the general impression does not allow much hope for improvements in the future as far as the magazines themselves are concerned. Most of the articles dealing with special questions are largely unintelligible for the layman and the more so for the worker.

Of interest to the reader accustomed to the academic language might be the articles by Margaret Schlauch dealing with the social basis of linguistics, and Struik's article on "Mathematics", both appearing in Science and Society. A critical evaluation of these pieces, however, although necessary cannot be given here. In the same publication (#2), Hogben's article "Our Social Heritage" and Enmales remarks on the interpretations of the American civil war contain many valuable thoughts in spite of the desire of the writers to subordinate themselves to the needs of the Communist Party. The extensive review of Keynes' book "The General Theory of Employment, Interest, and Money" by Darrell (#2) also warrants mentioning.

The Marxist Quarterly describes Marxism as "more than a method and system for present-day education; it is a theoretical expression of the class struggle to realize socialism; its philosophy implies a faith in man's creative intelligence to build a rational civilization of plenty, beauty and freedom". A part of this creative intelligence fights, in 172 pages, "the forces of disorder, bewilderment and reaction." That is, Carl T. Schmidt presents a sober article on "Farm Labor in Italy" which restricts itself to an empirical demonstration of the changes which took place in the conditions of agricultural labor since the establishment of the fascist regime. This article, as valuable as it is, could appear in any of the existing bourgeois-liberal publications. A Marxist Quarterly is not needed. In our opinion, the Quarterly should rather serve the needs of the Marxian theory which cannot be published by the bourgeoisie. Hook's philosophical article on "Marxism and Values" appears to us as waste of space. He discovers once more what has already been discovered so often - in this case, that "the morality of

marxist socialism is an historical morality which admits of ultimate values but not of final or eternal ones." Hook, here in this article, continually creates his own problems in order to have something to solve.

Naturally an article on the "American Revolution" had to be included, and L.M.Hacker tells at length anew what probably any reader of the Marxist Quarterly already knows: that with 1783 independent capitalist development started in America. Engel's article on "Materialism and Spooks" was apparently chosen to attract more buyers. The article itself is rather unimportant; it may have a proper place in Engel's collected works, but it does not enrich a Marxist Quarterly of today. Besides Schapiro's lengthy review of A. H. Barr's book "Cubism and Abstract Art", there is an article on "New Aspects of Cyclical Crises" by Bertram D. Wolfe which is of an almost indescribable emptiness. Here assumption follows assumption without even an attempt to prove them. It is true, the article is only contemplated as a general survey to be followed by more details, but even as such it is extremely poor. The "falling rate of profit" upon which Marx's theory of crisis is based, results for Wolfe temporarily in "a higher rate of profit." If the falling rate of profit is due to the changes in the organic composition of capital in favor of the constant part, and if it also is the driving force for technical progress, investments and trustification, as Wolfe states, then the result can only be a further fall in the rate of profit - not a higher rate. The rate of profit falls constantly with the progressive accumulation, but this latter process compensates the fall in the rate of profit with an increase in the mass of profit. Errors like this, and many more thruout the article, show clearly that Wolfe does not understand what he is talking about. The generalities of the article exclude a critical consideration; we have to wait for the detailed surveys. Just now, it is impossible to find out what Wolfe really wants to say. First, for Wolfe, Marx "attributed fundamental importance to the falling rate of profit; each crisis is a reflex of the tendency of the rate of profit to fall" (p.104); and then again on page 112 according to the same Wolfe, the crisis is "basically a rupture of equilibrium between the various factors of capitalist production", due to the market relation. He does not seem to know that Marx showed the necessity of the crisis already on the basis of total capital which is constantly in equilibrium, and proved that even under such conditions crises have to arise.

Corey's short article on "American Class Relations", concluding this first issue (which has, in addition two articles by Brabdon and Conze, also a series of

book reviews) is quite recommendable for it gives the Marxist some valuable information, always needed, and especially at present, on the struggle against the petty-bourgeois ideology that tries to talk the class struggle away by pointing out that the proletarian class is disappearing.

Our criticism should not stop students of Marxism to read these new quarterlies. All we want to express is the necessity of reading them with a critical mind. Sceptis is the beginning of knowledge.

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PLANNING THE CHAOS?

(Douglas, Paul H. "Controlling Depressions", W.W. Norton & Company.)

In Controlling Depressions, Douglas adds another to the long series of projects for a capitalist planned economy. He asserts, on the basis of a variety of the under-consumption theories so popular today, that the crises of the present economic system could be avoided, or at any rate mitigated, by means of "intelligent guidance" -- that is, thru government control on the part of various planning agencies set up by the State. It is quite possible, according to Douglas, to have a capitalism which satisfies all classes.

The causes of crisis are classified as "initiating" and "cumulative". By way of the former, business loses its state of equilibrium; while the second makes matters progressively worse, once the equilibrium has been disturbed. Douglas denies the existence of a definite general cause of crisis. That is to say that the crisis to him may have its starting point in any part of the economic structure; and if this occurs, the whole economy is dragged into the maelstrom. But this is equivalent to making the whole economy dependent on the ever perfect functioning of all its various parts, and, since this can never be the case, permits of only one eternal condition of crisis. And it is possible for this reason that Douglas says that the overcoming of crisis hitherto has been rather a matter of chance than the result of a definite law-like relation between depression and boom. With this "theory" he is necessarily incapable of harmonizing his explanation of crisis with the actual economic process; he can only recount one after the other the various manifestations of crisis, without grasping their inner connection or their relative importance in the total process.

The depression itself is, according to Douglas, a condition in which production can no longer yield a sufficient amount of profit, so that production be-

comes limited and the general dilemma follows. As regards the present depression in America, Douglas thinks he has found its specific initial cause in the fact that, thru monopolistic control of the economy, prices were artificially kept high in spite of falling costs of production; this resulted in super-profits and a drop in mass purchasing power which in turn brought on the crisis. Thus, as Douglas sees it, the depression arises, on the one hand, from a superfluity of profit and, on the other, manifests itself as a condition in which the profit is not great enough. He explains this contradiction by stating that prices did not fall sufficiently to maintain purchasing power at a high level; the commodities therefore remained unsold, and the subsequent depression compelled an enormous price drop and the resulting decline of profit. If the profits were once too high because prices failed to fall, they are now too low because prices fell too much. The fate of Capital thus depends on the most precise balancing of prices. A price policy by which profits are guaranteed and yet mass purchasing power is not restricted -- or a better distribution of consumption goods, which Douglas regards as regulatory of the movement of the whole economy -- should overcome the crisis or at least soften it.

As to the proper magnitude of profits with respect to the rate of accumulation by which prosperity is determined, what determines the continuation of progressive accumulation, and what determines the price movement: regarding these questions, which are only the beginning of the problem, this book has nothing to tell us. The author remains stuck fast in "common sense", which becomes senseless when applied to such a paradoxical thing as capitalist economy. In order to re-establish the relatively smooth-functioning market mechanism of laissez-faire capitalism, which is thrown out of joint by monopolization and over-accumulation, Douglas proposes intervention of the State. So that what he has in mind may best be summarized in the absurd concept of a planned laissez-faire capitalism. We are here confronted with a compromise speculation designed to carry the laissez-faire principle over into state capitalism. In other words, Douglas is preaching an economic state of affairs which is already at hand; for what can this compromise solution possibly be except the existing monopoly capitalism? His practical proposals are therefore, in principle, the same as those of the Roosevelt administration; he desires an honest and consistent NRA-policy. By means of monetary devices, control of prices, credit and profits, together with public works, he wants to prevent over-accumulation and raise mass purchasing power. He repeats all the familiar "planned-economy" proposals

which with unessential variations fit into the economic programs of all capitalist "planners", whether reformists or plain fascists.

The objections of the "anti-planners" to the effect that such a policy would be too much a strain upon the budget and would strengthen inflationist tendencies, Douglas answers by pointing out that inflation is controllable and that the anticipated prosperity would compensate for the present burden. International complications arising from such a program he regards as regrettable and unavoidable, but comforts himself with the hope in an awakening of reason which would soon bring with it international regulation of the economic life, once the national problem had been solved. He sees also that the carrying out of his proposals would invest the government with dictatorial power; still he doesn't want dictatorship, but lovely democracy, and he relies on the yielding disposition of the capitalists to secure their voluntary acceptance of the planned economy. He completely fails to see that his proposals and hopes are irreconcilable and mutually destructive. If, for example, like Douglas, one wants to rescue the "little fellows", he has to combat the monopolies. Douglas threatens these latter with state capitalism; that is, the complete monopoly and the final submergence of the little fellows. Sad as it may be, anyone who preaches state capitalism and planned economy within the prevailing mode of production, under the present conditions and especially in America, is merely promoting monopoly capitalism whether he likes the idea or not.

THE SOCIOLOGY OF INVENTION

(By S. C. Gilfillan - Chicago, 1936)

Gilfillan's book opposes the conception that inventions are solely the products of genial men who arrive at their ideas independently from society. He tries to prove that social changes govern both the inventions and the inventors. "The social causes of inventions all come from the world outside the inventor and act thru him.... Some other chief changes causing invention are growth of wealth, population, industrialism, etc." In other words, invention does not depend on genius but originates instead from the combination of a number of objective circumstances.

It is a process of perpetual accretion of little details, promoted by specialization of labor which enables a more intensive and fuller use of the capital required to devise and operate an invention. His extensive statistical material corroborates to a certain extent the materialistic conception of history which maintains that inventions are conditioned by social and economic forces.

In spite of the appreciable treatment of the subject in general, the book has a number of shortcomings. Gilfillan's viewpoint on the question of wages and inventions, for instance, is very deceptive. He computes the share that goes to capital and labor and says that "Inventions of the last generation have lowered the relative share of labor, but what should matter most to labor is the absolute share, because the production of standard goods (factory goods) is increased, cheaper, and therefore -- since they are mostly bought by the pay earning class -- what the worker loses from his pay envelope, he more than regains at the store."

The author does not seem to know that the invention of new labor saving machinery within the total process of capital accumulation reduces continuously and absolutely this pay earning class and that the unemployed worker cannot in any way regain at the store what he loses; in fact, never makes.

Gilfillan believes in invention as the mother of necessity and knows well that our present system has many shortcomings and disadvantages as to the appliance of inventions. He attacks the patent system, ignorant judges, industrial monopoly which willfully suppresses patents, waste of human and material resources, etc., and proposes instead to entrust special government committees composed of technologists, physical scientists, inventors and industrialists with the administration and 'wise' judgment as to how to employ best all inventions for the "protection of minorities and the public and consumer's interest." He would pool all existing patents and use them for the good of the whole nation, even cooperate in this respect with other nations on a world wide scale. In short, he knows nothing of the real character of present day society and its relation to technological advancement. His suggestions have to remain illusions.

The viewpoint of the author presupposes that "common sense" is the determining factor and that it is up to a few men with a good will to give history the direction they consider most desirable for our society. But as impossible as it is in his own opinion to explain

inventions out of the isolated individual, just as impossible it is to employ "common sense" in relation to social problems of today. Here also not the good intentions of the few, but class actions determined by the whole of capitalist development are the decisive factors.

- T. -

AN OUTLINE HISTORY OF UNEMPLOYMENT

(By W.T. Colyer, N.C.L.C. Publishing Society, London 1936)

This new Plebs book is an expression of the changes in the economic situation since the last war. Unemployment is not only looked at as a permanent necessity for capitalism, but also as an especially important problem that embodies severe complications and grave consequences during the period of capitalist decay.

The author criticises effectively the shortcomings of bourgeois social science in dealing with the question of unemployment and shows convincingly that Marxism is in a much better position to do justice to this problem. Unemployment is recognized as the direct outgrowth of the capitalist mode of production. The close relationship between unemployment and capitalist development is substantiated by factual data sculled from English history since the beginning of capitalism up to the present. At the same time, the author points to the connection between unemployment and social welfare citing the Poor Law, the Compulsory Unemployment Insurance, and the Means Test of today. The author's analysis of the present situation effectively shows that -- regardless of all so-called social security acts -- the workers' struggle against further pauperization will continue.

The book can be recommended highly.

FROM HEGEL TO MARX

(Studies in the Intellectual Development of Karl Marx
by Sidney Hook.)

Hook's book brings hitherto unpublished material from the earlier writings of Marx to the attention of english

readers. On the history of ideas from Hegel to Marx he shows the social intellectual atmosphere in which Marx's thoughts developed. The biggest part of the book is of a descriptive nature. Hook's interpretation of the philosophical development of Marx is designated to support a point of view which he adopted in his "Toward the Understanding of Karl Marx."

Hook shows what Hegel and Marx have in common and what differentiated Marx from Hegel. The differences between 'dialectical idealism' and 'dialectical materialism' are explained on the manifold categories of natural and social science. In the same way Hook confronts Marx's thoughts with ideas of Bauer, Ruge, Stirner, Hess, and Feuerbach. In these confrontations lies, in our opinion, the real value of the book. It eliminates work for the student of Marxism and makes it easier for the general reader to understand important phases of the Marxian world point of view. Dealing with dialectics, Hook opposes Engels' and Lenin's attempts to apply dialectical materialism to nature. In Hook's opinion, Marx did not hold such a view, but his dialectical materialism is restricted to the problems of society; even here (and not very clearly) dialectical materialism is often reduced by Hook to such an extent that it seems to be nothing but a class ideology. His entire interpretation tries to say that more stress should be laid on the subjective factors of the historical process. The active moment in history is of course materially dependent and finds its expression in the class struggle but still it remains an ideational-active moment which first produces the will for revolutionary overthrow of the capitalist society. He does not see that the material relations are stronger than the passive and active consciousness, and that man is forced to change the world even against his will. Hook quotes this position very often but he does not grasp its content. With his special emphasis on the subjective factor in history, he tries to overcome contradictions in Marxism which he himself has created. Nevertheless, the book can be recommended even if it is impossible to see more in Hook's interpretation than a rather unimportant deviation from Marx, brought about by the dominating philosophical interest of Hook himself.

INTERNATIONAL
S P A I N T O D A Y
REVOLUTION OR COUNTER-REVOLUTION

by Edward Conze
(Greenberg Publisher, 67 W. 44th St. N.Y. - \$1.50)

Conze who is known for his book "The Scientific Method of Thinking," a popular exposition of dialectical materialism, has written this book on Spain probably with some haste. Parts of the book insofar as they lead up to the events of 1936 are very good; other parts in relation to the present civil war are of rather dubious value. The larger part of the book deals with the permanent causes of the social unrest in Spain, and with the description of the political forces within Spain. On this basis, in combination with illustrations of the Imperialistic designs of other capitalist nations, he attempts to explain the character of the present civil war.

Since this book was written, the actual course of development within Spain has diverged to a large extent from Conze's expectations, and the optimism prevalent in the book is not justified any more in the face of the present facts. Our own analysis of the Spanish Civil War in the "Council Correspondence", Number 11, 1936, makes a critical evaluation of Conze's book superfluous. But in spite of the shortcomings, the book serves very well as a basis for the understanding of the class struggles in Spain.

We recommend: "The International Review". The first volume of the International Review justified its claim: to publish the world's most significant thought and action. The second volume began with several extremely interesting articles. This magazine cannot be too highly recommended. It published Rosa Luxemburg's "Reform or Revolution", and will bring out Martov's "State and Socialist Revolution". It is indispensable to Marxists and revolutionary workers.

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