

The verdict of Munich broke the Franco-Russian alliance. France retreated before advancing Germany. Munich decided the Spanish struggle in the interest of General Franco. The Loyalists collapsed as soon as England and France were ready to accept Franco in the conviction that he is now able and more eager than ever to come to terms with France and England. The actual strength of the Rome-Berlin axis and that of England and France will determine whom Franco will serve, and whom he has to serve. The open intervention of England in the Minorca affair, the sending of more and still more French troops to Africa, indicate clearly enough that the imperialistic contest for Spain has only entered another stage, this time cleared of all secondary aspects and open to decisive consequences of the diverse imperialistic needs. The open imperialistic struggle follows the hidden imperialistic struggle, and only the power realities of the near future will show who won the first round in this world conflict.

VII.

The forces of the coming world war are maturing. The time is already here when the "democratic countries" can allow themselves to drop all considerations regarding the working class. The war ideology is here, and is just as forceful as in the fascist countries. The internal English policy during the Czechoslovakian crisis, the weakening of the revolutionary forces in France through the People's Front policies, have successfully created a situation which Sir Stafford Cripps in his recent Memorandum to the Labor Party of England has described as follows:

"A great volume of anti-Government feeling has grown up all over the country. This state of indeterminate opposition is liable to be swung over to the support of the Government by some international event, by a change of Chamberlain's foreign policy or by an appeal to national unity if the crisis deepens. It is not at all unlikely that within the next few weeks Chamberlain will announce a reversal of his foreign policy upon the basis that he has tried appeasement and it has failed and that he must call on the nation to unite behind him to fight fascism in what will be a purely imperialistic war. When that moment comes, if public opinion is allowed to remain in its uncrystallized state, it will swing behind him, with results as disastrous as those of 1914-1918."

The apparently non-nationalistic defense policies of the French and English ruling classes have created sufficient oppositional nationalistic "feelings" in the workers organizations and the "public at large," that at any time now a war may be risked without any serious interferences of the working class. The success of the counter-revolution in Spain will strengthen the reactionary tendencies all over the world, in fascists as well as "democratic" countries.

VIII.

In speaking of Spanish labor organizations we have restricted ourselves to dealing with the anarcho-syndicalists, because their organizations were the only ones which had revolutionary possibilities and contained large elements with outspoken proletarian intentions. The POUM could work only in the shade of the CNT. It fell victim to its competitor, the Stalinist party, as soon as the CNT had lost its power to the capitalist government. The "proletarian" character of the POUM, furthermore, was of the same sort as that of the Bolshevik Party struggling for power twenty years ago. They aspired

to some sort of state capitalism and party dictatorship whose meaning to the workers was clearly enough demonstrated in Russia. Their actual policies were as opportunistic as that of any other political group craving for a share in the control of society and for eventual dominance over it. We only have to mention here that for the POUM, the Generalitat ceased to be a capitalistic government when it made a member of the POUM minister of justice, and that it was denounced again as capitalistic as soon as this member was thrown overboard. Of the Socialists and "Communists" we need not speak. They could not "betray" the Spanish workers, for it has become more and more obvious in the last two decades that these organizations are able and willing only to act as capitalistic instruments. Both in theory and practice they have day by day during the Spanish Civil War run true to form; both "Internationals of Labor" would just as well see Franco win than see a proletarian revolution; both were from the beginning and without restraint engaged in destroying the revolutionary germs within the Civil War. All their considerations were based on strictly capitalistic needs. In February, 1939, the International Federation of Trade Unions and the Socialist International adopted a joint resolution on the Spanish situation. The resolution stated* that the International,

"realizing the gravity of the events now taking place in Spain, and the imminent prospect of a renewed diplomatic offensive by the Governments of Hitler and Mussolini, insists on the grave dangers which would follow for France, Great Britain and the other democratic and peace-loving nations if Catalonia were conquered by the foreign invaders."

The workers of Spain were not even considered. But even these declarations were only ordinary swindle. The many anti-fascist declarations of international congresses were not even carried back into those countries in which the organizations affiliated to the International of Trade Unions have great influence. The Government of Norway, composed of social democrats, decided to establish commercial relations with Franco. The same holds true for Sweden, Finland, Denmark. In Belgium the former minister-president Spaak, backed up by the socialist leaders, recognized Franco. None of the social democratic parties of these countries or the organizations affiliated to the Trade Union International have pronounced a word of objection to this social democratic government policy. The Spanish workers had not only the whole of the international bourgeoisie directed against them but also the whole of the official labor movement. The fact that the workers of the world have not as yet turned against the people who relegate extreme political opinions into the concentration camp explains their recent defeat in Spain as well as the still existing strength of capitalism. In Spain was once more demonstrated that the revolution must be international, since the counterrevolution is international; that a unity of organizations for limited capitalistic purposes cannot expand the revolutionary forces of the working class; that what is necessary is a class front of the workers entirely free from capitalistic objectives and alliances; and that only the bitter ideology of the concentration camp is able to free the workers from the vast concentration camp that the world under capitalism is becoming.

*Bulletin of the International Federation of Trade Unions. No. 5.

COLLECTIVIZATION IN SPAIN

In a previous issue* we have endeavored to refute one of the main fallacies that conceal from the international working class the particular importance of that new phase of the Spanish revolution which was inaugurated by the events of July 19, 1936. In spite of the rapidly increasing amount of literature on Spain today there is not available up to now any full report of what from our point of view we would call the real contents of the present struggles in revolutionary Spain. Of course, one would not expect such information on the really interesting facts from those progressively-minded people who even today go on to interpret the intensified class struggles, wars, and civil wars of contemporary history as so many expressions of an ideological struggle between a fascist and a democratic "principle". Yet the actual content of that so-called spiritual struggle is not revealed any better by those apparently objective and realistic historians who dismiss the civil war aspects of the present developments in Spain (not to speak of the less conspicuous conflicts between the various groups of the loyalist popular front) as a very subordinate phase of that battle between various imperialistic groups that according to them constitutes the essence of all present-day political developments on a world-wide scale. As against both the "idealistic" and the "realistic" superficiality of the bourgeois historians, the proletarian reader is referred once more to the illuminating report of the first seven months of so-called collectivization in revolutionary Spain published by the Spanish workers themselves for the express purpose to break the conspiracy of silence and distortion by which of all the aspects of the recent

events in Spain just this one truly revolutionary aspect has been almost entirely annihilated.**

For the first time since the post-war revolutionary period led to various experiments in socialization in Soviet Russia, Hungary, and Germany the struggle of the Spanish workers against capitalism as described here shows us a new type of transition from capitalist to communal methods of production that has been achieved, though incompletely, in an imposing variety of forms. The significance of this revolutionary experience is not impaired even though all of these advances toward a new, free, communal economy were in the meantime nullified and destroyed. The revolutionary achievements of the workers were frustrated either from without by the advancing counter-revolution, or from the inside by their apparent allies within the antifascist front. The workers were forced into abandoning the fruits of their struggle either by open suppression or, more often, under pretext of the "higher necessity" of disciplined warfare. To a large extent the revolutionary achievements of the first hour were even sacrificed voluntarily by their very initiators in a vain attempt to further thereby the main aim of the common struggle against fascism.

Even so, the endeavors of the Spanish workers on the social and economic front have not been entirely in vain. The violent liquidation of the Paris Commune of 1871 and, an epoch later, of the Hungarian and Bavarian Soviet revolutions, as well as the slower, less obvious self-liquidation of the first revolutionary content of Russian Soviet socialism have not annihilated the significance of any of those great attempts of the past to establish and test a new type of state for the transition to socialism. Similarly the ultimate destruction of the here described collectivization measures by friend and foe in from the historical importance of the present-day Spain detracts nothing

new, free type of communal production attempted here for the first time on a larger scale. The study of this movement, its conceptions and methods, its successes and failures, and the consequent recognition of its strength and weakness is therefore of lasting importance to that class conscious and revolutionary section of the international proletariat to whom the book is expressly addressed and to whom it gives a careful account of this effort at self-emancipation begun by the Spanish working class. Moreover, this careful account of the methods and results of collectivization in the industrially most advanced province of Spain, authorized by the leading labor organizations of Catalonia (the syndicalist C. N. T. and the anarchist F. A. I.), is of general theoretical importance as a historical source book of the first rank. The editors endeavor, as far as possible to let "the Spanish revolutionists speak for themselves." Besides a number of short sketches necessary to complete the picture, the collection offered by them contains original documents, decrees of expropriation, reports of the syndicates (unions), resolutions, statutes, etc., and reports, interviews and accounts on the various industries and localities by the functionaries of the revolutionary movement. This character of a pure source book is followed consistently in style and material and thus a work has resulted which is intensely human while meeting the most rigid requirements of scientific objectivity. These simple reports and narratives of the common folk in city and village, never dry or boring, in their pathos unblurred by pretentious retouching reproduce the voice of the Spanish revolution, the action of the proletariat, as it is and together with the documentary material lend authenticity and veracity to the work. It is almost superfluous for the authors to declare at the end that "in this book will be found neither praise nor slander, neither exaggerations nor protestations." "We have simply allowed the Spanish worker to tell the whole world what he has done to maintain and defend his freedom and welfare."

Of the four parts of the book the first deals with the general character of the "new collective economy" and, in an annexed short review of "Catalonian Economy", explains the commanding position of Barcelona in the Spanish economy as a whole and the ensuing decisive role of the industrial workers of Catalonia in the social struggles of the Spanish working class. In the second part the methods and results of collective labor in the different branches of industry are presented. The third and fourth parts give a description, by geographical districts, cities and villages, of the rise and operation of a more or less completed communal economy.

In contrast to various other "socialization decrees" of recent European history the collectivization decree of the Catalonian Economic Council of October 10, 1936, reprinted in full on pages 32-42, is but the legalization of changes in industry and transport that had already been accomplished in fact. "It contains no special directions that transcend the limits already set by the spontaneous movement of the workers." There were no lengthy investigations on the "tasks and limits of collectivizations," no arbitrarily selected body of learned experts, lacking all real authority such as the notorious "Permanent Special Commission" of the French February revolution of 1848, or its faithful copy, the German "Socialization Commission" of 1918-19. The syndicalist and anarchist labor movement of Spain, well prepared for this task by many years of incessant discussion carried into the remotest corners of the country, were better informed and possessed a much more realistic conception of the necessary steps to achieve their economic aims than had been shown, in similar situations, by the so-called "Marxist" labor movement in other parts of Europe. It is true that in this first heroic phase the Spanish movement to a certain extent, neglected the political and juridical safeguarding of the new economic and social conditions it had achieved. Even this initial mistake, which could be only partially remedied later, was difficult to avoid under the condi-

*See Living Marxism, Vol. IV, No. 3, May 1939, pp. 76-82.

**See Collectivizations. L'oeuvre constructive de la Revolution Espagnole. Recueil de documents. Editions C. N. T. — F. A. I., 1937, 244 pages.

tions. Except for the "Committees of Anti-Fascist Militias" formed by representatives of the libertarian labor movement themselves there was at that early time neither an executive authority nor a parliament.* Nor were there any large capitalist proprietors to be expropriated. A considerable portion of the largest enterprises were owned by foreign capital. Its representatives, like the native large capitalists, had been more or less open supporters of the rebelling generals. Both groups fled as soon as the Franco rebellion in Barcelona had failed unless they had anticipated that possibility and, like Juan March and Francois Cambó, had shrewdly abandoned the country they consecrated to civil war. The offensive against capital inaugurated by the Catalonian workers immediately after the heroic suppression of the Franco revolt resembled a war against an invisible enemy. The directors of the great railroads, of the urban transportation companies, of the shipping firms in the harbor of Barcelona, the owners of the textile factories in Tarrasa and Sabadell had disappeared and it was exceptional when during the seizure of the street car system of Barcelona the workers found in the administration buildings of the big monopolistic concerns a lonely, trembling creature whose life and liberty they could spare by a magnanimous impulse.

Thus the Catalonian proletariat established itself at will in the capitalist plants and offices that had been deserted by their erstwhile masters. The collectivized enterprises after seizure by the workers operated in similar fashion as "the stock companies of capitalist economy." The general meetings of the workers proceeded to elect councils in which all activities of the plants are represented—production, administration, technical service, etc. Permanent connection with the rest of industry was maintained by the representatives of the trade union central bodies, who also participated in the sessions of the councils.

*For a more detailed description see the previously mentioned article, *Economics and Politics in Revolutionary Spain* in *Living Marxism*, No. 3, May 1938.

The business management itself was left to a director selected by the workers of each shop, in the more important enterprises subject to the consent of the general council of the respective industry; there is no reason why he should not be the former owner, manager or director, of the socialized enterprise.

However, this external similarity by no means signifies that collectivization did not essentially change the system of production of the industrial and commercial enterprises. It merely demonstrates the relative ease with which under equally fortunate circumstances as had offered themselves here — deep and far reaching changes in production management and wage payment can be accomplished without great formal and organizational transformations. Once the resistance of the former economic and political rulers was completely eliminated for a time, the armed workers could proceed directly from their military task to the positive one of continuing and transforming production for which they had prepared themselves in what had seemed to many observers to be boundless and "utopian" dreams in the preceding period.

Even for that most intricate problem of socialism, the **collectivization of agriculture**, these workers had prepared a completely realistic program unmarred by haste, exaggeration or psychological blunders. The resolution on the collectivization of the land which had been passed by the congress of the C. N. T. in Madrid in June, 1931, and which since, through all the vicissitudes of an advancing and retreating revolutionary movement, had been spread and carefully explained throughout the land by anarchist and syndicalist propagandists, gave now practical guidance for action in July and August, 1936 to the agricultural laborers and small tenant farmers left entirely to their own initiative, unhampered by any external authority or tutelage. The concrete forms in which this task was solved by the agricultural producers themselves is illustrated by a resolution of the full meeting of the Catalonian agricultural workers and by the regulations and or-

ganization plans subsequently adopted by various districts and communes in the agricultural year 1936-37.

Only the main points of the detailed and exact manner of presenting the collectivization in the most important single industries — transport, textile, food and others — that take up the second part of the book can be discussed here. These chapters show not only the new social organization of the industries, but mark distinctly the beginnings of the great successes resulting from the economic and social initiative of the libertarian labor movement for the workers themselves and even more so in maintaining and expanding production. We read of the abolition of inhuman working conditions, of wage increases and reduction in hours, of various new forms of equalizing wages between various types of workers, skilled and unskilled, male and female, adults and juveniles, of "salaire unique" and "salaire familial." We see how the question of raising and improving production in every industry assumes increasing importance from week to week. We read of entirely new industries such as the optical industry, called into being by the revolution itself. We hear of the process by which some branches of industries lacking unobtainable foreign raw materials, or not necessary for the immediate needs of the population were now quickly adapted to procuring the more pressing war materials. We are told the pathetic story of those poorest strata of the working class who voluntarily sacrificed their at last improved conditions in order to assist in war production and to aid the war victims and refugees from Franco-occupied territory.

However, these negative virtues of sacrifice and self denial under which the great achievements of the revolutionary Spanish workers in the last two years has too often been submerged by their more or less sympathetic foreign observers, do not claim our main interest in this matter. Our main interest in this first period of Spanish collectivization is in the important role played by the **particular type of trade unions** most characteristically represented by the workers of Catalonia

and Valencia that until recently was attacked and despised by the prosperous trade unions of England and the powerful Marxist organizations of middle and eastern Europe as a utopian form doomed to failure in any serious situation. These syndicalist formations, anti-party and anti-centralistic, were entirely based on the free action of the working masses. Their whole business, routine as well as emergency activities, had been managed from the outset not by professional officialdom, but by the elite of the workers in the respective industries. That same conscious elite represented by revolutionary acting committees, created by the fighting workers within and without the unions to meet the various problems as they arose, furnished the initiative, endurance, example, and activity for the basic achievements of the new revolutionary period. This historic lesson of Spanish collectivization is of permanent importance for the organizational and tactical development of the revolutionary movement.

The energy of the anti-State attitude of the revolutionary Spanish proletariat, unhampered by self-created organizational or ideological obstacles explains all their surprising successes in the face of overwhelming difficulties. It explains the fact, unprecedented by any previous European experience, that revolutionary collectivization in Spain from the outset and as a matter of course was extended to the **State and municipal enterprises** as well as to private capitalist concerns. In this connection the account of the collectivization of the State Petroleum Monopoly and of the public services (light, power, and water works) generally is of the greatest interest. Even the otherwise somewhat exuberant description of the rapid "100% collectivization of the barber shops" and of the equally successful "social regulation of street-trade" in Barcelona, eloquently testify to the peculiar creative power of the revolution even in a sphere whose very existence conflicts with it though they add very little to the real solution of such difficult border problems of the proletarian revolution as

those dealing with handicraft and commerce. The real contributions of the Spanish revolution to these questions are only indirectly touched in connection with the already mentioned problem of agricultural production and in the discussion (contained in parts 4 and 5) of the various forms in which collectivization has been achieved on a local scale by measures more or less affecting the entire production and mode of existence of the smaller cities and country districts.

The no longer theoretical but purely descriptive character of these last two parts prevents rendition of even a small fraction of its rich contents in this short review. Each of these fourteen small narratives, apparently sketch-like, but touching all essential problems of society, reports the more or less typical yet peculiar features of the new life under the varying local conditions based on the general development of the country. The description starts with the advanced industrial conditions in the textile center, Tarrasa, near the capital, with its 40,000 inhabitants of whom 14,000 were workers, 11,000 of whom were organized in the syndicalist C.N.T., while the rest were in the social-democratic U.G.T. From there through various intermediate stages it moves down to the poorest, most primitive, small and smallest villages of Catalonia, Aragon and LaMancha, located far

from all industrial and urban culture, yet deeply affected by the new life. Here the publishers remark: "And we notice continually that great and real revolutionary progress was made in the small, thinly populated cities and villages, a more important progress undoubtedly than in the cities with the greater populations." This praise of simplicity and poverty is in strange contrast to the materialistic ideas of the Marxist movement but has long been characteristic of this other form of labor movement which in the trenches of the Spanish civil war and in the equally heroic endurance of the suffering populations of Madrid, Barcelona, and Valencia carried on the struggle of the working class temporarily defeated everywhere in the rest of Europe. The sentiment here described reaches its climax in the concluding sketch about a little country town situated in a thinly populated province of La Manche. There the workers were at all times utterly deprived of modern material and cultural comfort. Nevertheless, they had all been organized in their syndicates since 1920 and had now been among the first to completely adopt the new life of libertarian communism. Referring to this experience, the book ends in the pathetic statement: "Membrilla is perhaps the poorest city in Spain, but it is the justest."

Karl Korsch

MARXISM AND MARGINAL UTILITY ECONOMICS

Recently the editors of *Common Sense** have once more dealt with the "unscientific" character of Marxism by pointing out that

"Ricardo's labor theory of value, taken over by Marx and embellished with the theory of surplus value, was abandoned long ago by all but the Marxist economists, and a whole branch of "marginal utility" economics developed, of which Marx could know nothing... that even in the Soviet Union (so far as Five Year Plans go, if not at the Marx-Engels Institute) marginal utility economics have displaced the useless and misleading Marxian economics."

However, what is brought forward here as an argument against Marxism is in reality only another confirmation of it. Certainly, the Russian state-capitalism, in which class relations are continued, cannot employ the Marxian

*Marx over Europe. *Common Sense*, September 1938, p. 4.

science, for this science consists of nothing but the critique of those selfsame capitalistic conditions, which characterize Russia and every other capitalistic country. For the purpose of justifying the exploitation of the workers, the inequalities of income, and the accumulation of capital that exist there, the Marxian economic theories are certainly useless. What Marx had said* of the science of bourgeois economy — namely, that it reached its limits with Ricardo because,

"He consciously made the antagonism of class interests, of wages and profits, of profits and rents, the starting point of his investigation,"

holds equally true for Russian economic "science." The continued class society forces Russian economic theory to embrace those ideological weapons of bourgeois society which appears as economic theory, and to attempt to destroy even that kernel of truth contained in Classical economy, which served the Marxists as a basis of attack upon the whole capitalistic society.

The development of marginal utility economics is closely connected with the difficulty of the proponents of the classical theory to confute Marxist theories, as both the Classicists and the Marxists based their argument on the same objective value concept. The marginal utility school arose in defense of capitalism, and its apology consisted in the construction of a value concept which justified the prevailing class and income differentiations. The existing inequalities based on the exploitation of labor were explained as an undefeatable *natural law of diminishing utility*. This theory, as was so well stated by C. E. Ayres,**

"Only undertakes to demonstrate under any given conditions of income distribution the automatic achievement of the maximum total of human satisfaction: the greatest good of all. Even so, this poor-little-rich-girl notion which proposes to balance the surfeit of the rich against the precarious existence of the poor is so extravagantly complacent that most economists have hesitated to give it clear and unequivocal expression."

Though single concepts of this theory were adopted by economists of other schools, nevertheless, as a general theory, it was slowly abandoned. The Neo-Classicalists, for instance, did not bother themselves any longer with questions as to the desirability or the justification of the prevailing economic system: they simply took for granted that it was the best possible one, and merely tried to find means of making it more efficient, a condition which forced them to restrict themselves, as far as market phenomena were concerned, to mere price considerations. The value concept was displaced by a cost-of-production theory, which the Neo-Classicalists thought sufficient to explain the existing division of wealth.

However, the question of utility was raised anew in relation to the problem of the allocation of resources in a socialist economy*** and it was pointed out that even with an acceptance of the labor theory of value, the question of *demand* must be dealt with. It is clear that no society can pre-

*K. Marx, *Capital*. Vol. I, p. 18.

**The Problem of Economic Order. New York 1938, p. 43.

***Oscar Lange, *On the Economic Theory of Socialism*. Minneapolis 1938. This book will be reviewed at length in the next issue of *Living Marxism*.

vail which entirely disregards the real needs of its people; that production is impossible unless men are able to eat and work.

"Every child knows, too, that the mass of products corresponding to the different needs require different and quantitatively determined masses of the total labor of society. That this necessity of distributing social labor in definite proportions cannot be done away with by the particular form of social production, but can only change the form it assumes, is self-evident."*

However, the question of the allocation of resources to meet demand and in the interest of economy as it is raised in modern economic theory has no connection with the simple and direct statement of Marx just quoted, but is determined by class considerations based on a particular form in which the union of labor and the means of production is accomplished.

In Russia, as elsewhere, the means of production are not controlled by the workers but are the monopoly of a special group in society. In the relations of the workers to the means of production, no difference exists between a private property society and a state-capitalist system. The position of the Russian bureaucracy to its workers is exactly the same as that of the individual entrepreneur to his. The first need of that bureaucracy is to safeguard its own position in order to develop industry and agriculture. Whatever else this bureaucracy may do, it has first of all to "plan" its own security, and then to proceed to "plan" life for the rest of the population. This is recognized not only by the present and supposedly "degenerated" Russian bureaucracy, but was clear also to the "founders" of the Russian state-capitalist system.

"As a general rule." Trotsky has said**, "man strives to avoid labor. The problem before the social organization is just to bring 'laziness' within a definite framework, to discipline it, and to pull mankind together... The only way to attract the labor power necessary for our economic problems is to introduce compulsory labor service... We can have no way to socialism except by the authoritative regulation of the economic forces and resources of the country, and the centralized distribution of labor power in harmony with the general State plan. The Labor State considers itself empowered to send every worker to the place where his work is necessary. And not one serious Socialist will begin to deny to the Labor State the right to lay it's hand upon the worker who refuses to execute his labor duty."

After the question of production is thus settled, the question of distribution is easily solved.

"We will retain, and for a long time will retain, the system of wages," Trotsky pointed out. **However, "Wages, in the form of money and of goods, must be brought into the closest possible touch with the productivity of individual labor... Those workers who do more for the general interest than others receive the right to a greater quantity of the social product than the lazy, the careless, and the disorganizers. Finally, when it rewards some, the Labor State cannot but punish others — those who are clearly infringing labor solidarity, undermining the common work, and seriously impairing the socialist renaissance of the country. Repression for the attainment of economic ends is a necessary weapon of the Socialist dictatorship."

*The Correspondence of Marx and Engels. New York 1934, p. 246.

**L. Trotsky, Dictatorship vs. Democracy. New York 1922, pp. 133-142.

***Ibid., p. 149.

The control of production by a particular group in society carries with it their control of distribution. The division of society into rulers and ruled as deemed necessary by Trotsky and as exists in Russia requires, besides a sufficient number of bayonets, an ideology which convinces those who are ruled that their status is natural, unavoidable, and beneficial. Income differentiations and, with this, the formation of additional group interests, becomes an increasing necessity, and is accentuated still more by the political need to preclude a unity of misery against the privileged in society. Because Marxism could be employed only in opposition to such a state of affairs, it had to be rejected, ignored, or emasculated in favor of evaluations supposedly based on *scarcity, utility, or demands*; for behind such terms, not only real but also assumed utility, scarcity, and demand can be hidden and justified. The "utility" of the one or the other social function or labor is first of all the "utility" it has for the safeguarding of existing class relations and its corresponding mode of production. Not social needs will determine "utility", but group interests. The class structure of society comes to light precisely in its need for such evaluations. Just as little as the privileges of the capitalists results from their "utility" but from the fact that they control the means of production and are thus able to exploit the workers, so little does "utility" explain the privileges of the Russian bureaucracy. Those privileges are also based on the conditions of the control of the means of production by the bureaucracy. A theory justifying class rule and exploitation is necessary in Russia, and its acceptance of the defense theories of capitalism does not, as the editors of *Common Sense* believe, indicate the faulty character of Marxism, but its continued usefulness in the class struggle of the Russian workers against their present masters.

BOOK REVIEWS

Karl Marx. By Karl Korsch. Chapman & Hall, London (6s.) John Wiley & Sons, New York (247 pp.; \$1.75) Order from: Council Correspondence, P. O. Box 5343, Chicago, Ill.

In conspicuous distinction to many other interpretations of Marx, this book concentrates upon the essentials of Marxian theory and practice. The author restates "the most important principles and contents of Marx's social science in the light of recent historical events and of the new theoretical needs which have arisen under the impact of those events." The book is not out to please the curious, nor to serve the apologists, nor does it correspond to any particular group interest. Because in its compactness and objectivity the book is a useful theoretical tool for proletarian class aspirations, we cannot in reviewing it do better than

to indicate, though inadequately, its richness and value.

The book is divided into three parts: Society, Political Economy, and History. Marxism is declared "the genuine social science of our time," and its superiority to the pseudo social science of the bourgeoisie is demonstrated throughout the book.

Of the greatest importance to the comprehension of social phenomena, the author points out, is the grasp of Marx's principle of **historical specification**. Marx dealt with all economic, social and ideological concepts "only insofar as it is necessary

for his main theme, i. e., the specific character assumed by them in modern bourgeois society." The so-called 'general ideas' must always have a specific historical element. For instance, the false idealistic concept of evolution as applied by bourgeois social theorists "is closed on both sides, and in all past and future forms of society it rediscovers only itself. The Marxian principle of development is, instead, open on both sides. Marx defines the new communist society arising out of the proletarian revolution not only as further developed forms of bourgeois society, but as a new type which is no longer to be basically explained under any of the bourgeois categories." How necessary it is, and especially today, to restate this Marxian position becomes clear if only when we consider the recent literature on socialism which envisions the socialist society as a modified form of capitalism, and, under different names, transfers all capitalistic categories into the "new" society.

The principle of historical specification as employed by Marx does not exclude a necessary degree of generalization. However, it leads to a new type of generalization. With Marx, "The 'general' of the concept is no longer set up against concrete reality as another realm; but every 'general', even in its conceptual form, necessarily remains a specific aspect or a mentally dissected part of the historical concrete of existing bourgeois society."

The present popular chatter about the "methaphysics of dialectical materialism," although not taken up by Korsch are nevertheless answered by him when he points out that, "If Marx, indeed, took his start from a critical and revolutionary reversal of the principles inherent in Hegel's method, he certainly went on to develop, in a strictly empirical manner, the specific methods of his own materialistic criticism and research." The excitement of the latest "common-sense" critics is the less warranted, as the Marxian theory, "which deals with all ideas as being connected with a definite historical epoch and the specific form of society pertaining to that

epoch, recognizes itself as being just as much an historical product as any other theory pertaining to a definite stage of social development and to a definite social class."

The second part of the book points out at the outset that "Political Economy, dealing with the material foundation of the existing bourgeois state, is for the proletariat first and foremost an enemy country." The author describes the history of bourgeois economic thought concisely and well, and he shows why any "genuine development of Political Economy was precluded by the real historical development of bourgeois society." Marx's critique of Political Economy was not, as is often assumed, a furthering of bourgeois economic science, but the theory of an impending revolution. The differences between the Classical and the Marxist economic concepts are demonstrated in a most enlightening manner, and it is shown that the Marxian improvements "upon classical economic theory are important, not for their purely formal advance over the classical concept, but for their definite transfer of economic thought from the field of the exchange of commodities and of the legal and moral conceptions of 'right' and 'wrong' originating therein to the field of material production taken in its full social significance."

We think the finest chapters in the book are those devoted to the **Fetishism of Commodities** and the **Law of Value**. The author shows anew that, "The most general ideas and principles of Political Economy are mere fetishes disguising actual social relations, prevailing between individuals and classes within a definite historical epoch of the socio-economic formation," and he points out further that the theoretical exposure of the fetishistic character of commodities is "not only the kernel of the Marxian **Critique of Political Economy**, but at the same time the quintessence of the economic theory of capital and the most explicit and most exact definition of the theoretical and historical standpoint of the whole materialistic science of society." These chapters

are so masterfully concentrated without thereby losing clarity that they make feeble any attempt at restatement. The thoughts cannot be coaxed in more terse and more effective language and we can only restrict ourselves to the statement that the author sees the task of the revolutionary proletariat as "the ultimate destruction of capitalist commodity fetishism by a direct social organization of labor." The meaning of the present social organization of labor, which is hidden under the apparent value relations of commodities, is demonstrated with reference to the present illusionary capitalistic "planning" attempts, which can only still further disrupt the "order" that is peculiar to capitalism and that was brought about by the blind necessities of a fetishistic law of value.

Another chapter exposes the common misunderstandings of the Marxian doctrine of value and surplus value and is very timely because of the new attacks launched by "liberalism" upon the "unscientific" character of Marxian economic theory. For it is argued ever and again that Marx's value theory must be wrong since it approaches the problem exclusively from the supply side and is therefore unable to approach the real price problem. However, Korsch points out, "It was never the intention of Marx to descend from the general idea of value as expounded in the first volume of **Capital**, by means of ever closer determinants to a direct determination of the price of commodities. The particular importance of the law of value within Marx's theory has nothing to do with a direct fixation of the prices of commodities by their value." The diverse expositions of bourgeois economists attempting to prove discrepancies between the law of value and actual price constellations, discrepancies due, they believe, to the "one-sidedness" of Marx's value concept, are entirely beside the point. And it is rather amusing to note that Marx's application of the law of value to labor power is rejected with the argument of the flexibility of wages, an argument which demon-

strates only that these bourgeois economists do not know the position of their opponent. According to Marx, "There is no economic or other rationally determinable relation whatever between the value of the new commodities produced by the use of labor power in the workshop and the prices paid for this labor to its sellers."

The latter part of the book deals with the materialistic conception of history. Though it has a philosophical origin, Korsch points out that Marx's materialistic science, "being a strictly empirical investigation into definite historical forms of society, does not need a philosophical support." Tracing the scientific development of Marx, he shows that, "As early as 1843 it had become clear to Marx that Political Economy was the keystone of all social science." In place of the time-less development of the "idea", Marx put the real historical development of society on the basis of the development of its material mode of production. In a chapter dealing with the relation between Nature and Society, Korsch shows, that, "As with all other innovations embodied in the new materialistic theory, Marx's methodical extension of society at the expense of nature is proved mainly on the field of economic science." After clarifying a number of Marxian concepts such as the relation between productive forces and productive relations, basis and superstructure of society, Korsch explains what Marx meant in saying that, "The real historical barrier of capitalistic production is capital itself," and that only the proletarian revolution, by changing the production relations, can secure the further progressive development of the social forces of production.

But though we agree in such large measure with this interpretation of Marx, we cannot abstain from remarking that its great clarity and revolutionary consistency in dealing with Marx is somewhat dimmed as soon as it deals with more recent revolutionary events and their characters. For instance, the shift of emphasis between the earlier and the later formulations of the material-

istic principles by Marx, from the subjective factor of revolutionary class war to its underlying objective development is, in Korsch's interpretation, caused by actual developments enforcing a change of attitude. "In a similar manner," he says, "the revolutionary Marxist, Lenin, came to grips with the activist revolutionary tendencies of the left Communists of 1920 who in an objectively changed situation adhered to the slogans of the direct revolutionary situation released by the Great War." This belated defense of Lenin's opportunistic and rather silly pamphlet "Radicalism, an Infantile Disease of Communism," which was designed to secure Russian control over the International labor movement in the specific interest of Russia and its Bolshevik Party, cannot change the fact that Lenin's "turn of face" was not the result of a sober considera-

The School for Dictators. By Ignazio Silone. Harper & Brothers. (336 pp.; \$2.50)

In spite of his apparent broadness of mind the author of this outstanding book is a man with a remarkable singleness of purpose. He wrote a valuable *History of Fascism* many years ago and is even better known by his achievements in the field of the political novel. In the small novel *Fontamara* he has been the first, as far as this reviewer is aware, to introduce into literature an unretouched portrait of the poor peasant (Cafone), whereas all former writers of so-called peasant novels dealt with the subject at best from the viewpoint of those higher strata of the rural population who have already acquired a definite power of self-expression. Then followed another novel, *Bread and Wine*, dealing with the plight of the rural and urban workers of present-day Italy and their vain attempts to rise against the crushing weight of fascist oppression. It is just that class of readers who were particularly stirred and inspired to a hope against hope by the cruel story told in "Bread and Wine" to whom this new book will most appeal. It may be safely said that from no other piece of literature today could we

tion of a changed situation, but was no change of face at all. This pamphlet of Lenin's maintained the position he always had against the revolutionary opposition of parts of the proletariat of Western Europe. This position was his also during that time, which, according to Korsch, was objectively revolutionary. It was the position of the Social-democracy of pre-war times, which Lenin never left mentally but only organizationally. It was interwoven with the position of the Russian bourgeois revolutionist and was in strict opposition to all specific revolutionary principles of the working class before, during, and after the Great War. It was in strict opposition, too, to those Marxian principles, forgotten by both the Socialists and Bolsheviks and which, restated here, makes this work, whether its author likes it or not, a weapon against the "Marxist" Lenin.

single out at a moment's notice many pages with which we could agree so unreservedly.

That doesn't mean that we necessarily accept the whole of the author's outlook and argument. We might rather object to his excessive emphasis on a psychological description of the dictator's frame of mind and on various political and ideological complexities, instead of a clear and comprehensive analysis of the underlying economic conditions. However, nobody asks us for that kind of wholesale approval. Every attempt to do so was carefully excluded by the author when he chose for the presentation of his thought that complex form of the dialogue which had been used before him under similar conditions by a series of famous political philosophers (Plato, Hobbes, de Maistre, etc.), all of whom were brilliant writers but none an unambiguous defender of the revolutionary cause of his time.

By this device the ideas of the author are nowhere expressed in terms of simple assertions, but are refracted prismatically through the medium of three different personalities. There is **Professor Pickup**,

the founder of "Neo-Sociology," a learned but extremely foolish ideological aid-de-camp of the future dictator of America. He is that indispensable man who unflinchingly says the wrong thing or the right thing at the wrong place. There is the aspiring candidate for the dictatorship, **Mr. W.**, himself. He is a perfect specimen of that extremely untheoretical type — the plain matter-of-fact American businessman. And there is **Thomas the Cynic** of whom the author says, "His many bitter experiences and the cool analysis to which he has subjected them have freed him from party dogmas, without, however, quenching the inner urge which led him as a youth toward the workers. This, however, is known only to his friends, while others, who hear him arguing and criticizing, cannot understand why he still remains a Socialist." Most reviewers have drawn from this the conclusion that it is Thomas alone who utters the true opinions held by Silone himself, but that is most obviously a woefully misleading assumption. The tireless, controversialist, and completely unprejudiced, though somewhat vaguely sentimental and at bottom somewhat mystified, critic of accepted facts and ideas who is Thomas the Cynic represents like the others, only one particular aspect of the author's complex mind. It appears, and more often than you would expect from a book which professionally aims at debunking the bogey of dictatorship, that it is just Mr. W. who makes the shrewdest remarks and draws the most striking conclusions. And even that tiresome bore, Professor Pickup, plays an especially necessary part in the fulfillment of the author's purpose. By his very profuseness he helps to exhaust the author's comprehensive note-book of historical references and quotations. How necessary this is, is indicated by the fact that the form of the dialogue is occasionally exploded by the excess of such inexhaustible materials. Just as Bernard Shaw prefaced his major stage-plays by comprehensive excerpts from his "Socialist's Handbook and Pocketguide," so Thomas the Cynic here and there leaves with his partners a collection of Nazi quo-

tations on the technique of propaganda (pp. 165-174) or a few notes incorporating Hitler's ideas on organization (pp. 307-312).

We too shall conclude the review of Silone's book with a few selected quotations. A contention to which Thomas the Cynic repeatedly returns is the fact that Fascism both in Italy and Germany, in spite of its apparent "anti-Marxist" and "anti-Communist" preoccupation, "rose and developed as a reaction against social reformism rather than against revolutionary or Communist Socialism (118-120)." As a kind of "mental margarine," it was substituted for genuine thought, religion, art, etc., and as a "political margarine" it replaced Socialism and democracy with a false Socialism and an apparent democracy. However, as Mr. W. points out, "One shouldn't turn up one's nose at substitutes, if substitutes are really necessary." Even Thomas the Cynic, though he points out the important difference, has eventually to accept the practical soundness of this principle. "The political defeat of the Socialist parties," he says, "does not eliminate the concrete problems of production and social organization that they were intended to solve; Fascism does provide the working masses with a partial and apparent satisfaction, compatible with capitalist interests (256)." For this purpose, "Unlike previous reactionary movements, it fights revolution with revolutionary methods." As Hitler said before the court of Munich after his Beerhall-Putsch (according to the records inspected by Professor Pickup), "If I stand here today as a revolutionary, it is as a revolutionary against the revolution (257)!"

Again, Thomas the Cynic shows how well both the modern dictators understand the **twofold function of trade unionism** (266): "The same trade unions, led fanatically in the political and national interest, would turn millions of workers into the most valuable members of their nations, regardless of occasional individual struggles for purely economic demands (Hitler, *Mein Kampf*)." "Fascism practices trade unionism through a physiological necessity of its development (Mussolini)." —

When Thomas and Professor Pickup both indulge in a sentimental praise of local and regional self-government as the only safeguard of true democracy, Mr. W. cuts in several times and finally sums up: "To be perfectly frank with you, I find all this a little tedious (296)." The uncanny pro-nazi activities of the German Communist Party 1926-33 are described in a masterpiece of concentrated history on three pages

The Story of the C. I. O. By Benjamin Stolberg. The Viking Press. (294 pp.; \$2.00)

Labor's New Millions. By Mary Heaton Vorse. Modern Age Books. (312 pp.; 50c)

Judging from the growing literature dealing with union questions, it seems that everybody from the Administration down to the last Trotskyite agrees with Stolberg that the CIO is the "most important social movement since the Civil War." Here are two new books in a long list of recent publications on this subject. The factual material of all such books is the same; the only difference between them is a difference of attitudes. By now everybody should know, even if he only reads the newspapers, who is who, and what is what in the CIO, when and how it started, what kind of genius or evil spirit John L. Lewis is, how fast the membership grew and how everybody was surprised thereby, and what victories have to be considered losses, and what losses were celebrated victories, etc.

Because of the People's Front spirit still prevailing in the Communist Party, Mary H. Vorse's story tries hard to please everybody. For her, all is honey; her book is what is always described as a positive constructive attitude towards the problems of labor, in other words, it is untrue and silly. Stolberg, on the other hand, would share Mary H. Vorse's attitude, if it were not for her and her friends of the C. P. His book is out to warn the CIO against the Communist Party.

Though Stolberg considers the CIO such an important social movement, nevertheless he declares that it was the "New Deal which needed organized labor to save big busi-

(227-30). "It is a pity, it really is a pity that the Communist Party in America is so weak," exclaims Mr. W. Social-Democracy, of course, gets an equal share of appreciation, and the whole glory of the so-called Fascist and Nazi "revolutions," of 1922 and 1933 is finally debunked in a concluding documentary chapter on "The coup d'e'tat with the assistance of the authorities."

K. K.

ness." In other words, the "most important social movement since the Civil War," was merely one aspect of the social reorganization program in which the present Administration is engaged. Of this same reorganization process Stolberg has said in another place, that an earthquake would possibly have done the job just as well. However, an earthquake would not have given John L. Lewis the chance to take advantage of a real governmental need which coincided with an upturn in business and with the attempt of the workers also to gain in the new economic spurt. But we will leave these complexities to Stolberg himself. Here we will only state that we agree that this "most important social movement" was largely governmental, and that really Roosevelt and not John L. Lewis should be applauded. But then to people like Stolberg social and governmental problems are always identical, just as for them the workers in the CIO are identical with the leaders of that enterprise. As the CIO was designed largely to save big business, so, on a smaller scale, the founders of the CIO, like Sidney Hillman and his Amalgamated banks, have on several occasions in New York and Chicago, as Stolberg says, "saved employers from impending bankruptcy." Unions simply cannot function without capital and employers, and it is only logical that they help to bolster business, and it is also only logical that Roosevelt should foster the organization of unions and their

national coordination. For more than three decades Professor Commons has pointed out that nothing harmonizes more than capitalism and unionism. And only now does this wisdom find acceptance, though as yet not complete approval. Just as the New Deal cannot save all capitalists, so unionization cannot serve all capitalists. Some can manage better without them; some cannot manage at all with them. The fact that employers fight unions doesn't prove that unions are especially useful in the everyday struggle for better wages and working conditions. The unions, not as they exist in concept, but as they are in reality, have proved bad instruments for the safeguarding of proletarian class interests, and good instruments for the division of workers into differently interested groups. Opposed to particular capitalistic interests, they still favor capitalism on all general issues. Their value must be measured, not by comparing their friendliness with, or their enmity to, different capitalistic groups, but by their ability to organize the workers as a class to wage war against capitalism for real proletarian objectives. However, Stolberg's description of the attempts of capitalistic groups to break unions or to stunt their growth by the new vigilantism is, though it doesn't say anything as to the character of the CIO, important enough to be brought to the attention of all workers. According to Stolberg, however, the real enemy is not so much the reactionary employers but the Communist Party. Because Russia "needs American imperialism, just as it needs British and French imperialism," he sees the C. P. as a disruptive element in the CIO.

In his zeal to emphasize the sinister designs of the C. P., Stolberg overlooks the fact that other groups or other leaders within the CIO cannot be regarded as preferable to the stooges of the C. P. None of the competing groups within the CIO is less disruptive than the other. Only their possibilities vary. William Green is ready to destroy any labor movement if it doesn't please his faction, and so is John L. Lewis, as-

suming they could destroy such movements. Each group, from the Socialists down to the last two-by-four Leninist group, is ready in its own interest to control or destroy when it can. As long as the labor movement is also a business enterprise allowing smaller or larger groups of people to make a living and a name for themselves, Russia or no Russia, the competitive struggle for jobs and positions is sufficient reason for them to destroy when they can any organization from without and within. And if an organization of the types that exist today can no longer be disrupted, that is only because it has become a regular racket secured by either real gangster methods or by more refined ones, like job control and the many devices used to keep a leadership in control of the organization into eternity. Which bureaucracy has ever been replaced except by force? And if the impossible sometimes becomes possible, as, for instance, the displacement of some C. P. — stooges in the National Maritime Union in the East, to which Stolberg hopefully points, this replacement has changed nothing as regards the relationship between members and leaders, or as regards the policy of the union. Where the C. P. stooges of the NMU advocated the acceptance of the so-called Fink book, which registers all seamen with the government and puts the hiring halls under governmental control, now, the new leadership, gaining power, accepts the Fink book as a national duty "to coordinate the various phases of national defense." Not everything may be explained by Russia and its imperialistic needs; the CIO without the C. P. would look no different than it does; its factionalism would be just as severe.

Mary H. Vorse's book provides us with a little touching scene, which characterizes the CIO better than both books combined, and which we cannot resist offering our readers: "Up in Lansing, Governor Murphy, John L. Lewis, and Chrysler were conferring. The union demonstrated... The demonstration, which was totally unexpected, was very thrilling to John L. Lewis, who is said to have turned to Chrysler, saying:

'Those are real American workmen, Mr. Chrysler.' To which Chrysler responded with feeling: 'I know they are.' The crowd massed itself in front of the state house, carrying slogans: 'Mr. Chrysler, we still think you're fair, prove it!...' Three little words. Then I love you... Thou shalt not muzzle the ox that treadeth out the corn... We're with you, Mr. Chrysler, if you are with us. Will

Chrysler lead again with human rights?' The principals came out on the balcony for speeches. Governor Murphy with John L. Lewis on his right and Walter P. Chrysler on his left stood on the balcony looking down on the assembled Chrysler workers. The Governor—their leader John L. Lewis — and their employer, Mr. Chrysler." Isn't it simply too, too lovely?!

My Life as a Rebel. By Angelica Balabanoff, Harper & Brothers. (324 pp.; \$3.75).

Angelica Balabanoff's memoirs will be of great interest to readers of Living Marxism, not primarily because of the author's interesting life history, or her characterization of a number of famous labor leaders, or her critical attitude towards the Third International, or her rather uninteresting denouncement of despicable figures like Mussolini and Zinoviev, but because the book as a whole illustrates well the general insufficiency and the pseudo-proletarian character of the old labor movement. This movement in all its shadings and with all its leaders, Balabanoff not excluded, was thoroughly invested with bourgeois ideologies and far away from real proletarian aspirations and necessities. This comes just as clearly to light in the author's position on various issues, as in the tendencies and policies of the old labor movement from which she deducts the reasons for the present impasse in the labor movement. Although Balabanoff never understood the movement in which she participated, her own naivete does not prevent the reader, who has freed himself from the ideological sway of the old labor movement, to understand why the pre-war labor movement could end only in Fascism or Bolshevism or in nothing. This movement was neither capitalistic

nor socialistic, and yet it was both; it was an impossibility. It could not act unless it was willing to restrict itself to a compromise solution, to accept some sort of an organized capitalism. And so it did.

However, the results did not please Balabanoff, and in despair she looks for refuge in an ideological return to the past. She hopes for better human material in leadership, she is still able to see the good as well as the bad sides in Lenin, she is still able to appreciate the socialist housing program in Vienna, and she is still ready to sum up today's situation with a few cheerful phrases. These phrases allow her to continue to believe in a new social order. She is not able to conceive of methods and struggles for workers, in contradistinction to those proved as false, which will bring about the new society. However, Balabanoff writes, more than she is aware of herself. She helps by way of a few small illustrations as to the tactics and attitudes of the bolshevik regime to destroy the legends connected with this movement. Her book supports a growing critical attitude towards the teachings and the practice of the old labor movement and in this way helps to develop today a class consciousness which can be called proletarian.

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