

transform the once all-powerful fortress represented by the capitalist state apparatus into a beleaguered prison, the strategically confining and immobilising walls of which the now mighty army of the revolutionary proletariat succeeds in encircling and suffocating, finally to bring them crashing down, to crush beneath them for ever the power of Social Capital ! When that day dawns, it will be above all to the work of Jan Appel and his co-theoreticians of the transition to Communism that the triumphant workers of the world will look for guidance in fulfilling their mission as the architects and builders of Communism.

## APPENDIX I

### THE BASIC THEORETICAL FOUNDATIONS OF THE WORK "FUNDAMENTAL PRINCIPLES OF COMMUNIST PRODUCTION AND DISTRIBUTION"

Supplement to  
"Fundamental Principles of Communist Production and  
Distribution" published by Neue Arbeiterverlag,  
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#### The Workers' Councils as Organisational Foundation of Communist Production

In our work "Fundamental Principles of Communist Production and Distribution", the establishment of a Communist society is viewed from a quite different aspect from that which has previously been customary in the working class movement. To a certain degree it was the course of development taken by the Russian Revolution which was the causal premise placing firmly on the agenda the necessity to carry through a closer examination of the problems of Communist economic life. It is only necessary to read the Russian "Factory Decrees" to recognise that the workers there have no influence whatever upon the course of economic life, which inevitably leads to the conclusion that the right of disposal over the productive apparatus lies in the hands of subjectively motivated administrators and managers, and that the workers under Russian state communism have remained *wage workers*. In addition, one would have to be blind not to see that the profit motive is the foundation of Russian production, just as everywhere else in the capitalist world; that production is *not* organised to ensure the satisfaction of the needs of the producers.

A further reason compelling us to make a closer examination of this matter lies in the new situation which has arisen in respect of agrarian production.



In our work: "Perspectives of Development in Agriculture" we have shown that agrarian production is now completely socialised - that the peasant economy has now been transformed completely into "industrial production", but that the agrarian question nevertheless remains the great barrier which would render impossible any attempt to implement those forms of "socialism" or "communism" which reflect the conventionally prevalent conception of those societies. Agricultural production is organically unamenable to integration into the "communist economy", - i.e., into the state administration. From this we draw the conclusion that the entire conception of this form of "communism" must be false.

The third and perhaps the weightiest reason making it necessary to carry out an examination of the problems of Communist production lay in the fact that the working class *during the period of the revolution* needed other forms of organisation than those which were prevalent in the working class movement during the period of peaceful "improvement of working conditions". The organisational structure of the revolutionary workers' movement then finds its definitive form in the *Factory Organisations and Workers' Councils*.

However, there exists a close association between the organisational structure of a movement and the various idea-systems through which that movement expresses itself in terms of consciously motivated social practice. This interconnection is so profound that it is possible to define the various organisational structures as functional instruments serving the idea-systems through which the working class movement is defined in conscious terms. The organisational structures adopted by the various tendencies within the proletarian movement then develop along parallel courses alongside the differing idea-systems through which the particular modes of construction of the Communist society then prevalent are conceptually expressed. If at the same time we also perceive the emergence of structural changes in the practice of class struggle, this may be taken as a sure indication that important changes

in the sphere of the various idea-systems have taken place which, even at that very moment, are seeking in this way to find their appropriate organisational expression.<sup>2</sup>

In revolutionary periods important changes in the realm of ideas take place which develop with an otherwise unknown rapidity. The motivation underlying the workers' struggles is completely transformed and becomes fully radicalised. One of the most important lessons to be learned from the revolutionary period 1917-23 is that the idea-concepts which then underwent transformation acquired a totally different organisational expression from those adopted by the old workers' movement. The most violent struggle then comes to be enjoined against that old movement, extending even to bloody conflicts, and all for the reason that these older organisations have opposed themselves to the new aims adopted by the now radicalised workers and their new movements, which in their turn reflect the newly-formed systems of ideas. The Factory Organisations and Workers Councils are the organisational weapons by means of which the workers carry through the revolution.

The importance that was ascribed to the concept of Workers' Councils at the beginning of the revolutionary period is revealed in, for instance, a survey prepared by D. J. Struik on the occasion of the Resolution on the Workers' Councils adopted at that time by the Communist Party of Holland.

We read there:

"Nothing reveals more clearly the progress we have achieved in our understanding of the laws of the social revolution than does our Declaration concerning the Council system. A mere two years ago, this declaration would have been quite impossible; and if we return to just three years ago, even the clearest minds then at work in the International would have had virtually nothing to say about the significance



of the Councils in the form in which we now see them."

(D.J. Struik : Extract from a review published in "De Nieuwe Tijd", ("New Times"), Year 1919, p. 466)

It will be a difficult task to find opinions expressive of this kind of spirit anywhere in the pre-war literature .. Up to the time of the February revolution of 1917 statements were everywhere restricted to a simple declaration of the changes which were considered necessary in the political and economic forms through which the revolution was expected to express itself. Any more exact indication than this was, so far as we know, not attempted, at least not on this side of the Weichsel.<sup>3</sup> In the whole of her pamphlet on the mass strike Rosa Luxemburg writes only once in passing concerning the Council of Workers' Delegates of 1905. In his book on the First Russian Revolution Trotsky writes at length concerning the history, the significance and the power of this first Workers' Council, but he does not concern himself in any similar depth with an examination of the Council System as such. And even in the Marxist publications which appeared during the first half of the World War, in for instance "Der Vorbote" ("The Harbinger"), "Der Lichtstrahl" ("Ray of Light"), etc.,<sup>4</sup> any reference whatever to the Petrograd Soviet of 1905 is wholly absent.

The fact that, a short while after the outbreak of the February Revolution of 1917, the Soviet concept began to acquire such a firm foothold and widespread acceptance is exclusively the outcome of the revolutionary praxis underlying the revolution itself .. If ever the well-known dictum of Mehring: "Die Intuition der handelnden Massen genialer sein kann denn das grösste Genie" ("The intuition of the masses in action can have more of genius in it than the work of the greatest individual genius") has received confirmation, then it has been in this case.

The highest and most positive quality that the revolutionary period of 1917-23 has given us consists in the fact that it has enabled us to see the forms

which the proletarian revolution must assume in order to complete itself, whilst at the same time it has brought to light the world view which is the expression of the new forms of class struggle in the sphere of ideas. The seizure of control over the social apparatus of production is carried out by the Factory Organisations and, most definitively, by the organs brought into being through their combination, the Workers' Councils. For this reason, any examination of the problems associated with Communist production and distribution must proceed on the foundation of these new organs of proletarian power and the idea-world which has arisen on that foundation:

"Die Arbeiterräte werden einmal das Wesen  
Der ganzen Menschheit auf Erden.  
So als in Blumen in einer grossen Garbe  
Das höchste Sonnenlicht zusammen gelesen.  
Sie sind das Höchste des Allgemein-Seins,  
Sie sind das Verwerfen des Allein-Seins,  
Darin jeder Mann, Frau und zartes Kind  
Allein sein einzig Ziel, die Menschheit find't.

Die Arbeiterräte sind darum wie das Licht.  
Sie sind der Friede, die Ruhe und das Heil,  
Sie sind die Wahrheit, und die Quelle der Wahrheit.

Sie sind die Festigkeit im grossen Ganzen  
Der Menschheit, die Knotenpunkte der Arbeit,  
Sie sind das Glück der Menschheit - sie sind das  
Licht.

(Herman Gorter: from the poem "De Arbeidersraad"  
["The Workers' Council"])"

#### The Marxist Definition of the Fundamental Social Preconditions determining the Domination of the Working Class

In addition to the role of the factory organisations, we have as the second point of commencement for the fundamental principles of the



Communist economic system the Marxist definition of the social preconditions underlying the domination and exploitation of the working class. We are concerned here in the first instance not with repeating as many quotations from Marx as possible, but with the clearest possible elucidation of the general line of thought, the essential theoretical foundations of his analysis.

The foundations upon which the domination and exploitation of the working class take place are in their essentials extremely simple and immediately comprehensible to everybody: they are comprised in the simple fact that *the workers are separated from control over the means of production*. The capitalist is the owner of the means of production - the workers possess only their labour power: the capitalist holds in his possession the conditions under which the workers must labour. This places the workers in an economic situation in which they are without any *rights or power whatsoever*, and this is so even if *political* democracy has been developed to the highest point of perfection. They are totally dependent upon capital. Along with its right of control over the means of production, the owning class has simultaneously the right of disposal over labour-power; that is to say, it dominates and rules over the working class. Expressed as succinctly as possible, this means that:

*"THE RIGHT OF DISPOSAL OVER THE MEANS OF PRODUCTION EXERCISED BY THE RULING CLASS PLACES THE WORKING CLASS IN A RELATIONSHIP OF DEPENDENCE UPON CAPITAL."*

#### The Essential Factors

The fact that the working class is separated from control of the means of production includes within itself the fact that they also have no control over the finished product of their labour. The workers have no connection whatever with the articles their labour has produced; they do not belong to them but to their "master". What takes place after that is not their concern; their role is solely to sell their

labour-power and then to exert it on behalf of the capitalist, and to receive in exchange their wages: they are WAGE WORKERS.

Given the essentials of the situation, this could not be otherwise. Control over the productive apparatus includes the right of disposal over the finished product. They are merely two different sides of the same relationship - they are functionally interdependent, the one cannot exist without the other, the one can exist only through the other. *Because the workers do not have any right of control over the productive apparatus, for that reason they also have no right of disposal over the finished product; this is the fundamental means through which the form of domination over the workers is exercised, it is fundamentally from this cause that they are forced to become wage workers.*

*Wage-labour* is the expression of the fact that labour is separated from the product of labour, that the workers have no rights either over the products of their labour or over the productive apparatus. The existence of wage-labour is the certain sign of the absence of any responsibility on the part of the working class for or over the production process, a certain sign that they are ruled over by those who do hold the right of disposal over the social apparatus of production and the social product.

However simple the foundations of the system of rule over the working class may be, the foundations for the elimination of wage-slavery are just as simple - even if their practical implementation is by no means so easy. *The abolition of wage-slavery can only be achieved when the division between labour and the product of labour has been overcome; when the right of disposal over the product of labour, and therefore also over the means of production, has come into the hands of the workers themselves.*

That is the first essential foundation of Communist production.

It is no longer possible, of course, that this



can happen in the same simple way as once the craft worker obtained his rights over his tools and the product of his labour. Present day society knows nothing of individual, self-sufficient labour; it has long since gone over to social production, to a fully socialised labour process, in which each individual is only a tiny cog in a gigantic machine. It is for this reason that the workers today must hold possession of the means of production *socially*. Social ownership, however, which does not simultaneously include the right of control over production, *has failed in its purpose*. Socialised forms of control are not an end in themselves, but only *the means* for realising this right of control over the means of production *for the workers* - a means of eliminating the separation of labour from the product of labour, a means of enabling the abolition of wage-labour to be accomplished.

#### The Confusion of Aims with Means

It is here that we discover the weak spot in the present day labour movement. The aim is proclaimed of bringing the means of production into common ownership, and it apparently occurs to no one that this cannot in fact be any aim at all; no one even suspects the fact that, with the transformation of society into "common ownership", the problem of how a new mode of production comes to be established is *first posed*. The working class lives under the false illusion that Communism will somehow happen "of itself", simply as a result of the elimination of private property in the means of production. But the assumption that wage-labour must necessarily disappear when this is achieved is false.

*The real strategic aim of proletarian power* can only be the conquering by the workers of the right of control over the means of production, and therewith also over the product of their labour. By this means, they simultaneously eliminate the entire basis for wage-labour. Only by this means does the working class become "free". The socially exercised right of disposal over production by *the free producers* - that is the foundation of Communist society.

However, having once won control over the means of production, the free producers cannot dispose of those means arbitrarily, just as they wish, as do the "free proprietors" under capitalism, the factory owners or "captains of industry". So soon as that power of disposal becomes arbitrary, a socially exercised right of control becomes impossible. The first precondition for ensuring that the right of disposal over the productive apparatus is socially implemented resides in ensuring that production is carried out according to generally valid principles, principles upon which all social labour must be founded. Only then are decisions and actions possible which are socially arrived at. To achieve this, the free producers must create *equal conditions of production for all producers*. So soon as this is achieved, production rests on the same foundation throughout the whole of society. *The free producers* therewith simultaneously become "equal producers". In this way the industrial organisations in their combinations of the most varied kind come to embody "*The Association of Free and Equal Producers*".

Seen from this viewpoint, the demand for equality is seen to arise, not in any way from any "ethical" or "moral" foundation, but far rather to have been born out of the necessary conditions of production peculiar to Communist economic life itself. Here "equality" is seen to be no ethical concept, but an *economic* one. It seeks to give expression to nothing other than that production in all the industrial organisations proceeds according to the same laws, in order that a social right of disposal over the productive apparatus may be made possible. The securing of these laws for the whole of production as a binding obligation: *that is the essential task of a proletarian revolution*.

Thus we see that the moral demand for equality, which is a central demand we place upon Communism and which is simultaneously the precondition for the full unfolding of individuality, has its foundation in *equality of production*.



## THE SOCIAL-DEMOCRATIC REVISION OF MARXISM

Social Labour itself and the Organisational Forms which enable Capital to Rule over that Labour become confused with one another.

Both the reformist and the radical (Bolshevik) wings of Social Democracy have carried out a revision of Marxist science in precisely this decisive question of the "Association of Free and Equal Producers". In the Marxist sense, the socialisation of the labour process is nothing other than the necessary outcome of the fact that commodity production becomes, in the course of social development, the dominant mode of production. Wider and wider circles of producers come to work exclusively for the market. Each produces what he himself does not consume - the product so produced is destined for others; as a result of this, each individual performs social labour, each labours for society. It is capitalism itself which is the great revolutionary which in the course of its development tears the producers from their old and accustomed mode of production and places them at the service of capital by precipitating them into a labour process which uproots the old, obsolete labour conditions and destroys each and every relationship to person or family. Capitalism has reduced all to a condition in which each individual, stripped of all property, possesses nothing but his naked power to labour, and so is compelled to participate in the socialised labour process.

Social Democracy has understood (and still understands) by this process of socialisation of production something quite different. It saw the continuous advance of social production only in the continuing growth in the formation of trusts, syndicates and cartels. It perceived socialisation only in the form in which the social means of production are *organised*. In reality this is nothing other than the *form* in and through which the right of disposal exercised by both the private and the collective capitalist interests over the means of

production - over socialised labour and over the social product - *is organised and concentrated*. Social Democracy confuses the specifically capitalist forms through which domination over social labour is established with the *substance* of that social labour itself.

It is little wonder that, given such a confusion of concepts, the understanding of Socialism should also assume a quite different content from that which follows from the Marxist method of cognising social reality. In the case of both the radical wing of Social Democracy as also in that of its reformist twin, it is the *vertical trust* - the capitalist form of combination which structures the organisation of production in one single combine from the procurement of raw materials right up to the finished product - which is seen as the ideal condition for the Communist mode of production also!

"The entire peoples' economy is organised according to the example of the Post Office ... That is our first task."  
(V.I. Lenin: "State & Revolution"; Foreign Languages Publishing House, Moscow, p. 169).

What is obviously being dangled before the eyes of the working class here is the illusory vision of a road, purportedly leading to socialism, which projects a perspective in which that class, as the *first step*, conquers *political* power, in this way gains control over *the state*, and *only then*, and by *this means alone*, acquires control over the central apparatus of production originally created under the auspices of capital itself.

Thus the well-known left Marxist, 'Parvus', explains:

"How easily the transition from large scale industry to state production may be carried through".  
(Parvus: "Der Staat, die Industrie und der Sozialismus" ("The State, Industry and Socialism"), p. 112.

We find the same thing with Rudolf Hilferding. He states:



"This means nothing other than that our generation has had placed before it the problem of transforming, with the help of the state, with the help of consciously applied methods of social regulation, the present-day economy organised and led by the capitalists into an economy administered through the democratic state".

(R.Hilferding: "Die Aufgaben der Sozialdemokratie in der Republik" ["The Tasks of Social-democracy in the Republic"], p.6)

This is the general view of Communist production which we encounter amongst all shades of opinion within Social Democracy. The differences between these various schools only appear as significant when the question as to the methods to be adopted, the tactics to be pursued in order to achieve this social aim, are raised for discussion and decision. The reformist wing of Social Democracy attempts to reach its goal via the road of universal suffrage, by utilising bourgeois democracy. It seeks to "conquer" the one self-same bourgeois-capitalist state, and through its agency to overcome the organisation of capital. The real situation, of course, is that the state, even with the Social Democrats in the government, is subdued and placed yet more firmly under the control of the organisation of capital.

The radical wing of Social Democracy, the Bolshevik Party, decisively opposes this policy. It propagates the destruction of the bourgeois state in a revolution and the formation of a new political power through the political organisation or party of the working class - the state of the proletarian dictatorship. Through the agency of this state and as the consequence of a revolutionary development, a centralised economic organisation is to be created (following the example of the capitalist trusts), into which industries and industrial organisations are adopted so soon as they are "mature" enough. In other words: those branches of industry which, as a result of capitalist development, have achieved a sufficient degree of concentration as to merit

inclusion in the state administration are destined to undergo "nationalisation".

### Nationalisation and Socialisation

Although Marx has not drawn a picture of Communist economic life in any detail, there can be no doubt but that, according to his view, the regulation of production would come about "not through the state, but through the combination of the free associations of the socialist society". (H. Cunow: "Die Marx'sche Geschichts-, Gesellschafts- und Staatstheorie" - ["The Marxist Theory of History, Society and the State"], Vol. 1, page 309). In his conception, management and administration of production should be the direct responsibility of the producer-consumers themselves, and should not be organised through the state. The equating of state with society is a discovery of later years. This view does, of course, contradict that expressed in the "Communist Manifesto", which in this respect may be understood as a work still at the conceptual stage of state capitalism. It was, however, precisely the revolutions of 1848 and the Paris Commune of 1871 which formed the seed-bed of experience from the soil of which the new outlook grew and developed.<sup>7</sup>

Engels also, in his "Anti-Dühring", expressed himself in opposition to state socialism, where he writes:

"But neither conversion into joint-stock companies nor conversion into state property deprives the productive forces of their character as capital. ... The modern state, whatever its form, is an essentially capitalist machine, the state of the capitalists, the ideal aggregate capitalist. The more productive forces it takes over into its possession, the more it becomes a real aggregate capitalist, the more citizens it exploits. The workers remain wage workers, proletarians. The capitalist relationship is not abolished, rather it is pushed to the limit. ... State ownership of the productive forces is not the solution of the conflict...



This solution can only consist in actually recognising the social nature of the modern productive forces, and in therefore bringing the mode of production, appropriation and exchange into harmony with the social character of the means of production. This can only be brought about by society's openly and straightforwardly taking possession of the productive forces, which have outgrown all guidance other than that of society itself. ...

(F. Engels: "Anti-Dühring"; Foreign Languages Press, Peking; 1976; p. 360-1)

It then followed that, in the course of the years 1880 - 1890, this standpoint of Marx and Engels came to be adopted by Social Democracy as a whole. For instance, Wilhelm Liebknecht stated in a speech which he gave on the occasion of the attempted incorporation of the railways, mines and other large scale industries into state administration:

"It is intended gradually to nationalise one industrial enterprise after another. In other words, to replace the private employers with the state, to continue capitalist industry, only with a different exploiter .. It (the state) appears as employer in the place of the private employers, and the workers gain nothing from all this, although indeed the state has strengthened its power and its means of oppression ... The more bourgeois society comes to realise that it cannot defend itself for ever against the tide of Socialist ideas, the more do we approach that moment at which state socialism is proclaimed in real earnest, and the last battle which Social Democracy has to fight out will be waged under the slogan: 'Forward to Social Democracy, forward to State Socialism!'

(W. Liebknecht: "Staatssozialismus und revolutionäre Sozialdemokratie ["State Socialism and Revolutionary Social Democracy"] quoted by H. Cunow in: "Die marx'sche Geschichts-, Gesellschafts- und Staatstheorie", Band I ["The Marxist Theory of History, Society and the State", Vol I], p.340).

Cunow remarks in this connection:

"Following this cue, the Party Congress has also declared itself against nationalisation; for Social Democracy and state socialism are 'irreconcilable opposites'".

(H. Cunow: "Die marx'sche Geschichts-, Gesellschafts- und Staatstheorie", Band I, ["The Marxist Theory of History, Society and the State", Vol. I], p. 340)

It was approximately at the turn of the century that this classic standpoint was abandoned, and in its place nationalisation, or the incorporation of industrial establishments into state industry, was presented as a gradual development towards Socialism. In the terminology of Social Democracy, such establishments were then termed "establishments under common ownership", even though the producers have nothing whatever to do with their administration and management.

### The Problem Posed by the Russian Revolution

The Russian Revolution has provided us with a practical example of the implementation of the theory of state socialism. The Bolsheviks have never conducted any propaganda to the effect that the workers should occupy the factories, in order that these should then continue to function under the administration of the workers themselves. The expropriation of the factory owners was for them never a matter for the factory workers, but one for the new state power. The role played by the workers was restricted solely to that of destroying the state apparatus of the bourgeoisie and in this way of hoisting the Bolsheviks into command of the new state. The gradual introduction of "communism" then became the responsibility of the new state, which had as its programme the nationalisation of those establishments "mature" enough for central state administration.

This meant, however, that the Bolsheviks found themselves almost immediately embroiled in



contradictions with the masses of workers. On the 7th of November 1917 the Bolsheviks assumed control of the government, and already on the 14th of November a "Decree on Workers' Control" was promulgated, in which certain general powers of control over production were vested in the Works Councils,<sup>9</sup> but in which it was also expressly laid down that the Works Council was *not to concern itself with the day to day management of the factory*. It was also expressly forbidden "to take possession of or to administer the enterprise", except with the permission of the higher authorities. These "higher authorities", however, held back from nationalisation measures because their administrative apparatus was not yet sufficiently developed as to be capable of maintaining the factories under their control. Up to the 28th of June 1918, when the Bolsheviks had already held governmental power for 8 months, they had succeeded in nationalising barely 100 industrial establishments. Also, the majority of these were "punitive expropriations" undertaken as a defence measure against the sabotage attempts of the private owners.

The workers, however, had a different outlook on the implementation of Communism. Because the government was simply not carrying through nationalisation, there now arose quite spontaneously a movement for "autonomous" or "wildcat" expropriations. According to Piatakov (at that time Director of the State Bank) there arose quite spontaneously "an elemental movement for seizing control of the factories, set in motion by the organs of the Workers' Control". This had as its consequence "the transfer of administrative responsibility for the factories into the hands of groups of workers instead of into the hands of the Workers' State". "A new owner comes into possession, just as individualistic as the former one, and the name of the new owner is The Workers' Control Committee". (Isvestia, 27th. April, 1918).

Whereas the All-Russian Congress of Economic Councils (ARCEC) had up to that moment (8th June 1918) succeeded in nationalising just 100 factories,

the "wildcat" form of expropriation comprised up to that moment over 400 factories, of which 200 had been expropriated in the short span of time from the 15th of May to the 28th of June. The First Congress of Workers' Councils (Soviets), held in May 1918, had indeed declared "autonomous" expropriation to be forbidden, but the extent to which this Congress truly represented the actual views of the workers is sufficiently expressed in the above-mentioned achievement of 200 expropriations.<sup>10</sup> This rapidly spreading movement for "wildcat" expropriations formed one of the underlying causes behind a sudden change of government policy. On the 28th of June the wide-ranging "Decree on Nationalisation" was promulgated, with the aim of introducing at least some order into production. For the time being, this nationalisation was to be no more than a formal matter, since the intention was that production should continue under the management of the old capitalist owners, who retained control of the factories under "cost-free lease-and-use" agreements.

There now begins a struggle for control of the factories. The All-Russian Congress of Economic Councils (ARCEC) initiates a campaign against "syndicalist tendencies", in that it takes the reins of management into its own hands, whilst the workers attempt to retain management for themselves. One example amongst many must suffice: the starch factory "Jivilov" was nationalised by the government, but the Works Council refused to hand over management to the representative of the ARCEC. This led to the formation of a "Union of Workers' Representatives" which defended the "autonomy of the factory committees" in opposition to the trades unions. This particular organisation was first set up in the railway workshops.

However important a close investigation of these "syndicalist tendencies" and the struggle against them may be for the solution of problems confronting the social revolution, this is not the place at which to initiate it. Our purpose for the moment is restricted solely to revealing the contradiction



which had arisen, on the one hand between the governmental power and its policy of nationalisation and, on the other, the autonomous revolutionary initiative of the workers - that is to say, the contradiction between nationalisation and socialisation. The above examples offer sufficient proof of the fact that this contradiction really was present in the revolution.

As for the Communist Party, it provided no guidelines as to how the workers should integrate their factories into the Communist mode of economic life, it gave no indication as to how in practice control over management and administration was to be vested in society. As far as it was concerned, the liberation of the workers was not to be the task of the workers themselves; on the contrary, the introduction of Communism was to be the responsibility of the "men of science", the "intellectuals", the "statisticians", etc. The Communist Party believed it to be necessary merely to chase away the old captains of industry and to take the power of command over labour into its own hands in order to ensure for society a safe berth in the harbour of Communism. As for the working class, it was fit only for the task of chasing away the old oppressors of labour - and to install new ones in their place! Further than this their role did not and could not extend, because the foundations for their self-organisation were not provided for in the generally accepted rules of production.

The Bolsheviks, who sound forth to the world with fanfares that they are the consistent followers of Marx, would have done better if they had not declared themselves in quite such emphatic terms. They are, in fact, no more than consistent *revisers* of Marx, since the change from *socialisation of production*, as Marx conceived it, to "nationalisation of the mature industrial establishments" - that signifies nothing more nor less than the total negation of the proletarian revolution, the abandonment of Communism itself. According to Marxism, there is no valid distinction to be made between "mature" and "immature" industrial

establishments; society can become "mature" for Communism *only as a whole*.

"The belief is widespread that the Marxist aim of 'socialisation' is being gradually achieved in that measures to nationalise or municipalise individual industrial establishments are believed to be a development towards socialisation. This is the reason for the otherwise incomprehensible and mysterious emphasis on the so-called 'mature' establishments. ... According to Marx, however, society can become mature for socialism *only as a whole*. Separate industrial establishments or branches thereof can, according to him, no more become 'mature' and 'ripe for socialisation' than the separate organs of an embryo can, in the fourth month of pregnancy, become mature and be delivered separately, to lead thenceforth an independent existence."

(F. Oppenheimer, quoted by H. Beck: "Sammelbuch über 'Wege und Ziel der Sozialisierung' [Symposium on "Methods and Aims of Socialisation"], pp. 16-7.

#### The Form of Domination over Labour and the Working Class under State Communism

What passes for Socialism or Communism amongst all shades of the Social Democratic movement has, in fact, nothing to do with the introduction of qualitatively new economic laws of motion governing material social production; but represents no more than the carrying over of the forms of organisation typical of capitalism into the economic life of "communism". What, however, is the significance of the form of organisation of production created by capital? What meaning does it have, on the one hand as seen from the viewpoint of the wage-labourer, and on the other hand from that of the capitalist? It is nothing other than *the form of domination over wage-labour, the organised form of rule over the wage workers*. The Marxist definition of capitalism leaves no doubt concerning this. With Marx, the



social position of the capitalist over and against that of the wage-labourer is characterised by the fact that the former holds in his hands the right of disposal over labour and the proceeds of labour, that is to say, over the worker and the product of his labour in the production process.

The various theories of socialisation held by all wings of Social Democracy all revolve around this one point concerning the form of domination of the working class. For them it is a matter of course that labour must be ruled over and commanded, and that in addition to this (because it is a socially indivisible and integrated system with which we are concerned) it is self-evident that a strong central organisation will be necessary. The task to be fulfilled consists in organising the apparatus of command over the workers as comprehensively and with as centralised a structure as possible; this apparatus of command itself, however, is, in the case of the reformists, to be placed under the control of parliament or, in the case of the left or radical wing of Social Democracy, under that of the proletarian state, a state which is established under the leadership of the (alleged) political party of the wage workers, the Bolshevik Party. In other words: the form of domination over the working class is to be ameliorated through the introduction of "democracy".

It is within the limits set by this conception that the various tendencies within the so-called "Marxist" workers' movement all move, from the out-and-out reformists right up to the declared revolutionaries whose aim it is to destroy the present day economic and political organisation of society and to organise it anew. In the case of all of them, the conscious aim pursued is that of achieving the organised power of command over wage-labour.

Should the "socialist" system of production function smoothly after these socialisation schemes have been introduced, then it will be the main concern of the administrative caste to secure its right of disposal over the productive apparatus and

so at the same time over its right of command over the workers:

"If we are to speak seriously of a planned economy, if the mode of distribution of labour-power is to be brought into full correspondence with the economic plan at any given stage of its development, then it is impermissible for the working class to lead a nomadic existence. In the same way as with troops, they must be prepared to be stationed in holding camps, posted here and there or simply ordered about".

(L. Trotsky: "Russian Correspondence" ["Imprecorr"], 1920, Vol. 10, p. 12)

In theory, this right is demanded in the name of the economic plan; in practice, it is brought to bear against each and every undesired and undesirable interference in the economic process on the part of the wage-workers. Whenever the workers themselves express the wish to assume a measure of control over the production process, this aspiration is represented as an expression of "bourgeois values" and .. the workers concerned are treated as counter-revolutionaries! The whole development of Russian state communism offers many instructive examples of this. (We have already drawn attention to the Decree on Workers' Control promulgated on 14th November 1917, in which "interference by workers in the day-to-day administration of establishments" is expressly forbidden. On 20th. April 1918, at the Third Trade Union Congress, the Government was able to restore individual management of factories and in part to reestablish the principle of responsibility "in an upwards direction" - i.e. towards senior management. The "Unions of Workers' Representatives" and a group around Gorky, on the other hand, opposed this by advocating the collective responsibility of the "Works Councils", but they were unable by a small margin to carry the day. In 1920 the principle of individual management, and with it that of individual responsibility, was introduced as a general measure.

What, then, is now to be achieved either through



parliament or through the central authority governing economic life set up by the self-styled political party of the wage workers? Exploitation is to be eliminated, in that all are unanimous. The reformists believe that this aim can be attained even while the laws of motion of capitalist commodity production remain in force. Exploitation is to be eliminated through the fact that exploitation is now to take place through the agency of the state, with the profits thus obtained being channelled back to the workers through the various social institutions and reforms. The Bolsheviks, on the other hand, made an attempt to abolish the laws of motion of the contemporary capitalist system of production altogether, and sought to distribute the social product "in natura", i.e. by means of a barter system. This attempt was made both in the sphere of distribution to the industrial establishments (accumulation) as also in that of individual consumption. It was very quickly shown to be impossible, whereupon the above-mentioned reformist method was resorted to in its place. In both cases the result was the same: *state capitalism*."

#### THE DISTRIBUTION OF MEANS OF PRODUCTION AND CONSUMPTION "IN NATURA" (BY BARTER) AS A BOLSHEVIK IDEAL

##### The Experiment

The Bolsheviks had as their aim the attainment of a social situation in which wage-labour and exploitation were to be eliminated. Accordingly, they consciously strove to achieve the abolition of money. This aim was to be attained through the unleashing of a gigantic wave of inflation affecting all means of exchange. The state printing presses worked day and night, to print ever more paper money, which the state used in order to discharge its payments, but for which it gave no guarantee of value:

"Bank notes are being produced...It is impossible to produce sufficient bank notes. The

demand for them is even more colossal than the means of producing them"

(A. Goldschmidt: "Die Wirtschaftsorganisation Sowjet-Russlands" ["The Economic Organisation of Soviet Russia"], p. 138.

With this tremendous increase in the total mass of money in circulation, the value, or purchasing power, of the rouble naturally fell. Prices of commodities, on the other hand, soared daily to higher levels, a phenomenon with which we also are familiar from the time of the German inflation. The value of the currency fell so rapidly that those who had something to sell no longer wished to surrender their wares against money. Indeed, they still wished to exchange their goods, but only directly against other goods, without using the intermediate form of money: they only wished to exchange goods *by direct barter*.

This, indeed, was precisely the situation which the Bolsheviks were striving to achieve. In a Memorandum of the Russian Commissariat of Finance, which was distributed to all delegates at the Third Congress of the Communist International, held in 1921 in Moscow, *this policy of a purposefully pursued inflation is praised as a consciously applied method for the introduction of Communism*.

"If here with us in Russia the value of money is sinking, this may be a heavy burden for us to bear...But we have one solution, one hope: we are moving towards the complete abolition of money. We are adopting the method of paying wages in kind, we are introducing free use of the tramways, free education, free meals - even if for the time being the quality is poor - rent-free accommodation, lighting, etc. We are introducing all this very slowly, under extremely difficult circumstances, whilst at the same time being compelled to struggle uninterruptedly for our aims; but we do have a solution, a plan..."

(G. Zinoviev: "Zwölf Tage in Deutschland" ["Twelve Days in Germany"], p. 74, quoted by Pollock: "Planwirtschaftliche Versuche" ["Attempts at Economic Planning"], p. 73)



This form of Communism would, then, be characterised by the fact that the Central Economic Council of the Soviet State would hold in its hands all control over the production and distribution of goods and provision of services, whilst simultaneously steps would be taken to eliminate all money and trade. It would be necessary to determine, on behalf of all citizens, how much bread, butter, clothing, etc. each individual is to receive, and then to supply these goods to him in kind. This would be made possible through the conscientious application of production and consumption statistics:

"The proletarian economy is in principle an economy of goods-production, an economy based upon barter. As the construction of the state economy gets under way, money must first of all disappear from the transactions undertaken between the socially administered industrial establishments. The coal mines supply the railways and the iron and steel works with coal without any accounting in price. The iron and steel works supply iron and steel to the engineering works and these in their turn supply machines to the state-owned agricultural establishments, without money acting as the intermediary. The workers receive a continually increasing part of their wages in kind: living accommodation, heating, bread, meat, etc... The role of money as a means of exchange gradually dies".

(E. Varga: "Die wirtschaftspolitischen Probleme der proletarischen Diktatur" [Problems of Economic Policy in the Proletarian Dictatorship]. p. 139)

That these aims were not restricted merely to paper declarations can be seen from the following dates:

January 1919: Introduction of free postal deliveries;

February 1919: Decree concerning transport of goods between state factories without any bank transfer and without any record of account;

June 1919: Introduction of free transport of goods on the railways.

The "nationalisation of wages" was introduced in stages throughout the entire period from 1918 to 1921. At the end of this period, only 15% of wages were paid out in money form, whilst 85% were paid in kind. Telephone charges, gas, water supply, electricity, rents, fuel and transport were all supplied free of charge. The Commissariat for Food Supplies had as its responsibility the provisioning of 58 million citizens by this means.

Thus the regulation and accounting of production and distribution needs would not take place through the form of money, or in any other general measure, but only in totals or quantities of goods supplied. Account would be kept according to weight, length or area, or finally only according to the piece-number of consumption goods supplied. In a word, the intention was to move over to a "natural economy", an economy based on barter relations which Otto Neurath characterises in the following words:

"The science of the Socialist economy recognises only one single economic master: society itself, which, without reckoning of profit or loss, without the circulation of any form of money, whether it be precious metals or 'labour money' reflecting an economic plan, organises production without the aid of any unit of accounting control and distributes the means of life according to Socialist principles." (O.Neurath: "Wirtschaftsplan und Naturalrechnung" ["Economic Plan and Accounting in Kind"], p. 84)

From 1918 to 1921 the Bolsheviks carried through their attempts to realise this principle in practice, and the last form assumed by these attempts should rightly be seen as the official memorial to its death. In the year 1921 the stabilisation of the rouble was carried through: the return to a "value-based currency" became official policy once again.



The Soviet state was compelled to abandon its perspective of eliminating money from production and distribution, its plan to establish in place of money economic accounting in kind implemented through the agency of the state economy. However, it was in no way "the failure of the world revolution", not even the alleged unsuitability of individual peasant economy for state economic administration, which had led to this fiasco. All that this experiment had revealed was that production and distribution on this kind of "communist" foundation was impossible. *The Russian Revolution had demonstrated in practice that a mode of production without a unit measure of economic regulation and control is no more than an unworkable utopian anomaly!*

In the case of the attempt to steer Russian economic life onto a new course, a strictly pre-determined plan was - in the prevailing circumstances quite correctly - resorted to. The separate industrial establishments drew up their production plans and calculated their cost increments, which were then elaborated by the central trust administration into a general plan for the entire trust. The amalgamation of all the plans of all the trusts then gave the All-Russian Congress of Economic Councils a general summary of the entire productive apparatus comprised within the system of state ownership, from which a general plan of production for the whole of state industry could then be drawn up.

But all these plans were based upon a computation *in roubles!* Why was this not on the basis of a computation *in kind?*

Because, as far as the fundamental, and hence imperative, categories of the economy are concerned, the mere adding together of the various *products* of labour - according to weight, physical dimensions or numerical quantity - *is a totally pointless exercise.* As for the fate suffered by the Russian attempt, described above, it led to the value of the rouble falling very rapidly, and as a consequence the prices of products rose just as fast. As a result, the plans and the cost increments so laboriously calculated

only held any validity on paper - for the actual process of production they had no value or meaning whatsoever. Varga, who accepts the merits of the "inflation method" from the point of view of a social strategy, is compelled to admit having found its greatest disadvantage to lie in its ineffectuality as an *economic* method. He writes:

"The rapid and continuing devaluation of the currency is a disadvantage to the extent that it hinders the stabilisation of wages, calls into being wages struggles, causes disagreements between the state workers and the proletarian state itself, compels the workers continually to demand wage increases, renders all economic calculations extremely difficult and makes impossible both the drawing up of a consistent state budget and, especially, the maintenance of that budget within its set limits".

(E. Varga: "Die wirtschaftspolitischen Probleme der proletarischen Diktatur" ["Problems of Economic Policy in the Proletarian Dictatorship"], p. 138.

Thus it is in this way that we can find one of the practical reasons why the Soviet state was compelled to desist from the step of destroying "value-based currency". Already by 1919 the admission had been made that "accounting according to the value of products is daily becoming more necessary", so that, already by the time of the Second Economic Congress in 1919, the decision was taken

"to express all computations of the most important state expenditures according to the values of the products exchanged."

(A. Goldschmidt: "Die Wirtschaftsorganisation Sowjet-Russlands" ["The Economic Organisation of Soviet Russia"], p. 133

It is self-evident that this is only possible if the whole of production stands on the foundation of value. Thus the general stabilisation of the currency had to follow as a necessary consequence.



## Two Lessons from the Russian Revolution

The Great Bolshevik Experiment in founding a "natural economy" contains two important lessons, the one economic and the other political. These lessons should serve to help the working class develop a proletarian consciousness. The economic lesson is that a rational economy is wholly impossible without a general measure for the accounting of relations in economic life. In order to draw up a production plan it is necessary to know how much labour in its various forms, measured in labour-time (labour-hours) is available and how this labour is to be distributed amongst the various branches of production. Since up till now it has proved impossible to add together tons of steam-coal and hectolitres of corn, it is necessary in the case of all products to leave out of account their form as useful articles, their "use-value", and to concentrate solely upon that one characteristic which they all without exception possess in common. And that characteristic is that *they all embody definite quantities of human labour*. The drawing up of a production plan therefore makes it imperative that *the quantity of labour required for its production is determined for each single product making up the plan*. In a Communist society it is possible to measure this labour directly, without the intermediate distorting-glass of money:

"Society will be able to calculate in a simple way how many hours of labour are contained in a steam-engine, a bushel of the last crop of wheat, or a hundred square yards of cloth of a specific quality. It could therefore never occur to it to go on expressing the quantities of labour put into the products, quantities which it will then know directly and absolutely, in yet a third product, in a measure which, moreover, is only relative, fluctuating and inadequate, though it was formerly unavoidable as an expedient, rather than express them in their natural, adequate and absolute measure: *time*."

(F.Engels: "Anti-Dühring"; Foreign Languages Press, Peking, 1976; p.402.)

As for the political lesson, this consists in the fact that attempts to invest administrative control over the means of production in a central state authority can only lead, in ever increasing degree, to the elimination of the independent initiatives of the workers. Under such a system, it is not possible for the producers to have any control over the product of their labour; the divorce of labour from the product of labour is the essential characteristic of such a mode of production, exactly as under capitalism. Attempts to establish distribution of the product in kind, to proceed to "nationalisation of wages" can, under these conditions, serve only to place control over the sources of the "people's wealth" ever more firmly in the hands of the central state authority. The growth of "wages in kind", in its Bolshevik form, is therefore nothing other than *the growth of the means for enslaving the working class*. In the concentration of power over the objective means of control over the productive apparatus, over social labour and over the total social product in the hands of a central state authority, we perceive the process through which the revolutionary concept of the dictatorship of the proletariat is transformed into its opposite, into the counter-revolutionary concept of a dictatorship over the proletariat."

## THE UNIT OF ECONOMIC REGULATION AND CONTROL IN A COMMUNIST SOCIETY

### The Regulation of Production

In the section "The Marxist Definition of the Fundamental Social Preconditions determining the Domination of the Working Class" we have seen that the essential problem confronting Communism lies in overcoming the division between labour and the product of labour. Not some variant of a "Supreme People's Economic Council", but *the worker-producers themselves* must possess the right of control over the product of their labour, and this right must be exercised through their own free and autonomous industrial organisations. Only in this way can they



become free producers, and only thus can they have the power to group themselves in a relationship of mutual interdependence, into an Association of Free and Equal Producers. Precisely because contemporary technology has reached a point in its development in which the whole of production is fully socialised, all industrial establishments without exception have been made completely dependent upon one another in the technical sense, and so formed into one single uninterrupted labour process. In exactly the same way it is now the task of the revolution, for Communism, to forge them into a single economic unity. This, however, is only possible if the entire economic process is unified by an *objective economic law of general validity*.

This unity or combination is of a completely different kind to that presented by the so-called theories of "socialisation". These have never looked any more deeply into the matter than merely to comprehend the matter *purely mechanically*, as no more than the *organisational amalgamation* of the various branches of production. They concern themselves exclusively with the question as to *which* industries are to be combined and how that problem is to be solved in the purely organisational-technical sense. This has nothing whatever to do with the fundamental laws of motion of a new economic system. In such a situation as the one now prevailing, i.e. prior to the carrying through of the revolutionary destruction of the old capitalist system, it is not possible even to consider such questions, for the simple reason that, before that can be done, it is necessary to have a clear conception concerning the mutual relations which must prevail between the various industrial organisations; that is to say, concerning the fundamental social legality which regulates the relationship of the separate industrial organisations to the economic organism as a whole. "

The new general economic law under which the entire economic system is unified into a social whole does not, therefore, at least in the early stages, concern itself in any way with the purely organisational integration of the various sectors of the economy. It is concerned only with establishing

the general conditions under which the producers, united with one another through their industrial organisations, participate mutually in the general system of the economy. It is in the first place necessary that these conditions be the same for each economic sector. In contradistinction to Lenin, who proceeds from the principle: "The entire people's economy is organised according to the example of the Post Office, .. that is our first demand", we say: "Equal economic conditions for all sectors of social production, that is *our first demand*". Only then is it possible to take up the question of the *form* of organisation to be adopted in its technical sense.

"Equal economic conditions" relates in the first place to the introduction of a firm and universally valid unit measure of economic regulation and control according to which all relations in production and distribution are governed and on the basis of which all accounting computations must be carried out. It is no longer possible for this measure to take the form of money, because there is no longer any "second person" interposed between the worker and his product. The worker now no longer stands as an "alien" over and against the product of social labour. It is of course true that the worker himself does not consume the product which he himself has directly produced; but his product does bear within it a quality which all goods socially produced have in common: the average social labour-time required for its production. Viewed from the *social* point of view, therefore, all goods are *qualitatively* completely equal. They differ from one another only in the *quantity* of social labour which has been expended in the production process. In the same way as the unit of measure for individual labour-time is the labour-hour, in the same way must the unit of measure for the quantity of *social* labour contained in products be the *Average Social Hour of Labour*.

Thus it is revealed as a compelling necessity for the proletarian revolution that all industrial organisations have, as their revolutionary obligation, *the duty to compute for all products they have produced the exact amounts of average social*



labour-time expended in their production, and simultaneously to pass their products on to other industrial organisations or to consumers with the appropriate labour-hour quantum stamped upon it. In exchange for this each industrial organisation has the right to draw upon an equal amount of social labour in the form of other products, in order to be able to contribute towards continuing the production process in accordance with the same method. In this way, all participate in the production process under equal economic conditions. So soon as this system of regulating production and distribution has been established, the whole of economic life, which is already socially united through the mutual association of the various partial forms of labour, is now also economically, i.e. socially, regulated.

Capitalism attempts to establish this regulation by organisational means, through the continually increasing concentration of its power in industry. What it achieves is, of course, no more than the organisation of competition on an ever higher and more antagonistic level, with increasingly more catastrophic crises as the result. Attempts are made to ameliorate the contradictions associated therewith by political means, according to the rules of "democracy", and with the aim of ensuring the continuation of the capitalist system on a more secure foundation. This, however, only serves in the end to place on a more organised footing the last and most profound of all capitalism's many contradictions: that between the capital-owning class and the proletariat. Such a social situation can only be overcome when the workers set themselves free; when they conquer the right to assume command over the means of production and begin to participate in the economic process under conditions of economic equality.<sup>14</sup>

#### The Regulation and Control of Distribution

The revolution, however, does not consist solely in a transformation of the economic conditions of production; it also establishes new economic conditions in the sphere of distribution, more specifically in that of individual consumption. So

soon as the workers hold the power of disposal over the product of labour in their hands, *their relationship to this product must then be established and regulated on a new foundation; i.e., in this sphere also the new production relations must find their culminative completion in a new economic relationship anchored in the new social legality.* The workers may indeed possess the power of control over the product of their labour, but this power does not bestow rights in the same form as that in which they existed under capitalism, i.e., in an *arbitrarily free right of disposal*. The right of disposal over the product of labour can only be exercised under social conditions which are identically equal for all. The producers and consumers are indeed free, but only through the instrumentality of their social interdependence and unity. Each industrial establishment is nothing more than a cell in the great economic organism of society. But it is also not less than this! Each cell has its own qualitatively defined task, its own differentiated role, which it can fulfil only through its own independent self-activity. And yet, at the same time, this self-activity is only possible *in and through* the clearly defined framework formed by the general laws of motion of the Communist social organism as a whole. Within this defined framework free autonomous activity and self-movement can develop and unfold, and for this reason the workers become, through the very instrumentality of this framework, *free producers*.<sup>15</sup>

The equal conditions governing individual consumption can, on the other hand, be made manifest only through the same unit of measurement as that which is applied to consumption as a whole. In the same way as the individual hour of labour is the unit of measurement for the labour contributed by the individual, so also is the individual hour of labour at the same time the measurement for individual consumption. By this means consumption also is *socially regulated* and moves within limits which are fully and clearly defined.



In its essence, therefore, the social revolution is nothing more than the introduction of the labour-hour as the unit measure regulating and controlling of the whole of economic life. It serves as the measure in production, and simultaneously the right of the producers to their share in the social product is measured through its instrumentality. *The most essential characteristic in all this, however, is that this unit measure, as the universal category of economic regulation and control, is implemented and carried through by the producers and consumers themselves.* And this is so, not because it is an "ethical" or "moral" demand of Communism, but because, from the point of view of economic reality, nothing else is possible. It is, of course, also true that the elimination of unequal rights in the exploitation of labour, the precondition for the full unfolding and development of the free human being, is also an ethical demand. But this only proves yet again that the spheres of economy and social ethics can only realise themselves through their mutual interdependence - they both become fused together into a single unity.

## APPENDIX II

A LIFE FOR THE REVOLUTION!  
OR  
A BRIEF AUTOBIOGRAPHY  
OF A PROLETARIAN REVOLUTIONARY.

My name is Jan Appel, and I was born in a village in Mecklenburg in 1890. I attended elementary school and learned the shipbuilding trade. Even before my birth my father had been a Socialist. I myself became a member of the Sozial-demokratische Partei Deutschlands (SPD) (Social Democratic Party of Germany) on reaching 18 years of age. I saw military service from 1911 to 1913, and thereafter as a soldier in the War. In October 1917 I was demobilised and sent to work in Hamburg as a shipyard worker. In 1918 we called a strike of armaments workers. The strike held out for a whole week at the Vulkan-Werft (Vulcan Shipyard). Our slogan was: "For Peace!". After one week the strike came to an end, and we had the War Clauses<sup>1</sup> read out, for, according to law, we were still under military service. At this time I belonged with the Left Radicals in Hamburg. When in November 1918 the sailors rebelled and the Kiel shipyard workers laid down their tools, we heard on the Monday from workers in Kiel what had occurred. Thereupon a clandestine meeting was held in the shipyard, which was under military occupation. All work ceased, but the workers remained in position in the shipyard. A delegation of 17 volunteers was sent to the Trades Union Headquarters, in order to demand the calling of a General Strike. We forced them to agree to hold a meeting. The result, however, was that well-known leaders of the Allgemeine Deutsche Gewerkschaftsbund (ADGB) (General Trades Union Movement of Germany) and the SPD adopted a negative attitude towards the strike. There were sharp exchanges lasting many hours. Meanwhile, a spontaneous revolt had broken out during the lunch-break at the Blohm und Voss Shipyards, where 17,000 workers were employed. The workers left the factories and the Vulcan Shipyards and appeared in front of the Trades Union Building. The leaders had vanished. The revolution had begun.



In those days I had taken up a position in the forefront of the left revolutionary workers' movement in Germany.<sup>2</sup> As a speaker in the factories and at public meetings, as the Chairman of the Revolutionäre Obleute (Revolutionary Shop Stewards), then newly formed, and as a member of the Linksradikale Gruppe (Left-Radical Group), I now turned towards the Spartakusbund (Spartacist League) and later began to play a leading role in the Hamburg District Organisation of the Kommunistische Partei Deutschlands (KPD) (Communist Party of Germany).

In January 1919 a large meeting of the Revolutionary Shop Stewards took place in the Trades Union Central Headquarters Building. This meeting was held after Rosa Luxemburg and Karl Liebknecht had been murdered in Berlin. It was at this meeting that I made the acquaintance of Ernst Thälmann of the Unabhängige Sozial-demokratische Partei (USPD) (Independent Social-democratic Party of Germany), and during the following night a march was held together with the USPD Comrades to the barracks at Barenfeld. The guard and the sleeping soldiers were taken by surprise, and the arming of the workers was set in hand. We had 4000 weapons. After a good week of effort to build up a well-armed fighting force, those with arms began to disperse one after the other and disappeared along with their weapons. It was at this time that we arrived at the conclusion that the trades unions were quite useless for the purposes of the revolutionary struggle, and at a Conference of the Revolutionary Shop Stewards the formation of revolutionary factory organisations as the basis for Workers' Councils was decided upon. Moving outwards from Hamburg, propaganda advocating the formation of Factory Organisations was disseminated, and led to the founding of the Allgemeine Arbeiterunion Deutschlands (AAUD) (General Workers' Union of Germany). In the course of this development and the accompanying clarification, in which process my main function was as Chairman of the Revolutionary Shop Stewards, I assumed, partially for organisational reasons, the additional function of Chairman of the Hamburg District of the KPD.<sup>3</sup> It was in this way that I became a delegate to the Heidelberg (Second) Congress of the KPD.<sup>4</sup>

Now it is 1966, some 47 years after the Heidelberg Congress. There is little point today in examining more closely the discussions and conclusions reached at this Congress. Suffice it to say that at that time it became clear to us that the line and policy of the KPD was designed to turn the main direction and aim of the Party towards participation in the bourgeois parliament. Since it remained our wish to keep faith with previously held convictions concerning the policy we were to pursue in relation to the revolutionary workers' movement in Germany, it now became impossible to continue as an organised tendency within the KPD. Shortly after this the Hamburg District of the KPD also came to this decision.

When, in Berlin in April 1920, the group of those in the KPD who held to the same view as the Comrades in Hamburg took steps to form the Communist Workers' Party of Germany (KAPD), my participation in the KPD came to an end. Those were the days of the Kapp-Lüttwitz putsch, and I took myself off to the Ruhr. Upon my return to Hamburg, I was informed that, at the Founding Congress of the KAPD, a delegation comprised of Franz Jung and myself had been elected in our absence to make the journey to Russia in order to represent the KAPD at the Executive Committee of the Communist International (ECCI), then in session there. It was our task to give a report on the founding of the KAPD, to present its views and policy and to deliver the appropriate charges concerning the traitorous stance adopted by the Central Committee of the KPD towards the struggle in the Ruhr.<sup>5</sup>

It was impossible for us to make our way overland, and passage through the Baltic Sea was also closed. The sole available route open to us seemed to me to lie through the North Sea and the Atlantic, passing Norway and Cape North and so into the Arctic Ocean, to reach Archangel or possibly Murmansk. We were, however, uncertain as to whether or not this area had been retaken by the Russians, i.e., if the Bolsheviks had reoccupied it. A short time previous to this a small news item had appeared in the press to the effect that the American fleet, together with



its complement of troops which up till then had occupied the area, had now been withdrawn. In spite of this uncertainty, we decided to risk the journey. A Comrade of my acquaintance, Hermann Knürfen, was a sailor on board the steamship *Senator Schröder*. This ship made a regular four-weekly cruise to the fishing shoals around Iceland and, upon its return, stayed for at least a week in Cuxhafen. I made a search for Hermann Knürfen. Just at that time he happened to be in Hamburg, and the ship was in dock at Cuxhafen and due to start its outward voyage in three days time. Knürfen was willing, and the majority of the crew likewise - indeed, it was not for nothing that we were living in revolutionary times!

Franz Jung and I, with a further revolutionary sailor, embarked as stowaways. As we passed the northern tip of Heligoland, we arrested the captain and his officers at gunpoint and locked them up in the forward cabin. The journey began on the 20th April and ended on the 1st May 1920, at Alexandrovsk, the seaport of Murmansk. We possessed sea-charts only for the area up to Trondheim, and beyond that all we had to guide us was a small map in a sailing handbook, which offered a view of the globe looking down with the North Pole at its centre. The coasts of Norway, Russia, Siberia and Alaska were to be seen on the edges of this map. This was the sole means of navigation by which our new Master, Captain Knürfen, had to steer his course! At the northern tip of Tronshö (Hammerfest) we suffered two days of unrelenting storm followed by thick snow, so that any sight of the distant coast was obliterated. We were all extremely tired, since the uncertain situation made a continuous and wary watch imperative. In this way, dog-tired, we sailed towards the south, seeking out the coastline or any speck of land where we might find some rest. It was nothing but blind good fortune that made us sail into the fjord of Alexandrovsk, so that we were able to tie up to a buoy left behind by the American fleet. It required several further hours before we could be sure of our whereabouts or that the Americans had taken their leave. Behind the craggy wall of snow appeared a black column of smoke which, from a considerable distance, gradually approached us as we and our ship rested on the water.

Then, it seemed from out of the very wall of the cliff, a steam tugboat appeared, and finally we saw a large red flag. This was for us the sign that we had arrived in the Land of the Communists. After a while a motor-boat hove into view, filled with armed men. We took hold of a tow rope and sailed between the cliff walls inland in the direction of Murmansk. We were received as Comrades, and thereafter travelled on the railway, built during the war, to Petrograd, now Leningrad.

In Leningrad, after we had spoken with Zinoviev, the Chairman of the Communist International, we travelled on to Moscow. There, a few days after our arrival, we delivered our statement to the Executive Committee of the Communist International. Our case was discussed, but as to who spoke and what was said I no longer have any recollection. However, we did not receive an honest reply, except that we were told that we were shortly to be received by Lenin himself. And indeed this did then occur, after about a week or a little longer.

Lenin, of course, opposed our and the KAPD's standpoint. During the course of a second reception, a little while later, he gave us his answer. This he did by reading to us extracts from his pamphlet "The Infantile Disorder in Communism", selecting those passages which he considered relevant to our case. He held the manuscript of this document, which had not yet been printed, in his hand. The Communist International's reply, delivered initially by Lenin himself, was that the viewpoint of the ECCI was the same as that of the KPD, which we had already left.

After a fairly long return journey via Murmansk and Norway, it became necessary for Jan Appel to disappear from view, and my activities in Germany were continued by Jan Arndt. Working whenever necessary to keep body and soul together, in Seefeld near Spandau and in Ammerndorf near Halle, and speaking in meetings from time to time - this was the tenor of my life. Much the same kind of activity took place in the Rhineland and the Ruhr, where I was also instrumental in organising the regular publication of



the AAU's journal "Der Klassenkampf" ("The Class Struggle"). In 1920 the KAPD had been accepted into the Third International as a sympathising organisation. This had come about as a result of discussions between the ECCI and certain leading members of the KAPD. The latter consisted of Hermann Gorter from Holland, Karl Schroeder from Berlin, Otto Rühle, the former SPD Reichstag Deputy, and Fritz Rasch. At the Third Congress of the Communist International in Moscow, we were afforded every freedom to express our point of view concerning the kind of policy which should guide our work. But we met with no agreement from the delegates of the other countries present. The main content of the decisions which were adopted at this Congress held that we should continue to cooperate with the KPD in the old unions and in the democratic assemblies, and that we should let drop our slogan "All Power to the Workers' Councils". It was the well-known policy as set forth in the "21 Points" which we should follow if we wished to remain an affiliated organisation of the Communist International. We, of course, spoke up against this and declared that a decision on this could be taken only by the relevant organ of the KAPD. This indeed was done upon our return. Then I went back to the Ruhr and to Rhineland-Westphalia to begin activity once again, just as before the Congress. This spell of activity was brought to an end in November 1923 as a result of my arrest. The immediate cause of this was the occupation of the Rhineland and the Ruhr by the French, but since the indictment was one of stealing a ship, this could be heard only in Hamburg. I narrowly succeeded in avoiding extradition by representing myself as a political prisoner and invoking the assistance of the French occupation authorities. However, since an extradition agreement between Germany and the Allied Powers was imminent, I agreed voluntarily to a deportation order to Hamburg. There I was tried and sentenced, and so spent a time in prison. This came to an end at Xmas 1925.

In April 1926 I went to Zaandam in Holland to earn my living as a shipyard worker. Immediately upon my arrival I wrote to a Comrade, whom I did not know personally but whose address had been given to me. It

was Henk Canne-Meier. Together with Piet Kurman, he looked me up in Zaandam. Both held views identical with those of the KAPD, and they had broken with the Communist Party of Holland. But they had no contact with the existing KAP group in Holland. They were both good friends of Hermann Gorter. We exchanged our views and experiences, and held regular meetings with others of like mind. In this way we gradually crystalised into a group which we called the Group of International Communists. The publication of our positions and analyses took place through the PSIC (Press Service of International Communists), which is the information organ of the International Communists.

During my time in the Remand Prison in Düsseldorf, a period of altogether seventeen months, I had found the opportunity to study Vols. I and II of Marx' "Capital". Coming as I did from years of revolutionary struggle, followed by internal factional strife within the Communist Movement and the recognition of the fact that the Russian Revolution had led to the consolidation of a state economy under the rule of a party apparatus, such that we were compelled to coin the term "state communism" or even finally "state capitalism" in order to describe it, I finally came to reach a unified view. The time for considered, consciously evaluated thought had arrived, the time at which one allows all past experience and activity to pass in review before one's intellectual inner eye, so as to find the road which we workers must take in order to leave behind the oppression of capitalism and to reach the liberating goal of Communism.

As a revolutionary worker, I came through the study of Marx's "Capital" to understand the capitalist world as I had never understood it before. How it is compelled to follow an intrinsic, law-governed development; how its basic order unfolds over a long period, overcoming all conditions inherited from the pre-capitalist past in order to consolidate its mode of production, and thus forming the seed-bed for new and yet more intense contradictions in its internal order; how it brings about ever and again new changes to its internal



social structure, but also how simultaneously its most basic contradictions are pushed forward to new and ever more glaring levels of antagonism. It first expropriates the working people from the soil and their piece of land; then it appropriates their independent means of life and so creates the conditions in which it can also appropriate the products of their labour. The right of disposal over the fruits of labour, and hence over the producers themselves, falls into ever fewer hands. Furthermore, the truth that the sole achievements of the Russian Revolution were that the Russian Communist Party had been constituted as a totally centralised despotic instrument of power equipped with all necessary means for exercising state oppression over the still dispossessed and propertyless producers was a fact we were forced to recognise. But our thoughts went further: the most profound and intense contradiction in human society resides in the fact that, in the last analysis, the right of decision over the conditions of production, over what and how much is produced and in what quality, is taken away from the producers themselves and placed in the hands of highly centralised organs of power. Today, over forty years after I first came to this awareness as I sat in prison, I see this development unfolding to an ever greater degree in all parts of the world. This basic division in human society can only be overcome when the producers finally assume their right of control over the conditions of their labour, over what they produce and how they produce it. On this subject I wrote many pages while I was in prison. It was with these thoughts in mind and with the writings relevant to them that I arrived in Holland to see the Group of International Communists.

Today, in the year 1966, forty years have passed since we first met together in Amsterdam as the Group of International Communists (GIK), in order to express our new thoughts and to discuss them. The knowledge that the Russian Revolution was leading to the establishment of state communism, or more accurately state capitalism, represented a new school of thought at that time. It also necessitated disillusioning oneself of the view that a Communist form of society, which also implies the liberation of

labour from the shackles of wage-slavery, would be the necessary and direct outcome of the Russian Revolution. It was likewise a wholly new conception to concentrate one's attention upon the essence of the process of liberation from wage-slavery, that is to say, upon the exercise of power by the factory organisations, the Workers' Councils, in their assumption of control over the factories and places of work, in order that, flowing from this, the unit of the average social hour of labour, as the measure of the production times of all goods and services in both production and distribution, might be introduced. In this way money and all other forms of value would be abolished and so deprived of their power to manifest themselves as Capital, as the social force which enslaves human beings and exploits them. This knowledge and its fruit, gained over long years of work in the Group of International Communists in Amsterdam, have been brought together in ordered form in the book "Fundamental Principles of Communist Production and Distribution", published by ourselves. It consists of 169 pages\* of typewritten script. In order to gain a brief insight into what is written there, the following excerpt from the Foreword may be quoted: "The 'Fundamental Principles of Communist Production and Distribution' had their origin during a 4-year period of group discussions and controversy within the Group of International Communists of Holland. The first edition appeared in the year 1930 in Germany, published in Berlin by the Neue Arbeiterverlag ('New Workers' Publishing House'), the publishing organ of the AAUD, the revolutionary factory organisation. On account of financial difficulties a Dutch edition in the desired format and published at the required time proved to be beyond our capabilities. Instead, it was published in serial form as a supplement to the Press Information Service of the Group of International Communists (PSIC). On account of the translation, this edition is not quite identical with the German one, though nothing essential in the content has been altered. The only amendments were in the order in which the material was presented and in various formulations, in order to attain a clearer presentation. It is hoped that the 'Fundamental



Principles of Communist Production and Distribution" will lead to a thorough discussion and so contribute both to greater clarity and to unity of aim within the revolutionary proletariat, and so result in the various tendencies adopting a common course".

In a new edition it was written: "This book can only express in economic terms what must first be achieved in the sphere of political action. For this reason it was necessary to begin, not merely with the abolition of private property in means of production, but with the elimination of wage-labour as such. It is from this basis that all our thoughts proceed. Our analysis therefore led to the inescapable conclusion that, once the workers have won power through their mass organisations, they will be able to hold on to that power only provided that they eliminate wage-labour from all economic life and instead adopt as the nodal point of all economic activity the duration of labour-time expended in the production of all use-values, as the equivalent measure replacing money-values, and around which the whole of economic life would revolve. The German edition of the year 1930 was later seized and destroyed. A short précis was subsequently published in New York,<sup>10</sup> and also a German version in the journal "Kampfsignal" ("A Call to Struggle"); whilst in 1955, in Chicago, an English-language version appeared in "Council Correspondence". "

I participated personally in the political activity of the Group of International Communists of Holland. In April 1933 it was made known to me that "a friendly Germany" wished to see me once again. I was to be expelled as an undesirable alien! However, the helpful Police Commissioner in Amsterdam afforded me the time in which to bring my personal affairs into order. The moment had come once again to go underground. Jan Appel once more disappeared from the scene. When, later, the Second World War finally broke out, I began to play a part in the resistance movement directed against the regime of the Hitler fascists, who had occupied the country in 1940. After Sneevliet, the well-known leader of the Left in Holland, together with between 13 to 18 other Comrades, had been executed by firing-squad, we

continued to pursue the resistance struggle with the remainder of the Comrades. After 1945 we published the weekly journal "Spartacus".<sup>12</sup> This continued until 1948. As a result of a serious street accident which I suffered at this time, I had to be placed in hospital, and so appeared once again on the surface of social life. A testament from over 20 bourgeois citizens good and true was required in order to protect me from being simply pushed over the border! That I had been active in the resistance movement decided the issue in my favour. Jan Appel made his appearance once again, but it was necessary for him to refrain for a time from all political activity. This is also the end of this volume of my life-history.

#### Comrades!

After hearing the Report by Comrade Nader concerning the Tenth Line to be adopted by the Communist International, it is possible for us to declare our agreement with the first formulations put forward by Comrade Nader, to the extent that these correspond with the conviction we ourselves hold as a result of our observations upon the world economic situation - namely, that we consider the approaching collapse of the capitalist mode of production to be confirmed, and that the proletarian revolution will be its unconditional and necessary outcome. However, when we then come to consider the question as to how this proletarian revolution should be carried through, how the line of battle of the revolutionary proletariat should be disposed in the course of the fight - then differences do indeed exist. Since only a short time for speaking has been allotted to me, I will attempt to clarify these differences as concisely as possible.

Let us consider the period from 1917, the revolution in Russia. Similarly, let us consider the revolutions in Germany and Austria: when we consider all the revolutions which have occurred in this epoch, we observe one salient fact: that the form of organisation adopted by the fighting proletariat has been that of Soviets. In Germany we call them "Räte" (Councils). This was the line of battle adopted by the proletariat; this was the organisational form



## APPENDIX III

MAX HEMPEL:

SPEECH BEFORE THE THIRD CONGRESS OF  
THE COMMUNIST INTERNATIONAL  
July 1921

(COMINTERN, 1st of July 1921: 11th Session, 12.40 pm. Discussion on the Report by Cde. Radek. Speakers: Cdes. Hempel, Terachini, Lenin, Micalik, Vaughan)

## COMRADE HEMPEL (KAPD)

Comrades!

After hearing the Report<sup>1</sup> by Cde. Radek concerning the tactical line to be adopted by the Communist International, it is possible for us to declare our agreement with the first formulations put forward by Cde. Radek, to the extent that these correspond with the conviction we ourselves hold as a result of our observations upon the world economic situation - namely, that we consider the approaching collapse of the capitalist mode of production to be confirmed, and that the proletarian revolution will be its unconditional and necessary outcome.<sup>2</sup> However, when we then come to consider the question as to how this proletarian revolution should be carried through, how the line of battle of the revolutionary proletariat should be disposed in the course of the fight - then differences do indeed exist. Since only a short time for speaking has been allotted to me, I will attempt to clarify these differences as concisely as possible.

Let us consider the period from 1917, the revolution in Russia. Similarly, let us consider the revolutions in Germany and Austria; when we consider all the revolutions which have occurred in this epoch, we observe one salient fact: that the form of organisation adopted by the fighting proletariat has been that of Soviets. In Germany we call them "Räte" [Councils]. This was the line of battle adopted by the proletariat, this was the organisational form



of the working masses. We can establish this point further through the example of other revolutionary struggles on a smaller scale, such as the factory occupations which occurred in Italy. The proletariat has its Councils, or at least their organisational form; it has made use in the past of factory committees, and is now forming these anew in England within the arena of the widespread miners' strike there (this is the truly revolutionary leadership given by the shop stewards). The German proletariat after 1918 has adopted in all its revolutionary struggles, from the smallest to the very largest, the organisational form based upon councils of workers in factories and other places of work. This is what we perceive in the revolution. It is this that we should be turning over in our minds and trying to evaluate. Having done this, we should openly declare: if this is the line of formation adopted by the proletariat in the revolution, then it behoves us, as Communists who wish to win a position of leadership in the revolution, and who indeed must win it, to approach the question of the organisation of the revolutionary proletariat in accordance with the same method. This is what we of the Communist Workers' Party declare - and this is not, as Cde. Radek<sup>3</sup> believes, the brainchild of Cde. Gorter in Holland or a figment of his imagination. On the contrary, it is the product of our experience in all the struggles through which we have fought since 1918. We workers are not great theoreticians, we have above all the experience we have gained from our struggles to guide us. We have reached a point at which we must give the revolutionary workers, those who really wish to play a part in the struggle, a foothold helping them to break free from the old organisational forms of the working class movement and offering them a helping hand towards those new organisational forms through which the revolution may be brought to a victorious completion.

This is thrown into clearest relief when it is brought to mind just what the tasks of the old workers' movement were - or, expressed in clearer terms, what were the aims of the workers' movement in the epoch prior to the actual outbreak of the

revolution. Its tasks were: on the one hand, through the agency of the political organisations of the working class, the political parties, to despatch delegates to the parliaments and other representative institutions of capitalism which were publicly accepted by the bourgeoisie and the bureaucracy as being a respectable form of representation for the working class. This was the one task, and it was exploited to the full. In the then prevailing conditions, this was correct. The economic organisations of the working class then had the task of winning improvements in the situation of the workers under capitalism, of inspiring the workers to struggle, and, when struggle was no longer possible, of negotiating. I must express myself as briefly as possible. That was the character of the tasks confronting the workers' organisations before the War.

When, however, the revolution broke out, other tasks made their appearance. Now the workers' organisations could no longer confine themselves to demands for higher wages or restrict their main aims to those of mere representation in parliament, in order to squeeze out a few more concessions for the workers. That is reformism. Now our critics confront us with the statement: but we don't want that either! - and we reply: yes! - we believe you when you say that this is not what you want; but if you adopt the same course as that of the old workers' movement, then you will be drawn willy-nilly onto that road, you will be powerless to do otherwise, and any number of theses will be of no avail in preventing it. Our whole experience proves this. It was not for nothing that the old workers' movement had its own characteristic organisations. For what does one need in order to be represented in parliament? For this one has no need of revolutionary fighters, one needs only to be enlightened concerning the real conditions in the existing state, one needs personalities skilled in debate, as experienced parliamentarians are, and from them one receives reports, etc. No more than that. What does one need in the arena of the economic struggle? One needs no more than combinations of workers, trades unions, headed by



diligent officials capable of negotiating with employers and their firms.<sup>4</sup> Leaders remain faithful to such organisations, they stand by them. Money is collected in order to carry through a possible future strike. Solidarity organisations are set up, which is in essence what the trades unions are, instruments serving the working class for quite definite purposes, to serve a quite definite aim: namely, to enable the workers to find as comfortable a way of life as possible within the capitalist order.

And if it then happens that Communists come to believe that these instruments - which are incapable of encompassing revolutionary struggle, which are unviable weapons in the heat of revolutionary battles - if they seek to make use of this form of leadership, of these organisations, and come to believe that they will be able by this means to lead the revolution through to victory, then they commit a serious error, and in this way they will eventually find themselves being trampled underfoot.<sup>5</sup> Are we not undergoing this experience over and over again, the experience which teaches that all workers' organisations of this kind, which have chosen this path, when it comes to the decisive struggle, and in spite of all the revolutionary speeches, end in collapse? This is the great lesson which we must draw from these experiences. In this connection we say: it is the end aim which they must keep firmly in mind, and that aim is: to shatter and destroy capitalist power, to destroy the power of the state. Specifically to serve and achieve this objective, the proletariat must create its own organisations. It is the proletariat itself which brings these organisations into being.<sup>6</sup> We see an example of this when, in a particular industrial establishment, for instance in Germany, the workers submit their demands - and these demands, given present-day conditions, turn out to be such that the employers are unable to grant them. So what do the workers do then? They elect their own representatives, whom they know and trust, from their own factories, from their own places of work. They find that the struggle which they wage, already at this early stage, has to be one conducted against the wishes of the trades union

leaderships. This has been our experience throughout the long history of these small struggles, these small strikes, right through up to the large-scale struggles of the present.

We see then: the proletariat is already being compelled, even today, to organise itself for revolutionary struggle, for control of the economy, and we say: we Communists must recognise this, must acknowledge that the path taken by the old workers' movement was a false one. We have found a new path, the path of revolutionary struggle, and for that reason we declare that the workers must organise themselves in accordance with the selfsame example which the revolution itself, in the course of its development, has shown us, and in which, when struggle is placed on the agenda, we Communists should play the leading role. For all these reasons we say: the Communists must encourage and lead the proletariat to organise itself on the basis of the factories and places of work, to organise with a quite definite aim in view, for a quite definite purpose, namely: to conquer power over production, the productive forces, the factories, and to take control over them into its own hands. It arises out of the very conditions under which these struggles are waged that the proletariat must organise itself in this way, for it is in pursuit of these very aims that the proletariat wages its struggle in the first place.

Comrades, it is not possible for me to dwell at any greater length on these matters. It is the task of Communists to recognise them and to make such problems as these their closest concern.

And so we come now to the next point. The line of formation to be adopted by the proletariat, its organisation in struggle and the tasks facing it in that struggle - these also show us the methods which should be adopted in that struggle. The methods must be revolutionary in character, and in the contemporary age they arise out of our analysis of the economic situation, as also out of our evaluation of the situation within the camp of the class enemy.



The class enemy is today in course of adopting counter-measures. He has, of course, done this before, but today his preparations are being pursued to an intensified degree. Above all, they are such as are designed specifically to maintain the class enemy's grip upon social power. On the one hand upon state power, on the other hand to bring about a situation in which industry and the economy can once again bring them some returns. What is not possible for them is to set the whole economy once again into motion. This they cannot do. It is, however, possible for them to consolidate a part of it, its decisive inner kernel,<sup>7</sup> and this they seek to achieve at the expense of other parts. This is what is taking place now in all countries of the world. We Communists must observe this, and we must see what further consequences might arise out of this new start adopted by the capitalists who, as always, are acting with methodical resolution.

The first result of these new policies is that a section of the proletariat is maintained in a reasonable condition of life in those industrial establishments in which capitalist production is still viable, in the still viable sectors of the economy. And we can see that this strongest kernel of capitalism, these trusts and super-trusts, combine in joint relations with one another in all countries and so maintain a dominant position. But if only a part of the proletariat is able to find employment and the means of life in these most concentrated establishments, it follows that another section must be deprived of those blessings. And that deprived section constitutes by far the preponderant mass of the unemployed, who can find no support in the present-day system and who are condemned gradually to perish. This is the dichotomisation of the working class, the economic division within it.<sup>8</sup> The worker who still has his place in the factory, who still possesses the means for continuing his struggle through life - he hangs on desperately to his employment, he does everything he can not to lose it. And the workers who have already been thrown out of the factory appear as the enemy of those who are still afforded the means of life. This is the

division which capital is purposefully promoting and which is being stirred up by the bourgeois press on every occasion. This is the way in which capitalism is being restored to good health. We do not say that this is a permanent restoration of the rule of capital, but a restoration for a certain period of time, a restoration which rests upon the emaciated corpses of the proletariat. We must recognise this, and it is from this situation that we are also able to derive our battle tactics, as also the method which we must employ in order to advance to a new situation.

It is the task of us Communists to alert the proletariat so as to ensure that this tactic of consolidating only the one section of the economy and its workers cannot be brought to completion. For that would represent nothing less than the defeat of the entire proletarian movement. It is our task to take up struggle at every stage, to take advantage of even the smallest opportunity. It is our task to prevent by all possible means - and here I am at one with Cde. Radek - that this favoured section of the economy, as it is being planned and promoted by the capitalists, should be successfully reconstructed.

To achieve this, we have on our side the enormous and continually growing masses of the unemployed, the starving proletarians, and it is our task to unite them. Our aim in uniting them is not that they should elect us to parliament, so that they can vote for our resolutions; on the contrary, our aim must be to grip them at the level of their basic life-conditions; we must encourage them to organise themselves in Councils,<sup>9</sup> and we must bring them into touch with other Councils, with the shop stewards from the factories and works. It is by this means that we shall bring into being the organisation of the proletariat, it is by this means that we will achieve the unity of the proletariat in action. Above all, it will be necessary for us to engage continuously in struggle. The speeches, the resolutions and the Open Letter, such as Cde. Radek has proposed here - they cannot in any way constitute the platform upon which the unification of the



revolutionary proletariat will be achieved. That platform can be forged only out of unremitting struggle.

Cde. Radek spoke of an offensive and a defensive phase. Even at the beginning of this year, we in Germany recognised the turn events were taking with us. We have seen how bourgeois democracy has been kept alive by resort to measures of every conceivable kind - implemented through the Social-democrats, the Independents, all the parliamentary parties and organisations, and finally by measures adopted by the entire bourgeoisie. It was an insidious situation, which was just what capital needed; it was absolutely necessary to break it. We issued the following slogans: make the maximum use of each and every dispute in all factories; push those disputes relentlessly forward, extend them, make use of every opportunity to offer the clenched fist to each and every capitalist; cultivate communication from factory to factory, and everywhere work to sharpen the struggle. Comrades, we have seen that as a result of these aims the situation in central Germany intensified, and it came to the March Action;<sup>10</sup> Then there came the offensives led by Hörsing<sup>11</sup> and the storm in Germany had broken out. We say that this was an offensive, at least as we understand that word, and that this must be promoted to the maximum. However, all of a sudden to command the launching of an offensive, quite unannounced - that is sheer nonsense!

And now I would like to refer once again to the attitude which we adopted on 20th August of that year, when the Red troops stood on the East Prussian border, before Warsaw. It is necessary that our judgment of what constitutes an offensive or a defensive situation be brought to bear upon those events also. We of the KAPD sought to prepare the ground by all possible means throughout the country, through weeks of preliminary actions, in public meetings, by means of leaflets, through propaganda in the factories, through making the maximum possible use of the mood brought into being through the fact that the Red troops were at the border, and so on.

And when the news then finally broke that troops and supplies from France were rolling through Germany - what was to be done? We, for our part, quite consciously took the decision to push matters to the point of insurrection. We carried out these preparations in a planned way in all areas. And then on the 20th of August and on the previous evening - it is only today that we are able for the first time to speak our mind on these matters, because up till now many of our Comrades found themselves in prison because of these things - there appeared in the "Rote Fahne", in "Freiheit" and in all the provincial papers the summons: "To the Proletarians of Germany: take heed of this Warning! Spies and provocateurs, unsavoury elements, are seeking to lure you into a bloodbath!" - and so forth. We now confess openly, if ever we have committed a serious error, then it was on this day, and namely through the fact that we strove with all the means at our disposal to put the brakes upon the Action - the Action which it had been intended should break out in the strategically most important parts of Germany. In many places we had even succeeded, and now it is even the subject of scornful remarks uttered at our expense that our Comrades in Velbert and Köthen<sup>12</sup> had gone so far as to proclaim the Soviet Republic!

We say: one may pour scorn on us for this - that does not trouble us. But the duty of a Communist in this situation was to seize the offensive at this precise moment. In Germany we consider such an action to be an offensive, but considered on an international scale it was not so much an offensive as simply an act of solidarity with the struggles of our Russian brothers, who were being threatened by the supply of war materials. These things also must be taken into account before any judgment concerning what constitutes offensive and defensive action is reached.

So now we come to the question of partial demands. I have already broached this subject, that of the Open Letter - over there, there is control of production, couldn't that be called a "partial demand"? But then, Cde. Radek has spelled out for us



so very clearly what partial demands may or may not look like. In Germany this Open Letter, supported by the trades unions, supported by the parliamentary parties - it must and will have an opportunist outcome! An Open Letter which has as its foundation the support of revolutionary organisations engaged in economic struggle - such an Open Letter surely possesses the very qualities which Cde. Radek has found lacking in the case of the Vereinigte Kommunistische Partei Deutschlands (United Communist Party of Germany [VKPD]).<sup>13</sup> Where are the meetings of the Action Committees which should have laid the basis for the struggle, the meetings which should have taken place as a result of the Open Letter? Yes, of course we rejected it, because we know our Pappenheimers<sup>14</sup> only too well, because we knew that that course could bring us nothing more than negotiations with the government, because it consisted of nothing but empty phrases. It was for this reason that we rejected it. We are in agreement with every measure to intensify the struggle. But one should also consider carefully what is being done. One cannot simply produce solutions in the way a conjuror produces cards out of his shirt-sleeves, they constitute preparations for revolution which must be put in hand. The solutions *would* have been to hand *if* we had possessed revolutionary organisations, they *would* have been taken *if* for the past two years the Central Committee of the Spartacist League, indeed the Third International itself, had not been insisting: "no factory organisations, no general workers unions; instead, do what you can with the old trades unions". One should pay attention to how things really are; and, above all, one should ask the class fighters themselves, those who wage continuous struggle; they will tell you how matters stand. They will show you how, and how alone, struggle should be waged. As you know, I do not have the time to analyse everything in detail.

So this is how we have to deal with the question of partial actions. We declare openly: we do not reject any partial actions. What we do say is that each and every action, each and every struggle, must be thoroughly worked out, must be pursued through to

the end. One cannot say that we reject this particular action or that particular struggle. Any struggle which arises out of the economic life-needs of the workers must be pursued by all possible means. And precisely in such a land as Germany, or indeed in England, or any of the "democratic" countries which have experienced 40 or 50 years of bourgeois democracy and its effects, this is absolutely imperative. In all those countries the workers must first become accustomed to struggle. The slogans issued must correspond to such partial actions. Let us take an example: in a factory, or in a number of factories, a so-called general strike breaks out, which spreads over a small area. In such a situation the slogan: "Struggle for the Dictatorship of the Proletariat", can have no relevance. That would be nonsense. Slogans must correspond to the conditions prevailing, they must correspond to the concrete possibilities in that arena. Also, the slogans must be suited to the character of the struggle which the particular movement is pursuing. Let us assume that a general uprising is taking place in the country; it is tactically obvious that the slogans issued should not simply declare: "Now it's a matter of life or death!"

So now I will make some comments on the March Action, in order thereby to illustrate what effect the lessons deriving from it have had, lessons which have not yet been demonstrated here. In and for itself, the March Action - everyone now holds this view - was not in any way an action which could have led to the overthrow of the power of capital. We also saw this. But in spite of this it was necessary to declare the slogan: "Overthrow the Government"! It was necessary to issue this slogan, because otherwise there would have been no further prospect of any real struggle being waged on the part of the proletarians in Germany. But, over and above this, it was also necessary to issue this slogan because, seen as a whole, there remained in Germany no other course for proletarians to take. The present social order means death by starvation for so-and-so many millions of proletarians, means a slow death for ever larger sections of the population. As a consequence, there



remained for those workers who are living in conditions of dire distress but the one aim: the forcible overthrow of the present order of society! This had to be the slogan in Central Germany. It had to be formulated in that way, because for the first time it was necessary to show the German proletariat how it could lift itself out of its condition of distress.

I would like to choose an example. It was January 1918 in Germany. The war with all its consequences weighed heavily upon the proletariat. In January 1918 the munitions workers and the dock workers managed to find the way, using every resolve, to rise up in revolt against the tyranny of the war, against hunger, poverty and distress. They did this using the weapon of a series of general strikes. And what happened? The other workers, the proletarians in soldiers' uniform, did not yet understand their brother-workers on strike. A few perhaps. The ice had not yet been broken. But what progress did this struggle make throughout the country? How was persecution of the workers instigated? Even as they were being pursued into every corner and hiding place, the news of the strike, of this movement of the workers, was reaching into every corner of Germany! Everyone, every single person, knew of the events which marked the struggle. And so, as conditions reached a point at which nothing more could be saved of the military economy and of the so-called German Reich, then at last the workers and soldiers found the means enabling them to carry through the actions which their predecessors in struggle, those of January 1918, had taught them. And now matters find themselves at a similar pass in Germany. Thanks to the March struggle of 1921, the proletariat of Germany has had an example held before it of the means by which alone it can find a way out of the collapse, and everyone now knows this in Germany. "We possess insufficient means, inadequate instruments of propaganda, to take that lesson into every street and every household. That we must leave in large part to the bourgeoisie, the bourgeois citizenry, and they do this in a manner different from ours. They persecute us, they denounce us as

criminals, wretched curs, they hunt us down. And still, even today, the proletariat joins hands in denouncing us, still adds its voice to the denunciations. But when general social conditions deteriorate still further, the proletariat will prepare to make its way along the same road of struggle as we have taken, and it will recognise that road. In this way the revolution battles its way through. For all these reasons the slogan had to be declared and the struggle had to be unleashed for the overthrow of capitalist power, the existing order. That is the great lesson for the International which this March Action has given us. This is greater than all the trivialities to which we are still clinging here.

Comrades, it still remains for me to outline in brief words the precise form the organisation of the fighting proletariat should assume. Up till now I have merely hinted vaguely at such matters. The proletariat should no longer organise itself in such a way as merely to permit itself to be represented in the capitalist state in the spheres of politics and economics, in order thereby to make use of bourgeois democracy. On the contrary, the proletariat should organise itself for revolution. Such experience of revolution as the Russian Revolution, the German and the Austrian Revolutions have given us, including the experience of separate struggles, this is what the proletariat should adopt as its guideline, this is how it should organise itself. For this reason we say: the Communists must now form themselves into a hard core, must now form a framework which the proletariat can adopt as its own, when the very development itself impels it into struggle. And this framework, of what does it consist? It is formed out of the factory organisations, which join together on the basis of industries, industrial sectors and provinces. Today there are only a few. (A shout from the floor: "They are becoming ever fewer!"). Today it is they who are holding the standard high, who are maintaining the organisational framework. But when the struggles flare up once again, it is they who will play an ever larger and more significant part. For the proletariat will then be compelled to hold fast to this framework, because the trades unions



will no longer provide a structure adequate to promote those struggles. That is what we must now recognise. That is how the tactics of the Third International should be formulated, then we will begin to advance.

In order to maintain these organisations, to lead them, in order to be able continuously to educate this entire class formation, the proletariat needs a Communist Party," but it does not need that kind of a Communist Party which is not able to play a leading role through all its separate organs, and which can only function by means of directives issued by a centre. What the proletariat needs is a highly trained party with a core of steel. This is how it should be. Each individual Communist should be a fully developed Communist, that is our aim, and he should be able to fulfil a leading role in whatever position he finds himself. He should be able to stand up against attacks in all conditions, in whatever struggles he is involved, and that which gives him backbone, that which holds him upright, is his Programme. On the other hand, that which compels him to commence negotiations, that can only be the decisions which his Comrades have reached. Here the strongest discipline must prevail. Here there will be no forgiving. On the contrary, here there will be expulsions or other punitive measures whenever or wherever necessary. This will be a Party, in short, which is the steel core, which knows what it has to do, which stands firm, which is tested in struggle, which no longer negotiates, but which carries on the struggle continuously. And such a Party can only come into being when it really throws itself into the struggle, when it breaks with all the old remnants of the trades union and party movement, with its reformist methods - the trades union movement is a part of this - and when it completely renounces parliamentarism. From all this the Communists must break away, by this means they burn behind them the very bridges which lead back to negotiations with the bourgeoisie; and not only by these means is a return to an accommodation with the bourgeoisie set in motion, but also through cooperation, through an active role in those positions which the bourgeoisie

has left open and which are intended to serve the class enemy as a trap through which revolutionary energy can be absorbed and dissipated. All this the Communists must ban from their ranks, and when by this means they have been thoroughly purified, they will find themselves impelled all the more strongly towards their revolutionary work. This is how I would explain, in simple words and to the extent that the necessary time has been permitted me, just what the general line of the Communist International should be to enable it to fulfil a leading role.

And if we observe these matters from an international vantage-point, we find that here also we will be able to summon forth the forces which will be able to carry this structure forward, the human class material from which this edifice will be built, these international workers' organisations, this revolutionary International. In France, in Spain, in Italy, even in America we find syndicalists and anarchists. Perhaps someone will cry out: "Yes! You are an anarchist, a syndicalist!" Let us dwell for a moment on these matters. It will be necessary to recognise that the most revolutionary elements of the working class have for many years been found amongst such people. We know, of course, that they do not recognise the class struggle in conscious terms, the organised class struggle. But is it not the case, Comrades, that they entered history prematurely, their tactics were predated by decades. The methods adopted by the old workers' movement in Germany, etc., was correct for that time, but *now*, in the period of collapse, now the method of direct struggle is relevant. And these workers, these anarchists and syndicalists of the world, they do not have the experience of the collective strength and support that a workers' movement can bring to bear. In such a situation it is necessary for the Communists to intervene and to teach them how to lead the struggle, how to concentrate their forces. It is they who should bring them the form of organisation which they need in order that they may combine their ranks and within which they may unite. These elements, however, demand that such a thorough break is made with all bourgeois remnants that it will no longer be possible to return to the bourgeois path.



All those workers who have joined the anarchist and syndicalist camp have been provoked by the betrayal of the parliamentary leaders. But at least they have recognised how serious have been the errors committed by the parliamentary workers' movement. Our task therefore must be to draw them once again out of their present allegiance, and that means that it should be a matter of concern for Communists if they find themselves unable to devote themselves to this work. Indeed, it is not even a matter just of this, since for Communists it is no longer merely a question of principle whether or not one rejects parliamentarism, whether or not one rejects the trades union movement; today these matters have become, to a far greater degree than ever before, practical questions, and today history has placed them firmly on the agenda, has presented them for solution. If we observe matters in this way, we can see that it is precisely in America and in the West European countries that large workers' organisations are to be found which demand an anti-parliamentary policy and a break with the trades union movement.

And so we now have before us, today, the question as to what decision this Congress will reach. Should it adopt the line of the old workers' movement, then it will also find its way to the same fatal end. But should it adopt, decisively and with determined step, the path of unity with the left elements, who today are also to be found in Moscow; and should it recognise that there is much of value in them also, then the revolution will receive from the Third Congress of the Communist International a new forward driving force; on the other path, however, it will collapse into the sand and fall to pieces. It is the responsibility of this Congress to reach the correct decision. And it is from this standpoint also that we regard the question of our participation in the Third International.

## NOTES AND COMMENTS

### BIOGRAPHICAL NOTES

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### TECHNICAL SYMBOLS AND ABBREVIATIONS

### INDEX

1. "The proletarian conquers state power and ... announces the means of production to be state property" (Engels).

This is, of course, the well-known quotation from "Anti-Dühring" (Pt. III, "Socialism", Chap. II, "Industrial", Foreign Languages Press, Peking, 1933, 1937). It should be noted, however, that in this other great work, "The Origin of the Family, Private Property and the State", as quoted in Chapter VII, page 166 of the present work, Engels gives expression to the opposite view of Communism. That, quoted by his lifelong friend and comrade, Karl Marx, which defines the social foundation of Communism as an "Association of free and equal producers".

2. In the year 1847 the producers in Russia began to appropriate the surplus value throughout the whole country, with the intention of ordering production and distribution according to the principle of "to each according to his needs".

With the advent of the proletarian revolution in Russia, production and distribution, which had been the monopoly of the bourgeoisie, was taken over by the workers and the state.