

The European Grain Meet

The American Big Stick Succeeds in Disrupting the Conference

A number of months ago, Aristide Briand announced that definite steps had been taken to insure the birth of a United States of Europe. On February 28, we read of the results of the first attempt—alas! it was a miscarriage, a miscarriage caused by what in time may be recognized as the midwife of "European consternation", the United States.

We refer to the recently concluded "European Grain Parley" held at Paris on February 25-28. At the time Briand advanced his theory of an All-European Union, it was recognized by all that the major consideration would have to be economic co-operation. Political unity, yes, but only through economic cooperation. Dr. Hjalmar Schacht, of the German Reichsbank, writing for the *Yale Review* (Winter 1931) has the following to say in regard to Briand's plan:

"It was interesting to notice that at the recent session of the League of Nations Assembly, the mere political approach to the Pan-European problem made by France was supported by almost nobody. But the economic side of the problem was emphasized by spokesmen of several of the smaller nations. The Austrian Chancellor, Mr. Schober, declared that the first move to a European Federal Union must be made in the economic sphere and that in his opinion the most practical method immediately possible was to attempt to bring about economic agreements among the countries involved." The economic problem first to be solved through the Pan-European plan was the grain problem.

"Too Much Wheat"

The major item under the question of grain is of course wheat. A few lines would be proper to indicate the type of problem the conference attempted to solve. To state the matter briefly, the world has "too much wheat", discounting all rumors of starving millions in the cities. And of course directly linked up with the question of a great over-production is that of a drop in price.

The wheat producing industry is like all others, being torn between the vice of a discrepancy between capacity for production and capacity for consumption. Even though actual production is much below the capacity for it (with the Farm Board of the U. S. still agitating for smaller acreages), "the wheat year statistically was characterized by an excess of supplies over needs." (*Annalist*, November 16, 1930.) The world is divided between what are termed wheat-exporting and wheat-importing countries, the major wheat-exporting countries being the United States, Argentina, Australia, Canada, and now once more the Soviet Union. The price of wheat and the general condition of the market is determined on a world scale. This of course means that what is most important is the difference between the quantities exportable and those needed by wheat-importing countries. The total world production of wheat for 41 countries representing 96 percent of the world's wheat crop outside of Russia and China, compared as follows (*Crops and Markets*, January 1931):

1929.....	3,348,154,000 bushels
1930.....	3,649,656,000 bushels

Thus we see that there was an increase of 9 percent in world production in 1930 over 1929. Were Russia to be included in the totals, the final increase would undoubtedly be much larger than 9 percent. In connection with the above, we must remember that there was being held in storehouses what is technically known as a carry-over of over 418,000,000 bushels. Looked at from the point of view of exports and imports there was available during 1930 (*Annalist*)

for export.....	1,678,000,000 bushels
for import.....	820,000,000 bushels

In simple language this means that for every bushel that a country like England needed there were available two bushels. The above condition could result in only one thing: an enormous drop in price, which did take place.

The Price Decline

From the *Crops and Markets* report of the Department of Commerce, we see a gradual drop in the price paid to the American farmer for a bushel of wheat:

December 1929.....	108.1
March 1930.....	91.9
June 1930.....	87.9
September 1930.....	70.3
November 1930.....	60.0
December 1930.....	61.3
Average 1929.....	105.1
Average 1930.....	60.8

The above gives one an idea of the problem tackled by the Grain Conference. Stabilization of the price, and in regard to the above, the problem is even greater than that indicated by the figures for the United States. The price of wheat in the U. S.

has been artificially held much above that of the world market, with the aid of the tariff. Thus, while December wheat in 1931 was selling on the market in Chicago at 76 cents, in Winnipeg, the same wheat was quoted at 54 cents. To repeat, the Grain Parley set itself the task of first stabilizing the price and at the same time distributing the world surplus.

The solving of the grain problem was to be its immediate purpose. But in addition to this, or rather superseding this, it was to serve as the first step in the Pan-European scheme. Discussing the conference, *The Business Week* (March 4, 1931), has the following to say:

"That is why Briand, in opening the meeting, called it the first real test of the idea of European solidarity which he has been fostering for the past year. If it is successful, it may not only have immediate practical effects on the European market, for American products, but it will be a long step toward realization of the French scheme for a United States of Europe as a political and economic counterweight to the United States." The Pan-European movement of Briand was, in the words of one of the Latin American representatives to the League of Nations "to have as its underlying policy the desire to free Europe from the present economic imperialism of North America" (i. e., the U. S.).

The countries have their places on the board. The moves are not such as are easily analyzed. Europe is fighting for its life, economically speaking. Europe feels the necessity of a united face against its North American opponent. Cooperation among competitors, however, cannot be easily achieved. Germany takes a step towards France, then looks coyly towards Wall Street. Italy is also kept busy racing between Paris and New York City. More than ever are Trotsky's words, written in 1928, true today: "In a critical epoch the hegemony of the United States will prove even more complete, more open, more ruthless than in the period of boom. . . . The United States will try to overcome and get out of its difficulties and helplessness primarily at the expense of Europe." Written over two years ago, we see the correctness of the prognosis every day.

«SUSTAINED PROSPERITY»

Like Ponce de Leon, who sought in vain the fountain of youth, the economists of capitalism—the professional apologists for the prevailing system of exploitation—seek likewise for permanent or sustained prosperity. And while the fruits of their wisdom are so useful scientifically as alchemy in an age of poison gas, their performance reminds one of a dog chasing his tail. During the period when the alleged prosperity was surfeiting the broadest circles of the parasitic ruling class (they're not exactly starving now, either, in bacchanalism and luxury—and grinding down the nerves and muscles of the working class—the capitalist ideologists were sounding the heavens with their paeans of praise for the unsurpassable system of individual initiative. But now confronted with the stark reality of the crisis, the discontent of the unemployed and starving workers as well as the hard-hit sections of petty-bourgeoisie, they grope mystically for the elusive formulae which will create the unattainable sustained prosperity.

Thus, four ardent defenders of capitalism, authorities, men outstandingly competent, we are informed, to identify "the fundamentals of sustained prosperity" divulged the mysteries at a dinner of the Economic Club in Hotel Astor recently. Each one of the wise men had his own particular prescription for the sustained prosperity, but in common, as the reporter of the *New York Times* puts it, "they agreed simply on generalities of the present situation, such as that it is a cure for unemployment to put men to work." Surely, they cannot be reproached for lack of simplicity in their common solution! But in their individual panaceas they supplemented this simplicity with the profundity of an Einstein.

Magnus W. Alexander, consulting engineer for the General Electric Company and chairman of the National Industrial Conference Board, thought that what this country needs is a change in the anti-trust laws—bigger and better trusts; deplored purchases on the instalment plan; and adduced sound advice such as: don't overproduce, don't overspend, don't oversave, don't ignore the law of reason in economic activities! If only our leaders of finance and industry would follow the advice of Mr. Alexander! And especially if they retained their reason,

As a first move in his general economic, and later, political unity plan, Briand called together twenty-four European countries. On February 26, they met for a two-day session in Paris. On February 27, the second day of the conference, a bombshell was thrown into the meeting. The U. S. Farm Board announced its intention of selling 35,000,000 bushels of wheat in the European market. A vivid account of the reception this news met with can be seen from the report of the Paris correspondent of the *New York Times* (February 27):

"A feeling closely akin to consternation developed in the European grain conference late this afternoon when it was learned that the United States Farm Board has decided to sell 35,000,000 bushels of wheat in continental markets at a price considerably below that maintained at home. . . . Some of the delegates hesitated to believe the American government would."

The feeling of "consternation" soon changed to one of "sound business". In the same report we read: "Good will has not been lacking, but in the words of one delegate, 'Business is business and importing countries cannot be expected to buy wheat at higher prices just to further the theory of European Union!'"

Talk of a future grain parley is taken with very little enthusiasm. The United States government, according to an announcement in the *Times* (March 9) declined to attend future conferences "the reason being that this government does not consider that an international wheat conference at this time would accomplish anything of value to American producers". The market is taking on a runaway character, particularly considering the fact that "there is no guarantee that the American marketings might not exceed the quantity mentioned" (the Farm Board has a total estimated holding of over 200,000,000 bushels of wheat).

The United States has made its move and it was certainly done in a "ruthless manner". Faced by a falling profit at home, the United States among other methods for keeping its total profit up, has taken this step of continuing to "put Europe on rattlers". The results of such a policy are best summed up in these words: The repercussions of this policy will be heard in Europe in the deeper rumblings of the crisis and the hastening of many revolutionary upheavals, Wall Street has become the "organizer of revolt."

—H. S.

Communist Tasks and the Workmen's Circle

(NOTE: The contribution which follows was made by a sympathizer of the Left Opposition who is an active militant in the Workmen's Circle. It is published as a discussion article on a subject of considerable importance to the Communist and Left wing movement and we invite all workers active in the field which comrade J. B. discusses to send in their opinions for publication.—Ed.)

History repeats itself. Again we pose the question: What are the tasks of the Communists in the fraternal organizations? Will it not sound ridiculous to some comrades? Yes, but only to those that have been so blind or asleep as not to notice the violent convulsions the Communist movement has gone through, especially since the ultra-Left turn due to the birth of the theory of the "third period" by the "great theoretician" of our time, comrade Molotov.

The task of the Communists, as formulated by Marx and Engels, is: to give a revolutionary consciousness to the struggles of the working class. How can this be accomplished? The present leadership of the Comintern wants to accomplish it by the S. L. P. method, i. e., by building "real" revolutionary unions and fraternal organizations overnight. The Right wing (Lovestonites) are for going back to the organizations which they left because of "unity", and with the Right wing, unity is above everything now.

Instead of trying to gain the hegemony over the working masses by activity, participation in the daily struggles of the masses the "greatest pupil" of Lenin has introduced the system of mechanical control and, in order to gain this end, a system of lies, deception and all other tricks of corrupt politicians. He found fertile soil for it between his protégés in the U. S. A. of the Lovestone and Foster types.

How did that affect the work in the Workmen's Circle and other fraternal organizations? Before answering this question it is advisable to say a few words about the leadership that was put at the helm of this activity. This leadership consisted mostly of those that came to the Communist movement after the second split and as long as there was a semblance of discussion on theoretical questions they did not find themselves at home. Their intellectual poverty was astonishing, but they had gone through the school of the S. P. and the *Forward* politics and learned all the "tricks of the trade".

With the introduction of the "new" Leninism, the situation became more bearable for these people. Since then, it has been easy sailing. Their platform has become "loyalty" and the group of Saltzman, Siegel, Pollack, Costrell, Sultan, etc., have become the greatest leaders of the Communist movement in the fraternal organizations. And they are well qualified for the work. The tricks they brought with them have become their "stock in trade". The issues of corruption and honest elections obscured every other issue. Is it any wonder that we have been losing ground in the W. C.? See the difference between the delegation of 1925 at the convention in New Star Casino where we had 225 delegates and the following conventions.

The situation became hopeless for these people. They could show no results but loss of ground and were desperate.

But lo! All of a sudden we heard the playing of trumpets. What happened? What was all this noise about? It was to herald the arrival of the "the third period" We are on the threshold of the social revolution! We have entered into the revolutionary situation "with both of our feet" (Molotov), etc., etc.

Of course, with the arrival of the revolutionary period, the army has to be reorganized; the tactics must be changed and overhead goes everything that is still left of Leninism. A Council of War is called (in which Lovestone and his protégé, B. Lifschitz, participated and concurred in the decisions, but after their expulsion from the party, changed front overnight), and the call is sent out to withdraw the army from the enemy's territory and declare every worker not answering the call a traitor, a social-fascist and what-not. This was met with a sigh of relief by the above-mentioned leadership. This was a wonderful chance to cover up their political bankruptcy and simplify the work by just indulging in self-praise and declaring themselves the advance guard, etc.

(To be continued)

OPPOSITION LECTURE AT BROOKWOOD

Max Shachtman, editor of the *Militant*, will speak before the student body of the Brookwood Labor College on Friday, April 24, 1931. The subject of his lecture will be the Program of the Left Opposition.

—GEORGE RAY.