

DISCUSSION ARTICLES

Reforms and Immediate Demands

I take advantage of an incorrect formulation in the thesis in order to raise more vital questions dealing with its content. The thesis labels the practical needs of the day, reforms. It says, "It is the Communists who are the most ardent and willing defenders not only of their broad historical interests (the social revolution) but of most narrow, limited and practical needs of the day (reforms). It is in this way of linking the struggles for daily needs with the final aim, of having the former pave the way for the latter, that the struggle for reforms can be carried on in a revolutionary sense that is it can be directed against the reformists."

The Position of Negation

All working class organizations claiming to fight for the class have stumbled on this problem to a greater or lesser degree. Outstanding in the Marxian camp are De Leon and the S. L. P., which, unable to find a way out, just threw the whole thing overboard and denied it all. But since practical needs of the class today are material things and not ghosts their denial was to no avail. The P. P., to this day, is following the footsteps of the S. L. P., on this vital class question. Both of these organizations have taken a negative position while the S. P., swinging to the opposite direction, has transformed every struggle for immediate demands into reforms of the worst kind. In the Communist currents, said to say, we find them handling the question with kid gloves.

The growth and decay stage of capitalism will cause a big variance in this proportion. In the vanguard stage of capitalism, the objective factors favor the capitalist and naturally reforms while the decay stage gives the objective factors to the revolutionist to a far greater degree. This brings to the fore the subjective factor, the vanguard as the vital determining factor of the problem as Trotsky points out, not only in revolutions but also in the struggle for immediate demands.

When Bosses Grant Reform

If capitalism grants reforms (beats us to our point of advantage) this has its ideological influence upon our class or section of the class as well as a negative organizational result, scattering our forces and at the same time driving these class forces into some form of capitalist controlled organization. Such prevents the crystallization of our class ideology and unless the vanguard is wide awake and capable we lose even the possibility of retrenching ourselves for the next struggle. In this sense, as a class problem and not as an abstract material gain our class, which only learns by experience, has lost by the bosses' coup and with it the vanguard losses. Do not material gains even void these above mentioned factors, gains and a step toward revolution? No.

With the capitalist coup in reforms, the class line re-forms with the bosses at a more advantageous position than before. A material gain given by capitalism as a reform is just so much labor power (controlled by capitalism) spent as it would, be spent on the battlefield in destruction of the enemy forces by shells and ammunition. But the comparison does not hold water. Because a material gain even in relation to the capitalist is just so much spent, in relation to the workers it is a material gain. Let us see, if the vanguard of the workers moves up and intrudes the class behind the material gain (reform and not a spark) it is already a NEW PROBLEM and especially a total different struggle if the capitalists try to retake it. If the capitalists try to retake what they gave, and not what we won, it is no longer a question of reform in the sense of immediate demand (offensive struggle) but a problem of defensive struggles of our class.

How many material gains (regardless of how they came) were retaken and are being retaken by the capitalist in the present crisis? Any thinking worker can answer this fairly well. In this case if the vanguard does not measure up to standards we can say, the greater the number of these gains through reforms and social reforms, the easier it is for capitalism to retake them and the numbers that come to us as material gains as sparks toward revolution the harder it is for the capitalist to retake. One only has to look at the sick coal industry (favorable to the capitalist) with past gains primarily through class struggle and compare it with other healthy capitalist industries (favorable to the workers) where gains were mainly reforms and realize the difference between the two. A comparison will show reforms are relinquished easier than the gains through class battles unless the

False Abstractions

If the practical needs of the day are "given" by the bosses or their government they are reforms; if they come from the bosses' labor leaders, trade union or political, they are social reforms and if these gains are won by our class in struggle led by its vanguard they are sparks for revolution. Practical needs of the day for our class cannot be abstracted from the class struggle and the organizational and ideological position of the class. If we could abstract these immediate demands or gains from the position of battle of the class forces we could say all these gains are reforms. But such an abstraction is false while other abstractions, such as are explained in "Capital" are not false. We know that reforms or social reforms do not come from the big kind

vanguard's right or wrong policy alters the problem.

The Communist Task

Can we, the Communists, lay down definite plans to prevent our action from following the reformist camp? We can lay down principles in general, but it is impossible to lay down a line of march that is fool-proof. Each concrete struggle must have its tactics formulated on the basis of Marxian analysis. A line of demarcation between reformist action (reforms) and revolutionary action can be made in every struggle but every developing struggle will have forces and action of both. It is up to the Communist to move these struggles out of the channels of REFORM into the channels of deeper class struggles. A simple struggle (made in the office of the bureaucrats) is just as wrong (isolation)

1. The Meaning of the American Crisis

The thesis for the pre-conference discussion states that the American crisis may show a decisive upward swing some time after 1932, and that "whether or not the United States in the next period will reach the peak it attained toward the end of the last decade cannot be determined in advance." "The vast resources of the United States", it says, "its unique post-war position its gradual displacement of England as the leading factor in world economy and politics... are still effective enough to warrant its ability to extricate itself out of its present crisis by shifting the burden of it not only upon the working class at home, but upon the nations of Europe..." Nevertheless it sets forth the perspective for the American working class movement of "rapid development" and the "prospect of struggles ahead that will increase in breadth and depth and militancy." The long-range political conclusion does not follow from the economic premise; we believe it to be sound and believe that a restatement of the economic premise will prove it. It is not enough to state an immediate prospective of struggle; it must be integrated into a longer-term perspective of political activity.

The thesis nowhere indicates that the present crisis of American capitalism is to be understood in any different light from such past crises as those of 1893, 1907 or 1921, from which American capitalism in each case rose to new heights. To understand the present crisis mechanically, as the bourgeois economists of the "business cycle" do, to regard it as a mere repetition of a pattern of rise and decline and rise, is to deny the validity of the dialectical method of historical materialism. For a Marxist the question must be posed as an alternative: "Have the developing contradictions within capitalism reached a new stage, or are there still forces of growth and stability within capitalism which will enable it to overcome these contradictions and prolong the period of revolutionary capitalist stabilization?"

New Facts as Base

The answer to the question will determine the correctness of the political and strategic departure, and therefore this answer must be based on ascertainable fact. It cannot be based on a general belief in the power of survival of capitalism, in the American or in the world sphere, or on mere impressions or hunches. The fact that there are many unknown factors in the economic outlook is no justification for a Marxist to avoid the clear and provable implications of many of the known factors, but places on the objector the responsibility of proving the existence, direction and strength of the sustaining and stabilizing forces of capitalism.

In contradistinction to the statements of the thesis quoted above, this article will present facts leading to the following conclusions.

1. The best that American capitalism can hope for as the outcome of the present crisis is a temporary stabilization on a lower plane.

2. While the economic contradictions of capitalism will in all probability lead to the classical solution of imperialist conquest of markets the unique position of America, as distinguished from the older imperialist powers, will not enable it to obtain the unimpaired benefits of imperialism as did England in the nineteenth century. Therefore imperialism while a logical outcome of the crisis, will not solve the crisis, but will merely shift the center of gravity of American capitalism increasingly to foreign countries, while aggravating the crisis at home.

Theories of Self-Cure

As to 1. A. Some bourgeois economists, and we regret to say, some Communists, have advanced the theory that this crisis like preceding ones, will cure itself when stocks of consumption goods (shoes, shirts, hats) in the hand of consumers and retailers decline to a point where replacement demand is greater than the reduced volume of production prevailing at the bottom of a crisis. This will cause greater manufacturing activity, more jobs, and the beginning of the recovery. This theory is incorrect—(1) because the demand itself keeps decreasing through unemployment and wage cuts, and the mere necessity for a worker to buy a pair of shoes by no means guarantees that he will be able to pay for them—the appetite does not make the dinner. (2) More important—consumption goods are purchased out of income, not out of capital. The crisis is a crisis of capital and its most significant feature is the inability of capital to find markets which permit it to exploit labor at a profit. Crises historically have been solved by the increased production of capital goods, not consumption goods—in Marxian terminology, by an increased outlay of constant capital not of variable capital. In the past, this has meant the construction, by capital-

as to enter movements which are organizationally part of the enemy forces (Parliamentary action—charity organizations, etc.), the latter will not be isolation from the role of the Communist as the vanguard toward revolution.

Has not the Militant time and again pointed out through dozens of struggles, the action of the Stalinite Centrist and Lovestone Right wingers which was a reformist and not a Marxian action of class struggle? These are facts and correct demarcations between reforms and sparks, which the theses, in its formulation, does not live up to. Our relation to the U. S. S. R. is reform and to American imperialism is it revolution but the road to revolution does not lead through reforms. —HUGO OEHLEK.

ists, of goods of large capital value, which are only slowly used up houses, railroads, industrial plants mine developments, even automobiles. A capitalist, seeing a situation where money materials and labor are all cheap, constructs a house, a railroad or a factory, out of capital, not income, anticipating a competitive advantage because of low construction costs and financing charges.

At the present time, this solution of the crisis is not available. Railroad mileage has shown no significant increase for thirty years; because of speed-up and "rationalization" the record railroad traffic of 1929 amounting to 447 billion ton-miles against 339 billions in 1922 was hauled by 56,936 locomotives and 2,277,464 freight cars in 1929 against 64,140 locomotives and 2,293,389 freight cars in 1922. In the first six months of 1931 the railroads placed 6951 new freight cars in service, compared with 49,208 in the first half of 1930, and on July 1, 1931, had on order 8,963 new freight cars compared with 24,640 on the same date last year. It is therefore clear that additional demand for capital goods by the railroads is not tending to bring about recovery.

In industry, most branches are over-equipped not by standards of the crisis alone, but even on the basis of actual demand in 1929 and the years immediately preceding. The soft coal industry is equipped to produce 800 million to a billion tons a year, against actual output of 567 million tons in the best year in its history. The automobile industry can produce 8,000,000 cars a year against 5,600,000 in 1929, the record year. The steel industry began 1931 with a capacity of 62,000,000 tons, against a production of 56,000,000 in the boom year 1929, 5,000,000 tons more than the previous record and this year for purely competitive reasons, is adding an additional 4,000,000 tons of capacity, knowingly adding to the excess capacity. Copper mines, producing at an average cost of 8.63 cents a pound against a market price of 7 and a half cents, are not adding to their productive facilities least of all in the face of an imminent and eventual increase of 200,000 tons per year from Canada and 400,000 tons from South Africa to the record 1929 production of 2,000,000 tons. In scores of other industries the story is the same—production facilities are too large for even a boom-time demand, and will certainly not be added to now. Perhaps electric refrigerators, washing machines, cigarettes, moving picture studios and the like are prospering, but serious large-scale industry has had its fill of expansion, and will contribute no demand for more production facilities to help end the crisis.

Building construction has been notoriously overdone throughout the United States, following on the post-1922 boom, and this industry began having its own private crisis as early as 1928. It is still in the early stages of readjusting its rents and financial burden to the lowered purchasing power of the country and is in no position to attract additional fixed capital. The building boom that began in 1922 to make up for construction deferred during the war and the high-interest period up to 1922 was one of the potent factors that ended the crisis of 1920-21, but is not in the perspective now.

One great force that ended past crises is therefore not available to end the present one—the investment of large amounts of constant capital (not income or variable capital) in producers' goods (not consumers' goods).

The Agrarian Crisis

3. The increasing sharpness of the agrarian crisis constitutes another difference between past crises and the present one. An alleviating factor in past crises was the ability of the farmers to raise their purchasing power through increasing the size of the crop. Since 1919 this has no longer been the case. In that year, the total agricultural output was no larger than in 1915, but the higher average prices created the largest crop values in American history. In 1926 the crops were larger than in 1919, but the contradictions of the world agrarian crisis had reached a point where the declining prices caused by the larger crops nullified the effects of increasing output and resulted in lower crop values. In the same way the bumper crops of 1928 brought in less purchasing power than the smaller crops of 1927. At the present time 50-cent wheat has brought the question of farm mechanization decisively to the foreground. One authority estimates that 1,000,000 farm families will be displaced within the next few years by mechanized farm corporations able to raise 20 bushels to the acre and having a present acreage of 10,000,000 acres, that is, able to turn out 20 percent of the biggest wheat crop ever made in America.

The permanent army of the unemployed will be increasingly swelled by re-

cruits from the farm, unable to stand the burden of mortgages and taxes with their low technical level of efficiency as compared with giant corporations, and unable to exist on 50-cent wheat.

Increased crops in the future, even if possible, will not mean increased purchasing power for farmers, but merely an increased export surplus for large farming corporations to dispose of in competition with Russia, Canada, Australia and the Argentine. This way out of the crisis is closed.

C. Capitalism, to protect its profit margins (or surplus value), unable to extend its markets and consequently its production in the immediate, will extend and deepen its assaults on wages. From the international viewpoint, capitalism in one country under Hoover is as fallacious a slogan as socialism in one country under Stalin. With increasing technical and economic development, both must become ever more deeply involved in inextricable ties with the outside world. High tariffs and State control of foreign trade do not alter this situation. In relation to wages, capitalism can either pull European wages up to the American standard, which is a futile dream, given the nature of capitalism, or it can tear down American wages toward European standards, which is what capitalism is actually engaged in

Shortcomings in the Youth Thesis

The thesis on the youth question on the whole treats the problem well. However, in trying to be concise and to the point, a number of things were either omitted or insufficiently explained.

1. We must always remember that although, because of the special characteristics of youth, we approach the youth of the working class on a special basis with special issues, they nevertheless form an important part of the working class as a whole. Our aim is always not only to appeal to the youth of the working class on their particular problems as young workers, but also to link their struggles with those of the whole class, to bind together the young and the old. This the thesis fails to take cognizance of treating the youth as though it were some queer product of society complete in itself, and having no relation to anything else.

Equal Pay for Equal Work

2. An excellent slogan that has its appeal for both the young and the old, that can help cement their cooperation in the class struggle, is the slogan that the Y. C. L. has advanced—equal pay for equal work. We see over and over again the displacement of older workers, better paid, by younger workers who are still further speeded up and given a lower wage. The fight for equal pay regardless of age means a fight against wage-cuts, against speed-ups, against the playing off of one section of the working class against the other, a relative security for the older workers, a material advantage for the younger workers.

The promulgation of this slogan and the actual fight for it is of course based on the actual activities of the Communist young and old, in industrial and trade union life. The reason why the Y. C. L. has made no headway with it is that they have not prepared the ground for any kind of slogan, for any kind of mass following, by actually entering into the life and struggles of the working class. The worker is not held by the Young Communist League, its members are not given the education essential for correct participation in the day to day life of our class. No matter how correct one isolated slogan may happen to be, the general approach to the young workers makes even the correct slogan worthless.

It is important that our Opposition youth comrades should join the union of their trade, take part in its activities, and there carry on the fight for equal pay for equal work. The thesis correctly puts the additional task of the young Communists in the unions the one of fighting for equality in union conditions for the young and the old—this also includes the youth of the opposition.

3. The thesis takes the position that the formation of youth auxiliaries to the various organizations (I. L. D., I. W. O., etc.) is not only superfluous, but actually harmful to the League. With this I disagree. Even as the auxiliaries are conducted now absolutely controlled by the party and the Y. C. L., they attract young workers who would not otherwise be brought to the Y. C. L. Properly conducted, these youth auxiliaries should become a recruiting field for the Young Communist League. The young worker who enters the League is ready to associate himself with a Communist organization under the direct leadership of the Communist party; he is ready to accept the policies of the party, and is anxious to train himself to take his place in it. The auxiliary organizations will draw in young workers in whom the first faint stirrings of class consciousness are felt, but who would not come to the Y. C. L. direct, who are not ready to declare themselves Communists. The nucleus of Leaguers in these various youth groups—these nuclei should of course always be present, and should consist of experienced and trained young Communists—should serve as the recruiting officers for the League.

A Nucleus in the League

4. The thesis sets forth as one of our immediate tasks the formation of a nucleus in the Young Communist League. But we have always been advocating that, as well as the building of nuclei in the party. The question has been, and remains, how is this to be done? We can gain contact with members of the Young Communist League by participating in these youth auxiliary groups by taking up the tasks of an active member of the group, and meanwhile attempting to get our policies across, especially to

doing. This involves it in a major contradiction—to maintain profits it cuts wages, and as it cuts wages it reduces purchasing power and hence the possibility of profits, whence follow further wages cuts, less profits, more wage cuts, etc. It is in this only the reverse of the ascending spiral of capitalism in its stage of growth and stability—more wages, more profits, more wages, etc. Wages were not seriously cut in past crises, not even in the 1921 crisis after commodity prices had fallen 40 percent, and bourgeois economists were shouting the necessity of "adjusting wages to prices". At that time prices had risen sharply. During the boom period, and wages with them. In the 1920 boom, neither prices nor wage levels rose to anything like the extent of the 1919-20 boom, but the crisis has already resulted in sharp wage cuts, and more and deeper ones are likely to follow.

From this standpoint, we have further reason to believe that the century-long upward curve of American capitalist development has passed its peak and that the present crisis is distinguished from all past American crises, not by its planetary character, as the thesis states, but by the fact that it is the first of the crises on the downward swing of American capitalism. —B. J. FIELD.

discuss the problems of the movement with the members and sympathizers of the Y. C. L. whom we find in the youth groups. Another way of "boring from within" is to send our youth members who do not come from the League into it. This of course depends a great deal upon not only the external conditions, but upon the ideological maturity, etc., of the comrade. But wherever it is found possible, this method of colonization should be followed. Thirdly, we should make a very serious attempt to draw in members and sympathizers of the Y. C. L. into our classes. The classes held in New York were attended for the most part by members of our own branch. In addition, of course we should follow the usual methods of approaching Communists and Communist sympathizers in general. We should issue leaflets, from time to time expressing our views on current problems.

5. More emphasis should be placed on the need of our group to carry on education for the youth. (Of course, the adult Communists are certainly not to be cut off from these undertakings—they often need just as much education as the youth!) Especially because of the failure of the Y. C. L. to supply elementary Marxian training, it is necessary for the Opposition to conduct a fundamental education among the Young Communists. We cannot approach the greatest number of young Communists with essential international questions and get them to support our platform because they lack the necessary background of Marxian understanding. We must, wherever our forces permit, institute classes not only on the issues of the factional struggle, but also of the most elementary Communist education. We must attempt to issue pamphlets on the latter subjects. The Young Vanguard should deal largely with such education. We must bear in mind that in order to judge of the correctness of one or the other platform a certain minimum of Communist knowledge is indispensable, and we must therefore help to spread and popularize Communism in its most fundamental form among the members of the Young Communist League. All this means that much more of a chance to establish nuclei within the Y. C. L.

6. Our work is not restricted only to the Y. C. L. Just as with all other work, our youth work takes place in the class as well as in its vanguard. Participation in trade unions in youth clubs, spreading of the first steps of Communism, etc.—in other words, we should apply the formulation of the role of the Opposition elaborated by comrade Oehler (in his discussion article) and translate it into terms of youth work. Our range of activities is naturally limited because of the lack of sufficient youth forces. But youth work is not carried on only by the young. The general activity of the Opposition is calculated to affect not only the party but the League.

Youth Clubs

7. A youth club should not be attempted until there is a basis for it. That means we must carry on the activities indicated above, and when sufficient following has been gained, both among Young Communists and sympathizers, and among workers influenced directly from the shops, schools, etc., then and then only should we launch such a group. The group will concern itself with sports and cultural activities but should be a recruiting ground for members of our classes, should be a training and recruiting field for Communists and Oppositionists. Most likely New York will be the only section for a long time to come that can offer real possibilities for such a group. Youth comrades should be definitely assigned to take part in it, this being just as important a task as any other.

8. We cannot set any definite time for the issuance of a youth paper. This also depends entirely on what basis we have for it. When we have really begun to do youth work, and have some grounds to base our paper on, then only should a separate youth paper be begun. However, the suggestion for an internal youth bulletin is a good one, and should be put into effect as soon as our finances permit. —LILLIAN BORD.

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