

C.P. Acquits Capitalism; "Bad Monopolists" Held Responsible for Crisis

By James Casey

(This is the third article of a series on the economic situation).

With the industrial decline in its sixteenth consecutive week, Wall Streeters and Stalinists, alike, continue to refer to the new capitalist crisis as a "business recession." Workers will recall how, during the whole first year of the last economic debacle, Big Business had steadfastly refused to admit the existence of a crisis.

While misery and unemployment were spreading through the land, Herbert Hoover kept pouting about "prosperity being around the corner." Today Wall Street is pursuing a similar course. Only today Wall Street's efforts to blind America's toilers to the facts of the situation are being aided through the developed People's Frontist role of the Communist Party.

And Now.... "Honest" and "Dishonest" Bosses

In August, 1937, the C. P. Central Committee, in a statement published in the *Daily Worker* on the "furtherance of the People's Front", distinguished between "honest" and "dishonest" bourgeois elements and decreed that the Party membership support the "honest" bourgeoisie against the "dishonest" capitalists. In that statement, the Communist Party for the first time acknowledged its alignment with a section of the American ruling class.

Applied now to the economic situation, the advanced role of People's Frontism embraces the gravest attempt undertaken thus far by the American C. P., to undermine militant working class activity and to bury the class struggle.

On December 1, 2 and 3, the *Daily Worker* carried articles by Earl Browder purportedly on the economic situation. The essence of the first was the usual wild-name-calling attack on the "Trotskyites." The second assured the C. P. membership of the "correctness" of Roosevelt's view of the situation, as well as his program, with only a gentle hint to the President to be less conciliatory toward the economic royalists. Browder added that Roosevelt's position also proved the "correctness" (he didn't bother to explain how) of the aforementioned Central Committee statement on the furtherance of the People's Front. The third article discussed the need of "purity" in the private lives of the Party members. For reasons not to be discussed here Browder pointedly warned that this "order for spotlessness" applied to every member "from top to bottom."

In all these articles Browder referred to Alex Bittleman's analysis of the economic situation. It is this analysis that will now be given attention here.

Official Position

Bittleman, the Communist Party's foremost theoretician, submitted a report to the Political Bureau which was published on October 18. Political Bureau reports, when published for the consumption of *Daily Worker* readers, constitute the Party's official position on respective issues.

Along with the Wall Streeters, Bittleman concedes the existence of a "business recession" and a decline in the stock market. The coming on of this "recession" was not necessary, Bittleman says, and he continues:

"American capitalist economy has not yet entered the phase of a new cyclical crisis; or more correctly it need not necessarily enter the crisis phase, at this

time because, by all signs, it has not yet fully exploited all possibilities present for the continuance of the recovery trends."

After cramming unemployment, the high cost of living, the steel industry and the chamber of commerce into one paragraph, Bittleman embarks upon exploiting some of the possibilities of the Party's "new line."

"Honest" Monopolists Too?

The blame for the economic upset Bittleman places on the "reactionary" monopolists. It will be noted here that from "honest" and "dishonest" bourgeois elements discovered by the Central Committee last August, the Stalinist leadership, by October, had unearthed the startling phenomena of "reactionary" monopolists on the one hand, and "non-reactionary" and, presumably, "honest" monopolists on the other.

Says the Stalinist theoretician: "A very important contributing factor to the decline in the stock market, and the uneven recession in various branches of industry is this: that big capital, the reactionary monopolist (emphasis A. B.) may be considered as being on a sort of political strike.

The Bosses' "Strike"

"They have refused to expand, to make new investments, they sabotaged recovery, thereby threatening the nation's economy, they militate against the government's program for control of the stock market and in many other ways are striking against the well-being and security of the people."

And still further on, in discussing the special session of Congress, Roosevelt's program and "the role of the reactionary monopolists," Bittleman asserts: "But, most particularly, big capital sabotages the further development of recovery by failure to do the traditional thing, that is, to come to the support of a weakening market and weakened spots in industry during a period of recovery, by failure to energetically exploit the basis of still existing recovery by further expansion, narrow though this basis is." Let us for a few moments examine these statements of the Stalinist spokesmen.

The "reactionary" monopolists "refuse to expand, to make new investments," and further, "they sabotage by failure to do the traditional thing," to "come to the support of the market and industry." This Stalinist thesis affords no two meanings.

"Tired of Clipping Coupons"?

There are possibilities for a growth in trade, but the "reactionary" monopolists don't want it, according to the C.P. viewpoint. These monopolists can make new investments in unexploited fields that will garner more dividends for themselves, but they prefer to sabotage—on whom? According to the Stalinists, the monopolists are saying:

"Down with dividends, we're tired of clipping coupons!"

They can also send the stock market soaring, but these sabotaging monopolists simply spurn the idea of fleecing the public. They deliberately refuse to aid industrial recovery because, in the terms of Stalinist analysis, the monopolists vindictively have declared a moratorium on profits.

Moreover, says the Political Bureau report, these monopolists "are threatening the national economy." Just think of it! The "reactionary" monopolists are conspiring to wreck their own profit system and the "plot" has sent the Stalinist leadership into a lather.

Such is the analysis on the economic situation offered up by the party of "Twentieth Century Americanism." But the C.P. thesis carries other implications.

How To End Recession...

If these "reactionary" monopolists can create a "recession" by studied sabotage, can they not end the decline by "expanding and investing?" Naturally the Stalinist leadership does not yet dare to present to its rank-and-file the proposition of "an organized capitalism," but the People's Frontist line implies this very position.

Inasmuch as the "reactionary" monopolists "plan" recessions through sabotage and "political strikes", the role of the pure monopolists must be, according to the Communist Party, "to safeguard and promote the interests of the people and the government." The logical conclusion to this thesis is for the "non-reactionary" monopolists to win over to their side the naughty monopolists and, at long last, there would be an end to all capitalist recessions and crisis.

If the C. P. Political Bureau is correct in its People's Frontist analysis, then Marx and Engels never had the remotest conception of the origin and historical development of society and their works must be shelved at once as a curiosity.

Millions of the nation's workers, who will not be blinded by the Communist Party's drive to the right, by its rabid support of the Roosevelt wing of American capitalism, will see in the Bittleman thesis a frightful counter-revolutionary role on the part of the Stalinists, on both the labor and political fronts.

Revolutionary Socialists and all militant workers will expose and combat this counter-revolutionary activity in the trade unions, unemployed groups, fraternal bodies and in all other assemblies of the labor movement.

(The next article will deal in detail with the tasks of Revolutionary Socialist in the crisis).

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G.P.U. Plot Against Grylewicz Collapses; Old Militant Freed

PRAGUE, Czechoslovakia. — Another clumsy G.P.U. frame-up has collapsed of its own weight. Anton Grylewicz, old German trade union militant and revolutionist who was arrested by the Czechoslovakian political police last Summer and imprisoned for several months as a German spy on the basis of faked documents, has finally been released and expelled from the country of his refuge.

Veteran of 32 Years

Grylewicz has been in the organized socialist movement for thirty-two years. Active in the metal workers' union in Germany since the days of his youth, he became during the War one of the leaders of the anti-Chauvinist struggles of the Independent Socialist Party, which he afterwards left to adhere to the Communist Party of Germany. In subsequent years he played a prominent role as functionary of the C. P. and as deputy in the Prussian Landtag. In 1926 he was expelled from the C. P. as a Left Oppositionist.

As one of the chief founders of the German Opposition movement, he incurred the enmity of both the Stalinists and the rising Fascist movement. For many years he served as the translator and publisher of Trotsky's pamphlets in German, as editor of the German Opposition organ and of the Russian Bulletin of the Left Opposition.

Hounded by Nazis

This oldtime revolutionist, now denounced and framed by the G. P. U. and its police cohorts in "friendly" Czechoslovakia as a "Fascist agent", was one of the first to feel the blows of the Hitler regime. His home raided and destroyed by the stormtroopers, his person hounded by the Hitlerite police, he was forced to flee from Germany immediately after Hitler's assumption of power, and finally went to Czechoslovakia as political refugee.

But in exile, too, Grylewicz continued his activities in the Opposition movement, aided in the publication and distribution of the works of Trotsky and other Opposition literature. When the G.P.U. set to work executing its directives, received in May of this year from the Communist International, to exterminate Trotskyism on a world scale and to bolster up the Moscow trials by transporting them to other countries, Grylewicz was seized upon as one of the first victims of its campaign. The police of "democratic" Czechoslovakia, eager to satisfy its Russian ally and, in its own interests, to crush every vestige of revolutionary thought—were only too willing to cooperate in the technical work of manufacturing accusations and fabricating documents. Grylewicz was arrested on July

12 under charges of "espionage". The political police confronted him with "extracts" from his archives and files, which he had given for safekeeping to a friend named Batany at the end of October, 1936. And here the clumsy hand of the G.P.U. emerges, with blunders as gross as those which permeated the Moscow trials. Among other "documents" presented was a short report allegedly written by a Czechoslovakian soldier concerning the movements of his troop, and a brief report in German concerning the plans of the German embassy for the occupation of Czechoslovakia—the latter dated February 17, 1937; that is, over three months after the archives from which it was supposedly taken had left Grylewicz's hands!

The true purpose of the arrest and imprisonment emerges with striking clarity from the procedure of the investigation itself. Several police officials begin to cross-examine the prisoner. Suddenly all but one leaves. The remaining official, conducting an examination of a "Hitlerite agent", begins a lengthy discussion, replete with names and details, of... Moscow trials! Grylewicz is shown prescriptions for the compounding of secret ink, false passports; and other elements of the stock-in-trade of the conspiratorial profession, all allegedly taken from his files.

Fraud Collapses

Grylewicz was able to establish irrefutably that this "documentation" was a police fraud from beginning to end. He was accordingly conducted back to his cell, kept imprisoned until November 2, then expelled from the country in a most brutal fashion without a real trial, hearing, or even a word of explanation. But this fact in itself furnishes the best expose of the vicious framed-up nature of the accusation, the political exigencies which motivated it, and the complicity of the G. P. U. in the entire affair.

The G.P.U., and with it the entire Stalinist bureaucracy, is today on the defensive throughout the world. For the first time its international system of repressions, terrorism and frame-up is cracking. The first blows were the apprehending of the agents who assassinated Ignace Reiss in Switzerland. Now, with the collapse of the Grylewicz frame-up, a new impressive defeat of Stalinist terrorism has been registered.

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