

PARTY CONVENTION ANALYZES POLITICAL SITUATION

Text of Resolution Adopted At Chicago By Founding Convention Of the S. W. P.

The political and economic situation in the United States is developing in the midst of a convulsive evolution of a world capitalist society in a state of crisis and decay—a world crisis with which the United States is inextricably connected and from whose effects it cannot exempt itself by a policy of either economic or political "isolation."

The world bourgeoisie has been able to surmount the violent crisis that shook its whole economic structure beginning with the stock market crash in the United States in 1929. In countries like Germany, a purely conjunctural improvement has been achieved by a sharp reduction of the standard of living of the masses and by a tremendous increase of operations in the armaments and related industries, resulting in a partial consolidation of the Fascist regime. In France, the People's Front movement has been able to survive and to perpetuate its democratic illusions on the basis of a temporary prosperity, or more accurately, of a slowing down of the more violent pace of economic decline which harassed the country a few years ago. England too has been able to arrest a more catastrophic economic fall by virtue of the unprecedented armaments program inaugurated by the Government.

None of the big powers, however, can achieve that level of economic stability which was attained, for example, by France after the World War, except by resolving, at least on a capitalist

basis, the conflict between its productive forces and the national boundaries and the limitations imposed by its share of the world market. This is especially true of those powers, like Germany, Italy, Japan and Poland, whose need of economic expansion comes into the sharpest and most immediate conflict with the present divisions of the world market. The present period may be characterized as one in which all the imperialist powers are jockeying for the best position, from the standpoint of the advancement of their economic and military (armaments) strength, in preparation for the inevitable struggle for the re-division of the world among the big imperialist bands, i.e., for the second World War.

In this sense, the second World War has already begun. More exactly, the big preliminary skirmishes have already taken place. The conquest of Ethiopia by Italian imperialism strengthened the latter's position along the life-line of British imperialism, in the Mediterranean, the Red Sea and Northeastern Africa. The mineral wealth and strategic importance of Spain are the object of a duel between Italy, Germany and England-France, the accompanying shadow of the civil war on the peninsula. The invasion of China by Japan only heralds the war in which not only these two countries, but also the Soviet Union, the British Empire and the United States will be inescapably and directly involved as active belligerents.

American conference in Buenos Aires; and subsequently by the sharp notes to Japan which are only a reflection of America's dogged intention of keeping the "Open Door" open in China and preventing any other power from shutting off the United States from expansion upon the Asiatic continent.

Foreign Trade Vital for U. S. Capitalism

The direct economic and territorial (colonial) expansion of the United States in the rest of the world is entirely out of proportion to its own economic-financial strength. The position occupied by foreign trade in the economic life of the country, while comparatively small in percentage, is nevertheless decisive, particularly in the form of the continued export of capital. The efforts to solve the devastating economic crisis in the United States on "national soil" have not succeeded in yielding lasting results. Quite the contrary. Although the United States has shared in the general world recovery from the crisis which reached its lowest point in 1932, it has not been able to attain the production level reached at the 1929 boom peak. The "New Deal" recovery has not even been as strong as the recovery experienced by other countries, due largely to the heavy armaments program of U. S. imperialism. The United States in the "Roosevelt era" has not only benefited from an extensive system of government spending, of liberal credit facilities, of a substantial increase of production made possible by the employment of public funds which facilitated the re-organization of capitalist enterprises, but to a certain extent, from the armaments program both of the United States and the rest of the world.

The recovery has undoubtedly reduced the size of the army of the unemployed and mitigated the conditions of the working class in general by an increase in its purchasing power. But this increase in the purchasing power of the masses has not kept pace with the increase in their productivity; the opposite, that is, a widening of the gap between actual output and purchasing power, has occurred. The degree of capitalist prosperity attained in 1929 has thus not yet been reached and from all indications will not be attained before the outbreak of another ravaging crisis. The first symptoms of that crisis are already obvious, and they mark the collapse of both the "New Deal" and the "New Deal" ideology which captured the minds of the masses in the period just elapsed.

It is possible that the full development of the present recession

into a deep crisis may be temporarily arrested by a certain period of economic upturn, but the rate of development toward a raging crisis is already unmistakable. While neither the slump nor the moment of its cataclysmic outbreak, can be accurately predicted, it is safe to say that it will break at a lower level than in 1929 and will be of greater scope, depth and duration.

Along with it will break the illusion of a speedy and lasting recovery which accompanied the preceding crisis as a hang-over of the American "prosperity" ideology. The American ruling class will be compelled to intervene in the most brutally aggressive manner outside its own borders in order to maintain its own power and profits. The role of "pacifier" of Europe played by the United States in the past will necessarily be replaced by an attempt to reduce the European powers (and Japan) to a poor relation's share of the world market, corresponding to the unresponsible need of expansion of American imperialism. It is entirely excluded by reality, that the older imperialist powers, themselves desperate and driving relentlessly to war to expand or even retain their resources at each other's expense, will give way to American encroachments merely as a result of purely political or financial pressure. Such decisive changes of the world map as the United States must seek to accomplish, can be obtained only at the cost of war.

It is most unlikely that in the event of an inter-imperialist war, the United States will be one of the original belligerents. At the same time, it is just as unlikely that she will wait, as was the case in the last world war, for 32 months before entering the hostilities in order to emerge as the decisive victor. The comparative poverty of the European imperialist powers, as well as the speedier and more general destruction promised by the coming war, will determine the earlier intervention of American imperialism for the purpose of delivering, as in 1917, the decisive blow in the war and of having the decisive word in the division of the spoils.

By a large extent by the partial recovery. Under the impact of the already present economic decline and the inevitable crisis, it will prove to be entirely unable to fulfill its function.

The blow struck at the masses by the crisis will undoubtedly produce a new political orientation among them. If the revolutionary party measures up to its task, it will gain great strength from increased support of sections of the working class. But it is virtually certain that in the first period, the growing radicalization of the masses will be expressed predominantly in reformist channels, for even if the full force of the crisis should be felt before the end of the Roosevelt term in office, the Republican party will benefit to a far lesser extent than did the Democratic party as a result of the crisis that broke out during Hoover's term in office.

Three main courses of development are possible of realization in the coming period of political re-orientation. (1) Throwing the responsibility of failure to prevent or solve the crisis upon Congress, and consequently upon the official Democratic party, Roosevelt seeks to retain political control by splitting the party into conservative and progressive camps, allying the latter with the progressive Republicans, and basing himself upon the organized labor movement, either in the form of trade unions or of local, state-wide or national Labor Parties, similar to the American Labor Party in New York during the last elections. Roosevelt would thus seek to reconstitute a majority in the country by converting a "managed" Labor Party movement into an appendage of a re-organized Democratic party, the reactionary sections of which (South, etc.) would tend to merge with the reactionary bulk of the Republican party. (2) The New York Labor Party movement spreads to the rest of the country and constitutes itself as a nation-

ally middle-reformist party based on the trade unions allied with various petty-bourgeois politicians and political grouplets, dominated by middle-class demagogues of the LaGuardia type and by labor leaders like Lewis or Green or both; and breaking either partially or completely the Roosevelt and Democratic party machine, much in the manner in which the ALP broke with the Lehman and Democratic party machine in New York in the recent mayoralty campaign. (3) The Labor Party development takes on a more radical form in appearance, namely, a policy and leadership determined by the Lewis bureaucracy and the Stalinist party. In a word, the unfolding of the economic crisis would scarcely result in any mass movement of Fascism in the United States, but because of the still unexhausted "democratic" reserves in America, the present diffused and unorganized "People's Front movement" would shift to the left and assume more clearly delimited forms.

Faced with the prospect of the formation of a national Labor Party of one kind or another, the S.W.P. has no need of altering the fundamental revolutionary Marxist position on the Labor Party question. The revolutionary party cannot take the responsibility for forming or advocating the formation of a reformist, class-collaborationist party, that is of a petty bourgeois workers' party. At the same time we must be aware that under certain conditions the movement for a Labor party would not only draw into its ranks the great mass of the organized workers of the United States, but would even absorb most of the progressive, advanced and semi-revolutionary tendencies in the labor movement. The S.W.P. could stand completely apart from such a movement only at the risk of complete isolation and ineffectiveness in the class struggle.

sharp conflict with both the historical and the immediate interests of the working class. As the economic and political crisis sharpens in the United States, the Communist Party will be more clearly revealed not as a defender of the working class but as a decisive prop of the American bourgeoisie and its class rule—a position determined by the desire to win American imperialism, at all costs, to an alliance with the Soviet bureaucracy.

The revelation of the reactionary role of the Stalinist party and its leadership will serve to drive a wedge between the latter and the worker-militants in its ranks. The sharpening of the class struggle in the United States, as well as the horrible results of Stalinist policy in the Soviet Union and Spain, will therefore bring with it sharp internal conflicts and crises in the ranks of Stalinism, the first signs of which are already present at the periphery of the Stalinist movement. These will open up to the S.W.P. the prospect of winning many former Stalinist workers to its ranks, and under favorable circumstances of a split in the C.P., even the prospect of the fusion of a section of the Stalinist party with the S.W.P. on the basis of the program of the Fourth International. The Party must therefore pay close attention to this field and prepare the most favorable situation by patient and systematic activity among the Stalinist rank and file, and elements under their influence, above all in the trade union movement.

The world situation and the perspectives of development in the United States thus confront the S. W. P. with tremendous tasks, which it can accomplish only with the greatest responsibility and seriousness. The party must prepare itself consciously and deliberately for these tasks. It must be aware especially of the fact that it faces not only a great sharpening of the class struggle in the United States, but above all the early prospect of an imperialist war, which will be the severest test of all organizations and policies. It can meet this test only by the rigid safeguarding of the Marxist principles of revolutionary internationalism upon which it is founded.

The truly revolutionary party, especially in the present period, must be able to defend the immediate and historical interests of the working class not only on the economic and political field, but also on the theoretical field. The most active participation in mass work which is mandatory upon the party does not conflict with but rather presupposes the most militant defense of the party's program and its theoretical principles from the assaults of all other currents and ideologies in the labor movement.

Reaction Caused By Big Defeats

The party cannot close its eyes to the fact that the almost unbroken series of defeats and setbacks suffered by the world labor movement, especially in the past fifteen years, and above all the tragic disintegration of the Russian Revolution (the phenomenon of Stalinism), have produced a widespread reaction not only against Stalinism but against the principles and organization of revolutionary Marxism. This reaction has manifested itself, both in the realm of theory and political action, in the almost universal attempted substitution of all sorts of reformist and revisionist doctrines, programs, and movements for the doctrine and movement of scientific socialism. The attempts to eliminate the latter from the working class represent at bottom the pressure of a reactionary petty bourgeois ideology upon the ranks of the labor movement in general and of the revolutionary movement in particular. The degeneration of the socialist movement, which celebrated its triumph in the Second International upon the outbreak of the World War, has succeeded in the past decade in completely destroying the Third International as a revolutionary or progressive force.

It would be absurd to imagine that the Marxist wing of the movement, represented by the Fourth International throughout the world, could be completely immune from this petty bourgeois, disintegrating tendency. Fortified though our movement here and abroad is by the assimilation of the rich lessons of the last twenty years, and standing uncompromisingly though it does on the granite foundation of the principles of revolutionary Marxism which the reformists and turncoats jeer at as "obsolete" or "super-orthodox," our International and our Party have felt the effects of the current of degeneration at their periphery.

This current can be counteracted by the party waging a consistent struggle for the defense of those revolutionary principles upon which it is built and by which it must guide itself in all its daily activity. The party today must become the rallying center of all revolutionary and class conscious workers. Unless the party is to fall victim to a sectarian, self-satisfied rigidity, it must take into account

Conflict Delay Outbreak Of World War

If the inevitable World War has not yet broken out, this is due to the large elements of uncertainty represented by the dense cross-cutting network of conflicts, rivalries and contradictions among all the powers of the world. The deliberately simplified Stalinist-reformist division of contending forces into "democracies" and "dictatorships," does not seriously correspond to any reality save that of the need to prepare the working masses to act enthusiastically as cannon-fodder for "democratic" imperialism. The rivalry of the two great imperialist monsters, the United States and Britain, continues to be deep-going, in spite of the recent mitigation of its sharpness by momentarily coinciding interests (opposition to Japanese expansion). The British conflict with Japan over the domination of China and, prospectively, of India, is presently sharper than the antagonism between Japan and the United States for the hegemony of the Pacific. However, the conflict between England and Italy for control of the Mediterranean, is of secondary importance and does not necessarily signify the occupation of opposite sides by these two countries in the coming war, any more than it did in the last war.

It would be erroneous, also, to conclude that because England and Germany were opposed in the last war, they will inevitably be opposed in the next. The bonds

making for an alliance between these two powers are far stronger than, for example, the bonds making for an alliance between France and the Soviet Union. It is inconceivable, practically speaking, that France would engage in a large scale war without the assured and direct support of Great Britain, for whom all her present allies of the small "democratic" countries (Poland, Roumania) can scarcely substitute strength or importance.

An additional element of uncertainty, which serves in a way to postpone the actual outbreak of the war for a period of time, is the "military unpreparedness" of two of the principal decisive powers, England and Germany. But the "completion" of the armaments programs of these two countries involves such a diversion and squandering of economic strength as to sap their otherwise none too stable economic bases. The impending economic crisis, presaged by the recent convulsions in the New York, London and Paris stock exchanges, will not only be more devastating, from all indications, than the preceding crisis, but will in all likelihood serve as the principal direct factor to precipitate the outbreak of hostilities in the international struggle to re-divide the world. In this sense, a war boom alone can arrest the most disastrous development of the crisis.

Likely to Enter War Early

It is just as unlikely that the United States will precipitate the world war by immediately starting a duel with Japan, as is hoped by British imperialism, which is still unprepared for a war in Asia, and by the Stalinist bureaucracy. Under the concrete conditions, a direct military struggle against Japan at the present time would signify that American imperialism is pulling British chestnuts out of the fire and acting as a bulwark protecting the eastern flank of the Soviet Union—and the American bourgeoisie does not intend to enact either role. It may be said with practical certainty that the United States will engage in a war with Japan only under such circumstances as would make it possible not only to deliver a stiff blow at Japanese imperialism in China, but also to strengthen American imperialism at the expense of British. Similarly in the case of the Soviet Union. Unless the latter guarantees vast concessions to the United States in advance, American imperialism would in all likelihood permit itself a direct war alliance with the Soviet Union in a struggle against Japan only after it was well under way and when the entry into the conflict of the United States would permit it to dictate the terms both to its enemy and its ally.

If the working class is unable to prevent the outbreak of war, and the United States enters directly into it, the S.W.P. stands pledged to the traditional position of revolutionary Marxism. It will utilize the crisis of capitalist rule engendered by the war to prosecute the class struggle with the utmost intransigence, to strengthen the inde-

pendent labor and revolutionary movements, and to bring the war to a close by the revolutionary overturn of capitalism and the establishment of proletarian rule in the form of the workers' state. Combatting the chauvinistic wave, it will not only reject any and every form of class-collaboration, support of the war and of the capitalist government, but will work toward the defeat of the American capitalist class and its war regime by the proletarian revolution.

The S.W.P. will advocate the continuance of the class struggle during the war regardless of the consequences to the military front of American capitalism; and will try to prepare the masses to utilize the war crisis for the overthrow of U. S. capitalism and the victory of socialism.

Even if the United States were to be allied with the Soviet Union in a war against another imperialist power, this circumstance would not for a minute alter the imperialist character and aims of the war so far as the United States is concerned; neither, therefore, would there be any alteration in the position of the S.W.P. with regard to American capitalism and its government and in our irreconcilable hostility towards them. The practical steps which our party would take in the course of its opposition to the war would, however, have to be decided in consideration of the need of facilitating the utmost material aid to the Soviet Union's armed forces in their war against an imperialist power, in conformity with our position of defense of the Soviet Union from imperialist assault.

Not very fruitful would be the expenditure of any energy in a hunt for recruits from or fusion with the variety of disintegrating ultra-leftist sects (Oehler, Weisbord, etc.) which have doomed themselves to sterility and have become reactionary, even if insignificant obstacles on the road to the building of the revolutionary party in the United States. While the S.W.P. holds the door wide open to all the sincere revolutionary elements still affiliated with such sects, and is ready to admit them to membership on the basis of acceptance of the party program and without the slightest prejudice to the rights or obligations which they would share in com-

mon with all other members, it considers it wasteful and futile to engage in a series of "negotiations" looking towards "fusion" with the sects themselves.

The Communist Party presents a different problem. Although it has grown enormously in the recent period as a result of the influx of large numbers of middle class elements, attracted by its petty bourgeois line, it has also succeeded in recruiting thousands of militant and even revolutionary-minded workers. The interests of the counter-revolutionary Stalinist bureaucracy, which dictate the position and activity of the Communist Party in this, as in all other countries, come into increasingly

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Imperialists Seek Defeat of S. U.

The Soviet Union occupies a singular position in the present world situation. The fragility of its alliances with capitalist powers (France, etc.) is only a reflection of the still existing irreconcilability between the world of imperialism on the one side, and the yet remaining achievements of the Bolshevik revolution on the other. It is conceivable, of course, that for a given period the conflict between two imperialist camps may become so sharp as to cause one side to enter into a real military alliance with the Soviet Union. But it is no less likely that the rival imperialist camps will find it more expedient to postpone a settlement of the conflicts among themselves, involving not only the risk of the defeat of one set of imperialists by the other and their reduction to a secondary status by the victor, but also the defeat of all of them by the proletarian revolution.

A postponement of the inter-imperialist war for a re-division of the capitalist world market is conceivable only in the form of a joint imperialist struggle to destroy the Soviet Union and to divide it among themselves as colonies, spheres of influence and protectorates. The imperialist "haves" would thereby not only preserve their present forces in the world market (colonies, etc.) from being snatched up by victorious "have-nots," but, in the event of a defeat of the Soviet Union, would even extend their powers along with their present threatening rivals. It would therefore be the greatest blindness to imagine that the plans of Germany and Japan, which are ready

their demands for a larger share of the world market of the other imperialist powers if the latter consent to a partitioning of the Soviet Union, are unacceptable to countries like France and England because of their adherence to the renowned principles of democracy. It is not at all out of the question that the imperialist powers may seek to compose their own differences at a feast over the body of the Soviet Union.

It is entirely inconceivable that American imperialism can succeed in resisting the inexorable tendencies that are pulling it into the vortex of the coming world war. The United States is today the strongest world power. The bases of its economic and political strength extend over every continent, and the shocks and convulsions of capitalism anywhere in the world have their immediate, direct or indirect, effects upon this country. This is expressed in military terms by the fact that, despite the virtually invulnerable geographic position of the United States, its armaments program today is the largest in its peace-time history, adjusted to the objectives of world conquest rather than to the myth of self-contained isolation. Politically, it was expressed in the clearest terms in the aggressive, interventionist speech of Roosevelt in Chicago, announcing the determination of American imperialism to take the leadership in the struggle to keep its present most dangerous rival, especially in the Far East, from increasing its ration of the Asiatic market; earlier, in Cordell Hull's efforts to consolidate the dominant position of Ameri-

Crisis Drives Ruling Class Toward War

The impending economic crisis will not only propel the United States sharply along the road to imperialist war, but will be accompanied by a radical change in the political situation at home. Up to the present time, the "People's Front" movement has assumed the form of support of the Roosevelt regime, and to a greater or lesser extent, of its policies, motivated by the bulk of

the Democratic Party, and sections of the progressive Republicans, but by the Farmer-Laborites, the trade unions (CIO and AFL), the Stalinists and the social democrats. But this form, expressed in the field of legislation through the official, but internally torn, Democratic party, is already proving inadequate for a perpetuation of the class collaborationist illusions fostered to

Parleys Not Sought With Sects

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