

simply promoted State Capitalism and castrated the revolutionary action of the proletariat.

State ownership or control of industry is not and never can become Socialism—the revolutionary Socialist must repeatedly emphasize this in his propaganda. State Capitalism is, in fact, Capitalism at the climax of its development, an instrument for the progressive promotion of capitalist expansion and supremacy. State Capitalism is introduced under the aegis of Imperialism, which has absorbed within itself the remnants of the old industrial middle class, the new “income” middle class, and the upper layers of the working class, united in and expressing their interests through State Capitalism. State Capitalism is the last desperate attempt of the ruling class to maintain the supremacy of Capitalism and the bourgeois state; it is compelled, however, to increase its control and exploitation of the industrial proletariat, the mass of the machine workers, and in this way prepares the proletariat for that mass action which will sweep aside imperialism and state capitalism as unified in the malevolent autocracy of the contemporary bourgeois state.

Socialism, accordingly, should not adopt a policy of promoting State Capitalism, but should fight State Capitalism. The theory of State Capitalism is “the co-operation of classes”—with the industrial proletariat in subjection; and it is not at all strange that the policy of moderate Socialism, which makes for State Capitalism, is one of “the co-operation of classes”—which results in the betrayal of fundamental Socialist and proletarian interests, as proven by the attitude of moderate Socialism toward the war and toward the proletarian revolution in Russia. Under the prevailing conditions, State Capitalism and moderate Socialism are each imperialistic and promote Imperialism.

The answer of Socialism to the menace of imperialistic State Capitalism is to awaken the consciousness and action of the industrial proletariat of unskilled labor, to promote the concept and the organization of industrial unionism, to prepare to awaken and direct the mass action of the proletariat, and to realize, and emphasize in its activity, that the bourgeois state must be abolished before the process of introducing Socialism can begin.

Vandervelde is not in accord with revolutionary Socialist theory in his statement that Socialism “would use the state during a transitory period of working class dictatorship”—since Vandervelde means the state of the bourgeois parliamentary regime. The state of the dictatorship of the proletariat will have nothing in common with the bourgeois parliamentary state: it will be the state of the organized workers—as in the Soviets of proletarian Russia. This state will, during the transition period, combine industrial and political function; but the purely political functions will gradually be discarded, and the dictatorship of the proletariat develop into the industrial, communistic “state” of the organized producers—Engels’ “administration of things.”

The revolutionary Socialist attitude toward the state has been clearly stated by Lenin:

“From the praxis of the Paris Commune, Marx shows that the working class cannot lay hold of the ready-made machinery of the state, and wield it for its own purposes.” The proletariat must break down this machinery. And this has been either concealed or denied by the opportunists. But it is the most valuable lesson of the Paris Commune of 1871 and of the Revolution in Russia of 1905 and 1917.

“The difference between us and the Anarchists is, that we admit the state

is a necessity in the development of our Revolution. The difference with the opportunists and disciples of Kautsky is, that we claim we do not need the bourgeois state machinery as completed

Introduction, by Louis C. Fraipa, to Sen Katayama's forthcoming book on "The Labor Movement in Japan," to be published by Chas. H. Kerr & Co.

AT the moment when reaction is ascendant in Japan, when its Imperialism is aggressively triumphant and its proletariat apparently crushed and silent—at this moment, more than any other, is a book on the Japanese Labor movement of great value. It is of value in showing a militant proletariat in action and by emphasizing our international spirit without which Socialism cannot conquer.

This book, appearing at this particular time, is, moreover, a symbol to the world of Socialism and revolution. It is a symbol of the great role that the Japanese proletariat is destined to play in the days to come; it is even more a symbol of the momentous fact washed upon the shores of Time by the Great War—that Labor, and Labor alone, in spite of momentary collapse and a swerving from its historic mission, is the force that can preserve civilization from total ruin by creating the new civilization of Socialism.

Japan is today dominantly reactionary. It is preparing itself to extend the power and influence of its ruling class. As a capitalist nation, Japan is part and parcel of the general imperialistic interests and ambitions that plunged the world into disaster. And in Japan, as in other imperialistic nations, all classes are reactionary, all classes are eager for the spoils of exploitation, all classes are willing to sell humanity and civilization for the mess of pottage of imperialistic aggrandizement. All classes, that is to say, except the proletariat, which is silent under the oppression of a malevolent tyranny, but which has within itself the latent power and inspiration for great deeds, as is amply proven by Comrade Katayama's sketch of the rise of the Labor and Socialist movement under the most discouraging conditions.

The Japanese government is increasing its repressive measures against the proletariat. Recently, Comrade T. Sakai was imprisoned for propaganda in favor “of an extension of the suffrage.” And in its reactionary sweep, the Japanese government is destroying a peculiar instrument it forged for the deception of the workers—the Yu-Si-Kai. The Yu-Si-Kai was a “union” organized under government auspices, including in its membership capitalists, professors and officials of the government, its chief activity being the publication of a paper to deceive the workers. Employers often brutally coerced their workers to join this “union,” and it became a means of destroying the legitimate organizations of the proletariat. But now the Imperial government itself is persecuting the Yu-Si-Kai, against the protests of Baron Shibusawa and other magnates of capital, while the workers are rapidly deserting it entirely. This is significant equally of the stupidity of the government and the awakening of the workers.

I have said that Japan is part and parcel of the general imperialistic forces and ambitions that plunged the world into disaster; and this Imperialism is determinant in the recent history and development of Japan.

The Japanese people emerged definitely into the world of modern production and exchange at a time when Cap-

italism had developed into a new stage of its existence—the stage of Imperialism. Normally, the development of Capitalism would have produced a bourgeois, democratic revolution in Japan; but the existence of Imperialism altered the course of events. Imperialism is the negation of democracy; it means, historically, the end of bourgeois democracy and the re-introduction of autocracy under a variety of political forms. In nations which completed their bourgeois democratic revolution, as England and France, Imperialism develops a reaction against democracy and establishes the autocracy of imperialistic State Capitalism; in nations which had not completed their bourgeois revolution, as Germany, or which never had the beginnings of one, as Japan, Imperialism prevents the appearance of the institutions of bourgeois democracy. The feudal class is not destroyed; it becomes capitalistic and is put into the service of Imperialism; autocracy is not abolished, but bent to the uses of Imperialism. This was precisely the development in Japan, as in Germany. Imperialistic Capitalism was developed on the basis of still prevailing feudal conditions and ideology, a situation excellent for the profit-mad ruling class, but simply murderous to the workers and peasants, and disastrous to the rise of democratic ideas and institutions. Instead of comprehensively developing the internal market and its corresponding normal conditions of production, the Japanese ruling class embarked upon a policy of export trade and Imperialism, because it was more profitable, and because the development of the internal market would have meant the end of low wages and the appearance of a homogenous, aggressive proletariat.

The problems implicit in Socialism

in the ‘democratic’ bourgeois republics, but the direct power of armed and organized workers. Such is the state we need.”

The role to which Japan aspires, and conspires for, is that of arbiter of the Far East. Its imperialistic interests dictate the establishment of Japanese hegemony on the Asiatic continent, and particularly in succulently-rich and helpless China. Japan has already promulgated a sort of “Monroe Doctrine,” which insists upon priority of interest and consideration for Japan in the Far East, just as the American Monroe Doctrine has been perverted into a similar claim for the United States in Central and South America.

The war has definitely converted Japan into a dominant imperialistic nation. From a debtor nation, Japan has become a creditor nation, with large masses of capital that must be exported for investment. In January, 1918, Finance Minister Shoda in his budget speech said that imports since the beginning of the war had aggregated 2,623,000,000 yen (a yen is equivalent to almost half a dollar), and exports, 3,799,000,000 yen, the resulting favorable balance of 1,175,000,000 yen being increased by 700,000,000 yen “from other sources.” The accumulation of capital from this favorable balance of trade is increasing rapidly as the months go by. Moreover, industry has expanded to gigantic proportions, including the shipping industry. Industry and trade are increasing, not in arithmetical, but in geometrical progression. Japanese capitalism is entrenched itself firmly in all sections of Asia, and particularly China, where economic and political “penetration” proceed simultaneously. Japan's great need until recently was the import of

and the state are fundamental problems of theory and tactics, and the attitude toward these problems will be a vital one in the coming days of Socialist reconstruction.

raw materials, including iron and coal; the enormous expansion of industry has made this need still more imperative, and it has been supplemented by the urgent need for investment markets to which Japanese Capitalism can export its surplus capital. All this means a feverish impetus to Imperialism; and the field for Japanese Imperialism is Asia.

It is just at this point that antagonism develops between Japan and the other imperialistic powers in general, between Japan and the United States in particular, an antagonism latent with the threat of war, a war that would ultimately involve all the other great powers to protect their own Imperialism. Economically and financially, the United States is being affected by the war in precisely the same way as Japan, only more so. The Far East, and particularly China, is a great, capitalistically-untapped reservoir; it can do two things indispensable to an imperialistic nation—provide practically unlimited sources of raw materials and absorb vast amounts of investment capital. This import of raw material and the export of capital are the nerve-centers of Capitalism today, and the source of the great antagonisms which may again produce a catastrophe—unless the proletariat acts decisively in the performance of its historic mission.

In this situation latent with catastrophe, the workers of the two nations must understand each other, must assist each other, must unite to avert the impending menace.

For the workers of the two nations alone and decisively, in co-operation with the workers of the world, can prevent a conflict. No dependence can be placed upon the words of the representatives of the ruling classes, understandings and agreements are converted into scraps of paper when they clash with dominant imperialistic interests. The proletariat alone can act; and it is the function of the New International now in process of becoming to prepare the revolutionary proletariat to act when the crisis comes, aye, to prevent the coming of the crisis.

The fomenting of race prejudice and hatred is exactly what the ruling classes desire. Hatreds of race against race constitute the ideologic dynamo of Imperialism. It is the task of the Socialist to break down these hatreds. And when the American Federation of Labor foments racial hatred against the Japanese, it is betraying the interests of the workers. The Japanese workers in this country are part and parcel of our proletariat; they have proven that they are organizable, that they can fight the industrial oppressors, that they are excellent material for the militant proletarian movement. It is sheer suicide for the American proletariat to indulge in race hatred against the Japanese, or against any other racial element of our people.

The American proletariat, moreover, must understand precisely what are the real forces of labor and progress in Japan. It must not play into the hands of the Imperial government. Some years ago, the Yu-Si-Kai sent a fraternal delegate to a convention of the American Federation of Labor, a Mr. Susuki, secretary of Baron Shibusawa. Mr. Susuki was accepted as a bona-fide representative of the Japanese workers, Messrs. Compers and Scharrenberg solemnly accepting the invitation to go

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