

ON THE END OF CAPITALIST STABILISATION

SPEECH BY COMRADE MANUILSKY.

The New Features in the International Situation.

THE most important and newest problem in the thesis submitted to the Plenum, the approach of which Comrade Stalin signalled some time ago, is the question of *the end of capitalist stabilisation*. One can say, without exaggeration, that this is the most significant thing that has been said by the Comintern since the end of the first round of wars and revolutions. This fact will determine the policy of the Comintern for the next years to come. Because of the swift change of events, which occurs as a result of the end of capitalist stabilisation, we shall have to re-orientate the Communist Parties in accordance with the change in the surrounding conditions.

The end of capitalist stabilisation means a sharp change in the international situation (the breakdown of the Dawes Plan, the Young Plan of Reparations, of the Washington Agreement and an unprecedented sharpening of antagonisms between the imperialist robbers) as well as of the inner class relationships in the capitalist countries (the pauperisation of the toiling masses, their enslavement by finance capital to a greater degree, the growth of Fascism and the upsurge of the revolutionary struggle on the basis of the sharpened class struggle). It also means a change in the attitude of the imperialist powers to the colonies (a furious onslaught upon the colonies, war in China, mass executions in India, Indo-China, and the answer to that—the upsurge of the national-revolutionary movement in the colonies). Finally, there is the change in the attitude of the imperialist robbers to the U.S.S.R. (the entrance of the U.S.S.R. into the period of Socialism and its progress in the construction of Socialist society, which rouses the furious hatred of the capitalist world and which also proves that the "respite" given to the Soviet Union is coming to an end).

The significance of this cannot be weakened by the fact that the process which brought about the end of capitalist stabilisation is not yet completed, that the operation of all the basic contradictions of capitalism develops unevenly in different countries. Such countries as the U.S.A., France, China or India are equally witnessing the end of capitalist stabilisation, although the depth of the class movement, the degree of class antagonisms, as well as the international situation of each of these countries is altogether different.

The end of capitalist stabilisation—is a fact not of local, but of international significance. From

it we shall have to make tactical conclusions of an international character. But Comrade Kuusinen was right in warning us, in his report, against treating these tactical conclusions too lightly, without taking the peculiarities of different countries, and the uneven development of revolutionary processes into account.

This cannot be mitigated even by the fact that the end of capitalist stabilisation does not mean that to-morrow we shall have the crash of the Versailles Treaty. We are only at the beginning of this crash. As of old, Germany and Austria are still being choked; as of old, the Versailles frontiers are still being guarded; as of old, French imperialism surrounds itself with a chain of vassals—allies (Poland, Czecho-Slovakia, Roumania, Jugo-Slavia). Around this Versailles system (reparations, frontiers, armaments) there is now developing an unprecedented struggle which is speeding up the end of capitalist stabilisation.

This fact of world-wide significance is not altered though the end of capitalist stabilisation is accompanied by the Communist Parties lagging behind the objective conditions. This lagging behind only retards the collapse of capitalism, and the process of transforming the end of capitalist stabilisation into a revolutionary crisis. Because of this situation, there will be a definite lapse of time between the end of capitalist stabilisation and the revolutionary crisis in the most important imperialist countries. The length of this time, discounting the objective conditions, will depend upon the activity of the Communist Parties. However, no matter how great the activity of the Communist Parties will be, the transformation of the end of capitalist stabilisation into a revolutionary crisis will develop unevenly in different countries.

We have very little reason to imagine that this short space of time which represents the transition to the second round of wars and revolutions is a sort of "fourth period" which will lead to a "fifth period" of general revolutionary crisis. At the VI Congress we characterised the "third period" as the sharpening of the fundamental contradictions of capitalism which is inevitably leading the capitalist world to a second round of wars and revolutions. It is, however, the end of capitalist stabilisation which makes up, so to say, the "soul" of the third period.

"This third period, reads the resolution of the VI Congress, in which the contradiction between the growth of the productive forces and the contraction of markets become particularly

accentuated; is inevitably giving rise to fresh series of imperialist wars: among the imperialist states themselves; wars of the imperialist states against the U.S.S.R.; wars of national liberation against imperialism and imperialist intervention and to gigantic class battles. The intensification of all *international antagonisms* (antagonisms between the capitalist States and the U.S.S.R., the military occupation of Northern China—which is the beginning of the partition of China—the mutual struggles between the imperialists, etc.), the intensification of the *internal antagonisms* in capitalist countries (the swing to the left of the masses of the working class, growing acuteness of the class struggle), and the wide development of *colonial movements* (China, India and Syria) which are taking place in this period, will inevitably lead, — through the further development of the contradictions of capitalist stabilisation,—to capitalist stabilisation becoming still more precarious and to the severe intensification of the general crisis of capitalism. . . .”

“Hence, the maturing of a new series of gigantic military conflicts, of wars of intervention against the U.S.S.R. and the intervention now proceeding at full pace in China. Therefore, the development of the contradictions of capitalist stabilisation inevitably leads, in the final analysis, to the present growing into a period of gigantic cataclysms.”

There was a time when certain comrades were inclined to accept various powerful strikes and demonstrations as events which overlap the boundaries of the third period. At the X Plenum already, voices were heard asking whether it is not high time to transfer the world revolutionary movement to the “fourth class.” The comrades who put this question did not understand the revolutionary character of the third period. We had to decisively combat this playing at periods, which served as a substitute for the serious revolutionary evaluation of events; we had to fight against hollow-sounding schemes, which say nothing, and have no relation to the international and class situation. To present the end of capitalist stabilisation as a sort of special period without wars and revolutions, is to portray this period as the natural decay of the capitalist system, while the working class is completely passive. This means to portray the fate of monopoly capitalism like that of ancient Greece or Rome—the decomposition of a socio-political system, without any action on the part of the class which is to push this system into the abyss.

But if we cannot foretell the day and determine the exact duration of the period of transition of the end of capitalist stabilisation to the zone of revolution and wars, we are also unable to accept

fatalistically, beforehand, that this period of the decay of capitalism will be of very long duration. The answer to this question belongs, above all, to the working class.

The problem of the end of capitalist stabilisation is also of tremendous significance because it decides the question of the new stage of the general crisis of capitalism. The new point on this question in our thesis is that the general world crisis of capitalism is approaching a new stage of development. How will this new stage of the general crisis of capitalism present itself? What will be its content? Precisely—the new round of wars and revolutions. In order to understand this new development of the general crisis of capitalism we must have a clear and concrete idea of what the socio-political consequences of the end of capitalist stabilisation will be.

THE GROWTH OF THE CONTRADICTIONS OF CAPITALISM.

World capitalist economy has never represented a harmonious unit. But even the relative unity of the world capitalist economy which existed before the world war, was destroyed by the proletarian revolution in Russia, which split world economy into two altogether different worlds. The rise of Socialist economy in the U.S.S.R. was the most important cause of the general world crisis of capitalism. But the present economic crisis has caused further damage to world capitalist economy. *It has disintegrated this economy into its national-state parts.*

The period that has elapsed between the XI and XII Plenums was characterised by the fact that the disintegration of world economy into small parts reached very large proportions. A wave of so-called “economic nationalism” (the development of protectionism, prohibition of export of currency, tariff wars, import quotas, preference, etc.), has swept the capitalist world. This tendency towards economic isolation (autarchy) has begun to develop at a furious rate. The capitalist world resembles a sinking “Titanic,” where everyone tries to save himself, and at the expense of his neighbour. This is the economic basis of the wave of nationalism, the growth of which has been pointed out in the thesis of the XII Plenum, and which is connected, in the most intimate manner with the development of Fascism. This is one of the manifestations of the end of capitalist stabilisation which raises the general crisis of capitalism to a new stage.

But the growing wave of nationalistic sentiment not only fosters Fascism; it gives rise to a war mentality in the capitalist world. To-day, more than the eve of 1914, the capitalist world

resembles a powder magazine. Only the underground passages of this magazine have been changed. To the old contradictions of Europe, there are now added the antagonisms of the Pacific. The end of the era of capitalist stabilisation in the Pacific not only means a war against China, and a threat of war against the U.S.S.R.; it also means a growing conflict between Japan and the United States. The Washington five-power treaty is already scrapped; the era of world conflicts in the Pacific, which includes the sum total of European conflicts on the Mediterranean and Atlantic, is the herald of a terrible and unprecedented world war which will bring all the continents of the globe into action.

This maturing world war is being wedged into the complicated system of colonial movements, into the heated internal relations of the capitalist countries which reek with social conflicts.

All these contradictions of capitalism are manifesting themselves on a wider scale. And while the first round of wars and revolutions primarily bore a European character, the second round will bring the toilers of the whole world into this conflict. Such events as the strained relations between Germany and Poland over the Danzig corridor, war in China, the brandishing of weapons in Japan and the United States, and finally, the openly-expressed plans for an attack on the U.S.S.R. from the west and the east—all these new aspects are closely bound up with the end of capitalist stabilisation.

Is it an accident—that in addition to Germany and Poland, Japan and China are now becoming key positions in the world revolutionary movement? It is towards these countries that the gaze of the international proletariat is now directed. This is the political synthesis of Balkanised Europe and the tightening of the knot of antagonisms in the Pacific.

Germany is the country which has the strongest mass Communist Party, the country which stands nearer to the proletarian revolution than all other advanced capitalist countries. A revolution in Germany means a revolution in the whole of Central and Eastern Europe. This would mean the creation of a mighty revolutionary fist against the rest of the capitalist world which would give decisive superiority to the land of the proletarian dictatorship over the rest of the capitalist world. Germany is the main link in the Versailles Treaty. Its economic system is more shattered than that of any of the other big capitalist countries. Of all the capitalist countries Germany has the sharpest internal class struggles, it is the open wound of Europe (the German question, after the U.S.S.R. is the

most troublesome problem to the capitalist world), it is the struggle of an advanced capitalist country, against the domination of imperialism.

Poland, the country where the workers' and peasants' movement has fighting revolutionary traditions, is the bridge to the proletarian revolution in Germany. Poland is at the same time the capitalist outpost against the U.S.S.R. It is also the fist of world imperialism (particularly France) which is preparing a war against the First Workers' Republic. Poland is the gendarme of reactionary Fascism in Eastern Europe, at the same time it is a land in decline, revealing the bankruptcy of Fascism.

Alongside of these two countries there is China, which plays a most important rôle in undermining capitalist stabilisation. China is the nerve-centre of the antagonisms among the most powerful capitalist countries in the Pacific; it is developing all the antagonistic conflicts between Japan and the United States. With its revolution, it is rousing the peoples of Indo-China, India, Philippines, the Malay Islands and other colonies. It is the centre of instability of the whole colonial system of world imperialism which reaches on the East, through Mongolia to the Soviet Union and China with its tremendous Soviet territory—and unconquerable Red Army. Remember that since the XI Plenum the Kuomintang has undertaken three offensives (altogether four) against the Soviet territory of China and all these were repelled by the victorious Red Army. This was an historical test of the possibility of applying the Soviet system, not only to China, but in general to the colonial peoples. In this struggle, millions "voted with arms in their hands" for the Soviet government in China. Since the XI Plenum, the national revolutionary movement in China, because of the Japanese invasion, has reached unprecedented heights, leaving the revolutionary wave which we witnessed in 1925-27 far behind in its sweep. This anti-Japanese movement was really a movement of all the Chinese workers.

And are these facts less indicative of the end of capitalist stabilisation than the decrease in production, etc.?

Finally, Japan is a country which is undermining capitalist stabilisation not only with the depreciation of currency, but with her war—her aggressive policy in the Far East dictated by her desire to rule over all Asia, and, to rule the Asiatic waters of the Pacific, with the aid of her strong navy. Besides the war and the raging military-Fascist reaction, capitalist stabilisation is also being undermined by the growing revolutionary crisis in Japan.

SHARPENING CLASS STRUGGLES AND THE GROWTH OF FASCISM.

Secondly, the end of capitalist stabilisation means the sharpening of class struggle, and the growth of Fascism. As the usual formula of our thesis and resolutions, this, of course, does not represent anything new. But the degree of Fascisation of the capitalist countries, in this new stage of development, will be different from what it has been hitherto. What is taking place in Germany now is an example of the path which will be taken by all capitalist countries, unless the militant, revolutionary actions of the proletariat, or proletarian revolution retard the process, or put an end to it. If we are to speak seriously about the end of capitalist stabilisation, we must also point out that so-called bourgeois democracy is also experiencing a sharp crisis, which is leading to its political death-agony. The development of the crisis of bourgeois democracy will be determined by two factors; the growth of the revolutionary upsurge, and the development of Fascism.

Hitherto we have said that the bourgeoisie governs with the help of its two wings — the Social-Democracy and Fascist Party. The period of capitalist stabilisation was characterised by the fact that the bourgeoisie utilised Social-Democracy as its main weapon (coalition governments, and Social-Democratic governments). The end of capitalist stabilisation increases the specific gravity of Fascism in capitalist government administrations. It would be premature to say that Social-Democracy has already become an inmate of a home for the aged, maintained for past services, but at the same time, we must not think that the end of capitalist stabilisation is not altering the position of Social-Democracy in the system of capitalist governments.

Nor must Fascism, particularly during the end of capitalist stabilisation, be represented as a one-sided process of the growth of reaction. Civil war parties are not organised if there is no one to fight, if the elements of this war do not exist in reality. It is silly to think that the development of Fascism will grow if absolute passivity reigns in the camp of the proletariat. That is true of separate countries, and of international relations. First of all, Fascism, being a product of the decay of capitalism, as Comrade Kuusinen correctly pointed out, is itself subject to decay. Even in the rising curve of German Fascism, we already observe elements of its decline. Secondly, the end of capitalist stabilisation is characterised by the fact that those Fascist dictatorships which had established themselves in the period of capitalist stabilisation

(Jugo-Slavia, Poland, Italy) are now under the blows of the revolutionary mass upsurge. It would be wrong then, in the conditions of the new phase of the general crisis of capitalism, to depict the development of Fascism in the form of a rising curve only. There will be curves going in the opposite direction also. These will represent the elements of the revolutionary upsurge and of the growing revolutionary crisis.

Our thesis characterises the present situation as a struggle of antagonistic forces, in some places very intense, and in some more restrained. This struggle of antagonistic forces represents the maturing of the elements of revolution and counter-revolution which are inherent in the present unstable situation. Marx was fully justified in saying: "The Party of revolution rallies the party of reaction."

Fascism, as a political party, is as unstable as the whole present situation. As a product of the decay of capitalism, it reveals symptoms of decay even in moments of its greatest upsurge: and if many years were required for the defeat of Social-Democracy, the defeat of Fascism in the period of the end of capitalist stabilisation, will be achieved in a much shorter period.

But Fascism does not decay automatically. It will not collapse, unless it is pushed. Not a single class, not a single régime falls, as Lenin correctly pointed out, unless it is pushed over.

At the XI Plenum we had to combat the under-estimation of Fascism (the theory of the general offensive, the theory that we have barred the way of Fascism, that Fascism represents the defence of capitalism, that it is only a product of decay—theories created by Comrade Neuman, in Germany). Now, however, at the moment of the end of capitalist stabilisation, a new danger arises—the under-estimation of Fascism as an element of the decay of capitalism, and the treatment of the Fascist dictatorship as the consolidating factor in the class domination of the bourgeoisie. It has already been correctly pointed out here, that it is impossible to compare Fascism during the period of the end of capitalist stabilisation, with Fascism at the beginning of capitalist stabilisation. Who will now assert that a government led by "Reichs-Chancellor" Hitler would succeed in leading capitalism out of a blind alley and in re-establishing capitalist stabilisation? That is why the clever, cunning, German bourgeoisie therefore does not allow Hitler to take power, for it fears to compromise its reserve forces; it fears that the Hitlerites will make the internal situation in Germany still more complicated, will create an extremely strained international atmosphere, and speed up the outbreak of the revolutionary crisis in Germany.

It must not be forgotten that Germany is not a semi-agrarian country like Italy or Poland. Germany is a country with a mighty proletariat, among whom the memory of the proletarian revolution of 1918 (though unsuccessful) still lives. Germany is a country with a strong Communist Party, with a strong proletarian revolutionary tradition and a long history of class struggle. The government of Papen-Schleicher will not succeed in 'putting a Fascist muzzle on these masses, or crucifying them on the Fascist Swastika.

Thirdly, it must not be forgotten that Hitler's accession to power in Germany would create a different international situation than, for instance, the accession of Mussolini or Pilsudski. Hitler's accession to power would mean a sharpening of the contradictions of the Versailles Treaty, and unprecedentedly strained relations in Europe, which would speed up the growing revolutionary crisis in its central section—Germany.

This is true not only of Germany. Fascism, in the period of the end of capitalist stabilisation, is also a source of international adventurism and of sharp armed conflicts. Imagine for a moment what Europe would look like in the international sense if it were to become Fascist. It would present a picture of bristling bayonets, charged guns, crawling tanks—a welter of war. This would correspond very little to the ideal of capitalist stabilisation. And that, of course, is not accidental.

Fascism, at the end of capitalist stabilisation, more and more displays the symptoms of the further decay of capitalism. This does not mean, however, that the elements of terrorist dictatorship will not develop any further. It is this, in fact, which we have not said at the XI Plenum, and which we must point out at the XII Plenum. But this situation compels the bourgeoisie to manœuvre, with the aid of Fascism, before the wide masses. In Finland and Germany we see a bourgeoisie which has established a Fascist dictatorship, but deliberately covers it up. Meanwhile, we see that the bourgeoisie is holding the Lapuaski and Hitler gangs in reserve as a weapon of terrorist pressure upon the masses whom they want to compel to accept the present phase of Fascist dictatorship.

Our government is not yet a Fascist government—says the bourgeoisie to the masses—but if you don't accept this government, we shall give way to Hitler.

But what does the Fascist dictatorship with its reserve, a sample of which we see in Germany, represent? We cannot, of course, say that the government of Papen-Schleicher, and that of

Brüning are one and the same; but even the government of Papen-Schleicher is not the final form of the Fascist dictatorship. And is it possible in general to have a complete form of Fascist dictatorship of the type of Italian Fascism, under the present unstable conditions, when capitalist stabilisation has come to an end? On the other hand, we cannot say that because Fascism in Italy, after it came to power, temporarily permitted the existence of a workers' press (*Avanti!*), of workers' organisations—trade unions, and even permitted the Communist Party to exist semi-legally, it therefore ceased to be a Fascist dictatorship. And, because it suppressed the labour movement several months afterwards, that it was not a Fascist dictatorship in the first month of its accession to power.

We think that we already have a Fascist dictatorship in Germany, but whether Hitler comes into power, or the Papen-Schleicher régime continues, depends on a whole series of internal and international conditions. In the first place, it depends upon the activity of the working class, whether the Party will be able to organise a united anti-Fascist front and unite the widest masses of the German proletariat around its slogans. It would be a mistake, however, to transform the work of the Plenum into academic debate, instead of analysing the situation of the German proletariat, and the problems which confront it in connection with the struggle against German Fascism, which has grown considerably since the XI Plenum.

THE END OF THE PERIOD OF SOCIAL REFORMS.

The third point in the end of capitalist stabilisation is that it marks the end of the period of social reforms, the undermining of the position of the aristocracy of labour, a new standard of living for the working class in the midst of a ruined peasantry, a ruined petty-bourgeoisie; in other words, the mass proletarianisation of the broad masses of the toilers. We cannot represent the new stage in the general crisis of capitalism as a purely economic process; we must also take into consideration the socio-political consequences of the economic changes. Otherwise we shall not understand the dialectics of the sharpening of the class struggle; or Fascism, or the revolutionary upsurge of the masses. This is the key to the proletarian revolution. This is the reason why the Communists should now, more than ever, concentrate their attention on the every-day needs of the masses, rouse the masses for the struggle for the most elementary economic demands. Particularly now, when Social-Democracy and

the reformists, swimming in the waters of capitalist ideology, defend capitalism by arguing that it is powerless to give new reforms, to improve the condition of the working class, and that because of the world crisis is compelled to reduce wages. It is precisely at this time that we Communists should present our militant policy of fighting for the partial demands of the working class. We must, with greater energy than ever, expose Social-Democracy, which, under the cloak of verbal radicalism, demoralises the workers and cultivates passivity and capitulation. It is the economic needs of the masses which is the fundamental basis for the transformation of the revolutionary upsurge into a revolutionary crisis.

One must be mad to think that the working class of the New Hemisphere and Europe, which, whatever may be said, has decades of experience of fighting for its standards of living, and organisational traditions, will allow itself, without protest, to be transformed into a slave class bereft of rights, satisfied with that standard of living which was typical for the workers at the dawn of capitalism. The working class still harbours illusions of the possibility of a return to normal times of capitalist stabilisation: it regards the present situation as being temporary. Here and there, the most backward elements among the unemployed workers believe that a war, or some sort of a legendary Third Empire, will give them work. But the end of capitalist stabilisation will open their eyes. The prospect of great struggles is not an invention of the Communists; to-day it is becoming a reality; to-morrow, it will thrust the capitalist world into the abyss.

At this Plenum we must call upon the Communists of all countries to wage a ruthless struggle against the theory of identifying the end of social reforms with the end of the struggle for the partial demands of the working class. The end of social reforms means that the bourgeoisie will no longer be able to mend and patch capitalism, and make it more acceptable to the masses; but this does not mean that the working classes cannot fight successfully for its partial demands, and that the fight for the partial demands is merely revolutionary gymnastics, and nothing more. The revolutionary significance of the struggle for partial demands assumes tremendous proportions in the period of the end of capitalist stabilisation. Every fight of this sort is a breach in the capitalist system. The struggles for partial demands to-day, are different from the struggles previously waged by a Social-Democracy for "social reforms" which helped to entrench and consolidate capitalism. At the present time, every movement for the partial demands of the workers brings the workers into

closer contact with the realities of capitalist existence and contains within itself tremendous revolutionary possibilities. To-day, out of the smallest encounter, out of the most elementary local movement, a tremendous revolutionary movement of national significance arises. Those who do not see the revolutionary side of this struggle for partial demands fall into the pre-war position of Social-Democracy on the question of "social reforms."

THE ROLE OF THE SOVIET UNION.

Then there is the fourth point—the rôle of the Soviet Union in the approach of the end of capitalist stabilisation. The end of capitalist stabilisation is characterised not only by the fact that capitalism has fallen from its position of relative stabilisation, but also by the fact that the Soviet Union is uninterruptedly marching forward. These two diametrically opposed lines of development, deepening the abyss between the two contradictory worlds, sharpening the contradictions between them, transfers the question still more sharply and decisively: "Who—Whom* to the international arena."

THE REVOLUTIONARY UMSURGE.

Finally, there is the revolutionary upsurge. Capitalist stabilisation, as is well known, was ushered in as a result of three main factors: the economic factor,—the restoration of the pre-war level of world economy (stabilisation of currency, capitalist rationalisation and some diminution in the divergence between the prices of manufactured goods and agricultural produce — the so-called "scissors"); the international factor:—the agreement among the imperialists to exploit Germany (the Dawes Plan) China, the colonies and the "stabilisation" of relations with the U.S.S.R.; the political factor: — the temporary suppression by the bourgeoisie of the revolutionary movement in Central Europe and the repulse by the world bourgeoisie of the first post-war attack of the world proletariat. We particularly stress the last factor. This is a subjective factor. The collapse of capitalist stabilisation could not be only a result of objective factors: world economic crisis (the growth of Fascism and war) and the break-down of the established alignment of forces in the international arena. It also occurred as a result of class struggles in every capitalist country, extended, so to say, to the international arena in the form of a revolutionary movement of all peoples against imperialist oppression.

* In Russian: "Kto Kogo"—who-whom. The famous formulation of Lenin meaning—Ed whether Socialism will beat Capitalism or vice versa.—Ed.

Not only has the development of the world economic crisis during the last three years sharpened class antagonisms, but the extension of the class struggle, has, in its turn, been a most important factor in sharpening and deepening the world economic crisis. It is sufficient to remember what influence the movement in the British Navy had on the fall of the English pound. Such events as the revolutionary upsurge in China with its 400,000,000 population, which brought about the establishment of Soviet rule in one-seventh of the territory of China, the tremendous anti-Japanese movement which has broken through all the barriers of Kuomintang terror, the revolutionary upsurge in India during the past year, which found expression in the growth of the civil disobedience into nascent rebellion, the five and a half million Communist votes in the very heart of Europe — Germany, the revolutionary struggles in Spain, the wave of strikes in Poland, Czecho-Slovakia, United States, the textile and miners' strikes in France, the miners' strike in Belgium, the present Lancashire strike, have played, and are now playing a tremendous rôle in ending capitalist stabilisation, and sharpening all its economic and political consequences.

Take, for instance, the latest events in France in connection with the air manœuvres on the eastern frontier, and the charged atmosphere in which the whole capitalist world now finds itself — these are indicative of something, are they not?

Take the unity between the revolutionary peasantry and the revolutionary working class movement in a number of capitalist countries; in such countries like Bulgaria, which have lived through a wave of bloody white dictatorship; it has brought about an unprecedented growth in the influence of our Communist Party among the peasant masses — this is also indicative of the growing world revolutionary upsurge.

It is doubtful whether we can say already that between the XI and XII Plenums a new stage of the revolutionary upsurge was reached. But there is no doubt, as Comrade Kuusinen pointed out, that since the XI Plenum the world revolutionary movement has not gone backward, but forward.

We cannot interpret the thesis on point 1 to mean that because certain additional difficulties have arisen in the process of the maturing of the revolutionary crisis in Germany, this means that the world revolutionary upsurge is sliding downwards like a sleigh on a Russian toboggan road. The end of capitalist stabilisation has merely increased the disproportion between the insufficient upswing of the world revolutionary movement and the objective conditions. And this disproportion has diminished the significance of the fact

that almost everywhere our Communist Parties, with the exception of the United States and France, have grown numerically and widened their influence. But this growth and widening of the influence of the Communist Party is very inadequate compared with the existing possibilities. But what influence will the end of capitalist stabilisation have on the development of the revolutionary upsurge? Undoubtedly, it will, in the near future, give rise to a new stage in which, in those countries which are at present in the general stage of revolutionary upsurge, this upsurge will develop into a revolutionary crisis, while in those countries in which the elements of the revolutionary crisis are already mature, a revolutionary situation will arise. We see the first symptoms of this process in Japan, for example, where side by side with the elements of Fascism and war, the elements of a revolutionary crisis are also maturing.

Two principles, like Ormuzd and Ariman, will confront each other in the shape of two classes, advocating two opposite ways out of the general crisis of capitalism, and contending against each other; war and Fascism on the one hand, revolution — on the other.

Whether it will be the lot of the working masses to suffer through the further development of Fascism and wars, before they accomplish the proletarian revolution depends primarily upon the Communist Parties, for at present there is no other power on earth that can mobilise the working masses, unite them around its militant slogans, organise them into class organisations, and lead them in the fight to destroy Fascism and overthrow capitalism.

Theoretically speaking, we cannot exclude from the development of events the possibility that in separate capitalist countries Fascism and war will precede the proletarian revolution, while in others they will develop parallel to it; but we shall most decisively combat the fatalistic idea, which has penetrated certain links in the Communist Parties which take it for granted, beforehand, that this course of historical events is inevitable. According to this fatalistic concept the historic work of preparing the proletarian revolution will be carried out for us by war and Fascism, that war and Fascism will undermine and destroy the influence of Social-Democracy, which is the main obstacle on the path of the proletarian revolution — that in the meantime there is no need for us to engage in economic struggles and take the risk of being thrown out of the factories, or to fight against Fascism, because according to this theory, Fascism is an inevitable stage in the development of capitalism; that the sooner Fascism comes into power, the sooner will it

spend itself and become bankrupt, and finally, that the Fascist masses will come over to our side spontaneously.

Reliance on spontaneity represents the second phase of this concept. At the present time, in the period of the end of capitalist stabilisation, this theory represents the gravest danger for us. It demoralises the working class, and creates an ideology of "tailism"* and passivity. It lulls the vigilance of the masses, and together with the policy of "the lesser evil" it paves the way for Fascism coming into power unobserved. This is a profoundly Right wing opportunist ideology, an ideology of capitulation, a doctrine of impotence, fear and consternation. The absence of strikes in Germany at the present time, the fact that our struggle against Fascism is lagging behind the rate at which Fascism is growing, then, must be ascribed, in addition to the corrupting work of Social-Democracy, to those who are spreading opinions of this kind. The fact that the Communist Party of Germany did not, on the 20th of July, react sufficiently quickly to the "coup d'etat" of the Papen government, the fact that it developed its action like a too cumbersome machine, the speed of which did not correspond to the speed of events, must also be regarded as a reflection of these moods. But, comrades, I think I shall express the opinion of the Plenum in declaring that the Comintern wholly and entirely supports the leadership of the German Party which is confronted by tremendous tasks and which has to work under very difficult conditions. (Applause). The Comintern has, and always will, fight against those disruptive measures taken by certain elements who are trying to create strife in the ranks of the active Party members, instead of exerting every effort to help the Party leadership to carry out the responsible tasks that confront the Communist Party of Germany.

But comrades, the whole Plenum wants an answer to the question as to why in Germany, where the Communist Party is, next to the Communist Party of the Soviet Union, the largest Party in the Comintern, there are so few economic strikes. Strikes occur in Spain, in Poland and in Czecho-Slovakia, but there are very few strikes in Germany. This question is a very acute one in the period of the end of capitalist stabilisation. First of all, we must note that in Germany there are a number of specific difficulties in developing strike struggles, which do not exist in other countries.

Secondly, we must bear in mind that lately, the German proletariat has been more and more fre-

quently resorting to separate political strikes; thirdly, that the German working masses employ other means of struggle, as, for instance, the street, particularly in their fight against Fascism. But all this does not exhaust the question. It is said that the strikes in Germany are hindered because of the difficult international situation of that country. Influenced by Social-Democratic propaganda, the working class still believes that it is its duty to save capitalist Germany, which was defeated in the imperialist war, from the terrific pressure of world imperialism (primarily of France). The preaching of national unity and "common sacrifices" is fostered by the Versailles Treaty, because that treaty not only creates the elements of a revolutionary crisis, but also creates supplementary obstacles to the maturing of these elements. Furthermore, it is said that a strong Social-Democracy, and the strong reformist trade unions are obstacles to the development of strikes; it has been said that to this must be added the illusions that are still entertained on the possibility of a return to capitalist stabilisation, if the country is not subjected to shocks in the form of outbreaks of class struggle. It has been said that the widespread victimisation exercised by the employers, which puts the workers in danger of being thrown out of their employment, plays a tremendous rôle in Germany, even more than in other countries. All this is true. But we, as revolutionary politicians, should not only see these difficulties, but understand the new and wide possibilities for economic struggles which arise, and will yet arise, with the end of capitalist stabilisation.

The fact that capitalism has already spent itself in regard to social reforms, that the capitalist governments are more and more throwing off their social responsibilities to the toilers, and becoming more and more openly organs of political oppression, the fact that finance capital in all its ramifications is becoming monstrously inter-dependent and interwoven with the apparatus of the state, of course, creates a number of obstacles to the development of strikes. All these traits of monopoly capital in the period of its general crisis were already maturing in the womb of capitalist stabilisation. Now, however, in the period of the end of capitalist stabilisation, they are further stimulated. Social-Democracy says to the masses: the bourgeoisie declares itself bankrupt, it cannot increase your wages, it cannot pay for social insurance, its government cannot fulfil any social functions; hence it is useless engaging in the economic struggle, it is useless fighting for economic demands because the chances for success in these struggles are diminishing. Separate sections of

* The speaker used the Russian term "Khvostism," from the word "khvost," meaning tail, i.e., dragging at the tail end of the movement instead of leading it.—Ed.

the proletariat which throw themselves into the struggle are powerless in the face of monopoly capital and will be beaten one by one. Therefore, says Social-Democracy, it is necessary to capitulate,—and to wait for a more decisive struggle—add the Right wing and “Left” opportunists.

The theory that strikes are impossible in the period of economic crisis, is to-day growing into the theory that partial struggles are impossible in the period of the end of capitalist stabilisation. But if there are no economic struggles, then the conditions for a decisive struggle for the proletarian dictatorship have not yet matured, if partial political struggles are broken against the armour of the capitalist government which has grown to monstrous proportions, then the only thing left to do is to regard war and Fascism as our allies.

Our most important task is to overcome these moods, which are so dangerous to the cause of the proletarian revolution. If the proletariat were to reject strikes, as a method of struggle, it would disarm itself completely in the face of the capitalist offensive; it would give capitalism a free hand in dealing with the standard of living of the working masses. It is said that struggles are hard, but why do our Polish and Spanish comrades, in countries where there are smaller Communist Parties and a “poorer” capitalism, carry on successful struggles and not only prevent wage cuts, but even gain increases in wages?

Let us assume that there are a number of specific difficulties which hinder the development of the strike struggle—but then it is the duty of the Party to utilise other forms of struggle in leading the masses into economic and political mass fights. In this struggle the proletariat will learn how to utilise stronger measures to compel its enemies to retreat until it has learned to use the strongest of all measures — the proletarian revolution.

We must particularly emphasise the fact that economic struggles in the period of the end of capitalist stabilisation develop into political struggles much more quickly than they did before, and that economic strikes become closely interwoven with political strikes. In the near future we shall have to put the question of mass political strikes in a different way. As the proletariat gains experience in the struggle, it will convince itself that without such a concentrated blow, it will be impossible to break the resistance of the class enemy. And this method of struggle is already beginning to be adopted by the masses. That is precisely why Social-Democracy, aware of the sentiments of the masses, is playing with the slogan of a general strike. We must learn

to distinguish the true will of the masses, from these manoeuvres of Social-Democracy, otherwise we will leave the masses in the power of the demagogic Social-Democrats.

We must tear this weapon out of the hands of Social-Democracy, by placing the question of preparing and carrying out mass political strikes before the wide forum of the working class, who are now learning from experience, that Social-Democracy is only fooling them with its lofty slogans. We must remember that in the period of the end of capitalist stabilisation, the mass political strike will become one of the most important and effective weapons in the struggle of the working class. In advancing the slogan of the political mass strike, Communists must take into account the concrete conditions required for its realisation, so that the slogan of mass political strike shall not remain hanging in the air, as has happened more than once in the work of our Communist Parties. But when we raise the question of proletarian dictatorship, or of the mass political struggle, does that mean that we must treat our everyday work in strengthening our connections with the masses contemptuously? This everyday work is the only way by which we can guarantee that our struggle for proletarian dictatorship, our preparation and organisation of the mass political strike, will not be transformed into an empty and meaningless revolutionary phrase.

The whole Plenum listened with great interest to that part of Comrade Kuusinen's report in which he pointed out how enormously *important it was for the Communist Parties to establish closer ties with the masses*. Everyone of us in this hall felt, that this is the thing the majority of the Communist Parties lack. This is the key to the successful solution of the problem of mobilising and organising the masses, on the basis of the defence of immediate demands, in our everyday work, and of leading them in the cause of economic and political battles to the decisive struggle for the proletarian dictatorship.

It is impossible to speak about a revolutionary upsurge without being in the very midst of the working class, without knowing its needs and formulating its basic demands in concrete and clear slogans. Although our French comrades, for instance, draw up very radical theses, at their congresses, about the revolutionary upsurge; that does not yet mean that we are making headway in the work of establishing closer connections with the masses in France. This part of Comrade Kuusinen's report is significant because it attacked the Right and “Left” wing verbosity which we have not as yet overcome, and which tries to cover up the absence of real mass work.

It attacked the theory of spontaneity by means of which some sections of the Comintern are trying to dodge the important tasks of mobilising and organising the masses. There is not a question about which so much has been written as this one, but we have not yet made up for lost ground in this field of mass work.

The task of winning the masses was put before the Communists already at the Third Congress of the Comintern. And it is no wonder that our lagging behind compels the Executive Committee of the Communist International, in the period of the end of capitalist stabilisation, to concentrate the attention of the Communist Parties on the decisions of the first three Congresses, which formulated very clearly to the Communist Parties that were then being organised, their tasks of winning over the masses. But does that mean that we identify the present political situation of the Communist Parties with the period which they were in during the First, Second and Third Congresses? Does that mean that there is a gulf between our thesis regarding the end of capitalist stabilisation, and the task which they impose — the task of winning the masses into which the wide perspective of the world revolutionary movement has disappeared; and that its place has been taken by the tactics of fighting exclusively for everyday demands? Those who think that by raising the question of fighting to win the masses, and of mobilising, organising and preparing them militantly for the decisive struggles for the proletarian dictatorship, we are withdrawing the question of revolutionary perspective, are sadly mistaken. Understand, that if after the numerous resolutions that have been passed by six World Congresses and eleven Plenums, we have not yet carried out the decisions of the first three Congresses, then it is our duty to state this to all the sections of the Communist International. But is not our characterisation of the present situation as the end of capitalist stabilisation the most important revolutionary perspective which, with the present relation of forces, we can give to the Communist movement? It is precisely this perspective that causes us to raise the question of proletarian dictatorship in a new way in the period now opening before us. Our propaganda and agitation for the slogan of the proletarian dictatorship will grow more and more into a slogan of action of the wide masses who, around their everyday demands, are rising for struggle for the establishment of the proletarian dictatorship. The elements of pure propaganda will move somewhat into the background. We shall also have to approach the slogans of the transition period differently. To-day we do not put forward such slogans anywhere, but the development of

events may put this question before the Comintern in individual capitalist countries to-morrow. Such slogans as the confiscation of reserves of food and objects of prime necessity by militant representative organs of the working class to be supplied to the needy masses of the unemployed population, or to capture closed up factories and begin to operate them with the forces of the workers, etc., may become particularly real. When speaking to-day about what is apparently very modest spade work, the everyday mass work, we must visualise at the same time the possibility of spontaneous outbursts of mass movements. If, in the period of partial stabilisation of capitalism we saw such movements as the protest movement against the execution of Sacco and Venzetti, the June Days in Vienna, as the English General Strike which shook the capitalist system in England to its very foundation, what may we expect now, when the capitalist world has entered the period of the end of capitalist stabilisation. Just think what the capitalist world would look like now, if a real, mass Bolshevik Party had been at the head of the General Strike in England, instead of the treacherous General Council. If we are to speak of a gap in the revolutionary perspective, then we must say that our weak connections with the masses caused a gap between the powerful revolutionary movements which have arisen, and their poor results. When we want to fill these gaps, we are told that we are losing our revolutionary perspective, and attempts are made to substitute reliance on spontaneity for the latter. And yet, we would be very bad revolutionaries if we did not take the spontaneous movement into account. Probably a number of our sections will have to fight for the leadership of such elemental movements, not under the organisational and political conditions that we would like, but under those which history will create. Theoretically speaking, it is possible that we shall have to fight to win the majority of the working class in the midst of great revolutionary outbursts, as in Spain. And since the Plenum thesis covers only the next year and a half or two years, the period of the end of capitalist stabilisation, we must foresee all possibilities and orientate the Sections of the Comintern in that direction.

SOCIAL-DEMOCRACY.

The last question: What effect will the end of capitalist stabilisation have on Social-Democracy? What changes are taking place in the ranks of Social-Democracy in this new period? In order to understand these changes we must first of all answer the question,—what has been the basis of the influence of Social-Democracy up till now?

Social-Democracy was supported by a thin layer of the labour aristocracy which widened in the period when Social-Democracy became merged with the State, and of the shattering of capitalist stabilisation, by drawing into its ranks wider layers of government, trade union, municipal and co-operative bureaucrats. The end of capitalist stabilisation undermines the economic base of the labour aristocracy. The Fascist bands who want to get near to the government pie are squeezing the Social-Democrats out of their fat jobs.

After the crisis which was brought about by the World War and the October Revolution, Social-Democracy consolidated its position as a party of capitalist stabilisation. The end of capitalist stabilisation undermines its base.

After 1914 Social-Democracy played with Pacifism, and made a lot of noise about the League of Nations, it tried to prove that capitalism can guarantee peace during the reign of "democracy." The war in the Far East, the danger of onslaught upon the U.S.S.R., the entire present pre-war situation has robbed the Social-Democrats of the weapon with which they fool the masses who fear war. Social-Democracy defended democracy — Fascism took that away from it too. It based itself on social reforms—capitalism took that possibility away; it kept its position by spreading the fear of upheavals, amidst those layers of the working class who are still infected with petty bourgeois ideas. But capitalism entered a period of the most difficult upheavals, dragging after itself millions of people, including the Social-Democrats.

These are the causes that determine the present transformation of Social-Democracy. This transformation, like all processes of a social-political order, cannot be presented in a purely mechanical manner. They must not be portrayed as though occurring at the same time and in the same way on a world scale. In different countries this process will occur differently, according to the degree of the intensity of the crisis, class struggle, the growth of Fascism, radicalisation of the masses, etc. But, fundamentally, this process of transformation of Social-Democracy will be reduced to the following two types; (a) one part of Social-Democracy represented by MacDonald, Thomas, Snowden, etc., will openly go into the camp of reaction; (b) the second part will vacillate under the pressure of the masses, and try to prevent the masses from going over to Communism (the English Independent Labour Party, the Seidewitz—Rosenfeld Group), — the basic nucleus of Social-Democracy, which has a left wing, and will once again try to side-track the radicalisation of the working class, by putting

forward a series of radically sounding slogans. In the most important capitalist countries, we already see this type of manoeuvring on the part of Social-Democracy. This is the new feature in the development of Social-Democracy, brought about by the end of capitalist stabilisation.

The four most important features of the manoeuvres of the Social-Democrats are as follow:—

First manoeuvre: Social-Democracy, which for decades has posed as the party of social reform, suddenly announces itself as the party of Socialism, striving for the final goal of the working class movement, Socialism. Of course, this Socialism is democratic, and is to be achieved without a proletarian revolution. On the contrary, it is to be accomplished by carrying through within the framework of capitalism "a programme of nationalisation." Social-Democracy tries to confuse the minds of the workers with this manoeuvre, and fool them with projects of socialisation as they did in 1918-19. It is this circumstance that dictates to us Communists the necessity of putting the question of proletarian dictatorship very clearly before the masses. This is, at present, the main link in our struggle against Social-Democracy, which we must tug on. Our slogans in the present stage of development, must therefore be very distinct, and leave no doubt whatever as to their content. Social-Democracy already formally accepts a whole series of our militant slogans, of course, squeezing the revolutionary content out of them. In some places they raise the slogan of a workers' and peasants' government, in other places, the slogan of the dictatorship of the proletariat, etc. There is no doubt that they will also utilise the slogan of proletarian democracy. Therefore our old militant slogan of the proletarian dictatorship, the slogan of power, must be put forward clearly in the struggle against the demagoguery which the Social-Democrats are raising around the question of Socialism.

The Second Manoeuvre: Social-Democracy is now playing at "opposition" to the bourgeois government. If Wels now declares that German Social-Democracy, after having considered (notice, not spontaneously, but after having considered it) the question, came to the conclusion that capitalism has spent itself, and that Socialism is now on the order of the day; then Vandervelde makes the statement that a return to the policy of coalition is no longer possible. Social-Democracy makes the struggle against itself more complicated with such demagogic statements; it sows the illusion among the masses that Social-Fascism will turn, face about, and adopt class politics. And this makes it neces-

sary for our Parties, not simply to agitate about the deceit and treachery of the Social-Democratic leaders, but to utilise the mood of the Social-Democratic workers against the bourgeois government to develop it into real action, in the process of which, the masses would learn from their own experience the value of the pseudo-opposition of the Social-Democratic leaders.

This situation can also give rise to the following question among certain Communists. As a result of this; and of the growth of Fascism, will not Social-Democracy cease to be the main social support of the bourgeoisie, If we could imagine such a paradoxical situation, *viz.*, that we have destroyed Social-Democracy, while Fascism is on the upgrade, we would, of course, have to re-examine our old Leninist thesis of Social-Democracy as the main social support of the bourgeoisie. But if this happened in Germany, for example, there would be neither Fascism nor capitalism there. If Social-Democracy did not exercise influence in the ranks of the working class, the world would look differently to-day.

It has been said that we cannot regard Social-Democracy in Italy as the main social support of the bourgeoisie. Well, and who gave power to Italian Fascism? On whose shoulders did it rise in Germany? Who hinders the struggle of the working masses against Fascist terror in all the capitalist countries? To be the main social support means to hinder the struggle of the only revolutionary class that is fighting against the bourgeois dictatorship in all its forms.

Second question: Will not the process of Fascisation of Social-Democracy be retarded in the period of the end of capitalist stabilisation? On the contrary. It will go on even further, just as it went on in those countries where Social-Democracy did not directly participate in the government. A party which supports capitalism even in the period of the end of capitalist stabilisation cannot help becoming more Fascist. M. Blum (in France) has not participated in a coalition government; but he has defended, and will defend, capitalism no worse than Noske, in fact he will do it better, more cleverly, more flexibly. The Fascisation of Social-Democracy means the increase in its fury against the vanguard of the revolutionary working class, against the Communist Parties, against the U.S.S.R. Who would say that Social-Democracy's frantic hatred of the Party of proletarian revolution, of the U.S.S.R. has diminished in the period of the end of capitalist stabilisation?

Third Manœuvre: Social-Democracy plays with the idea of the unity of the working class. In the face of the furious capitalist offensive, the growth of reaction and Fascism, the beginning

of a new round of wars and the menace of a new world war, the masses feel the necessity for the unity of the working class—a unity which assures the success of struggle for emancipation. One can foresee that Social-Democracy will seize upon this slogan of the masses, squeeze the revolutionary content out of it and reduce it to sentimental verbosity about the evil of splits, the evil of impatience, etc. We Communists must take the initiative in this mass movement into our hands, and show the sincerity of our desires for real class unity of the working masses. We must expose the rôle Social-Democracy has played and is playing, that it is preparing to politically disarm the working class in the face of its class enemy. We must show how it has systematically split the ranks of the proletariat to help the capitalist offensive. We must show the masses by experience that only the Communists defend the unity of the working class on the basis of class politics and the class struggle.

And finally, *the fourth manœuvre:* The demagogic slogans Social-Democracy has raised around the general strike — of which we have already spoken and will not consider here in detail

CONCLUSIONS.

To sum up: The end of capitalist stabilisation, which is a composite part of the third period, signifies a new round of wars and revolutions as the social-political expression of the new stage in the development in the general crisis of capitalism. The end of capitalist stabilisation is already expressing itself in the wars that are going on now, or are maturing in various forms of reactions and Fascism, the growth of the revolutionary upsurge everywhere, the maturing of a revolutionary crisis in a number of capitalist countries, and in the change in the relations between the capitalist countries and the U.S.S.R. which is the base of the world proletarian movement. As a result of the end of capitalist stabilisation it is necessary to introduce a number of extensions into our tactics in regard to Fascism, the struggle for the partial demands of the working class, transition slogans, mass political strikes, the struggle for the dictatorship of the proletariat and the tasks of the Communist Parties in regard to Social-Democracy. Without for a moment abandoning our wide revolutionary perspective, steering our course in the direction of tremendous mass movements, the Communist Parties must concentrate all their forces on *Bolshevik mass work*, as a condition for the winning over of the majority of the working class, and for a successful struggle for the proletarian dictatorship.

We must liquidate the lagging of the Communist Parties behind the favourable objective possibilities and not console ourselves with the fact that, fortunately for us, capitalism is lagging behind even more than we are. The present situation gives us a great deal, but much is demanded of us. We don't know under what cir-

cumstances the next Plenum will foregather, but we do know that it will gather in a situation that will be more tense for the bourgeoisie than the present. Do all those present here realise this; do they know the duties that are imposed on the parties they represent? It's up to you, comrades!