

**WILLIAM
Z.
FOSTER**



The Twilight of World Capitalism

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The lessons of epochal changes which have transformed the world during Foster's life — the decline of capitalism and rise of socialism.



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The Twilight of World Capitalism

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The Twilight of World Capitalism

by William Z. Foster



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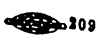
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*To My Great-Grandson Joseph Manley Kolko
Who Will Live in a Communist United States*

I. The Decay of World Capitalism

The decline of the capitalist system that set in at the end of the nineteenth century was of the most profound importance. This tremendous fact, the growing decay of the long-dominant regime of world capitalism, is manifesting itself in far-reaching changes in every phase of our life: economic, political, scientific, religious, intellectual, artistic, social. The ever-speeding decline of international capitalism, together with its great concomitant fact, the rise of world socialism, is the all-decisive development in the general period in which we are living.

When I was born, on February 25, 1881, in the manufacturing town of Taunton, Massachusetts (where the first rebel flag, a red one, by the way, was raised during the Revolution of 1776), capitalism, on a world scale, seemed indeed to have a long and flourishing future ahead of it. No wonder then that those who profited most from this organized method of robbing the toilers considered their system heaven-sent, possessed of eternal life, and the perfect arrangement by which mankind should work and live. Those students who concerned themselves with such things knew, of course, that the history of capitalism was a dark and bloody one. During the four hundred or so years of its existence, its course had been marked by violent revolutions in many countries; its frequently recurring wars had deluged the various countries with blood; it was savagely robbing and subjugating native peoples all over the world; and its factories and workshops everywhere were the scenes of the most barbarous exploitation the world had ever known.

In our own country we have had no less than three bourgeois or capitalist revolutions, or, more correctly stated, we have had a three-phased capitalist revolution. This great fact our ruling class, in its desire to stifle all socialist ambitions in the working class, would now like to have us forget. They would have us believe that all need for revolution is now past; that, indeed, the people no longer possess the right of revolution. The first of the three American capitalist revolutions was the conquest of the continent from the Indians, which constituted the revolutionary overthrow of their primitive tribal communalism by developing capi-

talism.* The second revolution was the breaking away of the youthful, capitalist American colonies from semi-feudal England. And the third revolution was our Civil War, in which the rising young capitalist class broke the power of the dominant slave-holding class. Each of these revolutions was accompanied by long and bloody wars. Daughters of the American Revolution and the House Committee on Un-American Activities, please take notice.

But the supporters of capitalism a couple of generations ago airily swept aside all this violence, robbery, and suffering as merely the unavoidable birthpangs of the beneficent capitalist system. Although, indeed, one must deplore the countless millions of people brutally slaughtered on capitalism's battlefields and worked to death in its factories, nobody, and least of all the Communists, would deny that the establishment of the capitalist system, for all its needless misery and oppression, historically constituted a big step forward for the human race. Since the advent of capitalism, humanity has made greater progress than during the previous 2,000 years. The industrial revolution, which came with capitalism, multiplied many times man's productive powers. It was capitalism, too, that gave rise to bourgeois democracy by shattering the enslaving bonds of the feudal landlords and the Catholic Church. But this does not contradict the fact that capitalism, since its birth, has been a brutal and savage social system. The people have had to pay dearly for whatever historical advances they have made under capitalism, in misery, agony, and death. This is another of the innumerable tragedies of mankind's upward struggle through the ages. But the capitalists never take upon themselves any blame whatsoever for these hardships. They simply picture themselves as the unsullied benefactors of humanity.

To the employers of the time when I inadvertently happened upon the scene, the world picture presented by capitalism indeed looked alluring and convincing. Capitalism veritably was a paradise-on-earth for those who lived by grabbing the riches of the earth and by exploiting the toil of other people. The capitalist system flourished in all four corners of the earth. Great Britain, unchallenged mistress of the sea, held a vast and ever-expanding empire; the lusty United States, growing like a bay tree, had already, almost unnoticed, outstripped every

* At the time of Columbus' arrival in 1492, there were from 10 to 25 million Indians throughout the western hemisphere. Their social organization ranged from that of the simplest nomads on the plains and in the jungles to the highly developed semi-civilizations of the Aztecs, Chibchas, and Incas. The European conquerors shattered this whole structure, slaughtering large numbers of Indians and reducing the rest to the status of slaves, serfs, peons, wage-workers, or even paupers.

other country in industrial development; Germany, after her victorious war over France in 1871, was booming ahead in the creation of a great industrial system; indeed, every country in Europe was alive with industrialization, and even far-off Japan, awakening from many centuries of feudal slumber, was beginning its spectacular course of transforming itself into a powerful capitalist empire. Reinforcing all these evidences of capitalist health, strength, and growth in 1881, the colonial peoples occupying rich areas of the earth, offered an apparently boundless supply of good markets, cheap labor power, and raw materials. For capitalism, seemingly, everything was lovely and the goose hung high.

Nevertheless, even in those halcyon days, there were some sinister flaws easily to be observed in the generally idyllic picture for the capitalists. For one thing, every few years the capitalist systems in the various countries were wracked by devastating economic crises which paralyzed the industries, ruined many capitalists, and brought starvation to millions of unemployed. But, as the capitalist economists hopefully noted at the time, these economic earthquakes, temporary in character, soon cured themselves and left capitalism higher than ever in its never-ending spiral upswing. Another bad feature was the occurrence of many wars, with terrific losses in life and property. Nevertheless, out of these national wars, as the capitalists readily signaled, came bigger, stronger, and more consolidated capitalist countries. And finally there was an obvious danger in the developing working class, with its strikes, political struggles, and revolutionary ideas—a danger that had been dramatically emphasized in 1848 by Karl Marx and Frederick Engels in their immortal *Communist Manifesto*, and by the Paris Commune of 1871. But why should the exploiters be unduly frightened by this incipient threat of socialism, in the face of the basic fact of the irresistible conquest of the world by militant capitalism? The capitalist rulers of the earth in those days saw an endless perspective of growth and power for their dynamic social system.

What a vast change has taken place in the situation of world capitalism today, as against that which prevailed in the year of my birth. During the relatively short span of my lifetime the world capitalist system has passed its zenith and fallen a prey to a corroding decay. International capitalism, because of its many inner contradictions, has developed a general crisis, which constantly grows worse. The definite shaping up of this general capitalist crisis dates from the eve of World War I. Although the defenders of capitalism do not admit that their world system as a whole is going into decline, nevertheless they cannot help but be deeply alarmed at its increasingly difficult position and they

are frantically seeking remedies for its multiplying problems. But they don't know what the trouble is, so they blame everything upon the Communists. "The world is sick, and Moscow is the cause," shout the capitalist soothsayers, who dash around excitedly, like ants into whose heap someone has violently thrust a big stick.

Capitalism, as Lenin pointed out, has now passed into its final, imperialist, stage. Imperialism is characterized by a vast growth of monopoly, by the consolidation of bank and industrial capital, by the export of capital, by the division of the world's markets among the big powers, and by the dividing up of the territories of the world among the great capitalist empires. Imperialism sharpens and intensifies all the contradictions of the capitalist system and precipitates the present era of world wars and socialist revolutions.

The general crisis of capitalism is a highly complex matter, involving every phase of economics, politics, and the many other aspects of the capitalist system. Perhaps one can best explain the significance of this crisis by describing some of its major manifestations. In doing this we will see that the inner-capitalist contradictions which, a couple of generations ago, were only tiny cloudlets on the otherwise brilliantly blue sky of capitalism, have now become dense black storm clouds, threatening all the world with disaster.

1. There is the matter of cyclical economic crises. These crises in earlier and healthier periods of capitalism, while causing lots of havoc, nevertheless seemed to work themselves out after a few years of crisis and depression and to leave industry on a higher plane. But today, in the period of the general decline of capitalism, cyclical economic crises have become truly fearsome visitations. Thus, the recent great world economic crisis, which struck in this country like a tornado in October, 1929, left the whole capitalist world prostrate economically for several years. The capitalist colossus trembled and shook all over the earth. This crisis cost the United States 300 billion dollars in lost production, or as much as the material cost of World War II. Nor will matters improve regarding these cyclical economic crises. On the contrary, they will constantly grow worse. The next and inevitable economic collapse, which will center in the United States, will have its basis in the fact that war-swollen production in the United States has far outrun the consuming capacity of the lagging capitalist domestic and foreign markets. It will be much more terrible in its effects than the last crisis. All capitalism, particularly in this country, is already alarmed at the deadly prospect of the next economic crisis, sinister signs of which are now multiplying on every side. At this writing, May,

1949, there are an estimated 5,000,000 unemployed with 9,000,000 more working part time, and the industrial barometer continues to fall. This intensification of the cyclical crisis is one of the major signs of the general crisis of the world system of capitalism.

2. There are the contradictory economic and political interests of workers and capitalists. The capitalists, in their boundless greed, grab all they can of what the workers produce, and thereby create powerful worker resistance. By the time I was born, this basic antagonism between workers and capitalists, the foundation of the class struggle, was already giving rise to political struggles and strikes and was causing much concern to the capitalists. But now, being vastly intensified, this wage struggle has become a veritable nightmare to capitalists everywhere. The workers during all these years have built up gigantic trade unions and Communist parties in many parts of the world. They have also very largely taken on a revolutionary ideology and their trend everywhere is inexorably towards the Left. The great strength and militancy of the modern labor and political movement of the workers, despite the treacherous leadership of opportunist Social-Democratic and conservative trade union officialdom, has, in this period of deepening general capitalist crisis, become a threat to the very existence of the capitalist system. The class struggle has now become so intense that every capitalist sees the dire menace of it, even though, as in the United States, he may try to deny its existence.

3. There is the conflict between the imperialist countries and the colonial and semi-colonial peoples. This antagonism, a major aspect of the general crisis of capitalism, was also only a minor headache to the capitalists of a couple of generations ago. In those days the peoples of the less-developed countries were easy pickings for the all-conquering capitalists. They provided markets and resources and cheap labor galore. If here and there what were sneeringly called "the natives" ventured to make resistance against their enslavement and despoliation by imperialists, the capitalists' modern-armed forces easily shot their spear-and-arrow revolts to pieces, and that was all there was to it. During my youth the press was full of such colonial wars, or, more properly, imperialist butcheries. But now, what an utterly different picture. Today, the shoe is on the other foot. The peoples in the colonial and semi-colonial countries—China, India, Pakistan, Indo-China, Indonesia, Burma, Malay, Korea, as well as in various parts of Africa—are on the march to national independence, and all the power and trickery of the world capitalists cannot stop them. Spreading colonial revolts, especially during and after World War II, are pulling from under world capi-

talism one of its most vital foundations, the unbridled exploitation of the less developed peoples by the imperialist countries of Europe and America. The revolt of the colonial peoples is one of the heaviest blows being suffered by international capitalism during this whole period. It is one of the deepest reasons why Western Europe—with its colonial empires, Great Britain, France, Holland, Belgium, and Portugal—is finding it impossible to recover from the war, despite many billions of dollars of American aid.

4. A tremendous element in the general capitalist crisis is the antagonism among the capitalist countries themselves. Even now, although trying to make a common front against the U.S.S.R., they are bitterly fighting among themselves over markets, Middle East oil, and colonial controls. Such antagonisms culminate in wars that have grown from the relatively limited national wars of a half dozen decades ago into the mighty world struggles of our times. These antagonisms are ruining the capitalist system. Dominated by sordid gangs of monopoly capitalists and animated by the boundless greed for profit and power which is the very soul of capitalism everywhere, the great empires of today wage the most devastating wars against each other in their relentless imperialist quest for world domination. In consequence, the imperialist World War I did deadly damage to capitalism in its very fiber, incurably deepening the general crisis of the capitalist system, and World War II is having even more disastrous after-effects upon world capitalism. The most important of these contradictions today among rival capitalist states is the sharpening conflict between Great Britain and the United States in many parts of the world.

5. There is the antagonism between capitalism and socialism. Even at the time of my birth the question of socialism was causing the capitalists everywhere considerable concern, but the ruling class did not feel socialism to be too much of a menace, what with capitalism swiftly on the upgrade all over the world. Today, however, the very thought of socialism sends shivers of apprehension through the petty, weazened hearts of the capitalists. They see their social system sinking deeper and deeper into the swamp of its insoluble difficulties, while all about them is the rising tide of socialism. Hence, the capitalists of the world, under the leadership of American big business, want to try to solve, once and for all, the menacing question of socialism by attempting to drown it in blood, while they believe they still have the power to do so. They want to crush the U.S.S.R., the new European democracies, the militant labor movement, and the rebellious colonial peoples. But such an attempt would surely be the last fatal gamble for them, resulting in

irretrievable disaster to their decrepit system of wholesale robbery of the people. It would deepen the general capitalist crisis to the bursting point. The already sick international capitalism, whose emblem should be a monstrous hog, could not stand another world war.

The sharpening of these contradictions of capitalism, including the great intensification of the cyclical economic crisis, the more acute character of the class struggle between the workers and the employers, the deepening of the conflicts between the capitalist empires and the colonial peoples, the broadening wars among the capitalist empires themselves, and the continuous growth of the socialist world—all this amounts, in sum, to a profound worsening of the general crisis of the whole capitalist system. Only the politically blind can fail to see the fatal significance for capitalism in these great developments of our times, especially when one compares the present desperate situation of capitalism with its rosy position of only a couple of generations ago.

Upon all sides is to be seen the capitalist wreckage brought about by the operation of these contradictions of capitalism. Cities and industries lie in ruins in many parts of the world, international markets and monetary systems are hopelessly disrupted, and vast populations are impoverished and hungry. The British Empire, once so strong and proud, is now deeply stricken with internal weakness and it is not ashamed to remain on the American dole. Proud France has been humbled to the dust and, crimson-faced, obeys its orders from Washington. Germany, Japan, and Italy, once vigorously aggressive countries, are now war-defeated and pauper-prisoners of American imperialism. Only the United States, together with Canada and a few lesser powers, seem to have escaped the holocaust.

There are those defenders of capitalism who claim that Marx was wrong in stating that the development of capitalism was leading to a growing impoverishment of the working class and to the expropriation of the middle class by the capitalists. Let these false prophets get their answer in the desolation of the masses in Europe, Asia, Latin America, and other parts of the world.

Besides the foregoing, manifest signs of the decline of world capitalism, there are many other evidences of this decline which are not so obvious, but which are none the less deadly to capitalism. Thus, capitalism is losing the capacity to develop production and has become an obstacle to its further expansion. From now on only socialism can open the doors to a real development of industry. This great fact constitutes a funeral crepe hanging on the door of world capitalism. Besides this, capitalist science and general culture have lost much of their one-time

robust vigor and are now withering and shrinking—a sure indication of a decadent society. Also, capitalism gives no further direct impulse to democracy, as in earlier times, and now has become definitely anti-democratic and fascistic. The monopolists who dominate all capitalist countries, especially our Wall Street oligarchs, are fascists at heart and their whole tendency is to undermine democracy and to move towards a social system on the barbaric Hitler order. Democracy today grows not with the expansion of capitalism, as it once did, but in spite of capitalism and against it. Democracy's home now is under the banner of socialism.

Finally, as a further sign of the decay of capitalism, the capitalist classes of the various nations, which in the foundation period of capitalism led their peoples out of feudalism and organized them into independent, industrialized, democratic states, are now no longer the real leaders of their peoples. The workers and other toiling masses alone are qualified to speak in the name of their nations. The capitalists, who even in their most progressive years always held their class interests in first place, have now, in the imperialist period, become outright traitors to their respective nations. This was clearly seen during World War II, when the ruling capitalist classes all over Europe, cynically betraying the national independence and the general interests of their peoples, became the lickspittle tools of German imperialism. They hoped that Hitler would be able to beat back the incoming tide of socialism and that they would be able to share in his victory at the expense of their own as well as other peoples. And now these same traitor capitalists, in Asia and Latin America as well as in Europe, are again putting their class interests ahead of national interests and are becoming the puppets of aggressive American imperialism, at the expense of their respective peoples. The American capitalists, too, are pursuing their reckless course of imperialism, flatly against the interests of the American people. Obsolete capitalism is rotting in every fiber and the stench from it sickens the whole world. The workers and their allies are snatching the banners of leadership of the nations from the treason-soaked capitalists.

Those who hope that stricken world capitalism can overcome its general crisis and once again get upon a healthy basis have various conceptions as to how this miracle might be accomplished. Some think that European capitalism, with the help of temporary American aid, will recover and be as strong industrially and politically as ever. But this is a vain hope. Capitalism in Europe is unable to turn back the clock of history. The Marshall Plan cannot save the capitalist nations of Western Europe, as the latter are beginning to recognize by demanding that

the Marshall Plan be extended beyond 1952. Commenting from Paris on the lack of success of the Marshall Plan, William Lowe writes in the *New York Herald-Tribune*, Jan. 5, 1949:

“Present plans will not put Western Europe back on a paying basis within the life of the Marshall Plan, the Organization for European Economic Cooperation reported today. The four-year programs of the nineteen governments participating in the European Recovery Program are both inadequate and unrealistic as they now stand, the report says, and would leave Western Europe with a remaining debt of several billion dollars a year.”

The prospect is to put Europe permanently on the American dole. But even such action could not bring prosperity again to Europe. The same disruptive forces within capitalism that brought Europe to its present sad plight will continue to operate and thus further encompass its capitalist ruin. European capitalism has less possibility of recovering because it now confronts several new major obstacles. These include (a) the suicidal cutting off, through the Marshall Plan, of vital markets in the U.S.S.R. and the new democracies of Central and Eastern Europe; (b) the weakening of European capitalism's control over the vast colonial peoples of the Far East; (c) the economic competition of the big industries of the United States; and (d) the sinister dangers of fascism, a new economic crisis, and a world war, provoked by American imperialism. Small wonder, then, that, in view of Europe's dismal prospects under capitalism, many American capitalists are disposed to write off European capitalism altogether as a total loss, or to consider Europe simply as a potential military base for war against the Soviet Union.

Then, there are those who believe that world capitalism will receive a new lease on life through the capitalist industrialization of the Far East and other colonial countries, which are now breaking loose from imperialist enslavement and are embarking upon courses of national development. President Truman's proposals in his Inaugural Address to this effect have fed this belief. But such hopes are also illusory. The capitalist system which has received a deathblow in its birthplace, Europe, will never have a renaissance in Asia, Africa, or Latin America. These great undeveloped areas cannot follow the course of development into capitalism and imperialism as did the countries of Europe, particularly Great Britain, France, Germany, Italy, and the Benelux countries. Born in struggle against the decaying capitalist empires, the new democratic countries of the Far East and of similar undeveloped areas will be compelled to take a different route of development than did

the old capitalist lands. Fundamental features of this new route will be nationalized basic industry (with privately owned small industry), elementary planned economy, national working class leadership, and co-operation with the socialist countries of the world. The course which China and others of these countries will take must be toward socialism, not toward a rejuvenated capitalism.

The basic contradiction between the expanding producing powers of capitalism and the restricted character of capitalist markets places a direct fetter upon the expansion of production. This is especially true in the undeveloped countries. This fact furnishes the economic key to an understanding of the tremendous revolutionary movements now developing in the colonial and semi-colonial lands in the Far East. These lands, which contain over a half of the world's two and a quarter billion peoples, cannot industrialize themselves under the restrictive economic and political pressures of capitalism. Hence, they are now explosively bursting their capitalist fetters and are fighting for industrialization against the resistance of the great imperialist powers and along lines that must bring them finally to socialism.

China, the real political leader of the whole Far East colonial world, with its agrarian reforms, anti-monopoly policies, and its goal of eventual socialism, is the authentic expression of the trend of the awakening colonial peoples. The United States tried desperately to save the capitalist-feudal regime in China by furnishing huge military and financial aid to Chiang Kai-shek and by trying to outmaneuver the Chinese Communists. General Marshall, during his visit to China a couple of years ago, tried to bring about a "coalition government," under which the People's Liberation Army would have been liquidated and the Communists given a small representation in the government, with the perspective of being driven out a year or two later, as was done to the Communists in France and Italy by American pressure. But all these schemes failed utterly. China is now marching along its new road to democracy and eventual socialism. World capitalism will not be saved by the colonies which it has so long and barbarously exploited. On the contrary, the freeing of these colonial countries is striking a further deadly blow at the tottering capitalist system.

Finally, there are capitalist supporters who believe that world capitalism will escape destruction by the powerful United States taking hold of the whole ramshackle capitalist structure and reorganizing it into its own American image. But this, too, is just a dream of desperate exploiters, driven to the wall by the iron logic of world economic and political evolution. The only possible shape such an attempt at interna-

tional capitalist reorganization by the United States could take would be the erection of a great American fascist world empire, with industrialization concentrated chiefly in the United States and with the rest of the world subordinate to the will of America's big capitalists. But the attempt to put such a fantastic proposition into effect could only be provocative of world-wide economic dislocations, fierce resistance of the many peoples against being subjugated, and a whole new round of wars and revolutions. The general result would be to speed up the present tempo of the breakdown of the capitalist system and the oncoming of world socialism.

As Marx and Engels forecast a century ago, world capitalism is doomed. Once progressive, it has now become, because of its own inner contradictions, a reactionary social system, a cancer on the body of humanity. But capitalism is a tough old bird and it does not die easily. In its efforts to survive it is plunging the world into one great war after another, into spreading economic crises, and into swamps of fascist slavery. And now, with the deadly atom bomb in its claws, it threatens the very existence of civilization. But, fight as it may, capitalism is historically slated to go, and go it will, regardless of its desperate struggles to survive. The elimination of world capitalism and the establishment of socialism are the broad steps needed to enable humanity to pass on to higher levels of civilization. It will be a great day when mankind can finally write "The End" to the capitalist system. The peoples of the earth, with the workers in the lead, will not fail to accomplish this historic task.

II. The Rise of World Socialism

In the past two generations world capitalism has passed its zenith and begun to sink into decline but, on the other side of the international picture, world socialism has grown into lusty youth. Indeed, so clearly has this double process of declining capitalism and rising socialism shown itself that there are now strong reasons to believe that socialism has already become the more powerful of the two systems on a world scale. Historians will probably record that the years immediately following World War II constituted the time when the world balance of forces were definitely tipped on the side of socialism.

Under socialism the decisive industries, the land, the banks, the transportation systems, and all other major means of production and distribution are in the hands of the people, and not of private capitalists. Production is carried on for social use instead of for private profit. The whole national economy is operated according to plan, not by chance, as under the competitive system of capitalism. The workers and their democratic allies, the farmers and professionals, control the government completely. This system of society, based upon science, abolishes the great contradictions with which capitalism is afflicted. There is no further exploitation of man by man. Without capitalists, democracy is assured and there can be no fascism. In this planned society, free of exploitation and capitalist chaos, there can be no cyclical crises and no unemployment. War, too, is unthinkable in a socialist world. Socialism is the preliminary stage to communism, the highest form of society. Under communism, the wages system and the state, both of which exist in special forms under socialism, will eventually disappear. In the Soviet Union the question of the evolution from the present-day socialism to communism has now become a matter of practical politics. Socialism and communism cast off the economic, political, and ideological fetters from man and open up before him a boundless prospect for human happiness, well-being, and development.

Socialism is the first phase of communism, and the period of the dictatorship of the proletariat is the transition between capitalism and socialism. This scientific Marxist term has been grossly misused and

distorted by enemies of socialism. Reduced to its simplest terms, it simply means the rule of the workers supported by their democratic allies. Under capitalism, in the United States as elsewhere, there exists the rule of the capitalists, or the dictatorship of the bourgeoisie. The basic difference between these two systems is that the dictatorship of the bourgeoisie is exercised by the relatively small employing class to repress and exploit the working class, against the interests of society as a whole. The dictatorship of the proletariat is exercised in behalf of the overwhelming mass of the people, to prevent exploitation of man by man, and in the general interests of society.

The Communist Party is the leading force of the dictatorship of the proletariat; it is not the dictatorship itself, which is the rule of the working class. The proletarian dictatorship is the means by which the workers and their allies clear away the economic and political remnants of capitalism and lay the foundations of the new, free society.

The dictatorship of the bourgeoisie, especially in this period of the decline of capitalism, is highly reactionary and its ultimate expression is brutal, tyrannical, imperialist, war-making fascism. The dictatorship of the proletariat, or the rule of the workers and their democratic allies, on the other hand, is the world standard bearer of democracy. As Lenin said, the dictatorship of the proletariat is a thousand times more democratic than any capitalist democracy. Its ultimate goal is communism, under which system classes will disappear and so, also, the state. The Soviet Union, with its one-party system, is a dictatorship of the proletariat. In the new democracies of Eastern and Central Europe—Poland, Czechoslovakia, etc.—the coalition governments are based upon the working class. The United States, too, will undoubtedly produce its own specific type of the rule of the working class when it eventually adopts socialism.

I was 36 years old and had already been a socialist 17 years when, like a lightning bolt, socialism scored its first decisive victory over capitalism in 1917. This was the great Russian Socialist Revolution. Prior to that time, indeed ever since its first clear, scientific formulation by Marx and Engels in 1848, socialism had been gradually developing its theory and ideology in many countries, building its organizations, perfecting its strategy and tactics, and testing its strength in growing battles, ranging from ordinary strikes and election struggles to the epoch-making Paris Commune in 1871 and the first Russian Revolution in 1905. This was a long and difficult period, with the genuine Marxists steeling themselves and clarifying their programs in struggle not only against the employers and the capitalist and feudal states, but

also against many petty-bourgeois, Anarchist, Syndicalist, and reformist Social-Democratic deviations in the working class movement itself.

The employers, during this long period, became much alarmed at the growing socialist movement; but, assured by their intellectual soothsayers, misnamed political economists, that socialism was ineffectual because it was contrary to human nature, very few of them, and especially those in the United States, believed that the socialist movement bore within itself the elements of a future order of world society. They were positive of the future of capitalism, a social system which, they loudly proclaimed, undoubtedly did conform to the requirements of so-called human nature. Then came the great Russian Revolution, which dealt world capitalism a shattering blow, one from which it has not yet recovered and never will. Joy came to the hearts of the oppressed throughout the world and fear to the hearts of the capitalists at this tremendous event.

When the big landowners of old Russia and their associate capitalists cold-bloodedly launched into the imperialist World War I in the fall of 1914, they cynically believed that the Russian people would allow themselves unresistingly to be butchered in the interests of their political masters, as they had so often done before. But this time the ruling classes badly miscalculated. Right in the middle of the war, they ran smack into the greatest revolution in the history of the world, one which completely wiped out their whole oppressive regime. This time the exploited caught up with the exploiters aplenty. And all the capitalist world and its Social-Democratic agents, watched in amazement and alarm the bewildering course of events. Actually, capitalism was taking a first-class licking from the workers and peasants. Unbelievable!

The Russian Revolution broke world capitalism at its weakest point. In Russia several co-related factors operated to bring about the revolution. First, the rotten tsarist aristocracy constituted one of the most barbarous and backward ruling classes in the world; next, the capitalist contradictions revealed themselves there in sharpest form, and, finally, Russia had a revolutionary working class and peasantry in a high state of ferment which the weak ruling class could not withstand. These revolutionary forces were led by the strongly organized Communist Party, at the head of which stood the greatest all-around political leader in the history of world capitalism, V. I. Lenin. The tremendous economic and political pressure generated by the war seriously weakened the rotten tsarist government, precipitated a grave political crisis, and finally exploded the revolutionary factors into action. The great Russian Revolution began its stormy course. Thus, a vast breach was made

in the wall of world capitalism. One-sixth of the world became lost to the capitalist exploiters. Germany and the rest of Central Europe would have followed the lead given by the Russian working class had it not been for the gross betrayal of the workers by the reformist Social-Democrats.

Ever since its beginning the Soviet Union has gone ahead strengthening itself, in the face of violent capitalist opposition and of gigantic tasks of socialist construction. In many fields the U.S.S.R. has had to blaze the trail through a veritable jungle of unique and baffling problems. During those trying times, after Lenin died, the Soviet people were fortunate to have as their leader Joseph Stalin, Lenin's co-worker, who is far and away the greatest Marxist and the most able political leader of our times. I always have to smile when the half-literate politicians and economists at the head of the government in this country declare that this great Marxist does not understand American and world conditions.

It was my good fortune to visit the U.S.S.R. numerous times before World War II. On my first visit I had no difficulty in recognizing in the great Revolution precisely what I had been fighting for so many years. I traveled far and wide over the country, visiting many localities, and becoming acquainted with the Russian people. I encountered the revolution's many and difficult problems at first hand, and I watched from year to year the progress made in their solution. I saw the revolution grow and flourish, and never for a moment have I ever doubted that it would succeed, notwithstanding its innumerable problems and powerful enemies. Further along I'll have more to say about many of these Soviet difficulties and how they were overcome.

The Russian people pioneered for socialism. They made the first breach in the capitalist system. For nearly thirty years the U.S.S.R. stood alone as the one socialist country, in a hostile capitalist world. The second great advance of world socialism over the ruins of a collapsing world capitalism did not come until the period following the end of World War II. This was in the establishment of the new democracies in Eastern and Central Europe—in Poland, Czechoslovakia, Bulgaria, Hungary, Rumania, Albania, and Yugoslavia. (Latvia, Esthonia, and Lithuania had already become reaffiliated with the U.S.S.R.). The new democracies, while not yet full-blown socialist regimes, are now (with the exception of Yugoslavia) nevertheless marching swiftly into socialism. They are peculiarly the socialist children of World War II, even as the U.S.S.R. was the offspring of World War I. I had the instructive pleasure of visiting most of these countries during the late winter of

1946 and early spring of 1947. Many of the leaders of the new governments I knew personally as old-time workers in the international labor movement.

World War II, out of which came the new democracies of Europe, was the result of much more than an attempt by Hitler and the Japanese militarists to rule the world. It started out as a conspiracy of a large section of finance capitalists of all the main capitalist countries, including the United States, to overthrow the Soviet Union and to establish a fascist world. The big monopolists had everywhere concluded, more or less consciously, that fascism offered them the only possibility for continuing their sickened capitalist system. The German and Japanese fascists were chosen to spearhead the great anti-Soviet attack and thus open the way for world fascism. That's why the big British, French, and American imperialists, in the years before World War II, elaborately appeased these reactionaries and looked with such a tolerant eye upon their increasing depredations against the independence of other countries—China, Spain, Ethiopia, Austria, and Czechoslovakia. Not only was the Cliveden set of Great Britain criminal appeasers of Hitler, but so also was the Wall Street set in the United States. Their acts of appeasement, these capitalists calculated, were only preliminaries to an eventual all-out capitalist attack that would smash the U.S.S.R. Then all would be fine for them in a fascist world, they figured. But this great fascist conspiracy did not turn out as they planned. It boomeranged against the plotters themselves, who were seeking to destroy world peace and democracy. The British, French, and American imperialists were unable to arrive at a satisfactory bargain with the greedy Nazis and Japanese fascists, who wanted to dominate the world by themselves. So, as the sequel showed, the war plot against the U.S.S.R. was transformed into a war among the imperialist powers themselves, with the U.S.S.R., for a time at least, out of the line of fire. And the capitalists responsible for this murderous outrage against humanity now have the crust to parade around in the western democracies, advertising themselves as paragons of political virtue, peace, and patriotism.

When Hitler made his fatal mistake of finally attacking the U.S.S.R., on June 22, 1941, Prime Minister Winston Churchill, who for many years had been a fanatical Soviet-baiter and the organizer of intervention after the revolution, hastened to offer military co-operation to the Soviet Union. What Churchill really wanted, however, was to have the U.S.S.R. pull the war chestnuts out of the fire for Great Britain, whose armies had been driven helter-skelter out of the Continent into the sea at Dunkerque and which was then at almost the last gasp of

resistance against the "invincible" Nazis. Since those crucial days there has been a lot of talk to the effect that it was the British airmen, in the "Battle of Britain" during 1940, who saved not only their own island but the whole world from Nazi domination. This is plain nonsense. Hitler could have landed in Britain at any time he pleased. The British knew this quite well, as is shown by the fact that they hastily planned their first line of defense deep within their island. And what a shaky defense this would have been was illustrated by their frantic grabbing at hunting rifles and blunderbusses sent from this country. Hanson W. Baldwin (*New York Times*, May 14, 1945), says that "the British in the summer of 1940 had less than one fully equipped division able to meet German invaders." And the then British Ambassador, Lord Halifax, said (A.P., Jan. 25, 1942): "When history comes to be written Hitler will have been found to have lost the war in June 1940, when he failed to take advantage of the situation existing after the collapse of France," *i.e.*, by invading Britain.

Hitler's victory over Britain would have been at a very considerable cost, of course, but when he did not accept this cost and invade it was not because he was stopped by the gallant but numerically very weak British Royal Air Force. His main reason therefore was fear that the Russians would attack his rear if he invaded the British Isles. Hitler was in mortal dread of a two-front war, and later events showed that this fear was justified. All during the period of the Soviet-German non-aggression pact Hitler had kept at least two-thirds of his armed forces in the East, on guard against the Russians. The dread that Hitler had of the Red Army alone saved Britain from a conquering Nazi assault. It was also the Red Army that, in the course of the war, doing at least 90 per cent of the fighting of the allies in Europe, smashed Hitler's forces altogether and won the war.

In these days of anti-Soviet hysteria the British people would do well to recall how their country was saved by the Russians. In return for thus saving Great Britain, Churchill the red-baiter and pseudo-patriot, with the support of American reactionaries, cynically betrayed his Russian allies by deliberately sabotaging and preventing the launching of the Western Front for eighteen months, thereby causing the Red Army millions of unnecessary casualties. Churchill and his American supporters wanted to cripple the Red Army so badly that it would be no serious obstacle to their imperialist plans for world conquest in the post-war period. Hitler was never guilty of more contemptible treachery than this betrayal by the windy champion of British reaction.

Capitalism is now having to pay for causing the terrible World War

II. With the conclusion of the war in 1945, an anti-capitalist wave swept across Europe. From a world standpoint, it was the second great mass advance towards socialism. Millions of toilers had come to understand that the war, like the organized butchery that had preceded it a generation before, had been caused by that poisonous cancer of modern civilization, monopoly capital. Consequently, from one end of the Continent to the other, including Great Britain, a powerful, socialist-minded mass movement, growing out of the anti-Hitler resistance fighting, got under way. The peoples, with varying degrees of political clarity, demanded the nationalization of basic industry, the breaking up of large landed estates, and the introduction of a measure of economic planning.

All this constituted, after the long, bloody struggle against Hitler had been won, a vast, orderly, peaceful advance of the overwhelming majority of the population of Europe in the direction of socialism. From the tremendous scope of this movement it was clear that capitalism had lost decisively whatever remnants of prestige it had left among the workers, the peasantry, and the middle classes. As the post-war period has developed it has turned out that European big capital, receiving strong support and leadership from American imperialism, and with the active assistance of fascists, the Vatican clericals, and the right-wing Social-Democrats, and the whole aggregation buttressed by Marshall Plan billions, is desperately attempting to slow up this elemental socialist movement of the peoples of Western Europe. In the countries of Central and Eastern Europe, however, the new democracies in countries liberated by the Red Army and where the people have vividly before their eyes the socialist example of the U.S.S.R., have pressed on definitely toward socialism in spite of reckless capitalist attempts to stop them. The loss of these important countries to the capitalist sector of the world is a major part of the heavy price that world capitalism is being compelled to pay for inflicting the murderous World War II upon humanity.

In the U.S.S.R., the first great socialist land, there are now well on to 200 million people; in the new democracies of Central and Eastern Europe, the second group of countries to begin the march toward socialism, there are about 100 million more people. These are tremendous blocs of humanity that are now either actually in socialism or about to enter that system. And now the overwhelming masses of China, 475 million strong, are also beginning to get under way. They have shattered the feudal regime of Chiang Kai-shek, despite all the economic, military, and political aid that has been shamelessly given to

it by the United States. With their own methods and at their own tempo, they are definitely starting a democratic advance that will inevitably lead them towards a socialist regime. The Chinese revolution is of stupendous importance to the world, and it is vastly strengthening socialism in all countries. But all this is by no means the end of the socialist story. We may rest assured that other vast sections of humanity, in Asia, in Latin America, in Europe, will soon be joining those peoples that already have established socialist systems or are proceeding to build them. The basic course of the whole world, including the United States (although here the trend is not so advanced), is toward socialism, with each country varying in the speed and manner of its socialist development.

The leader in this great world movement for socialism is the Soviet Union. It was this vast country that first shattered the shackles of capitalism and established a socialist republic. It was also because of the nearness and influence of the U.S.S.R. that the new democracies of Central and Eastern Europe have been able to maintain themselves and to make progress towards socialism—otherwise Anglo-American imperialism would have made civil war battlegrounds of them, as it has done in Greece. And the very existence of the U.S.S.R., together with the strong right arm of the Chinese people, will be the best guarantee that the new republic now being born amid such travail in feudalistic China will survive and progress towards socialism. All over the world oppressed peoples see in the Soviet Union their best friend and democratic protector. The world democratic influence of the U.S.S.R. is very great. Everywhere it acts as a brake upon capitalist reactionaries. Thus, in Indonesia and other colonies, the imperialists constantly remind each other that if they proceed to the excesses which they would like to commit "the Russians will win the people." And in the United States one of the most powerful influences in favor of full rights for Negroes is the fear of the Soviet propaganda on a world scale against the monstrous Jim Crow system in this country. The Soviet Union is the great buttress of world democracy. Were the capitalists successful in overthrowing it, as they are now busily planning, the greatest, most decisive dike against fascism would be gone. World democracy would suffer overwhelming disaster.

The big monopolists in the United States and Western Europe have not stood by passively while this great world movement towards socialism has been taking shape, after World War I and after this latest war. Far from it. They have used every weapon in their arsenal to try to beat back democracy and socialism, both in their own and in foreign