

Anton Pannekoek wrote 'Workers Councils' during and just after the second world war. He translated it into English. This translation was published by a small Australian group : the Southern Advocate for Workers Councils, Melbourne, at first in several booklets between 1947 and 1949, then in a complete book in 1950.

It remained, until now, the only English edition. An American group—Root and Branch—used the edition for a reprint of the first two parts in 1970.

The present edition is also a reprint of the whole book as it was published in Australia, but the contents will cover four booklets to be published successively. Volume 4 contains a biography of Pannekoek and a previously unpublished interview with Paul Mattick about Pannekoek's view of the movement for workers' councils.

Published and reprinted by
ECHANGES ET MOUVEMENT
B.M. Box 91
LONDON WC1V 6XX

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anton pannekoek

workers' councils

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III. THE FOE

1. THE ENGLISH BOURGEOISIE

Knowledge of the foe, knowledge of his resources, of his forces and his weaknesses, is the first demand in every fight. The first requisite to protect us, when seeing his superior powers, against discouragement; after partial success, against illusions. Hence it is necessary to consider how, with the evolution of society, the present ruling class has developed.

This development was different in different countries. The workers of each country are exploited and dominated by their own bourgeoisie (the property owning and capitalist class); it is the foe they have to deal with. So it might seem sufficient to study its character only. But at present we see that the capitalist classes of all countries and all continents grow together into one world class, albeit in the form of two fiercely fighting coalitions. So the workers cannot restrict their attention to their direct masters. Already in the past, when taking up their fight, they themselves immediately felt an international brotherhood. Now the capitalist classes of the entire world are their opponents, and so they must know and understand them all.

Old capitalism is best seen in England. There for the first time it came to power; from there it spread over the world. There it developed most of the institutions and the principles imitated and followed afterwards in other countries. Yet it shows a special character different from the others.

The English revolution, of the time of Pym and Cromwell, was not a conquest of power by the capitalist class, won from a previously ruling feudal class of landowners. Just as earlier in Holland, it was the repulse of the attempts of a king to establish absolute monarchical power. In other countries, by means of their standing armies and of the officials and judges appointed by them and obeying them, the kings subdued the independent nobility as well as the privileged town governments. Making use of the money power of rising capitalism, they could establish strong central governments and turn the tumultuous nobles into obedient courtiers and military officers,

securing them their feudal rights and properties, and at the same time protecting commerce and industry, the source of the taxes from the business people. Their power was based on a kind of equilibrium between the rising power of capital and the declining power of land ownership. In England, however, in consequence of the local self-rule of the counties, of the traditional coalition of landowners and town-citizens in the House of Commons, and of the lack of a standing army, the Stuart kings failed in their striving for absolute monarchy. Though it broke out in defence of the mediæval rights and privileges, the revolutionary fight, convulsing the depth of society, to a great extent modernized institutions. It made Parliament, especially the House of Commons, the ruling power of the land.

The middle class, thus becoming the ruling class in England, consisted chiefly of the numerous class of squires, independent landowners, the gentry, forming the lower nobility; they were associated with the influential merchants of London, and with the wealthy citizens ruling in the smaller towns. By means of local self-government, embodied in their office of Justices of the Peace, they dominated the countryside. The House of Commons was their organ, by means of which they determined the home and foreign policy of the country. Government itself they left mostly to the nobility and the kings, who were now their instrument and steadily controlled by Parliament. Because England as an island was protected by her fleet, there was hardly any army; the ruling class having learnt to hate and fear it as an instrument of governmental despotism, jealously kept it insignificant. Neither was there a police to restrain personal liberty.

Thus the government had no means to keep down by force new rising powers. In other countries this keeping down of course could only be temporary, till at last a violent revolution broke out and swept away the entire old system of domination. In England, on the contrary, when after long resistance the ruling class in public opinion and social action felt the irresistible force of a rising class, it had no choice but to yield. Thus by necessity originated the policy grown into an English tradition, of resisting rising forces as long as it is possible, in the end to yield before the breaking point is reached. The governing class then retained its power by sharing it with the new class, accepting its leading figures into its midst, often by knighting them. The old forms remained, even though the contents changed. No revolution, as a cleansing thunderstorm, did away with the old traditions and the old wigs, with the meaningless ceremonies and the antiquated forms of thinking. Respectfully the English people look up to the aristocratic families ruling with such sensible policy. Conservatism permeates all forms of social life.

Not the contents; by the unlimited personal liberty labor and life develop freely according to practical needs.

The industrial revolution broke into the careless life of old England of the 18th century, an irresistible new development and a destructive catastrophe. Factories were built, provided with the newly invented spinning machines, driven by water, and then by steam power, soon to be followed by weaving, and then by machine factories. The new class of factory owners arose and grew rich by the exploitation of the new class of miserable workers, formed out of the impoverished artisans beaten down by the superiority of the new machines. Under the indifference of the old authorities that were entirely inactive and incapable of coping with the new situation, industrial capitalism grew up in a chaos of free competition, of the most horrible working conditions, of utter neglect of the simplest exigencies of health and careless waste of the nation's vigor.

A fierce struggle ensued, in a complicated triangular way. Repeatedly the workers broke out into revolts against the miserable working conditions combined with cruel oppression from the old political institutions, against the employers, as well as against the governing land owner class. And at the same time the new industrial bourgeoisie growing in wealth and social influence, vindicating its share in government, organised itself ever more strongly. Under this double pressure the landowners were forced to yield; in the Reform Act of 1832 modernizing the constituencies, the capitalist class of factory owners got their representation in Parliament. And in 1846, by a special repeal of the corn laws that raised the price of wheat by import duties, they succeeded in throwing off the heavy tribute to the landowners. Thus the way was free for producing and accumulating capital in unlimited quantity. The working class, however, stormed in vain against the ramparts of the State stronghold, now fortified by an additional garrison of defenders. The rulers had, it is true, no forces to suppress the working class movement by violence. Capitalist society resisted by its inner toughness, by its deep-seated solidity, instinctively felt by the entire middle class to be a rising form of production destined to conquer the world. It yielded by steps, by granting such reforms as were unavoidable; so in ever new fights the workers obtained the right of association, the ten hours day, and finally, gradually, the franchise.

The English bourgeoisie was undisputed master; its Parliament was the sovereign power of the realm. The first and strongest industrial and capitalist class of the world, it dominated world commerce and world markets. During the entire 19th century it was master on the seven seas and powerful in all continents. Riches

flowing from all sides, from industry, from commerce, from the colonies, accumulated in its hands. The other classes shared in its enormous profits. In the first place the landowner class, the ruling nobility, from olden times was strongly affiliated to business and commercial life. It was not feudal at all, not of mediaeval descent—the feudal class had exterminated itself in civil wars—but of middle class origin, owing its elevation to wealth, services, to mere favor, the more jealous therefore of the outer appearances and ceremonies of prerogative. Now in the new system of unlimited profit-production it coalesced with the industrial capitalists into one powerful ruling and exploiting class.

Where an aristocracy finds its place in capitalist society, its special pursuit, besides government offices, is the profession of arms. So the standing of the landowner class is shown by the power of militarism. In Prussian Germany the supremacy of the landed nobility was expressed in the ascendancy of military above civil forms. There, even under modern capitalism, civilians were despised as second rate, and the highest ambition for a wealthy business man or a deserving scientist was to don the uniform of reserve officer, "the king's coat." In England, with its small and chiefly colonial army, the same process took place in the navy. For continental wars there was an army recruited from the lowest classes, called "scum of the earth" by their honored chief, the Duke of Wellington; fighting in the stiff linear tactics of hirelings at a time when in France and Germany enthusiastic popular armies practised the free skirmishing method of fighting; only as late as 1873 flogging of the soldiers was abolished. Military office was not esteemed, and the spirit of militarism was entirely absent. Civilian life was supreme above military forms; when the professional daily duties were absolved, the English officer put on civilian dress, to be simply a gentleman—the word expressing a civilian code of honor not known in other countries. Thus the absence of continental militarism is an indication of how completely the landowning aristocracy in England is absorbed into the entirety of the capitalist class.

The working class also got its part. Not all of course; only its most influential groups, "skilled labor," that by its trade unions was able to display fighting power. From its profits secured by world monopoly the capitalist class could grant them a share sufficient to turn them into contented adherents of the existing order. They separated from the miserable unskilled masses that filled the slums. Every thought that another system of production might be possible or necessary, disappeared. So capitalism was entirely secure; the solidity of a system of exploitation depends on the lack of capacity of the exploited class to discern its exploitation. Among the workers

the middle class doctrine prevailed that everybody is master of his own fate. They took over all middle class ideas and traditions, even the reverence paid to the upper classes and their ceremonies.

During the long years of exploitation and gradual development capital in private hands could increase along with the need for larger installations, brought about by the progress of technics. There was no need for organisation of capital; banking operations found sufficient scope in interchanging and lending money for facilitating intercourse. There was also little organisation of the industrial enterprises into large combines; the employers, themselves disposing of sufficient capital, remained independent owners of their shops. Hence a wilful individualism was the salient character of the English bourgeoisie. Hence also little concentration in the realm of production; numerous independent small shops kept up alongside of the large factories. Thus in the coal industry the demands of security and health put up by the workers and by the Sankey Commission, ever again were frustrated by the small mine owners not having the means to modernize their backward installations.

Entire freedom in social life allows every new idea to be tried out and to be put into practice, every impulse of will; whereas the lack of this liberty causes the impeded wishes and inapplicable ideas to develop into consistent theoretical systems. So, contrasted to the broadly worked-out theoretical character of science and activity on the continent, the English became men of practical deeds. For every problem or difficulty an immediate practical solution was sought without regard to further consequences, in technics as well as in politics. Science played a small part in the progress of technics. This is also a cause of much backwardness in English business life.

In this way England in the 19th century became the model country of old capitalism with its free competition, careless and improvident, full of hard egoism against the weak, persons as well as peoples, full of obsolete institutions and senseless old forms, full of downtrodden misery viewed with indifference alongside the display of luxury. Already such books as William Booth's "Darkest England" and Robert Blatchford's "Dismal England" indicate a state of dirty neglect not tolerated in other civilized countries, entirely left to the individual initiative of single philanthropists. In the later years only, and in the new century, social reforms began to play a noticeable role; and, especially after the first world war, a stronger concentration of capital set in.

In this way at the same time, however, the English bourgeoisie developed that master character that was the envy of all capitalists of other countries, who in vain tried to imitate it. For many centuries it has been living in a state of complete freedom and unchallenged power. Through its monopoly of industry and commerce in

the 19th century it felt itself master of the world, the only cosmopolitans, at home in every continent and on every ocean. It never learnt to fear; never was it faced by a superior foe attacking from outside or a revolution threatening from within, suggesting the idea of mortality. With unlimited self-assurance it confronts every new difficulty, sure to overcome it, by force if it can, by concessions if it must. In foreign politics, in the founding and defence of its world power, the English ruling class showed the capacity of ever again adapting itself to new situations, of defying its most solemn proclamations of yesterday by the opposite practice of to-morrow, of "shaking hands with murderers" where it was necessary, and, in seeming generosity, of making allies of vanquished opponents of whom it feels that they cannot be permanently kept down. All this not by a wide knowledge and foresight; on the contrary, it is a class rather ignorant, narrow-minded and conservative—hence much blundering before finally the new arrangement is found—but it has the self-sure instinct of power. The same instinctive sagacity to solve its problems by practical conduct was used in home politics to keep the working class in spiritual and actual dependence; here with equal success.

Modern development, certainly, caused the English bourgeoisie to lose a good deal of its exceptional position in the world; but ever again it knew how to resign and to adapt itself to the rise of other equal powers. Already in the latter part of the 19th century German industry made its appearance as a serious competitor in the world market, whilst afterwards Japan came to oust the products of British industry. Britain's financial supremacy was lost to America in the first world war. But its main character, acquired in an unchallenged rule of so many centuries was unshaken. In home politics also it knew how to adapt its rule to the demands of the working class, by introducing a system of social reforms and provisions. The English bourgeoisie had the good luck that the formation of the Labor Party, transferring all workers' votes from Liberal politicians to Labor leaders entirely filled with middle class ideas, rendered the working class an active agent in consolidating capitalist rule though it had to pay for it the price of a modernizing reform of some of the worst abominations of capitalism. In leaders of the Labor Party it found able Cabinet Ministers, entirely devoted to the maintenance of the capitalist system, therein representing, when these temporarily had to prevail, the pacifist tendencies.

This character of the English bourgeoisie is essential in determining the forms of the prospective rise of the working class. What must be overcome, the power of the bourgeoisie, the weakness of the workers, is not physical force but spiritual dependence. Doubtless physical force may play its role, too, at critical moments;

English capitalism, in defence of its existence, will be able to bring up, when necessary, strong powers of violence and restraint. But the weakness of the English working class consists chiefly in its being entirely dominated by middle class ideas. Self-centred individualism, the conviction that everybody has to forge his own fate, respect for traditional social relations, conservatism of thought, are firmly rooted in it by the unchallenged power of capitalism, at home and all over the world. Strong shocks will be needed to stir the petrified brains; and capitalist development is at work already. When political catastrophies or the irresistible rise of mighty competitors undermine the world power of the English bourgeoisie, when the privileged position of the English workers has gone, when their very existence is endangered, then also for them the only way will be the fight for power over production.

The fundamental ideas of council organisation are not entirely foreign to the English workers. At the end of the first world war the shop steward movement arose, establishing a direct contact of shop representatives in preparing fighting actions, independent of the unions. Already earlier "guild socialism" presented many cognate conceptions; and "industrial unionism" put up the demand of control of production by the workers, linked, though, with the ideas of the unions as the ruling bodies. The character of the English bourgeoisie and the freedom of all social relations make it probable that practical momentary solutions of the conflicts will be sought for, rather than fundamental decisions. So as an instance, we might conceive that as a temporary compromise, freedom of speech and discussion in the shop is established, and the capitalist's old right of hiring and firing is restricted by the workers' right to decide on the membership of the personnel; this would keep the road open to further progress. In such a course of development, when at last the partial concessions should amount to an important loss of power, attempts of the capitalist class to regain supremacy by serious decisive class war cannot be avoided. Yet it seems possible that, if anywhere, in England the mastery of the workers over production may be won by successive steps along intermediary forms of divided rule; each step unsatisfactory, and urging further steps until complete freedom is reached.

2. THE FRENCH BOURGEOISIE

The development in France took place along quite different lines. In a great political revolution the bourgeoisie, combined with the farmers, overthrew the absolute monarchy with all its mediaeval forms, and deprived the nobility and the church of its landed property. In explicit acts and laws the Revolution abolished all feudal privileges, proclaimed the "rights of man," with private property as their main foundation, and asserted legal equality of all citizens. Constrained to a pitched revolutionary fight the bourgeoisie made a sharp division between itself, garbed as the third estate, as the entire people, and the defeated feudal classes, now completely excluded from political power. It had to do the governing work entirely by itself. There was a clear consciousness of the middle class character of its institutions, formulated in precise paragraphs; the rights of Parliament, differently from English custom, were exactly circumscribed. These formulations of Parliamentary constitution then served as a model for other countries. Political freedom, in England a practical fact, in France was conscious theory. The need of explaining and formulating it created a wealth of political literature, in books and speeches, full of lucid expression of principles. But what was lacking was the immediate feeling of complete mastership. Practice at the same time was imperfect; the French bourgeoisie had first to suffer military despotism, and then, in gradual steps, in a series of smaller political revolutions, in 1830, 1848, 1870, had to win complete power over the State.

In these revolutions, fought chiefly by the popular classes, the petty burghers, the artisans, the workers, these learnt to distinguish their own class interests, as contrasted to capitalist interests. The workers aspired to a further revolution that should break the new class power of capitalism, but in the armed conflicts, in 1848 and 1871, they were defeated and butchered; partly by their own class fellows, hired by the bourgeoisie, partly by the aid of the petty burgherdom, shopkeepers, farmers, who all came to the rescue as defenders of private property. Thus it was shown that the bourgeoisie had a firm grip on society, that the working class was not yet ripe for mastery, and that a further development of capitalism was needed.

Though in these fierce class fights the bourgeoisie had been victorious, it did not come out without injury. It had lost its self-confidence. It knew that ever it would have to defend itself against the growing power from beneath, that ever its rule would be threatened by the working class. So it sought for protection by a strong State Power. The centralization of all political power in the Government at Paris, introduced already by the Convention and by Napoleon, was intensified in the 19th century. Together with the absence of a ruling aristocracy it gave a political aspect to France quite different from England.

Moreover, economic development took a different course. After a strong growth about the middle of the century industrial development slackened. The countryside gave no strong surplus of population flowing to the towns to provide labor power for a growing industry. The savings of small business men, collected in the banks, were not used as industrial capital in founding new enterprises, but mostly invested in governmental loans. Certainly in regions with rich coal and ore deposits a strong iron and steel industry developed, with powerful capitalists at the head, often in family relation with the landed aristocracy. Besides, in the big towns, especially in Paris, as the centre of fashion for the entire European bourgeoisie, the old small-scale industry of luxuries, founded on personal skill and taste of a numerous class of wage-earning artisans, strongly developed. But the chief character of French capitalism, especially after 1870, ever more became the prevalence of financial capital as supreme power.

The banks, under the lead of the central "Banque de France," collected the money of small capitalists, shareholders and farmers into a huge mass of bank capital. Wherever governments in Europe or other continents wanted loans they were procured by the French banks; the bonds and shares were recommended and urged upon the clients as a good investment. Thus the small-property-class in France consists mainly of rentiers, stock-holders, living upon the exploitation of foreign peoples, receiving their income from the taxes squeezed by foreign governments out of their subjects. The loans of these governments usually had to serve for buying war materials or building railways. So bank capital worked in close collaboration with the lords of the steel industry, usually imposing the condition that the money was to be spent in the affiliated French steel works. Thus the savings of the French rentiers went to the coffers of the steel capitalists, and the interest for the rentiers was provided by foreign taxpayers.

This predominant character of French capital determined French politics, foreign, as well as home. Foreign politics served to protect the interests of bank capital and the rentiers, by alliances

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fortifying its international power and its influence over smaller backward countries. By military power when necessary, it secured the payments from unwilling debtor-governments; or it converted some barbarian chieftain into a dependent prince, providing him with European arms to subjugate and exploit the formerly free tribes; which was called bringing order and civilization.

The problem of home politics in big capitalism is always how to make parliaments chosen by universal suffrage, hence dependent on the votes of small business men, of farmers and of workers, instruments of the interests of big capital. In countries with a rapid industrial development this is not difficult. The entire bourgeoisie is carried away, its business prospers through the fervent economic action, and the workers, too, fully occupied as they are, and able to win good wages, are conciliated. Big capital, with assured self-confidence, proclaims its interests to be the common interests of society at large. It is quite different, however, with bank capital. Its exploitation of foreign peoples and capturing of the savings of their own people, through violence and deceit, bears the character of usury and robbery. Its interests must be served behind the scenes, by secret arrangements with influential politicians. For its purposes cabinet ministers must be installed or deposed, party leaders must be won over, members of parliament must be manipulated, papers must be bribed—all dirty intrigues that cannot bear the light of day. The politicians, mostly lawyers or other intellectuals, forced by the party-machines upon the farmers and citizens as their representatives, consider politics as business, aiming at high and remunerative offices as their share in the spoils. Parliamentarianism everywhere in modern times is degenerating because it has to put up the semblance of the common good while serving capitalist interests. But where financial capital rules, it must deteriorate into sheer corruption. For financial capital, as represented by the French banks, has no direct connection with labor. Its politics, not founded on the actual fight of a class in command of production, must live on false slogans, on deceitful promises and sounding rhetoric.

Because in Paris during most of the 19th century small scale enterprises were dominant, the working class, not sharply separated from the mass of the small independent artisans and employers, could not develop a clear-cut class consciousness, though it was filled with an ardent republican and democratic fighting spirit. Seeing the capitalists rise by the protection of government, by using the political power for shameless personal enrichment, whereas they themselves were forcibly kept down, the workers considered State Power as the chief cause of their exploitation and their misery. So their feelings of free individuality, inheritance of the Great Revolution developed into some kind of anarchism, the doctrine that only

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by complete abolition of the State and its constraining power mankind can be free as an agglomeration of independent collaborating individuals.

When, in later years, with the gradual development and concentration of industry, trade unions arose, these, just as in England, took the central place in the social ideas of the working class. Not so much as practical means of participating in prosperity, but rather, French capitalism lacking industrial and commercial world power, as the theoretical basis of a better society. So towards the end of the century syndicalism became the theory of social reconstruction occupying the minds of the workers not only in France, but spreading over Spain, Italy and other countries also. *Syndicats* is simply the French name for trade unions. In the doctrine of syndicalism, "labor the basis of the new world," means that the *syndicat*, the union will be its organisation unit. The union, it says, is the free creation of the workers, their field of self-government, whereas in the State the officials and politicians, and in the political parties the intellectuals dominate. A political revolution that should make the State master of production would mean a more oppressive slavery for the workers. Liberation of the workers by revolution is only possible as a destruction of State and Government. It must be brought about by a universal strike, a common action of all its workers. In its place shall come the free association of all the unions; the unions will be the bodies to organise and direct production.

These principles clearly expound their dependence on the forms of French capitalism. Since the contents of politics stood at a wide distance from the productive work of society with its struggle of real class interest, the working class held itself at a wide distance from politics. Since politics was a dirty business of personal intrigue, the workers disdained to get mixed up with politics. Their practice, proclaimed as class war, theoretically for abolishing exploitation, practically for better working conditions, was comprised entirely within the field of production, where it acted by means of the syndicates. Syndicalism did not intend to yield or to submit to bank capital; in the syndicalist slogans of anti-patriotism, anti-militarism, and universal strike, it expressed its refusal to be carried away in the militaristic policy of bank capital. But this was only a negative form of opposition, not a positive form of fight; it underrated the powerful hold of capital through the power of nationalistic ideas. In the principle: that every member of the syndicat may individually take part in politics by voting "according to his philosophic or political ideas" is expressed the primitive helplessness of a class that contents itself with trying to exclude from its immediate struggle differences of opinion on society at large. The insight was

lacking that against big capital in industry solid big organisations needs must arise, involving a bureaucracy of leading officials. And that production directed by the syndicates means production under the direction of union leaders and not by self-management of the workers.

Practically syndicalism went down when at the outbreak of the first world war its leaders joined their Government and submitted to their capitalist class. This prepared the transition to overt reformist policy after the war, when in international collaboration the differences in theory between the English, German and French unions receded behind their common practice. In these later years also the differences in character of capitalism in different countries, strongly emphasized before, became less marked in the growth of industry everywhere, in the merging of financial and industrial capital, in their common imperialist policy of subduing foreign peoples and of preparing for future wars for world supremacy.

The power of the French bourgeoisie consists, as everywhere, in its economic and financial power, its spiritual power and its State power. Different from the English bourgeoisie, its economic power is not in the first place mastery over industry and world commerce, but money power; with this money it buys propaganda and armed force, and dominates politics. The spiritual power of French capitalism is based on the tradition of the Great Revolution and the social institutions created by it. The proud feeling of having thrown off despotism and, an example for others, established legal freedom and equality, lives as a strong tradition in the entire people. Only by nursing these feelings, by acknowledging the democratic forms, by respecting the freedom in public opinion, can capital rule over the masses who take the outer appearances for reality. And should they become rebellious, they find a strong centralized State Power over them. The basic weakness of the French working class, notwithstanding its gallant fights in the past, rests on the slowness of modern economic development, the masses of the farmers, the citizens, the workers being dispersed over numerous petty enterprises. French capitalism lagged behind the old power of English and the rising power of German and American capitalism; no fresh stream of impulses pushed the classes into strong action and energetic fight.

3. THE GERMAN BOURGEOISIE

At the end of the Middle Ages a proud, free and martial burgherdom, rich through its commerce from Italy and the East to Northern and Western Europe, filled the flourishing German towns. Then by the discovery of America and India world trade shifted to the shores of the Atlantic. The economic decline found its sequel in internecine wars and invasions by foreign powers, ransacking and murdering, entirely destroying the old wealth. The Thirty-Years' War left Germany a devastated and impoverished country, without commerce and industry, cut off from the economic development of the West, divided into a hundred small independent States under petty princes, powerless outside their domain, arbitrary despots at home. The largest among them, the rising Prussian monarchy, was dominated completely by the landed aristocracy, the "Junkers," who kept the miserable farmers in servitude, masters of the army as an instrument of conquest. The French revolution and the rise of the English industry gave a first impulse to the German poets and philosophers, exponents of the nascent aspirations of burgherdom. Through the Napoleonic domination the rise of nationalism had a reactionary character finding its theoretical expression in the solemn confession of servility: the French revolution proclaimed the rights of man, we proclaim the duties of man.

Towards the middle of the 19th century industry began to develop, and with it a first spirit of freedom, of criticism against the narrow-minded suppression by absolutism and police arbitrariness. The rising bourgeoisie prepared to extort political rights from the Prussian monarchy, which meant a revolution by the help of the working masses. But then, in 1848, it saw the working class proclaim its radical demands, and even fight the propertied classes in a fierce class struggle, at the Paris barricades. So it shrank back; the way of revolution, of winning freedom and power for itself by winning political freedom for the masses, was barred. When in the following years industry developed ever more, the German bourgeoisie alongside of itself saw the working class organising into an independent power. So it was pinched between an old ruling power above, monarchy, aristocracy and army, and a rising new power

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beneath, workers already talking communism. Because it wanted police protection in every strike, because it felt the working class to be its genuine economic antagonist, it could not venture a serious fight against State Power. And should it eventually talk of revolution, then the aristocratic rulers would not hesitate to rouse the workers against their employers by promising social laws restricting the arbitrariness in the factory, and by even hinting at a "social monarchy," protecting the working class against capitalism.

So the German bourgeoisie learnt fear. Fear for the power above, fear for the power beneath determined its social character. Never it knew that proud feeling that only self-won freedom can waken in a social class.

Other causes aided to develop this character. Unlike France and England that many centuries ago already had acquired their national unity, Germany was still divided in several dozens of insignificant Statelets. It was an annoying and cumbersome impediment to the development of industry and commerce; so many different governments and laws and rules, different systems of taxes and coinage, custom duties at the several frontiers, every petty government plaguing business through stupid officials, and powerless to protect it on foreign markets. The German bourgeoisie deeply resented the lack of a powerful united State. A free and united Germany had been its hope at the outset of 1848; but the courage had failed to join in the fight of the people. And now it perceived that there was another way to acquire, not freedom, but unity: by means of Prussian militarism. The Prussian aristocracy had made its army an excellent instrument of conquest. In a series of wars, a revolution from above, the surrounding Powers were defeated or overawed, and the small German States were subjected and combined into a powerful German Empire. And now the bourgeoisie changed its policy, left its parliamentary spokesmen alone to make speeches against militarism, and enthusiastically hailed the "iron chancellor" and the Prussian king as its heroes.

"Despotism under Bismarck," wrote the English historian Trevelyan, "had become an active principle in the van of progress: it was no longer timidly hostile to the mercantile class, to the press, education and science, but harnessed them all to the **car** of government." Formerly, in other countries, progress—i.e., the development of capitalism—was always linked with increasing freedom i.e., mastery of the bourgeoisie over government. Now, here, on the contrary, despotic government became the instrument for the development of capitalism. The constitution of the newly created Empire was animated by a modern daring spirit, and its policy by brutal energy, adequate to a strongly developing capitalism. Social reform laws and universal suffrage for the Diet secured participation

THE GERMAN BOURGEOISIE

of the masses in its world politics, and the adaptation to changing conditions. At the same time the separate States remained, with their obsolete constitutions, with their narrow-minded officialdom, covering the field of administration, of home affairs, of police and education, keeping the masses subjected and continually supervised.

Thus a strong State power was put into the service of rising capitalism without giving political supremacy to the capitalists themselves. The Prussian landowning aristocracy remained master of modern Germany; but only by serving the demands of capitalism. It took its share of the increasing mass of surplus value, not only occupying the lucrative ruling posts in government, but also using its political power to increase—by corn laws—the money produce of its landed property. The bourgeoisie remained a class of obedient subjects, socially influential by its money, but regarded as second class citizens, content to conduct their business and respectfully glorifying monarchy and nobility. In contrast to England and France, parliament had no power over government; it could not by its vote enforce the dismissal of a cabinet. If a parliamentary majority had tried such a thing by using its right of control of the budget, the bourgeoisie would have forsaken and discarded it; rather than be dependent on a parliament elected by the masses it preferred to be ruled from above.

Now the way was open for capitalist development without political freedom. Whereas the working class, continually struggling for breathing and fighting space, was kept down by a strong hand, Germany as a mighty new Power played its role in European politics. Industry and commerce developed with a marvellous rapidity, overtaking all other European countries, equalled only by the United States of America.

This was not only the fresh energy of a people, kept back through years of adverse political conditions. In Germany industry came up half a century later than in England, at a time of more highly developed technics. It had to begin at the outset by introducing big machines and expensive installations requiring science and capital. Science it had; long before already its scientists had taken an honourable part in international research. Just because technical application had been restricted better theoretical foundations could be laid, that now were the basis, at a rapidly growing number of universities and technical schools, of a thorough scientific training for the needs of industry. Personal wealth, however, great capital, such as the factory owners in England had accumulated out of the profits of half a century, was lacking in Germany. There the capital needed for big enterprises had to be provided by carefully collecting all small bits of savings from the separate small capitalists. This was the function of the banks.

Thus German industry acquired a special character. To increase the profits for a rapid accumulation of capital the productivity was raised by conscious amelioration of its scientific basis. So from a number of markets German competition was able to oust the English, confident in their tried and proved methods. At the same time the close connection of banks and industry created new forms of organisation. The bank, interested in the success of enterprises because it provided them with capital, supervised and advised their policy and brought them into connection. This led to mutual assistance and favourite treatment between such enterprises, to an intertwining of interests, often to the formation of cartels, in every case to organisation. The interpenetration of the directions of the banks and big industries created a conscious common policy of continuously extending their power over new branches. By investing capital here, by enlarging existing business there, by the well-planned founding of new enterprises, the banks, a few groups of fiercely competing financial powers, organised industry in a systematical way, increasing profits and still more their own share in it. Thus what first appeared as a weakness, the lack of private capital, turned into strength. Against the self-willing independence of English business men, confident in their traditional wealth and *clintele*, German industry rapidly rose to power through its purposeful organisation. With restless energy and fresh ambition the German bourgeoisie forced its way up in production and world commerce, began to export capital to colonies and foreign continents, and prepared to conquer its share in world power.

In England militarism never got a footing in society. In Germany the forms and spirit of militarism pervaded and dominated society: its code of honour, coarse and touchy, was aped by the middle class youth at the universities; and to the caste of officers the business man was the despised civilian. The middle class German looked up with deep veneration at the army, its refuge and its instrument of power, and equally worshipped the masters of the army, the monarch and his officers. In German constitution, Parliament, the Diet, had no power over the army, it had solely to provide the money. This militarism embodied the submissiveness of the German bourgeoisie, its lack of personal pride, its feeling of inferiority, often camouflaged as rough brutality. The German bourgeoisie never knew freedom. Entirely foreign to them is the proud feeling of independence, as personal freedom pervading all classes in the Western countries.

This, however, made the German bourgeoisie better adapted to the exigencies of big capitalism. Organisation of capitalism, based as it is on subordination under a stronger power, came easier to the German than to a capitalist class accustomed to personal independ-

ence. The same disposition enabled the German bourgeoisie twice to engage in the fight for world power with an unequalled, well righ irresistible war machine, the efficiency of which was based on carefully prepared military and capitalist organisation, technically as well as spiritually. So that its opponent, the world-commanding English bourgeoisie, careless and unprepared, staggering under the fierce assault, had to put up its defence by summoning all the deepest forces of its inner nature.

The American entomologist Howard, in his "Man and Insect," makes a comparison of Nature's two most successful adaptations to the "struggle for life" in animal structure: the insects covering all their weak parts by an unassailable hard and flexible skin, the mammals supporting them by a skeleton within; and their contest over the domination of the world, the author says, is not yet decided. This image fits for a comparison of the two contending capitalist classes; the German bourgeoisie covering its inner softness by an outer steel armour and assailing with the sharpest arms the apparently unprotected foe; but the English bourgeoisie has bones in its body.

This character of the German bourgeoisie at an early date brought the German workers to political independence. Left alone in their struggle against the oppressive police State, they were not attached to the middle class by the tradition of a common fight for political freedom. Whereas in other countries the hard industrial boss commanded respect by seizing power over the State and modernising it, in Germany the gruff master in the shop proved the submissive coward in politics, giving examples in servility only. The German workers stood directly over against the allied classes of land owners and capitalists; they had to fight on the political at the same time as on the economic field. Concentrated by the rapid development of industry in large numbers in the factories and the towns, they had to build their organisations and find their own way, independent of middle class influences and traditions.

The rapid rise of social democracy demonstrated this political independence. Its name expresses the basic idea that socialist production must be won by means of democracy, by the masses conquering power over the State. Its propaganda of class struggle aroused the increasing numbers of workers to devoted fight, its papers and pamphlets educated them to knowledge of society and its development. It was the energy and rapidity of capitalist development that aroused the energy of the German working class and soon made them the foremost and directing power in the international workers' movement. It was the submissive politics of the German capitalist class, in placing them directly over against the entire ruling class, that rendered them class-conscious, that forced them by theory to

deepen their insight in social forces, and that made them the teachers of the workers of all countries. Just as in France the sharp opposition between middle class and nobility had given origin to an extensive literature on political theory, so in Germany the sharp opposition between working class and bourgeoisie gave origin to an extensive literature on social theory, mostly based on the scientific work of Marx. This intellectual superiority, together with the gallant fight against oppression and despotism, alone against the mighty rulers, attracted all progressive and idealistic elements among the other classes, and collected around them all who longed for liberty and hated the degrading Prussian militarism. In Germany a deep gap, social as well as spiritual, separated two worlds, one of insolent power and wealth, where servility glorified oppression and violence, the other of idealism and rebelliousness, embodied in the workers' class struggle for liberation of humanity.

The infiltration with idealistic middle class and intellectual elements tended to call up ideas of peaceful petty capitalist reform and democracy, though they were entirely at variance with the actual big capitalist conditions. Other influences went in the same direction. The increased power of the workers—politically, by finally, in 1912, mustering one-third of all the vote, economically by the rapid growth of the trade unions to giant organisations—awakened the desire for direct progress in social reform. Though traditional program and theory spoke of revolution as the goal of all activity, the real outcome was to ascertain to the workers their place in capitalism, acknowledged not officially, but actually, and only at the cost of continual fight. So reformist tendencies got an increasing hold on the workers. At the deepest root of reformist mood lay, of course, the economic prosperity that in the twenty years before the first world war enormously swelled German capitalism. All this meant a strong influence of capitalist and middle class ideas upon the workers.

The spiritual power of the German bourgeoisie over the working masses was not due to its political, but to its economic achievements. Leaving politics and government to others, concentrating all its attention on industry and commerce, the capitalist class here unfolded such capacities and energy as to push German economy in an unrivalled tempo to the forefront of world development. This vigour commanded respect in the workers and carried them along in the feeling of participating in a mighty world process. They felt the enormous and enormously increasing power and brunt of capital, against which their organisations appeared insufficient and against which even their own ideals seemed to fade. So, in their sub-consciousness, they were to a certain extent dragged on in the middle class stream of nationalism, in the desire for national greatness and world power that burst out in the first world war.

In the Western countries the early political ascendancy of the bourgeoisie kept the workers in political dependence; the economic forces and crises had to awaken them to class consciousness and class fight. In Germany the late, therefore more thorough economic ascendancy of the bourgeoisie bound the workers into spiritual dependence; here the political forces drove them into fight and awakened their class consciousness. Opposed to a bourgeoisie entirely addicted to despotism and violence the German workers will have to win their freedom along the difficult way of political crises and catastrophes.

4. NATIONALISM

Nationalism is the essential creed of the bourgeoisie. What for this class stands above the individuality of separate man is the community indicated, with small differences of meaning, by the different names of nation, people, fatherland or State.

Nation and national feeling came up and developed along with the bourgeoisie. Original peasant life knew only the community of the village and of the larger tribe or county or canton; for the rising burgher class the town was their community. Their common interests did not stretch beyond these small realms. The spoken languages varied over larger regions; their similarity over limited regions facilitated their connection under the domination of one prince. But usually such domination, by conquest and inheritance, extended over countries with entirely different speech. For the farmers it hardly mattered what prince reigned far away and over what other people.

This changed with the rise of commercial, and still more with that of industrial capital. The merchant trading over wide countries and seas needs a strong Power that protects him, fights his competitors and subdues backward tribes; if this is lacking he himself founds a town federation. The industrialist needs security on the roads, unity of law, protection by a power mightier than a town. Where by insular isolation, as in England, or by conquests of princes, as with France, larger realms had been joined, they need only be consolidated and strengthened from within. In other cases, as with

Italy and Germany, strong States had to be built in modern times, through wars and revolutions, through the force of the nationalist feeling of the bourgeoisie.

This does not mean that State and nation are identical or coincide. The State is a power structure, provided with physical means of coercion and suppression; the nation is a community bound by inner forces. So the State has the greatest inner solidity when it coincides with the nation. But States to increase their power try to include regions and peoples as much as possible, though they may belong to other nations, mixed up one with another by chance migrations in olden times. So Denmark formerly included Germans, Germany later included Danes and Poles, Hungary included Roumanians, Slavs and Germans, Roumania afterwards included Hungarians and Germans. The Austrian Monarchy comprised seven different nationalities, never grown together. In such cases the growth of national feeling, accompanying the rise of a modern bourgeoisie, acts as a destructive force. In cases of a seaport town with a hinterland of different race and language (as Fiume or Dantzig) the economic interests demanding political unity are impaired by national enmity.

A common language, as the instrument of understanding, is the strongest force to connect people into one State and one nation. This does not mean, however, that nations are simply communities of speech. The Swiss, in their majority, speak German; yet they are a separate nation, different from the Germans. The English and the American nations speak the same language. The Swiss people during five centuries already has gone its own way, different from the way of other German-speaking people. They lived under their special institutions, ruling themselves as free peasants in a primitive democracy, whilst the Germans were oppressed under the yoke of some hundred small tyrants. The Swiss all experienced the same historical happenings, that moulded their mind in the same way; in continual actual and spiritual intercourse they grew together into a similarity of character and ideas, different from those on the other side of the frontier. It is not only the passive qualities acquired in this way, but much more the active will, the mutual feeling of belonging together in a community of life, that connects and separates mankind into nations. It is the same with the English and the Americans: their separate history in different continents each following its own fate, often in sharp hostility of capitalist interests, made them different nations. And within each nation the community of fate, the subjection to the same historical influences impressed a common stamp upon all; the common fight for common interest, for common freedom, welded them into a firm unity. It produced a community of ideas embodied in and strengthened by literature, by art, by the daily papers, constituting national culture,

itself an important factor in developing the sense of nationality. Even the bitter struggle of the classes takes place on this common ground of common experience in the ups and downs of mutual fight as direct face-to-face opponents.

So a nation is not a community of State, not a community of language, but a community of lot (of destiny arising out of their common social-economic practice). Of course, these different types of community are mutually strongly dependent. Language is a strong nation-building agent. Nationality is the strongest State-building power. On the reverse political State power strongly reacts in making and unmaking nations, by uniting and separating the peoples, by establishing or destroying lot-community [a feeling of common destiny]. In the Middle Ages Northern and Southern France, differing in language as much as France and Spain, were united by conquest; during the rise of the bourgeoisie they formed one country, and as a unity they experienced later revolutions. Simultaneously with the Swiss mountaineers the Low Countries bordering the ocean separated politically from the large German body. A dozen of rich merchant towns, protecting themselves on the land side by a chain of allied provinces, they formed an independent State, raising the Holland dialect into a separate language with its own literature and culture; and by their special history becoming a separate nation. The Flemish, though speaking the same language as the Dutch, by their entirely separate and different history cannot be considered to belong to the same nation, whereas their political unity with the Wallons is thwarted by difference of language. Political measures, dictated by economic interests gradually melted the Scots with the English into one nation, whereas by such measures the Irish were driven into the consciousness of being a separate and hostile nation.

Thus nation is a product of history. All the happenings in the past, experienced in common, determining character, feelings, culture, have settled in the form of nationality. Nationality is congealed history, perpetuated outcome of the past as a living force.

National character and still more national feeling, thus spontaneously growing out of society, constitute the inner strength of national States. They are needed by the bourgeoisie, praised as patriotism, and furthered by special measures. The differences within the boundaries are effaced as much as possible, the differences with the outside world are emphasised and enhanced. One common language, necessary for intercourse, is taught all over the realm, suppressing the old dialects and even minority languages—as Gaelic in Wales, Provensal in Southern France—that only remain as curiosities and in remote villages. And a vast literature in this common

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language is at work, from first childhood onward, to impress identical ideas and identical feelings upon the entire population. An intentional propaganda works to intensify the mutual feelings of connection, and to render the antagonism to everything foreign more conscious. The doctrine of class struggle that draws a cleavage through national community is denounced as a danger and even persecuted as a crime against national unity. What as a spontaneous living product of society develops and changes with society itself, nationalism proclaims to be an eternal fact of nature and a duty of man.

Nationality is congealed history—but history goes on, adding continuously to the former deposit. New economic developments, growth of capital, wars and conquests produce new interests, change frontiers, awaken new directions of will and feeling, combine or separate peoples, break old communities and engender new ones. So nationality, together with its deeper generating forces, is fluctuating, in extent and content, and shows a variety of aspects.

Just as petty trade remains within big capitalism, provincialisms, remnants of old customs and ideas, persist, and they sometimes extend across the State frontiers. In the time of ascending capitalism with its free trade reaching all over the world, feelings of cosmopolitanism, of international brotherhood of all mankind gained ground in the bourgeoisie. Afterwards, when competition became fierce and the ensuing fight for world power deepened nationalism, this was ridiculed and suppressed as a childish illusion. In such parts of the world where capitalism is just beginning to take a footing, where it begins to undermine primitive economy and to overthrow worn-out despotisms, we see nations in the making. Besides profit-hungry business men, gambling adventurers, agents of foreign capital and rapacious politicians, forming the beginning of a bourgeoisie, it is chiefly the intellectuals, educated by European sciences and ideas, who come forward as the spokesmen of nationalism. On the Balkans the chance results of war often decided what adjacent valleys with cognate dialects would be included into the Serbian or into the Bulgarian nation. In China the class of merchants and landowners, spiritually united already by an old culture, assisted by a Western educated class of intellectuals, gradually develops into a modern bourgeoisie, animated by a growing spirit of nationalism. In India such growth, though rooted in native capitalist industry, is severely hampered by an obsolete diversity of religions. In all colonies with no bourgeoisie as yet, nationalism propagated by small groups of intellectuals, is the first theoretical form of rebellion against foreign exploitation. Where, on the other hand, in groups of a single million speaking a separate dialect nationalism arises, as wish or only whim of intellectuals,

NATIONALISM

it may work as a disruptive force in the coherence of greater units.

In the countries of modern capitalism nationalism has gone through different forms, corresponding to the development of the bourgeoisie. When burgherdom in its first rise becomes master in its town or realm it is freedom for which it fights. It not only breaks the power of nobility, of land ownership in its domain, it has also to beat foreign powers that suppress or threaten its freedom. The rise of the bourgeoisie as a ruling class is connected with war against foreign feudal or absolutistic or previously dominant capitalist powers. Such wars are wars of liberation, are a kind of revolution; all enthusiasm, all devotion nascent from the establishment of a higher system of production manifests itself as national passion and exalts nationalism to lofty idealism. Thus it was with Holland in the 16th century freeing itself from the Spanish King, with the English at the same time fighting against Spanish world power, with America 1776 against England, with the French in the Great Revolution against Europe led by England, with the Italians in the 19th century against Austria; and even the German war against France 1870 had some traits of it. Such wars of liberation and consolidation, establishing its independence and power, in all later years are exalted by the bourgeoisie as the sublime summits of national history.

But then, gradually, the image changes. Capitalism is exploitation, is domination of an exploited class by a ruling class. The bourgeoisie, liberating itself from domination by land ownership, establishes new suppression. Throwing off the yoke of foreign oppression it soon begins to lay its yoke upon weaker peoples, adjacent or in far away colonies. Specially with the development of big capitalism. And always under the same slogans of nationalism. But now nationalism has another colour. Not the freedom but the greatness of the nation is its slogan. It appeals to the feelings of pride, to the instincts of power, in all the other classes who have to serve the bourgeoisie as its helpers and underlings, as spokesmen, as military and civil officers, and who take part in its power. Now the own people is proclaimed the chosen people, superior in force and virtue, the "grande nation," the "Herrenvolk," the "finest race among mankind," destined to lead or to dominate other nations. As the contest for world power, the fight for supremacy in the world between the capitalist classes becomes fiercer, nationalism grows into a feverish passion, often carrying away the entire population in a common struggle for existence.

Nationalism is not simply an artificial doctrine imposed by the rulers upon the masses. Like every system of thoughts and feelings

it arises out of the depth of society and proceeds from the economic realities and necessities. For the bourgeoisie the nation is the community to which its weal and woe is tied; so all the old instincts of community feeling are put in its service and develop to mighty forces of idealism. More than the adults the youth, not yet permeated by the spirit of selfish profit-seeking, is susceptible to enthusiastic response to the call of the community. For the working masses, as long as they have no possibility and no thought to fight for themselves against the bourgeoisie. There is no other way than to follow the bourgeoisie. Spiritually dependent on the master-class, they have to accept, more or less willingly, its ideas and aims. All these influences work as spiritual forces in the realm of instinctive spontaneity.

But then, added to it, come the deliberate efforts of the bourgeoisie to intensify the spontaneous feelings by artificial means. The entire education in the schools and the propaganda in literature and papers are directed to foster and strengthen the spirit of nationalism. Not of course by showing its connection with the profit for capital; a clear consciousness of this connection, as in all ideologies of an exploiting class, is lacking, and must be carefully withheld from the exploited masses. So other foundations must be sought for, other usually deceptive arguments must be found, drawn mostly from existing traditions based on former social conditions. The love for the birthplace where our cradle stood, the remembrance of the world of our youth, of villages or town quarter, small communities of peasant or artisan life, must serve to fix the adherence to the nationalist State Power, where it fights foreign Powers, for the profit of capital. History is coloured and doctored to convert the strict objective truth about the past into a brilliant one-sided image of the nation's life, apt to awaken strong feelings of inter-community, of enthusiasm, of pride and admiration in young people, to elate their hearts, to strain their minds, to instigate emulation, hence to solidify the inner strength of the national community.

To give a still greater solidity to the national ideology, it sometimes is founded upon a material, physical base, on consanguinity and race. The races of mankind have been formed in the many thousands of years of prehistoric times. We meet with them at the dawn of history, and afterwards in surrounding barbaric countries and continents, as groups with similar qualities. They have been shaped by migrations, conquests, exterminations and blendings of primitive groups, when in more quiet times or in isolated regions the mixture settled to specific types. The fight for living space and for possession of the sources of life continued in later civilized history. But now, by the development of new forms of production, as a fight

of States and nations. Though both are communities of lot [of common destiny] and are designated by the same name of "people," there is a fundamental difference between the original races and the later nations. The races are groups connected by the ties of blood, by consanguinity; the nations, formed in the ages of production of commodities, are groups connected by the spiritual ties of common consciousness, ideas, experience and culture.

Written history of the great migrations in later times attests how almost all modern peoples, the nations, have been shaped by a thorough mixture of different races. And this process of mixing is going on, though in more quiet forms, under modern industrial conditions. Large numbers of people migrate from the poor agrarian regions into foreign industrial towns or districts; such as the Irish into English towns, the Czechs into Vienna, the Poles into Rhineland, the Europeans into America. Mostly they assume language and habits from their new surroundings, as well as the ideas, and so are dissolved and assimilated into its national community. Only when the migration comprises greater connected masses, especially when touched already by the consciousness of fervid national strife, the assimilation ceases.

When a modern nation is claimed to be the pure descendants of one original race, how can it be decided? The evidence of history, usually uncertain, points to strong blending. Neither is the community of language decisive. It is true that peasant communities tenaciously stick to their language as long as their life and work is not influenced by other dominant languages. But it is known quite well how often in the mixing-up of peoples the language of the victors is assumed by the vanquished or the language of more civilized residents by less civilized intruders. Community of language later on is a strong force in the making of nations; but it cannot make certain a community of descent. There are, further, bodily differences in colour, hair, bodily structure and form of the skull, manifest and large between the main groups, Europeans, Mongolians, Negroes. But they are small in subordinate groups. And in all modern peoples these bodily characteristics show the most embarrassing diversity. Ethnologists, especially in Germany, speak of a "Nordic" race, dolichocephalic (with oblong skull), blonde, and blue-eyed, of which the Teuton peoples were descendants and representatives, contrasted to the darker "alpine" race, brachycephalic (with round skull), living in Central Europe. But modern Europe shows dolichocephaly dominant only in Norway, North-western Germany, Holland, England, whereas the chief part of Germany is brachycephalic, increasingly so in the later centuries. The American ethnologist Dixon pointed out that the inhabitants of the then existing Austrian monarchy as to

bodily characteristics and shape of the skull formed a nearly homogeneous race, whereas they were divided into some seven fiercely quarrelling nations, speaking as many different languages, and brought together by different ancient wanderings and adventures. On the other hand the French, bodily showing a mixture of most different racial characteristics, feel and act as one homogeneous consolidated nation.

Race community as the foundation of nationality is only a phantastic theory, devised and propagated for political purposes. The strength of German nationalism is not rooted in the blood of the ancient Teutons but in the needs of modern capitalism. The strong real roots of nationalism are situated in economy, in the mode of production. So it must be different for different classes.

On the working class nationalism never got much hold. In the petty-burgher and farmer classes from which it proceeded national feeling played no great role; and its own exploitation by capital gave another direction to the ideas, not towards community, but towards fight with the bourgeoisie. They perceived nationalism to be the ideology of their exploiters, often a form of hypocrisy when the most greedy capitalists used patriotic talk to fill their own pockets. When by unemployment they were driven to wander they found in other countries other workers, comrades, exploited like themselves. Practically, by their fight, and then theoretically, in their consciousness, they drew a dividing line across the nation. Another community of lot, the class-community determined their feelings and thoughts, extending over all countries. The dividing line of the classes crosses that of the nations. To the nationalist propaganda of the bourgeoisie they opposed the reality of their life by the statement that the workers have no fatherland. Socialist propaganda fundamentally opposing capitalism proclaimed internationalism to be the principle of the working class.

But beneath the conscious thoughts and avowed doctrines there was in the workers, in their sub-consciousness, still a certain national feeling, revealing itself at the outbreak of the world war. Practically they had to acquiesce in the rule of the bourgeoisie and were its subordinates; practically their fight could do no more than ascertain their place in capitalism; so in their ideas they could not attain complete independence. When the workers politically and socially follow the bourgeoisie they remain middle-class-minded. In England they participated in the profits that world commerce, industrial monopoly and colonial exploitation bestowed upon the bourgeoisie. In Germany the energy of the bourgeoisie to win industrial

world power carried them away in the vague feeling that industrial power and prosperity is a workers' interest, too. So nationalism in the working class was the companion of reformism, in England as a quiet hardly conscious conservative tradition, in Germany as an impetuous instinct driven by a turbulent economic expansion. It must be remarked that working class nationalism always was pacifistic, rooted in the tradition of petty-burgher illusions, in contrast to the aggressive violent nationalism of the bourgeoisie.

When the working class takes up its revolutionary fight, nationalism is dropped entirely. In the new workers' organisation of production there is no antagonism of interests with other peoples; it extends over the countries disregarding all former frontiers. In the reconstruction of society fight is only needed against the capitalist class; in this fight the workers all over the world have to rely on one another as brothers in arms; together belonging to one army. They speak different languages, certainly; but these differences relate only to the outer forms of their thoughts. The essential contents, their ideas, their feelings, their culture, determined as they are by the same class struggle, the common fight as the chief life experience, the common lot, are identical. From having been subjected to different national influences in previous history there may remain differences in passive character and culture; but in active character, in the direction of will, they form one unity. This new state of thought of the working class cannot well be indicated by calling it international; it is more and higher than a peaceful collaboration of free and equal nations. It is the entire absence of nationality; for the workers the nations do not exist, they see before them the unity of mankind all over the world, a community of production, of life, of culture. Over all diversity of bodily qualities and natural surroundings, of local speech and traditional habits stretches the interconnection of all mankind as one great community of lot. Thus nationalism disappears from the earth together with the class that was its author.

This is of the future. For the time being nationalism exists as a strong power obstructing the way. For the workers it is necessary not only to destroy all nationalist tradition in themselves, but also, in order to avoid illusions, to understand its strength in the hostile class. Nationalism does not belong to the ideologies that as traditions of the past times are gradually extinguished under modern conditions. It is a living ideology, drawing its forces ever anew from a fertile economic soil, standing in the centre of fight, the flag of the foe. German history of the last quarter of a century offers an example of how after the downbreak of her State power the bourgeoisie was able to resuscitate itself by means of spiritual power,

through nationalism, and thus to build up a new more powerful State.

The outbreak of the first world war in 1914 was the catastrophe of social democracy and labor movement. The party and union leaders placed all the power of their organisation, its press, its moral authority at the service of the Government; in Germany considered as the foremost power and example for the working class, and in all other countries. It was the collapse of all the proud program slogans of class struggle and of internationalism. The workers having put all their confidence, their faith into their party, their organisation, now were powerless against the nationalist propaganda, against the combined pressure of the military and the party apparatus.

Then came 1918—the downbreak of the German military power. The rebellion of the sailors, the strikes and demonstrations in the chief towns, the formation of workers' and soldiers' councils carried the socialist leaders into power. They were the only men to keep the working class in check and to prevent a real workers' revolution, which they hated and feared no less than did the generals and the capitalists. The working masses found the political power fallen into their hands; but they did not know what to do with it. Again they put their faith into the party, in their leaders, and passively suffered the small advance groups of revolutionary fighters and spokesmen to be massacred by military forces at the command of the socialist rulers. They had always been taught that the party would bring them socialism. Now the party was ruling, now their leaders were in office; now socialism would come.

What they got was capitalism. The socialist leaders did not touch capitalist property, not even aristocratic land ownership. By convoking a National Assembly they immediately restored parliamentarism, which had always been their life element. So the bourgeoisie gained an official centre of organised power. It was quite content that socialist and democratic politicians, beguiling the masses with the illusion of power, occupied the upper places; afterwards they could be turned out gradually and replaced by liberals and reactionaries. Capitalism acted as it always acts: it exploited the masses, expropriated the middle classes, aggravated the economic chaos by gambling with the means of production, bribed the officials, and threw society into ever new crises of unemployment. And all discontent and exasperation turned against the new republic and its parliamentary leaders.

Now the bourgeoisie began to build up its fighting power out of all the elements that were depressed and embittered by the new conditions: the middle class youth, flung down from its high hopes for victory and future greatness; the dismissed military officers, exasperated by defeat, entirely living in the old conceptions; the young intellectuals, in despair at seeing the governmental offices once considered as their monopoly now occupied by despised socialists and Jews. All impoverished by the devaluation of the money, all filled with bitterness over the humiliation of their country, all driven by a fierce will to take up again the fight for world power. Their binding force was an ardent nationalism, blasted in white heat by the enforced humiliating peace conditions, animated by hatred against the slack nationality of the meek rulers no less than against the foreign victorious enemies. They stood up as the bearers of sublime national ideas, whereas the workers over against them could show no more than either contentment over the mock democracy of a worthless republic, or the sham revolutionist talk of bolshevist party dictatorship. Thus the most active elements among the up-growing youth were assembled and drilled into fighting bands, inspired by fiery nationalist teachings. Big capital provided the means for a continuous propaganda among the population. Until the world crisis of 1930 raised them to political importance. The impotent socialist leaders did not even venture to call upon the armed workers for resistance. The "world-liberating" social democracy ignominiously went to ruin as a worm-eaten wreck. Nationalism, now raised to the highest pitch, easily annihilated the parliamentary republic, and began to organize all the forces of the nation for a new war for world power.

5. AMERICAN CAPITALISM

The white population of the U.S.A. descends from European immigrants who, most energetic and independent elements of their peoples, crossed the ocean to escape oppression, persecution and poverty. From the first settlements on the Eastern coast, with its commercial towns, they gradually expanded over the entire continent, exterminating in continuous fight the Indian natives, clearing the forests, subduing the wilderness, and converting it into cultivated land. In all these pioneers, as a necessary character developed a strong individualism, a daring adventurous spirit, self-reliant, hard, alert, watchful and relentless in the surrounding dangers, and a love of liberty taking and making its own right. Not only in the fore-runners, the trappers and farmers, but also in the dealers, the artisans, the business men, who followed them, populating the new towns and creating a new existence for themselves. Whereas in old Europe everybody found himself in fixed conditions, here everything had to be shaped anew. In the hard and pitiless struggle for life, that left no time for spiritual concentration, in the creation of great enterprises and fortunes, respect for success in life and business became the outstanding character of American society.

Thus conditions for both capital and labor were different from Europe. To keep the workers from trying their luck as pioneers in the wide spaces, high wages must be paid, thus furthering the introduction of labor-saving machines. This privileged position, fixed by craft unions, could be upheld until modern times. Then in the last decades of the 19th century, destitute masses of immigrants from Southern and Eastern Europe began to pour in and fill the factories and slums of the Eastern towns with cheap labor power. And in the present century free soil came to an end.

Capital was the leading power in the 19th century expansion. It had not to fight a feudal power or class; with the throwing off, in the war of independence, of the domination of English 18th century commercial capital, it had won complete mastery. The absence of any feudal tradition, of all respect for privilege of birth,

made respect for property, for the reality of dollar power paramount. American capital soon played the chief role in opening up the Western wilds by digging canals and building railways. Through its friends in Congress it was rewarded for this service to the nation with big allotments for exploitation, paying not more than the bribes, the form by which the politicians got their share of the profits. The timber of the endless woods, the fertile soil along the railways, the rich ore deposits in the earth, all became property of the capitalists. And in their wake colonists from the Eastern States or from Europe populated the West, farmers and business men finding their villages and towns ready made, lumber workers and miners ordering their life by the law of the wild, soon to be substituted by the organs of Government and public law.

The seizure of the natural riches of an immense virgin continent laid the foundation for the rapid growth of big fortunes. In Europe this seizure and exploitation had been the task of a large citizen class during many centuries; thus the profit—economically a form of rent—was spread out in the form of moderate wealth for the many, only exceptionally—as with the Fugger family in Augsburg—creating big fortunes. In America this process in the second half of the 19th century concentrated within a short time, raising rapidly a small class of supercapitalists, of multimillionaires.

The big American fortunes have not been formed by regular accumulation of industrial profit, but in the first instance by the appropriation, partly through traffic monopolies, partly through political corruption, of valuable primary materials. In stubborn mutual fight, destroying or subduing larger and smaller competitors, big monopolies were erected that laid a heavy tribute upon the entire population and snatched part of the industrial surplus value from the hands of the industrial capitalists. More rapidly and more ruthlessly than elsewhere the supremacy of big capital over the entire bourgeoisie, the power of big finance over industry, and the concentration of capitalist power in a small number of big concerns was established. Monopoly of course does not mean a full hundred per cent. control over a branch: if it reaches only, say, 80 per cent., outsiders are harmless and usually follow the lead of the monopolists. So there remains a border region for individual efforts of smaller capitalists to wrestle themselves up to secondary importance. Neither are all of the profits pocketed by the monopolists themselves; part of the shares is left to the capitalist public to gamble with and to enjoy the dividends without thereby having any share in the leading of the business. In this way at the same time all the smaller capitalists' property comes at the disposal of the monopolists, to use it in their strategy of mutual capital warfare, just as in olden

times the kings made use of the combined fighting power of the dependent barons.

Yet, what remains as income for the monopolists is so enormous that it cannot be consumed or spent by themselves. With such boundless richness the motive of securing wealth for luxurious satisfaction of all needs is absent; many of the monopolist leaders, indeed, live rather frugally. What drives them is the striving for power, for expansion of their domination over ever wider domains of economic life—an automatic impulse of business instinct swollen to irrationality. The example was set long ago already by John D. Rockefeller, whose yearly income was then estimated at nearly a hundred millions of dollars. No luxury, however crazy, was able to absorb the stream of gold flowing into his hands; he did not concern himself with the spending, and left it to an office of secretaries. No young spendthrifts could, as in olden times, destroy the fortunes collected by their fathers; this property has now become an unassailable family possession. As a new feudal class "America's sixty families" hold sway over the sources of life of society, living in their castles and large estates, sometimes possessors of almost a whole State, as the Dupont family in Delaware. They are mightier than the kings of old, who only could try to squeeze their share out of the profits of the capitalist class; they are the masters of the very capital power of society, of all the rapidly growing productive forces of a rapidly developing continent.

Power over production means power over politics, because politics is one of the basic means to secure power over production. Politics in America was always different from politics in Europe, because here there was no feudal class to beat down. In its fight against the domination of the feudal class the European bourgeoisie acquired its sense for the supremacy of class interests above personal interests, thus in their pursuit developing idealism and self-sacrifice. So in Europe politics was a domain where disinterested politicians could work for sublime principles, for the "public interest." In America there was no need and no room for such class-politics; interests from the beginning were personal or group interests. Thus politics was business, a field for pursuit of personal interests like any other field of activity. Only in later years, when the working class awoke and began to talk of socialism, as its counterpart came up some talk of public interests of society, and the first traces of reform politics.

The result, accepted as inevitable, was that politics often is graft. In their first rise the monopolists had no other means than direct bribing. Often the word is quoted as spoken by John D., that everybody can be bought if you only know his price. A continuous

fight on the part of the smaller capitalists, of competitors, and of spokesmen of public honesty, before the courts in the legislative bodies tried in vain either to punish or to redress fraud, or to so much as disclose truth. It was on such an occasion that a senator friend of the accused millionaire exclaimed: "We ought to pass a law that no man worth a hundred of million dollars should be tried for a crime." Indeed, the masters of capital stand above law; why, then, maintain the troublesome appearance that they are equal citizens, subject to law?

When the power of big business becomes more firmly rooted and unassailable, these coarse methods gradually became superfluous. Now it had a large attendance of friends, of clients and agents, of dependent proxies, all men of standing, put into well-paid honourable offices, influential in politics as in all public life. They are or they influence the party leaders, they form the caucuses, they manage everything behind the scenes at the party congresses and select congress members, senators and candidates for the presidency. The hundred thousands of dollars necessary for the noisy election campaigns are paid by big business; each of the big interests has one of the two great contending parties as its agent, and some of the largest even pay both. To fight this "corruption," or at least to expose it by publicity their adversaries succeeded in enacting that each party had to give public account of its finances, thus to show the sources of its funds. It was a blow in the air; it created no sensation and not even surprise; it appeared that public opinion was entirely prepared to accept the domination of politics by big business as a self-evident fact of common knowledge.

The press of course is entirely in the hands of big capital. The big papers are bought, or an unlimited amount of dollars is spent to have new papers founded by its retainers. Most important here are the popular local papers providing the spiritual nurture for the millions of voters. At the same time the leading papers offer to the educated classes, in order to direct their opinions, able articles on science, art, literature, foreign politics, carefully written by good experts. No independent press of wide circulation is possible. Sometimes a cross-headed rich idealist founded a paper open to exposure and criticism of the secret dealings of the capitalists. Attempts were then made to capture or to undermine it; if they failed, its revelations, its opinions, its existence even were never alluded to in the other papers, in a conspiracy of silence, so that its influence remained entirely negligible.

This press dominates the spiritual life of the American people. The most important thing is not even the hiding of all truth about the reign of big finance. Its aim still more is the education to

thoughtlessness. All attention is directed to coarse sensations, everything is avoided that could arouse thinking. Papers are not meant to be read—the small type is already a hindrance—but in a rapid survey of the fat headlines to inform the public on unimportant news items, on family triflings of the rich, on sexual scandals, on crimes of the underworld, or boxing matches. The aim of the capitalist press all over the world, the diverting of the attention of the masses from the reality of social development, from their own deepest interests, nowhere succeeds with such thoroughness as in America.

Still more than by the papers the masses are influenced by broadcasting and film. These products of most perfect science, destined at one time to be the finest educational instruments of mankind, now in the hands of capitalism have been turned into the strongest means to uphold its rule by stupefying the minds. Because after nerve-straining fatigue the movie offers relaxation and distraction by means of simple visual impressions that make no demand on the intellect, the masses get used to accept thoughtlessly and willingly all its cunning and shrewd propaganda. It reflects the ugliest sides of middle-class society. It turns all attention either to sexual life, in this society—by the absence of community feelings and fight for freedom—the only source of strong passions, or to brutal violence; masses educated to rough violence instead of to social knowledge are not dangerous to capitalism. Broadcasting by its very nature is an organ of rulership for dominating the masses, through incessant one-sided allocations forcing its ideas, its viewpoints, its truths and its lies upon the listeners, without possibility of discussion or protest. As the genuine instruments of spiritual domination of the millions of separate individuals by an organised dictatorship it is used by big capital to assert its power.

Not only to the coarse work of mass propaganda through the papers, but also to the more subtle influencing of deeper spiritual life the masters of capital extend their care. Reviews are bought or founded, richly illustrated Weeklies or Monthlies are edited and composed by able men of letters and expert collaborators. They are full of instructive and attractive stuff carefully selected in such a way that the cultured and intellectual part of the citizens learn to feel and to think just as monopolist capital wishes them to, namely, that their country is a great country, and a free country, and a young country, destined to a far greater future, and—though there are some defects to be corrected by deserving citizens—the best possible of worlds. Here the young intellectuals find their opportunities; if they should be inclined to thwarting the mighty, to independent criticism, to sharp opposition they are ejected, ignored, and silenced, hampered everywhere, perhaps morally ruined; if docile and

ready to serve the masters the way is open to well remunerated positions and public honours.

Science, too, is subject to the millionaire class. The English tradition of private endowment not only of churches, hospitals and orphanages, but also of universities, professorships and libraries, has been followed in America from the beginning. Enormous sums of money have been spent by American millionaires—of course not all of them, and not even the richest—on institutes of arts and sciences, on museums, galleries, universities, laboratories, hospitals, observatories, libraries. Sometimes from idealistic motives, sometimes in commemoration of a relative, sometimes for mere pride, always with an instinct of justice in it: where they had seized for their own the riches that elsewhere went to society at large, theirs was the duty to provide for such special, large, cultural expenses not immediately felt as needed but yet necessary as the basis of society in the long run. Spending in this way only a small part of their wealth they acquired fame as protectors of science, as benefactors of mankind. Their names are inscribed in big golden letters on the fronts of the proud buildings: Field Museum, McCormick University, Widener Library, Carnegie Institute, Lick Observatory, Rockefeller Foundation. And this means more than simply the satisfaction of personal pride. It means that the entire world of science becomes their adherents and considers their exploitation of the American people a more desirable condition for the advancement of science than when in other countries money for science must be extorted in meagre amounts from uninterested governments. Founding and endowing universities means controlling them; thus the millionaires, by means of their agents who act as presidents and overseers, can see to it that no dangerous elements as teachers may influence the ideas of the students.

The spiritual power that big capital wields in this way hardly requires any sacrifices on their side. If it left all these expenses to Government to provide it would have to pay for them in the form of taxes. Now such foundations are exempt from taxes and often are used as a means to escape taxation. The donations consist of shares of large enterprises; what these institutions receive is the dividend, the money produce for which the capitalists have no other use. The voting power attached to the shares, however, needed in the manipulation and financial strategy of the masters, the only thing that concerns them, by carefully devised statutes is securely kept in the hands of their agents.

Thus in a firm grip the monopoly capitalists dominate industry, traffic, production, public life, politics, the church of course, the press, the reviews, the universities, science and art. It is the most

highly developed form of class domination, of an all powerful small minority over the entire bourgeoisie, and thus over the entire American people, "United States incorporated." It is the most perfect form of capitalist rule, because it is based on democracy. By the democratic forms of life it is firmly rooted in society; it leaves all the other classes—the smaller bourgeoisie, the intellectuals, the farmers, the mass of the workers—convinced that they are free men in a free country, struggling of course against mighty social forces, but still master of their lot, choosing their own way. It has been built up, gradually and instinctively, in a shrewdly composed organisation of all economic and spiritual forces. The main part of business, as well as of spiritual life is interwoven into a system of dependencies, accepted as existing conditions, camouflaged in an appearance of independent action and free individuality. Whoever tries opposition is thrown out and destroyed; whoever collaborates willingly, though obliged to continual struggle with competitors, finds his place in the system.

Against this domination of the big monopolists the capitalist world has no means of resistance or redress. Hundreds of times, in the most varied ways, attempts have been made to break their power, by action before the courts, by legislation against trusts and combinations, by election campaigns, by new political parties with new slogans. But it was all in vain. Of course; for it would have meant return to unorganised small business, contrary to the essential nature of social development. Attempts to prepare the way for further development towards collective production, by means of fundamental criticism, were made in the propaganda of "technocracy" by a group of intellectuals and engineers, as well as in the action of the Social-Democratic Party. But their forces were too weak. The bulk of the intellectual class feels well off and content with the system. And as long as skilled labour succeeds in maintaining its position by means of its unions, a powerful revolutionary class-action of the workers cannot be expected.

The American workers have always felt the hard hand of capital and had to fight ever again against its pressure. Though simply a fight over wages and working conditions, it was fought with all the fierceness that under the wild conditions of unbridled business egotism accompanied all fight for mere personal interests. What appeared in such conflicts between labor and capital was first the solidarity of the entire class of business men with big capital. It was an instinctive class-consciousness, fanned to white-heat by the press that, entirely in the hands of capital's servants, denounced the strikers for forged outrages and called them anarchists and criminals. And secondly the spirit of lawlessness and violence in

the same class, inheritance of the pioneer conditions, especially vivid in the far West. The old methods of wild warfare against the Indians and of taking law into their own hands were now used against the new foe, the rebelling class, the strikers. Armed bands of citizens promoted to civic guards and thus qualified to any lawless deed of violence, imprisoned and ill-treated the strikers and applied every form of terrorism. The workers, their old independent pioneer spirit not yet broken, resisted with all means, so that strikes often took the character of small civil wars in which case of course the workers usually had the worst of it. In the industrial towns of the East a well organised police force, strong fellows convinced that strikers are criminals, stand in the service of mayors and town councils who themselves are installed as its agents by big capital. When in big plants or in mining districts strikes broke out, troops of rowdies from the underworld, procured by the Pinkerton office, sworn in by the authorities as special constables, were let loose upon the workers. Thus in America only in extreme cases the workers on strike might hope for the amount of right and order as is the rule, e.g., in England.

All this was no hindrance for the workers to fight. The American labor movement has shown brilliant examples of fighting spirit, courage and devotion, though they always acted in separate groups only. From now on, however, new methods of fight, greater unity, new forms of organisation will gradually be enforced upon them. Conditions are changing; there is no more open land to be settled by pioneers—though, more broadly considered, with better methods the continent might feed many more millions of inhabitants. Now it will be more difficult to uphold the old wage standards. Since the stream of immigration has been stopped the process of Americanisation of the old immigrants is equalizing the working and fighting conditions, and prepares the basis for an all encompassing unity of class. The further conditions will have to be created by the further expansion of capitalism.

American capital is now entering upon world politics. Up till now all its time and force was occupied by organising and raising itself, by taking possession of its continent. Then the first world war made it the paramount financial power. The American supply of war materials to Europe had to be paid, first with European property of American shares, and then with gold and obligations. London lost to New York its place as money-centre of the world. All the European gold assembled in America, property of the American capitalist class. Its congestion already brought a world crisis, because there was no market for an industrial production built upon this abundance of gold.

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Such a market, however, can be created. Thronged in the fertile plains and valleys of Eastern and Southern Asia, many hundreds of millions of people, nearly half the population of the earth, are living as yet in home production or small scale craft and tillage. To convert these intelligent and industrious masses first into buyers of industrial products and then into industrial and agrarian workers in the service of capital is the big opportunity that now faces American capitalism. The supplying of this enormous market will secure an age of rise and prosperity for American industry. The investment of capital, the building of railways and factories, the founding of new industries in those thickly populated countries, promises immense profits from capitalist exploitation and immense increase of power. It is true that by the creation of a capitalist China a mighty competitor will be raised for the future, with the prospect of future world war farther ahead; but that is of no concern now. For the moment the concern is to secure this market by ousting other world powers, especially the strongly developed Japanese capitalism that was at work to found an East-Asiatic Empire under its lead. World politics means wars; that will introduce militarism in America, with all its constraint, with its barrack drill, with its restriction of old liberties, with more violence and heavier pressure. Camouflaged of course in democratic forms, but still creating new conditions of life, new feelings and ideas, a new spiritual outlook, somehow resembling those of old Europe. Then the American workers, partly participating in the power and prosperity of the rise, partly pressed down more heavily by more powerful masters, will need to develop more powerful forms of class fight.

American capitalism built up a power over society and the working class unequalled over the world. Social and political democracy afford a far more solid foundation than any dictatorship could give. Its power rests on its concentrated ownership of all means of production, on its money, on its unrestricted power over State and Government, on its spiritual domination over the entire society. Against a rebellious working class it will be able to bring all the organs of the State into sharper action, to organise still larger bodies of armed defenders, through its press monopoly to incite public opinion into a spiritual terrorism; and when necessary, democracy may even be replaced by open dictatorship. So the working class also will have to rise to a far greater height of power than ever before. Against a more powerful foe higher demands of unity, of insight, of devotion must be satisfied than anywhere else in the world were needed. Their development doubtless requires a long period of fight and growth. The chief weakness of the American working class is its middle class mentality, its entire spiritual sub-

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jection under middle class ideas, the spell of democracy. They will be able to throw it off only by raising their minds to a deeper class consciousness, by binding themselves together into a stronger class unity, by widening their insight to a higher class-culture than anywhere else in the world.

The working class in America will have to wage against world capitalism the most difficult, at the same time the decisive fight for their and the world's freedom.

6. DEMOCRACY

Democracy was the natural form of organisation of the primitive communities of man. Self-rule and equality of all the tribe members determined in their assemblies all the common activities. The same was the case in the first rise of burgherdom, in the towns of Greece in antiquity, of Italy and Flanders in the Middle Ages. Democracy here was not the expression of a theoretical conception of equal rights of all mankind, but a practical need of the economic system; so the journeymen in the guilds took as little part in it as the slaves in antiquity; and larger property usually carried larger influence in the assemblies. Democracy was the form of collaboration and self-rule of free and equal producers, each master of his own means of production, his soil or his shop and his tools. In ancient Athens it was the regular citizens' assemblies that decided on the public affairs, whereas the administrative functions, held for small periods only, circulated by lot. In the mediaeval towns the artisans were organised in guilds, and the town government, when not in the hands of patrician families, consisted of the leaders of the guilds. When at the end of the middle ages the mercenaries of the princes got ascen-

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dancy over the armed citizens the freedom and democracy of the towns were suppressed.

With the rise of capitalism the era of middle class democracy begins, fundamentally though not at once actually. Under capitalism all men are independent owners of commodities, all having the same right and freedom to sell them at their will—the unpropertied proletarians own and sell their labor power. The revolutions that abolished feudal privileges, proclaimed freedom, equality and property. Because in this fight the combined force of all citizens was needed, the promulgated constitutions bore a strongly democratic character. But the actual constitutions were different; the industrial capitalists, as yet not very numerous and powerful, were in fear lest the lower classes whom they trod down by competition and exploitation, should control legislation. So to these classes, excluded from the ballot, during the entire 19th century political democracy is program and goal of their political activities. They are animated by the idea that through the establishment of democracy, through universal suffrage, they will win power over government and in that way be able to restrain or even to abolish capitalism.

And, to all appearance, this campaign succeeds. Gradually the suffrage is extended, and finally in nearly all countries the equal vote for all men and women for the election of members of parliament is established. So this time often is spoken of as the age of democracy. Now it becomes apparent that democracy is not a danger for capitalism, not weakness but strength. Capitalism stands on a solid basis; a numerous middle class of wealthy industrial employers and business men dominates society and the wage earning workers have found their acknowledged place. It is now understood that a social order gains in solidity when all the grievances, all the misery and discontent, otherwise a source of rebellion, find a regular and normalised outlet in the form of criticism and charge, of parliamentary protest and party strife. In capitalist society there is a perpetual contest of interests between the classes and groups; in its development, in the continuous changes of structure and shifting of industries new groups with new interests arise and demand recognition. With suffrage universal, not artificially limited, they all find their spokesmen; any new interest, according to its significance and power, can carry its weight in legislation. Thus parliamentary democracy is the adequate political form for rising and developing capitalism.

Yet the fear for the rule of the masses could not do without warrants against "misuse" of democracy. The exploited masses must have the conviction that by their ballot they are master of their fate, so that if they are not content it is their own fault.

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But the structure of the political fabric is devised in such a way that government through the people is not government by the people. Parliamentary democracy is only partial, not complete democracy.

Only one day in four or five years the people have power over the delegates; and on election day noisy propaganda and advertising, old slogans and new promises are so overwhelming that there is hardly any possibility of critical judgment. The voters have not to designate trusted spokesmen of their own: candidates are presented and recommended by the big political parties, selected by the party caucusses; and they know that every vote on an outsider is practically thrown away. The workers adapted themselves to the system by forming their own party—in Germany the Social Democratic Party, in England the Labor Party—playing an influential role in parliament, sometimes even providing cabinet ministers. Then, however, its parliamentarians had to play the game. Besides their special concern, social laws for the workers, most questions subjected to their decisions relate to capitalist interests, to problems and difficulties of capitalist society. They get used to be caretakers of these interests and to deal with these problems in the scope of existing society. They become skilled politicians, who just like the politicians of other parties constitute an almost independent power, above the people.

Moreover, these parliaments chosen by the people have not full power over the State. Next to them, as a guarantee against too much influence of the masses, stand other bodies, privileged or aristocratic—Senate, House of Lords, First Chamber—whose consent is necessary for the laws. Then the ultimate decision is mostly in the hands of princes or presidents, living entirely in circles of aristocratic and big capitalist interests. They appoint the State secretaries or cabinet ministers directing the bureaucracy of officials, that do the real work of governing. By the separation of the legislative and the executive part of government the chosen parliamentarians do not themselves govern; besides law-making they can only indirectly influence the actual governors, by way of criticism or of refusing money. What is always given as the characteristic of real democracy: that the people chooses its rulers, is not realised in parliamentary democracy. Of course not; for its purpose is to secure the rule of capitalism through the illusion of the masses that they have to decide their own fate.

So it is idle talk to speak of England, of France, of Holland as democratic countries—only for Switzerland this may fit in a way. Politics is the reflection of the state of feelings and ideas in the people. In custom and feeling there is the spirit of inequality, the respect for the "upper" classes, old or new; the worker as a rule

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stands cap in hand before the master. It is a remnant of feudalism, not eradicated by the formal declaration of social and political equality, adapted to the new conditions of a new class rule. The rising bourgeoisie did not know how to express its new power otherwise than by donning the garb of the feudal lords and demanding from the exploited masses the corresponding professions of respect. Exploitation was made still more irritating by the arrogance of the capitalist asking servility also in manners. So in the workers' struggle the indignation of humiliated self-respect gives a deeper colouring to the fight against misery.

In America it is just the reverse. In the crossing of the ocean all remembrances of feudalism are left behind. In the hard struggle for life on a wild continent every man was valued for his personal worth. As an inheritance of the independent pioneer spirit a complete democratic middle class feeling pervades all classes of American society. This inborn feeling of equality neither knows nor tolerates the arrogance of birth and rank; the actual power of the man and his dollar is the only thing that counts. It suffers and tolerates exploitation the more unsuspectingly and willingly, as this exploitation presents itself in more democratic social forms. So American democracy was the firmest base and is still the strongest force of capitalism. The millionaire masters are fully conscious of this value of democracy for their rule, and all spiritual powers of the country collaborate to strengthen these feelings. Even colonial policy is dominated by them. Public opinion in America abhors the idea that it should subjugate and dominate foreign peoples and races. It makes them its allies, under their own free government; then the automatic power of financial supremacy makes them more dependent than any formal dependence could do. It must be understood, moreover, that the strong democratic character of social feelings and customs does not implicate corresponding political institutions. In American government, just as in Europe, the constitution is composed in such a way as to secure the rule of a governing minority. The President of the U.S. may shake hands with the poorest fellow; but president and Senate have more power than king and upper houses have in most European governments.

The inner untruthfulness of political democracy is not an artful trick invented by deceitful politicians. It is the reflection, hence an instinctive consequence, of the inner contradictions of the capitalist system. Capitalism is based upon the equality of citizens, private owners, free to sell their commodities—the capitalists sell the products, the workers sell their labor power. By thus acting as free and equal bargainers they find exploitation and class antagonism as the result: the capitalist master and exploiter, the worker actually

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the slave. Not by violating the principle of juridical equality, but by acting according to it the result is a situation that actually is its violation. This is the inner contradiction of capitalist production, indicating that it can be only a transition system. So it can give no surprise that the same contradiction appears in its political form.

The workers cannot overcome this capitalist contradiction, their exploitation and slavery proceeding from their legal liberty, as long as they do not recognize the political contradiction of middle-class democracy. Democracy is the ideology they brought along with them from the former middle-class revolutionary fights; it is dear to their hearts as an inheritance of youthful illusions. As long as they stick to these illusions, believe in political democracy and proclaim it their program they remain captives in its webs, struggling in vain to free themselves. In the class struggle of to-day this ideology is the most serious obstacle to liberation.

When in 1918 in Germany military Government broke down and political power fell to the workers unrestrained by a State Power above, they were free to build up their social organisation. Everywhere workers' and soldiers' councils sprang up, partly from intuition of necessities, partly from the Russian example. But the spontaneous action did not correspond to the theory in their heads, the democratic theory, impressed by long years of social-democratic teaching. And this theory now was urged upon them with vehemence by their political and union leaders. To these leaders political democracy is the element where they feel at home, in managing affairs as spokesmen of the working class, in discussion and fight with opponents in parliament and conference room. What they aspired at was not the workers master of production instead of the capitalists, but they themselves at the head of State and society, instead of the aristocratic and capitalist officials. This for them was meaning and contents of the German revolution. So they gave out, in unison with the entire bourgeoisie, the slogan of a "National Assembly" to establish a new democratic constitution. Against the revolutionary groups advocating council organisation and speaking of dictatorship of the proletariat they proclaimed legal equality of all citizens as a simple demand of justice. Moreover, the councils, they said, if the workers were set on them, could be included into the new constitution and thereby even get an acknowledged legal status. Thus the mass of the workers, wavering between the opposite slogans, their heads full of the ideas of middle-class democracy, offered no resistance. With the election and meeting of the National Assembly at Weimar the German bourgeoisie acquired a new foothold, a centre of power, an established Government. In this way started the course of events that finally led to the victory of National Socialism.

Something analogous, on a minor scale, was what happened in the civil war in Spain, 1935-1936. In the industrial town of Barcelona the workers having at the revolt of the generals stormed the barracks and drawn the soldiers to their side, were master of the town. Their armed groups dominated the street, maintained order, took care of the food provision, and, whilst the chief factories were kept at work under the direction of their syndicalist unions, waged war upon the fascist troops in adjoining provinces. Then their leaders entered into the democratic government of the Catalan republic, consisting of middle-class republicans allied with socialist and communist politicians. This meant that the workers instead of fighting for their class had to join and to adjust themselves to the common cause. Weakened by democratic illusions and inner dissensions their resistance was crushed by armed troops of the Catalan government. And soon, as a symbol of restored middle-class order, you could see as in olden times workers' women, waiting before the bakers' shops, brutalized by mounted police. The working class once more was down, the first step in the downfall of the republic, that finally led to the dictatorship of the military leaders.

In social crisis and political revolution, when a government breaks down, power falls into the hands of the working masses; and for the propertied class, for capitalism arises the problem how to wrest it out of their hands. So it was in the past, so it may happen in the future. Democracy is the means, the appropriate instrument of persuasion. The arguments of formal and legal equality have to induce the workers to give up their power and to let their organisation be inserted as a subordinate part into the State structure.

Against this the workers have to carry in them a strong conviction that council organisation is a higher and more perfect form of equality. It realizes social equality; it is the form of equality adapted to a society consciously dominating production and life. It might be asked whether the term democracy fits here, because the ending—"cracy"—indicates domination by force, which here is lacking. Though the individuals have to conform to the whole there is no government above the people; people itself is government. Council organisation is the very means by which working mankind, without need of a ruling government, organizes its vital activities. Adhering, then, to the emotional value attached of old to the word democracy we may say that council organisation represents the higher form of democracy, the true democracy of labor. Political democracy, middle-class democracy, at its best can be no more than a formal democracy; it gives the same legal rights to everybody, but does not care whether this implies security of life; because economic life, because production is not concerned. The worker has his equal

right to sell his labor power; but he is not certain that he will be able to sell it. Council democracy, on the contrary, is actual democracy since it secures life to all collaborating producers, free and equal masters of the sources of their life. The equal right in deciding needs not to be secured by any formal regulating paragraph; it is realized in that the work, in every part, is regulated by those who do the work. That parasites taking no part in production automatically exclude themselves from taking part in the decisions, cannot be considered as a lack in democracy; not their person but their function excludes them.

It is often said that in the modern world the point of dispute is between democracy and dictatorship; and that the working class has to throw in its full weight for democracy. The real meaning of this statement of contrast is that capitalist opinion is divided whether capitalism better maintains its sway with soft deceitful democracy, or with hard dictatorial constraint. It is the old problem of whether rebellious slaves are kept down better by kindness or by terror. The slaves, if asked, of course prefer kind treatment to terror; but if they let themselves be fooled so as to mistake soft slavery for freedom, it is pernicious to the cause of their freedom. For the working class in the present time the real issue is between council organisation, the true democracy of labor, and the apparent, deceitful middle-class democracy of formal rights. In proclaiming council democracy the workers transfer the fight from political form to economic contents. Or rather—since politics is only form and means for economy—for the sounding political slogan they substitute the revolutionizing political deed, the seizure of the means of production. The slogan of political democracy serves to detract the attention of the workers from their true goal. It must be the concern of the workers, by putting up the principle of council organisation, of actual democracy of labor, to give true expression to the great issue now moving society.

7. FASCISM

Fascism was the response of the capitalist world to the challenge of socialism. Socialism proclaimed world revolution that was to free the workers from exploitation and suppression. Capitalism responds with a national revolution curbing them, powerless, under heavier exploitation. The socialist working class was confident that it could vanquish the middle-class order by making use of the very middle-class right and law. The bourgeoisie responds by snapping its fingers at right and law. The socialist workers spoke of planned and organised production to make an end of capitalism. The capitalists respond with an organisation of capitalism that makes it stronger than ever before. All previous years capitalism was on the defence, only able apparently to slacken the advance of socialism. In fascism it consciously turns to attack.

The new political ideas and systems, for which from Italy the name Fascism came into use, are the product of modern economic development. The growth of big business, the increase in size of the enterprises, the subjection of small business, the combination into concerns and trusts, the concentration of bank capital and its domination over industry brought an increasing power into the hands of a decreasing number of financial magnates and kings of industry. World economy and society at large were dominated ever more by small groups of mutually fighting big capitalists, sometimes successful stock jobbers, sometimes pertinacious shrewd business tacticians, seldom restricted by moral scruples, always active sinewy men of energy.

At the end of the 19th century these economic changes brought about a corresponding change in the ideas. The doctrine of equality of man, inherited from rising capitalism with its multitude of equal business men, gives way to the doctrine of inequality. The worship of success and the admiration for the strong personality—leading and treading down the ordinary people—distorted in Nietzsche's "super-man"—reflect the realities of new capitalism. The lords of capital,

risen to power through success in gambling and swindling, through the ruin of numberless small existences, are now styled the "grand old men" of their country. At the same time the "masses" ever more are spoken of with contempt. In such utterances it is the down-trodden petty bourgeoisie, dependent, without social power and without aspirations, bent entirely on silly amusements—including the congenial working masses without class consciousness—that serves as the prototype for the will-less, spiritless, characterless mass destined to be led and commanded by strong leaders.

In politics the same line of thought appears in a departure from democracy. Power over capital implies power over Government; direct power over Government is vindicated as the natural right of the economic masters. Parliaments evermore serve to mask, by a flood of oratory, the rule of big capital behind the semblance of self-determination of the people. So the cant of the politicians, the lack of inspiring principles, the petty bargaining behind the scenes, intensifies the conviction in critical observers not acquainted with the deepest causes that parliamentarism is a pool of corruption and democracy a chimera. And that also in politics the strong personality must prevail, as independent ruler of the State.

Another effect of modern capitalism was the increasing spirit of violence. Whereas in the rise of capitalism free trade, world peace and collaboration of the peoples had occupied the minds, reality soon had brought war between new and old capitalist Powers. The need of expansion in foreign continents involves big capital into a fierce fight for world power and colonies. Now forcible subjection, cruel extermination and barbarous exploitation of colored races are defended by the doctrine of the superiority of the white race, destined to dominate and to civilize them and justified in exploiting natural richness wherever it may be. New ideals of splendour, power, world domination of the own nation replace the old ideals of freedom, equality and world peace. Humanitarianism is ridiculed as an obsolete effeminacy; force and violence bring greatness.

Thus the spiritual elements of a new social and political system had silently grown up, visible everywhere in moods and opinions of the ruling class and its spokesmen. To bring them to overt action and supremacy the strong concussions of the world war with ensuing distress and chaos were necessary. It is often said that fascism is the genuine political doctrine of big capitalism. This is not true; America can show that its undisturbed sway is better secured by political democracy. If, however, in its upward struggle it falls short against a stronger foe, or is threatened by a rebellious working class, more forcible and violent modes of domination are needed. Fascism is the political system of big capitalism in emergency. It

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is not created by conscious premeditation; it sprang up, after much uncertain groping, as a practical deed, followed afterwards by theory.

In Italy the post-war crisis and depression had brought discontent among the bourgeoisie, disappointed in its national hopes; and had brought an impulse to action among the workers, excited by the Russian and the German revolutions. Strikes gave no relief, owing to soaring prices; the demand for workers' control, inspired by syndicalist and bolshevist ideas, led to shop occupation, not hindered by the weak and wavering government. It looked like a revolution, but it was only a gesture. The workers, without clear insight or purpose, did not know what to do with it. They tried, in vain, to produce for the market as a kind of productive co-operation. After an arrangement of the trade unions with the employers they peacefully cleared out.

But this was not the end. The bourgeoisie, terror-stricken for a moment, attained in its deepest feelings, fuming revenge now that disdain succeeded fear, organised its direct action. Bands of active pugnacious middle-class youths, fed with strong nationalist teachings, full of instinctive hatred against the workers, their unions, their co-operatives, their socialism, encouraged by bourgeoisie and landowners providing money for arms and uniforms, began a campaign of terrorism. They destroyed workers' meeting rooms, ill-treated labor leaders, sacked and burnt co-operatives and newspaper offices, attacked meetings, first in the smaller places, gradually in the bigger towns. The workers had no means of efficient response; wont to peaceful organising work under the protection of law, addicted to parliamentarism and trade union fight, they were powerless against the new forms of violence.

Soon the fascist groups combined into stronger organisation, the fascist party, its ranks ever more joined by energetic youths from the bourgeoisie and the intellectuals. Here, indeed, these classes saw a rescue from the impending threat of socialism. Now the riots grew into a systematic destruction and annihilation of everything the workers had built up, the ill-treatment grew into unpunished murder of prominent socialists. When at last the liberal ministers made some hesitating attempts to suppress the outrages they were turned out, on the menace of civil war, and the leaders of fascism, appointed in their place, became masters of the State. An active organised minority had imposed its will upon the passive majority. It was not a revolution; the same ruling class persisted; but this class had got new managers of its interests, proclaiming new political principles.

Now fascist theory, too, was formulated. Authority and obedi-

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ence are the fundamental ideas. Not the good of the citizens but the good of the State is the highest aim. The State, embodying the community, stands above the entirety of the citizens. It is a supreme being, not deriving its authority from the will of the citizens, but from its own right. Government, hence, is no democracy, but dictatorship. Above the subjects stand the bearers of authority, the strong men, and uppermost the—formally at least—all-powerful dictator, the Leader.

Only in outer forms does this dictatorship resemble the ancient Asiatic despotisms over agrarian peoples or the absolutism in Europe some centuries ago. These primitive monarchial governments, with a minimum of organisation, soon stood powerless over against the rising social power of capitalism. The new despotism, product of highly developed capitalism, disposes of all the power of the bourgeoisie, all the refined methods of modern technics and organisation. It is progress, not regress; it is not return to the old rough barbarism but advance to a higher more refined barbarism. It looks like regression because capitalism, that during its ascent evoked the illusion of the dawn of humanity, now strikes out like a cornered wolf.

A special characteristic of the new political system is the Party as support and fighting force of dictatorship. Like its predecessor and example, the Communist Party in Russia, it forms the bodyguard of the new Government. It came up, independent from and even against Government, out of the inner forces of society, conquered the State, and fused with it into one organ of domination. It consists chiefly of petty-bourgeois elements, with more roughness and less culture and restraint than the bourgeoisie itself, with fell desire to climb to higher positions, full of nationalism and of class hatred against the workers. Out of the equable mass of citizens they come to the front as an organised group of combative fanatical volunteers, ready for any violence, in military discipline obeying the leaders. When the leaders are made masters over the State they are made a special organ of Government, endowed with special rights and privileges. They do what lies outside the duties of the officials, they do the dirty work of persecution and vengeance, they are secret police, spies and organ of propaganda at the same time. As a devoted semi-official power with undefined competencies they permeate the population; only by their terrorism dictatorship is possible.

At the same time, as counterpart, the citizens are entirely powerless; they do not influence government. Parliaments may be convoked, but only to listen and applaud to speeches and declarations of the leaders, not to discuss and decide. All decisions are taken in the set assemblies of party chiefs. Surely this was usually the case

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under parliamentarism also; but then secretly, and publicly denied; and always there was control by party strife and public criticism. These have disappeared now. Other parties than the One are forbidden, their former leaders have fled. All newspapers are in the hands of the Party; all publicity is under its control; free speech is abolished. The former source of power of Parliament, its financial control of Government by voting or refusing money, has gone, too. Government disposes at its will over all State revenues without rendering account; it can spend unknown and unlimited sums of money for party purposes, for propaganda or anything else.

State power now takes up the care for economic life, making it at the same time subservient to its own purposes. In a country where capitalism is still in its development, this means collaboration with big capital, not as in former times in secret, but as a normal duty. Big enterprise is furthered by subsidies and orders; public services are actuated for business life, the old laziness disappears, and foreign tourists in praise of the new order relate that the trains conform to schedule. Small enterprise is organized in "corporations" where employers and directors collaborate with controlling State officials. "Corporatism" is put up as the character of the new order against parliamentarism; instead of deceitful talk of incompetent politicians comes the expert discussion and advice of the practical business man. Thus labor is acknowledged as the basis of society: capitalist labor, of course.

The fascist State through its regulations strengthens the economic power of big capital over small business. The economic means of big capital to impose its will are never entirely adequate; in a free State ever again small competitors come up, take a stand against the big ones, refuse to conform to agreements, and disturb the quiet exploitation of customers. Under fascism, however, they have to submit to the regulations established in the corporations according to the most influential interests and given legal validity by decree of government. Thus the entire economic life is subjected more thoroughly to big capital.

At the same time the working class is made powerless. Class war, of course, is "abolished." In the shop all are collaborating now as comrades in the service of the community; the former director, too, has been turned into a worker and a comrade; but as he is the leader, clad with authority, his commands must be obeyed by the other workers. Trade unions, being organs of fight, of course are forbidden. The workers are not allowed to fight for their interests: State power takes care of them, and to the State authorities they have to bring forward their complaints—usually neutralized by the greater personal influence of the employers. So a lowering of

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working conditions and standard of life was unavoidable. As a compensation the workers, now assembled in fascist organisations with Party members as designated dictatorial leaders, were regaled with brilliant speeches on the eminence of labor, now for the first time acknowledged in its worth. For capital times were good now, times of strong development and high profits, notwithstanding the often troublesome control of ignorant fascist officials demanding their share. Capitalists of other countries visited with troubles and strikes, looked with envy at the industrial peace in Italy.

More consciously than elsewhere nationalism uprises as the all dominating ideology, because it affords a basis to theory and practice of State omnipotence. The State is the embodiment, the organ of the nation; its aim the greatness of the nation. For the raising of the power needed in the world fight of capitalism fascism in many points is superior to other political systems. With all the forces of State-paid propaganda national feelings and pride are aroused; the ancient Romans are exalted as the great ancestors, the Emperor Augustus is celebrated as the great Italian, the Mediterranean is called "our sea," the glory of ancient Rome has to be restored. At the same time military power is built up; war industry is promoted and subsidized; for armaments Government through lack of any public control can secretly spend as much money as it wants. The Italian Government and bourgeoisie grew boastful and aggressive. They wanted their country not to be admired as a museum of ancient art any more, but respected as a modern country of factories and guns.

For many years Italy was the only European country, besides Russia, that had a dictatorial government. So it might seem a result of special chance conditions there. Then, however, other countries followed. In Portugal, after many bickerings between parties in Parliament and military officers, the generals seized power, but felt incapable of solving the many economic difficulties. So they appointed a well known fascist-minded professor of economy to act as dictator under the name of prime minister. He introduced corporatism to take the place of parliamentarism, and was much praised for the undisturbed firmness of his reign. The petty-capitalist stage of development in this country is shown in that his most praised reform was economizing in finance by cutting the government expenses.

It seems a contradiction that fascism, a product of big capitalism, should happen to rule in backward countries, whereas the

countries of biggest capitalism reject it. The latter fact is easily explained, because democratic parliamentarism is the best camouflage for its sway. A system of government is not connected automatically with a system of economy. The economic system determines the ideas, the wishes, the aims; and then people with these aims in mind adjust their political system according to their needs and possibilities. The ideas of dictatorship, of the sway of some few strong individuals, countered by other strong social forces in countries where big capital reigns, in distant regions also strike the minds, where big capitalism is no more than aspiration of future development.

In backward countries, when capitalism begins to come up and to stir the minds, the political forms of advanced countries are imitated. Thus in the second part of the 19th century parliamentarism held its triumphal course through the world, in the Balkans, in Turkey, in the East, in South America, though sometimes in parody forms. Behind such parliaments stood no strong bourgeoisie to use them as its organ; the population consisted in large landowners and small farmers, artisans, petty dealers, with chiefly local interests. Parliaments were dominated by jobbers enriching themselves through monopolies, by lawyers and generals ruling as ministers and bestowing well-paid offices on their friends, by intellectuals making business out of their membership, by agents of foreign capital preying upon the riches of timber and ore. A dirty scene of corruption showing that parliamentarism did not sprout from sound and natural roots here.

Such new countries cannot repeat the gradual line of development of the old capitalist countries in first ascent. They can and must introduce highly developed technics at once; on their pre-capitalist conditions they must implant big industry directly; acting capital is big capital. So it is not strange that the political forms generated by petty capitalism in Europe do not fit here. There parliamentarism was firmly rooted in the consciousness of the citizens and had time gradually to adapt itself to the new conditions. Here, at the outskirts, the fascist ideas of dictatorship could find adherence, since the practice of politics was already conforming to it. Landowners and tribe chieftains easily convert their old power into modern dictatorial forms; new capitalist interests can work better with some few mighty men than with a host of greedy parliamentarians. So the spiritual influences of big world capital find a fertile field in the political ideas of rulers and intellectuals all over the world.

8. NATIONAL SOCIALISM

Far more important are the forms of fascism presented by the most strongly developed country of capitalist Europe. After having lost the first world war and after being pressed down to entire powerlessness, Germany through fascism was enabled to prepare for a second, more formidable attempt at world power.

In the post-war years of misery and humiliation the gradually assembling nationalist youth felt by instinct that its future depended on organisation of power. Among the many competing organisations the National Socialist Party crystalized as the group with the greatest growing faculty, and afterwards absorbed the others. It prevailed by having an economic program, sharply anti-capitalist—hence denoted socialist—fit to attract the petty bourgeoisie, the farmers and part of the workers. Directed of course against capital such as these classes know it as their suppressor, the usury capital, the real estate banks, the big warehouses, especially against Jewish capital therefore. Its anti-semitism expressed the feelings of these classes as well as of the academic circles who felt threatened by Jewish competition now that the republic had given equal civil rights. Its acute nationalism gave expression to the feelings of the entire bourgeoisie, by sharply protesting against Germany's humiliation, by denouncing Versailles, and by the call to fight for new power, for new national greatness. When then the great crisis of 1930 reduced the middle class masses to a panic fright, when these, through their millions of votes, made national socialism a powerful party, German big capital saw its chance. It gave money for an overwhelming propaganda that soon beat the wavering liberal and socialist politicians out of the field, made national socialism the strongest party and its leader chief of the government.

Unlike other parties in government its first provisions were to make sure that it never should loose its government power. By excluding the Communist Party as criminals from the Reichstag and affiliating the lesser nationalist groups it secured a majority to start

with. All important government and police offices were filled by party members; the communist fighting groups were suppressed, the nationalist ones were privileged. Protected by the authorities the latter, by deeds of violence, with impunity could spread so much terror that every idea of resistance was quelled in the people. The daily press first was muzzled, then gradually captured and "equalized" into organs of national socialism. Socialist and democratic spokesmen had to flee to other countries; the widely spread socialist and the not less hated pacifist literature was collected in violent searches and solemnly burned. From the first days began the persecutions of the Jews, that gradually became more cruel, and at last proclaimed as their aim the extermination of the entire Jewish race. As a heavy steel armour the dictatorship of a resolute, well-organised minority closed around German society, to enable German capital as a well-armoured giant to take up again the fight for world power.

All political practice and all social ideas of national socialism have their basis in the character of its economic system. Its foundation is organisation of capitalism. Such among the first adherents who insisted upon the old anti-capitalist program were of course soon dismissed and destroyed. The new measures of state control over capital were now explained as the formerly promised subjection and destruction of capitalist power. Government decrees restricted capital in its freedom of action. Central government offices controlled the sale of products as well as the procuring of raw materials. Government gave prescripts for the spending of profits, for the amount of dividends allowed, for the reserves to be made for new investments, and for the share it required for its own purposes. That all these measures were not directed against capitalism itself, but only against the arbitrary freedom of capital dispersed over numerous small holders, is shown by the fact that herein Government was continually guided by the advice of big capitalists and bankers outside the party, as a more resolute sequel of what had been started already in collaboration with former less daring governments. It was an organisation imposed by the condition of German capitalism, the only means to restore it to power.

Under capitalism capital is master; capital is money claiming the surplus value produced by labor. Labor is the basis of society, but money, gold, is its master. Political economy deals with capital and money as the directing powers of society. So it had been in Germany, as anywhere. But German capital was defeated, exhausted, ruined. It was not lost; it had maintained itself as master of the mines, the factories, of society, of labor. But the

money had gone. The war reparations pressed as a heavy debt, and prevented rapid accumulation of new capital. German labor was tributary to the victors, and through them to America. Since America had secluded itself from the imports of goods it had to be paid in gold; gold disappeared from Europe and choked America, pushing both into a world crisis.

The German "revolution" of 1933—proudly called so by national socialism—was the revolt of German against American capital, against the rule of gold, against the gold form of capital. It was the recognition that labor is the basis of capital, that capital is mastery over labor, and that, hence, gold is not necessary. The real conditions for capitalism, a numerous intelligent and skilled working class and a high stage of technics and science, were present. So it repudiated the tribute, rejected the claims of foreign gold, and organized capitalist production on the basis of goods and labor. Thus, for the use of internal propaganda, always again it could speak of fight against capital and capitalism; for capital was money, was gold that reigned in America, in England, in France, as it had reigned formerly in Germany. The separating cleft, in this line of thought, gaped between the gambling and exploiting usurers and money capitalists on the one side, and the hard toiling workers and employers on the other side.

Under free capitalism the surplus value growing everywhere out of production piles up in the banks, looks out for new profits, and is invested by its owner or by the bank in new or in existing enterprises. Since in Germany money was scarce State government had to provide the means for founding new necessary enterprises. That could be done only by seizing the profits of all enterprises for this purpose, after allowance of a certain dividend for the shareholders. So it established itself as the central leader of economy. In the emergency of German capitalism the spending of capital could not be left to the will and whim of private capitalists, for luxury, for gambling or foreign investment. With strict economy all means must be used for reconstruction of the economic system. Every enterprise now depends on the credit assigned by the State and stands under continuous control of the State. The State for this purpose has its economic offices of experts, in which the leaders of the big enterprises and concerns by their advice are dominating. This means a complete domination of monopolist capital over the smaller capitalists in a system of planned economy. Conscious organisation has replaced the automatism of gold.

Germany, though striving after autarchy, could not exist without importing raw materials from outside, paying for them, because it

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had no money, by exports of its own products. Hence commerce could not be left to the arbitrariness of private dealers, to the wish of the public for superfluous or foreign fancies. When all sales shall serve the necessary reconstruction Government has to supervise foreign commerce by rigid prescripts, or take it in its own hand. It controls and limits every transfer of money across the frontiers, even tourist travels; all drafts on foreign debtors must be delivered. The State itself takes up large-scale commerce, purchase as well as sale. The great difficulty of the old economic system, the transition of commodities into gold, the selling of the goods, the primary cause of so much faltering and crisis, is thereby automatically solved at the same time. The State, as universal dealer, is able in every purchase contract to stipulate that the same value of its product shall be bought, so that no money is needed. Or expressed in another way: in selling its goods it asks to be paid not in money but in kind, in other goods: German machines against Hungarian wheat or Roumanian oil. Gold is eliminated from business by direct barter of goods.

But now barter on a gigantic scale, of the produce and needs of entire countries at once. Private dealers in the other countries seldom have such monopolies as are needed here; moreover such big transactions, especially of materials serviceable to war have political consequences. Hence the foreign governments have to step in. If they were not yet adapted to such economic functions they now adapt themselves; they take in hand the disposal over the products, and in their turn go to regulating commerce and industry. Thus State control in a big country leads to state control in other countries. A new system of economy, the system of direct barter of goods, is introduced into international commerce. It is especially attractive to the rising countries that are purveyors of raw materials. They now get their machines and canons, without in Paris and London contracting heavy loans that would bring them into financial dependence. Thus German economic expansion is costing English and French capital from those countries; and it is accompanied by political expansion. With the new economic system the ruling classes there adopt the new political ideas, the fascist system of government, that increases their power at home and better fits their needs than an imitation of parliamentarism. Politically they are drawn nearer to Germany. Thus what at first, according to old economic ideas, looked a paralyzing weakness, the lack of gold, was now turned into a source of new force.

German capitalism saw a new road opened towards resurrection and power. This could not but have an enormous influence upon the ideas and feelings of the bourgeoisie, especially upon the capitalist

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and intellectual youth. It had experienced the poverty and dejection in the post-war years, the desperation and impotence under the Weimar republic; now again it saw a future full of hope. When a class, from pressure and dependence, sees looming up a future of greatness with as yet unlimited possibilities, enthusiasm and energy are awakened; it clothes the coming world with the garb of exalted ideologies inspiring the minds. Thus national socialism speaks of its conquest of power as a grand social, political and spiritual revolution, far surpassing all previous ones, a revolution that ends capitalism, establishes socialism and community, one destined to renovate society for thousands of years.

What really happened was only a structural change of capitalism, the transition from free to planned capitalism. Yet this change is important enough to be felt as the beginning of a new grand epoch. Human progress always consisted in the replacing of instinctive action, of chance and custom by deliberate planning. In technics science had already replaced tradition. Economy, however, the social entirety of production, was left to the chance of personal guessing of unknown market conditions. Hence wasted labor, destructive competition, bankruptcy, crisis and unemployment. Planned economy tries to bring order, to regulate production according to the needs of consumption. The transition of free capitalism to capitalism directed by State-dictatorship means, fundamentally, the end of the pitiless fight of all against all, in which the weak were succumbing. It means that everybody will have his place assigned, an assured existence, and that unemployment, the scourge of the working class, disappears as a stupid spilling of valuable labor power.

This new condition finds its spiritual expression in the slogan of community. In the old system everybody had to fight for himself, only guided by egotism. Now that production is organized into a centrally directed unity, everybody knows that his work is part of the whole, that he is working for the national community. Where loss of old liberty might evoke resentment an intense propaganda accentuates the service of the community as the high moral principle of the new world. It is adequate to carry away especially young people into devoted adherence. Moreover the anti-capitalist fiction of the exclusion of the gold, by persistent propaganda is hammered into the minds as the new reign of labor. Community and labor find their common expression in the name socialism.

This socialism is national socialism. Nationalism, the mightiest ideology of the bourgeoisie, stands over all other ideas as the master they have to serve. The community is the nation, it comprises only the fellow people, labor is service of the own people. This is the

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new, the better socialism, entirely opposed to the international socialism of Jewish Marxism that by its doctrine of class war tore the national unity asunder. It had made the German people powerless; national socialism makes the national community a mighty unbreakable unity.

For national socialist doctrine the nations are the entities constituting mankind. The nations have to fight for their place on earth, their "living space"; history shows an almost uninterrupted series of wars in which strong peoples exterminated, drove out or subjected the weaker ones. Thus it was and thus it will be. War is the natural condition of mankind, peace is nothing but preparation of future war. So the first duty of every people is to make itself powerful against others; it has to choose between victory or downfall. Internationalism and pacifism are bloodless abstractions, yet dangerous because they are sapping the strength of the people.

The first aim of national socialism was to make a powerful unity of all German-speaking people. Through adversity of historical development it had been divided into a number of separate states, only incompletely united in Bismarck's former Reich—the Austrian part remaining an independent state—moreover mutilated by the victors of 1918. The call for national unity met with a wide response in the feelings, even of such isolated groups as the German settlers in Transylvania or in America. In consequence of the interlacing of living sites of different races, as well as by economic connections, the principle of political unity of course encounters many difficulties. The German-speaking town of Danzig was the natural harbour for the surrounding Polish hinterland. The Czecho-Slovak State as a Slavonic protrusion separated the Northern and the Austrian Germans, and included on the inner slopes of the frontier ridges (Sudetes) an industrious German population. Under capitalism such abnormal cases are not solved by any fair principle of equitable dealing, but by power against power. So they were the direct motives that gave rise to the present world war.

From the first day preparation for war was the leading thought of national socialism, the goal of all its measures. For this purpose industry was supervised and regulated by the State, for this purpose private profits and dividends were cut down, for this purpose the investment of capital and the founding of new enterprises was reserved to Government economic offices. All surplus value beyond a certain profit rate for the shareholders is taken by the State for its needs; these needs are the supreme common interest of the entire bourgeoisie. In old capitalism the State had to procure money for

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its needs by taxation, sometimes by the cunning method of unfair indirect taxes; or, if by direct taxes, conceded grudgingly and under suspicious control by the propertier citizens, and considered as an unrighteous incursion upon their personal expenditure. Now this is all changed. The State by its own right takes what it wants directly at the source, the chief part of the surplus value, and to the capitalist owners it leaves some remnant fixed at its own discretion. No more the State has to beg from the masters of the means of production; it is itself master now and they are the recipients. An enormous increase of financial power compared with other States; but indispensable for success in the world fight. And again national socialism in this way shows off before the people's masses as the power that curbs capital, by enforcing it to deliver the main part of its profit to the common weal, to the community.

Moreover the State is direct master of production. In the old capitalism, when the State had with difficulty extorted money for war expenses from Parliament, or borrowed it under fat provisions from the bankers, it had to spend it on the monopolistic private arms industry. These concerns, internationally connected, though they paraded as national firms, Krupp in Essen, Schneider in Le Creusot, Armstrong in England, not only took their big profits, but without conscientious scruples impartially supplied enemies and allies with the most perfect and newest inventions. It looked as if war were a puerile play of politicians to fatten some few armament capitalists. To national socialism, however, war is the most serious affair, for which an unlimited part of the entire industrial apparatus can be used. Government decides what big portion of the total steel and chemical industry shall serve for armaments. It simply orders the factories to be built, it organises science and technics to invent and try new and better weapons, it combines the functions of military officer, engineer, and inventor, and makes war science (Wehrwissenschaft) the object of special training. Armoured cars, dive bombers, big submarines with ever more perfect installations, rapid torpedo boats, rockets, all of new construction, can be built in secret. No information reaches the enemy, no sensational daily press can publish any notice, no parliament members can ask information, no criticism has to be encountered. Thus the arms are heaped up during years of feverish war preparation till the moment of attack has arrived.

In old capitalism war was a possibility, avoided as long as possible, or at least disclaimed, a war of defence mostly on the part of the old satisfied Powers. The new upgrowing powers, aggressive because they have to conquer their share in the world, have a positive aim that strains the energy much more intensely than does the

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negative aim of mere passive defence of existing conditions. They are "dynamic"; in military tactics this character is represented in the irresistible impulse of the well prepared mass offensive.

Thus German capitalism, by installing a national socialist government completely dominating the entire economic life, provided itself with an incomparable war machine. The question may be posed, however, whether it did not shoot past the aim. In striving for power over the world, did it not lose its mastery at home? Could the German bourgeoisie still be called the ruling class?

German state control is no state socialism. The State is not, as it is in Russia, owner of the means of production. In Russia the bureaucracy of State officials collectively owns the industrial apparatus; it is the ruling and exploiting class, appropriating the surplus value. In Germany there is a numerous bourgeoisie, directors of enterprises, free employers, officials, shareholders; they are the owners of the means of production living on surplus value. But now the two functions of the shareholder are separated; the right of disposal is detached from ownership. Under big capitalism the right of disposal is the most important function of capitalist ownership; we see it in America in the holding companies. Then the owner in his character of exploiter only retains the function of receiving part of the profits. In Germany Government took for itself the right of disposal, the right to manipulate with capital, to direct production, to increase the productivity and to distribute the profits. For the mass of the bourgeoisie there remained the detailed work of directing their enterprises and gambling with the shares. Since production and import both are determined by the State, private dividends could not be spent in another way than by buying industrial shares, i.e., by returning the profits as new capital into State-controlled industry.

Thus big capital retained power. Surely its expectation when it put national socialism at the head of the State, of finding obedient servants, was disappointed; the old masters of industry and banks had to share their power with the new masters of the State, who not only partook in the directing but also in the pocketing. Big capital in Germany had not yet taken the American form of an unassailable property of some families; capable men of daring from anywhere could rise to the leadership of big concerns. Now they had to share their leading power with other men of daring risen to power by way of politics and party fight. In the economic offices the leaders of big business meet with the political leaders in the common task of regulating production. The dividing line between private capitalists and State officials disappears in the coalescing of func-

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tions. Together they are master of the State and of the means of production.

With the deep changes in economic and political conditions a new state of mind pervaded the German people. The mutual connection and dependence became stronger, gradations of value and rank were felt, the authority of leaders, the obedience of the masses imposed themselves; consciousness of subordination in large entities accompanies planned economy. And above all, in the entire middle class there is a strained nationalism, a passionate will to fight for world power. Though growing spontaneously out of the new conditions this new spirit was not left to develop freely; for in that case opposite ideas and forces would arise at the same time. It was the object of an intense one-sided propaganda. To make these feelings a spiritual force binding the entire nation into a fighting unity, they were fostered and developed by special means. Propaganda and education were made the task of a separate State department, endowed with unlimited financial means. All usable forces of publicity, of science, literature and art were set to work systematically to cram the national socialist ideas into all the heads, with exclusion of all deviating spiritual influences.

This implied a complete spiritual despotism. Whereas under former systems of despotism the daily press was only muzzled or harassed by a stupid censorship, often outwitted by the wits of editors, now the entire press was annexed by the Party and provided with party members as editors. The national socialist State was not only master of the material life of man, it was also master of the spiritual life, by means of the Party. No books or writings expressing deviating opinions could be published; foreign publications were carefully controlled before being admitted. Secret printing of independent or opposite opinions was not only punished severely as capital crime, but also rendered difficult by State control of all materials. It is intellectual cowardice that shuns dispute on equal terms and dares to attack and insult the adversary only after he has been fettered and muzzled. But it was efficient; the party press was able, without compensation, day by day to force upon the readers not only its doctrine but also its biased representation or misrepresentation of facts and happenings, or to omit them entirely. Notwithstanding all preconceived distrust of one-sided information, the ever repeated, never contradicted views, so well confirmed by the facts presented, must in the long run take hold of the minds. The more so as they were presented as part and result of an attractive

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doctrine, the ideology of community and labor: the end of selfishness and exploitation, the new reign of devotion to the people's weal, regulated work and prosperity for all, the common exertion for the greatness and the future of the nation, with severe punishment of course for all its enemies.

At the same time all verbal intercourse was strictly controlled. The party everywhere had its members and adherents, in the offices, in the shops, all inspired with the moral duty to denounce for punishment, as enemies of the community, all who expressed other opinions, ventured criticism, or spread rumours. Thus no opposition could form, except in the extreme secrecy of insignificant groups; everywhere a feeling of utter powerlessness prevailed.

Thus, compared with the ancient forms of despotic rule, modern capitalism showed an enormous progress of efficiency in the technics of suppression. Whether we take the English Tory Government in the beginning of the 19th century, that had no police force, or the Prussian absolutism or Russian Czarism in later times, with their primitive barbarous cruelty, they all present the spectacle of stupid helplessness, normal for a government living far from the people. In the English courts editors and authors made a tough fight for reform and freedom of press, applauded by the people when they went to gaol. The Czarist gaolers often could not conceal their respect for the revolutionaries as representatives of superior culture. Repeatedly Prussian police, trapped by the better organisation of the socialist workers, had to suffer exhibition as simpletons before the courts.

Now that was all over. The new despotism was equipped with all the engines of the modern State. All force and energy that capitalism evokes is combined with the most thorough-going tyranny that big capital needs in order to uphold its supremacy. No tribunal to do justice to the subject against the State. The judges are Party members, agents of the State, dismissed if they are soft, bound to a statute book, administering justice after decrees from above. Law suits are public only when needed for propaganda, to intimidate others; and then the papers bring only what the judge deems adequate. The police consist of strictly organised and disciplined ruffians provided with all weapons and methods to beat down the "Volksgenossen." Secret police again were all powerful, were more capable than it was in olden times. No law secured anybody from being put in gaol, for unlimited time, without trial. The concentration camp, formerly invented as a war measure against guerillas, now was installed as a form of mass-prison with hard labor, often accompanied by systematic cruelties. No personal dignity was respected; it did not exist any more. Where petty bourgeois coarse-

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ness, turned into perverse abuse of unlimited power, was provided with all the inventiveness of modern capitalism, cruelty against the victims can reach a pitch rivalling the worst barbarousness of former centuries. Cruelty as a rule is a consequence of fear, experienced in the past or felt for the future, thus betraying what is hidden in subconsciousness. But for the moment all adversaries were made powerless, silenced and intimidated.

Spiritual tyranny was supplemented by incessant propaganda, especially adapted to the younger generation. The rulers know quite well that they can win over only very few of the older generation of workers who, grown up in the nobler ideas of Social Democracy, preserved these as a precious remembrance, though bereft of practical use. Only for the younger adults who experienced Social Democracy in its decline, as a ruling party, the propaganda could be effective. But it was in the upgrowing youth which it did itself educate and shape, that national socialism placed its hope as material for its new world.

It cannot surprise that here it met with great success. As no party or group before it concerned itself with youth. National socialism appointed able leaders well versed in modern psychology, disposing of ample financial means, who, with entire devotion assembled and educated the youth in an all-embracing organisation. All the innate feelings of comradeship, of mutual aid, of attachment, of activity, of ambition could develop in young people. They were filled with the self-confidence of being an important part of the national community with an important task of their own. Not to win a good position for oneself, the highest ideal of the youngsters in capitalist society, but to serve and forward the national community. The boys had to feel future fighters, preparing for great deeds, not by learned studies but by vigour, pluck, fighting capacity and discipline. The girls had to prepare for the future of being heroic German mothers; increase of population, as rapid as possible, was a condition for strength in the world fight.

With ardour the children imbibed the new teachings that far outweighed the spiritual influence of their parents and teachers. Against these they acted as fervent champions and spokesmen of the new creed, especially educated for that task. Not simply to extend the propaganda into home and school, but still more to report to their new leaders home disputes and controversies. Hence to act as spies and denunciators of their own parents, who under the threat of severe punishment had to abstain from any attempt to educate their children in their own spirit. The children belonged to the State, not to the parents. Thus for the future war an army of millions was prepared unrivalled for enthusiasm and devotion.

Such an education implies careful protection against any opposite influence that could evoke doubts, uncertainties and inner conflicts. Doubts and inner conflicts, to be sure, produce strong characters, independent thinkers; but for such national socialism had no use. What it needed, and what it tried to rear by one-sided teaching of the one sole truth, was blind faith and, based thereon, fanatical devotion, expedient for irresistible assault.

The strength of national socialism lay in its organisation of the material production, of physical forces. Its weakness lay in its attempt to uniformize the mentalities, the intellectual forces, in both cases by brutal constraint. Most of its adherents and spokesmen came from the lower middle class, rough, ignorant, narrow-minded, desirous to win a higher position, full of prejudices, easily addicted to brutality. They came to power not through intellectual but through physical and organisational superiority, by daring and combativeness. They imposed their spirit of violence upon the dominated intellectuals and workers. Thus respect for brute strength, contempt for science and knowledge was bred in the upgrowing generation; for the ambitious, instead of painful patient study, an easier way to high positions led through party service that demanded no knowledge but only sturdy drilling, physical training, rough force and discipline.

Big capitalism, however, cannot develop without science as the basis of technical progress, and without an intellectual class with important functions, economic and social. Furthering and encouragement of science is a life interest for capital. Its new political system brought it into contradiction not only with humanity and culture, but also with its own spiritual basis. To uphold its dominance it suffered to decay what constituted its force and justification. This will avenge itself when in the contest of capitalisms for world power the highest perfection in technics is imperative, and its neglect cannot be made good by physical constraint. The great scientific and technical capacities of the German people, of its engineers, its scientists, its workers, who brought it to the front of industrial progress, **now** chained to the war chariot of big capitalism **and, enhancing its fighting strength, will be wasted and spoilt in this bondage.**

National socialism, moreover, tried to impose its very theory upon science, in giving to nationalism the theoretical expression of the racial doctrine. Always German nationalism had taken the form of worship of the ancient Teutons whose virtues as a mirror for the effeminate Romans had been exalted by Tacitus. German authors had exposed the theory of the "Nordic" race, superior to other races and destined to dominate them, and nowadays represented by the

Germans and some adjacent peoples. This theory was now blended with anti-semitism. The special capacities of the Jews for commerce and money dealing, for medicine and jurisprudence had, half a century ago already, aroused strong anti-semitic feelings among the petty bourgeoisie and in academic circles. Neither among the great bourgeoisie, that by its mastery of the industrial surplus value was without fear of Jewish finance, nor among the working class had they any importance. Anti-semitism was a sentiment of the lower middle class; but most adherents of national socialism came from these very circles. Jewish immigration from the East after the first world war, introducing its primitive trade methods of barter, and the appointing of Jews in political offices in the Weimar republic intensified the hatred and made anti-semitism the main creed of the most influential new leaders.

Thus racial theory became the central doctrine of national socialism. Real Germans were not all the German-speaking inhabitants of Germany, but only the "Aryans"—the same held good for surrounding peoples as the Scandinavians and the Dutch; the English were too much corrupted already by capitalism. The non-Aryan cohabitants, the Jews, have no rights; the allowance to settle they misused by assembling capital and by robbing and insolently suppressing the Aryans. So now they were expropriated and the persecutions gradually increased to rough abuse and deliberate extermination.

National socialism by means of its political power forced this racial theory upon science. It appointed the spokesmen of the doctrine as university professors, and profusely procured funds for publishing books and periodicals for its vindication. That the amount of scientific truth in it is extremely meagre could be no hindrance. Capitalism in power always elevates to official science the doctrines that serve its purposes; they dominate the universities everywhere; but criticism and opposite opinions have the possibility to express themselves, albeit not from official chairs. Under national socialism, however, all critical discussion of the official doctrine was made impossible.

Still more grotesque was the extension of the racial theory to physics. In physics Einstein's theory of relativity was considered by almost the entirety of physicists as a most important progress of science, basis of numerous new developments. But Einstein was a Jew, and so anti-semitism took a stand against this theory. When national socialism came to power the Jewish professors, men of world fame often, were dismissed and expelled; the anti-semitic opponents of relativity were hailed as the genial spokesmen of "German physics," the expression of sound and simple Aryan intel-

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ligence, against "Jewish physics," consisting in crooked theories contrived by Talmudian distortion of thought. It is easily seen that that "sound Aryan intelligence" is nothing but the simple-mindedness of petty burgher thought inaccessible to the deeper abstractions of modern science.

In the fight of German capitalism for world power anti-semitism was not needed, was rather a disadvantage. But it had no choice. Since the bourgeoisie had not dared to join the people's fight, 1848, to win domination, it had to surrender to the lead of other classes. First of the landed aristocracy with the Kaiser, who, by their stupid diplomacy, were responsible for the defeat in the first world war. Now of the petty-burgher party and its leaders, who made this fad the basis of a policy that by evoking scorn and intense hatred all over the world, prepared for a new defeat.

From the beginning national socialism gave special attention to the farmers. The platform of any petty burgher party spoke of ridding the farmers from exploitation by mortgage and banking capital. Moreover, for the impending war it was imperative that Germany should feed itself and have sufficient raw materials. So an organisation of agriculture, as essential part of the wholesale organisation of production, was necessary. It was expressed in the national—socialist ideology of the farmer class, inseparably united with the soil, preservers of the racial strength of the forebears, the true "nobility of blood and soil." It had to be protected against the dissolving influences of capitalism and competition, and connected into the whole of planned production. Conforming to the reactionary forms of thought of the new system this was done by reviving customs and forms of bondage abolished by the French revolution.

Thus mortgage was forbidden; the farmer was not allowed to invest foreign capital for ameliorations. If he wanted money for his farm he could go to the State offices, and thus his dependence on the State increased. In his farming he was subjected to a number of prescripts restricting his liberty. In the first place as to the products he had to cultivate; since agriculture had to feed the entire people, a difficult problem with the dense population, and still more so in war time, an exact fixation of needs and proceeds was necessary. The sale, too, was organised. The products had to be delivered to purchase offices, at prices fixed from above, or to agents visiting the farms. Theirs was the all-important task and duty: the feeding of the national community. This truth, however, they had to

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swallow in the form of complete subjection to Government measures sometimes even amounting to direct seizure of the crops. Thus the farmers, formerly free in, for better or worse, fighting their way through the vicissitudes of capitalism, were turned into serfs of the State. To meet the emergencies of big capitalism, mediaeval conditions, under flattering names, were restored for the farmers.

To the workers no less attention, though of a different kind, was given. For the great aim of conquering world power the internationally minded working class, fighting capitalism, splitting national unity, had first to be made powerless. So the first work of the revolution of 1933 was to destroy the social democratic and the communist parties, to imprison or banish their leaders, to suppress their papers, to burn their books and to transform the trade unions into national socialist organisations. Labor was organised not by the workers and for the workers, but by capital and for capital, through its new governing agents. The "labor-front," directed by State-appointed leaders, took the place of the unions where, formally at least, the workers themselves were master. Its task was not to fight the employers for improvement of working conditions, but the promotion of production. In the productive community, the factory, the employer was the leader and must be obeyed, unconditionally. The national socialist leaders of the labor-front, often former officials of the unions, treated with the employer and brought forward complaints; but the latter decided.

It was not the intention of national socialism to make the workers helpless victims of employers' arbitrariness; the latter also had to obey the higher dictators. Moreover, for its great aim, the world fight, national socialism needs the goodwill, the devoted collaboration of all, as soldiers and as workers; so besides incessant propaganda, good treatment as far as possible, was serviceable. Where heavy exertions and extreme hardships were demanded from them the reward was praise of their performance of duty. Should they be cross and unwilling, hard constraint would make it clear that they were powerless. Free choice of their master has no sense any longer, since everywhere the real master is the same; the workers are transposed from one shop to another at the command from above. Under national socialism the workers were turned into bondsmen of State and capital.

How could it happen that a working class, appearing so powerful as the German one in the high tide of social democracy, almost ready to conquer the world, did fall into such utter impotence? Even to those who recognized the decline and inner degeneration of socialism, its easy surrender in 1933, without any fight, and the complete destruction of its imposing structure came as a surprise. In a

certain way, however, national socialism may be said to be the regular descendant of social democracy. National socialism could rise to such power only on the shoulders of the previous workers' movement. By closer examination of the inner connection of things we can see that not only communism, by its example of State-dictatorship, but also social democracy had prepared the way for national socialism. The slogans, the aims, the methods contrived by social democracy, for the workers, were taken over and applied by national socialism, for capital.

First the idea of State socialism, consciously planned organization of the entire production by the centralized power of the State. Of course the democratic State was meant, organ of the working people. But intentions do not count against the power of reality. A body that is master of production is master of society, master of the producers, notwithstanding all paragraphs trying to make it a subordinate organ, and needs develops into a ruling class or group.

Secondly, in social democracy a leading bureaucracy already before the first world war was acquiring mastery over the workers, consciously aspiring at it and defending it as the normal social condition. Doubtless, those leaders just as well would have developed into agents of big capital; for ordinary times they would have served well, but for leaders in world war they were too soft. The "Leader-principle" was not invented by national socialism; it developed in social democracy hidden under democratic appearances. National socialism proclaimed it openly as the new basis of social relations and drew all its consequences.

Moreover, much of the programme of social democracy was realized by national socialism; and that—an irony of history—especially such aims as had been criticized as most repulsive by the middle class of old. To bring order in the chaos of capitalist production by planned regulation always had been proclaimed an impossibility and denounced as an unbearable despotism. Now the State accomplished this organization to a great extent, thus making the task for a workers' revolution considerably easier. How often the intention of social democracy to replace the automatism of market and shop by a consciously organized distribution has been ridiculed and abhorred: everyone equally apportioned for normalized wants, fed and clothed by the State, all alike mere specimens. National socialism went far in the realisation of this bogus. But what was meant in the socialist program as organized abundance is introduced here as organized want and hunger, as the utmost restriction of all life necessities in order that as much of productive force as possible remains for war materials. Thus the socialism the workers got was parody rather than realisation; what in social democratic ideas bore

the character of richness, progress and freedom, found its caricature in dearth, reaction and suppression.

The chief blame on socialism was the omnipotence of the State, compared with the personal freedom in capitalist society. This freedom, to be sure, often was no more than an ambiguous form, but it was something. National socialism took away even this semblance of liberty. A system of compulsion, harder than any slanderer ventured to impute to socialism, was imposed upon mankind by capitalism in its power and emergency. So it had to disappear; without liberty man cannot live. Liberty, truly, is only a collective name for different forms and degrees of bondage. Man by his bodily needs depends on nature; this is the basis of all dependencies. If life is not possible but by restraining of the free impulses they must be restrained. If productive labor can only be secured by submission under a commanding power, then command and submission are a necessity. Now, however, they are a necessity only for the succumbing capitalism. To uphold exploitation it imposes upon mankind a system of hard constraint, that for production itself, for the life of man, is not required. If a fascist system, instead of being shattered in world war were able to stabilize in lasting peace, a system of organized production providing as it pretended an abundance of all life necessities, even then it could not last. Then by necessity it must perish through the inner contradiction of freeing mankind from the constraint of its needs and of yet trying to keep it in social slavery. Then the fight for freedom, as the only desire left, would be taken up with irresistible force.

The workers cannot foster the easy illusion that with a defeat in world war the role of national socialism will be played out. The epoch of big capitalism is rife with its principles and instigations. The old world does not come back. Governments, even those styled democratic, will be compelled to interfere with production ever more. As long as capital has power and has fear, despotic methods of government will arise as formidable enemies of the working class. Not always in the open form of violent middle class or military dictatorships; they may also take the appearance of labor governments, proceeding from labor fights, perhaps even in the disguise or under the contradictory name of council governments. So a consideration, on broad lines, of their place and role in the development of society does not seem superfluous. A comparison with the rise of another new class formerly, the middle class, may offer an analogy, uncertain though, and surely to be used with caution, and with the reserve that now the pace of social evolution is much quicker, but has to go farther and deeper, than it was in former centuries.

The rise of the bourgeoisie took place in steps of gradually

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growing power. From the powerless burgesses of the early middle ages they lead to the merchants and guilds ruling their own towns, fighting the nobility and even vanquishing the knight armies in the open field; an essential element in the mediaeval world, yet only islands in an ocean of agrarian power. By means of the money power of the burghers the kings rise as masters above the other feudal powers, and institute centralized governments in their kingdoms. Their absolutism often is spoken of as a state of equilibrium, when the nobility was no longer, the bourgeoisie not yet strong enough for mastery; so a third power, protecting the privileges of the one and the trade of the other class, leaning upon them both, could rule both. Until, after new growth of trade and industry, the bourgeoisie is so much strengthened as to overthrow this rule and establish itself master of society.

The rise of the working class in the 19th century was the rise of a powerless, exploited, miserable mass into a class with acknowledged rights and with organisations to defend them. Their unions and their political parties may be compared somehow with the guilds and the town governments of the burgesses, an essential element in the all-powerful capitalist world. Whereas, however, the burghers could build up their money power separately, leaving the nobility with its landed property alone, the workers now, to build up their economic power, have to take the means of production from the capitalists, so that immediate fight cannot be avoided. Just as then in the further rise the old institutions, the independent town governments were destroyed and the burghers subjected by the biggest of the feudals, the princes, masters of the lesser aristocracy, so now the old organisations of labor, unions and parties, are destroyed or subjected by big capitalism, thus clearing the way for more modern forms of fight. So there is a certain analogy between former absolutism and new dictatorship, a third power above the contending classes. Though we cannot yet speak of their equilibrium, we see that the new rulers appeal to labor as the basis of their system. It is conceivable that in a higher stage of the power of labor, camouflaged dictatorships may come up founded upon the support of labor, transient attempts to keep the workers in submission before their final victory.

Historical analogy may also be useful to show that development does not necessarily go along exactly the same lines everywhere. Later middle class mastery in Holland and England, by a fight against absolutistic attempts, developed out of the mediaeval urban privileges, without having lived under absolutism. In the same way now it might be that, whereas in some countries fascist dictatorships arise, in other countries the conditions are lacking. Then forms

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and conditions of the workers' fight will also be different. It is not well imaginable that in countries where personal liberty is firmly rooted in all classes, such as England and America, complete slavery could be established, though single measures of fascist character are possible. Capitalist domination there is founded on finer, more spiritual elements of power, more efficient than rough violence. Then the power of the workers for a long time will remain poor and unconscious; practical necessities will enforce partial steps in the direction of council organisation, rather than a great revolutionary fight over fundamentals. The growth of clear consciousness of class and the organisation of production are a far more extensive and laborious task, when the mind is filled with middle class ideas and when society is full of unorganised small trade.

In countries with strong fascist dictatorship, on the other hand, the heaviest part of the workers' task is the direct fight to overthrow it. There dictatorship has gone far already in clearing away small trade with its feelings of independence, as well as middle class ideas. The mind is bent already on organisation of industry, the idea of community is present, though practice is a sham. The hard pressure forcing all into the same harness of servitude, regulating production, rationing consumption, uniforming life, evoke resentment and exasperation, only to be kept down by harder suppression. Because all physical power and an enormous spiritual power lie in the hands of the rulers, the fight demands from the workers the highest degree of devotion and courage, of clear insight and unity. The same holds good if capitalism should succeed in establishing one supreme dominating power over the entire earth.

The object of national socialist dictatorship, however, the conquest of world power, makes it probable that it will be destroyed in the war it unloosened. Then it will leave Europe ruined and devastated, chaotic and impoverished, the production apparatus adapted to war implements, entirely worn away, soil and man power exhausted, raw materials lacking, towns and factories in ruins, the economic resources of the continent squandered and annihilated. Then, unlike in the Germany of 1918, political power will not automatically fall into the hands of the working class; the victorious powers will not allow it; all their forces now will serve to keep it down. Whilst at the same time new rulers and leaders present themselves with promises and programs of a new and better order, and the allied armies are liberating the European continent for the exploitation by American capitalism. Then, in this economic, social and spiritual chaos it will fall to the workers to find ways for organising themselves on class lines, ways for clearing up their ideas and purposes, ways for first attempts in reconstructing produc-

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tion. Wherever a nucleus of organisation, of fight, of production is growing, wherever wide embracing connections are tied, wherever minds are struggling for clear ideas, there foundations are laid and a start is made for the future. With partial successes won in devoted fight, through strong unity and insight progressing by gradual steps, the workers must build their new society.

It is not possible as yet to foresee the coming forms of social strife and activity in the different countries. But we may say for certain that, once they understand it, the consciousness of their great task as a bright star will guide the workers through all the difficulties on their path. And that the certainty that by their work and fight they build up the power and unity of the working class, the brotherhood of mankind, will elate their hearts and brighten their minds. And that the fight will not end until working mankind has won complete freedom.