

# THE GENERAL CRISIS OF CAPITALISM

*(Features of the Home and Foreign Policy of the Capitalist Countries  
during the Epoch of the General Crisis of Capitalism)*

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*(Continuation from January issue)*

AS is known, the Communist parties of Europe won great popularity as a result of the leading role they played in organising the resistance movements in all the European countries.

“The growth of the influence of the Communists,” declared Stalin in his interview with a *Pravda* correspondent on Churchill’s speech, “cannot be regarded as an accident.”

It is sufficient merely to recall the figures of the latest post-war elections in the European countries to be convinced of the tremendous growth of influence of the Communist parties in Europe. In France the Communist Party is practically the largest political party in the country: at the elections on October 21, 1945, and June 2, 1946, it obtained more than five million votes. In Italy, the Communist Party has a membership of two million and is one of the leading political parties in the country. The influence of the Communists has grown considerably also in such countries as Holland, Belgium, Norway, Luxembourg. In Czechoslovakia the Communists obtained about 2.7 million votes and have become the strongest party in the country. In Hungary about 800,000 people voted for the Communist Party. In almost all the countries of the European continent Communists are taking part in the government and are playing a leading role in restoring the economy of their countries. Finally, Communist parties have achieved outstanding successes in Poland, Yugoslavia, Czechoslovakia and Bulgaria, where they are the leading force in the Popular and Fatherland fronts.

In all the countries which were subjected to Hitlerite occupation and where the big bourgeoisie collaborated with the invaders, the resistance movement against the invaders was inevitably also a movement against the big bourgeoisie of the country concerned. The Communists gained their successes as a result of the policy which their parties are now pursuing in all countries on the basis of the experience of the first world war. The Communist parties defend the interests of all the working people—workers, office employees, peasants and intelligentsia. This policy makes impossible the old tactics of reaction—the isolation of the Communists from the working people.

The second new factor distinguishing the present situation from that created after the first world war is the radical change in the position and role of the Soviet Union in world politics. The growth

of the influence and prestige of the U.S.S.R. as a world power has had to be recognised even by the enemies of the Soviet Union.

After the end of the second world war the main line in the home and foreign policy of the capitalist countries is once more, as after the first world war, the defence of the capitalist system.

It should be mentioned that Great Britain followed this line during the war itself. Thus, for example, reactionary emigrant bourgeois governments found asylum in Britain. Preparations were carried on to ensure that after the liberation of the countries in question they would be able to return to their countries as the lawful bourgeois rulers.

After the liberation of a number of Western European countries, the question was raised of disarming the guerillas and of excluding, as far as possible, the leaders of the resistance movement from the newly-formed governments. Of course, it is far more difficult now than it was after the first world war to come forward in open defence of the capitalist system in the form in which it existed before the war. In America, it is true, there are influential persons and groups, like Johnson, Senator Vandenberg and the circles supporting them, who call for the return to pre-war capitalism. But there are exceptions. In the main, it is everywhere admitted that a profound reform of the capitalist system is necessary; everywhere ideological trends are to be found, such as the striving for a planned economy under capitalism, the introduction of social insurance, the strengthening of State capitalism, etc.

In Britain, as is known, certain important branches of industry are being nationalised. The fact that the bourgeoisie itself is compelled to begin nationalisation of the means of production is, in itself, an admission that the system of private ownership of the means of production is obsolete. There is, of course, a vast difference, between nationalisation in Great Britain and nationalisation in those countries of Eastern Europe which may be called countries with a democracy of a new type. In these countries, feudal survivals in the form of large-scale land ownership have been abolished, a considerable part of the means of production has become State property and the State itself is not an apparatus of the rich for suppressing the working people, but operates in the interests of the latter.

In the countries of the old type of democracy, for example, in Great Britain, nationalisation does not alter the distribution of the national wealth and national income, because the owners receive compensation approximately equivalent to their former incomes. In the countries with a new type of democracy, on the other hand, nationalisation means a profound change in the distribution of the national income at the expense of the former owners of the nationalised means of production.

By what methods is the struggle being waged now to preserve the capitalist system, in the first place in Europe?

Firstly, attempts are being made to strengthen reformism in the labour movement, to convert once again the Social-Democratic Party and the reformist labour movement in Germany, Hungary, Italy and France into the main social bulwark of the bourgeoisie.

In the European countries, an intense struggle to win the Social-Democratic movement is developing between the progressive and reactionary forces. This constitutes the chief content of the domestic policy of the capitalist countries. At the same time, of course, this struggle goes on inside every social-democratic party, between the right and left wings, between the social-democratic working masses, who are much more inclined to march together with the Communists, and the reformist leaders of the Social-Democratic parties, who are endeavouring to revive Social-Democracy in its former, pre-war form.

This struggle can best be followed from the example of Germany. A considerable part of social-democracy has broken with the former policy of its party and called for unity with the Communists. On April 21-22, 1946, a unity congress of the Social-Democratic and Communist Parties of Germany took place, at which a united party of the working-class was formed—the Socialist Unity Party of Germany. A large majority of the Social-Democrats in the Soviet-occupied zone were in favour of the amalgamation of the two workers' parties. Despite the counter efforts of the British and American occupation authorities, the union of the Social-Democrats and Communists in the Soviet-occupied zone met with a warm response also in Western Germany.

The emergence of a united party of the working-class in Germany is a serious blow to the reformist movement. It is natural, therefore, that all the reactionary elements are up in arms against the new party. Ruling circles in Britain and the U.S.A. immediately came out against the unification of Communists and Social-Democrats and are now giving decisive support to the group of reactionary social-democratic leaders headed by Schumacher, who are trying to revive the old reformist Social-Democracy in the Western zones of Germany for defence of the capitalist system of society.

It is characteristic that the Schumacher group has been joined by the majority of the old compromised leaders of Social-Democracy, such as Severing, Noske, Paul Loebe, etc., who are tried and tested defenders of the bourgeoisie. The British press openly calls for reliance on this wing of Social-Democracy.

Undoubtedly, the further internal political development of the capitalist countries to a considerable degree depends on the outcome of this struggle to win over Social-Democracy and on the struggle within Social-Democracy.

*The second line defence of capitalism lies in increasing the influence of religion, of the church.* The Catholic Church, headed by the Pope, is creating something in the nature of a "Catholic Inter-

national.” The Vatican recently appointed as Cardinals thirty-two prominent Catholics of various countries in order to increase its influence in those countries. The same effort is characteristic also of the Protestant Church. Definite attempts are made to use the Moslem Church as a means of political struggle. The clearest expression of this is seen in India.

Most peculiar tactics are adhered to by the bourgeoisie.

In those European countries where the extreme Right-wing reactionary parties are prohibited, the bourgeoisie employs very special tactics. In those countries the bourgeoisie tries to influence the most Right-wing of the permitted Left parties and to get into its hands the leadership of these parties and to obtain a majority for them in the country. A classic example of these tactics is the behaviour of reaction during the recent elections in Hungary. The closest to the Right of the Left parties in Hungary is the Smallholders Party. It was found, after the elections, that this party had obtained the majority of the votes in Budapest, in districts where there is not a single bit of land suitable for cultivation. The whole bourgeoisie and those elements which still follow the bourgeoisie voted for it.

*Capitalism's third line defence, which so far is manifested still in a very veiled form, is encouragement of the fascist movement.* If it is true that fascism is the political expression of the deepening of the general crisis of capitalism, it is to be expected that fascism will be revived. Lenin pointed out that the domination of monopoly capitalism inevitably engenders reaction. In his article entitled “On a caricature of Marxism,” he wrote: “The political superstructure of the new economy, of monopoly capitalism (imperialism is monopoly capitalism) is a swing from democracy to reaction. Free competition is accompanied by democracy. Monopoly is accompanied by political reaction.”

In the capitalist countries at the present time a certain revival of political reaction and fascism is undoubtedly taking place. There are also fascist countries, such as Spain and Portugal. In addition, there is an illegal fascist movement in countries where fascism formerly ruled: Germany, Italy, Hungary, etc.

But there are undoubtedly signs of the revival of the fascist movement in the democratic countries also. Evidence of this is the activity of the fascist party in Britain, the Ku Klux Klan and other fascist groups in America, etc. In Greece, where the British virtually control policy, after dozens of changes of government Royalist reactionaries have finally been established in power; objectively and subjectively they differ little from fascists.

Of course, in the countries with a new type of democracy the revival of fascism is made very difficult because agrarian reform has done away with the landowning class and because nationalisation of the basic means of production has undermined the economic power of the big bourgeoisie. If we add to this the fact that State

power in these countries is in the hands of progressive forces, it becomes clear that the revival of fascism there is made extremely difficult.

As always, the domestic policy of the capitalist countries at the present stage is closely interwoven with the foreign policy.

The methods of struggle against the Soviet Union at the present time differ, of course, from those employed after the first World War. "Intervention" in the old sense is impossible. But the reactionary forces of the different countries are conducting an intensified campaign against the Soviet Union, and are endeavouring to isolate her and build up an anti-Soviet bloc.

In his statement on May 27, 1946, Molotov pointed to certain extremely characteristic tendencies in British and American post-war policy which had been shown during the preparation of the peace treaties. Molotov repulsed the attempts of the reactionary forces to belittle the importance of the Soviet Union and to minimise its role in the post-war world.

Very typical of the policy of the bourgeoisie is the way British reaction uses the Right wing of Social-Democracy in Europe for the struggle against the U.S.S.R. Naturally, the Labour Party and the Labour Government are the most suitable for using this wing of Social-Democracy to achieve the foreign-political aims of the British bourgeoisie. In this respect, the existence of a Labour Government is more advantageous to the British bourgeoisie than a Conservative Government would be. To this must be added that, whereas supporters of the Labour Party sometimes came out against the foreign policy of the Conservative Government, and thus there existed a potential opposition to this policy, the Conservative Party has no grounds for opposing Bevin's foreign policy. Of course, the British workers do not approve of this reactionary policy of Bevin and the Labour Government. This dissatisfaction finds expression in the opposition to Bevin's policy within the Parliamentary Labour Party.

Today also, the struggle between two systems is not the sole expression of the foreign policy of the capitalist countries. Imperialist contradictions between the big capitalist countries, in the first place between Britain and America, are reviving, despite the fact that on a number of international issues these Powers form a common diplomatic bloc. The British-American contradictions, which were the basic contradictions of the capitalist world before the second World War, or, rather, before German fascist aggression became a menace to both Britain and America, have since the defeat of Germany once again become the decisive contradictions within the capitalist world. American policy strives now first and foremost to smash the British colonial empire and to win equal conditions for American capital in the competitive struggle throughout the world. This is its chief aim.

The striving to put an end to the British, French and Dutch Empires shows itself in a great variety of forms. During the war one manifestation of this was the draft British-American Alliance, the proposal for joint tutelage over colonies, etc. Sometimes this striving even assumes ludicrous forms. For example, an American publicist recently wrote a book in which he sharply criticised British, French and Dutch colonial policy. After such a criticism one might have thought that he would propose that the colonial peoples should be given their independence. Instead, however, the author declares that the colonial peoples are not yet ripe for independence and proposed that all of them should themselves select their guardians, but should not have the right to select as their guardian the imperialist Power which rules them at the present time, i.e., the British colonies may not select Britain as their guardian. The author assumes that they will all most certainly choose the Americans, because the latter, he thinks, behave so well towards colonies and can ensure their prosperity.

The movement against the colonial regime has become stronger. An important factor in this is that the British, French and Dutch have lost their prestige in the colonial countries; the colonial peoples no longer feel their former fear of them. The colonial peoples took part in armed struggle side by side with the troops of some imperialist countries against other countries; they witnessed the defeat and capture of American, British and Dutch soldiers.

Economic causes also exert an influence in strengthening the anti-imperialist movement. During the war some of the colonies grew very strong economically; some colonial countries became financially independent of Britain and themselves became creditors of her. It goes without saying that public opinion in the Soviet Union is in favour of satisfying the just demands of the colonial peoples.

The plan for a Western bloc is also connected with the colonial problem. A Western bloc which would unite Britain, France, Belgium, Holland, Portugal and perhaps some of the Scandinavian countries in one political alliance is directed first and foremost against the Soviet Union and represents an attempt to revive the notorious *cordon sanitaire*, only not now on the frontiers of the Soviet Union, where it is politically impossible, owing to the existence of friendly neighbouring countries, but in Western Europe.

But another aspect of this Western bloc should be borne in mind. A Western bloc comprising Britain, France, Belgium, Holland and Portugal would unite 95 per cent. of the colonies of the world. Its creation would be an attempt to defend the colonies against the endeavour of the U.S.A. to smash the old colonial regime and assimilate these territories economically, and also an attempt to strengthen resistance to the national liberation movement in the colonies.

Naturally, within the limits of this article it is only possible to state the most fundamental lines of domestic and foreign policy during the epoch of the general crisis of capitalism. A full elaboration of this theme, and especially of the political consequences of the second World War, is a task requiring a series of special studies.

## Book Reviews

### A Maturer View on the U.S.S.R.

PROFESSOR CARR'S new book\* represents the substance of six lectures delivered in Oxford a year ago. It discusses the problems created for capitalist countries, and particularly Great Britain, by the successful survival and continued progress of the U.S.S.R. When he treats of "the political impact," he means the contrast between the socialist democracy of the Soviet Union and capitalist democracy in a few other countries. In discussing "the economic impact," he gives an explanation of Soviet planning and enquires whether capitalist economy can move in the same direction. Under the heading of "the social impact," Professor Carr speaks of the position of the working-class and the trade unions in the U.S.S.R. and thinks that in some respects "the western world is travelling far more rapidly than most people yet realise along the Soviet path." In the chapter on "the impact on international relations," he discusses the effect of the Soviet foreign trade monopoly, and the advantage which Soviet propaganda has in "the frank appeal which it makes to the masses"—although he points out what is generally unknown, that "alone among the principal governments of the world, the Soviet Government never possessed a department of its own for international propaganda" (p. 73). His fifth chapter gives an account of "the ideological impact" of Marxism, to the reviewer's mind the least successful section of the book, just because Professor Carr

\* *The Soviet Impact on the Western World* (ix and 116 pp., Macmillan, 1946. 5s).

in his account of Marxist theory shows that he has broken very little loose from the philosophical moorings of idealism. The sixth chapter gives some historical perspectives of relations between Russia and the rest of Europe in the past, arguing for "an attempt to find a compromise, a half-way house, a synthesis between conflicting ways of life."

Ever since the November Revolution, Soviet statesmen have been declaring their faith in the possibility and desirability of peaceful existence—which means co-operation—between the Socialist State and the capitalist world. Although they succeeded, once or twice, in having the principle endorsed—notably at Geneva in 1928—it was only too obvious that the capitalist states and their ruling parties did not, and would not, accept the principle. To colour their refusal, politicians of every hue—from the deep black of the Nazis and the Vatican to the yellowish-pink of the Ramsay MacDonalds and their present-day imitators—have always invented all kinds of theoretical reasons, grossly distorting or directly falsifying information about the Soviet Union in the process. Professor Carr's book is useful and novel just because, starting from the accepted dogmas of capitalist democracy, it first explodes a good many of the falsehoods about Soviet life and policy and then makes a manful attempt to provide a theoretical basis for co-operation and friendship with the U.S.S.R.

It is all the more interesting because the author had to struggle with many of his own past prejudices. As recently as 1942, in his *Conditions of Peace*, he was still writing of Soviet "lip-service to democracy," equating Socialist planned economy with the war plans of Nazi Germany, speaking of a