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THE FOREIGN POLICY OF THE SOVIET GOVERNMENT*

BY V. M. MOLOTOV

COMRADES and deputies, five months have elapsed since the last session of the Supreme Soviet. In this brief interval events have occurred which are of first-rate importance in the development of international relations. It therefore behooves us at this session of the Supreme Soviet to examine certain questions relating to our foreign policy.

The recent events in international affairs must be examined first of all in the light of the war which broke out in Central Europe last autumn. So far there have been no big battles in this war between the Anglo-French bloc and Germany, matters being confined to isolated engagements, chiefly on the seas, and also in the air. We know, however, that the desire for peace expressed by Germany already at the end of last year was declined by the governments of Great Britain and France, and as a result preparations for the expansion of the war were even further intensified on both sides.

Germany, which had latterly

come to embrace some eighty million Germans, which had brought several neighboring states under her sway, and which had in many respects strengthened her military might, had evidently become a dangerous rival to the principal imperialist powers of Europe-Great Britain and France. They therefore declared war on Germany, under the pretext of fulfilling their obligations towards Poland. It is now clearer than ever how far removed the real aims of the governments of these powers are from the purpose of defending disintegrated Poland or Czechoslovakia. This is shown if only by the fact that the governments of Great Britain and France have proclaimed that their aim in this war is to smash and dismember Germany, although this aim is still being concealed from the masses of the people under cover of the slogans of defending the "democratic" countries and the "rights" of small nations.

Inasmuch as the Soviet Union refused to become an abettor of England and France in this imperialist policy towards Germany, their hostility towards the Soviet Union became still more pronounced, clearly showing how deep-seated

^{*}Report by the Chairman of the Council of People's Commissars of the U.S.S.R. and People's Commissar of Foreign Affairs at the Sixth Session of the Supreme Soviet of the U.S.S.R., March 29, 1940.

are the class roots of the hostile policy of the imperialists towards the socialist state. And when the war began in Finland, the British and French imperialists were prepared to make it the starting point of a war against the U.S.S.R., in which were to be used not only Finland herself, but also the Scandinavian countries, Sweden and Norway.

* * *

The attitude of the Soviet Union to the war developing in Europe is well known. Here too the peaceful nature of the foreign policy of the U.S.S.R. has been quite definitely displayed. The Soviet Union at once proclaimed that its position was one of neutrality, and it has unswervingly adhered to that policy all through this period.

The radical change for the better in the relations between the Soviet Union and Germany found expression in the non-aggression pact signed last August. These new and good relations between the U.S.S.R. and Germany have been tested in practice in connection with the events in former Poland, and their strength has been sufficiently proved. The development of economic relations which was envisaged even then, last autumn, found concrete expression already in the August (1939) trade agreement and then in the February (1940) trade agreement. Trade between Germany and the U.S.S.R. began to increase on the basis of mutual economic advantage, and there is

every ground for its further development.

Our relations with England and France have taken a somewhat different course. Inasmuch as the Soviet Union has refused to become a tool of the British and French imperialists in their struggle for world hegemony against Germany, we have encountered at every step the profound hostility of their policy towards our country. This has gone farthest of all in connection with the Finnish question, on which I shall dwell later. But in the past few months there has been quite a number of other instances showing the hostile character of French and British policy towards the U.S.S.R.

Suffice it to mention that a couple of months ago the French authorities found nothing better to do than to effect a police raid on our trade representation in Paris. In spite of their efforts to pick on every trifle, the search of the trade representation premises yielded no results. It only brought disgrace on the initiators of this preposterous affair and showed that there were no real grounds whatever for this hostile act towards our country. As we see from the circumstances of the recall of Comrade Suritz, our Ambassador to France, the French Government is seeking for artificial pretexts to stress its unfriendly attitude towards the Soviet Union. In order to make it clear that the Soviet Union is not any more interested in the relations between the two countries than France, we have

recalled Comrade Suritz from his post of Ambassador to France.

Or take such instances of hostility towards the U.S.S.R. as the seizure by British warships in the Far East of two of our steamers proceeding to Vladivostok with merchandise purchased by us in America and China. If to this we add such facts as the refusal to fulfil old orders for industrial machinery placed by us in England, the attachment of the funds of our trade representation in France, and many others, the hostile nature of the actions of the British and French authorities towards the Soviet Union will be still more manifest.

Attempts have been made to justify these hostile acts towards our foreign trade on the grounds that by trading with Germany we are helping her in the war against England and France. It does not take much to see that these arguments are not worth a brass farthing.

One has only to compare the U.S.S.R. with, say, Rumania. It is well known that Rumania's trade with Germany makes up half her total foreign trade, and that moreover the share of her national production that Rumania exports to Germany-for example, of such basic commodities as oil and grain -far exceeds the share of the national production of the Soviet Union that we export to Germany. Nevertheless, the governments of England and France do not resort to hostile acts towards Rumania and do not think it possible to demands that Rumania cease to trade with Germany. Quite different is

their attitude towards the Soviet Union. Hence, the hostile acts of England and France towards the Soviet Union are to be explained, not by the fact that the U.S.S.R. is trading with Germany, but by the fact that the plans of British and French ruling circles to utilize our country in the war against Germany have been frustrated, and as a result they are pursuing a policy of revenge towards the Soviet Union.

It should be added that England and France have resorted to all these hostile actions even though the Soviet Union has so far not undertaken any unfriendly acts with regard to these countries. As to the fantastic plans attributed to the Soviet Union of a Red Army "march on India," "march on the East," and the like, they are such cbvious absurdities that one must have completely taken leave of his senses to believe such nonsensical lies. That is not the point, of course. The point evidently is that the Soviet Union's policy of neutrality is not to the liking of the British and French ruling circles. What is more, their nerves do not seem to be quite in order. They want to force us to adopt a different policy -a policy of enmity and war against Germany, a policy which would afford them the opportunity of utilizing the U.S.S.R. for their imperialist aims. It is time these gentry understood that the Soviet Union never has been and never will be a tool of anyone else's policy, that the U.S.S.R. has always pursued its own policy, and always

will, irrespective of whether these gentry in other countries like it or not.

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I shall now pass to the Finnish question.

What was the meaning of the war that took place in Finland during the last three months or so? As you know, the meaning of these events lay in the necessity of safeguarding the security of the northwestern frontiers of the Soviet Union, and above all of Leningrad.

All through October and November of last year the Soviet Government discussed with the Finnish Government proposals which, in view of the existing international situation, which was growing more and more inflammable, we considered absolutely essential and urgent for safeguarding the security of our country, and especially of Leningrad. Nothing came of these negotiations owing to the unfriendly attitude adopted by the Finnish representatives. The decision of the issue passed to the field of war. It may safely be said that if Finland had not been subject to foreign influences, if Finland had been less incited by certain third states to adopt a hostile policy towards the Soviet Union, the Soviet Union and Finland would have arrived at a peaceful understanding already last autumn, and matters would have been settled without war. But although the Soviet Government reduced its requests to a minimum, a settlement could not be reached by diplomatic means.

Now that hostilities in Finland have ceased and the peace treaty between the U.S.S.R. and the Republic of Finland has been signed, it is necessary and possible to judge the significance of the war in Finland in the light of incontrovertible facts. These facts speak for themselves. They show that in the neighborhood of Leningrad, all over the Isthmus of Karelia, to a depth of fifty or sixty kilometers, the Finnish authorities had erected numerous powerful ferro-concrete and granite and earth fortifications furnished with artillery and machine guns. The number of these fortifications ran into many hundreds. These fortifications, especially the ferro-concrete structures, attaining a high degree of military strength, connected up by underground thoroughfares, surrounded by anti-tank trenches and granite anti-tank obstacles, and supported by countless mine fields, together constituted what was known as the "Mannerheim Line," which had been built under the supervision of foreign experts on the model of the "Maginot Line" and the "Siegfried Line."

It should be mentioned that until recently these fortifications were considered impregnable, that is, such as no army had ever broken through before. It should also be mentioned that the Finnish military authorities had endeavored beforehand to convert every little village in this area into a fortified position, supplied with arms, radio aerials, fuel stations, and so on. In many parts of the south and east of Fin-

land strategic railways and highways of no economic importance whatever had been built leading right up to our frontier.

In short, hostilities in Finland have shown that, already by 1939, Finland, and especially the Karelian Isthmus, had been converted into a military base ready for an attack by third powers on the Soviet Union, for an attack on Leningrad.

Incontrovertible facts go to show that the hostile policy which we encountered on the part of Finland last autumn was no fortuitous thing. Forces hostile to the Soviet Union had prepared a military base in Finland against our country, and against Leningrad, in the first place, which, in the event of a certain foreign situation unfavorable to the U.S.S.R., was to play its part in the plans of the anti-Soviet forces of the imperialists and of their allies in Finland.

Not only has the Red Army smashed the Mannerheim Line. and thereby covered itself with glory as the first army to force its way under the most difficult conditions through a deep and powerful zone of perfectly modern fortifications, not only have the Red Army and the Red Navy destroyed the military base in Finland which had been made ready for an attack on Leningrad, but they have also put an end to certain anti-Soviet plans which some third countries had been hatching during these past few years.

How far the Finnish ruling and military circles who prepared the military base against the Soviet Union had gone in their enmity towards our country may also be seen from the numerous cases of extraordinary and barbarous atrocities perpetrated by the Finnish Whites on wounded Red Army men who had fallen into their hands. For example, when, in one of the areas north of Lake Ladoga, the Finnish Whites surrounded our hospital dug-outs where a hundred and twenty severely wounded men were lying, they killed them all to a man; some were burned, others were found with shattered skulls, while the rest had been bayoneted or shot. In addition to mortal wounds, a large number of the men who died here and in other places were found to have been shot in the head or finished off with rifle butts, while some of the men who had been shot were found with knife stabs in the face. Some of the corpses had been beheaded, and the heads could not be found. As to our women nurses who fell into the hands of the Finnish Whites, they were subjected to special atrocities and incredible brutalities. In some cases the corpses were found tied to tree trunks head down. All these barbarities and countless atrocities were the fruit of the policy of the Finnish White Guards, in their endeavors to fan hatred towards our country among their people.

Such is the true face of these Finnish champions of "Western civilization."

* * *

It is not difficult to see that the war in Finland was not merely an

encounter with Finnish troops. No, the matter was more complicated than that. It was not merely the Finnish troops that our troops encountered, but the combined forces of the imperialists of a number of countries, including the British and French, who assisted the Finnish bourgeoisie with every form of weapon, especially artillery and aircraft, as well as with men in the guise of "volunteers," with gold and every kind of supplies, and with their frenzied propaganda all over the world with the purpose of kindling war against the Soviet Union in every way. It should be added that amidst this furious howling of the enemies of the Soviet Union, always loudest of all were the squealing voices of all those prostituted "Socialists" of the Second International, all those Attlees, and Blums, Citrines and Jouhaux, Tranmaels and Hoglunds—all those lackeys of capital who have sold themselves body and soul to the warmongers.

Speaking in the House of Commons on March 19, Chamberlain, the British Premier, not only expressed his malicious regret at having failed to prevent the termination of the war in Finland, thus turning his "peace-loving" imperialist soul inside out for all the world to see, but also gave something in the nature of an account of how and in what way the British imperialists had endeavored to help fan the war in Finland against the Soviet Union. He made public a list of war materials that had been promised and dispatched to

Finland: 152 airplanes were promised, 101 were sent; 223 guns were promised, 114 sent; 297,000 shells were promised, 185,000 sent: 100 Vickers guns were promised, 100 sent; 20,700 aircraft bombs were promised, 15,700 sent; 20,000 antitank mines were promised, 10,000 sent. and so on. Without the least embarrassment. Chamberlain stated. moreover, that "the preparations for an expedition were carried on with all rapidity and at the beginning of March an expeditionary force of one hundred thousand men was ready to leave—two months before Mannerheim had asked for it to arrive. . . . This was not necessarily the last force."

Such, on his own admission, is the true face of this "peace-loving" British imperialist.

As to France, we learn from the French press that she dispatched to Finland 179 airplanes, 472 guns, 795,000 shells, 5,100 machine guns, 200,000 hand grenades, etc. On March 11, Daladier, then Prime Minister of France, declared in the Chamber of Deputies that "France has taken the lead of the countries which have agreed to supply munitions to Finland, and in particular at the request of Helsinki she has just dispatched ultra-modern bombing planes to Finland." Daladier announced that "a French expeditionary force stood ready and equipped since February 26. A large number of vessels were ready to sail from two big ports in the Channel and on the Atlantic coast." He further declared that the Allies

"would help Finland with all the forces promised."

These hostile statements of Daladier towards the Soviet Union speak for themselves. However, there is no need to dwell upon these hostile utterances, as it is apparent that they no longer reveal a fully sober mind.

Mention should also be made of Sweden's part in the Finnish war. From reports printed in all the Swedish newspapers, during the war against the Soviet Union Sweden supplied Finland with "a certain quantity of aircraft, roughly amounting to one-fifth of Sweden's total air force at the time." The Swedish War Minister stated that the Finns had received from Sweden 84,000 rifles, 575 machine guns, over 300 guns, 300,000 grenades and 50,000,000 cartridges. All this material, the Minister declared. was of the very latest pattern.

Nor was Italy behindhand in her efforts to fan the war in Finland, to which, for example, she dispatched fifty military planes.

Finland also received military aid from such a devotee of "peace" as the United States of America.

According to incomplete information at our disposal, total munitions of all kinds sent to Finland by other countries during the actual course of the war alone amounted to not less than 350 airplanes, about 1,500 guns, over 6,000 machine guns, about 100,000 rifles, 650,000 hand grenades, 2,500,000 shells, 160,000,000 cartridges, and much else.

There is no need to cite other facts to show that what was going

on in Finland was not merely our encounter with the Finnish troops; it was an encounter with the combined forces of a number of imperialist states most hostile towards the Soviet Union. By smashing the combined forces of our enemies, the Red Army and Red Navy have added another glorious page to their history and have shown that the springs of valor, self-sacrifice and heroism among our people are inexhaustible.

The war in Finland has exacted heavy sacrifices both from us and from the Finns. According to the figures of our General Staff, on our side the number of killed and those who died of wounds was 48,745, or somewhat less than 49,000, and the number of wounded 158,863. Attempts are being made on the part of the Finns to minimize their losses, but their casualties were considerably higher than ours. Our General Staff places the number of Finnish killed at not less than 60,000, not counting those who died of wounds. and the number of wounded at not less than 250,000. Thus, taking the strength of the Finnish Army as not less than 600,000 men, it has to be assumed that the Finnish army lost in killed and wounded more than one half of its total strength.

Such are the facts.

* * *

The question remains, why did the ruling circles of England and France, and of several other countries too, take such an active part in this war on the side of Finland

against the Soviet Union. We know that the British and French Governments made desperate efforts to prevent the termination of the war and the restoration of peace in Finland, although they were not bound by any obligations towards Finland. We also know that some time ago, even though there existed a Pact of Mutual Assistance between France and Czechoslovakia. France did not come to the aid of Czechoslovakia. Yet both France and England positively forced their military aid upon Finland, doing their very best to prevent the termination of the war and the restoration of peace between Finland and the Soviet Union. The hired pen pirates, the scribes who specialize in fraudulent news and hoaxes, are trying to attribute this conduct of British and French circles to their particular solicitude for the "small nations." But to attribute this policy of England and France to their particular solicitude for the interests of a small state is simply ridiculous. To attribute it to their obligations towards the League of Nations, which, as they put it, demanded protection for one of its members, is also quite absurd.

For, indeed, it was hardly a year ago that Italy seized and destroyed independent Albania, which was a member of the League of Nations. Well? Did England and France come to Albania's defense? Did they raise even a feeble voice in protest against Italy's rapacious actions in forcibly subjugating Albania without the least regard for its population of over a million people, and

completely ignoring the fact that Albania was a member of the League of Nations? No. neither the British nor the French Government. nor yet the United States of America nor the League of Nations, which has lost every vestige of prestige because it is dominated by these same British and French imperialists, raised even a finger in this case. In twelve whole months these "protectors" of small nations, these "champions" of the rights of the members of the League of Nations have not ventured to raise the question of Italy's seizure of Albania in the League of Nations, although this occurred last April. Nay more, they have virtually sanctioned this seizure.

Consequently, it is by means the protection of small nations, nor the protection of the rights of members of the League of Nations that explains the support rendered to Finland by the ruling circles of England and France against the Soviet Union. This support is to be explained by the fact that in Finland they had a military base ready for an attack upon the U.S.S.R., whereas Albania did not occupy any such place in their plans. As a matter of fact, the rights and interests of small nations are just so much small change in the hands of the imperialists.

The *Times*, the leading newspaper of the British imperialists, and *Le Temps*, the leading newspaper of the French imperialists, not to mention other English and French bourgeois newspapers, have during

these past months been openly calling for intervention against the Soviet Union, without the least regard for the fact that so-called normal diplomatic relations exist between England and France, on the one hand, and the Soviet Union, on the other. In step with these leading bourgeois newspapers, and even a little ahead of them, are the speeches from the servants' hall that has now been instituted in every "respectable" bourgeois state for "Socialists" of the type of Attlee in England and Blum in France, who are doing their utmost to fan and spread the flames of war. In the utterances of the English and French imperialist press and of its "Socialist" echoers we again hear the voice of infuriated imperialism, which hates the socialist state, the voice with which we have been familiar from the earliest days of the Soviet Union. As far back as April 17, 1919, the London Times wrote:

"If we look at the map we shall find that the best approach to Petrograd is from the Baltic and that the shortest and easiest route is through Finland, whose frontiers are only about thirty miles distant from the Russian capital. Finland is the key to Petrograd and Petrograd is the key to Moscow."

If proof were needed that the British and French imperialists had not yet discarded these harebrained plans, the recent events in Finland have dispelled all doubt on this score. These plans have again been thwarted, not because of any lack

of zeal on the part of the anti-Soviet forces in England and France, and not merely because at the last, moment leading circles in Finland, as well as in Sweden and Norway, at last showed some glimmerings of sense. These plans were thwarted by the brilliant successes of the Red Army, particularly on the Karelian Isthmus. Recent events have again reminded us all of the necessity of steadily continuing to increase the might of our Red Army and of all the defenses of our country, and we shall not forget it.

* * *

In the beginning of February the Finns made practical moves for the termination of the war in Finland. We learned through the Swedish Government that the Finnish Government desired to ascertain our terms upon which war could be brought to a close. Before deciding this question, we approached the People's Government of Finland for their opinion on this question. The People's Government expressed the view that in order to put an end to the bloodshed and to ameliorate the conditions of the Finnish people. the proposal to terminate the war should be met. Thereupon we proposed our terms, which soon after were accepted by the Finnish Government. I must add that a week after the negotiations with the Finns were opened, the British Government also expressed a desire to ascertain whether there was any possibility of mediation, ostensibly with the object of stopping the war

in Finland, but when Comrade Maisky, our Ambassador in England, informed London of our proposals. which were subsequently accepted in their entirety by Finland, the British Government did not choose to cooperate in stopping the war and restoring peace between the U.S.S.R. and Finland. Nevertheless agreement was soon reached between the U.S.S.R. and Finland. The results of the agreement to cease hostilities and establish peace are contained in the peace treaty signed on March 12. In this connection the question arose of the People's Government dissolving itself, which it did.

You are familiar with the terms of the Peace Treaty. This treaty has changed the southern and partly the eastern frontiers of Finland. The whole Karelian Isthmus, together with Viborg and Viborg Bay, the whole western and northern shore of Lake Ladoga, together with Kexholm and Sortavala, have passed to the Soviet Union. In the region of Kandalaksha, where the Finnish frontier approached particularly close to the Murmansk Railway, the frontier has been shifted farther back. Finland has ceded to the Soviet Union the small sections of the Sredny and Rybachy Peninsulas which belonged to her in the North, and a certain group of islands in the Gulf of Finland, together with the Island of Hoagland. In addition, the Soviet Union has acquired on a thirty years' lease in return for an annual payment of eight million Finnish marks the Peninsula of Hango and the adjacent islands, where we shall build a naval base to protect from aggression the entrance to the Gulf of Finland. Furthermore, the treaty facilitates goods transit for Sweden, Norway and the Soviet Union. At the same time, the Peace Treaty provides that neither side shall resort to aggression against or take part in coalitions hostile to the other side.

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Attempts have been made in the English and French press to depict the Soviet-Finnish treaty, and particularly the transfer of the Karelian Isthmus to the Soviet Union. as the "destruction" of Finland's independence. That, of course, is absurd and a downright falsehood. Finland still comprises a territory nearly four times as large as Hungary and over eight times as large as Switzerland. If anyone has any doubt that Hungary and Switzerland are independent states, how can there be any doubt that Finland is independent and sovereign?

The English and French press also wrote that the Soviet Union wants to convert Finland into a mere Baltic State. That too is absurd, of course. It is sufficient to point out that, having during the war occupied the region of Petsamo on the Arctic coast, the U.S.S.R. has voluntarily restored this region to Finland, considering it necessary to let Finland have an ice-free ocean port. From this it follows that we regard Finland as a northern, and not merely a Baltic, country.

The truth does not lie in these inventions of the English and French newspapers, which are old hands at the fabrication of anti-Soviet propaganda. The truth lies elsewhere: it is that the Soviet Union, having smashed the Finnish army, and having every opportunity of occupying the whole of Finland, did not do so and did not demand any indemnities for its expenditures in the war, as any other power would have done, but confined its requests to the minimum and displayed magnanimity towards Finland.

What is the basic meaning of the Peace Treaty? It is that it properly ensures the safety of Leningrad and of Murmansk and the Murmansk Railway. This time we could not confine ourselves solely to the requests we made last autumn, acceptance of which by Finland would have averted war. After the blood of our men had been spiltthrough no fault of our own-and after we had seen how far the hostile policy of the Finnish Government towards the Soviet Union had gone, we were obliged to put the question of the security of Leningrad on a more reliable basis, and moreover to raise the question of the security of the Murmansk Railway and of Murmansk, which is our only ice-free ocean port in the west, and is therefore of extreme importance for our foreign trade and for communication between the Soviet Union and other countries generally. We pursued no other object in the Peace Treaty than that of safeguarding the security of Leningrad,

Murmansk, and the Murmansk Railway. But we did consider it necessary to settle this problem reliably and durably. The Peace Treaty is based on the recognition of the principle that Finland is an independent state, on the recognition of the independence of her home and foreign policy, and at the same time on the necessity of safeguarding the security of Leningrad and the northwestern frontiers of the Soviet Union.

Thus the object we set out to achieve has been achieved, and we may express our complete satisfaction with the treaty with Finland.

* *

Political and economic relations with Finland are now being fully restored. The government expresses the conviction that normal and good-neighborly relations will develop between the Soviet Union and Finland.

We must however utter a warning against the attempts to violate the Peace Treaty just concluded that are already being made by certain circles in Finland, as well as in Sweden and Norway, on the pretext of forming a military defensive alliance of these countries. In the light of the speech recently delivered by Mr. Hambro, President of the Norwegian Storthing, in which, quoting historical instances, he called upon Finland to "reconquer the frontiers of the country" and declared that a peace like the one Finland has concluded with the U.S.S.R. "cannot last for long," in

the light of this and similar utterances it is easy to understand that the attempts to form a so-called "defensive alliance" of Finland, Sweden and Norway are directed against the U.S.S.R. and are unwisely fostered by the ideology of military revenge. The formation of any military alliance of this kind in which Finland participated would not only run counter to Article 3 of the Peace Treaty, under which neither of the contracting parties may join any coalition hostile to the other, but to the Peace Treaty as a whole, which has firmly defined the Soviet-Finnish frontier. Finland's participation in any military revenge alliance against the U.S.S.R. would be incompatible with loyalty to this Treaty. As to the participation of Sweden and Norway in such an alliance, that would imply that these countries had abandoned their policy of neutrality and had adopted a new foreign policy, from which the Soviet Union could not but draw the proper conclusions.

Our government, for its part, considers that the Soviet Union has no points of dispute with Sweden and Norway, and that Soviet-Swedish and Soviet-Norwegian relations should develop on the basis of friendship. As to the rumors that the Soviet Union is demanding ports on the west coast of Scandinavia, that it is claiming Narvik, etc., these rumors, spread for anti-Soviet purposes, are so wild as to need no refutation. The efforts of "Socialist" gentry like Hoglund in Sweden and Tranmael in Norway to spoil relations between these

countries and the Soviet Union should be branded as the efforts of vicious enemies of the working class, who have been bought by foreign capitalists and are betraying the interests of their own people.

The conclusion of the Peace Treaty with Finland consummates the task we set ourselves last year of safeguarding the security of the Soviet Union in the direction of the Baltic. This treaty is a necessary complement to the three pacts of mutual assistance concluded with Esthonia, Latvia and Lithuania respectively. Our experience during the six months that have elapsed since these pacts of mutual assistance were concluded enables us to draw very definite and favorable conclusions concerning these treaties with the Baltic countries. It must be admitted that the treaties concluded by the Soviet Union with Esthonia, Latvia and Lithuania have served to strengthen the international position both of the Soviet Union and of Esthonia, Latvia and Lithuania. In spite of the scare raised by imperialist circles hostile to the Soviet Union, the state and political independence of Esthonia, Latvia and Lithuania has not suffered in any way, while economic intercourse between these countries and the Soviet Union has perceptibly begun to increase. The pacts with Esthonia, Latvia and Lithuania are being carried out in a satisfactory manner, and this creates the premises for further improvement in the relations between

the Soviet Union and these countries.

The foreign press has recently been devoting a great deal of attention to relations between the Soviet Union and its neighbors on its Southern borders, particularly on the Transcaucasian border, and with Rumania. Needless to say, the government sees no ground for any deterioration in our relations with our Southern neighbors either. True, in Syria and in the Near East generally, extensive and suspicious activity is now on foot in the creation of Anglo-French, mainly colonial, armies, headed by General Weygand. We must exercise vigilance in regard to any attempt to employ these colonial and noncolonial troops for purposes hostile to the Soviet Union. Any such attempt would evoke on our part counter-measures against the aggressors, and the danger of playing with fire in this way must be perfectly obvious to the powers hostile to the U.S.S.R. and to those of our neighbors who may become tools of this aggressive policy against the U.S.S.R. As to our relations with Turkey and Iran, they are determined by our existing pacts of nonaggression and by the unswerving desire of the Soviet Union for the observance of the mutual obligations arising out of them. Our economic relations with Iran have been regulated by the Soviet-Iran trade agreement which has just been concluded.

Of the southern neighboring

states I have mentioned. Rumania is one with which we have no pact of non-aggression. This is due to the existence of a non-settled dispute, the question of Bessarabia, whose seizure by Rumania the Soviet Union has never recognized, although it has never raised the question of recovering Bessarabia by military means. Hence there are no grounds for any deterioration in Soviet-Rumanian relations either. True, it is now some time since we have had a Minister in Rumania. and his duties are being performed by a chargé d'affaires. But this has been due to specific circumstances in the recent past. If we are to deal with this question, we must recall the dubious role played by the Rumanian authorities in 1938 in relation to Butenko, who was then Soviet Acting-Minister in Rumania. As we know, the latter in some mysterious way disappeared, not only from the Legation, but from Rumania altogether, and to this day the Soviet Government has been unable to obtain any authentic information about his disappearance. What is more, we are expected to believe that none of the Rumanian authorities had anything to do with this scandalous and criminal affair. Needless to say. things like this should not happen in a civilized state, or in any tolerably well-ordered country, for that matter. After this, the reason for the delay in appointing a Soviet Minister to Rumania will be clear. It is to be assumed, however, that Rumania will understand that such things cannot be tolerated.

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In our relations with Japan we have, not without some difficulty, settled several questions. This is evidenced by the conclusion on December 31 last of a Soviet-Japanese Fisheries Convention for the current year, and also by Japan's consent to pay the last instalment for the Chinese Eastern Railway, which had long been overdue. Nevertheless, we cannot express any great satisfaction over our relations with Japan. To this day, for example, notwithstanding prolonged negotiations between the Soviet-Mongolian and the Japano-Manchurian delegates, the important question of determining the frontier line on the territory in the area of the armed conflict of last year has remained unsettled. The Japanese authorities continue to raise obstacles to the normal utilization of the last instalment for the Chinese Eastern Railway which Japan has paid in. In many cases the treatment of employees of Soviet bodies in Japan and Manchuria by the Japanese authorities is quite abnormal. It is time it were realized in Japan that under no circumstances will the Soviet Union tolerate any infringement of its interests. Only if Soviet-Japanese relations are understood in this way can they develop satisfactorily.

In connection with Japan, I will say a word or two on one, so to speak, unbusinesslike proposition. The other day a member of the Japanese parliament put the following question to his government:

"Ought we not to consider how to put an end once and for all to conflicts between the U.S.S.R. and Japan, as, for example, by purchasing the Maritime Region and other territories?" The Japanese deputy who put this question, and who is interested in the purchase of Soviet territory, which is not for sale, must be a jovial fellow. But in my opinion his stupid questions will not help to raise the prestige of his parliament. If, however, the Japanese parliament is so keen on trading, why should not its members take up the question of selling South Sakhalin? I have no doubt that purchasers would be found in the U.S.S.R.

As regards our relations with the United States of America, they have not grown any better lately, nor, for that matter, have they grown any worse, if we do not count the so-called "moral embargo" against the U.S.S.R., which is perfectly meaningless, especially after the conclusion of peace between the U.S.S.R. and Finland. Our imports from the U.S.A. have increased as compared with last year, and they might increase still more if the American authorities did not put obstacles in the way.

* * *

Such, on the whole, is the international situation as a consequence of the events of the past five months.

From all that I have said, the main tasks of our foreign policy in the present international situation will be clear.

Stated briefly, the task of our

foreign policy is to ensure peace between the nations and the security of our country. The conclusion to be drawn from this is that our position is one of neutrality and nonparticipation in the war between the big European powers. This position is based on the treaties we have concluded, and it fully conforms to the interests of the Soviet Union. At the same time, this position serves as a restraining influence in preventing the further extension and instigation of war in Europe, and it is therefore in the interests of all the peoples which are anxious for peace and are already groaning under the enormous new burden of privations caused by the war.

In summing up the events of this past period, we see that as regards safeguarding the security of our country, we have achieved no small success. And this is what makes our enemies so furious. Confident, however, of our cause and our strength, we will continue consistently and unswervingly to further our foreign policy.

A FEW LESSONS OF THE FINNISH EVENTS

THE peace treaty concluded with Finland on March 12, 1940, represents a great victory for the Soviet Union and its peace policy. By this treaty the Soviet Union has secured the safety of its northwestern frontiers, primarily of Leningrad, Murmansk and the Murmansk Railway. A dangerous base which the imperialists took great pains to prepare in the course of many years for an attack upon the City of Lenin has been eliminated. The plan of the Anglo-French imperialists to involve the Soviet Union in a protracted war has been frustrated. Lastly, the Soviet Union has proved again that it desires peace, but that it is able to take care of its vital interests under all circumstances.

The Finnish events provided a brilliant demonstration of the strength, the courage, the military capabilities and the heroism of the Red Army. All the miserable lies and calumnies of the hostile propaganda machine have toppled like a house of cards. The Red Army carried on its operations under climatic and geographic conditions which have no parallel in the history of modern warfare. It used chivalrous methods in the war and refrained particularly from bombing the civilian population. This is testified to even by the figures of the Finnish Government regarding the number of casualties among civilians.

The Red Army was confronted with several deep lines of fortifications that had been built in the course of many years by some of the best experts of the big imperialist powers and were considered impregnable. Indeed, no army in the world had hitherto captured such fortifications. The Red Army, however, broke through the Mannerheim Line and compelled the enemy to capitulate, whereas on the Western front the imperialists made no progress whatever in the first six months of the war. The continued ravings of some of the Finnish White Guards, and their masters in the camp of Anglo-French imperialism, about the Finnish army being "unvanquished and intact" and their prattling to the effect that the Red Army did not achieve its objectives, are just naive attempts at self-consolation on the part of professional liars. One need but ask these heroes of the tongue: Why, then, did the Finnish Government capitulate, if its army remained "unvanguished"?

The same gentlemen are now, in retrospect, trying to console themselves by playing up the difference in the forces involved. All of a sudden they have come to "admit" the superiority of the Red Army, contrasting it to the alleged "shortage of men and material" which its adversary had to put up with. This is in order to be able to say that

it was no particular achievement to force such an adversary to capitulate. But they are lying now just as they lied before. As a matter of fact the adversaries of the Red Army were not at all so "poor." For the Red Army had to contend. not only with the Finnish army. which numbered no less than 600,-000 men, but with the united forces of a number of imperialist countries which assisted the Finnish White Guards generously with arms, munitions, equipment, provisions, funds, "volunteers," and, last but not least, with a vicious anti-Soviet campaign of slander and incitement. Comrade Molotov was fully justified in stating, in his report* on the foreign policy of the Soviet Government, delivered March 29, 1940, at the Sixth Session of the Supreme Soviet of the U.S.S.R.:

"By smashing the combined forces of our enemies, the Red Army and Red Navy have added another glorious page to their history and have shown that the springs of valor, self-sacrifice and heroism among our people are inexhaustible."

* * *

Once again has it been demonstrated with utmost clarity that the Soviet Union respects the independence of small nations. What a flood of lies has been let loose on this score! The proposals made by the Soviet Union to Finland in the autumn of 1939 represented the

minimum of what was absolutely essential for safeguarding the security of its frontier and of Leningrad. The Soviet Union wanted to obtain this minimum by peaceful means. The pacts with the Baltic states bear witness to the fact that such a solution is possible and advantageous to both parties. The Finnish Government, however, acting on the instigation of the Anglo-French imperialists and contrary to the interests of the Finnish people. rejected such a peaceful solution and provoked the war. After the Red Army had battered down the fortifications on the Karelian Isthmus and defeated the Finnish army, the Soviet Union could have occupied the whole of Finland. But it did not do so. It concluded a peace which does not infringe upon the independence of Finland. The Soviet Union does not interfere in Finland's internal affairs, nor, for that matter, does it stoop to take notice of the more recent insolences on the part of the diverse Mannerheims. It goes without saying that any imperialist power would have certainly taken advantage of its victory to enslave the vanquished country.

The working people of the whole world can draw particularly illuminating conclusions as to the difference in principle between the policy of the Soviet Union and the policy of the imperialists from the recent events in Scandinavia.

The Western imperialists regarded the Finnish adventure, which they had themselves provoked, as a starting point for spreading the war

^{*} See p. 219 of this issue.

to the Scandinavian countries. On the pretext of rendering aid to Finland, these countries were to be prevailed upon, not only to take a hand in the war themselves, but also to "permit" the troops of the Western powers to enter Scandinavia. Aid for Finland, it is now definitely established, was just a mask. The Western powers were concerned primarily with getting an opportunity to occupy the most important vantage points in the Scandinavian countries and to set up new positions there for operations against Germany. The gentlemen of London and Paris were not a bit perturbed by the consideration that these countries stood to lose their independence as a result of these actions, that they would be definitely dragged into the war and would themselves become converted into a theater of war-all that was part of the cool calculations of these gentlemen. The Anglo-French imperialists had no scruples whatever about sacrificing Scandinavia in order to cut off Germany from her sources of raw materials in Scandinavia and to build up a new war front.

These plans were thwarted by the conclusion of the Soviet-Finnish peace treaty. Finland could no longer be used as an excuse. England and France then threw off their mask. The British and French imperialists who, during the Finnish campaign, never tired of spreading the wildest and most hair-raising rumors about the alleged designs of the Soviet Union against the Scandinavian countries, now themselves

inaugurated open action against Scandinavia. Their invasion of the territorial waters of Denmark and Norway and, particularly, the action of the British navy in laying mines in these waters have brought about counter-measures on the part of Germany and have carried the war into Scandinavia. The peoples of the Scandinavian countries have now, like so many other small peoples, found out from bitter experience the cold truth that they are regarded by the imperialists merely as cannon fodder for their wars and as pawns in their imperialist game.

It must, however, be pointed out that a great share of the responsibility falls on the warmongering and anti-Soviet elements in the Scandinavian countries themselves. During the Finnish events these people did everything in their power to plunge their countries into a war against the Soviet Union. They clamored for the entry of Allied troops into Scandinavia. They openly assisted the Finnish White Guards with money, arms and "volunteers," and boasted of the fact that the Scandinavian countries were doing everything to expedite the transit of munitions sent by Great Britain, France and other countries. In order to whip up public opinion they deliberately ascribed to the Soviet Union hostile designs against the Scandinavian countries and represented the Anglo-French imperialists as the friends of their countries. Thus the Scandinavian warmongers and enemies of the Soviet Union contributed by their entire activity to

create the very atmosphere that the Anglo-French imperialists needed in order to draw Scandinavia into the war. It has again been proved that anti-Sovietism, no matter under what mask it parades, is tantamount to betrayal of the interests of one's own people.

* * *

The attitude of the leadership of the so-called Second International in connection with the Finnish events is a chapter by itself. We have become accustomed to expect anything of this gang. But their performance in the last few months surpassed everything.

Take the Finnish Social-Democratic leaders. It has been fully established that these gentlemen, with Tanner at their head, actively worked to prevent a peaceful understanding with the Soviet Union and thereby directly contributed to the unleashing of the war. These gentlemen have allied themselves for life and death with the notorious murderers of workers and the butchers of their own people in order to fight shoulder to shoulder with them against a socialist country. These gentry share the responsibility for the brutal outrages perpetrated by the inhuman Finnish White Guards on wounded Red Army men and women nurses. The very same creatures who have always cringed before their reactionary bourgeoisie and licked its boots found the unenviable courage to wage a war against a socialist country, thus earning the frenzied

applause of world reaction. Truly, this vile gang shrinks from no infamy, however base, against the cause of the working class, against the cause of the people.

Or, take the Scandinavian "Social-Democratic" hirelings of reaction. The Hoeglunds, Sandlers, Tranmaels and Co. actually outdid themselves in their warmongering and in their anti-Soviet ravings. They were in the lead of those forces that were bent on drawing Scandinavia into a war against the Soviet Union. These hired scoundrels raged even more furiously than their capitalist masters. And they fully share the blame for the fact that Scandinavia has now been drawn into the war and that the Scandinavian peoples are made to pay the bill. For they have contributed and are still contributing to spread the war.

The same may be said of the "Social-Democratic" leaders in other countries as well, particularly of the British and French socialtraitors. No British diehard or French Cagoulard could outdo a Blum or a Citrine in their denunciations of the Soviet Union. That disgusting pharisee Blum, father of "non-intervention" in Spain, the philistine who heaved "a sigh of relief" after Munich, is loudest in his daily insistence on intervention against the Soviet Union. The lackey of an imperialist caste which holds hundreds of peoples in subjection and slavery, which built up its empire by means of war, plunder and murder, and is holding it together by means of

violence and suppression, a hired agent of capital of the type of a Citrine, is crying murder against "Red imperialism." The servitors of a cynical and ruthless caste, which is dealing with the native population of its colonies in the most brutal fashion, and whose hands are dripping blood and filth even through their kid gloves, "Socialists" of the type of Jouhaux and Attlee, are shricking about an "imperilled civilization." No. indeed, there is no infamy from which the leadership of the Social-Democratic parties have shrunk during the past months.

It must be expected, however, that 'the villainies of this small group of kept "Social-Democratic" politicians will have their repercussions in the ranks of the Social-Democratic workers, A process of differentiation is already discernible in a number of Social-Democratic parties. Whole organizations and groups, as well as prominent individuals in the ranks of the Social-Democratic movement, are coming out against the anti-Soviet, warmongering and treacherous policy of the official leadership. It is a paramount task of the Communist Parties to conduct widespread educational work exposing the criminal substance of this policy, particularly in connection with the Finnish events, and also to pursue patiently the policy of a united front from below in the struggle for peace and against the war and its consequences for the masses, in order to accelerate the process of differentiation in the ranks of the Social-Democratic Parties and to isolate the treacherous gang of leaders from the honest Social-Democratic workers.

* * *

Another lesson, which the laboring masses of all countries may draw from the Finnish events, is the one regarding the part played by lies and slander. To be sure, the capitalists resort to lies and calumnies in every war. In connection with the Finnish war, however, all previous records in this respect have been beaten. It was a veritable orgy of lying, invention and vilification. Lies upon lies were told about "victories" of the Finnish White Guards. Detailed descriptions were given of battles that had never been fought. Stories were told about Soviet fliers dropping thousands of bombs "upon a peaceful village," but in the same breath it was added that there had been no casualties. The "bravery of the Finns" was extolled to the skies, and the Red Army was vilified. Whole Soviet divisions were "destroyed" on paper. It seemed as if the bourgeois and Social-Democratic writers and correspondents were trying to make sport of their readers. Witness, for instance, the correspondent who had a "Swedish flier" bring down four Soviet airplanes in one minute; or the "truth loving eye-witness" who claimed that he had personally seen one Finnish White Guard, perched on a fir tree in Petsamo, shoot down "seventy Russians." This in spite

of the fact that there are no trees in Petsamo.

The hired tools of the bourgeois and Social-Democratic newspapers knew very well that they were lying. They knew very well that the course of the events would inevitably reveal the truth. More than that. They lied and calumniated so brazenly that they often contradicted and exposed themselves on the very same day. But they followed the maxim: Throw much dirt, some of it will stick. This was the purpose of all their lies: to deceive the masses, to confuse them and to paralyze their resistance to the criminal designs of the imperialists-even if the very next day were to show that they had lied and deceived.

The news and propaganda monopoly of the bourgeoisie in the capitalist countries has thus again proved to be an extremely dangerous and venomous weapon in the hands of the warmongers. The more so since in most of the capitalist countries the honest working class press is subjected to various forms of repression-from strict censorship and the deprivation of mail privileges to complete suppression. Nevertheless the bourgeoisie has not succeeded anywhere in totally stifling the voice of truth. A brilliant example of how the truth breaks through all the barriers put up against it by the warmongers is the mass distribution of l'Humanité and other working class publications.

One of the conclusions which the working class movement in the

capitalist countries must draw from the Finnish events concerns the necessity of improving the methods and forms and intensifying in every way the work of enlightening the masses.

* * *

The Anglo-French imperialists seized upon the Finnish events and used them in every way to whip up "public opinion" in the capitalist countries "against Bolshevism." In this they had recourse to the press and the radio, the cinema and the stage, the parliamentary rostrum and the pulpit; economic pressure on the part of employers; emergency laws; terrorism and class justice. Blum and Attlee, Chamberlain and Reynaud again unfurled the banner of the notorious anti-Comintern bloc.

Naturally, we cannot expect such a terrific campaign on the part of the bourgeoisie and its Social-Democratic watchdogs to take place without leaving some trace. It certainly has its pernicious influence, particularly upon the backward sections of the working people in the capitalist countries. But the final balance sheet must be extremely disappointing to the present exponents of the anti-Comintern. True, they did score certain successes during the Finnish campaign in a few minor countries where they were able to make use of the traditional chauvinism of the pettybourgeois sections of the population; but their anti-Bolshevik and anti-Soviet campaign proved to be an utter failure among the working

class in the decisive capitalist countries.

The comrades in the various countries, who bore the brunt of the vile excesses of the past months, declare that we must not allow ourselves to be deceived by the clamor raised by the new exponents of the "anti-Comintern." It has all remained on the surface, it has remained, on the whole, a hullabaloo paid for by the men on top, but has absolutely nothing in common with the true sentiments of the large masses of the working people. This healthy class instinct puts the worker on his guard, it makes him suspicious of a cause which is sponsored so noisily by the very people and classes whom he knows from personal experience to be his enemies. And every worker in the capitalist countries instinctively asks the question: Where were you, gentlemen, during the war in Spain? What did you say about the Munich agreement? What was your attitude in the case of Albania? What is your position with regard

to the war in China? No, a cause which you are championing must be rotten. That is the sentiment which asserts itself among the workers despite all the tricks of the enemies of the Soviet Union and of the opponents of Bolshevism.

We are not dealing here with the vanguard of the working class, the Communist Parties. The Communist Parties in the capitalist countries had to stand a serious test. And on the whole they have come out of this test with flying colors. Not only in the sense that their own ranks have no wavered, but also because they have been able to stem the tide of reactionary slander and to take the offensive.

And so—without underestimating our enemies, and without losing sight of our own shortcomings—we may draw the following conclusion from the Finnish events: that the ties between the working class of the capitalist countries and the Soviet Union will be strengthened despite all the efforts of the enemies to the contrary!

MONOPOLY CAPITALISM IN THE SECOND IMPERIALIST WAR

BY EUGENE VARGA

TO UNDERSTAND the processes **1** that are taking place in the capitalist world under the conditions of the second imperialist war we must take as our starting point Lenin's investigations of the first imperialist war. The most important result of Lenin's investigation was that he established the fact that during the World War the tendency to pass from monopoly capitalism to state monopoly capitalism was enormously accelerated. Lenin characterized the capitalist social system during the World War as "war-state monopoly capitalism."

Lenin emphatically rejected the demagogy of the Social-Democratic traitors who argued that the state regulation of economic life, the ostensibly equal distribution of food, etc., signified the overcoming of capitalism by "war socialism." Lenin wrote:

"Both America and Germany 'regulate economic life' in such a manner as to create a military prison for the workers (partly for the peasants) and a paradise for the bankers and capitalists. Their regulation consists in 'tightening the screw' on the workers to the extent of near-famine, and securing for

the capitalists (secretly, in a reactionary, bureacratic way) larger profits than those they had before the war." (V. I. Lenin, Collected Works, Vol. XXI, Book I, p. 189, International Publishers, NewYork.)

This fundamental thesis of Lenin's serves as our point of departure for a systematic analysis of war economy in the period of monopoly capitalism. As the belligerent countries are now publishing hardly any statistics we are compelled in many cases to resort to the factual material of the World War for the purpose of illustrating our argument.

It is well known that during the past decade preparations for war and armaments in the capitalist countries assumed enormous dimensions. Already before the outbreak of the European war, war preparations had led to a far-reaching deformation of capitalism. In the period of the general crisis of capitalism there is no sharp difference between peace capitalism and war capitalism, for the transition from one to the other is not sudden but gradual. Nevertheless, in order to bring this difference out sharply, we will compare fully developed talist peace economy.

The premises for fully developed capitalist war economy are: (a) general mobilization of the population capable of bearing arms; (b) conduct of war with a mass consumption of war material commensurate with modern technique of war; (c) a definite duration of war.

Thus it is clear that a fully developed war economy does not yet exist in any country, even in Japan, which has been waging war for several years, but has not yet mobilized all its military forces, has not put its whole army into the field and has not expended the amount of war materials that the conduct of modern warfare might have led one to expect.

In analyzing the war economy of the capitalist countries, I take fully developed war economy of capitalism in its "pure form," just as Marx did in Capital when he assumed the existence in capitalist society of only two classes—the working class and the bourgeoisieleaving out of the analysis the question of external relationships and regarding capitalism as a single world market.

This method of approach to the problem enables us to answer more clearly the question: What is the decisive difference between peace economy and war economy in the capitalist countries?

The decisive difference between fully developed war capitalism and peace capitalism is the following: Under peace capitalism there is a constant increase in wealth, of the

capitalist war economy with capi- so-called national wealth in general and of the real accumulation of capital, in particular. The sum total of real property at the end of a given year, the sum total of labor time embodied in stocks of every kind, factories, machinery, houses, stocks or commodities, etc., in a given country, increases from year to year. The accumulated capital in its real form, that portion of the total wealth of the nation that is owned by the capitalists and is used for the exploitation of the workers, increases from year to year at a faster rate than the total wealth of the country. As Marx had already pointed out, competition compels every capitalist to accumulate a part of the appropriated surplus value and to invest it in the process of production in order to be able to withstand his competitors.

Under fully developed capitalist war economy, however, the country becomes impoverished, there is a diminution in the total wealth obtained from the work of preceding years, a diminution in the sum total of real capital.

The causes of this impoverishment of the country under fully developed war capitalism are the following: (a) the diminution of production during the war; (b) increase of consumption during the war; (c) the specific character of the production and consumption of war materials; (d) the devastation caused by the war.

The causes of the diminution of production during war are the following:

The best male workers are with-

drawn from production and mobilized for service in the army. In France, for example, the army is now nearly five million strong. Before the outbreak of the present war in Europe, the French army was about one million strong. In 1936, the male population between the ages of 15 and 60 numbered no more than twelve million. This means that one-third of the ablebodied males in France have been withdrawn from production and are forced to serve in the army. The transition to state monopoly capitalism, the state organization and control of the production, distribution and transportation of all goods, the state distribution of labor power, the state control of foreign trade, etc., withdraw from the sphere of production an additional large number of workers. The shifting of workers from peace industry to war industry entails at least a temporary diminution in the productivity of labor.

The oft repeated air-raid warnings in whole cities and industrial regions also serve to disturb the process of production very considerably. In the later stages of war economy shortage of fixed capital due to insufficient replacement of worn out machinery, tools and apparatus, shortage of transport facilities and shortage and poor quality of raw materials cause retrogression in production. Lastly, after a time there is a diminution in the productivity of labor due to the malnutrition of the workers. These are the main causes that create the tendency towards diminution of production during war.

During war, the tendency of consumption is to rise higher than in peace time, for to ordinary consumption is added the enormous consumption of modern armies.

The decisive point however, is the specific character of the production and consumption of war materials. War materials do not return to the productive circulation of capital in any form. As is well known, from the standpoint of the circulation of capital, all commodities fall into two large categories:

- 1. Means of productions, which serve the purpose of further production, for example, factories, machinery, apparatus and raw materials. The value of these commodities-in so far as it is consumed in the process of production—is embodied in the newly produced commodities in a magnified form as a consequence of surplus value.
- 2. Means of consumption which are consumed by the workers and the ruling classes. The means of consumption consumed by the workers go for the reproduction of labor power, the most important and indispensable means of production. Only those means of consumption that are appropriated by the ruling classes are irrevocably lost for the circulation of capital, for economy.

War materials differ from means of production and means of consumption in that they never return to the process of production either in the form of means of production or of means of consumption for the workers, but are definitely lost.

The larger the share of the total products of the country that assume the form of war materials, the more must production diminish in every circulation of capital, and the more impoverished the country becomes.

But the war not only "consumes" what is produced for immediate war purposes. During the imperialist World War, a total of 700,000 tons of merchant shipping per month was sunk. And the destruction of industrial enterprises, houses and property of the civil population in the area of war reaches enormous dimensions.

These are the main tendencies that lead to impoverishment during war. These tendencies encounter—as is always the case under capitalism-certain counter-tendencies. The most important of these are the following:

In the period of the general crisis of capitalism, as we know, there is a large surplus of unused fixed capital and unused labor power. This enables capital to draw on this hitherto idle means of production and to replace the male workers mobilized for the war by unemployed, women, young persons, aged persons, partly disabled people, etc. Under the pretext of war emergency and the pressure of the state the working day is increased enormously, the weekly day of rest is abolished, labor is speeded up and far more work is squeezed out of the workers than is possible in peace time.

More important is the restriction of the consumption of the civil population. This affects all branches of consumption. Food rationing reduces the consumption of food, train services are curtailed, private automobile owners cannot obtain fuel and less coal is available for domestic purposes, etc., etc.

The counter-tendencies modify the main tendencies towards impoverishment of the belligerent countries, modify the tendency towards the diminution of available real capital. But they only modify them; under no circumstances do they nullify the main tendency towards impoverishment. This is clearly revealed by the fact that as soon as war breaks out the building of new dwelling houses and repairs to existing ones are stopped; only factories and railways required for the war are built, and worn out machines and tools are not replaced.

The fact that in fully developed capitalist war economy there is no real accumulation, no expansion and renewal of fixed capital, leads to the cessation of the cyclical process of capitalist reproduction, for the basis for the expansion and renewal of fixed capital is lacking. That is why, under fully developed war economy, there is no change from one phase of the industrial cycle to another, and no general crisis of overproduction, but a tendency towards excess of demand for commodities over supply, a tendency towards a dearth of commodities. Thus, there ensues a profound disturbance of the economy, a crisis due not to a superfluity of commodities, but to impoverishment, to a shortage of commodities, to the impoverishment of the masses of the people.

The method of financing the war does not alter the picture. The traditional conception that war demands "money, money and again money" is wrong; war demands above all men, men and men again, demands real resources, war materials, transport facilities, food, etc. If these resources are available in the country the capitalist state can aways find ways and means of mobilizing them for the purposes of the war. Owing to the private property system, this mobilization meets with certain obstacles, but these are by no means insuperable.

Consistent with the nature of capitalism, the state pays high prices for all commodities it purchases from the capitalists for the purpose of conducting the war.

Where does the state take the money for this purpose? There are only three ways by which the capitalist state can obtain money: (1) emission of paper currency; (2) taxes: (3) loans.

The excessive emission of paper currency leads directly to inflation and therefore this emission can be practised only within certain limits.

During the World War, taxes served to cover at most 20 to 25 per cent of war expenditure. The big bourgeoisie cannot finance the war by means of a property tax, not only because it is unwilling to sacrifice its own property, but also because in this case it would immediately make it clear to the middle and petty bourgeoisie and the

peasantry that the war was steadily causing their impoverishment and this would strengthen the movement against the war.

Inasmuch as war is financed by taxes on consumption it causes a rise in prices and increases the tendency towards inflation already inherent in capitalist war economy.

The principal means of financing the war are loans. The place of the real capital consumed in the war: stocks of goods, machinery, tools, etc., is taken by fictitious capital in the form of war loans. These war loans serve as a screen for the impoverishment of the country actually taking place by attempting to shift the burden of the cost of the war to the shoulders of future generations.

This gives rise to the contradiction between the actual impoverishment of a country and its apparent enrichment in money form. This contradiction between actual impoverishment and apparent enrichment is solved by means of inflation, by the depreciation of money.

We will now see to what extent the experience of the imperialist World War of 1914-18 corroborates this theoretical analysis.

The diminution of production in the belligerent countries was enormous. To illustrate this we will quote the following figures: In Germany the production of iron dropped from 19,300,000 tons in 1913, to 11,700,000 tons in 1915, and 13,100,000 tons in 1917. In France, the production of iron dropped from 5.200,000 tons in 1913, to 500,-000 tons in 1915 and was 1,400,000 tons in 1917.

The production of steel shows a somewhat smaller but, nevertheless, enormous drop. In Germany it dropped from 18,300,000 tons in 1913 to 12,900,000 tons in 1915 and 11,800,000 tons in 1918. The corresponding figures for France are: 4,600,000 tons in 1913, 1,100,000 tons in 1915 and 1,800,000 tons in 1918. Since steel is one of the most important of the war materials, it is clear that the production of other commodities must have diminished much more considerably.

The diminution of production affected agriculture even more than it affected industry. In Germany, the production of wheat dropped steadily from year to year from 4,400,000 tons in 1913 to 2,200,000 tons in 1917. In France, the drop was even greater, from 8.800,000 tons in 1913 to 2,600,000 tons in 1918. A similar drop occurred in other cereals, potatoes, etc.

The diminution of consumption was enormous, as the above-mentioned figures showing the drop in agricultural production would already indicate. This diminution in consumption varied in the different countries and affected blockaded Germany more than the others.

There are various approximate estimates as to the sources from which Germany financed the war during the World War. Although only approximate, these estimates give us some idea. Germany's total war expenditure during the World War is estimated at 158,000,000,000 marks. As, however, the mark was greatly depreciated during the war, the expenditure is estimated at 79,000,-000,000 pre-war marks. This was covered by the following:

Diminution of stocks of goods. 20,000,000,000 marks. Deterioration of machinery, houses, etc., 15,000,000,000 marks. Diminution of consumption of civil population, 22,000,000,000 marks.

The rest was covered by the export of gold, the disposal of foreign securities and capital investments, the acquisition of foreign credits, etc.

Thus, there was an extreme impoverishment, although unevenly distributed among the various classes and strata of the population. The big monopolists, above all the war contractors, such as Krupp, Morgan and Vickers actually became richer than ever in the midst of general impoverishment; but the great bulk of the middle and petty bourgeoisie, shopkeepers, artisans, etc., became poorer. Instead of their used up property they were more or less compelled to accept war bonds which, as a consequence of inflation, rapidly depreciated. Not only in Germany but also in countries like America and England. where officially even during the war the gold standard was maintained, inflation occurred in the form of an enormous increase in prices and led to the impoverishment of the population. Thus, in the United States, the index of wholesale prices (1910-14 = 100) rose to

211 in 1918 and 244 in 1920. In England the index rose to 233 in 1918 and 313 in 1920.

The whole burden of the war fell upon the proletariat, whose real wages, even in the United States and for the most highly skilled workers, showed a considerable drop. In other belligerent countries, such as Germany, Austria and Russia, it dropped to starvation level.

Here the question arises why the system of state monopoly capitalism, which is so advantageous for the big bourgeoisie and so disadvantageous for all working classes. was abolished after the war. The most important motives here were political. In view of the revolutionary ferment among the proletariat in all the belligerent countries at the end of the World War, the big bourgeoisie needed the support of the middle and petty bourgeoisie as well as of the well-to-do peasantry. That is why they were obliged to abolish the system of war monopoly state capitalism to a very large extent so as to be able to set these intermediary classes against the proletariat.

The brief data quoted above reveal that during the World War capitalist economy actually proceeded along the lines indicated by our theoretical analysis.

We shall now pass to the present capitalist war economy. It is extremely difficult to make an analysis here because the belligerent countries publish no production figures and a number of countries, such as Germany, France and Italy, no longer publish circulation figures. Nevertheless, it is possible to say something about the present war economy.

In any case, war at the present day, when fully developed costs ever so much more than in the period of the World War. In view of the present technique of war the consumption of war materials is much larger than during the World War. Guns, tanks, battleships and airplanes cost much more, contain much more labor time than during the World War. This means that the production of war materials in the present war absorbs a larger part of the productive forces than during the World War. This applies particularly to labor power. Various military authorities estimate that for every soldier at the front nine or ten workers are needed in the rear in order to supply the front with all its needs. From this it follows that after the war has lasted some time, labor power will be the factor in production that will be least available.

Although the European war has been going on for six months already, none of the belligerent countries has fully developed its war economy. The main reason for this is that up to now there has been no large-scale expenditure of manpower and war materials and that with the exception of the sinking of merchant vessels there has been no serious destruction in the war, either by land or air. Another rea-

son is that England and France have large reserves of idle fixed capital and, in England particularly, large reserves of unemployed.

Particularly important is the fact that the bourgeoisie and all classes in capitalist society entered the second imperialist war armed with the experience of the first World War and the two decades subsequent to it. Consequently, war economy regulations commenced at the point where it left off at the end of the World War. For example: immediate restrictions on consumption on the outbreak of the war, immediate and complete blockade of Germany on the one hand and unrestricted submarine warfare on the other, England's immediate acquisition of the stocks of raw materials of whole countries (purchase of the whole of the cotton crop in Egypt, the whole of the wool crop in Australia and New Zealand and the whole of the wheat crop in Canada, etc.). Although the general trend of development of war economy in the various belligerent countries is the same, it manifests itself differently, of course, in the different countries, and a factor that we have excluded from our general analysis, namely, the possibility of utilizing the resources of the world market, plays a decisive role.

Of the European belligerent countries, the economy of Germany comes closest to the pure type of fully developed war economy. The transition to state monopoly capitalism was brought about in Germany even before the outbreak of

the European war: the state regulated the distribution of raw materials, labor power, prices, foreign trade, etc. As a consequence, the outbreak of the war caused no dislocation of production, as was the case in England and France.

The most important measures of German war economy on the outbreak of the European war was the sharp restriction of food consumption of the civil population. The "normal consumer" that is, the adult population, with the exception of those engaged in heavy and very heavy work, receive at present about half the quantity of fats, meat and sugar that was received per capita in 1937. The sharp restriction of consumption immediately on the outbreak of the warin contrast to what occurred during the World War, when food restrictions were imposed in proportion as supplies became limited -pursues a definitely political obiect, namely, to prevent the discontent of the masses that inevitably arises in the course of a protracted war from growing as a result of repeated restrictions of food rations. The present restrictions is so far-reaching that it not only ensures that Germany's home production will suffice for the whole period of the war, but permits the issue of supplementary rations from time to time. With this sharply reduced food ratio of consumption the naval blockade is ineffective. The amount of food saved by the diminution in consumption exceeds the amount imported before the war. Imports of

fats, for example, amounted to nine kilograms per capita. The reduction in consumption amount to twelve kilograms per capita. Meat imports amounted to about two kilograms per capita per annum, while the reduction in the meat consumption amounts to over twenty kilograms per capita per annum, etc.

To prevent the restriction of food consumption affecting the productivity of labor the workers engaged in heavy and very heavy labor and those working overtime or night work receive a higher ration of fat and meat. To prevent the workers who receive this higher ration from sharing it with their families it is served already cooked and consumed on the working premises. In this manner the rationing system definitely serves war production.

The fact that Germany has no, or very limited, sources of her own of iron ore, non-ferrous metals, oil, rubber, cotton and wool, etc., compelled her to develop an extensive production of substitutes. Science was placed entirely at the service of war economy for the purpose of finding artificial substitutes for natural raw materials, of making the fullest use of all the available organic substances, etc. But the amount of labor time embodied in these artificial substitutes is, as a rule, larger than in the otherwise imported natural raw materials. This means that the problem of labor power for the purpose of producing all the materials needed for the conduct of the war will be much more pressing in Germany than in those countries which have better

connection with the world market. It must be emphasized, however, that the present blockade of Germany has many more loopholes than during the World War. At that time Germany was able to trade only with a few small neutrals, whereas at the present time the whole of the East up to the Pacific Ocean is open to her for the purpose of obtaining the necessary commodities. In view of the absence of a gold reserve, the necessity of paying for these imported goods with new manufactured goods will, of course, impose a further strain upon her.

The economy of England and France has up to now revealed less of the features of fully developed war economy than that of Germany. Certain restrictions have been imposed on the consumption of the civil population: sharp reduction in motor fuel, rationing in England for butter, bacon, sugar, etc., two meatless days per week in France, etc. Meanwhile it has been decided in France, too, to ration the most important articles of food. Of greater importance is the fact that the world market is still open to England and France for the supply of the necessary raw materials and food. True, naval warfare has inflicted considerably damage on English (and still more on neutral) merchant shipping, and the convoy system reduces the carrying capacity of the merchant fleet as a whole. Accelerated construction of merchant ships and the chartering of neutral vessels has enabled England so far to make up for the

labor power is shown by the pres-

ent situation in France where, owing

to universal military service, a

larger proportion of the male popu-

lation was mobilized for the army

than in England. The shortage of

labor power in France is felt most

in agriculture, and as a result a

large part of the autumn work

could not be carried out, beets and

potatoes were left in the ground

and the autumn sowing was not

completed. Agricultural laborers

developed capitalist war economy.

Although no complete mobilization

has been carried out, not all the

mobilized troops have been put in

the field and the consumption of

war material, in view of the spe-

cial conditions of the war in China,

is considerably lower than that re-

quired by modern technique of war.

the long duration of the war and

the country's poverty in natural re-

sources have led to extreme eco-

nomic dislocation. The war econo-

my has impoverished the country.

In their blind striving after con-

1936, 114 in 1938, and 138 in November, 1939, a rise in the course of three years of about 50 per cent. In the same period the cost of living

damage. This has enabled England, and to a much further extent France, who can largely supply her requirements from home production, to make a slower transition to state monopoly war capitalism. For example, unlike Germany, England has so far not introduced maximum prices. Since the beginning of the war prices have risen very considerably, while wages lag very considerably behind prices. This means that while in Germany the restriction of consumption for the working classes was brought about directly by means of rationing, in England it is being brought about anarchically by reducing the purchasing power of the workers by raising prices.

1932 to 1939 the production of iron and steel increased three or fourfold, but the complete reorganization of industry to meet the requirements of war has caused a sharp drop in production in the industries not essential for the conduct of the war. In the second half of 1939 production in the non-war industries was greatly restricted, for example, the cement industry is working only 40 per cent of capacity. The spinning industry is

increasing the production of war

materials very considerably. From

 ample, the cement industry is working only 40 per cent of capacity. The spinning industry is working only 50 per cent of capacity. Out of a total of 11,400,000 cotton spindles only 7,700,000 are in operation, etc.

The impoverishment of the coun-

The lack of a state capitalist organization in England has resulted in the fact that in the first six months of the war there was an increase in unemployment in spite of the mobilization of a large section of the male population. This runs counter to the general trend of capitalist war economy and is clearly a passing phenomenon. The leaders of English war economy are bearing in mind that in the course of 1940 three million men will be withdrawn from production for military service and that four million women will enter industry to take their place. This means that all single women and also a section of the married women who hitherto have not gone out to work will be brought into industry for the first time.

try as a result of the long drawnout war has led to inflation. The
national debt has increased from
10,000,000,000 yen in 1936 to 20,500,000,000 yen in October, 1939.
War loans are difficult to raise: instead of 6,000,000,000 yen of war
loan less than 3 000 000 could be

quest the Japanese ruling classes have tried to build up in the country so poor in natural resources not only a huge army but also a huge navy and air fleet. They have subordinated all the sources of the country to the purpose of waging the war. They have succeeded in

has sucked it dry.

500,000,000 yen in October, 1939. War loans are difficult to raise: instead of 6,000,000,000 yen of war loan less than 3,000,000,000 could be raised in 1939. The government is compelled to resort to the issue of short-term loans and treasury notes. The amount of notes in circulation rose from 1,500,000,000 yen in the middle of 1937 to 3,800,000,-000 yen at the end of 1939. This during the past two years has led to the depreciation of the yen by 20 per cent measured by the rate of the dollar, which, however, is being artificially kept down. Measured by home prices, inflation has gone much further. If we take the

price level of 1920 at 100, the in-

dex of wholesale prices was 90 in

In order to conduct the war Japan is compelled to import the indispensable raw materials from abroad. In 1938 the percentage of requirements imported from abroad was as follows:

index rose from 88 to 130.

Per	Per
cent	cent
Iron ore 76	Zine 71
Iron 30	Oil
Steel scrap 48	Rubber 100
Copper 31	Cotton 98
Aluminum 70	Wool 95
Lead 72	Cellulose 90
Tin 71	

Since then the home production of aluminum, copper and iron has somewhat increased.

In order to import the indispensable raw materials for war purposes from abroad Japan has had almost to exhaust her gold fund: In 1939, according to American sources, gold to the amount of \$125,000,000 was imported in America from Japan (partly home production). The longer the war lasts the more difficult will it be for Japan to obtain the necessary means for paying for her purchases abroad.

The dislocation of Japan's economy is now spreading to agriculture. The rice crop, the staple crop, was a bad one last year. The price of rice in the course of one year jumped from 35 yen per koku* to 45 yen,

That the present war economy will soon suffer from a shortage of

^{*} A koku equals 5.11 bushels .- Ed.

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and the state was compelled to requisition stocks of rice in order to prevent further speculative raising of the price. The rise in the price of rice caused riots in a number of districts in Japan. All this clearly shows that Japan's economic resources are already pretty well exhausted, that the actual impoverishment of the country has gone quite far and that without foreign aid Japan will be unable to stand the economic strain of the war in China much longer.

* * *

It is too early as yet to make any definite forecast of changes in the capitalist system of society as a result of the second imperialist war. Speaking broadly the following might be foreseen:

The war will undoubtedly greatly weaken the historical center of world capitalism in Western Eu-

rope, if the capitalist system of society survives the war at all. The United States will emerge from the war with enhanced economic power. As was the case during the World War, the oversea agrarian countries, owing to the absence of the competition of European manufactured goods, will undergo a rapid process of industrial development. Judging by certain reports from the press, this process has already begun.

The most decisive fact is that in the struggle between the two systems—capitalism and socialism—the superiority of socialism will be considerably and rapidly increased. Lenin's prophetic statement during the World War that the proletarian revolution was maturing in the womb of the World War is undoubtedly valid to an even higher degree in the present second imperialist war.

AGAINST DIVISION AND CAPITULATION IN CHINA

BY CHOU EN-LAI

been in progress for nearly three years. It has assumed a protracted character. The Chinese people are fighting for their national independence and for complete victory over the enemy. The protracted character of the war is affecting both Japan and China, but Japan is feeling the strain of exhaustion most.

The imperialist war in Europe has changed the whole international situation, and it is naturally having its effects on the war in China, Among the Japanese imperialists, among the imperialists of Great Britain, France and America, and among certain bourgeois and landlord circles in China there is a growing tendency common to them all, namely, to find a way out of the situation by means of a compromise at the expense of the Chinese people, to split the anti-Japanese national united front and to force China to capitulate. But among the broad mass of the Chinese people and in the ranks of the anti-Japanese army there is a growing determination resolutely to carry on the anti-Japanese war and to resist capitulation, to preserve unity and prevent a split, to fight for progress against reaction, and to strive for complete victory.

That is the distinguishing feature of the present situation. The fate of China at this critical juncture depends on how far the Chinese people and their heroic army will succeed in averting the danger of capitulation and division and in continuing the struggle for national liberation until complete victory has been won. That is of the utmost importance to the working people all over the world, and especially to the Japanese people and the oppressed peoples of the East.

* * *

Never in the whole course of the Sino-Japanese war has the danger of capitulation been as grave as it is now. The sources of this danger are the following:

First, the imperialist powers are striving to compel China to capitulate.

In the new international situation a regrouping of forces has taken place in the camp of the imperialists. Today the fight against peace, against the interests of the masses, against the Soviet Union, and against the small and weak nations is being led by the ruling circles of Great Britain and France. The British and French warmongers are doing their utmost to convert the present imperialist war in Europe into a World War. For the sake of their imperialist schemes they are prepared to sacrifice the interests of the working people of their own countries and the interests of the oppressed nations of the whole world. The ruling circles of the United States have formally proclaimed neutrality, but actually they are helping to further the ambitions of the British and French imperialists. The change in the attitude of these three of the biggest imperialist powers was bound to have its effect on China.

Until the war broke out in Europe, the British, French and American imperialists were interested in the continuation of the war between Japan and China. They hoped that the war would weaken both sides, and that this would give them the opportunity to step in as arbiters. Now they are interested in the war in China coming to an end, so as to utilize China's huge resources for the European war, to bring Japan into the Anglo-French bloc, and to achieve joint action between China and Japan against the Soviet Union. It is evident that the position of England and France in the Far East has been weakened. All the more, therefore, are these states inclined to reach a compromise with Japan, even if it means recognizing certain conquests of Japan in China, in return for a Japanese guarantee of their interests in the Far East.

Although the influence of the United States in the Far East has relatively increased, now that America is receiving most of her orders for war material from Western Europe, she is no longer interested in the continuation of the war in China. The American bourgeoisie is afraid of a victory of the Chinese people in the national war of liberation, and it is therefore prepared to offer its services as an arbitrator in "regularing" Sino-Japanese relations.

Hence, notwithstanding the antagonisms existing between Great Britain, France and the United States in the Far East, and notwithstanding the acuteness of the antagonisms between them and Japan, increasing pressure is being brought to bear by these powers on the Chinese Government and on the Chinese people in order to split the anti-Japanese front, to break the resistance of the Chinese people and to compel them to capitulate.

At the same time, the efforts of the imperialist powers to put an end to the anti-Japanese war in China are closely bound up with the political suppression of the anti-war movement within their own countries and of the national liberation movement in the colonies and semicolonies.

Second, the Japanese imperialists are striving to compel China to capitulate.

The strength of Japanese imperialism has already been severely drained by the war in China.

Japan's internal difficulties are growing from day to day. The Japanese imperialists have already mobilized and dispatched to the Chinese fronts over 1,500,000 men, of whom about 700,000 have been killed or wounded. In the opinion of military experts, Japan is in a position to form from the ablebodied men available in the country only another thirty divisions fit for the field (including thirteen divisions already formed, but not yet dispatched to the front). The Japanese imperialists are experiencing a serious lack of armed forces, which makes it difficult for them to react to other international events.

Japan, moreover, finds herself in grave economic difficulties. She has already spent 16,000,000,000 yen on the war. The supplementary war budget for the period of hostilities amounts to 12,046,000,000 yen. The state budget for the current year has already been increased by 10,500,-000,000 yen; compared to the prewar budget of 1935, this represents an increase of 369 per cent. The inordinate growth of expenditure is being covered by higher taxation and new loans. But the possibility of floating new loans is daily diminishing. Japan depends largely for her armaments, munitions and raw materials on imports from other countries. In 1938 alone, imports for war purposes amounted to 1,000,-000,000 yen.

Since the outbreak of the war, Japan's unfavorable trade balance amounts to 500,000,000 or 600,000,000 yen annually. This compels Japan to export gold, inconsiderable

though her gold reserves already are. The extremely heavy burden of war, the high cost of living, the various taxes and levies, the restriction of output in the light industries. and the dearth of agricultural produce are all seriously depressing the standard of living of the Japanese people. The difficulties of the Japanese imperialists at home are being aggravated by the growing anti-war sentiment in the Japanese army and among the Japanese people. The difficulties of the Japanese imperialists are increasing as the power of resistance of the Chinese people and its army grows. The Japanese had not expected such resistance. Their plan of a lightning war and a rapid victory in China has suffered a fiasco. The longer the war lasts and the more the difficulties multiply, the more profound the crisis in Japan becomes. As a result, the Japanese hope of solving the Chinese problem by force of arms alone is becoming more and more illusory.

In the first year of the war the Japanese imperialists put 37 divisions into the field and penetrated into China to a depth of 1,800 kilometers. In the second year of the war the Japanese forces had been reduced to 33 divisions, and they succeeded in advancing only 310 kilometers. In the first half of the third year of the war the Japanese forces in China had undergone no substantial numerical change, and the advance amounted to about 200 kilometers. It is clear that the Japanese imperialists will find it very difficult to attain the results they desire by military force alone. Accordingly, they have begun of late to rely mainly on the "political offensive." They are trying the method of "subjugating China by the hand of the Chinese themselves." They are striving to destroy China's internal unity by creating a puppet "Central Government." They are out to realize their policy of "feeding the war by war." that is, to place the whole burden of the war on the Chinese people by ruthlessly exploiting the occupied regions. However, Wang Ching-wei's shameless treachery has only strengthened the hatred and contempt of the Chinese people and their army for the puppet government.

As to the exploitation of the occupied regions, the Japanese imperialists are endeavoring to erect new enterprises there and to realize their scheme of plundering China's natural resources. By forming mixed Sino-Japanese joint stock companies they are seeking to secure the aid of the Chinese bourgeoisie in enslaving the working people of China. But the spread of partisan warfare and the dislocation it is creating in the occupied regions (with the exception of the big cities, like Shanghai, Tientsin and Tsingtao) are placing great difficulties in the way of this scheme.

In the space of two and a half years the Japanese invaded fourteen Chinese provinces. But only about 100 of the 900 administrative districts in these provinces are actually under the control of the Japanese. What the situation is in the other districts may be judged from the fact that the Japanese military com-

mand has assigned over 80 per cent of the Japanese forces in China (about 27 or 28 divisions) for the protection of the conquered regions and for operations against regular Chinese troops and partisans there. So far, however, it is only in the regions where the Chinese groups have not yet mastered the tactics of partisan warfare and have not yet established close connections with the population that they have succeeded in achieving anv. although unimportant, results. As to the sale of Japanese goods in China, the issue of a new currency through the puppet government, and the efforts of the Japanese to undermine the Chinese currency, whatever success has been attained has been due to the ineffective blockade of some of the occupied regions, but chiefly to the unscrupulous speculation of Chinese compradors.

All this has forced the Japanese imperialists to the conclusion that if they continue to rely on military force alone to solve the Chinese problem, they will finally end in complete failure, resulting in an eruption of the antagonisms in their own country. They are therefore anxious to end the war as quickly as possible.

The Japanese imperialists have moreover realized that a "political offensive" from without alone will not achieve the results they desire. They are therefore making every effort to smuggle their agents into the Chinese anti-Japanese camp and to disintegrate the forces of the Chinese people from within.

In addition, the Japanese impe-

rialists are anxious to utilize the present juncture, when the imperialist powers are occupied with the war in Europe, to consolidate their "gains" in China. They cherish the hope of making something out of the European war too with which to cover their losses in the war in China. The Japanese imperialists are therefore banking on compelling China to capitulate as early as possible, in the hope of establishing their supremacy in the exploitation of China and of establishing their undivided rule in Eastern Asia.

Hence, notwithstanding the grave antagonisms at home, and notwithstanding the frequent changes of government, the Japanese ruling classes have not changed their policy of finishing the war in China quickly. This policy is closely bound up with the suppression of the antiwar movement among the Japanese masses at home.

Third, and most important, it must not be forgotten that there are capitulators in China itself.

It cannot be denied that the anti-Japanese war is creating grave difficulties for China as well. But these difficulties are not insuperable. It is true that the protraction of the war has produced a certain feeling of fatigue in some quarters. Nevertheless, the broad masses of the people, who know no sense of fear, are devotedly flocking to the nationalrevolutionary war fronts. It is just for this reason that a section of China's bourgeois and landlord class, which is afraid of the further spread of the struggle for national liberation among the Chinese people who do not simply capitulate to difficulties, is negotiating with the Japanese imperialists in order to join them in squeezing profits out of the working population of China and in enriching themselves out of the European war.

Some of these people have already openly capitulated to the Japanese imperialists and have allied themselves with Wang Chingwei and other traitors. Such open treachery is a menace to which the entire Chinese people is alive. But even more dangerous today are the camouflaged capitulators and compromisers in the anti-Japanese camp. They publicly profess their readiness to fight for the realization of Sun Yat-sen's three people's principles, but actually they are paving the way for a split in the national united front, are undermining the strength of the Chinese people from within, and opening the road for capitulation to Japanese imperialism.

This danger lurks chiefly in the ranks of the Kuomintang. The capitulators stand in opposition both to the leaders of the anti-Japanese war in the Kuomintang and to the broad mass of the people and the army. The Chinese people and their army want to carry on the anti-Japanese war until complete victory over the invaders has been achieved; the capitulators are endeavoring to reach a compromise with the Japanese, and are seeking to do so with the help of "arbitrators" from among the imperialist powers, especially with the help of the American imperialists. The

Chinese people and their army are demanding the adoption of progressive measures within the country; the capitulators are opposed to the progressive anti-Japanese parties and organizations, and especially to the Communist Party and anti-Japanese forces.

The Chinese people and their army are demanding the unity and solidarity of all the anti-Japanese forces in the country: the capitulators are working to split the people and the army and are negotiating with the traitors. The Chinese people and their army are inspired by the establishment of a democratic regime under the leadership of the Communist Party in the border regions, where the forces of the people are being mobilized for the anti-Japanese war on the broadest scale, and where democracy has set an example for the rest of China: the capitulators are insisting upon the abolition of the border regions. The Chinese people and their army are inspired by the resolute fight of the 4th and 8th Armies, which are led by Communists, and by the creation of partisan bases in the rear of the enemy; the capitulators are bent on weakening the 4th and 8th Armies and on liquidating the partisan regions, and are seeking to provoke armed conflicts with the 4th and 8th Armies. The Chinese people and their army are in favor of collaboration between the Communist Party, on the one hand, and the Kuomintang and other anti-Japanese parties and groups, on the other-they are in favor of the united front; the capitulators are opposed to such collaboration and are undermining the unity of the anti-Japanese national front.

The capitulators and conservatives in China are carrying on a campaign of lies and slander against the progressive forces of the country, against the border regions and against the 4th and 8th Armies, seeking in this way to split China's forces in the anti-Japanese war. This would also pave the way for capitulation, and it fully accords with the interests of the Japanese and other imperialists. It therefore constitutes the main danger to the Chinese people at the present juncture.

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It is clear that under present conditions, and in spite of the difficulties of the situation, there is only one way for the Chinese people, and that is to continue the anti-Japanese war. There can be no talk of peace between Japan and China. The peace which Wang Ching-wei is preaching, the peace for which the capitulators and compromisers are working, or the peace which would be obtained by the arbitration of imperialist powers, would mean nothing but capitulation to Japanese imperialism.

The peace which Wang Chingwei would impose on China would mean the acceptance of all the demands of the Japanese imperialists. What is the purpose of these demands?

The "new order in Eastern Asia" proclaimed by the Japanese impe-

rialists implies the enslavement of the Chinese people. The "organic unity of Eastern Asia" prophesied by the Japanese imperialists would mean the conversion of China into a Japanese colony. "Economic cooperation" between China, Japan and Manchukuo means nothing but an attempt of imperialist Japan to ensure her own prosperity at the expense of China. The "common struggle against Communism," preached by the Japanese imperialists, would mean the disintegration of China's forces in the anti-Japanese war, which would facilitate the subjugation of the Chinese people. It is obvious that a peace based on such foundations would mean the end of China. The Chinese people can never consent to such a peace.

The peace which the capitulators and compromisers are working for would be a blow to the anti-Japanese national united front and is designed to sabotage the anti-Japanese war. We know that a blow at the anti-Japanese front would mean the suppression of the progressive forces of China and the liquidation of the 4th and 8th Armies and of the border regions. Sabotage of the anti-Japanese war means that China is to renounce the development of her own forces and the employment of all her resources in the interests of the war; it also means that the partisan movement of the Chinese people in the occupied regions is to receive no support from the Chinese Government. Consequently, it would mean the destruction of China's forces in the

anti-Japanese war. This would fully accord with the ambitions of the Japanese imperialists.

The capitulators assert that, inasmuch as the Japanese imperialists want to end the war as quickly as possible, it obviously means that they themselves realize that they have grabbed enough already and may therefore conclude peace. This assertion means that the Japanese imperialists are to be allowed to consolidate themselves in the conquered territories and squeeze material resources and manpower from the richest provinces of China. Furthermore, they would be able to utilize their booty for the further subjugation of China, on the one hand, and for further expansion in Southern Asia, on the other. Lastly, they would be in a position to utilize Chinese resources and manpower for the realization of their imperialist schemes in other directions too. It is obvious that such a peace would convert the Chinese people for several generations into obedient slaves, beasts of burden and cannon fodder for the Japanese imperialists.

There are people who would like the imperialist powers to step in as arbitrators between Japan and China. They argue that this would make it possible to wring certain concessions from the Japanese imperialists. As a matter of fact, in view of the European war, it would now be rather difficult for the British, French and American imperialists to obtain any concessions from Japan at all, and even if they did, it would only be in the interests of

the "arbitrators" themselves, and not of the Chinese people. For example, the American imperialists are demanding freedom of navigation on the Yangtse River, they are demanding compensation for damages suffered by America as a result of Japanese operations in China, and are making this a condition for negotiations for a commercial treaty between Japan and America.

It is therefore clear what aims the American imperialists are pursuing. Besides, the Japanese imperialists are not in a position today to make any substantial concessions to China. Even if they formally announced their readiness to make any concessions, it would only be with the purpose of inducing the ruling circles of China to agree to capitulate, of duping the Chinese people and of disintegrating them politically and morally in order to make it easier to split China and entirely subjugate her.

It is quite clear that such a peace would be exclusively in the interests of the Japanese imperialists. The effect would be to sacrifice China to the interests of the imperialist powers.

A peace of this kind would mean sheer capitulation. The Chinese people will not agree to such a peace, they will not allow China to be converted into a colony of the Japanese imperialists, nor will they consent to her being sacrificed to the interests of other imperialist states. The Chinese people are aware that there is only one road to peace, and that is by resolutely

continuing the anti-Japanese war until a final victory has been won and the Japanese imperialists are driven from Chinese territory, Wang Ching-wei's treachery has aroused the hatred and contempt of the Chinese people. No matter who the instrument of treachery and capitulation may be in the future, and no matter what form the danger of capitulation may assume, the Chinese people and their army will continue to fight the Japanese imperialists and all capitulators. Even if it is assumed that the Japanese imperialists, with the help of the capitulators and compromisers, achieve some success in their conspiracy and strike a blow at the forces of the anti-Japanese war and their unity, the Chinese masses, the armed forces of the country, and all the anti-Japanese parties and groups will carry on the war without hesitation until final victory has been achieved.

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The present situation in the anti-Japanese war can be described in these words: whoever endures longest will win. Although in the early stages of the war China suffered considerable territorial losses, there are still a number of conditions guaranteeing her success in this protracted war. What is more, there are now several new conditions favorable to China.

First of all, China possesses a vast population, and in this has the advantage over Japan. The Japanese imperialists have mobilized four times as many men for the war in China as they originally intended. The man-power China has mustered against Japan is three times as large as the latter's. The war has lasted for nearly three years already. Although the Chinese losses are heavier than those of the Japanese, the main forces of the anti-Japanese army in China have been preserved, and their fighting spirit remains unbroken.

The territories under the control of the National Government have a population of 277,000,000. So far, only 1 per cent of China's total population has been mobilized. The reserves that can be drawn upon for the army are therefore still considerable. Even in the regions occupied by the enemy, the Chinese partisan detachments can continue as heretofore to mobilize fresh forces for their ranks. The Chinese people can still supply considerable reinforcements for their anti-Japanese army.

Further, China possesses a huge territory, and in this respect too has the advantage over Japan. Although the Japanese imperialists have conquered a part of China's territory, they still control only some of the more important centers and lines of communication in this extensive region. In other words, their rule extends only to the towns; they use the railways, high roads and waterways for communication between these towns, but they have to assign a huge armed force for the protection of the conquered territory. In the rural districts, Chinese regular troops and partisan groups are active. The result is that the antiJapanese front extends not only along the front line but also into the enemy's hinterland. In addition, the geographical configuration of China is such as severely to affect the efficiency of the Japanese army, preventing it from making full use of its modern technical equipment, while adding to the maneuverability of the Chinese forces and facilitating partisan warfare.

China possesses huge natural resources, and in this respect too has the advantage over Japan. Imperialist Japan is already showing signs of perceptible exhaustion. China, on the other hand, still possesses vast and still far from exhausted resources. Although she has lost several industrial centers, railways and mining areas, although her ports are occupied or blockaded by the Japanese, and although Japan's constant attacks are designed to sever China's ties with the outer world in the Southwest and Northwest, China can produce enough to satisfy the minimum demands of her army.

China is not experiencing any lack of foodstuffs; last year's harvest was a good one. China has large quantities of cotton and wool; the only difficulty lies in her poorly developed manufacturing industry. China's financial position may be regarded as satisfactory. Symptoms of inflation are to be observed only in the coastal areas occupied by the enemy; in inner China there is even a scarcity of coinage. China also possesses the resources needed for the creation of a defense industry.

But the most important thing of

all is that the war of the Chinese people against the Japanese imperialists is a just war, a war of national liberation, a patriotic war. China is therefore able to draw man-power for this war from among the broadest sections of her population. The heroic Chinese people, especially the workers and peasants, have sent hundreds of thousands of men to the front. Millions of Chinese are working for the provision of the army, performing temporary labor service, regulating production in the hinterland, collecting funds for the needs of the war-all of which testifies to the courage and self-sacrifice of the Chinese people. Particular heroism is shown by the numerous partisan groups, which are maintaining an armed united front in the rear of the enemy. Within their ranks, and around them, are united men and women, old and young, the entire Chinese people, irrespective of party, race, social standing or nationality - all are united in taking a share in the anti-Japanese war. They are not only fighting, weapon in hand, they are not only hampering and annihilating the military forces of the enemy and destroying his bases; they are also carrying on a political and economic struggle against the enemy, blockading him, undermining the strength of his puppet government, and paralyzing his attempts to utilize China's material resources and man-power.

The war which Japan is waging, on the other hand, is an imperialist war, a war of conquest.

Tens of thousands of working peo-

ple of China—especially youth and students-have been forced by the Japanese invasion to roam the country and are deprived of the opportunity of work and study. Tens of thousands of Chinese people in the hinterland have been victims of air raids. All this is helping to feed the hatred of the Chinese for the Japanese imperialists. At the same time, among the Japanese people, and especially among the soldiers, there is a strong anti-war sentiment, which is slowly turning into a struggle against the war. There have lately been cases of shootings of Japanese soldiers and young officers for speaking against the war (in Kwantung, Shansi and other provinces). In spite of every effort to keep the Japanese army in China isolated from the outside world, anti-war sentiments are spreading in its ranks and threatening to become a real menace to Japanese imperialism.

And, lastly, the Chinese people have the sympathy and support of the great people of the Soviet Union and of progressive forces all over the world. This makes it easier for the Chinese people, who rely upon their own strength, to carry on their struggle for their national liberation. Furthermore, the imperialist war is inevitably helping to stimulate the anti-war movement and the working class movement in the capitalist countries, and the movement for national liberation in the colonies. The war for national liberation in China is closely bound up with these movements.

All these factors are a distinct

advantage to China. Time is on the side of the Chinese people. Every month of war increases the difficulties for the Japanese invaders, and China is utilizing them to strengthen her own advantages.

The major task that faces the Chinese people in this grave and momentous situation is to avert the danger of division and capitulation and resolutely carry on the war of liberation until final victory has been achieved.

The Chinese Communists, the staunchest sons of the people, call upon the Chinese people and their army to be vigilant and fight to avert the danger of capitulation. The capitulators are trying to create the impression that they are striving for peace. The Communists expose their machinations, and will continue to expose them. The capitulators are trying to instil the idea into the minds of the Chinese people that China is too weak to fight Japan. The Communists point out to the masses the conditions that favor the continuation of the anti-Japanese war. The capitulators are sabotaging the conduct of the war against Japan. The Communists and all Chinese patriots are attentively watching their intrigues, for they know that only by winning the anti-Japanese war will it be possible to deal a shattering blow to the enemy. The capitulators are striving to prevent China's development along progressive lines. The Communists are working for still closer contacts with the progressive forces of China in order, hand in hand with them, to resist the efforts of the capitulators

to lead China onto the road of reaction.

The Chinese army and the Chinese people are prepared to exert every effort to halt the advance of the enemy and to win decisive victories in a counter-offensive. The task of the partisan detachments in the regions occupied by the enemy is to coordinate their actions still closer with those of the regular troops operating in those regions. to hem the main forces of the enemy still more effectively and to shatter them, and to establish still closer cooperation with the masses in the war zones. The Communists and all true Chinese patriots will continue in the future to expose and defeat all conspiracies aiming at disbanding the partisan detachments. The Chinese reserves of manpower in the hinterland are sufficient to maintain a steady supply of replenishments and reinforcements for the armies at the fronts; but they can ensure success in the coming counter-offensives only if they have mastered the modern techniques of war and have improved their military training. If all these measures are carried out, it will deal a substantial blow to the conspirators and the capitulators.

The Chinese people and the anti-Japanese army must pay particular attention to the regions occupied by the enemy, where not only must partisan warfare be extended, but the Japanese policy of "subjecting China by the hand of the Chinese themselves" and of "feeding the war by the war" must be

defeated. In those regions, military operations must be coordinated with the political and economic struggle, the plundering of China's natural wealth must be prevented, Japanese goods must be boycotted. the population must refuse to accept the currency of the puppet government or to supply provisions to the Japanese. For this purpose the Communists and all honest Chinese patriots are directing their attention chiefly to the organization of the workers in the factories, the transport system and the mines, but also to the organization of the peasant masses and the urban petty bourgeoisie in the occupied regions. A determined fight must be waged against the traitorous compradors and against all attempts to cooperate politically or economically with the Japanese invaders, for this is one of the prime conditions for victory in the national war of liberation.

In order to render the resistance to the Japanese imperialists effective and successful, the progressive elements among the Chinese people and in the anti-Japanese army demand that the government carry out certain essential political and economic reforms. They demand the democratization of the political system and the participation of the people's representatives in state affairs. They demand legal guaran-

tees for the existence of anti-Japanese organizations, and for the rights of assembly and free speech; they demand that a check be put on the activities of the conspiratorial organizations of the capitulators, and that their meetings and propaganda, which are designed to undermine the anti-Japanese war, be prohibited. They demand democratic elections to the National Assembly. They demand that the government's financial measures shall not be conceived in the interests of a small group of finance magnates and usurers, but in the interests of the anti-Japanese war, of the mobilization of all the resources of China, and of the rapid creation and development of China's own defense industry.

The Chinese Communists consider close cooperation between the Chinese Communist Party and the Kuomintang imperative for the realization of all these measures.

The Communist Party desires the continuation of close and friendly cooperation with all honest leaders of the Kuomintang and its membership. Only the unity and solidarity of the Chinese people can defeat the plots of the capitulators, and only the determined prosecution of the anti-Japanese war can lead to ultimate victory over Japanese imperialism.

HOW THE BRITISH IMPERIALISTS RULE IN INDIA

BY W. LEITNER

IN HIS speeches on Britain's war aims Chamberlain has proclaimed oppression, persecution, brute force and breach of faith to be some of the evils against which the British Empire has taken the field. But the reople of England whose lives are to be staked, and the neutral countries that the British bourgeoisie and its propaganda machine are doing their best to drag into the war, have every reason to take these assurances critically. And a sure touchstone of their sincerity is the policy of British imperialism in India. Even a short review of it shows that British rule in India is marked by the very evils that Britain's ruling classes claim to be fighting in this war.

The British imperialists have hitherto enjoyed a considerable measure of success in keeping from the eyes of the world the true state of affairs in India. A strict news monopoly, and now a rigorous censorship, have seen to it that the world should know less about the life and aspirations of a nation of 350,000,000 than about events in the minor states of Europe. While Citrine and his imperialist bosses are conscripting new recruits to fight for "democracy" and "freedom

for the nations," British hired troops, the foundation of imperialist rule, are still stationed in India. They are not treated to speeches about bringing the nations freedom on the points of their bayonets. Their minds are filled with white chauvinism, a Sahib mentality towards the "natives" is implanted among them. They are corrupted by the humiliating services that numberless poor Indians have to perform for them.

The English officers and officials lead the lives of oriental potentates, every one of them a little king. Such is democracy. The way a British district official in India treats the humans under his rule is in itself a crying refutation of all the fine talk that the British imperialists are parading.

The imperialist rulers of India have evolved methods practically unique in the history of the oppression of nations by an alien ruling class. Deliberate stirring up of artificial antagonisms and religious strife, provoking of bloody clashes between the different sections of the population and deliberate cultivation of economic parasite classes; brutal tyranny by an utterly corrupt native police in the pay of

British officialdom; and, to crown all this, huge massacres in which crowds of unarmed people are slaughtered in cold blood—such in the merest outline are the methods of British imperialist rule in India.

The diabolical cynicism that permeates this whole system is brutally frank in *The Lost Dominion*, a book by Al. Carthill, a prominent English official in India. This reactionary takes the war path against the so-called reforms, denounces any relaxation of the system of unmitigated violence and coercion and tenders the British bourgeoisie the following advice:

"It is to be observed that the current dictum 'you can do anything with bayonets but sit on them' is, as regards the last clause of the sentence, not universally true. Provided the bayonets are sufficient in number; provided also that they are driven well home, so that the victim is incapable of writhing; and provided that they are neatly and symmetrically arraigned in any convenient form; it is possible to erect thereon some sort of framework which, covered with a cloth of state sewn with stars or lilies or bees, will provide a permanent enough consular chair or imperial throne." (Al. Carthill, The Lost Dominion, p. 240.)

Nor are these the bloodthirsty fancies of one man; they are the tried recipes of British imperialism, applied throughout its rule in India. Massacres on a varying scale have always been the last resort of a foreign tyranny, and not only were the bayonets "driven well

home," so that the victims should be incapable of writhing, but everything was done to keep their screams from penetrating into the outside world and drowning out the legend of "national freedom" under the Union Jack.

One of the most horrible crimes against the Indian people in recent times is conjured up by the name of Amritsar, in the Punjab. In 1919 the people of India rose in a mighty though peaceful movement of protest against the violation of the British Government's promise of independence for India, solemnly pledged during the World War. In the Punjab the movement ran particularly high, and the British authorities, here as elsewhere, put it down with a ruthless hand. Though "law and order" had already been restored, a bloody lesson was to be taught.

When a crowd of nearly ten thousand gathered in Amritsar for a peaceful demonstration, General Dyer, the British officer in charge, brought out his troops; "without a word of warning he opened and kept up upon them a fusillade that did not stop until, as he himself said, his party's ammunition was almost exhausted, though the panicstricken multitude broke at once, struggling to escape through the narrow exits or attempting vainly to climb the walls, or in despair throwing themselves flat on the ground. General Dyer, according to his own statement, personally directed the firing to the points where the crowd was thickest. The 'targets', he declared, were 'good' and by the time he and his men went off by the same way they had come, they had killed 379, according to the official figures given some months later by the government, and they left about 1,200 wounded on the ground for whom he did not consider it his 'job' to provide any help whatever."

It is of some interest to note that this matter-of-fact account is from a book by a reactionary British correspondent in India. (Sir Valentine Chirol, *India*, p. 208.)

Indian figures of the number of killed are much higher. Yet it was months before the British government made any admission as to this monstrous massacre and "reprimanded" the bloodthirsty general—a reprimand made good with interest by Englishmen at home and in India, who held mighty celebrations in honor of their hero and collected money to present him with a "sword of honor." What is more, in a subsequent libel trial, a prominent English judge voiced his approval of the general's action.

Amritsar was not an isolated case, a "mistake," as the flunkeys of British imperialism tried to persuade the world. Practically every day the vast country of India witnesses scenes of brutal violence of which the world never hears. When the people of India were fighting for their rights in 1930-32 with the peaceful weapon of civil disobedience, British troops shot down hundreds of unarmed troops in Peshawar; Indian soldiers who had refused to fire on their countrymen were sentenced to long terms of

penal servitude. Similar massacres were staged in several dozen other Indian towns.

In "normal" times it is the business of the native police to convince the Indian people of the British rulers' omnipotence. They forcibly evict the Indian peasants with their families from their wretched plots when they can no longer pay the exorbitant rentals and taxes. They stage vicious reprisals on strikers. They fall upon peaceful demonstrations, laying about them blindly with their long leaded staffs. During the last big movement of the Indian people this police, at the bidding of their English masters, threw more than 100,000 men and women fighting for freedom into jail, where many of the political prisoners were whipped and penned up like beasts in narrow cages. An investigation of the police methods, undertaken by the Congress Party, gave the following enumeration of their practices:

- "1. Lathi blows on head, chest, stomach and joints.
- "2. Thrusts with lathis in private parts, abdominal regions.
- "3. Stripping men naked before beating.
- "4. Tearing of loin cloths and thrusting of sticks into anus.
- "5. Pressing and squeezing of testicles till a man becomes unconscious.
- "6. Dragging of wounded men by legs and arms, often beating them the while.
- "7. Throwing of wounded men into thorn hedges or into salt water.

"8. Riding of horses over men as they lie or sit on the ground.

"9. Thrusting of pins and thorns into men's bodies, sometimes even when they are unconscious.

"10. Beating of men after they have become unconscious, and other vile things too many to relate, besides foul language and blasphemy, calculated to hurt as much as possible the most sacred feelings of the Satyagrahis." (Young India, July 12, 1930.)

The Indian police have earned themselves such loathing among the people that they are now tied for better and worse to their imperialist masters, who in their turn find their services indispensable. Any public control over them is out of the question; all their crimes are covered by the imperialist rulers. They stop at no torture to extort confessions and frequently resort to manhandling to aid them in the collection of taxes and rent. By the bribes they extort and other corrupt practices the Indian peasants are bled white. These police are past masters in the staging of every kind of provocation on the orders of their superiors and particularly in artificially kindling and constantly fanning the flames of religious animosity between Hindu and Mohammedan.

It is a surprising coincidence that every time the popular movement against the foreign oppressors threatens to become too strong, supposed Hindus will leave a pig lying in a mosque or supposed Mohammedans will slaughter a sacred cow at some religious Hindu festival.

In the clashes that follow between fanatical Mohammedans and Hindus, the Indian police and the British authorities take care to keep in the background long enough for them to assume the required proportions. A classical example of this kind of imperialist statesmanship was provided in 1921-22. Hindus and Mohammedans had united throughout the country in demonstrations against British rule and seemed to forget their mutual hostility before the face of the common enemy; but the Mohammedans on the Malabar coast were provoked to sudden attacks on the Hindus, and the British authorities looked on just long enough for their desired results to take effect and Mohammedans and Hindus again to start fighting among themselves.

The British imperialists never had any interest in converting the people of India to Christianity. Their predecessors, the merchants of the East India Company, voiced their purely commercial views in the matter when they said that, sad as it was to see their subjects pagans and Mohammedans doomed to perdition, it was better business to deal with solvent unbelievers than bankrupt Christians. The successors of these sober business men, the British viceroys and officials, have also been of the opinion that it is much easier to rule the hundreds of millions of Indians with as many hundred religions and sects than a nation converted to a single religion; and in any case, whites alone would be admitted to heaven in the hereafter.

The government officials of the British bourgeoisie in India make a study Indian religions their main activity next to tax collection. The religious shadings among the Hindus, the Mohammedans, the Parsees and so on are innumerable. What a fertile field of activity for Englishmen with a bent for diplomacy. who in their capacity of district officials and in other similar posts often have the last say in disputes over temples, places of pilgrimage, sacred rivers, graves and shrines. What an opportunity to divert the hungry Indian masses by a thousand tricks from the troubles of this world to the only true interpretation of the Koran or the different stages in the transmigration of souls! Once the British imperialists had discovered this marvelous aid to sowing antagonism among the various sections of the Indian population, they achieved the masterstroke of making religion a basis for electoral campaigning. They imposed on resisting India an electoral system to the mock "parliament" under which Hindus and Mohammedans form separate bodies of voters, as also do the Hindu outcasts.

The Hindus and Mohammedans united in the Indian National Congress resisted this infamous electoral system with all their might, for they scented the attempt of their common enemy to make religious differences and religious strife the one criterion in Indian political life. The genuine representatives and leaders of the Indian people have on many occasions declared

that religious antagonisms would subside as soon as the all-powerful officials and the police kept out of them. But every British government, and particularly MacDonald's pious Labor Government, made it their business to see that religious distinctions should remain a permanent feature of the Indian "constitution" and electoral system. Time and again the prospect of lucrative posts and appointments held out by the ruling bureaucracy has brought to the fore individuals who on no better grounds than their sayso paraded as the representatives of religious minorities, for which they demanded special consideration in the "constitution." The same principle has been extended to various public positions. In many cases the minor administrative posts are distributed in a certain ratio among the various religious groups, so that even in the competition for a teacher's post religious differences are pushed to the fore and religious dissension given a sharper edge by definite bread-and-butter considerations.

The deliberate exploitation and fanning of religious prejudices effectively disproves the legend of British rule bringing civilization to India. British rule rests on a foundation of obsolete reactionary ideas which it perpetuates in order to befog the Indian people's minds and bar their way to the future. It is only too true that, coupled with the lack of even the most primitive universal education in India, superstition and religious fetishism are the greatest obstacles to the spread

of modern science and knowledge.

During its rule of nearly two hun-

During its rule of nearly two hundred years. British imperialism in India has endeavored to secure itself a certain "social support" to lean on. The government machinery and its command of the revenues were a powerful factor in artificially cultivating a class of parasites whose only virtue is their loyalty to British imperialism. The rulers had particular need of some such instrument in the rural areas. the people of which form the overwhelming majority of the population and are less immediately under the control of the government machine than the people in the towns. This place is filled by the Zemindars, the Indian landowners, who in many parts of India are also the tax collectors. Half or more of the peasant's crop finds its way into their pockets in the form of rent. and a definite percentage is passed on to the government. When a number of years ago the world economic crisis brought down the price of agricultural produce, the peasants in many parts of India could barely cover their rent with the proceeds of their crop, adding to the oppressive rent the burden of interest on money already owing.

Being the rent and tax collectors, the Zemindars are the bailiffs of the alien rulers. In the country-side they act as policemen in the employ of the imperialist masters. In their double capacity of land-owners and tax collectors their own interests as exploiters are wedded to those of the British bureacracy; the latter in their turn have to de-

pend on the services of the Zemindars and in compensation leave the peasants defenseless in their hands.

None of the rent collected is used for land improvement. On the contrary, the Zemindars are a direct obstacle to any progress in agriculture, for they seize upon the slightest improvement as an excuse for further extortions. The British imperialists cannot even claim that when they came to India they found these parasites as they now are, and were unwilling to interfere with their rights of property. By giving them the taxes to collect they have given the Zemindars much greater power. What British imperialism wants to have in India is not free peasants but bond tenants, the exploiters of whom will act as Britain's willing tool. Even in the newly irrigated parts of India the same system has been introduced. A class of landowners has been artificially implanted who, like the traditional Zemindars, collect the taxes and are the pillars of British imperialism.

Another tool of the imperialist rulers is the usurers, who hold whole villages in their claws and who, in collecting their interest or evicting the peasants from their plots of land, have the services of the authorities, services which they return in other ways. British imperialist rule in India is sufficiently characterized by the fact that in the countryside it rests solely on these parasitic elements of Indian society.

In the industrial development of India, too, the reactionary, obstructive effect of imperialist domination is becoming more and more appar-

ent. The Indian handicraft industries were destroyed when British capitalism delivered them defenseless to the mercy of its competition. Nor was this destruction accompanied by any constructive development of Indian home industry. Indian railways have served, if we leave out troop transport, largely to enhance the sale of British goods. For decades the British rulers resisted the development of a textile industry in India. When customs duties were imposed for purely fiscal reasons on all imported textiles, the protective effects of this measure were rendered nil by the introduction of a corresponding tax on home-produced textiles. It was only during the last World War that more rapid progress began in industrialization owing to the war requirements of British imperialism.

The backwardness of Indian industry will be sufficiently understood when we say that India, with a population roughly as large as that of all Europe, produces no more iron and steel than the little Duchy of Luxemburg. The obstacle to the economic development of India is not only a customs policy fashioned to the interests of English imports, nor the preference enjoyed by English industry in the distribution of government orders (for railways, military supplies, etc.). It is first and foremost the parasitic nature of British rule. Every year the British imperialists drain from India over £100,000,000 in dividends. interests on loans, and civil service and army pensions, for which values no return is made, and the accumulation of capital in India or else the consumption of the Indian population is reduced accordingly. Backward Indian economy has to bear the heavy expenditures for a non-productive military and administrative apparatus. The effect of the British financial policy on India may be seen when we say that appropriations for education, public health and improvement of agriculture and industry make up less than 10 per cent of India's total budget.

The obstacles British imperialism plants in the way of India's industrial development are also calculated to maintain British rule by hampering the obliteration of the caste system. Even with India's limited industrial development, there has arisen a modern proletariat and a progressive intelligentsia. In every liberation movement of the Indian people the proletariat and the revolutionary element among the intelligentsia act as its boldest and most resolute representatives. In the textile mills, in the smelting mills and on the railways the Indian peasants and craftsmen are discarding the religious and caste prejudices they harbor against their fellow-workers, their horizon expands and their minds grow more receptive to modern ideas. The Indian worker is much closer to the countryside than his fellows in Europe, and his experiences in the struggle, the new ideas he drinks in, in turn affect the fight that the Indian peasants are waging against the bloodsuckers and their foreign masters.

The British rulers at an early

date perceived the danger of this birth of a class which discards the dead weight of the past in the process of its leveling by machinery, by its constant work in common, and is welded to a militant class of fighters. They are doing their best to undermine the militant unions by setting up rival organizations-reformist unions standing for cooperation of labor and capital after the English pattern. These unions enjoy the special solicitude of the British trade union leadership, and naturally they make return. The reformist "union leaders" on the orders of their English patrons back the proimperialist policy of the so-called Liberals, or, in other words, the sections of the Indian bourgeoisie who have thrown in their lot as exploiters with Britain's continued domination.

A glance at the political map of India reveals the Indian native states scattered over the whole country and forming large numbers of little islands and enclaves. These are obsolete formations, the result of old-time feudal wars and acts of usurpation. The British imperialists, true to their principle of "divide and rule," have never made the least attempt to introduce uniformity into the administrative chaos that is India. With cold calculation they have allowed and encouraged the further existence of these reactionary units in order to counteract the formation of closely welded nationalities among the people of India.

In the present war the British imperialists cannot boast of a single

action or utterance on the part of the Indian people which shows their readiness to take part in the war on England's side and bear the sacrifices forced upon them. But all the more violently does British propaganda extol the "lovalty" of the Indian princes, who number 700 all told and command over a third of India's territory and a quarter of her population. These princes are direct dependents of the British government, puppets like the spurious governments set up by Japan in the provinces that it has occupied in China.

As abundant experience has shown, the least sign of resistance to British rule would simply lose them their thrones and parasitic existences: and this, coupled with fear of their people, for whose suppression they resort in case of need to the service of British troops, effectively secures their obedience to the least desire of their imperialist masters. They find compensation, however, in utterly shameless exploitation of their downtrodden subjects. Just as these native princes lent their services to the British conquerors of India in the latter's fight for supremacy, so they are today the reserve of British imperialism in oppressing the Indian people. They are willing pawns in the game of lying and deception that the British imperialists are playing with their proposals of a socalled constitution for India, of a parliament for the whole of India, that is, for a federation of British India and the native states. For in this sham parliament they and their

creatures, together with the agents of British imperialism smuggled in to "represent" British India, are to form a bloc solid enough to make it impossible for the genuine representatives of the Indian people to gain a majority.

The same princes who so readily played the mercenary for the English conquerors when they subjected India are today chosen to assist the English rulers to a sort of parliamentary legality. Under the constitution that England has proposed; the population of the native states would have no voice in appointing the representatives of these states; they would not receive even the limited franchise that is to be introduced in British India for this sham parliament. The Indian princes, whose actions are prescribed in every particular by the British, are autocratically to appoint their representatives in the Indian federal parliament, and these are to speak and vote on their orders. To put it in a nutshell, the constitution that the British government has proposed for India practically means that the British imperialists will allow India a "parliament" whose composition they themselves will determine. Will anyone now venture to doubt that the British bourgeoisie is waging a war for democracy?

What greater breach of faith is there in history than that committed by the British imperialists against the people of India? During the last World War, more than twenty years ago, the rulers of England vowed and swore that India would be

granted self-determination. Twentyodd years have passed, and British imperialism in India is still playing its old game of lying and deceit, of splitting and disintegrating the Indian people and acting, as it has always done throughout its rule over India. with the aid of brute force and of the mercenary parasitic element among the Indians. We have no opportunity here for a detailed account of the effect that this imperialist rule has had on the lives of the Indian people, but it is plain enough from the fact that India of all countries in the world is the most poverty-stricken and has the highest mortality rate and percentage of illiteracy. Nearly thirty years ago, the Yugantar, an Indian newspaper published in Calcutta, branded British rule in India in the following passionate words:

"A handful of alien robbers is ruining . . . the people of India by robbing the wealth of India. Through the hard grinding of their servitude the ribs of this countless people are being broken to pieces. Endless endeavors are being made in order that this great nation by losing, as an inevitable result of this subjection, its moral, intellectual and physical power, its wealth, its self-reliance and all other qualities, may be turned into the condition of beasts of burden or be wholly extinguished."

These words are no less true today, although the British imperialists have in the meantime waged and won one war in the name of "freedom for the nations." During the last World War, Ghandi, leader of the Indian National Congress, submitted to the task of recruiting Indians for the battlefields of Europe. And ever since he has attempted to make the people of India believe they would receive their independence at the hands of the British imperialists. But he voiced his dissappointment when he recently said that he could not reconcile his conscience to praying for victory for British arms if that were to mean continued foreign rule in India.

The Indian National Congress has repeatedly demanded complete independence for India and expressly refused to support England in its present war. The Working Committee of the National Congress has issued an appeal to the Indian people for a civil disobedience campaign to compel the British imperialists to meet the Indian people's demands.

More than ever before, the people of India are today determined to throw off the foreign yoke. In the fight against British imperialism they are unfolding not only the forces of national liberation, but the forces of their social and cultural progress too.

In the last World War hundreds of thousands of young Indians, led by their belief in the promises of British politicians, allowed themselves to be sacrificed in an alien cause on the battlefields of Europe. The outbreak of the present war has been met by the people of India, and first and foremost by its workers nd peasants, with a more determined fight for independence. And this fact weighs more in judging the lofty war aims proclaimed by the British imperialists and their henchmen, the Citrines, than all the thousands of their propaganda speeches.

"WE ACCUSE"

MANIFESTO OF THE COMMUNIST PARTY OF FRANCE

N these grave and tragic hours when the war rages and is already spreading over the soil of France, when five million French workers and peasants, among them more than a million Communists and sympathizers, are compelled to shed their blood, we—the Communists, the true representatives of the people—consider it our sacred duty to tell our people once again the whole truth.

If the duty of our brothers, the workers of Germany enlightened by the Party of Thaelmann, is to wage a vigorous struggle against German imperialism and to unmask its criminal designs, then our task as the Communists of France is to denounce those in our own country who contributed to the outbreak of the present war, those who by their imperialist and reactionary policy paved the way for the invaders. For to tell the truth to the people is to defend their interests.

We accuse the French bourgeoisie of having sacrificed the interests of our people, the lives of millions of French workers and peasants, in order to maintain their capitalist privileges and to maintain their domination over their colonial slaves.

We accuse the French bourgeoisie of having brought on the present war by enslaving the German people through the monstrous provis-

ions of the Versailles Treaty, that imperialist endorsement of an imperialist war.

We accuse the French bourgeoisie of having fed the flames of chauvinist propaganda and the spirit of revenge, of reaction in Germany, notably by its policy of compulsion and the occupation of the Ruhr, and of having installed it in power in some degree.

We accuse Daladier of having smashed the People's Front in complicity with Blum and Jouhaux because it was a powerful force of resistance to war, an obstacle to the imperialist policy of the French bourgeoisie, an essential factor for rallying and organizing the working masses opposed to reaction and war.

We accuse Daladier, Bonnet and Blum of having through "non-intervention" contributed to the crushing of the Spanish people, whose heroic armed struggle against international reaction immobilized the military forces of the imperialists, prevented the outbreak of the Furopean war and assured the security of the French frontier on the Pyrenees.

We accuse the Daladier-Bonnet gang, the accomplices of the sinister Chamberlain, of having delivered to German imperialism—along with Czechoslovakia and the Skoda arms works—1,582 airplanes, 501 antiaircraft guns, 2,175 pieces of artil-

lery, 468 tanks, 43,876 machine guns, 114,000 revolvers and 1,090,-000 rifles, which are today spewing their fire against French soldiers.

We accuse the Daladier-Bonnet gang of having sabotaged the Franco-Soviet Mutual Assistance Pact which was an essential guarantee of peace and security for our country. We accuse them of having systematically rejected and brought to naught the repeated proposals of the Soviet Union for the organization of collective security and peace, as our people desired. We accuse them of having prepared the present war, of having provoked the misfortunes which are now raining down on our country, by their policy aimed at driving Germany into war against the Soviet Union.

We accuse them of having since September persevered in this criminal design of an anti-Soviet war, of having incited the White Guard Finns, whom they supplied with large quantities of war materials, of having tried to prevent a successful conclusion of peace between the Soviet Union and Finland while the German bourgeoisie was prepared to invade France.

We accuse Daladier, Blum and Jouhaux of having undermined, disintegrated and weakened the vital forces of our people by their reactionary policy of splitting the ranks of the working class and of disrupting the People's Front, by the policy which led to the destruction of the social achievements of the workers, to the suppression of all liberties, to the establishment of a hateful regime of license and terror in France.

We accuse them of having thus brought on the war and the invasion.

We accuse the Daladier-Bonnet gang of having encouraged the crimes of the Cagoulards, spies, provocateurs and other agents of Abetz, the men of the Fifth Column in the service of capital and of foreign countries, whose representatives are today in the government with Marin and Ybarnegaray.

We accuse Daladier, who was the War Minister for four years and Premier for two years, of having vilely abused the confidence of the people by leading them to believe that all military measures were being taken to assure their security. Daladier is the man mainly responsible for the present disasters, for the massacre of the best sons of our people, for the destruction of our towns and villages.

We accuse Daladier and the former so-called ministers of "national defense" of having wasted hundreds of billions of francs while in reality they were pursuing an imperialist policy of "national desertion" which facilitated and precipitated the foreign invasion.

We accuse Daladier of having wilfully sabotaged the air force by disorganizing the production of airplanes, as was proved by the Communist leaders of the Metal Workers Union, imprisoned for having served the cause of the people, and by driving out of the air force the young pilots trained by the popular aviation movements.

We accuse Daladier of having deliberately planned beforehand the

massacre of the civilian population, in particular of the Paris region, by sabotaging air-raid precaution measures, by driving the Communist representatives out of the suburban municipal councils and replacing them by agents of reaction and police spies who disregard the needs and sufferings of the people.

We accuse Daladier, Bonnet, Blum and Frossard of attempting to escape the terrible responsibility for their crimes, to cover up their incapacity and their treason, by persecuting and contemptibly slandering the Communists, whose ardent and courageous voice never ceased to proclaim the truth, whose policy is in entire conformity with the present and future interests of our people and would have saved our country from war and invasion.

We have openly accused the culprits, the traitors who piled defeat on defeat and who threaten to hurl our people into catastrophe. To avert this catastrophe, to face all perils from wherever they may come, it is necessary to resort to other measures than those undertaken by the government. It is necessary, above all, to take the

measures to re-establish the rights of the people.

It is necessary in particular immediately to restore their freedom to the Communists and all imprisoned militants, to abolish the exceptional measures taken against the workers and their organizations, to re-establish democratic liberties, to restore to the working class and the people their great newspaper l'Humanité, to restore their mandate to the elected representatives of the people. Treason and traitors towards the people must be destroyed, starting with those who still occupy the highest posts, like Daladier.

The distress of the poor must be alleviated and the rich must be made to pay the costs of this unjust war.

The people of France must impose it will, must take its fate into its own hands.

We are sure that then there will arise from among our people all the material and moral forces that will enable them to avert the catastrophe and to safeguard their future.

THE COMMUNIST PARTY May, 1940 OF FRANCE.

A REPLY TO THE VILE SLANDERERS

BY MAURICE THOREZ

THE Radio News Agency circu-I lated a report, at once taken up by the kept press, alleging that I am now in Germany. In this way this agency tries to insinuate that the Communists are capable of acting against the interests of their own people. The French workers and all honest people require no refutation by me of this calumny, which is aimed at discrediting the Communist Party, its functionaries and leadership. They know that I am not in Germany, but at my fighting post in the leadership of the Communist Party of France.

The baseness of the enemies of the French people is proof of their fear. They are afraid of the growing dissatisfaction among the people against their criminal policy of war and reaction. It was this fear which dictated the enactment of a decree introducing the death sentence, and, similarly, this fear impelled them to supplement their brutal reprisals by the most contemptible slander.

Nor is this method a new one. That scoundrel Thiers had recourse to it when he accused the Communards of being in the service of the enemy at a time when Bismarck turned over to Thiers the war prisoners captured at Sedan and Metz

to be used for the suppression of the Commune. On the eve of the previous "last" war the bourgeoisie, by its slander, armed the assassin of Jaures. The Bolshevik Deputies of the tsarist Duma were also slanderously accused of being agents of a foreign power.

Every Communist can only pride himself on evoking the hatred of the class enemy. I am proud of the fact that, as a disciplined soldier, I have carried out the decision of the Central Committee of the Party and have taken my place in the fighting ranks of our great Communist Party on the very next day following its scandalous banning. The reactionaries are in a fury because their police sleuths were powerless to hinder my activities aimed at promoting the interests of the working class, the interests of the French people. They are in a fury because we Communists come out as the accusers of the real traitors to the cause of our people and our country, because we expose the corrupt politicians who have the insolence to cast slander on us, because we expose the Daladiers. Blums, Paul Faures. Jouhaux and other periurers. The time was when the masses compelled these people to join the Popular Front.

On July 14, 1935, they vowed, together with the Communists, to "fight for bread, liberty and peace." But they have violated their pledge. They have betrayed the men and women who elected them, they have betrayed the interests of the working people, the interests of the country which they undertook to defend. They disrupted the Popular Front, trampled its program under foot, unleashed the forces of wanton reaction and plunged the country into a devastating war. Neither Daladier, Bonnet nor any of the other traitors dared to face our glorious Parliamentary Deputies who were being tried by a military tribunal. and repeat before them their shameless canards. They were afraid that our Deputies would confront them with the question of their dealings with the enemy through the medium of the spy Abetz. They commissioned Frossard, that pernicious renegade and traitor, that tool of the bourgeoisie in duping the people, a man who waxed rich on the blood and sweat of the Negro population . of Martinique, to launch this campaign of filthy slander. The treacherous chieftains of the Socialist Party who were and remain the initiators of the foul anti-Communist campaign, played a part no less abominable than that of Frossard. Blum, in his provocative articles, Paul Faure, author of a cynical letter to the Labor Party, obligingly supplied the reactionary forces with "arguments" and "grounds" for their attacks against the revolutionary workers.

We Communists were and remain true, to the end, to the working class. to our people, to our Communist Party and to the Communist International of Lenin and Stalin. We remain true to the Soviet Union, the great Land of Socialism, the bulwark of freedom and peace. And we shall continue to speak the truth, despite all slanders and to the fear of all slanderers. We shall continue resolutely to wage our struggle as proletarian revolutionaries and true champions of the people. No force on earth-neither reprisals, slander nor provocation-can daunt us in achieving our aims. We shall redouble our efforts to educate, organize and unite the masses of working people of our country and lead them forward to victorious struggle against the imperialist war, for peace, against capitalism and for socialism.