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**The
A B C
of
SOCIALISM**

**by LEO HUBERMAN
and SYBIL H. MAY**

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of
SOCIALISM**

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FOREWORD

The only thing most Americans know about socialism is that they don't like it. They have been led to believe that socialism is something to be either ridiculed as impractical, or feared as an instrument of the devil.

This is a disturbing situation. It is a mistake to dismiss or condemn so important a subject on the basis of the extremely superficial and biased accounts of it which are now so widespread in the United States. Socialism is a world-wide movement. The millions who hate it in this country are matched by millions in other countries who rejoice in it. No idea has ever caught the imagination of so many people in so short a time.

Socialism has already become the way of life for some 200,000,000 people—the inhabitants of one-sixth of the earth's surface. It is fast becoming the way of life for an additional 600,000,000 people. These two groups together make up approximately one-third of the earth's population.

It is deplorable, therefore, that socialism for many Americans is nothing more than a dirty word. Whether it be good or evil, whether it should be fought against or striven for, it must first be understood. To help achieve that understanding is the purpose of this pamphlet.

The first half outlines the socialist economic analysis of capitalism—its structure and its defects—with particular reference to the United States today. The second half deals with the theory of socialism—with its greatest thinkers and what they taught. By far the most important and influential figures in the development of basic socialist doctrine were Karl Marx and Friedrich Engels. It is their concept of socialism which has lived and is today the foundation stone of the movement on every continent—and which forms the basis for this pamphlet.

A word of warning. The picture as we present it, is unvarnished and stark. It will dismay some readers, anger others. That is to be

expected. To have one's attitudes and beliefs challenged in so direct a fashion is always a shock. The wise reader, therefore, will read through the whole pamphlet before coming to any definite conclusions about socialist philosophy.

Finally, it should be remembered that this pamphlet is an introduction to socialism, a sketch of its main outlines, nothing more. The literature on the subject is vast; interested readers should not stop with this elementary A-B-C but go on to the many other works which treat the topic with the thoroughness it deserves.

The material presented here has been condensed from my book *The Truth About Socialism*, and edited by Sybil H. May.

Leo Huberman

New York, May, 1953

PART I . . . SOCIALIST ANALYSIS OF CAPITALISM

I. CLASS STRUGGLE

No matter whether they're rich or poor, strong or weak, white, black, yellow, or brown, people everywhere must produce and distribute the things they need in order to live.

The system of production and distribution in the United States is called *capitalism*. Many other countries of the world have the same system.

In order to produce and distribute bread, clothes, houses, autos, radios, newspapers, medicines, schools, this, that, and the other thing, you have to have two essentials:

1. Land, mines, raw materials, machines, factories—what economists call the “means of production.”
2. Labor—workers who use their strength and skill on and with the means of production to turn out the required goods.

In the United States, as in other capitalist countries, the means of production are not public property. The land, raw materials, factories, machines, are owned by individuals—by capitalists. That is a fact of tremendous importance. Because whether you do or do not own the means of production determines your position in society. If you belong to the small group of owners of the means of production—the capitalist class—you can live without working. If you belong to the large group that does not own the means of production—the working class—you can't live unless you work.

One class lives by owning; the other class lives by working. The capitalist class gets its income by employing other people to work for it; the working class gets its income in the form of wages for the work it does.

Since labor is essential to the production of goods we need in order to live, you would suppose that those who do the labor—the working class—would be handsomely rewarded. But they aren't. In capitalist society, it isn't those who *work* the most who get the largest incomes, it is those who *own* the most.

Profit makes the wheels go round in capitalist society. The smart business man is the one who pays as little as possible for

what he buys and receives as much as possible for what he sells. The first step on the road to high profits is to reduce expenses. One of the expenses of production is wages to labor. It is therefore to the interest of the employer to pay as low wages as possible. It is likewise to his interest to get as much work out of his laborers as possible.

The interests of the owners of the means of production and of the men who work for them are opposed. For the capitalists, property takes first place, humanity second place; for the workers, humanity—themselves—takes first place, property second place. That is why, in capitalist society, there is always conflict between the two classes.

Both sides in the class war act the way they do because they must. The capitalist must try to make profits to remain a capitalist. The worker must try to get decent wages to remain alive. Each can succeed only at the expense of the other.

All the talk about "harmony" between capital and labor is nonsense. In capitalist society there can be no such harmony because what is good for one class is bad for the other, and vice versa.

The relationship, then, that *must* exist between the owners of the means of production and the workers in capitalist society is the relationship of a knife to a throat.

2. SURPLUS VALUE

In capitalist society, man does not produce things which he wants to satisfy his own needs, he produces things to sell to others. Where formerly people produced *goods for their own use*, today they produce *commodities for the market*.

The capitalist system is concerned with the production and exchange of commodities.

The worker does not own the means of production. He can make his living in only one way—by hiring himself out for wages to those who do. He goes to market with a commodity for sale—his capacity to work, his labor power. That's what the employer buys from him. That's what the employer pays him wages for. The worker sells his commodity, labor power, to the boss in return for wages.

How much wages will he get? What is it that determines the rate of his wages?

The key to the answer is found in the fact that what the

worker has to sell is a commodity. The value of his labor power, like that of any other commodity, is determined by the amount of socially necessary labor time required to produce it. But since the worker's labor power is part of himself, the value of his labor power is equal to the food, clothing, and shelter necessary for him to live (and since the supply of labor must continue, to raise a family).

In other words, if the owner of a factory, mill, or mine wants forty hours of labor done, he must pay the man who is to do the work enough to live on, and to bring up children capable of taking his place when he gets too old to work, or dies.

Workers will get then, in return for their labor power, subsistence wages, with enough more (in some countries) to enable them to buy a radio, or an electric refrigerator, or a ticket to the movies occasionally.

Does this economic law that workers' wages will tend to be merely subsistence wages mean that political and trade union action by workers is useless? No, it definitely does not. On the contrary, workers, through their unions, have been able in some countries, including the United States, to raise wages above the minimum subsistence level. And the important point to remember is that this is the *only* way open to workers to keep that economic law from operating all the time.

Where does profit come from?

It is not in the process of exchange of commodities but rather in the process of production that we will find the answer. The profits that go to the capitalist class arise out of production.

The workers by transforming raw material into the finished article have brought new wealth into existence, have created a new value. The difference between what the worker is paid in wages and the amount of value he has added to the raw material is what the employer keeps.

That's where his profit comes from.

When a worker hires himself out to an employer he doesn't sell him what he produces; the worker sells his ability to produce.

The employer does not pay the worker for the product of eight hours work; the employer pays him to work eight hours.

The worker sells his labor power for the length of the whole working day—say eight hours. Now suppose the time necessary to produce the value of the worker's wages is four hours. He doesn't stop working then and go home. Oh, no. He has been hired to work eight hours. So he continues to work the other four hours. In these

four hours, he is working *not for himself*, but *for his employer*. Part of his labor is *paid* labor; part is *unpaid* labor. The employer's profit comes from the unpaid labor.

There *must* be a difference between what the worker is paid and the value of what he produces, else the employer wouldn't hire him. The difference between what the worker receives in wages and the value of the commodity he produces is called *surplus value*.

Surplus value is the profit that goes to the employer. He buys labor power at one price and sells the product of labor at a higher price. The difference—surplus value—he keeps for himself.

3. ACCUMULATION OF CAPITAL

The capitalist begins with money. He buys the means of production and labor power. The workers, using their labor power on the means of production, produce commodities. The capitalist takes these commodities and sells them—for money. The amount of money he gets at the end of the process must be greater than the amount of money he started with. The difference is his profit.

If the amount of money at the end of the process is not greater than the amount of money he started with, then there is no profit and he stops producing. Capitalist production does not begin or end with people's needs. It begins and ends with money.

Money cannot become more money by standing still, by being hoarded. It can only grow by being used as capital, that is by buying the means of production and labor power and thus getting a share of the new wealth created by workers every hour of every day of every year.

It's a real merry-go-round. The capitalist seeks more and more profits so he can accumulate more capital (means of production and labor power), so he can make more and more profits, so he can accumulate more capital, so he can etc., etc., etc.

Now the way to increase profits is to get the workers to turn out more and more goods faster and faster at less and less cost.

Good idea, but how to do it? Machines and scientific management, that was (and is) the answer. Greater division of labor. Mass production. Speed-up. Greater efficiency in the plant. More machines. Power-driven machines that enable one worker to produce as much as five did before, as much as ten did, eighteen, twenty-seven. . . .

The workers who are made "superfluous" by machinery become an "industrial reserve army" which can slowly starve, or, by its very existence, help to force down the wages of those who are lucky enough to have jobs.

And not only do machines create a surplus population of workers, they also change the character of labor. Unskilled, low-paid labor—with a machine—can do work that required skilled high-paid labor before. Children can take the place of adults in the factory, women can replace men.

Competition forces each capitalist to look for ways whereby he can produce goods more cheaply than others. The lower his "unit labor cost" the more possible it is to undersell his competitors and still make a profit. With the extension of the use of machinery, the capitalist is able to get the workers to produce more and more goods faster and faster at less and less cost.

But the new and improved machinery which makes this possible costs a lot of money. It means production on a larger scale than before, it means bigger and bigger factories. In other words, it means the accumulation of more and more capital.

There is no choice for the capitalist. The greatest amount of profits goes to the capitalist who uses the most advanced and efficient technical methods. So all capitalists keep striving for improvements. But these improvements require more and more capital. To stay in business at all, to meet the competition of others and preserve what he has, the capitalist must keep constantly expanding his capital.

Not only does he *want* more profits so he can accumulate more capital so he can make more profits—he finds that he is *forced* to do so by the system.

4. MONOPOLY

One of the greatest hoaxes ever perpetrated on the American people is the ever-repeated assertion that our economic system is one of "free private enterprise."

That is not true. Only *part* of our economic system is competitive, free, and individualistic. The remainder—and by far the most important part—is the exact opposite: monopolized, controlled, and collectivistic.

Competition, according to theory, was a fine thing. But capital-

ists found that practice didn't jibe with theory. They found that competition lessened profits while combination increased profits. They were interested in profits so why compete? It was better—from their point of view—to combine.

And combine they did—in oil, sugar, whiskey, iron, steel, coal, and a host of other commodities.

“Free competitive enterprise” was already on its way out as far back as 1875. By 1888 trusts and monopolies had such a stranglehold on American economic life that President Grover Cleveland felt it necessary to sound a warning to Congress: “As we view the achievements of aggregated capital, we discover the existence of trusts, combinations, and monopolies, while the citizen is struggling far in the rear or is trampled to death beneath an iron heel. Corporations, which should be carefully restrained creatures of the law and the servants of the people, are fast becoming the people's masters.”

Through the marriage of industrial and finance capital, some corporations were able to expand to so great an extent that in some industries today a handful of firms, literally, produce more than half the total output or nearly all of it. In these industries, certainly, the “traditional American system of free competitive enterprise” no longer exists. In its place there is concentration of economic power in a few hands—monopoly.

Here are some specific examples from the 1946 report of the House of Representatives' Committee on Small Business, entitled *United States Versus Economic Concentration and Monopoly*:

General Motors, Chrysler, and Ford together produce nine out of every ten cars made in the United States.

In 1934 the Big Four tobacco companies—American Tobacco Company, R. J. Reynolds, Liggett & Myers, and P. Lorillard—“produced 84 per cent of the cigarettes, 74 per cent of the smoking tobacco, and 70 per cent of the chewing tobacco.”

The Big Four rubber companies—Goodyear, Firestone, U. S. Rubber, and Goodrich—account for “nearly 93 per cent of the total net sales of the rubber industry.”

Before the war, the three largest companies in the soap industry—Proctor & Gamble, Lever Bros., and Colgate-Palmolive-Peet Co., controlled 80 per cent of the business. Another 10 per cent was secured by three other companies. The remaining 10 per cent was distributed among approximately 1,200 soap producers.

Two companies—Libby-Owens-Ford and the Pittsburgh Plate Glass Co.—together make 95 per cent of all plate glass in the country.

The United States Shoe Machinery Co. controls more than 95 per cent of the entire shoe-machinery business in the United States.

It is not difficult to see that with such extensive domination, the monopoly capitalists are in a position to fix prices. And they do. They fix them at that point where they can make the highest profits. They fix them by agreement among themselves; or by the most powerful corporation announcing the price and the rest of the industry playing the game of "follow the leader;" or, as frequently happens, they control basic patents and give licenses to produce only to those who agree to stay in line.

Monopoly makes it possible for the monopolists to accomplish their purpose—make tremendous profits. Competitive industries make profits in good times and show deficits in bad times. But for monopoly industries the pattern is different—they make tremendous profits in good times, and some profits in bad times.

The agitation against monopoly power and profits which began in the last quarter of the 19th century continued into the 20th century. But though much was said about the "growing evil," little was done about it. Neither the Federal Trade Commission nor the anti-trust division of the Department of Justice, even when they had the will to do something, was given the funds or the staff to do it with.

As a matter of fact, little could be done about it. When the Standard Oil Company was "dissolved" in 1911, Mr. J. P. Morgan is reported to have made this appropriate comment: "No law can make a man compete with himself." Subsequent events proved Mr. Morgan right. By 1935:

One-tenth of one per cent of all the corporations in the United States owned 52 per cent of the assets of all of them.

One-tenth of one per cent of all the corporations earned 50 per cent of the net income of all of them.

Less than 4 per cent of all the manufacturing corporations earned 84 per cent of the net profits of all of them.

"A more nearly perfect mechanism for making the poor poorer and the rich richer could scarcely be devised."

That's what the TNEC report says about monopoly.

It gives as evidence the effect of monopoly on workers, producers of materials, consumers, and stockholders.

The workers are made poorer by "the monopolist's failure to pay wages equal to their productivity."

The producers of materials (e.g. farmers) are made poorer by "the low prices that the monopolist sometimes pays."

The consumers are made poorer by "the high prices that the monopolist charges."

The stockholders, on the other hand, are made richer by "the unnecessarily high profits that the monopolist thus obtains."

Whenever the charge is made that there is a dangerous concentration of power and wealth in the hands of a few, the apologists for Big Business deny that the picture is as black as it is painted. They argue that even where there are unnecessarily high profits, these profits are distributed to millions of people and not to a small group. They argue that there is a wide distribution of stock ownership, that not Mr. Big alone, but Tom, Dick, and Harry and millions of other little fellows own stock in the giant monopoly corporations. It's a plausible argument and it fools a great many people.

But the argument that "the people" own American industry is phony. The number of stockholders in any company may indeed be large. But that is not significant. What is significant is *how many own how much*. What is significant is how the profits are divided among the shareholders. And the moment you get that figure, you find that "the people" as a body own a microscopic share of American industry, while a handful of Big Boys own most of it and reap the colossal profits.

The most impressive and most easily understood figures in this connection were those given to Congress in 1938 by President Roosevelt:

The year 1929 was a banner year for distribution of stock ownership. But in that year three-tenths of one per cent of our population received 78 per cent of the dividends reported by individuals. This has roughly the same effect as if, out of every 300 persons in our population, one person received 78 cents out of every dollar of corporate dividends while the other 299 persons divided up the other 22 cents between them.

The true picture was presented to Congress in 1941 by Senator O'Mahoney in the Final Report and Recommendations of the Temporary National Economic Committee, of which he was chairman: "We know that most of the wealth and income of the country is owned by a few large corporations, that these corporations in turn are owned by an infinitesimally small number of people and that the profits from the operation of these corporations go to a very small group."

5. DISTRIBUTION OF INCOME

It is not true that we Americans live well. The truth is that while a fortunate few of our countrymen live luxuriously, *most* Americans live miserably. The truth is that "our high standard of living" is an empty boast—it does not pertain to most of our people.

President Roosevelt broke through the mist of lies about our high standard of living in his second inaugural address when he said: "I see one-third of a nation ill-housed, ill-clad, ill-nourished."

In the United States, as in all other capitalist countries, there has been a continual increase over the years in the amount of goods and services produced. A never-ending stream of remarkably useful conveniences and incredibly wonderful luxuries has been made available to the people.

However, the availability of this profusion of goods is measured not by the people's needs but by their ability to pay. And the proportion of the national income that goes to most Americans is too small to enable them to purchase the things which would make their lives richer and more satisfying.

Government statistics prove the point. Here, for example, is a table of income distribution by families for the United States in 1950, put out by the Bureau of the Census, U. S. Department of Commerce (March 25, 1952, Series P-60, No. 9):

<i>Family income</i>	<i>Number of families</i>
Under \$1,000	4,600,000
\$1,000 to \$1,999	5,200,000
2,000 to 2,999	7,100,000
3,000 to 3,999	8,200,000
4,000 to 4,999	5,400,000
5,000 to 5,999	3,600,000
6,000 to 6,999	2,100,000
7,000 to 9,999	2,300,000
10,000 and over	1,300,000
Total	39,800,000

Note that some 9,800,000 families, or about 25 per cent of the total, had incomes in 1950 of less than \$2,000 for a year! This means that *one out of every four families in the United States had less than \$40 per week* to eat, drink, and be merry on. You know

how far \$40 a week would take a family with the prices prevailing in 1950.

But we don't need to guess. Other government figures establish beyond a doubt that Americans live poorly, not well. The "City Worker's Family Budget" compiled by the Bureau of Labor Statistics, (B.L.S. Handbook of Labor Statistics, 1950 edition) gives, for 1950, the estimated cost in dollars for "a city worker's family of four persons to maintain an adequate level of living." The budget cost ranges from \$3,933 in Milwaukee to \$3,453 in New Orleans. Look at the table above. Note that well over 50 per cent of all the families in the country did not receive a money income sufficient to pay for, not a luxury budget, but a merely "adequate" one. Further proof from the Bureaus of the Census: in 1950, the median money income for all families was \$3,319; for Negro families it was only \$1,869!

While most Americans did not get enough money to live decently, a small group at the top got much more than enough. In 1950, according to the "Survey of Consumer Finances" of the Federal Reserve Board, the 10 per cent of families at the top of the income ladder received 27 per cent of the total income of all of the nation's consumer units, while the 50 per cent of the families at the bottom of the ladder received only 24 per cent. The 1/10 at the top received more income than the 1/2 at the bottom. But wouldn't the very rich at the top have to pay very high taxes which would take most of their money? That's what they say, but it isn't true. These figures, in any case, represent income *after* Federal income taxes.

It is true that relative to the inhabitants of most other countries, our people, as a whole, have a higher standard of living. But that means, not that we are well off, but that the others are worse off. It doesn't mean what the propagandists want us to believe when they talk about the American "high standard of living."

6. CRISIS AND DEPRESSION

The facts about the distribution (or rather, the maldistribution) of income reveal the basic weakness of the capitalist system in its economic aspect.

The income of the mass of people is ordinarily too small to consume the product of industry.

The income of the wealthy is frequently too large for profitable investment in a market so limited by the poverty of the many.

The bulk of the population which would like to buy doesn't have the money. The few who have the money have so much they can't possibly spend it all.

The expansion of industry has leaped forward on seven-league boots; the expansion of consumer purchasing power has dragged along at a snail's pace.

The problem of mass production is solved; the problem of mass sales of the goods produced is not solved.

The market for goods exists in terms of workers' needs; it does not exist in terms of their ability to pay for the goods they need.

The result is those periodic breakdowns of the system which we call crisis and depression.

To obtain profits, the capitalist must pay as little as possible to his workers.

To sell his products, the capitalist must pay as much as possible to his workers.

He can't do both.

Low wages make high profits possible, but at the same time they make profits impossible because they reduce the demand for goods.

Insoluble contradiction.

Within the framework of the capitalist system, there is no way out. *We must have depressions.*

After the crisis of 1929, it seemed that the United States had left behind it forever the period when capitalism could still expand. Henceforth it was to be concerned not with generating expansion but with keeping contraction to a minimum.

The people wanted jobs. Their chances of getting them were slim. According to J. M. Keynes, the famous English economist, "The evidence indicates that full, or even approximately full employment, is of rare and shortlived occurrence."

There was, however, one way in which the capitalist system could provide jobs. There was one way in which the paralyzing defects of capitalism—underconsumption and overproduction—could be overcome. There was one way by which the overhanging fear of surplus could be dispelled—one way in which everything that was produced could be sold at a profit.

There was a cure for capitalism's fatal disease of crisis and depression.

WAR.

After 1929, it became apparent that only in the preparation and conduct of a war could the capitalist system be operated so as to provide full employment for men, materials, machinery, and money.

7. IMPERIALISM AND WAR

Large scale monopoly industry brought with it greater development of the productive forces than ever before. The power of industrialists to produce goods grew at a more rapid rate than the power of their countrymen to consume them.

That meant they had to sell goods outside the home country. They *had* to find foreign markets which would absorb their surplus manufactures.

Where to find them?

There was one answer—colonies.

The necessity for finding markets for surplus manufactured goods was only one part of the pressure for colonies. Large scale mass production needs vast supplies of raw materials. Rubber, oil, nitrates, tin, copper, nickel—these, and a host of others, were raw materials which were necessary to monopoly capitalists everywhere. They wanted to own or control the sources of those necessary raw materials. This was a second factor making for imperialism.

But more important than either of these pressures was the necessity for finding a market for another surplus—the surplus of capital.

This was the major cause of imperialism.

Monopoly industry brought huge profits to its owners. Superprofits. More money than the owners knew what to do with. More money than they could possibly spend. More money than they could find an outlet for in income-creating investment at home. An over-accumulation of capital.

This alliance of industry and finance seeking profits in markets for goods and capital was the mainspring of imperialism. So J. A. Hobson thought, back in 1902, when he published his pioneer study on the subject: "Imperialism is the endeavor of the great controllers

of industry to broaden the channel for the flow of their surplus wealth by seeking foreign markets and foreign investments to take off the goods and capital they cannot sell or use at home."

The treatment of colonial peoples varied from time to time and from place to place. But the atrocities were general—no imperialist nation had clean hands. Leonard Woolf, an acknowledged expert on the subject wrote: "Just as in national society in Europe there have appeared in the last century clearly defined classes, capitalists and workers, exploiters and exploited, so too in international society there have appeared clearly defined classes, the imperialist Powers of the West and the subject races of Africa and the East, the one ruling and exploiting, the other ruled and exploited."

As with other imperialist nations, so with the United States. The profits from all the private investments went to the financial groups involved, but government policy, government money, and government force were employed to make available and to safeguard their private ventures. President Taft was frank about the tie-up that existed between monopoly capitalist necessity and government policy. "While our foreign policy should not be turned a hair's breadth from the straight path of justice, it may well be made to include active intervention to secure for our merchandise and our capitalists opportunity for profitable investment."

In the 20th century, in every great industrial nation, monopoly capitalism grew, and with it the problem of what to do with surplus capital and surplus products. When the various giants in control of their own national markets met on the international markets there was, first, competition—long, hard, bitter. And then, agreements, associations, cartels, on an international basis.

With these huge international combines making arrangements for parcelling out the world market, it would seem that competition must cease and a period of lasting peace begin. But that does not happen, because the strength relations are constantly changing. Some companies grow larger and more powerful, while others decline. Thus what was a fair division at one moment becomes unfair later. There is discontent on the part of the stronger group and a struggle for a larger quota follows. Each government springs to the defense of its own nationals. The inevitable result is war.

Imperialism leads to war. But war doesn't settle anything permanently. The hostilities which can no longer be resolved by bargaining round a table do not disappear because the bargaining is done with the arguments of high explosives, atom bombs, maimed men, and mutilated corpses.

No. The hunt for markets must go on. Monopoly capitalism must have its outlet for surplus goods and capital and new wars will continue to be fought so long as monopoly capitalism continues to exist.

8. THE STATE

Private property in the means of production is a special kind of property. It gives to the possessing class power over the non-possessing class. It enables those who own, not only to live without working, but also to determine whether the non-owners shall work and under what conditions. It establishes a master and servant relationship, with the capitalist class in the position of giving orders and the working class in the position of having to obey them.

Understandably, then, there is a perpetual conflict between the two classes.

The capitalist class, through its exploitation of the working class, is handsomely rewarded with wealth, power, and prestige, while the working class is plagued with insecurity, poverty, miserable living conditions.

Now, obviously, there must be some method whereby this set of property relations—so advantageous to the few and so disadvantageous to the many—is maintained. There must be some agency with power to see to it that this system of social and economic domination by the wealthy minority over the laboring majority is preserved.

There is such an agency. It is the state.

It is the function of the state to protect and preserve the set of private property relations which enables the capitalist class to dominate the working class.

It is the function of the state to uphold the system of oppression of one class by another.

In the conflict between those who have private property in the means of production and those who have not, the haves find in the state an indispensable weapon against the have-nots.

We are led to believe that the state is above class—that the government represents all the people, the rich and the poor, the high and the low. But actually, since capitalist society is based on private property, it follows that any attack on private property will

be met with the resistance of the state, carried to the length of violence if necessary.

In effect, therefore, so long as classes exist, the state cannot be above class—it must be on the side of the rulers. That the state is a weapon of the ruling class was plain to Adam Smith as long ago as 1776. In his famous book, *The Wealth of Nations*, Smith wrote: "Civil government, so far as it is instituted for the security of property, is in reality instituted for the defense of the rich against the poor, or of those who have some property against those who have none at all."

The class that rules economically—that owns the means of production—also rules politically.

It is true that in a democracy like the United States, the people vote the respective candidates into office. They do have a choice of Democrat X or Republican Y. But that is never a choice between a candidate who is on one side of the class war and a candidate who is on the other side. There is little basic difference in attitude toward the system of private property relations between the candidates of the major parties. What differences do exist have to do mainly with variation in emphasis or detail—almost never with fundamentals.

Boiled down to its essentials, the freedom to choose between Democrat X or Republican Y means for the workers merely the freedom to choose which particular representative of the capitalist class will make the laws in Congress in the interests of the capitalist class.

The tie-up that exists between the men who make the laws and the men in whose interests those laws are made is so close that there can be no doubt of the relationship between the state and the ruling class. In the mind of one of our greatest Americans there was no doubt that the class that ruled economically also ruled politically:

Suppose you go to Washington and try to get at your Government. You will always find that while you are politely listened to, the men really consulted are the men who have the biggest stake—the big bankers, the big manufacturers, the big masters of commerce, the heads of railroad corporations and of steamship corporations. . . . The masters of the Government of the United States are the combined capitalists and manufacturers of the United States.

This very revealing statement was published in 1913 in a book by Woodrow Wilson. The author was in a position to know what he was talking about. He was President of the United States at the time.

The question arises: if the machinery of the state is controlled by the capitalist class and functions in their interest, then how does it ever happen that laws designed to regulate and limit the power of the capitalists ever get on the statute books?

This happened, for example, during the administration of Franklin D. Roosevelt. Why?

The state acts on behalf of the non-owners and against the owners when it is forced to do so. It will yield on this or that particular point of conflict because pressure from the working class is so great that concessions *must* be made, or "law and order" will be endangered, or worse still (from the point of view of the ruling class) revolution may ensue. But the important point to remember is that whatever concessions are won in such periods are confined to the existing property relations. The framework of the capitalist system itself is left untouched. It is always within that framework that concessions are made. The aim of the ruling class is to yield a part in order to save the whole.

All the gains won by the working class during the administration of President Roosevelt—and they were many—did not change the system of private ownership of the means of production. They did not bring the overthrow of one class by another. When Mr. Roosevelt died, the employers were still in their accustomed places, the workers in theirs.

Since the state is the instrument through which one class establishes and maintains its domination over the other class, genuine freedom for the oppressed majority cannot truly exist. Greater or lesser degrees of freedom—depending on the circumstances—will be granted, but in the last analysis, the words "freedom" and the "state" cannot be combined in a class society.

The state exists to enforce the decisions of the class that controls the government. In capitalist society the state enforces the decisions of the capitalist class. Those decisions are designed to maintain the capitalist system in which the working class must labor in the service of the owners of the means of production.

PART II . . . SOCIALIST INDICTMENT OF CAPITALISM

9. CAPITALISM IS INEFFICIENT AND WASTEFUL

The increase in man's power to produce should have resulted in the abolition of want and poverty. It has not had that result—even in the United States, the strongest, richest, and most productive capitalist country in the world.

In the United States, as in every other capitalist country, there is starvation in the midst of plenty, scarcity in the midst of abundance, destitution in the midst of riches.

There must be something fundamentally wrong with an economic system characterized by such contradictions.

There is something wrong. The capitalist system is inefficient and wasteful, irrational, and unjust.

It is inefficient and wasteful because even in those years when it is functioning at its best, one-fifth of its productive mechanism is not in use.

It is inefficient and wasteful because periodically it breaks down—and then, not one-fifth but one-half of its productive capacity is idle. According to Brookings Institution, "At the height of the boom period the amount of idle capacity, expressed in terms of a generalized figure, was something like 20 per cent. In periods of depression this percentage is, of course, very greatly increased—rising as high as 50 per cent in the current [1930's] depression."

It is inefficient and wasteful because it does not always provide useful work for all those who want to work—at the same time that it allows thousands of physically and mentally able persons to live without working.

It is inefficient and wasteful in the employment of a host of advertisers, salesmen, agents, canvassers, and the like, not in the sane production and distribution of goods, but in the insane competition for customers to buy the same commodity from Company A instead of from Company B, or Companies C, D, E, or F.

It is inefficient and wasteful because much of its men and materials is devoted to the production of the most extravagant luxuries at the same time that enough of the necessities of life for

all is not produced.

It is inefficient and wasteful because, in its concern for increased price and profitability instead of for human needs, it sanctions the deliberate destruction of crops and goods.

Finally, it is inefficient and wasteful because periodically it leads to war—the merciless diabolical destroyer of all that is good in life, as well as of life itself.

This inefficiency and waste is not merely an abuse which can be corrected. It is part and parcel of the capitalist system. It must continue as long as the system lasts.

During the depression of the 1930's in the United States there were years in which as many as one-fourth of all employable workers who were willing and wanted to work could not find jobs. They starved, or went on home relief, or found make-work jobs with public works agencies. Men, women, and children in every city on bread lines. The magnitude of this waste of labor power is outlined in this never-to-be-forgotten picture: "If all the eleven million unemployed men and women were lined up in one long bread line, standing just close enough for one man to be able to lay his hand on the shoulder of the one in front, that line would extend from New York to Chicago, to St. Louis, to Salt Lake City, yes, to San Francisco. And that's not all. It would extend all the way back again—twice the distance across the continent."

And at the same time that these millions of wretched human beings were in dire need of an opportunity to put their talent and energy to use so they might obtain the bare necessities of life, other more favored men and women who had never known and had no desire to learn what work was, were living in comfort and luxury through their ownership of the means of production. They could live in shameless idleness because the capitalist system was so designed as to enable them to receive an income from the ownership of shares in industries of which they may have never even heard. The poverty of the many who wanted work but could not find it was rendered all the more humiliating because of the riches of the few who were receiving dividends without work.

Confronted with the paradox of poverty in plenty, the capitalist system devises a plan for tackling the problem.

The plan is to abolish the plenty.

Kerosene is poured on potatoes to make them unfit for human consumption, 30 per cent of the coffee crop is destroyed, milk is poured into rivers, fruit is left to rot on the ground.

This seeming insanity is not as crazy as it appears—not in the

capitalist system. In an economy which is concerned not with feeding people the potatoes, coffee, milk, and fruit which they need, but only with getting as high prices and profits as possible, restricting the supply is, at times, the way to achieve your end. But that doesn't make the practice right, it only proves the point—that the capitalist system is, by its very nature, inefficient and wasteful.

The greatest waste of capitalism is war.

The all-out production of goods which is not possible in capitalist economy in peacetime is achieved in wartime. Then, and then only, does capitalism solve the problem of full employment of men, materials, machinery, and money.

To what end? Sheer destruction. Destruction of the hopes and dreams and lives of millions of human beings; destruction of thousands of schools, hospitals, factories, railways, bridges, docks, mines, power plants; destruction of thousands of square miles of farm land and forests.

No one can count the agonies of the wounded, the sufferings of the maimed and the mutilated, the longing of the living for the dead. But we do know how much money war costs. We do know the amount of waste in terms of dollars and cents. The figure makes crystal clear that the greatest waste of capitalism is war.

The first World War cost 200 billion dollars. In 1935, the authors of *Rich Man, Poor Man* worked out a yardstick by which to measure that. Here it is: "It would be enough money to give a \$3,000 house [in pre-inflation dollars] and a piece of ground to every family in the United States, and England, and Belgium, and France, and Austria, and Hungary, and Germany, and Italy.

"Or with that much money we could run all the hospitals in the United States for 200 years. We could pay all the expenses of our public schools for 80 years. Or again, if 2,150 workers were to labor for 40 years at an annual wage of \$2,500 each, their combined earnings would pay the cost of the World War for just one day!"

World War II cost over five times as much.

Nowhere is the waste of the capitalist system better illustrated than in war.

10. CAPITALISM IS IRRATIONAL

The capitalist system is irrational.

It is based on the premise that the self-interest of the business man is sure to benefit the nation; that if only individuals are left

free to make as much profit as they can, the whole of society must be better off; that the best way to get things done is to let capitalists make as large a profit as possible out of doing them and, as a certain by-product of the process, the needs of the people will be served.

This proposition is definitely not true—certainly not all the time. As monopoly replaces competition it becomes less and less true. The interest of the profit-seeker may or may not coincide with the interests of society. As a matter of fact, they frequently clash.

The capitalist system is irrational because instead of basing production on the needs of all, it bases production on the profits of the few.

The capitalist system is irrational because instead of using the common-sense method of tying production directly to needs, it uses an indirect method of tying production to profits in the vague hope that needs will somehow be met.

It is as illogical and absurd as going from New York to Chicago, roundabout by way of New Orleans, instead of by the direct route.

Furthermore, a neat question concerning democracy is raised by the power of a handful of profit-seeking industrialists to decide, completely on their own, and in their own interest, whether or not the nation's needs are to be satisfied and at what price. It is not unfair to suggest that where the people do not control the economy in their own interest, economic democracy is supplanted by economic dictatorship.

This economic dictatorship, so dangerous to the welfare of the country in time of peace, can become a threat to its very existence in time of war. Regardless of the gravity of the crisis, the economic dictators insist that profits come before duty—and they are in a position to make the country pay their price. This is not an unfounded charge; it is confirmed by the experience of the United States in both World War I and World War II. A TNEC report, published in 1941, tells the story:

Speaking bluntly, the Government and the public are "over a barrel" when it comes to dealing with business in time of war or other crisis. Business refuses to work, except on terms which it dictates. It controls the natural resources, the liquid assets, the strategic position in the country's economic structure, and its technical equipment and knowledge of processes.

The experience of the World War [I], now apparently being repeated, indicates that business will use this control only if it is "paid properly." In effect, this is blackmail, not too fully disguised. . . . It is in such a situation that the question arises: What price patriotism?"

The same irrationality in the system is exhibited when it allows business interests to let their greed for gain stand in the way of the conquest of nature for the service of the people. Almost every spring the Ohio river overflows its banks killing scores of people and destroying millions of dollars worth of property. Farm crops are ruined, homes uprooted and smashed, and cities inundated. This need not happen. The mighty river can be tamed, its wild energy can be harnessed, its seasonal fluctuations can be leveled off to provide a safe system of all-year-round navigation, and the soil, where it is wholly or partially destroyed through erosion, can be saved.

We have the know-how. It can be done. It has been done—in TVA.

Why, then, isn't it done? Why isn't TVA, America's highly successful experiment in regional planning, duplicated with an OVA—Ohio Valley Authority? And an MVA—Missouri Valley Authority?

Why? Because the capitalist system is irrational. The turbulent river must continue to go on its annual rampage leaving death and destruction in its wake because the flood control, power development, navigation system, the soil conservation, which an OVA could accomplish for the benefit of the many, would cut into the profits of the public utility companies, coal companies, and railroads. These business interests fought the development of power production and cheap water transportation in TVA and they continue to fight it in other river valley regions. Another proof of the absurdity of the basic premise of capitalism, that private interest and public welfare necessarily coincide.

Nowhere is the irrationality of the capitalist system more evident than in its lack of plan. Within each business there is system, organization, planning; but in the relationship of one business to another there is no system, no organization, no planning—only anarchy.

The economic welfare of the nation can best be achieved, industrialists assure us, not by careful comprehensive planning to that end, but by allowing individual capitalists to decide what is best for

themselves and hoping that the sum of all those individual decisions will add up to the good of the community.

It just doesn't make sense.

The capitalist system is irrational, also, in its division of the people into warring classes. Instead of "one nation, indivisible, with liberty and justice for all," capitalism, by its very nature, creates two nations, divisible, with liberty and justice for one class and not for the other. Instead of a unified community, with people living together in brotherhood and friendship, the capitalist system makes for a disunited community with the class that works and the class that owns necessarily fighting each other for a larger share of the national income.

The income of the owning class, profits, is looked upon as a good thing since the purpose of industry is profit-making; the income of the working class, wages, is looked upon as a bad thing since it cuts into profits. Regardless of the lip service paid to the merit of the "theory of high wages," that is the nub of the matter. Profits are regarded as a positive good to be made as large as possible; wages are regarded as a positive evil to be kept down to a minimum so costs of production will be low.

The resultant inability of the workers to buy back the goods they produce leads to crisis and depression—the periodic breakdown of the system. Could any economic system be more illogical?

Another irrationality that grows out of this emphasis on profit-making as the primary motive for the development of industry, is the confusion it creates in the values men live by.

What is the guide to conduct in capitalist society? That depends.

In the business world, competition, non-Christian self-interest, sharp dealing, cut the other fellow's throat, push your rival to the wall, anything goes that you can get away with; never mind what you will do with it, spend all your time and energy in the feverish pursuit of wealth—the bigger your pile, the more successful you are, regardless of how you acquired it.

In the world of family and friends, in the world of religion, other standards prevail. Instead of competition, cooperation; instead of hate, love; instead of grab for yourself, service to others; instead of climb to the top on the other fellow's back, help your fellow-man; instead of "how much is there in it for me?", "will it benefit others?"; instead of the lust for riches, the desire to serve.

Two sets of values—as different as night and day.

11. CAPITALISM IS UNJUST

The capitalist system is unjust.

It must be unjust because its foundation stone is one of inequality.

The good things of life flow in a never-ending stream to a small, privileged, rich class; while frightening insecurity, degrading poverty, and inequality of opportunity are the lot of the large, unprivileged, poor class.

This is one result of the private ownership of the means of production—the basis of the capitalist system. Another important result is the inequality of personal freedom between those who own and those who do not own the means of production.

The worker, in theory, is a “free” person who can do as he pleases. In fact, however, his freedom is severely limited. He is free only to accept the oppressive terms offered by the employer—or starve.

As President Roosevelt put it in his message to Congress on January 11, 1944, “Necessitous men are not free men.”

The structure of the capitalist system is such that the majority of the people must always be “necessitous men” and therefore not free. They own nothing but their two hands; they must eat today what they earned yesterday; at 40, they are considered “too old” to work in mass-production industry; and always there is the overhanging dread of losing their job.

Another injustice of the capitalist system is the toleration of a parasitic class which, far from being ashamed of living without working, actually takes pride in it. The apologists for the capitalist system argue that though these parasites are idle, their money is not—the tribute they exact from those who work is the reward of the “risk” they take. To some extent, that is true—there is indeed a possibility that their money will be lost.

But while they risk their money, the workers risk their lives. Just how great are the risks the workers take? The figures are astounding. “Loss of life and injuries within our industrial plants during the war period far exceeded the casualties on the battle fronts.”

In 1946, every 30 minutes, for 24 hours around the clock, seven days a week, an American worker was killed on the job by accident.

Every 17½ seconds, an American worker was injured.

Who really takes the risks in industry?

And what is the reward the workers get for the risks they take?

Here is a specific example, typical of capitalist industry:

In 1946, the union of shipyard workers in the Bethlehem Steel Company fought for and won an increase of 15 per cent which raised the minimum shipyard rate to \$1.04 an hour.

That's \$41.60 a week, or \$2163.20 a year.

In 1946, the executives in Bethlehem were given a 46 per cent salary boost. Mr. J. M. Larkin, vice-president of Bethlehem, who insisted that the incentive rates for workers had to be cut, was given a bonus of \$38,764 in addition to his salary of \$138,416.

That's \$177,180 a year, \$3,407.30 a week, \$85.18 an hour.

Mr. Larkin received *each week* more than one and one-half times as much as workers getting the minimum rate at Bethlehem received *in a year*.

Mr. Larkin received *every hour*, more than twice as much as the workers earned *in a week*.

Mr. Larkin's income, however large it may be relative to that of the workers, has the merit of being earned. He has performed a necessary function, and therefore has a legitimate moral claim to what he receives. But what moral claim to ownership does the man have who inherits a fortune and never does a stroke of work in his life?

Let us be clear about the significance of the institution of inheritance in the capitalist system. When a man inherits a million dollars it isn't just a pile of money on which he draws until nothing is left. It's not like that at all.

The million dollars is most commonly in the form of stocks or bonds in industrial or banking corporations. Some shares may pay dividends of 8%, some 2% etc. Let us assume that he has an average return of 4%. This means that by the simple fact of owning those shares, he has an annual income of \$40,000.

Of all the wealth that is produced in the country every year, \$40,000 worth flows into his pockets. He spends the \$40,000 this year, and next year, and the year after. After 20 years he dies, and his son inherits the fortune. The son then has \$40,000 a year to spend. And his son after him. And so on. And after generations of spending \$40,000 every year, the million dollars is still intact! Who says you can't eat your cake and have it too?

Neither the man, nor his son, nor his son's son have ever had to soil their hands with work. Their ownership of the means of

production has enabled them to be parasites living off the work of others.

Another crying injustice in the capitalist system is inequality of opportunity.

A baby is born into the home of a worker earning \$2,000 a year at the same time that one is born into the home of the millionaire. Do they enjoy the same rights and opportunities? Will the food, clothing, and shelter of the one be as good as that of the other? Will the medical care, recreation, and schooling be similar?

It's no good to answer that "America is the land of opportunity," and the worker's son, if he has ability, can rise to the top. Ability counts for a great deal, but birth, social position, and wealth count for more. This does not mean that with ability, energy, and luck it is not possible for a poor boy to become rich. It is. But the chances for the poor, *as a class*, to rise above their station were always slim and are getting increasingly less possible.

Where opportunity is lacking, it is not enough to have ability. And opportunity is lacking.

That's what Supreme Court Justice Jackson told the members of the American Political Science Association some years ago: "The real curse of our system of private enterprise today is that it has destroyed enterprise, it does not offer an opportunity for enough of the ablest men to rise to the top . . . the dream of ability rising to the top is seldom true. . . . Parents labor and save to provide formal education for their children and when that education is finished there is no place for the boy or girl to go except to start at the bottom of an impossibly long ladder of a few great corporations dominated by America's sixty families."

One of the essential requisites for "getting ahead" is education. And equality of educational opportunity does not exist in the United States.

A report by the New York State University Commission headed by Mr. Owen D. Young highlights the inequality of educational opportunity. On February 17, 1948 the *New York Tribune* summarized: "The commission notes that of the top-ranking one-fourth of the state's high school graduates less than half go on to college. They have not the money to go to high tuition private institutions and the Empire State provides no public university."

Inequality of opportunity in education extends even further. The President's Commission on Higher Education reported, in 1947: "One of the gravest charges to which American society is subject is that of failing to provide a reasonable equality of educa-

tional opportunity for its youth. For the great majority of our boys and girls, the kind and amount of education they may hope to attain depends, not on their own abilities, but on the family or community into which they happened to be born or, worse still, on the color of their skin or the religion of their parents."

Inequality of educational opportunity for Negroes is shown by the following: of the 1,700 public and private colleges and universities in the United States, only 118 are Negro institutions. How well-equipped they are, the quality of their teaching staff, the number of books their libraries contain can be gauged from the fact that in 1938, the income for all purposes of 96 colleges for Negroes was less than the annual income of Harvard University alone.

Inequality of economic opportunity for Negroes is, of course, just as great as inequality of educational opportunity. The Jim Crow system of dividing whites and Negroes is very profitable. Negro workers in southern agriculture and industry (and in the North, too—where there has been no union organization) receive less pay than white men doing the same work. That's one way Jim Crow pays off. Because of the availability of lower-paid Negro workers, southern white workers receive less pay than northern white workers doing the same work. That's another way Jim Crow pays off.

In a system where the primary motive for the production of goods is the making of a profit, it is inevitable that profit should be regarded as all-important—more important even than lives. And so it is. In capitalist society, it is not uncommon for dollars to be valued higher than human beings.

The bodies of 111 men who died in the Centralia mine explosion on March 25, 1947 are grim witnesses to that truth.

These 111 men need not have died.

The operators knew the mine was unsafe because both state and federal mine inspectors wrote report after report telling them so.

Dwight Green, Governor of the State of Illinois, knew the mine was unsafe.

He knew because on March 9, 1946, he received a letter from the officers of the United Mine Workers Local Union No. 52, who wrote at the request of the men in the mine: ". . . Governor Green this is a plea to you, to please save our lives, to please make the department of mines and minerals enforce the laws at the No. 5 mine of the Centralia Coal Co. . . . before we have a dust explosion at this mine like just happened in Kentucky and West Virginia. . . ."

One year later, three of the four men who signed that letter were dead—killed in the explosion they had begged the Governor to save them from.

A state investigating committee—after the explosion—asked William H. Brown, supervisor of the mine, why the operators had not installed a sprinkling system.

He answered, "We honestly did not think it was economical for our mine."

"You mean you didn't want to bear the expense?" asked the Committee.

"That's right," Brown replied.

Dollars vs. lives—and dollars won.

12. CAPITALISM IS ON THE WAY OUT

The capitalist system is not only inefficient and wasteful, irrational, and unjust; it has broken down.

In a period of crisis the system collapses to such an extent that instead of society being fed and clothed and sheltered by the workers within it, society must assume the burden of feeding, clothing, and sheltering the jobless with systems of doles, home relief, make-work jobs, and the like.

Were it only in periods of crisis that the system checked production, then it could be argued that capitalism impeded the development of productive forces only temporarily, not permanently. But that is not the case. Professor Schlichter of the Harvard Graduate School of Business Administration says: "It is not, however, merely in times of depression that industry fails to produce to capacity. Under existing economic arrangements, most enterprises must *normally* restrict output in order to maintain solvency."

In spite of the enormous toll of human life and the huge economic losses which war brings in its wake, capitalist nations, nevertheless, continue their drive towards war; the stability of the system is thus endangered, the possibility of the annihilation of the human race is real, yet capitalism is no sooner finished with one war than it prepares for the next.

It has no alternative. The contradictions which beset it cause it to disuse or underuse its productive capacity in peace time. Only in war or preparation for war can it produce abundance. *It cannot live except by preparing the weapons for its own death.*

Capitalism is ripe for change.

The new system cannot be "made to order." It will have to grow out of the old system just as capitalism itself grew out of feudalism. Within the development of capitalist society itself we must look for the germs of the new social system.

We have not far to look. Capitalism has transformed production from an individual into a collective process. In the old days, goods were turned out by individual craftsmen working with their own tools in their own shops; today, products are made by thousands of laborers working together on intricate machines in giant factories.

Increasingly the process becomes more and more social, with more and more people linked together in larger and larger factories.

In capitalist society, things are cooperatively operated and cooperatively made, but they are not cooperatively owned by those who made them. Those who use the machinery do not own it, and those who own it do not use it.

Therein lies the fundamental contradiction in capitalist society—the fact that while production is social, the result of collective effort and labor, appropriation is private, individual. The products, produced socially, are appropriated not by the producers, but by the owners of the means of production, the capitalists.

The remedy is plain—to couple with the socialization of production the social ownership of the means of production. The way to resolve the conflict between social production and private appropriation is to carry the development of the capitalist process of social production to its logical conclusion—social ownership.

Most business in the United States today is carried on by corporations in which the owners hold shares and get the profits, but the work of managing the enterprise is performed by hired executives. By and large the owners of corporations have little or nothing to do with management and operation. Ownership, once functional, is now parasitic. The capitalists, as a class, are no longer needed. If they were transported to the moon, production need not stop even for a minute.

Private ownership of the means of production and the profit motive are doomed. Capitalism has outlived its usefulness.

In its place a new social order is arising—socialism.

PART III . . . ADVOCATES OF CHANGE

13. THE UTOPIAN SOCIALISTS

Socialism is a system in which, in contrast to capitalism, there is common ownership of the means of production instead of private; planned production for use instead of anarchic production for profit.

The idea of socialism is not new. The capitalist system had hardly gotten into its stride with the coming of the Industrial Revolution and the growth of the factory system, when already its inefficiency, waste, irrationality, and injustice were apparent to thinking people.

Beginning about the year 1800, in both England and France, the evils of capitalism were brought before the public in pamphlets, books, and speeches. There had been such critics before—as early as the 16th Century and every century thereafter. But the earlier writers were, in the main, isolated thinkers who had never built up a following. Now that was changed. Robert Owen in England, and Charles Fourier and Comte Henri de Saint-Simon in France, may properly be termed pioneer socialists because around each of them developed a movement of considerable size. Their books were widely read, their speeches drew large audiences, and through them the idea of socialism was spread to other lands—including such far-off places as the United States.

They were not content merely with denunciation of Society As It Is. They went further. Each of them, in his own fashion, spent considerable time and effort on carefully considered plans for Society As It Should Be.

Each of them worked out, in the minutest detail, his own vision of the ideal society of the future. Though their private utopias were quite unlike and different in specific particulars, they were based on a common pattern.

The most important first principle in each of their utopian schemes was the abolition of capitalism. In the capitalist system they saw only evil. It was wasteful, unjust, without a plan. They wanted a planned society which would be efficient and just. Under capitalism the few who did not work lived in comfort and luxury through their ownership of the means of production. The Utopians saw in the common ownership of the means of production the pro-

duction of the means to the good life. So in their visionary societies they planned that the many who did the work would live in comfort and luxury through their ownership of the means of production.

This was socialism—and this was the dream of the Utopians.

It remained a dream for the Utopians because though they knew *where* they wanted to go, they had only the foggiest notion on *how to get there*. They believed that all that was necessary was to formulate their plan for an ideal society, interest the powerful or the rich (or both) in the truth and beauty of their new order, experiment with it on a small scale, and then rely on the sweet reasonableness of people to bring it into being.

The naïveté of the Utopians is shown in the fact that the very groups they were appealing to were precisely the ones whose interest lay in keeping things as they were, not in change. They showed the same misunderstanding of the forces at work in society in their repudiation of political and economic agitation by the working class; in their insistence that only through good will and understanding by all men, not through the organization of workers as a class, would the new society be attained.

Equally unrealistic was their idea that they could succeed in setting up miniature social experiments in accordance with their utopian blueprints.

As might have been foreseen, their "islands of bliss in the gray sea of capitalist misery" were doomed to failure. The capitalist system could not be patched up in little isolated communities shut off from the rest of the world.

The Utopian Socialists were humanitarians who reacted strongly to the harsh environment of capitalism. They made valid and penetrating criticisms of the capitalist system and invented schemes for building a better world. While they were preaching their new Gospel, two men were born who were to approach the problem in a different way.

Their names were Karl Marx and Friedrich Engels.

14. KARL MARX AND FRIEDRICH ENGELS

The socialism of the Utopians was based on a humanitarian sense of injustice. The socialism of Marx and Engels was based on a study of the historical, economic, and social development of man.*

Karl Marx planned no utopia. He wrote practically nothing on how the Society of the Future would operate. He was tremendously interested in the Society of the Past, how it arose, developed, and decayed, until it became the Society of the Present; he was tremendously interested in the Society of the Present because he wanted to discover the forces in it which would make for further change to the Society of the Future.

Unlike the Utopians, Marx spent no time on the economic institutions of Tomorrow. He spent almost all of his time on a study of the economic institutions of Today.

Marx wanted to know what made the wheels go around in capitalist society. The title of his most important book, *Capital—A Critical Analysis of Capitalist Society*, shows where his interest and attention were centered. He was the first great social thinker to make a systematic, intelligent, critical analysis of capitalist production.

With the Utopians, socialism was a product of the imagination, an invention of this or that brilliant mind. Marx brought socialism down from the clouds; he showed that it was not merely a vague aspiration, but the next step in the historical development of the human race—the necessary and inevitable outcome of the evolution of capitalist society.

Marx transformed socialism from a utopia to a science. Instead of a visionary fantastic blueprint of a perfect social order, he substituted a down-to-earth theory of social progress; instead of appealing to the sympathy, goodwill, and intelligence of the upper

* Although we will refer continually to the ideas of Marx, the contribution of Engels to the development of socialist thought should not be minimized. Marx and Engels were in their twenties when they first met and they remained life-long friends and collaborators. Theirs was, without question, the greatest intellectual partnership the world has ever seen. Although Engels was a prominent thinker in his own right and had arrived at his basic philosophy independently of Marx, he was content to play "second fiddle" throughout their long association. In 1888, he summarized their relationship in these words: "I cannot deny that both before and during my 40 years collaboration with Marx I had a certain independent share in laying the foundations, and more particularly in elaborating the theory. But the greater part of its leading basic principles, particularly in the realm of economics and history, and above all its final clear formulation belongs to Marx. Marx stood higher, saw further, and took a wider and quicker view than all the rest of us. We others were at best talented. Marx was a genius."

class to change society, he relied on the working class to emancipate itself and become the architect of the new order.

The socialism of Marx—scientific socialism—was given its first significant expression a century ago with the publication, in February, 1848, of the *Communist Manifesto*, written jointly with Engels. This pamphlet, only 23 pages in the original edition, in which the essence of their doctrine is distilled, has since become the foundation stone of the socialist movement in every corner of the earth. It has been translated into more languages than any other book except the Bible; as the inspiration to the powerful world-wide working class movement, it is without question the most influential pamphlet ever written anywhere at any time.

In their intensive study of why human society is what it is, why it changes, and in what direction it is going, Marx and Engels found there was a connecting theme running through history. Things are not independent of each other; history merely *appears* to be a jumble of disordered facts and happenings, but in reality it is not a jumble; history is not chaotic—it conforms to a definite pattern of laws which can be discovered.

Karl Marx discovered those laws of development of human society. That was his great contribution to mankind.

The economics, politics, law, religion, education, of every civilization are tied together; each depends on the other and is what it is because of the others. Of all these forces the economic is the most important—the basic factor. The keystone of the arch is the relations which exist between men as producers. The way in which men live is determined by the way they make their living—by the mode of production prevailing within any given society at any given time.

The way men think is determined by the way they live. In the words of Marx: "The mode of production in material life dominates the general character of the social, political, and spiritual processes of life. It is not the consciousness of men that determines their existence, but on the contrary their social existence determines their consciousness."

Conceptions of right, of justice, of liberty, etc.—the set of ideas which each society has—are suited to the particular stage of economic development which that particular society has reached. Now what is it that brings about social and political revolution? Is it simply a change in men's ideas? No. For these ideas depend on a change that occurs first in economics—in the mode of production and exchange.

Man progresses in his conquest of Nature; new and better methods of producing and exchanging goods are discovered or invented. When these changes are fundamental and far-reaching, social conflicts arise. The relationships that grew up with the old method of production have become solidified; the old ways of living together have become fixed in law, in politics, in religion, in education. The class that is in power wants to retain its power—and comes into conflict with the class that is in harmony with the new mode of production. Revolution is the result.

This approach to history, according to the Marxists, makes it possible to understand an otherwise incomprehensible world. By looking at historical events from the point of view of class relationships resulting from the way men earn their living, what has been unintelligible becomes intelligible for the first time. Thus, the analysis in the Manifesto begins with this opening sentence: "The history of all hitherto existing society is the history of class struggles."

What part does the state play in the struggle between classes? The state is the creature of the ruling class. It is set up and maintained to preserve the existing system. Its role in capitalist society is explained in the Manifesto: "The executive of the modern State is but a committee for managing the common affairs of the whole bourgeoisie."

The first duty of the state in capitalist society is the defense of private property in the means of production which is the essence of the domination of the capitalist class over the working class. It follows, therefore, that if the aim of the working class is to abolish private property in the means of production, it must destroy the state of the ruling class and replace it with its own state. The working class can attain power—its revolution will be successful—only if the ruling class state is destroyed and a working class state is established in its place.

At first glance this seems to imply merely the substitution of the dictatorship of the working class for the dictatorship of the capitalist class. Is this the goal of working class revolution—to make the workers rulers over the class to which they had formerly been subject?

No. The dictatorship of the proletariat is only the necessary first step in the process of abolishing class rule forever—by putting an end to the conditions which make for division of society into classes. The socialist goal is not the substitution of one form of class rule for another, but the complete abolition of all classes; the socialist goal is a classless society in which every form of exploita-

tion is eliminated. In the words of the Manifesto: "In place of the old bourgeois society, with its classes and class antagonisms, we shall have an association in which the free development of each is the condition for the free development of all."

Always and everywhere Marx emphasized the point that the transformation from the old class society to the new classless order will be achieved by the working class, the proletariat. He looked to the proletariat to be the active agent in bringing about socialism because it, the majority of the population, suffered most from the contradictions of capitalism, because there was no other way by which it could better itself.

Workers were forced by the horrible conditions under which they lived to band together, to organize, to form unions to fight for their own interests. Trade unions, however, did not spring up overnight. It took a long time for the feeling of unity of class interest to grow up, and until that happened, powerful organization on a national scale was impossible.

It was the expansion of capitalism with the Industrial Revolution and the factory system which enabled trade unionism to make tremendous strides. This had to happen because the Industrial Revolution brought with it the concentration of workers into cities, the improvements in transportation and communication so essential to a nation-wide organization, and the conditions which make a workers' movement so necessary. Thus working class organization grew with capitalist development, which produced the class, the class sentiment, and the physical means of cooperation and communication.

The proletariat, then, is born of capitalism, and grows with it. Finally, when capitalism breaks down, when it is beset with contradictions it cannot solve, when "society can no longer live under this bourgeoisie, in other words, its existence is no longer compatible with society"—when, in short, capitalism is ready for the grave, it is the proletariat which will bury it.

Marx was not an armchair revolutionist who was content with telling the other fellow what to do and why he should do it. No. He lived his philosophy. And insofar as his philosophy was not merely an explanation of the world, but also an instrument to change the world, he himself, as a sincere revolutionist, had to be not above the struggle, but a fighting part of it. He was.

In accordance with his belief that the instrument to abolish capitalism was the proletariat, he devoted whatever attention he could spare from his studies to the training and organization of the working class for its economic and political struggles. He was

the most active and influential member of the International Workingmen's Association (the First International) established in London on September 28, 1864. Two months after it was founded, Marx wrote to Dr. Kugelmann, a German friend: "The Association, or rather its Committee, is important because the leaders of the London Trades Unions are in it. . . . The leaders of the Parisian workers are also connected with it."

Trade unions, which seemed to many people then, as now, merely organizations to improve the day to day life of the workers, had a deeper significance for Marx and Engels: "The organization of the working class as a class by means of the trade unions . . . is the real class organization of the proletariat in which it carries on its daily struggles with capital, in which it trains itself. . . ."

Trains itself for what? For the struggle for higher wages, shorter hours, better conditions? Yes, of course. But for the much more important struggle as well—the struggle for the complete emancipation of the working class, through the abolition of private property in the means of production.

Marx drove home this point in a speech to the General Council of the International in June, 1865. After showing that unless unions did carry on the day to day struggle, "they would be degraded to one level mass of broken-down wretches past salvation," he went on to explain that they must have a broader aim: "At the same time, and quite apart from the general servitude involved in the wages system, the working class ought not to exaggerate to themselves the ultimate working of these everyday struggles. They ought not to forget that they are fighting with effects, but not with the causes of those effects; that they are retarding the downward movement, but not changing its direction; that they are applying palliatives, not curing the malady. They ought, therefore, not to be exclusively absorbed in these unavoidable guerilla fights incessantly springing up from the never-ceasing encroachments of capital or changes of the market. They ought to understand that with all the miseries it imposes upon them, the present system simultaneously engenders the *material conditions* and the *social forms* necessary for an economic reconstruction of society. Instead of the *conservative* motive: 'A fair day's wages for a fair day's work!' they ought to inscribe on their banner the revolutionary watchword: 'Abolition of the wages system!'"

Always and everywhere Marx teaches his basic lesson—the only way out is a fundamental change in the economic, political, and social organization of society, with revolution by the working class as the means to achieve it.

Does this mean, as is generally supposed, that Marx was so much a believer in revolution that he wanted it anywhere at any time? Not at all. Marx was opposed to indiscriminate revolution. In the International he fought against those who called for revolution on principle, those who argued that revolution must be made because it should be made. The essence of Marx's thought is that the revolution, to be successful, must occur at the right moment; society cannot be transformed unless its economic development has made it ripe for change.

The basis for the change to socialism lies in the deep contradictions within capitalist society leading to its breakdown; in the creation, by the socialization of production, of the germs of the new order in the womb of the old; and in the increased class consciousness and organization of the working class, which takes the revolutionary action necessary to make the change.

Marx saw the capitalist system as part of the history of human development. It was neither permanent nor unchangeable. On the contrary, capitalism was an essentially transitory social system which, like every other form of human society, arose out of the system before, developed, would decay and be followed by still another system. For Marx, no human society was static—all were in a constant state of flux and change. His job, as he saw it, was to find out what produced the changes in capitalist society—to discover capitalism's "law of motion." He began by trying to explain it and ended not by apologizing for it, as other economists did, but rather by outlining a guide to action for the forces which would create a better society in the future.

Socialists believe that Marx's picture of capitalist society is sound, that it is closer to reality than the picture drawn by non-Marxist economists. On that point Professor Leontief of Harvard University, though he is himself not a Marxist, had this to say to the members of the American Economic Association fifteen years ago: "If . . . one wants to learn what profits and wages and capitalist enterprises actually are, he can obtain in the three volumes of *Capital* more realistic and more relevant first-hand information than he could possibly hope to find in ten successive issues of the U. S. Census [or] a dozen textbooks on contemporary economic institutions. . . ."

In the same article, Professor Leontief paid tribute to the many predictions made by Marx which have since been fulfilled: "The record is indeed impressive: increasing concentration of wealth, rapid elimination of small and medium-sized enterprises, progressive limitation of competition, incessant technological progress accom-

panied by the ever-growing importance of fixed capital, and, last but not least, the undiminishing amplitude of recurrent business cycles—an unsurpassed series of prognostications fulfilled, against which modern economic theory with all its refinements has little to show indeed.”

It is interesting to note that about the same time that this Harvard professor felt it necessary to suggest to his fellow economics teachers that they could learn much from Karl Marx, another distinguished scholar was offering similar advice to his colleagues in the field of history. In an article in the *American Historical Review* of October 1935, the late Charles Beard, one of America's most eminent historians, wrote: “It may be appropriate to remind those who may be inclined to treat Marx as a mere revolutionary or hot partisan that he was more than that. He was a doctor of philosophy from a German university, possessing the hallmark of the scholar. He was a student of Greek and Latin learning. He read, besides German, his native tongue, Greek, Latin, French, English, Italian, and Russian. He was widely read in contemporary history and economic thought. Hence, however much one may dislike Marx's personal views, one cannot deny to him wide and deep knowledge—and a fearless and sacrificial life. He not only interpreted history, as everyone does who writes any history, but he helped to make history. Possibly he may have known something.”

The working class movement in almost every country of the world, striving to achieve social and economic justice, feels that he may have known something.

The colonial peoples of Asia and Africa, basing their struggles for liberation and independence on his teachings, think that he may have known something.

The countries of eastern Europe, attempting to replace anarchic production for profit with planned production for use, believe that he may have known something.

The privileged few in every capitalist country of the world trying desperately to remain secure on their tottering seats of power, tremble with the fear that he may have known something.

The people in a country one-sixth of the earth's surface, having successfully overthrown capitalism and demonstrated that socialism can end class division and enable man consciously to direct his economy for the welfare of all, are certain that he did know something.

PART IV . . . SOCIALISM

15. SOCIALIST PLANNED ECONOMY

We come now to an analysis of socialism. Let us be clear at the outset that believers in socialism do not argue that the change from private to public ownership of the means of production will solve all man's problems—it will not make angels out of devils, nor will it bring heaven on earth. The claim is made, however, that socialism will remedy the major evils of capitalism, abolish exploitation, poverty, insecurity, and war, and make for greater welfare and happiness of man.

Socialism does not mean piecemeal patchwork reform of capitalism. It means revolutionary change—the reconstruction of society along entirely different lines.

Instead of individual effort for individual profit, there will be collective effort for collective benefit.

Cloth will be made, not to make money, but to provide people with clothes—and so with all other goods.

The power of man over man will be diminished; the power of man over nature will be increased.

The capacity to produce abundance, instead of being strangled by consideration of profit-making, will be utilized to the utmost to provide plenty for all.

The overhanging fear of depression and unemployment, of destitution and insecurity, will vanish with the knowledge that planned production for use insures jobs for all, all the time—economic security from the cradle to the grave.

When success is no longer measured by the size of your pile but by the extent of your cooperation with your fellow man, then the rule of gold will be replaced by the golden rule.

Imperialist wars, which result from the profit-makers' hunt for foreign markets where they can sell "excess" goods and invest "excess" capital will come to an end—since there will no longer be "excess" goods or capital, and no profit-makers.

With the means of production no longer in private hands, society will no longer be divided into classes of employers and

workers. One man will not be in a position to exploit another—A will not be able to profit from B's labor.

In short, the essence of socialism is that the country will no longer be owned by a few and mismanaged by them for their own benefit, it will be owned by the people and managed by the people for the benefit of the people.

So far we have dealt only with one part of that "essence" of socialism, the part about the country being "owned by the people"—another way of saying public ownership of the means of production. We come now to the second part of that definition—"managed by the people for the benefit of the people." How will that be accomplished?

The answer to that question is *centralized planning*. Just as public ownership of the means of production is an essential feature of socialism, so, too, is centralized planning.

Now obviously centralized planning for a whole nation is a tough job. It's so tough that many people in capitalist countries—particularly those who own the means of production and therefore think capitalism is the best of all possible worlds—are certain that it can't be done. The National Association of Manufacturers, for example, is emphatic on that point—it has repeated it again and again. Here is one of its plainest, most direct sentences on the subject from its "Platform for American Industry" some years ago: "No small group of men can possess the wisdom, foresight and discernment required to plan, direct, and stimulate successfully the activities of all the people."

Now this charge, if true, is extremely serious in any consideration of socialism. For socialist economy *must* be a planned economy, and if planning is impossible, then socialism is impossible.

Is centralized planning possible? In 1928 something happened which took the question of planning out of the realm of guesswork and brought it down to earth. In 1928, the Union of Soviet Socialist Republics set up its First Five-Year Plan. When that was completed, they started their Second Five-Year Plan, and after that, their Third Five-Year Plan (and so it will go, for ever and ever, so long as Russia is socialized—because, as we have seen, a socialist state *has* to have a plan.)

Now we need no longer guess whether or not it is possible for a nation to have centralized planning. Now we know. The Soviet Union has tried it. It works. It is possible.

Whatever anyone may think of this or that feature of Soviet life, regardless of whether he is a lover or a hater of the Soviet

Union, he will have to admit—since its bitterest enemies so admit—that it does have a planned economy. Therefore, to understand how a planned economy operates in a socialist country we must examine the Russian model.

What does a plan involve? When you or I make a plan, when anybody makes a plan, there are two parts to it—a *for* and a *how*, an aim and a method. The goal is one part of our plan and the way to get there is the other part.

So it is with socialist planning. It has an aim and a method. The late Sidney and Beatrice Webb (whose study of the Soviet Union, *Soviet Communism: A New Civilization?*, although published seventeen years ago, still stands as a magnificent monument to a lifetime of pioneer scholarship in the social sciences) show the essential difference between the aim of socialist planning and the ends sought in capitalist countries: "In a capitalist society, the purpose of even the largest enterprise is the pecuniary profit to be gained by its owners or shareholders. . . . In the U.S.S.R., with what is called the Dictatorship of the Proletariat, the end to be planned for is quite different. There are no owners or shareholders to be benefited, and there is no consideration of pecuniary profit. The sole object aimed at is the maximum safety and well-being, in the long run, of the entire community."

So much for the goal of planning in a socialist economy. We have already discussed the fact that the needs of the people, not profit, is the broad general aim. What we are chiefly concerned with here is not the *for*, but the *how*, not the aim but the method by which it is accomplished. What we want to know is what policies must be adopted to reach the desired goal.

Needs are limitless—but there is a limit to the productive resources which are available to meet those needs. The policies that are adopted must therefore be based, not on what Soviet planners would like to do, but on what it is possible to do. That possibility can be gauged only by getting a complete, accurate picture of the productive resources of the country.

That is the job of the State Planning Commission (Gosplan).

Its first task is to find out who and what and where and how about everything in the U.S.S.R. What are the natural resources of the country? How many available workers are there? How many factories, mines, mills, farms, and where are they located? What did they produce last year? What could they produce, given additional materials and workers? Are more railways and docks required? Where should they be located? What is available? What is needed?

Facts, Figures. Statistics. Mountains of them.

From every institution in the vast territory of the U.S.S.R., from every factory, farm, mill, mine, hospital, school, research institute, trade union, cooperative society, theater group; from all of these everywhere, from every faraway corner of this tremendous area, come the answers to the questions: What did you do last year? What are you doing this year? What do you hope to do next year? What help do you need? What help can you give? And a hundred others.

All this information pours into the offices of Gosplan, where it is assembled, organized, digested, by experts. "The whole staff of the U.S.S.R. Gosplan now amounts to something approaching a couple of thousand expert statisticians and scientific technicians of various kinds, with as many more clerical subordinates—certainly the best equipped as well as the most extensive permanent machine of statistical inquiry in the world."

When these experts have finished their job of sorting, arranging, and checking the collected data, they have their picture of Things As They Are. But that's only part of their job. They must now put their minds to the question of Things As They Might Be. At this point the planners must meet with the heads of the government. "The conclusions of the State Planning Commission and its projects were subject to endorsement by the Government, the planning function was separated from the function of leadership, and the latter was not subordinate to the former."

Planning, of course, does not do away with the necessity to make decisions of policy which the plan is to carry out. Policy is determined by the heads of the government, and the job of the planners is to work out the most efficient way of carrying out that policy on the basis of the material they have assembled. Out of the discussions between Gosplan and the leaders comes the first draft of The Plan.

But only the first draft. This is not yet The Plan. For in a socialist planned economy the plan of a Brain Trust by itself is not enough. It must be submitted to all the people. That is the next step. "The 'control figures' are submitted for perusal and comment to the various people's Commissariats and other central bodies dealing with the national economy, as, for instance, the Peoples' Commissariat of Heavy Industry, Light Industry, Commerce, Transport, Foreign Trade, etc. Each central authority refers the various parts of its Plan to the body next below it in authority, so that finally the appropriate part of the Plan comes down to the individual factory or farm. At every stage the 'control figures' are subject to

a very thorough scrutiny and consideration. When they reach the last halt on the journey from the State Planning Committee, the factory or collective farm, all the keen workers and peasants take an active part in the discussion and consideration of the Plan, making proposals and suggestions. After this the 'control figures' are sent up along the same line until they finally return, in their amended or supplemented form, to the State Planning Committee."

Workers in the factory and peasants on the farm voicing their opinions on the merits and demerits of the Plan. This is a picture of which the Russians are justly proud. Often, it happens, these workers and peasants disagree with the control figures for their particular place of work. Often they submit a counterplan in which they give their own figures to show that they can increase the production expected of them. In this discussion and debate on the provisional Plan by millions of Soviet citizens everywhere, the Russians see real democracy. The plan of work to be done, of goals to be achieved, is not imposed from above. Workers and peasants have a voice in it. With what result? A competent observer gives this answer: "Wherever you go, at least in the parts of Russia which I saw, you will find workers saying proudly to you, 'This is *our* factory; this is *our* hospital; this is *our* rest-house'; not meaning that they, individually, own the particular object in question; but that it was functioning and producing . . . directly for their benefit, and that they were aware of it, and aware, moreover, that they were, at any rate in part, responsible for seeing that it was kept up to the mark."

The third stage in the preparation of the Plan is the final examination of the returned figures. Gosplan and the government heads go over the suggestions and amendments, make the necessary changes, and then the Plan is ready. In final form it is sent back to workers and peasants everywhere, and the whole nation bends all its energies to completing the task. Collective action for collective good becomes a reality.

Under socialism, through public ownership of the means of production and centralized planning, people can control their own destinies—man is master of economic forces. Production and consumption are based on a plan which asks: What have we got? What do we need? What can we do with what we've got to supply what we need? With such a plan it is possible to provide useful work for everybody who wants work and the right to a job can be guaranteed. Article 118 of the Constitution of the Soviet Union spells that out in these words: "Citizens of the U.S.S.R. have the right to work, that is, are guaranteed the right to employment and payment for their work in accordance with its quantity and quality.

“The right to work is ensured by the socialist organization of the national economy, the steady growth of the productive forces of Soviet society, the elimination of the possibility of economic crisis, and the abolition of unemployment.”

The breakdown that came in 1929 is often referred to as a world crisis. It wasn't. The paralysis of production, with its accompanying unemployment and misery of the masses of people infected every part of the globe—but one. It washed against the borders of the Soviet Union—and receded.

The Russians were secure behind their dyke of a socialist planned economy.

Centralized planning is a characteristic feature of socialism. For an understanding of how planning works we have, of necessity, examined the Russian model—since Russia is, at the moment, the only socialist country in the world.

We should not, however, make the mistake of assuming that socialism in any other country must be exactly like that in the Soviet Union. It would not be. In a socialist United States, for example, there would be no need to hurry up the job of building industrial plant, since we already have the biggest and best in the world. Our first task, in contrast to that of the Soviet Union, would be to emphasize the production of consumers' goods.

So with other countries. Natural resources are different, climate is different, people's likes and dislikes are different, health, education, and culture are at different levels, concepts of freedom and civil liberties are different, history and tradition are different. The conditions peculiar to the Soviet Union, which led her to evolve the kind of socialism best suited to her needs, would not be the same in other countries, with the result that their socialism would be a different kind.

But the broad outlines would be the same for all countries which embrace socialism. In all there would be public ownership of the means of production and centralized planning.

16. QUESTIONS ABOUT SOCIALISM

Can our economic system function without capitalists?

Change the last word of this question and you will find it is a standard type that has been asked in every period of history. Four hundred years ago, in Europe, the question was: Can our economic system function without feudal lords? One hundred years ago, in

the United States, the question was: Can our economic system function without slaveowners?

Just as society found that it could do without feudal lords and slaveowners, so it will find that it can do without capitalists.

A distinction must be made between capitalists and the means of production which they own as capital. Society cannot, of course, do without these means of production—the land, mines, raw materials, machines, and factories. These are essential. The difference is made plain by Robert Blatchford in his famous book, *Merrie England*:

To say that we could not work without capital is as true as to say that we could not mow without a scythe. To say that we could not work without a capitalist is as false as to say that we could not mow a meadow unless all the scythes belonged to one man. Nay, it is as false as to say that we could not mow unless all the scythes belonged to one man and he took a third of the harvest as payment for the loan of them.

So long as the capitalist performed the necessary function of administration, so long as his income was earned, he was essential; now that he merely holds stocks and bonds from which he draws unearned income while hired executives do the work, he is not essential.

Ownership, once useful, is now parasitic. And who can deny that our economic system could operate—better than ever before—without parasites?

The fact of the matter is that we have reached the point where society not only can but *must* function without capitalists, since the power which is theirs as owners of the means of production must be used in such a way as to lead to unemployment, insecurity, and war.

Will people work without the incentive of profit?

The best answer to this question is that most people work without the incentive of profit—right now—in capitalist society. Ask the worker in a steel plant, or a textile mill, or a coal mine, how much profit he receives for his labor, and he'll tell you, quite correctly, that he gets no profit at all—that profit goes to the owner of the plant, mill, or mine. Why, then, does the worker work?

If profit is not his incentive, what is? Most people, in capitalist society, work because they have to. If they didn't work, they

couldn't eat. It's that simple. They work, not for profits, but for wages, in order to get the wherewithal to feed, clothe, and shelter themselves and their families.

There would be the same compulsion under socialism—people would work in order to earn a living.

Socialism offers additional incentives to work which capitalism cannot offer. For whose sake are the workers asked to exert themselves to increase output? Under socialism the appeal to work hard and well is based on the justifiable ground that it is society as a whole which benefits. Not so under capitalism. There the result of extra effort is not public benefit but private profit. One makes sense and the other doesn't; one inspires the worker to give as much of himself as possible, the other to give as little as he can get away with; one is a purpose that satisfies the soul and excites the imagination; the other is a purpose that entices only the simple-minded.

The objection is raised that while this may be true of the average worker for whom the incentive of profit has been largely illusory anyway, it does not hold for the man of genius, the inventor, or the capitalist entrepreneur for whom the incentive of profit has been real.

Is it true that it is the dream of riches which prompts scientists and inventors to work day and night to carry their experiments to a successful conclusion? There is little evidence to support that thesis. On the other hand there is ample evidence to support the argument that inventive genius seeks no other reward than the joy of discovery or the happiness that results from the full and free use of its creative powers.

Look at these names: Remington, Underwood, Corona, Sholes. You recognize three of them immediately as successful typewriter manufacturers. Who was the fourth, Mr. Christopher Sholes? He was the inventor of the typewriter. Did his brain child bring him the fortune it brought to Remington, Underwood, or Corona? It did not. He sold his rights to the Remingtons for \$12,000.

Was profit Sholes' incentive? Not according to his biographer: "He seldom thought of money, and, in fact, said he did not like to make it because it was too much bother. For this reason he paid little attention to business matters."

Sholes was only one of thousands of inventors and scientists who are always so absorbed in their creative work that they "seldom thought of money." This is not to say that there aren't some for whom profit is the only incentive. That is to be expected in a gold-hungry society. But even in such a society, the roll of great names

for whom service to mankind was the incentive is long enough to prove that scientific genius will work without the incentive of profit.

If ever there was any doubt about that, there can be none today. For the day of the individual scientist working on his own has long since gone. Increasingly, men of ability in the scientific world are being hired by the big corporations to work in their laboratories, at regular salaries. Security, a dream laboratory, the gratification that comes from absorbing work—with these they are content, and these they frequently have—but not profits.

Suppose they invent some new process. Do they get the profits that may result? No, they do not. Additional prestige, promotion, and a higher salary, maybe—but not profits.

A socialist society will know how to encourage and honor its inventors and scientists. It will give them both the monetary rewards and the veneration which is their due. And it will give them the one thing they treasure more than anything else—the opportunity to carry on their creative activity to the fullest extent.

Profit was indeed the incentive for the capitalist entrepreneur of long ago—but he has faded from the industrial scene. He has been supplanted by the new type of executive more suited to the change from competitive to monopoly industry. The recklessness, daring, and aggressiveness which characterized the old-style entrepreneur are not wanted in monopoly industry today. The big corporations have cut risk-taking to a minimum; their business is mechanized and planned; their decisions are no longer based on intuition but on statistical research.

These corporations are not run by the owner-entrepreneur of yesterday. They are not run by the owners at all—in the main they are managed by hired executives who work, not for profits, but for salaries.

Their salaries may be large or small, they may include a big bonus or no bonus. In addition there may be other rewards—praise, prestige, power, pleasure at doing a job well. But for most of the men who manage American business the incentive of profit has long since wilted away.

Will people work for other incentives than profit? No need to guess. We know that people do.

Does everybody get the same pay in socialist society?

No, they do not. The skilled worker gets more than the unskilled; the manager gets more than the workman; the great musician gets more than the average musician; the farmer who produces 400 bushels of wheat gets more than the farmer who produces 300;

the miner who digs eight tons of coal gets more than the miner who digs six; and so on. People are paid according to the quality and quantity of their work.

The person who receives even the largest income in socialist society can continue to receive it only so long as he continues to earn it through work. He cannot ever convert it into unearned income by buying the means of production and then living on the labor of others. He cannot buy the means of production for the excellent reason that in socialist society the means of production belong to the people and are not for sale. The higher pay he receives by dint of harder or better work enables him to live better than others who earn less; but his higher pay does not enable him to exploit anyone else.

Though there is inequality of pay in socialist society, there is equality of opportunity. Though skilled workers get higher pay, unskilled workers have ready access to the training and experience necessary to become skilled; though administrators, engineers, writers, artists get higher pay, free education for all in proportion to their ability to learn opens wide the entrance doors to these professions. And "all" in socialist society means exactly that—it does not mean all who can afford to pay the fees, or all whose manners are beyond reproach, or all who are not Negroes or Jews.

What is the difference between socialism and communism?

Socialism and communism are alike in that both are systems of production for use based on public ownership of the means of production and centralized planning. Socialism grows directly out of capitalism; it is the first form of the new society. Communism is a further development or "higher stage" of socialism.

From each according to his ability, to each according to his *deeds* (socialism).

From each according to his ability, to each according to his *needs* (communism).

The socialist principle of distribution according to deeds—that is, for quality and quantity of work performed, is immediately possible and practical. On the other hand, the communist principle of distribution according to needs is not immediately possible and practical—it is an ultimate goal.

Obviously, before it can be achieved, production must reach undreamed of heights—to satisfy everyone's needs there must be the greatest of plenty of everything. In addition, there must have developed a change in the attitude of people toward work—instead of working because they *have* to, people will work because they

want to, both out of a sense of responsibility to society and because work satisfies a felt need in their own lives.

Socialism is the first step in the process of developing the productive forces to achieve abundance and changing the mental and spiritual outlook of the people. It is the necessary transition stage from capitalism to communism.

It must not be assumed, from the distinction between socialism and communism, that the political parties all over the world which call themselves Socialist advocate socialism, while those which call themselves Communist advocate communism. That is not the case. Since the immediate successor to capitalism can only be socialism, the Communist parties, like the Socialist parties, have as their goal the establishment of socialism.

Are there, then, no differences between the Socialist and Communist parties? Yes, there are.

The Communists believe that as soon as the working class and its allies are in a position to do so they must make a basic change in the character of the state; they must replace capitalist dictatorship over the working class with workers' dictatorship over the capitalist class as the first step in the process by which the existence of capitalists as a class (but not as individuals) is ended and a classless society is eventually ushered in. Socialism cannot be built merely by taking over and using the old capitalist machinery of government; the workers must destroy the old and set up their own new state apparatus. The workers' state must give the old ruling class no opportunity to organize a counter-revolution; it must use its armed strength to crush capitalist resistance when it arises.

The Socialists, on the other hand, believe that it is possible to make the transition from capitalism to socialism without a basic change in the character of the state. They hold this view because they do not think of the capitalist state as essentially an institution for the dictatorship of the capitalist class, but rather as a perfectly good piece of machinery which can be used in the interest of whichever class gets command of it. No need, then, for the working class in power to smash the old capitalist state apparatus and set up its own—the march to socialism can be made step by step within the framework of the democratic forms of the capitalist state.

The attitude of both parties toward the Soviet Union grows directly out of their approach to this problem. Generally speaking, Communist parties praise the Soviet Union; Socialist parties denounce it in varying degrees. For the Communists, the Soviet Union merits the applause of all true believers in socialism because it has transformed the socialist dream into a reality; for the Socialists,

the Soviet Union deserves only condemnation because it has not built socialism at all—at least not the socialism they dreamed of.

Does socialism mean taking away people's private property?

Instead of wanting to take away people's private property, socialists want more people to have more private property than ever before.

There are two kinds of private property. There is property which is personal in nature, consumer's goods, used for private enjoyment. Then there is the kind of private property which is not personal in nature, property in the means of production. This kind of property is not used for private enjoyment, but to produce the consumer's goods which are.

Socialism does not mean taking away the first kind of private property, e.g. your suit of clothes; it does mean taking away the second kind of private property, e.g. your factory for making suits of clothes. It means taking away private property in the means of production from the few so that there will be much more private property in the means of consumption for the many. That part of the wealth which is produced by workers and taken from them in the form of profits would be theirs, under socialism, to buy more private property, more suits of clothes, more furniture, more food, more tickets to the movies.

More private property for use and enjoyment. No private property for oppression and exploitation. That's socialism.

Aren't socialists preachers of class war?

Class war must exist so long as society is divided into classes with opposing interests. Capitalism, by its very nature, creates that division. Class war must end as soon as society is no longer divided into hostile classes. Socialism, by its very nature, creates a classless society.

Socialists don't "preach" class war—they describe the class war that already exists. They call upon the working class to help bring about the change from a society which must be divided into classes to a society where no such division is possible. They urge that universal brotherhood, which can be only a dream under capitalism, be transformed into a reality under socialism.

What the socialists preach is the gospel of Christianity, of human fellowship. That's what the *Encyclopedia Britannica* says about their teachings: "The ethics of Socialism are closely akin to the ethics of Christianity, if not identical with them."

Aren't people in the United States better off than those in the Soviet Union, and doesn't that prove that capitalism is better than socialism?

Capitalism in the United States is over 150 years old, socialism in the Soviet Union is only 36 years old. To compare the two is, therefore, as unfair as comparing the strength of a grown man with that of a baby just beginning to walk.

Furthermore, the Soviet Union was a backward industrial country devastated by war and famine at its birth; it had just begun to grow when it was laid waste a second time in World War II. Obviously the relative merit of socialism and capitalism is not proven by choosing for comparison the richest capitalist country in the world, the one most advanced industrially and least affected by war's devastation.

A fairer comparison would be the capitalism of Tsarist Russia with the socialism of the Soviet Union. Here every impartial observer agrees that socialism is far and away superior in every respect.

Similarly, a fairer comparison would be that between capitalist United States and a socialist United States.

In no other country are the material conditions so ripe for socialism. Nowhere could the change-over from capitalist insecurity, want, and war, to socialist security, abundance, and peace be made so speedily and with such a minimum of chaos and discomfort. Where other countries on the road to socialism must make great sacrifices to obtain the industrial plant, scientific and technical knowledge, ours is ready to hand. In other countries, as in the Soviet Union, the people must go without, temporarily, in order to create the capacity to produce abundance; in the United States the productive forces have been built—they need only to be liberated. That, capitalism cannot do, and socialism could.

Isn't socialism un-American?

For socialism to be un-American its aims must be not in accord with the spirit and tradition of the American people. Is that the case? What could be more American than the socialist goals of social justice, equality of opportunity, economic security, and peace—all American principles expounded in the Declaration of Independence and the Constitution? And have not these always been the professed ideals of our greatest statesmen?

The socialism of Karl Marx is a science. Like all other sciences it is universal and has affected directly or indirectly the thinking of millions in every corner of the globe—including America. But

the test of whether an idea is American or un-American is not where it came from but whether it is applicable to America.

***Isn't socialism impossible because
"you can't change human nature"?***

The people who argue that "you can't change human nature" make the mistake of assuming that because man behaves in a certain way in capitalist society, therefore that's the nature of human beings, and no other behavior is possible. They see that in capitalist society man is acquisitive, his motive is one of selfish greed and of getting ahead by any means, fair or foul. They conclude therefrom, that this is "natural" behavior for all human beings and that it is impossible to establish a society based on anything except a competitive struggle for private profit.

The anthropologists say, however, that this is nonsense—and prove it by citing this, that, and the other society now in existence where man's behavior isn't anything like what it is under capitalism. And they are joined by the historians who say also that the argument is nonsense—and prove it by citing slave society and feudalism where man's behavior wasn't anything like what it is under capitalism.

It is probably true that all human beings are born with the instinct of self-preservation and reproduction. Their need for food, clothing, shelter, and sexual love is basic. That much, it may be admitted, is "human nature." But the way they go about satisfying these desires is not necessarily the way that is common in capitalist society—it depends, rather, on the way suited to the particular culture they are born into. If the basic needs of man can be satisfied only by knocking the other fellow down, then we can assume that human beings will knock each other down; but if the basic needs of man can be better satisfied by cooperation, then it is also safe to assume that human beings will cooperate.

Man's self-interest is expressed in his desire for more and better food, clothing, and shelter, in his passion for security. When he learns that these needs cannot be satisfied for all under capitalism as well as they can under socialism, he will make the change.

17. FREEDOM

Freedom, for most Americans, means the right to do and say what they please without interference by the state; and they take

particular pride in their right to criticize the government and the people who run it.

These freedoms, of which Americans are so justly proud, are spelled out for them in the Bill of Rights, the first ten amendments to the Constitution. The guarantees are specific—freedom of speech, freedom from arbitrary arrest, freedom from imprisonment without a jury trial in all criminal prosecutions.

The importance of these freedoms cannot be overstated. They are precious liberties. They have been essential weapons in the struggle of the working class to better its conditions. They have helped make America great. Their existence here has assisted in building the nation by making the United States a magnet for immigrants from other lands. How long would Michael remain in the old country after receiving this letter from his brother Joseph rejoicing in his newly-found freedom? "Michael, this is a glorious country; you have liberty to do as you will. You can read what you wish, and write what you like, and talk as you have a mind to, and no one arrests you."

Americans have, without doubt, enjoyed these freedoms to a greater extent than have the people of most other countries. Nevertheless, it would be foolish to maintain that the rights guaranteed us in the Constitution always exist in fact. The freedoms which are ours on the books are not always ours in real life. Thus, the House Committee on Un-American Activities vilifies and persecutes citizens in utter disregard of the Bill of Rights. The rights of government employees to freedom of opinion and association are challenged in a presidential order outlining a new pattern of loyalty which departs from the traditional American concept. The Federal Bureau of Investigation is turned into a political police with endless files of secret dossiers on the beliefs and activities of millions of Americans. And the type of information which the FBI considers pertinent in its investigation of the new "loyalty" is indicated by this comment from an FBI report in 1948: "He is the kind of person who permits his Negro maid to come and go by the front door."

The facts tend to indicate that we can be too smug in our belief that fervid declarations of the freedoms we cherish and their reality are one and the same; nor are they made real by continued protestations of faith in them, or pious reiterations of our love for them.

Furthermore, freedom can be effectively denied or suppressed even when there is no direct coercion from the state. The examples are legion: Negroes in the South do not enjoy equal citizenship

rights with whites, and everywhere in the country they are discriminated against in one form or another. Jews are plagued by restrictions which bar them from equal access to colleges, hotels, jobs. Screen writers are deprived of their livelihood because they insist on their constitutional right to keep their private beliefs to themselves. Commentators are driven off the air because they are too "liberal."

Is our proud boast of freedom to think and say what we please as substantial as we like to believe it is? Do we really tolerate all political and economic dissenting opinions? In ordinary times, it is true that we do not clap liberals or radicals in jail. But what happens in times of tension—1953 for example? And isn't it also true that jobs, power, and prestige almost always go to those who do not dissent, those who are "sound" and "safe"? Take the field of education as an example. We pride ourselves on academic freedom in our colleges. There are thousands of professors in the hundreds of colleges in the United States. By and large—in ordinary times again—they do have the freedom to teach what they think. But weren't they chosen in the first place because what they think is pretty much in line with what the heads of the colleges think? How many academically qualified socialists ever get appointments as teachers of economics on college faculties?

Freedom of the press is a noble, high-sounding phrase. It rings a bell in American ears. We like to think that it means the right of free public expression. Maybe it did once—but it doesn't anymore. The Commission on Freedom of the Press, headed by Dr. Robert Hutchins, formerly Chancellor of the University of Chicago, reported in 1947: "*Protection against government is now not enough to guarantee that a man who has something to say shall have a chance to say it.* The owners and managers of the press determine which persons, which facts, which version of the facts, and which ideas shall reach the public." [emphasis added]

We in America think that the whole question of freedom hinges on "protection against government"—on setting limits to the power of the law to dictate or control what we may say or do. But, as the Commission's report shows, the absence of restraint, by itself, is not enough—it does not "guarantee that a man who has something to say shall have a chance to say it."

The socialists argue that this is the heart of the whole question. For them, the absence of coercion, valuable as it undoubtedly is, does not necessarily insure freedom. The mere fact that no law prohibits you from doing something does not mean that you are in a position to do it. You have the right to go to the nearest airport and take a plane to New Orleans, or Hollywood, or New

York—but you are not really free to do so if you don't have the money to pay for the ticket. Of what use is it to have a right if you are not able to exercise it?

Freedom, then, means a lot more than mere absence of restraint. It has a positive aspect which, for the majority of the people, is of deeper significance. Freedom means living life to the fullest—the economic ability to satisfy the needs of the body in regard to adequate food, clothing, and shelter, plus effective opportunity to cultivate the mind, develop one's personality, and assert one's individuality.

This concept of freedom will probably come as a surprise to those who have always had the means to satisfy their desires and develop their faculties. *For them* freedom is measured solely in terms of non-interference with their rights; for the vast majority of mankind, however, freedom is measured less in terms of rights and more in terms of bread, leisure, security. We have only to ask a few questions to establish the validity of this broader concept: Is a jobless man who is starving, free? Is an illiterate, ignorant person, shut off from the world of books and culture, free? Is a man chained to a job 52 weeks a year with never a few days off for rest, vacation, and travel, free? Is a man continually beset with worries about making ends meet, free? Is a man in constant fear of losing his job, free? Is a talented person unable to afford the schooling which would help his talent flourish, free?

Only the rich are able to enjoy freedom in its broader sense of abundance, security, leisure. The poor are not free. Nor, as we have seen, can they win their freedom under capitalism. The struggle for socialism is, therefore, as Corliss Lamont aptly phrases it, a struggle to "share the freedom."

The road to freedom for the working class is clearly marked: to substitute collective for private ownership of the means of production—to establish socialism in place of capitalism. That way lies genuine freedom for the majority. As John Strachey puts it: "The initial act of dispossessing the capitalists creates at a stroke more liberty than has ever, or can ever, exist under capitalism, except for the capitalists. Neither constitutions, nor bills of rights, republics nor constitutional monarchies, can ever make men free so long as their livelihoods are at the mercy of a small class which holds sway over the means of life. In a socialist society alone those liberties, of which the workers of Britain and America possess little more than the shadow, can assume form and substance. In a socialist society the workers get, not merely the theoretical right, but also the practical daily opportunity to use their liberties. They are enabled to live, and not merely to work. Under socialism work

becomes a means to a free and good life. Under capitalism the life of the worker is preserved as a necessary means to the extraction of the maximum possible amount of work from him."

While socialism is a condition of freedom for the mass of people, it deprives the capitalist class of the freedom it enjoyed. That's why we should greet the capitalists' outraged outcry that socialism and freedom are incompatible, with the question: Whose freedom? It is true that socialism is incompatible with the kind of freedom to which they have become accustomed. It abolishes their freedom to put their own welfare above the general welfare; it abolishes their freedom to exploit others; it abolishes their freedom to live without working.

But for the rest of us socialism would mean more, not less, effective freedom. And lest we worry too much about the capitalists' loss of freedom, let us remember that more freedom for those who have too little can only be won at the expense of those who have too much. In Abraham Lincoln's words: "We all declare for liberty; but in using the same word we do not all mean the same thing. With some the word liberty may mean for each to do as he pleases with himself, and the product of his labor; while with others the same word may mean for some men to do as they please with other men, and the product of other men's labor. Here are two, not only different, but incompatible things, called by the same name, liberty. And it follows that each of the things is, by the respective parties, called by two different and incompatible names—liberty and tyranny.

"The shepherd drives the wolf from the sheep's throat, for which the sheep thanks the shepherd as his liberator, while the wolf denounces him for the same act, as the destroyer of liberty. . . . Plainly the sheep and the wolf are not agreed upon the definition of the word liberty."

And just as plainly socialists and capitalists are not agreed upon the definition of the words liberty and freedom. For all the people to own the nation's means of production and manage them according to a centralized plan is freedom for socialists, while for capitalists it is the very opposite. Which is right? The socialist point of view has the merit, at least, of being consistent. If we are in favor of political democracy, as we certainly profess to be, then by the same reasoning, we should be in favor of economic democracy.

Capitalists no longer dare to argue against political democracy. But they do argue against economic democracy on the ground that it is a blow against freedom. Again we should ask the question: Whose freedom? Are they concerned for the freedom of all indi-

viduals to share in the joys of living, or are they concerned only for the freedom of private property in the means of production to keep its privileged position?

Freedom means living life to the fullest—the economic ability to satisfy the needs of the body in regard to adequate food, clothing, and shelter, plus effective opportunity to cultivate the mind, develop one's personality, and assert one's individuality. It is obvious that freedom in this sense is possible for all only when the greatest of abundance is attained.

The low level of human productivity which was the historical justification for the division of society into classes, for the exploitation of man by man, and for the enjoyment of freedom by a small minority only, no longer exists.

Now, for the first time in human history, it is possible to abolish classes, rid the world of exploitation, and enrich the quality of human life—by eliminating unemployment, providing the comfort of complete social security, giving general access to the world of culture, and making available time for leisure, study, and creative activity.

It won't be easy, it won't be quick, but with socialism, it can be done.

We are on the threshold of fulfillment of man's age-old dream of the emancipation of humanity—freedom for all, not for just a few.

18. THE ROAD TO POWER

Marxists hold that to transform society a revolution is necessary. They believe that the transition from capitalism to socialism cannot be achieved at any time, but only when the conditions are ripe for the transformation. They do not favor the seizure of power by a minority; the act of revolution can succeed only when there is relative social chaos, ruling class leadership is ineffectual, and a majority of the people supports the strongly organized class-conscious working class in its seizure of power.

Revolution is not merely a shift in the personnel of the government from one member of the ruling class to another, as the result of a rebellion or insurrection. For Marxists the term "revolution" has a much more profound meaning. It is the transference of economic and political power from one *class* to another *class*. The kind of revolution that Marx advocated, the socialist revolution,

means specifically the transfer of power from the capitalist class to the working class; it means revising the relations between the working class and the capitalists so that the working class becomes the ruling class; it means the destruction of capitalism through the socialization of the means of production.

The seizure of political power by the working class is the first step in the revolution. The second step is to recast the social order and to crush the resistance of the capitalist class to the change.

Now because Marxists give the warning from historical experience that revolutions have been accompanied by the use of force and violence, it is popularly assumed that they "believe in force and violence." That is not true.

Marxists don't advocate the use of violence; no one in his right mind does. Marxists would like nothing better than to achieve their purpose of transforming society from capitalism to socialism by peaceful and democratic methods. They warn, however, that working class attempts to enforce the will of the majority for necessary change will be met by the resistance of the ruling class which will fight to the end to maintain the old social order; they insist, further, that the use of force and violence by the working class, once it is in power, is justified as a means of preventing its own overthrow by the counter-revolutionary use of force and violence by the dispossessed capitalists and their allies in other countries.

Marxists look upon the transition from capitalism to socialism as a translation from "despotism to liberty." They regard it as necessary and inevitable. They are well aware of the dangers. They expect that blood may be shed, lives may be lost. But, they ask, what is the alternative? Is the alternative to the loss of life that may accompany the socialist revolution, no suffering, no bloodshed, no violence, no loss of life? Not at all. The alternative is much greater suffering, more bloodshed, more violence, more loss of life—in capitalist wars. History books relate, with horror, the story of the thousands of people who were killed in the course of the French Revolution. It is, indeed, a tragic tale. But compare the total number of lives lost—estimated at 17,000—with the death toll in a single big battle of the last war. Compare the violence of revolution, 17,000 lives lost—with the violence of war, total military and civilian dead in World War II, estimated at 22,060,000, and the wounded at 34,400,000.

The alternative to the establishment of world-wide socialism with its inevitable accompaniment of peace is the retention of capitalism with its inevitable accompaniment of war.

The alternative to the construction of a new way of life is the possible destruction of all human life in the next capitalist holocaust.

A century ago, in the *Communist Manifesto*, Karl Marx and Friedrich Engels explained to the workers of the world why they must and how they could bring about the transition from capitalism to socialism, the next step in the historical development of the human race. On January 12, 1848, a few weeks before these scientists of revolution published their memorable work, a great American rose in the House of Representatives and said some things on a subject near to their hearts. Here is what Abraham Lincoln said on the right of the people to revolutionize: "Any people anywhere, being inclined and having the power, have the right to rise up and shake off the existing government, and form a new one that suits them better. This is a most valuable, a most sacred right—a right which we hope and believe is to liberate the world. Nor is this right confined to cases in which the whole people of an existing government may choose to exercise it. . . . A majority of any portion of such people may revolutionize, putting down a minority, intermingled with or near them, who may oppose this movement. Such minority was precisely the case of the Tories of our own revolution. It is a quality of revolutions not to go by old lines or old laws, but to break up both and make new ones."

19. HOW SOCIALISM WOULD AFFECT YOU

Socialism will not bring perfection. It will not create a paradise. It will not solve all the problems that face mankind.

It is only in artificially created, visionary systems of society, like those of the Utopian Socialists, that sinners become saints, heaven is brought to earth, and a solution is found for every problem. Marxist socialists have no such illusions. They know that socialism will solve only those problems which can be solved at this particular stage in the development of man. More than that they do not claim. But that much, they feel, will result in a vast improvement in our way of life.

The conscious planned development of the commonly owned productive forces will enable socialist society to attain a far higher level of production than was possible under capitalism. Socialism eliminates capitalist inefficiency and waste—particularly the waste of idle men, machinery, and money in needless depressions; it abolishes the even costlier waste of men and materials in capitalist

wars, through the establishment of international peace; it accelerates the speed of technical progress; socialist science, unhampered by capitalist consideration of profit-making as the first and most important goal, makes tremendous strides forward. The standard of living for all is raised as increased production increases the quantity of goods available.

The entire change in the mode of life brings a change in the people who live that life. At first, man will carry with him into socialist society much the same outlook on life and work that he had in capitalist society. Steeped in the competitive atmosphere of capitalism he will not readily accustom himself to the cooperative spirit of socialism; soaked in the capitalist ideology of selfishness he will not quickly switch to the socialist principle of service to his fellow man. This unreadiness to change will even be true of many who have everything to gain from the change from capitalism to socialism; it will, of course, be particularly true of those former ruling class capitalists who lose their wealth and power in the transition from private to public ownership of the means of production.

But as the new socialist system of planned production for use takes root, changes take place in the attitude and development of the people. The capitalist taint in their mental and spiritual outlook fades away and they are reoriented in the spirit of socialism. The new generation, born and bred in the new society, becomes as used to the socialist way of life as the old generation formerly was to the capitalist.

The propagandists for capitalism would have us believe that socialism means the end of freedom. The truth is the exact opposite. Socialism is the beginning of freedom. Socialism is freedom from the evils which most sorely afflict mankind—freedom from wage slavery, poverty, social inequality, insecurity, race discrimination, war.

Socialism is an international movement. Its program in every country of the world is the same—to substitute for the barbaric competitive system, the civilized cooperative commonwealth; to establish the society of the brotherhood of man in which the welfare of each is realized in the welfare of all.

Socialism is not an impossible dream. It is the next step in the process of social evolution. Its time is now.

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