

THE GENERAL CRISIS OF CAPITALISM

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

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THE home and foreign policy of the capitalist countries during the period of the general crisis of capitalism exhibits certain specific features which distinguish it from the policy of capitalism prior to this period. Stalin, in his speech of February 9, 1946, pointed out: "Marxists have more than once declared that the capitalist system of world economy conceals within itself elements of general crisis and war conflicts. . . ." In point of fact, during the periods when capitalism was still developing along an ascending line, Marx founded the theory of the inevitable collapse of capitalism, showing that capitalism is a social order that is historically transitory and far from the final form of the organisation of human society, as all bourgeois economists and politicians at that time maintained.

Historical experience demonstrates that the transition from one social order to another everywhere in the world demands a fairly prolonged period of time. This period can be called that of the general crisis of the particular social order in question. Lenin, as is well known, called imperialism—capitalism in decay; it is quite obvious that to say that a social order is in decay is the same thing as saying that it is in a state of crisis.

In order to characterise the foreign and home policy of the capitalist countries during the epoch of the general crisis of capitalism, it is necessary, first of all, to make clear when this crisis began. It would, of course, be incorrect to designate any particular year, month or day as that when the general crisis of capitalism began. But on the basis of what Lenin has said of imperialism as capitalism in decay, the conclusion can be drawn that the general crisis of capitalism began when the transition from free capitalism to monopolistic capitalism was completed in the most important countries of the capitalist world, i.e., approximately at the beginning of the twentieth century.

As has been pointed out in the *Short History of the C.P.S.U. (b)*, the first world war was already a reflection of the general crisis of capitalism. Although, however, the general crisis of capitalism existed already before the first world war, the existence of this crisis was not then a political factor such as could exercise a decisive influence on the foreign and home policy of the capitalist countries. Marxism teaches that with an alteration of the economic basis there is an alteration also of the political superstructure of society, of ideology,

of the consciousness of the masses. But this process of change of the economic basis and of the political superstructure does not proceed simultaneously. The general phenomenon to which Marx, Lenin and Stalin pointed is the lag in the change of the political superstructure in relation to the change of economy. This, indeed, is understandable. Persons who experience the changes taking place in the economic basis do not immediately draw the corresponding political conclusions. The bourgeois revolutions constitute a forcible explosion, an adaptation of the political superstructure to an economic basis that has already long before undergone alteration.

As a matter of fact, prior to the first world war, apart from Lenin and the Bolsheviks in Russia, no one in the capitalist world saw the existence of the crisis of capitalism, or that the replacement of the capitalist system by a socialist system was a task that had become historically mature.

Besides the general tendency for political consciousness to lag behind the change in the economic basis, there existed also concrete historical causes why the fact of the existence of the general crisis of capitalism had still not penetrated into the consciousness of people. The half century which preceded the first world war was a period of the greatest progress of capitalism. In this half century capitalist production increased approximately four-fold; it was a period of great technical progress, a period when the capitalist countries took possession of numerous colonies and thereby extended the capitalist market. The bourgeoisie utilised colonial super-profits to buy the labour aristocracy. During this period reformism struck deep roots in the labour movement. It should also be remembered that during this half century there were no wars between the Great Powers. The last war between Great Powers was the Franco-Prussian War; after it only a number of local and colonial wars took place.

The participants in the first world war were bourgeois countries of the same kind. There was, of course, a difference between Great Britain, France and America—countries in which the bourgeois revolution had been completed—and Germany, which still possessed strong relics of feudalism, and Tsarist Russia; but basically these were bourgeois countries of the same kind, the peoples of which were convinced that whatever the outcome of the war, all the countries participating in it would nevertheless remain bourgeois countries.

This "conception" was shattered by the October Revolution in Russia. It came with great unexpectedness for the bourgeoisie throughout the world (including the Russian bourgeoisie) and for the working-class outside Russia. The victory of the October Revolution at one stroke demonstrated to the whole world the existence of the general crisis of the capitalist system, which found its political reflection in the fact that the socialist country made its appearance alongside the capitalist countries. From that moment concern for the preservation of the capitalist system became the chief content of both

the home and foreign policy of the bourgeoisie. The danger for capitalism was most real in the conquered countries, where the bourgeoisie that had lost the war was discredited and the governmental authority shattered, while the defeated army did not form a reliable bulwark of bourgeois rule. The bourgeois capitalist world was faced with a problem: how to preserve the capitalist system.

The bourgeoisie attempted to solve this problem, first and foremost by making an alliance with the reformist labour leaders. The chief method used by the bourgeoisie was the isolation of the still young Communist parties from the basic masses of the workers. With this aim in view the bourgeoisie made a number of political concessions to the working-class: the bourgeoisie agreed to satisfy those demands of the working-class which were compatible with the preservation of bourgeois power. At the same time the basic factors of bourgeois power—private ownership of the means of production and governmental power—remained untouched. The bourgeoisie succeeded in isolating the Communist parties. Simultaneously it combined its political manoeuvres with the employment of the most savage terror, destroying part of the most revolutionary-inclined workers and left leaders of the working-class.

This policy can be most vividly traced in the history of Germany after the first world war. Parallel with it a struggle was conducted against the Soviet Union. This fight was waged by various means—ranging from various forms of ideological struggle to direct intervention, which, as is well known, proved unsuccessful.

Of course, the struggle against the Soviet Union does not exhaust the content of the foreign policy during that period; there continued to exist very acute internal imperialist contradictions. The chief of these in Europe were the contradictions between Great Britain and France. Britain did not want France to become the strongest power on the Continent and therefore supported Germany against France. The chief contradictions on a world scale were those between Britain and the U.S.A.

In the period between the two world wars, the general crisis of capitalism was considerably deepened. This was reflected in the very profound and prolonged economic crisis of 1929-1933. This crisis succeeded by a depression of a special type, characterised by unemployment on a huge scale. The economic features of the general crisis became very clear and tangible for the working masses in capitalist countries. A political consequence of this was that capitalism found it more and more difficult to fulfil its role as the bulwark of the bourgeoisie. In some countries, reformism proved to be incapable of fulfilling this role. In Germany, for example, the Communist party won a majority of the workers in the industrial centres—in Berlin and the Ruhr area. Under such conditions the German, Italian and Hungarian bourgeoisie was obliged to look for a new party, a new lever, for holding the work-

ing-class under its influence. Such a means was found in fascism, the fascist movement and the fascist party. Fascism is a political product of the general crisis of capitalism, and, as Stalin has pointed out, the passing to fascism indicates not only the strength, but the weakness of the bourgeoisie. Especially characteristic of the fascist movement in connection with the general crisis of capitalism is the fact that, as a rule, the fascists did not come forward as open defenders of capitalism, they did not say that they were backing capitalism, and that the capitalist order was the most perfect social order. On the contrary, they came forward everywhere with anti-capitalist demagogy, because, to come out with an open defence of capitalism in the conquered countries of Europe would have prevented them from acquiring influence among the toilers.

This circumstance confused, for a time, even some of the leading elements of the working-class. The theory that fascism is the power of the petty-bourgeoisie, the power of declassed elements, that it is Buonapartism, a power above classes, etc., acquired a certain popularity. All these views, of course, were completely devoid of reality. We know now that Italian, German and Hungarian fascism was financed by monopoly capitalists in these countries.

Fascism, of course, has its specific features in the different countries, for it is everywhere connected with the old reactionary forces of the given country, but basically fascism is the political expression of the deepening of the general crisis of capitalism. Fascism was victorious and came to power first and foremost in those countries which were conquered in the first world war or which were virtually in the position of conquered countries as, for example, Italy, despite the fact that she belonged to the camp of the victors. In those countries where the bourgeoisie achieved a new, forcible re-division of the world, the bourgeoisie helped the fascist forces because the fascists were not only anti-Marxists, but also chauvinists who undertake the task of defending the capitalist social order and preparing the people for a new war. It should not be forgotten that after the first world war, the majority of the people in all the conquered countries did not want a new war; social-democracy was pacifically inclined, which also lowered its value for the aggressive bourgeoisie of these countries.

This article does not aim at giving an analysis of the causes of the second world war. We shall limit ourselves merely to pointing out that the second world war, unlike the first, did not begin between countries of the same kind. On one side were the fascist aggressors, on the other—the democratic countries; moreover, in the camp of the latter were both the highly developed capitalist countries and the Soviet Union. It is obvious that this circumstance was bound to exert a strong influence on the entire home and foreign policy of the capitalist countries.

The fact that the Soviet Union and the highly-developed capitalist countries were in the same camp of powers fighting against the fascist aggressors meant that the struggle between the two systems in the democratic camp was temporarily mitigated, suspended; but this, of course, did not signify the end of the struggle. At the same time, the struggle between the two systems assumed its most acute form when the fascist aggressors attacked the Soviet Union. The Allies assisted the Soviet Union, but it cannot be said that, in so doing, they forgot about the difference in social systems. The secrecy about the atom bomb is sufficient as an example of this. In the sphere of domestic policies, the Communist parties of the countries of the democratic camp—Great Britain, America, etc.—on the basis of the just nature of the war, helped their governments in the war against the fascists, urged them towards the opening of the Second Front, despite the efforts of reactionary circles in the Allied countries. They defended their people from the danger of German fascism.

It goes without saying that the Anglo-American contradictions—the decisive inter-imperialist contradictions—were also relegated to the background during the war, while the contradictions between the democratic countries and the fascist aggressors came into the foreground; but the Anglo-American contradictions did not disappear and the struggle between America and Britain continued even during the war years. Thus, during the war the Americans took good care that the commodities exported from England should not include more than 10 per cent. of the materials which England received by lease-lend. During the war American capital endeavoured, not without success, to squeeze out British capital from its positions in Latin-America, and to obtain markets in India and the British Dominions. The Americans put on the black list of firms with which trade was forbidden, not only purely Argentine enterprises, but also those which had British capital. In the Near East, the struggle for oil continued also during the war.

When the second world war came to an end, the struggle for the preservation of the capitalist system once more became the chief problem in the domestic policy of the capitalist countries, just as it had been after the first world war. The bourgeoisie is scared by the general swing to the left in the working-class movement throughout the world after the end of the war. The forms taken by this swing to the left, and its degree, differ in the different countries. If we take such first-ranking capitalist countries as the U.S.A. and Great Britain, it will be found that the swing to the left there was expressed above all in a strengthening of the reformist labour movement. As is known, the Labour Party in Britain won a victory in the Parliamentary elections. In the U.S.A. mass strikes are taking place and the trade union movement has grown stronger. In these countries, although a strengthening of the Communist parties has taken place, they are not yet an important factor in the domestic policy of these

countries. The capitalist system in these countries has not been shaken in consequence of the war. This is understandable. In the countries which were victorious in the war, the bourgeoisie was not discredited, the State apparatus remained as before, while the army was even strengthened as compared with the pre-war period. One of the characteristic features of post-war policy is the strengthening of militarism in the Anglo-Saxon countries and especially in the U.S.A., which has become the most powerful military State of the capitalist world.

The situation is quite different in the countries of continental Europe. In these countries the bourgeoisie is discredited. In the life of one single generation, the population of the European countries has experienced two big wars. Now it is forced to starve and, moreover, it is, of course, the industrial workers, the intelligentsia and the urban population who are starving first and foremost, and not the bourgeoisie or the well-to-do peasantry. Under such circumstances, radicalisation, a swing leftward of the working masses and toilers in general, is inevitable. To this must be added, also, another factor, namely, the strong polarisation of capitalist society during the war. Millions of people from the middle strata—artisans, traders, middle bourgeoisie—lost their independence during the war and became workers. Inflation during and after the war reduces to nothing the savings of the middle strata. The tendency towards the polarisation of modern society, to the formation of two camps—the big bourgeoisie and its immediate environment on the one hand, and workers, office employees, intelligentsia, who do not own property, on the other—is extremely strong. This tendency found expression in the defeat of the typical parties of the middle bourgeoisie of town and village as, for example, the Radical-Socialist Party in France or the Liberal Party in Britain.

The bourgeoisie of the countries which were subjected to German occupation became particularly discredited, because, in the main, the big bourgeoisie of France, Belgium, Holland, Czechoslovakia and Hungary collaborated with the fascist invaders. True, there were isolated exceptions: there were some capitalists in each country who took part in the resistance movement. In the main, however, the bourgeoisie collaborated with the occupationists and this, side by side with the military defeat, was the chief factor in its discrediting.

In addition, however, a number of new, important political factors distinguish the present situation from that after the first world war. *One of these new factors is the changed role of the Communist parties of Europe.*

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