

### Comrade HEIDAR (Palestine):

I think that Comrade Bukharin is quite right in speaking of the **governmentalisation tendency of capitalism** as such without going into details concerning the forms of this governmentalisation, because the meaning of this tendency does not consist in the nationalisation of private enterprises, but mainly in the fact that the State apparatus as such merges with the capitalist economic apparatus. As far as we are concerned, the existing situation is determined by its inevitable consequences which are:

1. The economic apparatus of the capitalist society grows and extends. Rationalisation restricts the labour apparatus. Although rationalisation increases productivity and cheapens production, the number of parasitic elements among whom the capitalist class must distribute its excess profits grows ad infinitum. The high state officials are no longer content with power and honours, they demand a definite share, namely the lion's share of the profits of manufacturers, traders, etc.

2. The smaller cost of the apparatus brought about by the capitalists means a terrific rise in what Marx calls "faux frais" of the capitalist system. The state budget is growing and so does expenditure for the army, as well as smaller expenditure for custom offices and other state requirements, and this impedes further development.

3. But the main thing is: the capitalist class loses its much vaunted freedom of initiative, and its profit opportunities are more restricted. The capitalist class as such deteriorates into an agent of the big dictators — trust and syndicate capitalists. The capitalist economic apparatus merges, therefore, with the state bureaucracy, and bureaucracy which still reigns supreme in the bourgeois state becomes the scourge of the capitalist economy.

Thus, stabilisation means first and foremost "fascisation" of the capitalist economy. The bankrupt bourgeois democracy in Italy and other European countries sought in fascism salvation from the revolution, and has probably found it for the time being. The declining capitalist system in Great Britain has to be saved by Mond, i. e., also through economic fascism. Mond in economics is the same as Mussolini in politics.

In my opinion, one cannot divide the capitalist countries, as Comrade Bukharin has done it, into countries with or without colonies. There is not a single country which can exist without a colonial market, without colonial raw material. Even Germany which, formally, has no colonies, carries on "colonial" trade, probably not to a lesser extent than France; it competes with Great Britain in the latter's own colonies. This is shown

by the custom reports of **Egypt, Syria, Palestine** and a number of other big colonies. I think that in regard to the stabilisation question, the feverish tempo of the investment of European big capital is of the utmost importance. The result of such stabilisation will be a more intensive crisis on a broader basis.

A few words about our mistakes. We are, of course, pleased that Comrade Bukharin has mentioned, although only in a few words, the **Eastern Department**. Today, when **Egypt** is the arena of important events, — dissolution of the Egyptian parliament, disintegration of the Egyptian coalition, — when in **Syria** we witness the intrigues of the French who would like to establish a monarchist regime, it would have been as well to pay a little more attention also to events in **Egypt and Arabia**. Unfortunately, in Comrade Bukharin's theses no mention is made of **Egypt, the Arabian East** and the intrigues of **Italy and France**. I think that the 6th Congress must put this right.

Comrades, with your permission, I will say a few words about the attitude of all comrades, including, of course, Comrade Bukharin to the problem of such small but nevertheless important countries as **Egypt, Arabia, and the Arabian East**. Egyptian history in the last ten years is a history of uninterrupted spoliation and arbitrary rule of British pirates, French usurers and in generally speaking European profiteers over the millions strong Fellaah-population. I would like to know: where was our **British Communist brother Party** when its lords, generals and commissioners destroyed Fellaheen villages in **Egypt and Sudan**, brought dozens of innocent nationalists to the gallows, threw proletarian revolutionists into prison, and destroyed labour unions and parties? Where was the Comintern? What was the **French brother Party** doing when French generals put down with fire and sword the insurrection in **Syria**? For two years the Syrian revolutionists carried on a heroic struggle against the mighty French army — but where was the European proletariat and what was its vanguard, what was the Communist movement doing? Comrades all this means that a thorough change must take place in the attitude of our sections and of the E. C. C. I. itself to the problems of the Arabian East, regardless of the size of the countries in square kilometres, the number of inhabitants, etc. The actuality and the acuteness of the questions alone must be considered.

We cannot ignore the fact that just during the last two years the reformists have worked energetically in the East and particularly in the regions I just mentioned. In **Palestine** they have an excellent organisation with several thousand members, political and trade union organisations which ensure the further development of Amsterdam and Second International ideology in **Egypt, Syria, etc.** A number of prominent leaders of various reformist and Amsterdam organisations tour these countries (**Kenworthy, Braun, Vandervelde** and others) and do their utmost to land the Arabian proletariat in their net.

We must, therefore, develop an energetic activity among these masses to counteract the work of these adventurers from the Second International. In the meantime, our Parties are left to fate or their own devices. We do what we can by our own efforts without any kind of help either from the Comintern, the French Party, or any other Parties. Comrades, this cannot go on any longer. There must be a change in the attitude of our sections to the Arabian East; we have there a strong reserve of revolutionary fighters, for this part of the world is a crater from which the indignation and excitement of the masses pours like a stream of lava.