

comes rather dangerously near to the standpoint of the Second International. It is indeed well known that the Second International maintains that the "normal" development of India and of the other colonies is a capitalist development, that they are becoming gradually decolonized and are developing a proletariat, and that this proletariat, in the far distant future, will make the proletarian revolution against the native bourgeoisie.

#### A RIGHT POSITION WITH ULTRA-LEFT COQUETRY

*The position taken by the Second International is equivalent to dropping the struggle against imperialism in the colonies. And in this connection appears Comrade Bennett's second error, which consists in an incorrect estimation of the disposition of classes in India. His argument proceeds from the assumption that there are only two camps in India—one the camp of the imperialists, the other that of the workers and peasants. It is not as simple as all that. There are still three camps, for it cannot yet be said that the Indian bourgeoisie has entirely and definitely gone over to the camp of imperialism. The Indian bourgeoisie has betrayed the national revolution innumerable times, will likewise betray it in the future, and will even eventually betray it definitely. But today three camps are still to be discerned in India. It is clear that English imperialism continues to be the principal enemy; and, of course, it is also clear that the final victory over English imperialism is possible only by means of the defeat of the Indian bourgeoisie. If one says, however, that the Indian bourgeoisie is already today the principal enemy, this would mean that one underestimates the significance of British imperialism; and this is quite dangerous. Comrade Bennett coquettishly remarked that he would not feel concerned if he should be dubbed an ultra-left on the ground of his arguments on decolonization and his estimation of the disposition of classes in India. Comrade Bennett, however, has no cause to fear. We know Comrade Bennett, and nobody would call him an ultra-left. The interpretation which he has put forward is by no means an ultra-left one. A few minor insignificant ultra-left gestures are indeed present, but the basis of his interpretation and of his criticism against the theses of Comrade Kuusinen is a quite well-developed right deviation.*

# On the Threshold of the Twelfth Year

By MOISSAYE J. OLGIN

This is the beginning of the twelfth year of the Bolshevik Revolution; it is the eighth year of reconstruction after the end of the civil war. Where does the Soviet Union stand at present? What has it accomplished by way of socialist construction?

Let us cast a glance at the milestones of the road traversed. The November Revolution was two revolutions in one: Seizure of power by the workers; seizure of land by the peasants. The workers were led by hatred of capitalism; the peasants were led by hatred of the semi-feudal landlords. The workers were ready to work for a unified society free from exploiters; the peasants cherished the idea of work for themselves, for the welfare of their own households. The workers were the leaders of the revolution; the peasants were their followers and allies.

## *Military Communism*

Due to the backwardness of economic life in Russia, to the absence of technical knowledge among the revolutionary workers, and to the conscious plan of gradual transition from private ownership to socialized ownership and management, once the state machinery of capitalism had been crushed and a proletarian state organization (the Soviets) created, the Russian Socialist Federated Soviet Republic was in no hurry to take over all the productive forces. Power was seized on November 7th; the decree on nationalization of the land was issued on November 8th, but only on July 11th, eight months after the overthrow, were large factories and railroads declared nationalized (the actual nationalization was not accomplished till a few months later); only on December 4, 1918, was internal trade declared nationalized; and as to the nationalization of small-scale industry, it was decreed full thirteen months after the November revolution (December 12th).

It is not necessary to dwell here on the question as to how the process of transition from capitalism to socialism would have been accomplished in the absence of civil war and intervention. The fact, however, is historically established that the complete nationalization of all branches of economic life by the end of 1918 and

the beginning of 1919 (introduction of "Military Communism") was in a large measure due to the pressure of military needs arising out of the necessity to mobilize every resource for the defense of the revolution.

There followed the fierce heroic years of 1918-1921, characterized by the catastrophic collapse of the industrial system on the one hand, by a communism of distribution and consumption, mainly for military purposes, on the other. The factories, railroads, banks, etc., were nationalized, but owing to the absence of imports and, consequently, of the most essential implements and materials usually purchased abroad (total imports in 1913, 936,600,000 *poods*; total imports in 1920, 5,200,000 *poods*); owing to the cutting off of the Soviet Republic from the Donetz coal, the Ural iron, the Baku oil, the Turkestan cotton, the Ukrainian sugar, the Siberian and South-Eastern wheat; and owing to the depletion of the population in consequence of the world and revolutionary wars, it was not possible to improve production and transportation or even to keep them on the 1917 level, which had been far below the pre-war standards.

Soviet Russia had military communism, but the food and the energy of the population were rapidly decreasing (in 1921-22 a man's working power was 30 per cent that of 1913-14), the losses in life were steadily mounting, and the illicit flow of foodstuffs from the rural districts had become one of the chief sources of maintenance for the city population.

Military communism saved the Revolution. It also changed the relative positions of the proletariat and the bourgeoisie in the realm of economic activities. At the beginning of that period, the bourgeoisie stood at the helm of economic leadership, at its end the proletariat had learned in the rough how to handle economic problems. In 1918 the bourgeoisie was still organized, whereas the proletariat, although victorious, was only beginning its consolidation; in 1921 the proletariat was organized, steeled in battles and trained in leadership, whereas the bourgeoisie was beaten and disheartened (in early 1918, the membership of the Russian Communist Party was 115,000 and of the trade unions about 1,800,000; whereas in early 1921 it was 585,600 and about 6,000,000 respectively). In 1918, the importance of straining all forces to increase production, the necessity of combating the bourgeoisie on the economic front, was only theoretically clear to the workers; in 1921 even a backward worker had grasped the idea that there could be no proletarian power without planned and organized industrial activities under the leadership of the proletarian state and the Communist Party.

## N. E. P.

The proletariat had grown by 1921 in experience, in discipline, in consciousness of responsibilities, in readiness for concerted action. Yet when it paused after the hectic years of terrific effort on the battle fronts, it saw its economic apparatus almost totally broken down: factories at a standstill, equipment destroyed or stolen, railroads dilapidated, mines flooded, houses burned down, ships rotted. Whereas in 1913 the output of large-scale industry was 5.6 billions of rubles, it was in 1920 only 1 billion, or 18 per cent of the pre-war output. In 1916 two-thirds of the fuel used in Russia was coal, while in 1920 coal formed only one-third of the full total; whereas the use of *wood* had risen from 14 to 50 per cent! If in 1913 there were only 17 per cent of "sick" locomotives (in need of repairs), in 1920 the percentage had risen to 57. While in 1913 the average monthly wage of a Russian worker was 22 rubles, in 1920 it amounted (in kind) to only 8.3 pre-war rubles. In 1914 the population, though suffering from Czarist rule, counted only 83,000 typhus cases: in 1919 and 1920 the number of typhus patients reached the stupendous figure of 5,219,000 (not counting typhoid fever, malaria, smallpox, cholera, etc.).

Nor was this the only difficulty that confronted the victorious workers. The village had been an ally during the civil war. It had helped crush the capitalist attacks because the capitalists were allied with the feudal landlords. It had fought gallantly hand in hand with the workers because the latter helped it defend the land against the landlords. It had given away its foodstuffs to the Bolsheviks almost without compensation (what compensation could the city offer by way of manufactured goods when the industries were near zero!) because it knew that the Bolsheviks were giving away the bulk of the foodstuffs to the Red Army that was driving off the landlords. They had been willing to co-operate—grudgingly, complainingly, sometimes offering resistance, but in the main following the workers—as long as there was imminent danger. Now, however, they were making it unmistakably clear that they wished a *new kind of alliance* whereby they would get the price of their agricultural products in manufactured goods and other articles of consumption. They were willing enough to recognize the workers' rule; they surely preferred it to the rule of capital; yet they demanded *economic advantages* in addition to the land whose possession, they knew, had been assured.

Thus the building up of the industrial system was dictated both by the interests themselves and by the necessity of placing the alli-

ance with the peasants on the basis of economic co-operation. The latter required a free market, an exchange of commodities. The farmer required utilization of the remnants of the bourgeoisie for filling the gaps in the economic system that temporarily could not be filled by the proletarian state agencies. Thus the New Economic Policy came into being.

A broken-down industrial system; a depleted agriculture (total production in 1920 *one-half* of the 1913 production); a weakened population; a disgruntled peasantry, and a vast unwieldy country with a great variety of nationalities, cultures, and levels of development—this is what confronted the proletariat when it made its historic shift from the military to the economic front. Added to it were the hopes of the Russian and the world bourgeoisie of growing ascendancy through the medium of the N. E. P. Added were also the cries of the enemies and false friends that the N. E. P. meant abandoning socialism and surrendering to the bourgeoisie.

### *The New Industrial Revolution*

Seven years have passed since the inauguration of the N. E. P., and here are some of the results:

Figures of the industrial output (eloquent figures, to be sure).

Table I—Industrial Output in Percentages  
(Output of 1913 is 100)\*

Years	1913	1920	1921-22	1922-23	1923-24
Output	100	18	25	35	46
	1925-26	1926-27	1927-28	1928-29	
	90	99	121-2	145-6	

TABLE 2. OUTPUT OF LARGE-SCALE INDUSTRY  
(In Millions of Pre-War Rubles)

Years	1913	1920	1926-7	1927-8	1928-9
Total Output	5,620	1,001	5,175	6,378	7,654

The output of large scale industry increased, in the year just ended, 23.3 per cent. The increase for the beginning economic year is planned to be somewhat over 20 per cent. The output of 1928-29 will be over 40 per cent. above the pre-war output. One who had witnessed the dreary economic landscape of 1920 or early 1921—those horribly silent plants; the torn-down roofs, rust-eaten machines, grass-grown factory yards; those sputtering asthmatic locomotives heated by wet wood; those cold stations and the temporary structures which replaced the destroyed railway bridges;

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\*Economic year begins October 1. Figures for 1928-9 are taken from the plan of the State Planning Commission.

the dark city streets with here and there a desolate electric lamp; with the dead frozen trolley cars and non-working sewage systems, must look upon this growth of economic forces as well-nigh miraculous. In six to seven years proletarian dictatorship not only reconstructed the pre-war industries but forged far ahead. An increase of 23.3 per cent. in one year; an increase of 20 per cent. in another; a planned increase of 12 per cent. in the coming five years. *This is a new industrial revolution.* It is changing the whole aspect of Soviet life. It is quickly advancing backward Russia to the first ranks of industrial countries.

Passing from the industry as a whole to its various branches we find a many-sided healthy development everywhere. During 1927-28 the output of *coal* increased 12.4 per cent., with a 9 per cent. increase in the productivity of work and with mechanical methods of coal-digging applied to over one-fifth of the total production. The output of *crude oil* increased 12.8 per cent., that of *peat*, 11.6 per cent. The *heavy industries*, particularly the production of *iron and steel* which lagged behind up to the last few years, are rapidly increasing. The output of *cast iron* has increased in 1927-28 10.8 per cent., the output of *steel*, 15.5 per cent. The production of *machinery for transportation* increased 29 per cent., that of *railway cars*, over 50 per cent., that of *agricultural machinery*, 34 per cent. (twice the pre-war production). Altogether the metal industry increased its production 23.5 per cent. over 1926-27 and 21.5 per cent. over the pre-war level. The *electrotechnical industries* have increased 32.5 per cent. The output of *building materials* has grown correspondingly (*cement* production gained 18.3 per cent.).

The *textile* industry has also grown considerably, (*with the seven-hour day introduced in many factories*). The production of *ready-made clothes* has grown in the last year 93 per cent., the manufacturing of *shoes* has increased 56 per cent.

Technical progress marks this rapid industrial growth. Labor-saving machinery has been introduced in many branches of work; economy in raw materials and other elements of production is the order of the day; efficiency is on the increase. As a result, the cost of production, compared with the preceding year, decreased all the way from 1.1 per cent. in the oil industry to 10.8 per cent. in the chief branches of the chemical industry and 15.5 per cent. in the rubber industry.

Capital investments during the last two years (for the construction of new plants and the purchase of new machinery, for repairs of the old plants and machinery, for reconstruction of production units) amounted to 1.879 *chervony rubles*. During 1927-28 alone the new capital invested in industry amounted to *over one billion*

*rubles*. For the year 1928-29 the new investments are computed at 2,110 millions.

An intensive life is throbbing through the length and breadth of the Soviet Union. Huge blast furnaces, steel plants, electric stations, chemical works, warehouses, terminals, railroads, bridges, are under construction. Large masses of goods are moving from city to city, from city to country and vice versa. Immense power plants are being completed. A new great railroad, from Turkestan to Siberia, is under construction. More and more capital is invested in the *production of means of production* (machinery, tools, chemicals, railroads, etc.) which form the foundation for reproducing economic life on an ever larger scale.

### THE PERSPECTIVE

What does all this signify for the working class and for socialism? What is the relation of the workers to the peasants? What is their relation to the city bourgeoisie? What is the outlook?

1. The relative position of the workers as bearers of the socialist plan has been immensely strengthened compared with the other classes. The private manufacturer and trader is rapidly sinking into insignificance. Only from 12 to 15 of the total industrial output is produced in privately owned establishments (usually of a small size); only about 10 per cent. of the total trade is carried on by private businessmen. With the spread of state enterprises, with the growth of the co-operatives as distributing agencies, the private manufacturer and merchant become *unnecessary*, and since the bulk of the economic apparatus is in the hands of the state, it can and does use economic pressure to uproot the businessmen and to give over their functions to agencies working not for private gain. The fear of some overpessimistic critics lest the Nepman devour the socialist sector of the Soviet industry has thus been proven unfounded. The bugaboo of the Nepman may still be used by enemies without and within to "show" the absence of socialism in the U. S. S. R. What they actually show is either lack of understanding or a malicious intent to discredit what they cannot destroy.

"Who will beat whom?" asked Lenin when the N. E. P. was being introduced. History has given the answer. The proletariat has beaten the Nepman. The socialist sector in industry and commerce has beaten the private. Together with the *monopoly of foreign trade* and the *monopoly of banking*, together with the *fiscal power* and the *price-fixing power* in the hands of the workers, this places the proletariat in an impregnable situation as holding all the strategic points and all the key positions in the economic field.

2. The position of the workers has also tremendously improved in relation to the peasants. In 1920 the peasants were economically

stronger than the workers. The workers could not live without the peasants. The peasants managed to live without the workers. The productive forces of the workers were nearly all destroyed. The fundamental means of peasant production—the land—remained perfectly intact. The production of the city had fallen to a miserable fraction of the pre-war output. Agricultural production had fallen only about one-half. The enemies of the Revolution pointed their fingers at this situation saying with glee that it meant making a proletarian revolution without the proletariat (the number of industrial workers had fallen to a fraction of their pre-war number.)

This situation has changed. The relation is reversed. *Industry is growing more rapidly than agriculture.* The number of workers in industry is on the increase. The percentage of the agricultural population in relation to the total is on the decrease. Agricultural output in 1928-29 is computed to increase 6.4 per cent. Industrial output is to increase 20 per cent. Between 1924-25 and 1927-28 the gross production of the socialized economic sector grew from 29.9 to 39.8 per cent. of the total; during the same time the private sector (including all agriculture) decreased from 70.1 to 60.2 per cent. In trade, the figures were an increase from 72.6 to 84.5 per cent. and a decrease from 27.4 to 15.5 per cent. respectively. In five years the relative position of industry and agriculture, of the proletariat and the peasantry, will have changed still more in favor of the former.

### COLLECTIVISM IN THE VILLAGES

3. This improved position of the proletariat is by no means a disadvantage for the peasants. Therein lies the foundation for the alliance of the peasants with the workers. The Soviet city does not exploit the village. On the contrary, the city utilizes its economic life for the village. There was a time when the city lived on the village, giving very little in return, outside of the blood of the workers who fought in the front ranks to secure the revolutionary conquests of both themselves and the peasants. In the last few years the slogan has been more and better goods for the village at lower prices. Notwithstanding the urgent necessity of saving capital to increase the plant, notwithstanding the propaganda of the opposition within the Communist Party of the Soviet Union in favor of squeezing out of the peasants a maximum price for manufactured goods, the policy has been to cheapen production and to reduce prices. No great advances could be made in this direction, yet the prices have actually been lowered in the face of a "goods famine." At the same time prices for agricultural goods have been advanced. Thus the "scissors," the gap between the prices for agricultural and manufactured goods, becomes narrower: it is to drop from 1.37 in



1927-28 to 1.28 in 1928-29, while the quality of the goods improves.

The village has gained from the Revolution, and is gaining from the N. E. P. Agriculture has recuperated. It has not made big strides equal to those of industry. However, it has exceeded the pre-war level, and it will increase in the coming five years 30-40 per cent. according to the plan, with the difference that before the war the *landlord* owned a large share of the agricultural production while at present all the output belongs to the peasants. It is true that the process of providing the country with grain for export did not proceed smoothly at the beginning of the economic year 1927-28, and that extraordinary measures were required to mobilize the grain, particularly that of the richer peasants who held about 20 per cent. of the reserves. But this was a difficulty accompanying economic progress. With the growth of industry, it became more advantageous for the peasants to cultivate industrial plants rather than grain. Thus the area under flax, cotton, sugar beets, and the number of peasants breeding cattle on their land, increased in relation to the planting of cereals. On the other hand, the number of peasants leaving their homes for seasonal work in the cities (building trades, road construction, etc.), increased during 1927-28, which left less labor in agriculture. All this, however, signifies *a betterment in the situation of the peasant*. The increased flow of goods from the city to the village, and the increase in agricultural output, will continue to improve the situation of the peasant.

4. Holding the key positions in the economic life, and possessing all political power to carry out plans, the workers, under the leadership of the Communist Party, have created a situation where *they can proceed to build socialism also in the village*. It is true that only 2.5 per cent. of the total land area in the Soviet Union is at present cultivated on a collective basis. (Soviet farms and peasant co-operatives for common planting). It is true that large strands of the peasantry have not yet grasped the advantages of collective agricultural production. However, the peasants have retained their friendly relations to the workers in spite of temporary difficulties, and *the workers have at their disposal vastly more means for remodelling the peasant's life*.

The proletarian dictatorship is applying its economic power to the village along the following main lines:

a. *Land distribution*, whereby the poorer peasants, holding small allotments or no land at all, are being provided with land from the state land reserves. This sometimes requires *moving* the peasants from one region to another.

b. Introduction of *agricultural machinery* and tractors into the village, which on the one hand improves the method of production, on the other forces the peasants to resort to co-operation.

c. *Irrigation* and other large scale *land improvements*, increasing the available supply of land and the size of the crops.

d. *Electrification*, which supplies the village with cheap power and of necessity induces it to introduce better methods of cultivation.

f. Demand for *industrial plants* which almost automatically drives the producers to look for better methods of agriculture..

f. Aid to *industries*, directly connected with agriculture and using agricultural products for their primary material, like seed oil presses, flour mills.

g. Introduction of improved *seeds* and improved *cattle*.

h. *Contracts* with peasant communities concerning deliveries of large volumes of agricultural goods for the city industries, thus compelling the peasants to search for better methods of cultivation.

i. *Credits* granted individual peasants and peasant co-operatives.

Adding the *political* power lodged in the local Soviets where, under pressure from the workers, the influence of the *richer* peasants, *kulaks*, has been rendered insignificant, and the *cultural aid* given the village in the form of agricultural schools, general education, model farms, agriculture instructors, etc., we obtain a system of powerful means by which the workers can compel the peasants to abandon their individualist methods of cultivation and pass to *collective cultivation*.

The latter is dictated by sheer economic necessity. The peasant must increase his output. He must have the equivalent wherein to obtain manufactured goods whose stream is steadily growing. The productivity of the land in the Soviet Union is still *one-fourth* of that of Germany, while the quality of the land is by no means inferior. The productivity of the land must increase. This requires new methods of cultivation, *which is impossible on small parcels of land*. Thus agricultural progress dictates the *transition to collective production*, for which the peasants are being prepared both through the above measures and through the rapid spread of co-operatives (hitherto almost exclusively confined to selling and buying).

5. The workers orientate themselves on the *poor and middle* peasants, helping them to combat the rich peasant both economically and politically. That powerful influence which large-scale industry is exercising over the countryside, and which in capitalistic countries makes the village a hinterland for the industrial system while in the Soviet Union it is used to increase the material well-being of the peasants and to raise their economic standards, is entirely directed toward the middle-sized and poor farms. As a result, the reverse of what is observable in capitalist countries is taking place in the

U. S. S. R. While in the former the middle groups of the farmers are being "washed out" through a process of proletarianization and pauperization (mortgages, foreclosures, transition to tenancy, etc.), in the latter the middle groups are on the increase. Socialist industry moulds the village after a new pattern. The next step is *collectivization of agricultural production* which will eliminate the rich peasant (by economic or extra-economic pressure).

Every village or factory of agricultural products is a complement to the city factories of manufactured goods. This is the plan of the workers. They have now immeasurably more power to achieve this end than they had two or three years ago. *This power is bound to grow.*

6. With industry growing, with workers' actual wages 34 per cent. above the pre-war wages, with culture spreading among the masses, with the *youth* of both workers and peasants trained in the spirit of collective work for a common goal, with efficiency in management and administration making rapid progress among the workers and peasants, particularly the former, with the Red Army as a training school for efficient collective work in city and village, with the general rise of the economic and cultural standards, with the ever easier overcoming of internal difficulties as a consequence of the increasing reserves in energy, knowledge, experience and material means; with the unity of the C. P. S. U. assured after the double defeat of the opposition in the battle of principles at the 15th Congress of the Party a year ago, and in the practice of the past year which proved the groundlessness of the opposition's lamentation; with the numbers and the unity and the self-assurance of the workers and the agility and vigilance growing—the spread of socialism from the socialist sector of national economy to the private sector, to the remnants of private manufacturing and trading, which is not at all important, and to private and individual agriculture, which is all-important, *is only a matter of time.*

The road is clear. The Soviet economic engine, with haltings and clatter, at times with an excessive expenditure of energy, at times impeded by inner friction, often shaken by the roughness of the road is unceasingly moving forward, toward socialism.

Socialist construction is proceeding on an accelerated scale.

It depends upon us, upon the labor movement of the capitalist countries, to see to it that this construction is not interrupted by an attack from without.