

# MARXISM AND AMERICAN "EXCEPTIONALISM"

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AS THE MARXISTS-LENINISTS of the world celebrate during this year the 100th anniversary of the writing of the *Communist Manifesto* by Karl Marx and Frederick Engels, the great principles of social development laid down in that immortal document are being dramatically confirmed by the course of history and by the present state of the world. On the one hand, the international capitalist system, wracked and disrupted by its own incurable internal contradictions, is plunging deeper and deeper into general crisis, with several great empires prostrate and disintegrating, and whole populations starving from protracted economic crisis and devastating war. And, on the other hand, the cause of world democracy and Socialism is marching on irresistibly, as indicated by the vastly strengthened position of the Soviet Union, the development of advanced types of democracy in many European countries, the tremendous liberation upheavals in the colonial lands, the great expansion of trade unionism on an international scale, the big growth of Communist Parties in

various countries, and the rapid development of Marxist-Leninist ideology among the workers of the world. Marx's discovery of the laws of social development in general and of capitalist society in particular, his scientific analysis of the fundamental contradictions of the capitalist system leading to its breakdown and the inevitable establishment of socialism stamp him as one of the most gigantic intellects of all time.

There would seem, however, to be one very major exception to this striking confirmation of Marxism-Leninism, namely, the economic and political situation prevailing in the United States (and in Canada). American capitalism would appear to be exempt from the disintegrating forces that have undermined capitalism in other countries and have given rise to powerful Socialist movements. The United States, far from being crisis-stricken, as are other capitalist lands, is now experiencing the greatest wealth and prosperity ever known anywhere in world history. Capitalist economists, blithely ignoring the wide areas of poverty among our people, are outshouting each other in boasting of how rich and prosperous this country is and of the tremendous production achievements made by our people, who comprise only 6 per cent of the world's population and who occupy but 7 per cent of the world's habitable area. In his recent book, *Tomorrow's Trade*, Stuart Chase declares:

. . . America is producing around 60 per cent of the world's manufactured goods. . . . She possesses 67 per cent of the fighting ships, 60 per cent of the battle planes, 70 per cent of the merchant ships, 75 per cent of the transport planes of the world. From her coal mines, oil wells and penstocks spring more than half of the world's horsepower.

In addition to this, the United States possesses the greatest supplies of surplus foodstuffs, as well as about three-fifths of the world's gold reserves, and, dear to the heart of the warmongers, it also has the fearsome atomic bomb.

President Truman adds his voice to the swelling chorus praising America's economic successes. In his Mid-year Economic Report, July, 1947, he stated that with 60,000,000 employed and a national production rate of 225 billion dollars yearly (150 billions in 1938 dollars), Americans now enjoy the highest living standards ever known. The President declares proudly that ours is "the richest and most powerful productive machine ever devised by the minds and hands of man."

American capitalist ideologists rush to draw far-reaching implications and theories from this prosperous position of the United States. They would have us believe that the "American Way" is fundamentally different from, and superior to, the "way" of capitalism in the rest of the world and that, with its characteristic "free enterprise" and mass production, American capitalism is

not subject to the ruin and collapse that is increasingly afflicting the other parts of world capitalism. The economic and political laws discovered by Marx, they say, do not apply to the United States. This is American "exceptionalism."

Besides their notion that American capitalism is free from the decay characteristic of world capitalism, the boosters of the capitalism in this country also would have us believe that our economic system is strong enough to pull the capitalism of the rest of the world out of its present deep difficulties and make of it once more a going concern. Without American help, economic and military, they believe capitalism in many countries would be lost and would have to give way to Socialism; but with American assistance, on the model of the Truman and Marshall plans, they think that all can be put in capitalist working order again. Powerful America, these "exceptionalists" believe, can beat back international Socialism and rebuild the world, if not fully in its own incomparable likeness, then at least in a livable form. They believe American capitalism is the magic force capable of saving and regenerating the otherwise doomed international capitalist system. These "exceptionalist" theories also have many followers among fascists, royalists, monopolists, and reactionaries generally in Europe, who are ardently hoping for the rich United States to rescue them from advancing democracy and to give them and

their system of exploitation a new lease on life.

In line with this grandiose "exceptionalism," American capitalists are militantly on the offensive against every manifestation of democracy and Socialism. They are everywhere trying to stamp out Marxist-Leninist ideology; they are seeking to strangle, economically and politically the new peoples' democracies of Europe; they are fighting to denationalize the industries in Europe and to re-establish "free enterprise"; they are feverishly striving to unite and arm the capitalist world for eventual war against the U.S.S.R., the strongest citadel of world Socialism; they are violently attacking democracy in this country; they are aggressive Red-baiting crusaders against the so-called Communist menace. In this 100th anniversary year of the *Communist Manifesto*, therefore, the boldest challenge to all that Marxism stands for, both theoretical and practical, is coming from the capitalists of the United States.

But this challenge will prove to be in vain. Marxism is impregnable to American capitalist attacks. The "exceptionalist" belief that the economic and political system in the United States is structurally and otherwise on a different and higher plane than capitalism in other countries rests upon false premises. Capitalism everywhere is based upon the same fundamental principles. The greater strength of American capitalism, as compared with the broken-down

capitalist systems in other countries, merely signifies that it has developed under historically more favorable conditions than world capitalism generally. Although this gives American capitalism a temporary advantage over other capitalist systems, nevertheless capitalism in this country has all the internal and external stresses and contradictions that have wrought so much havoc with capitalism in the rest of the world. It bears within itself the characteristic capitalist seeds of decay and collapse. American capitalism cannot turn back the wheels of Socialist and democratic progress in other lands; it cannot even prevent the eventual victory of Socialism in the United States.

#### FAVORABLE DEVELOPMENT CONDITIONS OF AMERICAN CAPITALISM

Capitalism, although everywhere fundamentally the same, nevertheless does not develop in identical forms and with an even tempo all over the world. Its growth and specific peculiarities in the various countries are conditioned by many widely varying circumstances. These divergent national conditions either hasten or retard capitalist development, give it unusual strength or weaknesses, or stamp upon it particular characteristics. Consequently, there is a superficially different capitalist pattern prevailing in the various parts of the world. It was one of Lenin's greatest contributions to Marxism to have formulated the law

of this uneven development of capitalism and to have shown its profound revolutionary significance.

The United States provides the world's outstanding example of a capitalist system that has developed historically under ultra-favorable conditions. Canada is in much the same position, but on a lesser scale. These many advantages have facilitated American capitalism's growth enormously, in contrast with the less favored capitalist systems of other countries. It is only by examining some of the more important of these favorable conditions that one can understand the present greater strength of American capitalism as compared with other capitalist countries and also its specifically American features. Thus, too, will be made clear the source of the "exceptionalist" theories that would have the United States play the role of the international organizer of a new and fundamentally healthy system of world capitalism. Let us, therefore, indicate, at least briefly, some of the many peculiarly favorable conditions that have contributed to the present advantageous position of American capitalism.

1) *Absence of a feudal political national past:* The United States, because of its two revolutions, in 1776 and 1861, has long been freer of the retarding remnants of feudalism (such as a powerful land-owning nobility, a state church, etc.) that so seriously plague and restrict capitalism in many parts of the world. An exception, of course, is

the South. Czarist Russia furnished a classical example of how feudal forces holding political power hamper and slow down the development of a capitalist industrial system. Free from such hampering factors our country, especially since the Civil War, has been the most completely capitalist power.

2) *Tremendous natural resources:* The United States is endowed with nearly all the vital war materials needed for the building of a major industrial country. Coal, iron ore, oil, lumber, copper, gold, water-power, and agricultural land it has in abundant quantities. This great supply of raw materials, the equal of which is possessed by no other country save the Soviet Union, has vastly speeded and strengthened the development of capitalism in the United States, as compared to other countries. Incidentally, together with its great stores of natural resources, this country also generally has a climate very congenial to the life of an industrial society.

3) *A vast unified land area:* American capitalism has also been especially favored in that it has conquered by a ruthless policy of expansionism a huge, continent-wide stretch of country, embracing over 3,000,000 square miles. Consequently, it does not suffer from the weakening effects of networks of national frontiers, with their endless trade, travel, and industrial barriers, such as those which hamstring capitalism in Europe.

4) *Insatiable demand for labor*

*power:* For many decades American capitalism, growing rapidly in an empty continent, experienced a chronic shortage of workers (depression periods excepted), which many millions of European immigrants barely sufficed to alleviate. This almost chronic dearth of workers operated dynamically to develop growing American capitalism. Not only did it lay the basis for the present relatively high American living standards by strengthening the purchasing power of the masses, thus helping to create a big domestic market, but, more important still, the long-continued labor shortage compelled American employers to search, as no other employers ever did, for every possible labor-saving device. This situation gave a profound impulse to Yankee inventive genius, to widespread mechanization, and generally to the industrial efficiency that is such a marked feature of modern American capitalism and that gives the United States so great an advantage in the world market.

5) *Highly strategic location:* Still another tremendous advantage of American capitalism is the very strategic geographical situation of the United States. With many thousands of miles of coastline and dozens of fine harbors on both the Atlantic and Pacific Oceans, this country has free access to all the main trade lanes and markets of the world. No other big nation equals the United States in this general respect.

6) *Freedom from the ravages of war:* The strategic location of the United States further favored American capitalism by making it unnecessary over many decades to maintain a huge land army and by shielding this country from the widespread devastation wrought by the two world wars of our time. While the other capitalist countries were being ruined by these wars, the United States grew strong on them. This advantage can hardly be overestimated. The two world wars have been an enormous factor in stimulating American industrial activity and growth during the past generation. From 1914 to 1918, American industry prospered and expanded through the production of war munitions. After World War I, the filling of gigantic reconstruction orders from Europe (financed by American loans) was an important factor in the hectic "prosperity" of the 1920's. The tapering off of this European postwar reconstruction helped bring about the crisis of 1929, when American industry collapsed into the deepest economic crisis the world has ever known, production in this country falling off by 47 per cent, a decline altogether without precedent in our history. And the slump continued up to 1940 being only partly overcome (1937) by Roosevelt's "pump-priming," or until the industries were again nourished with the red blood of war, this time of World War II. Once more, as the other capitalist countries were being ravaged by military conflict, Amer-

ican capitalism, because of its strategic war-free location, grew and flourished. Fed by the new war's demands for goods of all sorts, American industry again expanded by leaps and bounds. During the war over 15 billion dollars' worth of new plants was built, and national production was doubled. And the main basis of American capitalism's present feverish activity is the repairing of the gigantic property damages and commodity shortages caused here and abroad by World War II. Such has been the vital role of war in the growth of the United States' highly developed capitalist system in recent decades.

These many great special advantages enjoyed by American capitalism—the comparative absence of feudal economic and political remnants, the continental expanse of the United States, the possession of huge natural resources, the unified character of the American state, the strategic location of the country, its relative immunity from the ravages of the world wars, and its actual fattening upon these wars—have all tended to speed the growth of, and strengthen, capitalism in this country. Following the Civil War the rate of industrial growth here was without a rival, until eventually it was surpassed by that of the new socialist U.S.S.R. Although coming late into the field of world capitalism, the United States by 1890 overtook and passed Great Britain, long the world's leading industrial power. Nor could Germany and Japan, also

late-comers and quickly developing capitalist countries, come even within hailing distance of the rapidly growing United States. Hence, highly-advantaged American capitalism has gone on expanding until today the industrial production of this country is far greater than all the rest of the capitalist world put together. But it must again be emphasized that this success of American capitalism has not been caused by any intrinsic superiority in its structure and nature; it is a temporary situation brought about by the special advantages which capitalism in this country has enjoyed in such large measure, some of the more important of which have been indicated above.

#### "EXCEPTIONALIST" ILLUSIONS

The following are some of the principal illusions, cultivated by the American "exceptionalists," as to the supposed inherent superiority of American capitalism over capitalism elsewhere.

1) *Mass Production*: One of the most important aspects of American capitalism, which "exceptionalists" claim set it apart as basically different from world capitalism and give it a structural strength not possessed by the latter, are the mass production methods so typical of American industry. In reality, however, these techniques do not indicate any distinct peculiarity of American industry beyond the especially favorable conditions, pointed out above, under which this country's economic

system has developed. Other countries can and do employ mass production methods to the extent that their supplies of raw materials and the breadth of their available markets make it possible.

Besides not being "exceptionally" American, mass production methods also do not lend structural strength to the capitalist economy in this country. By the same token, they cannot be a panacea for a sick world capitalism. Quite the reverse is true. Mass production under capitalist conditions, by increasing the exploitation of the workers, tends sharply to increase the disproportion between their producing and consuming power. In the long run, capitalist mass production therefore intensifies the crippling effects of the fundamental contradiction of the capitalist economic system: the conflict between the social character of production and the private character of appropriation. Consequently, instead of being the means of eliminating cyclical economic crises, mass production inevitably makes them deeper, more frequent, and more prolonged. It is significant that it was precisely the United States and Germany, in which mass production techniques were the most highly developed, that the world economic crisis of the 1930's affected with the greatest severity. That great crisis originated in the United States, and, all through it, the crippled American economy tended to drag the rest of world economy deeper and deeper into the slump.

2) *Non-Imperialism*: Another major illusion of the believers in American "exceptionalism" is to the effect that United States capitalism is non-imperialist, or even anti-imperialist. Their theory is that this country, contrary to all other capitalist great powers, pursues a policy of "democratic internationalism." Such people contend that the United States, in its foreign relations, applies policies which do not result in the winning of crass material advantages for American capitalists at the expense of other nations, but which operate to improve the welfare and freedom of the peoples of the entire world. According to these "exceptionalists," the United States, therefore, industrializing and democratizing the backward areas of the world, exerts a unique and powerful stabilizing influence in the economy and politics of the world and is a major force for peace.

This notion, which is almost universally current in the American conservative, liberal, and trade union press, is sheer nonsense. In reality, the United States is not only an imperialist country, but the strongest and most aggressive one of all. This country has all the qualities of an imperialist power, as defined by Lenin. Its industry and banks are highly monopolized and are under the general control of finance capital; it is far and away the world's greatest exporter of capital; and it systematically carries out a ruthless policy of dominating the markets and peoples of the world.



The United States has no elaborate colonial system, it is true, such as other great imperialist powers have. On this fact the "exceptionalists" base much of their argument that imperialist America is playing a progressive international role. The United States' lack of colonies is to be explained, however, by two basic reasons having nothing in common with so-called American "democratic internationalism." First, capitalism in this country, busily engaged for many decades in developing its huge home market and rich natural resources, did not enter into the struggle to control world markets, raw materials, and strategic territories until after the world has been almost completely divided up among the earlier imperialist powers, England, France, etc. Second, by means of its vast supplies of capital and its "dollar diplomacy" and "atom-bomb diplomacy," the United States has been able to establish effective imperialist controls over many peoples making their economic and political systems subordinate to its own. This it does without formally transforming their countries into colonies. The United States is a master of the technique of setting up puppet, pseudo-independent governments in its satellite countries. Its present aim is no less than that of subordinating the whole world, by economic, political, and military pressures, to its sway and to its own characteristic system of imperialism. The Marshall Plan is nothing but the bitter Truman Doctrine, sugar-coated in order

to establish American imperialist domination over Europe.

Instead of being a stable political force, therefore, industrializing and democratizing the world, the United States, driven on by its irresistible need to find markets for some 25 billions yearly of surplus capital and for mountains of otherwise unsaleable commodities, is actually the most disruptive, restrictive and reactionary of all factors in the world economic and political situation. Its policies lead, not to peace, but to war. If there is anything "exceptional" about Wall Street capitalism in the world arena, consequently, it is that it is the biggest, most powerful, and most ambitious system of imperialism the world has ever known.

3) *A non-Socialist Working Class:* Another specific feature of the situation in the United States which the "exceptionalists" make very much use of to bolster their case is the fact that the vast mass of American workers are non-Socialist, or even anti-Socialist. The workers not only do not set Socialism as their ultimate goal, but they do not even generally raise slogans for the nationalization of basic industries. The minds of the bulk of the American workers are contaminated with capitalistic illusions, particularly the Keynesian, brand of reformism or its Rooseveltian version. The labor press, save for the Left Wing, fairly reeks with capitalist propaganda, with trade union leaders trying to outdo the monopolists in pledging loyalty to



the so-called free-enterprise system. Also, unlike the workers of other great capitalist lands, the American working class has not organized a mass party of its own, but follows along after the capitalist-controlled Democratic and Republican Parties. All of this is interpreted by the "exceptionalists" as signifying that American capitalism is so sound that the working class is immune to Marxist conceptions. The whole world may go Socialist or Communist, say these "free enterprise" soothsayers, but the American workers will remain unshakeably faithful to the capitalist system.

This is an unjustified conclusion. The failure, so far, of the American working class to develop Marxian class-consciousness and a Socialist perspective, and to build a mass party of its own such as other working classes have done, merely signifies that large masses of the workers in this country, particularly the skilled workers, as a result of the favored situation of American capitalism, have been living under better economic conditions than the workers in other countries. It is nonsense, however, to say that the working class, as an exploited class, is disappearing in the United States, as many "exceptionalists" claim. Let us not forget, as Roosevelt pointed out, that one-third of our people (mostly the workers) are ill-clad, ill-fed, and ill-housed. Moreover, the degree of exploitation of American workers is constantly on the increase and they get an ever-smaller share

of their total production. The gap, fatal to capitalism, between their producing and buying powers, is widening. *Labor Fact Book* 8, prepared by the Labor Research Association, says in this general regard: "Although the worker in manufacturing has held his relative position during the war years, over a long-range period he has been losing ground. Our studies show that between 1899 and 1946, the relative position of the employed worker in manufacturing declined over 30 per cent." Meanwhile, corporation profits are soaring to unheard-of heights, this year reaching the fabulous figure of 17 billion dollars.

As economic conditions become more difficult here, we may be certain that our working class, under pressure of ever-increasing exploitation, mass unemployment, etc., will slough off its capitalist illusions and make tremendous strides forward ideologically and organizationally. In Great Britain, so long as that Empire was prosperous and expanding, the British workers were resistant to Socialist ideas, but now, with the British Empire in crisis, they are, despite the efforts of the imperialist-minded Labor Party leadership, definitely beginning to look toward Socialism to solve their growing economic problems.

The American working class is passing through the same general evolution, although under its own special conditions. Since the outbreak of the great economic crisis of the 1930's, the workers in this coun-

try have lost much of their faith in capitalism. Faced by hard necessity, they not only built the vast new trade union movement, but they also learned the vital lesson that if they are to have jobs, a decent living, and protection for their old age, they must engage in political action. They will learn, however, that the Keynesian reforms offer no basic solution. The American working class is being steadily politicalized by national and world developments and is on the road to class consciousness and a Socialist perspective.

Those "exceptionalists" who believe that Marxist-Leninism can be exorcised from the United States by wishful thinking, by Red-baiting, by denying Left-wing workers the right to hold official union posts, and by throwing Communist leaders into jail, are in for a rude awakening by the progress that will be made toward Socialism by the American working class within the next few years.

4) *American Democracy*: The "exceptionalists" also attribute magic democratic regenerative qualities to the American Government. The policy of our Government is assumed to be an "exception" to the generally reactionary course of capitalist governments. Thus, they tell us that not only is democracy unassailably established as the bedrock of capitalism in the United States, but also that the Truman Administration, with its (Wall Street) bipartisan foreign policy, is carrying on a crusade to cultivate democracy throughout the

rest of the world. It would seem that American capitalism is not only tending toward strengthening the world's economic system, but also its democracy as well.

This is nonsense, of course. The American Government is dominated by monopoly capital and, save to the extent to which it is restrained by mass democratic pressure, its trend, like that of monopoly everywhere, is toward fascist reaction. Actually, in this country at present there is a serious and growing fascist danger. This danger is all the more insidious because budding American fascism, like other social phenomena in the United States, is developing under its own specific forms. These forms, inasmuch as they must take American democratic traditions into consideration, differ on the surface from those of European fascism, but in substance they are the same social poison. Incipient American fascism, for example, lacks much of the theoretical mumbo-jumbo that was so pronounced a feature of German and Italian fascism. Thus we hear from the native American fascists, or half-fascists, little about the "bankruptcy of democracy," the "leading role of the social elite," the glorification of war as a dynamic social force, etc., etc. Nevertheless, American fascist tendencies, as seen in the Taft-Hartley Act, the activities of the House Un-American Committee, the atrocious lynching and other attacks upon the Negro people, the growth of anti-Semitism, the rank spread of militarism, etc.,

constitute a real and growing danger on the domestic scene in the United States. As for our foreign policy, instead of cultivating world democracy, as alleged, it is everywhere stimulating reaction of every kind. The monopolists who are dictating the Government's foreign policies have put our country in the deplorable position of being the chief organizer of world reaction, which means fascism. The great Wall Street bankers and industrialists, like their confreres in Europe, instinctively turn in the direction of a perspective of a fascist world, although they dare not be so brazen about it as were their German brothers in spirit under Hitler. It is because they have such a reactionary perspective that they are so resistant to the utopian appeals made to them by opportunists to adopt Keynesian reforms on the grounds of their capitalist "intelligence," and with the contention that it will conform to their "true class interests." American monopolists, the rulers of our country, are not at all "exceptional"; they are just plain reactionaries, with specific American trimmings.

#### THEORIZING AMERICAN "EXCEPTIONALISM"

From an early period in the history of capitalism in the United States, bourgeois economists have tended to develop theories of American "exceptionalism." Louis M. Hacker expresses this attitude in the opening sentence of his big, two-

volume work, *The Shaping of the American Tradition*, saying: "American have always been convinced of the uniqueness of their civilization." Conceiving the rapid development of capitalism in this country in a narrow nationalist sense, capitalist writers have easily looked away from the favorable conditions that caused this rapid growth and have come to conclude that American capitalism is structurally different from European capitalism and, consequently, more or less exempt from the latter's obvious weaknesses and internal contradictions.

The fundamental flaw in this position of the "exceptionalists" is that they take subordinate aspects peculiar to American capitalism and draw absolute and basic conclusions from them, ignoring the fundamental fact that the basic structure of capitalism is the same everywhere. Marxists, on the contrary, base their conclusions on the fundamentals of the American capitalist system, properly attaching relatively less decisive weight to its specific, American, national, unique features.

Marxists, in commenting on conditions in the United States, have always had to fight against the strong "exceptionalist" trend in American economic and political thinking and to point out that American capitalism is subject to the same basic economic laws as capitalism all over the world. Characteristically, Frederick Engels in 1887, in the preface of his book, *The Condition of the Working Class in England in 1844*

had the following to say regarding the American "exceptionalism" of his time:

In February, 1885, American public opinion was almost unanimous on this one point: that there was no working class, in the European sense of the word, in America; that consequently no class struggle between workmen and capitalists, such as tore European society to pieces, was possible in the American Republic; and that, therefore, Socialism was a thing of foreign importation which could never take root on American soil. And yet, at that moment, the coming class struggle was casting its gigantic shadow before it in the strike of the Pennsylvania coal miners, and of many other trades, and especially in the preparation, all over the country, for the great Eight Hours movement which was to come off, and did come off, in the May following.

With the passing of the years since the Civil War, American capitalism, on the basis of its especially favorable conditions, became stronger and it eventually grew into the most powerful system of any country in the capitalist world. So, too, did the theories of American "exceptionalism" grow and flourish. A particularly rank growth of these illusions took place after World War I. That war made the United States definitely the world capitalist leader. Moreover, after the war had ended, the big influx of war reconstruction orders and the intensive development of mass production techniques, all stimulated by the war situation, plunged the United States into a postwar boom,

the like of which the world had never seen before.

Intoxicated by this "prosperity," the capitalist economists of the period spun "exceptionalist" theories galore. Tugwell, Carver, Gillette, Hoover, and many others declared that American industry had "come of age"; that it had overcome its internal contradictions; that there would be no more economic crises in this country; that the American workers were becoming capitalists and the capitalists workers; that the United States had given birth to a "new" capitalism which would revolutionize the world. With loud boasting they claimed that Ford had superseded Marx.

Capitalists in other countries caught this contagion and dreamed of applying the new American production methods and demagogy in their own countries. Social-Democrats all over the world also plumped for American mass production and hailed it as the way to Socialism. American trade union leaders, including most of the progressives, swallowed whole this new burst of "exceptionalism." They declared that strikes were no longer needful, that it was necessary only to cooperate with the employers to increase production, whereupon the workers would come to enjoy an endless spiral of improving living standards. Enthusiastically, these union leaders worked out their "New Wage Theory" and their no-strike "Higher Strategy of Labor," which became the official A. F. of L. and Railroad

Union economic policies, and the unions entered into the most intensive (and disastrous) class collaboration this country has ever known.

Even the Communist Party was not immune to the orgy of American "exceptionalism" during the 1920's. Jay Lovestone, then its general secretary, tried to put the stamp of Marxian approval upon the opportunist movement. Accepting the basic position of the bourgeois "exceptionalists," he spoke of the industrial boom as a "second industrial revolution" which he believed had liquidated the internal contradictions of American capitalism, and which foretold a long period of general capitalist upswing. Lovestone sought to support his fallacies by distorting Lenin's theory of the uneven development of capitalism. He contended that capitalism was fundamentally healthy in the United States although unhealthy in the rest of the world. The theoretical implication of Lovestone's line was that the general crisis of the world capitalist system did not affect capitalism in the United States, and its practical effect would have been further to disorient the working class by throwing the Communist Party under the political tutelage of the capitalists.

The Communist Party exposed and condemned Lovestone's opportunist line. Eventually he and his handful of followers were expelled from the Party. The expulsion resolution of the Central Committee,

published in the *Daily Worker* of July 23, 1929, could be profitable re-read at the present time. Although the capitalist, liberal, trade union, Social-Democratic, and pseudo-Communist "exceptionalists" in that period were intellectually deeply intoxicated by the unparalleled period of capitalist "prosperity," the Communist Party clear-headedly warned of the coming economic crisis, which broke in full fury only three months after the publication of the Central Committee's resolution against Lovestone's "exceptionalism." In this resolution the Party said the following, which might well be hearkened to by the American labor movement in the present post-World War II period of industrial boom and illusory "exceptionalism":

The more glorious capitalism seems to be, when measured by the seemingly phenomenal progress of its productive forces, the more hollow does the colossus of capital become.

The great industrial overproduction crash of October, 1929, not only laid American industry low, but also, at the same time, shattered the "exceptionalism" that had flourished so profusely during the boom years. The economic collapse demonstrated that American capitalism was fundamentally the same as capitalism all over the rest of the world and subject to all its basic economic laws. Instead of being a force, therefore, for strengthening world capitalism, American capitalism, in this great crisis, operated to upset and still

further weaken capitalism in other countries. It turned out that not Ford, but Marx was correct.

During the next 10 years, with American capitalism struggling in vain to pull itself out of the stubborn economic slump, the "exceptionalists" piped very low. Nothing much was heard from them until World War II gave a new shot in the arm to American capitalism, which then promptly generated an even more luxuriant growth of "exceptionalists" illusions than had taken place in the course of the hectic economic boom, from 1922 to 1929, after World War I. Now, in the aftermath of this second great war, the capitalists are disinterring the old "exceptionalist," class-collaboration catch-phrases of the 1920's, polishing them up, and using them again to fool the workers. In the changed conditions of today they will not succeed to the extent they did a generation ago; but it is amazing how readily many trade union leaders, supposedly progressive, are taken in by these speed-up, union-paralyzing slogans.

But today American capitalism is more ambitious in its perspectives than it was two decades ago. Now it considers the whole world to be its oyster. During World War II capitalism in this country, as in the First World War, grew and flourished, but on a far greater scale. National production expanded enormously, the industrial plant in the United States was increased by as much as the total industry of prewar Germany, and the giant corporations

piled up fabulous profits and financial surpluses. Moreover, while the United States was growing rich in this war, the other big imperialist powers—Germany, England, Japan, France, Italy—were being either smashed or disastrously weakened. Consequently, after this war, the United States found itself not only stronger, but also, relatively in a much more favorable position with regard to other capitalist countries.

Clearly, at the close of World War II the stage was all set for American imperialism to make a bid for world domination in the postwar period. This, many capitalist apologists hoped, would solve the problem of exporting America's huge surpluses of goods and capital. Hence, the capitalist ideologists, "exceptionalists" all, began to shout of America's moral duty to save and reorganize the whole world. Henry R. Luce, the big publishing capitalist, even before the war ended had issued his famous call for the inauguration of *The American Century*; Eric Johnston wrote his super-heated book, *America Unlimited*; an imperialist program based on what he calls "the people's capitalism," and innumerable other bourgeois writers shouted to the American capitalists to "come and get it" while the getting was good. Their central aim was to beat the unions in this country, to defeat world Socialism, and to re-establish "free enterprise" in all the major countries, which sums up to a program of American monopoly domination of the world.

The Rooseveltians took some exception to the ruthless competition, planlessness, and imperialist aggression that constituted the postwar economic program of Big Business. Having learned the lesson during the long economic crisis and depression of the 1930's that American capitalism, far from being crisis-proof as the monopolists' mouthpieces were bellowing once more, was subject to periodic and deep-going economic crises, they proposed, therefore, to guard against such collapses in the future by adopting a whole series of measures designed to buttress the purchasing power of the masses of the people. Quite generally, the Social-Democrats and many labor leaders accepted this Keynesian theory, which they found it possible to do while supporting American capitalism's imperialist foreign policies, and, in many cases, also the employers' class-collaboration speed-up plans in this country. Big Business spokesmen, however, dominating the Eightieth Congress just ended, rode roughshod over the Rooseveltian proposals to guard against the crisis and they set all sail on a course of "boom and bust." They also revived the "exceptionalist" theory that American imperialism, without any fancy Roosevelt-Keynesian reforms, was quite able to overcome any tendency on its part toward cyclical crises, with the addition that American capitalism can also put war-shattered world capitalism on its feet again—at least enough to check the spread of Social-

ism, Communism, and the new peoples' democracy.

The fresh upsurge of American "exceptionalism," which began toward the close of World War II, the perennial belief that capitalism in this country is not of the same stuff as the rest of world capitalism and can cure the latter's ills, again found a strong echo in the Communist Party. This time its advocate was Earl Browder, General Secretary of the Party. Browder, in his belief in the miraculous working powers of American capitalism, went far beyond the opportunism of Lovestone of 15 years earlier, and also even that of the most sanguine capitalist "exceptionalists" themselves. Like Lovestone before him, Browder undertook to support his opportunism by crudely distorting Marx and Lenin. What the Central Committee of the Communist Party said in expelling Lovestone in 1929 could well have been repeated against Browder in 1944, namely, that "all revisionists of Marx, all revisionists of Lenin, have always decked themselves in the role of the true defenders of Marx and Lenin." Browder, calling upon the Communist Party to lay aside the "old books" (namely, the Marxian classics) nursed nothing less than the conceited ambition of rewriting Marx on the basis of American "exceptionalism."

Browder, in order to show how American capitalism could overcome its internal economic and political contradictions and also rescue broken-down postwar capitalism in



other countries, drew, in his estimate of the significance of the Teheran wartime conference, a glowing utopian picture of the American big capitalists' voluntarily doubling and redoubling their workers' wages, and also of their launching great industrialization projects in various undeveloped parts of the world. All of these grandiose schemes were designed to spread broadcast democracy and mass well being. Strikes, Browderism held, were no longer necessary for the American workers. All they needed to do to get an expanding peace, democracy, and prosperity was to cooperate with the "progressive" and "intelligent" big capitalists of the United States.

This was an extreme example of American "exceptionalism." Browder, in his eagerness to adapt himself to the needs of the imperialists, cast aside not only the Communist Party and its goal of Socialism, but also every other principle of Marxism-Leninism. He became the self-appointed adviser-in-chief to American Big Business. His proposals could only work out to enrich the capitalists in the United States and to further the drive of American imperialism to master the world for the benefit of Wall Street. For trying factionally to support this grossly opportunist position, after it had been overwhelmingly rejected by our membership, Browder was expelled from the Communist Party.

The many big American strikes and political struggles, and the sharp international tensions, of the present

early postwar period have already destroyed Browder's fantastic "exceptionalist" dreams. This does not mean that attempts will not be made recurrently to resuscitate them. The coming economic crisis, signs of which are already at hand, will also, undoubtedly shatter the remaining bizarre brands of American "exceptionalism" even more completely than the great crisis of 1929 obliterated the then existing luxuriant crop of these characteristic American economic and political illusions.

#### "COMMUNIST MANIFESTO" IS VALID FOR THE UNITED STATES

American monopoly capitalism is not unique, a thing unto itself, with its own internal laws that are "exceptional" to the capitalism of other countries. On the contrary, it is flesh and blood, an organic part, of the world capitalist system, and it is subject to all of capitalism's inherent economic and political contradictions. American capitalism, despite its relatively greater strength, which is bred of its temporary advantages over the capitalism of other countries, is inexorably travelling the same path to decay as capitalism in Europe and elsewhere. The laws of capitalist growth and decline, worked out by Marx and Engels in the *Communist Manifesto*, apply to the capitalism of the United States, as well as to that of broken-down Europe.

In its present final monopoly stage

American capitalism, far from rescuing the world capitalist system from its general crisis with its Marshall Plan and other devices, is definitely deepening and worsening that general capitalist crisis. First, it is brewing a major economic crisis in the United States, which will have world-wide repercussions. Signs are multiplying that this economic crisis is now on the way. And when it arrives in full blast, it will deal a deadly blow to the already badly weakened world capitalist system. Second, American monopoly capitalism is now causing a new growth of fascism both here and abroad. This is demonstrated by such developments as the current orgies of Negro, Jew, Communist, and union-baiting in the United States, and by the Truman Administration's systematic support of fascists, royalists, and other reactionaries in various other parts of the world. Third, capitalism in this country, with its aggressive imperialist drive abroad and its ruthless campaign for militarism at home, is definitely fomenting another world war. But this war, which would be an atomic war on both sides, would not be such as the last two, in which we grew rich while other peoples did the main fighting and dying. Instead, this time our cities and industries would be ruined, and our people decimated. Moreover, we would have to fight the war virtually without potent allies, and we could not possibly win it.

Growing economic, fascist, and

war dangers are the stark realities of the effect of the United States upon the present world situation. They have nothing in common with Big Business "exceptionalist" demagoguery, shared by Republican and Democratic reactionaries, to the effect that American capitalism, turning the wheels of progress backward, can defeat world democracy and Socialism, and regenerate the world capitalist system. The whole course of American capitalism, if the monopolists are allowed to have their way, can only deepen the general crisis of capitalism and lead to further catastrophes for humanity.

American capitalism, despite its superficially prosperous condition, has fundamentally the same weaknesses as European and world capitalism. Hence, American workers, in their attitude toward capitalism, should draw basically the same conclusions regarding their system as the workers in other countries are doing. And, while bearing in mind specific American conditions, they should make fundamentally the same fight in defense of their living standards, peace and freedom. With these Marxian truths in mind, there are several major points of analysis and program upon which the labor and progressive movement in this country should orientate.

First, the workers and their friends should, as the advanced fighters in other countries are doing, realize very clearly that their main enemies are the big bankers, industrialists, and landlords—of whom the

Hoovers, Tafts, Deweys, Vandenberg, Trumans, Rankins, Hearsts, *et al.* are spokesmen. They should also realize that their fight must be pushed in such a manner that the power of these monopolists shall be curbed and eventually broken. The monopolists are the enemies of the people, the center of political reaction, the breeders of economic chaos, tyranny, and international conflict; they are traitors to the national interest, social parasites, and the major menace to civilization and the progress of humanity. The fate of our country and of the world depends upon economic and political power being won from them by the democratic masses of the people.

Second, the workers and other democratic masses should understand that the forces necessary to defeat the monopolists are the vast numbers of workers, farmers, intellectuals, Negroes, veterans, and other democratic strata, who constitute the big majority of the nation, and who must be united in a great national coalition. This is essentially the type of coalition that is taking shape, on a higher political plane, in the new European democracies, and it is native, too, to the United States. In modern American political history there have been movements possessing essential features of people's anti-monopoly coalition, which played important roles, as expressed, for instance, in the LaFollette electoral campaign of 1924 and the historically important Roosevelt movement following 1932. The effective crystal-

lization of the great national democratic coalition for the 1948 elections will require the establishment of a new, broad, anti-fascist, people's party to embrace all the forces that are naturally interested in opposing predatory monopoly capital.

Third, the workers and their political friends should realize, as have the workers of many other countries, that a powerful Communist Party is a major essential if a successful fight is to be waged against monopoly capital. They must put a halt to the Red-baiting which now poisons the labor movement. Big Business can be decisively defeated only if the broad mass coalition movement is infused with an understanding of Marxist-Leninist principles of analysis, strategy, and tactics. The building of a mass Communist Party is a vital political need of the working class and the democratic American people.

Fourth, the American democratic masses, led by the workers, should direct their blows against the three most deadly evils to which modern monopoly capital gives rise. That is, they should systematically protect the living standards of the workers against the developing economic crisis; they should resolutely defend their civil rights against the sprouting of incipient fascism; and they should militantly fight imperialism and the war danger by counterposing their program of international economic, financial, and political collaboration especially between the U.S.A., the U.S.S.R., and the new

European democracies, within the scope of the United Nations.

Fifth, the workers and their allies should fight not only for partial demands, but also against the capitalist system itself. Roosevelt's "New Economic Bill of Rights" and Wallace's *Sixty Million Jobs* offer, in the main, a program of important immediate economic demands; but the fight must also be pushed much farther than these Keynesian, or Roosevelt, reforms. The workers will begin to fight for such measures as nationalization of the banks and key industries, the establishment of a new and higher forms of democracy, production for use instead of for profit, and the establishment of Socialism.

The grave alternative now standing before the American working class, and indeed the American people, and it is an alternative, moreover, of profound significance to the whole world, is whether our people,

falling victims to the blandishments of glib-tongued American "exceptionalists," will allow themselves and the world to be led or driven by Wall Street big capital into fresh disasters of economic collapse, fascism and war; or whether, rejecting the false counsel of the "exceptionalists," they will immediately adopt the necessary measures to curb and finally to break the power of monopoly capital, and thus do their part in establishing a world of peace, freedom, and economic well-being. To the latter end, the leaders of the labor unions and the progressive movement in this country could do nothing better, in order to secure a reliable guide to their policy in these difficult days, than to study carefully the scientific principles laid down by Marx and Engels a century ago in the famous *Communist Manifesto*.