Report by
L. L. Sharkey
to the 15th Congress of the
Australian Communist Party
May 1948
FOR AUSTRALIA
Prosperous and Independent

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Mr. L. L. Sharkey, previously President of the Australian Communist Party, was elected to the position of General Secretary by the 15th Congress.

FOR AUSTRALIA
Prosperous and Independent
By L. L. SHARKEY.

The major characteristics of the post-war international situation are, I think, first, that the world has been divided into two camps, that of the peace-loving, truly democratic forces headed by the Soviet Union, and that of the imperialists headed by the Wall Street billionaires. Besides the mighty Soviet Union, the democratic forces include the People's Democracies, occupying a large part of the territory of Europe with a population of something like ninety millions, the colonial liberation movements, the great liberation army and people's democracy of North China and Manchuria, the great revolutionary labour movements of France, Italy and other countries led by Communist Parties, and the progressive forces in the capitalist countries.

The reactionary camp of the American imperialists includes everything that is rotten and anti-democratic in the capitalist world, the British, Dutch and French imperialist slave-drivers, the fascist feudal dictatorship of Chiang Kai-Shek, the Greek royalist fascists, Franco and the Portuguese fascist dictatorship, the fascist monopolies of Germany and Japan, which yesterday plunged the world into war, the Turkish dictatorship and the surviving remnants of fascism everywhere.

The very composition of the forces gathered under the banner of Yankee imperialism refutes the hypocritical propaganda cry that these are the forces defending democracy against the alleged "totalitarianism" of Socialism and the working-class movement.

On the contrary, Wall Street aims at world domination, for this purpose it organises its satellites for an attempt to destroy the struggle of the toiling masses for liberation and to reconquer for capitalism, fascism and imperialism, the People's Democracies of Eastern Europe and to attack the Soviet Union. Such are the criminal aims that Wall Street imperialism sets itself.
The second feature of the post-war international situation is the shattering of the foundations of capitalism and imperialism in the Second World War. This reveals itself in the inability of the capitalist countries such as Britain, France, Italy, Western Germany, etc., to recover economically. On the contrary, they sink even deeper into economic chaos. It is these capitalist countries who have to resort to what is called "American aid" because they are unable to rebuild themselves on the basis of the broken capitalist system. On the other hand, the Soviet Union and the People's Democracies, which suffered far greater damage in the second world war, are able to regain and surpass their pre-war industrial output on the basis of public ownership of industry and economic planning and without recourse to so-called American aid.

The United States itself is by no means immune from the consequences of the shattering of the foundations of capitalism in the second world war. The United States is faced with a giant cataclysm. Already there are three million unemployed and eight million partly unemployed workers in the U.S.A. There are no markets to be found in the capitalist world capable of absorbing the huge output of American industry. Therefore, the efforts of the Marshall Plans, the Cripps Plans, the Western Unions and all of the other measures taken by the bourgeois governments cannot solve the crisis of capitalism, but only pave the way for still greater economic catastrophes. Such is the picture presented by post-war capitalism.

The third, by no means least, feature of the post-war world is the advance of the progressive forces. The defeat of Hitler and the liberation of Europe unleashed tremendous revolutionary forces. Already strong People's Democracies have been established over a large sector of Europe. The Communist Parties have grown enormously, not only in the countries of people's democracy but in France, in Italy and elsewhere as well. The small Italian Communist Party of the days of Mussolini's dictatorship has now grown into a giant organisation of 2½ million members. The German Communist Party and the Socialist Unity Party have more than two million members as compared with less than half a million members of the German Communist Party immediately prior to Hitler's dictatorship. The European trade union movement also has shown comparable advance. The strength of the progressive forces in the post-war world is well illustrated by the heroic struggle of the Greek liberation forces, which have successfully resisted the combined attacks of Greek fascism and British and American imperialism, have grown in the struggle and have liberated seven-tenths of Greek territory and are preparing for an all-out offensive to smash the fascist army.

The heroic Spanish Republican fighters are also growing in strength and winning considerable successes in their armed struggle against the bloodstained Franco dictatorship.

In Asia, the progressive forces display similar strength and determination. The pride of place in Asia is taken by the massive struggle of the Chinese people, its millions strong liberation army and the great Chinese Communist Party of three million members. The Chiang Kai-shek dictatorship is tottering to its doom under the mighty blows of the liberation forces. Here we are witnessing one of the great decisive revolutions of history. A large part of Europe has been torn from the imperialist system. The passing of China from the orbit of imperialism will still further weaken and cripple imperialism and, in equal ratio, strengthen the forces of world progress.

In the colonial countries British imperialism, faced by powerful national revolutionary movements, has been compelled to seek compromises in new alliances with the national bourgeoisie expressed in dominion status in India and elsewhere. This will not end the revolutionary struggle of the colonial peoples. It means a change in the character of the struggle which in future will be led by the Communist Parties against both the native bourgeoisie and the feudal princes as well as the imperialists. The courage and determination with which the masses are struggling against reaction is reflected here in Australia in the willingness of the working class to
accept the leadership of the Communist Party and the
determination shown in recent strikes.

The approaching economic crisis in America and the
capitalist world will unleash further new revolutionary
forces. Such, I think, are among the main characteristics
of the post-war period in which we are now living.

THE MARSHALL PLAN

It is well-known now that the Marshall Plan aims at
the colonisation of Europe by dollar imperialism. At
the end of the war the American Government was
distributing relief through UNRRA. But the Government
of big business and military brasshats now in control in
America, who have set their compass for world domina-
tion, decided that they could use American relief supplies
to much greater advantage in furthering their imperialist
plans, so they put an end to UNRRA and developed the
Marshall Plan instead. The very essence of the Marshall
Plan is the restoration of the Ruhr industries and of
Western Germany as an American base for the conquest
of Europe and for war against the Soviet Union. There-
fore, the bulk of Marshall “aid” is going to Germany and
and Yankee trusts are not only strengthening their pre-
war alliance with the German trusts but acquiring a
dominating influence in German industries. It has led to
the ending of 4 Power Control and the splitting of Ger-
many. This policy means the repudiation of the Potsdam
Agreement on Germany, the repudiation of the solemn
undertakings of President Roosevelt. It meant the ignoble
repudiation of reparations from Germany for the brave
ally which bore the brunt of the anti-Hitler war and
which suffered so much from Hitler’s treacherous
attack, the Soviet Union. This action of the Anglo-
American imperialists in relation to Germany will be
branded by historians as one of the basest and most
treacherous acts in the whole sordid record of international
treachery. The German monopolists, who sponsored
Hitler and who benefited most during the period of
Hitler’s conquests, are to be restored, while the Soviet
Union, whose heroic efforts saved the world from Hitler’s
enslavement, receives no assistance to restore her devastat-
ted lands, on the contrary, is threatened with atom bomb
aggression and is hated and reviled by the imperialists.

It equals the betrayal of Chamberlain and Daladier
at Munich, when they planned to unleash Hitler’s mechan-
ised forces against the Soviet Union. It equals the
perfidy of Hitler when he broke the non-aggression pact
and treacherously attacked the Soviet Union. It ranks
with Churchill’s wartime treachery when he withheld the
Second Front in the vain hope that the Soviet Union
would be destroyed or at least fatally weakened by
Hitler’s armoured hordes.

And yet these imperialists, whose word is worthless,
whose signature is almost always dishonoured, have the
effrontery to accuse the Soviet Union of being unduly
suspicous of their intentions.

The Marshall Plan has already turned the British,
French and Italian Governments into the dependents of
dollar imperialism, but it has failed in the aim of under-
mining the People’s Democracies of Eastern Europe,
which, having nationalised the industries formerly owned
by Wall Street and the City of London financiers and
the local capitalists, are rebuilding their economy suc-
sessfully without having to give up their independence
in return for Marshall aid.

The Marshall Planners, as is well known, have demand-
ed the restriction of British and French shipbuilding
and send spaghetti to Italy and wine to France, the
home of these two commodities, and already successfully
demanded that the French and Italian Communists be
removed from the governments, and also that the
nationalisation policy in Britain be stopped. The Mar-
shall Plan pursues the aim of dumping surplus American
goods in Europe. It will not solve the economic crisis
in the countries that are recipients of Marshall Aid,
because it does not assist them to re-equip and rebuild
their broken industries. It is only a bribe to reactionary
governments. It is thus doomed to failure, as it will
not prevent the onward march and ultimate victory of
the European masses.
THE WESTERN UNION.

The Western Union is an imperialist bloc. It is the other half of the Marshall Plan. It represents an alliance in preparation for a new world war. It has been established professedly to defend "Western democracy" against Eastern Europe. It is, however composed, of the colonial powers, Britain, France, Belgium and Holland, who between them possess the Asiatic and African colonial empires — strange defenders of democracy indeed. More than this, the Dutch are conducting a brutal imperialist colonial war for the suppression of the Indonesian Republic and the freedom of the Indonesian people, while the French, using captured Italian and German fascist prisoners of war and backward tribes from Africa, are similarly attempting to drown in blood the free Republic of Vietnam; while British imperialists strive to retain their domination of their Asiatic colonial empire by resorting to new methods and are intensifying exploitation of their African colonies. Such is the true countenance of the so-called "democratic" Western Union.

This so-called Western Union has little economic or military strength of its own. It is dependent on the Marshall Plan. The governments of these countries have abjectly capitulated to dollar imperialism, which is now in progress of penetrating and taking over the real control of the colonies.

Already big American firms have an estimated hundred million invested in South Africa, and this total is growing all the time. In the Belgian Congo the United States takes all the uranium and the biggest share of the copper, tin, gold, palm oil, cotton, diamonds and rubber produced there. And this applies to all the other African colonies. In addition the United States has her own "colony" in Liberia and is building air and naval bases on the African continent. It is openly admitted by the sponsors of Western Union that it is practically useless without American military support, and as Wall Street is no Santa Claus, a high price will be exacted, namely, American penetration in all of the colonies of the so-called Western Union.

PROSPEROUS AND INDEPENDENT

These imperialist countries of the so-called Western Union are in no danger of attack from the Soviet Union, which is not an aggressive imperialist power but pursues a consistent peace policy. The capitalist class are in mortal fear of the actions of their own peoples, of the mighty Communist Parties and the fighting trade unions of France and Italy, which have thirteen million members. This is a major reason why they seek new wars and plead for American backing.

The Australian working class must resist being included in this so-called Western Union, which is composed of the colonial powers who are today the satellites of warmongering dollar imperialism. The so-called Western Union is not the nucleus of a United States of Europe. The catch-cry of a United States of Europe, which has now been taken up by the Right reformist lackeys, is a useful means of concealing the expansionist aims of the Dollar. The other half of Europe, the Soviet Union and the People's Democracies, has rejected capitalism and imperialism and is building socialism. These peoples, having withdrawn themselves, by means of heroic struggles, from the orbit of imperialism, have no desire to restore the rule of foreign imperialism, hence, the Western Union is but another imperialist intrigue.

Lenin long ago exposed the slogan of the United States of Europe when it was put forward by the opportunists, showing that under capitalism it would be only an expression of imperialism and exploitation of the agricultural countries of Eastern Europe and the enslavement of the colonial masses. In the new conditions of today the same slogan is put forward by Churchill and the Socialist betrayers in order to hide their real aims and carry on their struggle against the People's Democracies and against the Soviet Union. They assert that the United States of Europe is needed in order to overcome the economic and social problems of Europe. Under this high-sounding slogan of a United States of Europe, they paint themselves as noble heroes bent on uniting Europe, and accusing the People's States of splitting Europe and therefore hindering economic recovery. Under this high-sounding slogan of the United States
of Europe they demand that national boundaries be obliterated and that the liberated peoples give up their national independence.

This is obviously a part of Wall Street's plan for the colonisation of Europe, for the re-establishment of the power of imperialism in Eastern Europe and for the restoration of capitalism and the old reactionary ruling classes from whose yoke the peoples of Eastern Europe have succeeded in freeing themselves. Such is the real nature of the so-called Western Union and the imperialist demand for a United States of Europe, and it will occasion no surprise that the treacherous right wing Socialists have pledged themselves to the support of the United States of Europe plans of Anglo-American imperialism. The Rightwingers are very careful of course to evade the crucial question of what kind of United States of Europe it should be, whether led by the working class constructing Socialism or by the imperialists, who are preparing for a new world war. Both the Western Union and the United States of Europe slogan must be exposed and rejected for the hypocritical imperialist policies which are concealed behind them.

Australia should not join the so-called "Western Union." Such a course would mean acquiescence in the Anglo-American bloc instead of co-operation with all States through UNO.

The "Western Union" is openly proclaimed as anti-Soviet by its sponsors. The Australian people have no interest to serve in pursuing a policy hostile to the Soviet Union, but need a policy of friendship with the Soviet Union in order to assist in the preservation of world peace.

Again, if the "Western Union" develops as an economic organisation, Australian exports will be threatened by Britain's "Western Union" partners. Australia has nothing to gain from the Western Union and risks the danger of once more being asked to send troops overseas to back up the political manoeuvres of British imperialism.

PROSPEROUS AND INDEPENDENT

WALL ST., JAPAN AND US.

In the struggle against Wall Street imperialism too little attention has been given by us to the situation in Japan. The plans of the American imperialists, headed by MacArthur, are well known. It is the equivalent of the plan for Western Germany in the Far East. The militaristic Japanese monopolists are to be restored as part of the American war conspiracy. Economically, Japanese industry is to be revived as the "workshop of Asia," with the American billionaires receiving the lion's share of the profits.

This plan constitutes an obvious economic, political and military threat to Australia's future security. It contains the seeds of a future catastrophe as calamitous as the restoration of German strength and the installation of the Hitler dictatorship by international finance capital. The consistent exposure of MacArthur's activities in Japan must occupy a prominent place in our struggle against dollar imperialism.

The "silent war" of Yankee imperialism against the countries of the British Empire continues unabated. The dollar crisis without doubt is intended to smash sterling once and for all. In its heyday, London was the centre of world finance. The dollar has already replaced it over a large part of the capitalist world and is now busy undermining its remaining positions in order to further the hegemony of American finance-capital.

The anti-Soviet warmongering policy of Churchill and Bevin helps to convert Britain herself into a dependency of Wall Street, but this is not enough, Wall Street penetrates the British markets in the Dominions and colonies, as clearly shown in the Geneva Agreement, seeking to take the place formerly held by Britain, and ousts Britain from the markets in foreign countries. This intensifies the economic crisis in Britain and undermines Australia's export trade with Britain. This threatens the independence of all the British countries and our major struggle is to repulse Wall Street and maintain our independence.

It is not our policy to attempt to restore the old economy if British imperialism, which, in the present stage of capit-
alist and British imperialist decay is impossible in any case. Sometimes our propaganda could be taken to mean that we are fighting to restore the old imperialist economy in the fight to preserve independence from American imperialism. Certainly we resist the economic and financial encroachments of American imperialism as part of its general plan to dominate the world. But it must be made crystal clear that this fight is directed also at the British and Australian monopolists, whose policy is one of subservience to Wall Street imperialism, while striving to save as much as they can of their profits at the expense of the masses. The struggle for Australia’s independence from American imperialism is linked with the nationalisation of the monopolies and economic planning, with the struggle against British and Australian capital for a higher standard of living in order to render us less dependent on exports, with a peaceful international policy and realignment of Australia with the peace-loving and progressive world forces.

The fight for independence is linked directly also with defence of peace.

THE DEFENCE OF PEACE.

The aggressive policy of the Anglo-American imperialists has divided the world into two camps. The Anglo-American imperialists dream of world domination. This imperialist bloc, however, is not one of equals, because Wall Street is establishing its domination over its so-called partners, depriving them of their independence and colonising them.

The American imperialists, building up their stocks of atom bombs and other horrible weapons, are planning a new world war. The toiling people of the world, including those of America itself, do not want war. They want peace. This is particularly true of the Australian masses, who have no desire to give up their lives for the greater glory and profit of the Wall Street plutocrats and for the destruction of Socialism in the Soviet Union and Eastern Europe. None the less, Australia has been drawn into the warmongering bloc. American imperialism threatens us not only with the loss of independence, but also to drag us into a new war. Therefore it is the task of the Communist Party, together with all progressive Australians, to lead our country out of the camp of the warmongers and realign our policy with that of the peaceful forces throughout the world. We have the great responsibility of winning the struggle for peace. The struggle for peace demands the outlawing of atomic bombs and international disarmament.

To safeguard peace also demands reversal of the foreign policy hitherto pursued by the Federal Government, which has been responsible, together with that of Bevin, for aligning Australia in the imperialist front. Recently, there have been some indications that the Federal Government is becoming alarmed at the headlong imperialism of Wall Street and is to a certain degree changing its policy. The millionaire press, which formerly was full of praise for Dr. Evatt’s foreign policy, is critical of his more recent speeches on this subject. Everything must be done to strengthen this tendency and to bring about a reorientation of foreign policy. The big capitalists and the daily press demand the submergence of Australia’s interests to the needs of the Anglo-American bloc and give their full support to the plan to drag Australia into an unjust war. The reactionaries, the Liberal and Country Parties, the daily press, must be branded as the real fifth columnists and traitors to Australia. Because our Party fights for peace and opposes war with the Soviet Union we are called “traitors” by the reaction. We must show the people who the real traitors are, and unmask the conspiracy of the reactionary forces to involve us in war.

Reports indicate that a military pact between the U.S. and Australia is awaiting signature, if it has not already been signed.

Who threatens Australia?
No one menaces us with aggression.

Why then do we need a military pact with the American Government of Big Business and Brasshats? Any war these gentry engage in cannot, in the nature
of things, be other than a war of imperialist aggression, an unjust war. Those who want peace must oppose military pacts with imperialist powers and insist that the proper working of U.N.O. is Australia’s best safeguard.

Is the war danger immediate?

The propaganda for war, especially in the United States, is becoming stronger and leaders of the Wall Street Generals’ Government openly name the Soviet Union as the target for imperialist aggression. Not only this, but the American imperialists are proceeding with the militarisation of the country, reopening war plants and spending greater sums than ever on the army, navy and air force, while feverishly seeking for more powerful atomic weapons on which they spend huge amounts. Hence, there are real military preparations taking place within the U.S.A. as well as building of powerful bases around the globe.

Nevertheless, the imperialists are faced with many problems, the weakness and economic chaos in the European capitalist States and, above all, the power of the mass movements led by the great Communist Parties.

Zhdanov defined the position in his statement to the Nine Parties’ Conference: “It is necessary to bear in mind that between the desire of the imperialists to unleash a new war and the possibilities of organising such a war there is an enormous gap.

“The peoples of the world do not want war. The forces that work for peace are so considerable, so large, that if these forces are steadfast and resolute in the defence of peace, if they display stamina and firmness, the plans of the aggressors will be completely defeated.”

The answer to whether there will be war or not is to be found, in Zhdanov’s view, in whether, above all, the Communists are able to fulfill their responsibilities in uniting and activating the masses, who want peace, against the warmongers, in thoroughly exposing the war conspirators and unmasking them before the people. While the monopoly capital imperialists rule in the U.S.A., Britain and elsewhere, peace cannot be finally secure. The imperialists can only be restrained by mass pressure.

THE SPECTRE OF ECONOMIC CRISIS.

The Australian post-war economic boom continues and, as yet, there is no unemployment; in fact, there is a labor shortage in a number of major industries.

Industrial expansion still proceeds and the various Governments are pushing on with several large-scale public works.

While the dollar crisis and Britain’s parlous economic plight have affected the economy to some extent, this has not yet been sufficient to precipitate an economic crisis, that is, caused by over-production. In fact, in some cases, at any rate, it is probable that the opposite effect has been created. Chaotic international conditions have helped to maintain shortages of certain goods.

Does this mean that Australia is escaping the economic crisis already evident in the United States where there are already three millions of unemployed?

As students of Marxism-Leninism, we are aware of the fact that boom conditions, rising prices and profits and inflationary tendencies precede the crisis of over-production, that these are the very conditions that lead directly to over-production.

Marx teaches that capital rushes, particularly, to those industries where there is a shortage and consequently a ready market, rising prices and high profits.

At the moment, this is the very process that is manifesting itself here and making possible further industrial expansion. Up to date figures do not seem to be available in relation to industrial expansion and the number of workers employed in the factories. Here are some figures, which are neither up to date nor perhaps fully reliable, but which illustrate the pace of industrialisation, the greatly increased profits of the capitalist class and decline in the workers’ share:
The Federal Government and the capitalist press urge that whole British plants be transferred to Australia together with a large section of Britain's population. This is fully in line with the traditional Liberal policy of the Labor Party of developing Australia as a powerful capitalist State.

**ATTACK ON LIVING STANDARDS.**

The establishment of these overseas monopolies in Australia means to strengthen the tie-up with warmongering Anglo-American imperialism. It means that Australia could sink to the level of a semi-colonial country, whose wealth is sucked away by international finance-capital. That it would mean an attack on the living standards of the masses is abundantly clear from the recent experiences of the policy of the Hanlon Government in Queensland, which is hawking one of our richest natural resources, the Blair Athol coal deposits, among British and American finance capitalists.

To clinch this and other similar negotiations, the Queensland Labor Party Government set out to make Queensland a low-wage State, refusing to grant the workers the wage increases already won by the struggles of the big unions and uniformly adopted by the other States as well as the Commonwealth Governments.

This low-wage policy for the benefit of the profits of overseas monopolies was frustrated by the recent splendid strike struggle and smashing victory won by the fighting Queensland working class.

It is in the interests of this strengthening of monopoly-capital that the Labor Party has dropped the plank of its own platform relating to the nationalisation of key industries, which is the best way to further develop the industrialisation of Australia.

The Communist Party must champion more energetically than ever the nationalisation of basic industry, not only as the best means of combating depression, but to ensure our economic and political independence and to ensure that our economic resources are not plundered and ruined by monopoly capital.

Such is a general picture of the present, expanding and boom conditions of capitalism, but which undoubtedly drive inevitably toward overproduction and the collapse of the boom period. The approaching Australian economic crisis will be deepened by the economic chaos in Britain and the United States as well as the remaining capitalist countries.

Economic crisis will, without question, sharpen the capitalist offensive against the living standards of the working class and the strivings of monopoly-capital reaction towards war and fascism.

Thus our Party and the workers must be prepared for the most serious political and economic battles for the defence of living standards, for peace and democracy as the economic crisis commences to reveal itself in this country.
Can capital stave off economic crisis, can it restore equilibrium, can it re-establish tolerable living conditions? No. The capitalist politicians tell the people that capitalists can revive and restore itself by capturing new markets. It is unnecessary for me to tell delegates that American capitalism alone can flood the remaining capitalist world market. The Wall Street millionaires are cashing out Britain from its traditional foreign markets all over the capitalist world and are breaking barriers and invading Britain's markets in the Dominions and colonies in order to find an outlet and attempt to stave off economic crisis.

American monopoly capital is bent on the restoration, under its own control, of German and Japanese monopoly capital, and intends to further flood the markets with the cheap products of sweated German and particularly Japanese, labor. This is necessary for the war plans of dollar imperialism and also is an extremely profitable business for the Wall Street monopolies.

Shattered French and Italian capitalism likewise clamor for an increased share in what markets are available in their efforts to save the capitalist system. Obviously, the markets available are altogether insufficient, the very foundation of capitalism has been shattered and instead of establishing a new capitalist equilibrium on the basis of an expanding market, capitalism plainly marches on toward new economic catastrophes of the greatest magnitude. All the efforts of capitalism to stave off new crises will thus prove unavailing.

The economic crisis is also approaching in agriculture. World market prices for primary products have reached their peak and are tending to fall. The squatters and big wheatgrowers have reaped a rich harvest. The wool export in pre-war times averaged £481 million per annum. For 1947-8 the estimate is £133 million. The wool industry is mainly in the hands of the biggest landowners, the main group of the agrarian bourgeoisie, together with pastoral companies, and it is they who are reaping these enormous profits.

The wheat export cheque in pre-war times averaged £19,000,000. In 1947-8 it will reach £98,000,000 for less wheat exported.

The great bulk of the increased wheat acreage has come from the large and middle class wheat growers. Consequently payments out of the record cheque will also go to these growers. Small growers have been badly hit with lack of storage space, machinery, and high costs, which have negated any real benefit from the high prices. Already prices have dropped.

Increased prices exist for dairy, poultry and most other farm products, but production in all industries except wheat shows a decline over peak years.

Fruits in fruit and vegetable prices are very marked. Bananas, for instance, averaged 2s a case during the war, but now are 16/-.

The Queensland pear crop sold for from 4/- to 6/- a case although the Queensland rail strike kept the N.S.W. crop off the Queensland market. Similarly thousands of cases of tomatoes and beans were wasted.

I illustrate this point to show that where the Queensland strike held up the transport of pears to Queensland and bananas, beans and tomatoes from Queensland to Sydney, this made no difference whatever to local markets. Consumption is rapidly declining, due to high prices charged and relatively low wages. The farmer's position is relatively as bad as pre-war. The grip of the merchants and agents is even tighter as they have all the say in distribution of essential foods, fertilisers, seeds, machines, etc., which are still in very short supply at ridiculous prices.

While no recent figures are available, it can be estimated that there has been no improvement over pre-war in rural debts. Many farms have changed hands at inflated prices. Banks are freely lending money even in excess of Government valuations, machinery at 200 per cent. above pre-war prices can be bought on hire purchase at 8 and 10 per cent. interest.

World market prices have reached their peak, and are already declining. The Geneva Conference undermines Empire Preference. The International Wheat Agreement further destroys Australia's established world markets. Australia's farm industries and farm costs are seriously inflated above their pre-war capitalised level. The economic crisis will destroy the dreams of the great majority of producers, who, while they have glimpsed what prosperity can mean, have been unable to extricate themselves from the vultures of big capitalists.

**STRUGGLE AGAINST REACTION.**

Congress Resolution characterises the Liberal and Country Parties as the centre of reaction, promoters of fascist ideology, Parties as the centre of reaction, promoters of fascist ideology, Parties as the centre of reaction, promoters of fascist ideology, Parties as the centre of reaction, promoters of fascist ideology, Parties as the centre of reaction, promoters of fascist ideology. Our Party must recognise the menace to class and all toilers. Our Party must recognise the menace to class and all toilers. Our Party must recognise the menace to class and all toilers. Our Party must recognise the menace to class and all toilers. Our Party must recognise the menace to class and all toilers.

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the labor movement among large sections of the petty bourgeois
and among backward workers. The campaign of reaction is facil-
tated by the policy of the Labor Governments which have failed to
remove a number of grievances and more especially by the Red-
scare tactics of the rightwing within the Labor Party. The
Labor Party as an organisation is doing little or nothing to
combat the comprehensive propaganda and organisaional drive
of the reactionary parties.

This situation is a very serious, even a critical, one for the labor
movement as a whole. The victory of reaction would unleash an
democratic liberties of the Australian masses. Therefore, the
work of our Party. We must expose the lying propaganda that is
in view of the capitulation of the Labor Party before
reactionary offensive the main role in the fight to defeat reaction in
that we must make our Party more conscious of all
reality of the monopoly capital part. It means that our Party must press
on the struggle against reaction. Our task is to arouse the Labor
greater attention must be given to propaganda in the middle class
are and the extension of our agitation amongst the rural popu-
Pressure must be brought on the Labor Party leaders to fight
more vigorously.

This does not mean that we submerge the independence of the
Communist Party and devote all our time and energy to returning
the Labor Party. On the contrary, it calls for the maximum
independent activity on the part of the Communist Party. It
means greater activity among the trade unions and Labor Party
and the part of the Communists. Our trade union comrades
have a particularly important role to play in connection with this
struggle.

Nor does this mean that we give up the idea of standing Com-
munist Party candidates in future elections. On the contrary, it
demands that the Party commence its work on behalf of Com-
munist candidates immediately. The drive of the reactionary
danger of their persistent and widespread ideological and organ-
iser is brought home to the people by the heavy blows against the Liberal and Country Parties. Australian democracy is
threatened by monopoly capital. Monopoly capital, as Lenin

pointed out, is always striving towards reaction and violence. This
striving of monopoly capital reached its highest expression in
fascism. Fascism is the logical development of the final stage of
capitalism. The essence of fascism is destruction of the labor
movement—is in the first place the Communist Party and the trade
unions. It is, therefore, no accident that the main aim daily
announced by the reactionaries is the attempt to destroy the
Communist Party, the trade union movement and what is pro-
gressive in the Labor Party.

As in the fascist countries, other progressive organisations would
be destroyed once the labor movement, the core of democracy and
the centre of resistance to reaction and fascism, was itself
destroyed.

THE WOLF IN SHEEP’S CLOTHING.

In the English-speaking countries in particular, reaction hopes
to destroy democracy while paying lip service to democratic ideals.
Whereas Hitler and Mussolini openly proclaimed the destruction
of bourgeoisie democracy, which they designated as a “rotting
corpses,” in the English-speaking countries, which have lengthy
traditional reactions, on the other hand, does the role
of the champion of democracy and asserts that democracy is in
danger not from monopoly capital but from the working class.
Capitalism is heralded as the supreme freedom and socialism as
slavery. Any interference with capitalist profit-making is de-
nounced as dictatorial interference with individual freedom. In
this way things are stood on their head and black is asserted
be white.

The persecution of Communists, police violence against strikers,
repressive laws against trade unionism, all this is proclaimed to
be necessary to the “preservation of democracy.” It is, however,
a well-known historical fact that bourgeoisie democracy is forced
upon reactionary rulers by the struggle of the masses. It is an
equally well-known fact that a few monopoly capitalists control
the economic and financial wealth of the country and thereby
dominate in the end, not only governments, but the lives of the
people. The working class and Socialism destroy this dictator-
ship of the handful of big business men and establish a genuine
democracy on the basis of the public ownership of the means
of production—a true people’s democracy.

Our Congress resolution indicates the serious restrictions and
limitations placed upon bourgeois democracy in this country.
We Communists fight not merely to preserve this restricted
democracy, but to extend it. Education of the people around
the points enumerated in the resolution for the improvement
of democratic institutions is an excellent weapon in combating
the false claims of reaction that capitalism is democratic, while
socialism is bureaucratic. It is necessary to make our Party
more conscious of the need to combat the pretentions of the
capitalists to be the defenders of democracy and of the inter-
national imperialists who conduct their anti-Soviet and warmongering offensives on the plea of "defending democracy" and desiring its re-establishment in the Soviet Union and Eastern Europe.

Marxism-Leninism emphasises a thousand times the need for democracy on the part of the working class not only during the course of its struggle to end capitalism, but in order to unleash the great initiative and energy of the masses in theocracy and the establishment of a people's democracy, a higher form than capitalist democracy. It is therefore a cardinal principle of Marxism-Leninism and a major task of the Party, more especially in this period when reaction strives to make democratic slogans the weapons of capitalist scoundrels and warmongers.

The Communist Party is under severe attack from reaction. Capitalism is using every force at its disposal — the press, radio, leaflets, pamphlets, right-wing labor betrayers and the heads of various industries, together with the help of all sorts of hired intellectuals who devote their time to inventing new lies and falsifications about the Communist Party. Having developed this immense propaganda campaign, the reaction now demands that the Communist Party be outlawed. Our proletarian internationalism is declared to be subservience to a foreign power. Our struggle for peace is called libelous and slanderous. Our leadership is the struggle to improve the living standards, to decrease the misery of the working class. We are accused of creating chaos to assist reaction. Our policies are castigated hourly by the lying mouthpieces of monopoly capital.

Certainly we support the glorious efforts of the Soviet people to build a new order of society free from economic crisis, unemployment, wars and slums. Certainly we support the policy of the Soviet Union which stands for peace and progress and opposes the world domination plans of the imperialists. Such a policy is purely in the interest of the Australian people, whereas the policy of reaction but leads to new catastrophes.

The Soviet Union is accused of being imperialist and we Australian Communists, the supporters of this Russian imperialism, the Soviet Union, as a Socialist State, cannot be an imperialist power. There are something like 160 different nationalities in the Soviet Union, but all of these are on an equal footing of complete equality, none of them are colonies, all have equal rights and duties.

In the People's Democracies of Eastern Europe and of the Balkans the working class and its democratic allies have come to power, the factories have been taken over by the capitalists and converted to social property and the land of the large landowners distributed among the peasants. The people elect no Russian capitalists extracting super-profits from the industries controlled by the People's Democracies. There are no Russian troops to be found on their territories to protect the profits of foreign imperialists. Therefore, the position in the Soviet Union and the People's Democracies is the exact opposite of anything found in the colonies dominated by British and other imperialists, where the people are deprived of all rights, are slaughtered by foreign imperialist troops and the wealth of their countries drained away by foreign capital. Such is imperialism.

The Australian Communist Party struggles to establish the Socialist order of society in this country and to eliminate all forms of imperialist control of its resources of this country. We do not want to be a colony of any imperialist power. Communism fights for an international socialist order of society which means the destruction once and for all of all forms of imperialism. Such is our answer to the liars who claim we are agents of a foreign imperialist power.

The struggle for the legal status of our Party is a struggle to preserve this democracy, it is the struggle for peace, and therefore we must receive the support of every progressive Australian. The struggle against the proposed ban on our Party calls for the refutation of these and other slanders which the reactionary spokesmen would have the people accept as self-evident truths. This means that, in addition to the other measures to protect the Party, a widespread struggle on the ideological front to expose these falsehoods is necessary. I feel that these "self-evident truths" of reaction pass over the heads of far too many of our people. Our comrades too often do not pay attention to them in their daily work, in their speeches and their writings. We must remember here what Lenin said about that which is known to us not yet being known to the masses and realise that reaction already has gained some successes in selling these fabrications to the people.

The struggle to protect the Party must be carried on in every sphere. It is a battle that can be won and must be won. It is a decisive fight in the struggle to defend democracy and peace and to smash reaction.

The Draft Resolution gives a brief summary of the economic struggles of the trade unions in the post-war period. It indicates the activities of the trade unionists in the main in that they have been successful in the main in maintaining the wage levels of the old-time unionists and gaining the turnover back the capitalist post-war offensive and gaining the initiative for the workers.

The immediate results are seen in the early establishment of the 40 hour week, which the Arbitration Court and employers had hoped to postpone for an indefinite period in the hope that conditions might arise which would put an end to the possibility of obtaining the 40 hour week.

The economic struggles achieved a considerable increase in wages. The reactionary press is attempting to deceive the people as to the outcome of these strikes, fabricating lies to the effect
that no gains were made in the hope of discrediting the strike weapon and Communist leadership in the trade union movement. This calls for widespread exposure of this deception on our part.

In the main the slogan raised by our Party to go over to the offensive on the basis of the demands for the 40 hour week and the pound increase in wages has been realised. This faces us with the problem of working out a new major programme for the trade union movement. At the moment we have no concrete demand on either hours or wages.

**DEMAND THE 6-HOUR DAY.**

I am of the opinion that the slogan of the 6-hour day should be sharply raised as the next objective of the trade union movement in this sphere. Already the 6-hour day has been popularised to a certain extent by the trade unions. There is the annual 6-hour day march in Sydney. The 6-hour day slogan does not preclude the struggle for a lesser reduction in hours. It is necessary to give the trade unions a perspective and an objective to struggle for. Some may say that it will not be possible to establish a 30 hour week under capitalism or even in the early period of Socialism. Possibly this is true, possible it is not true. Nevertheless, the trade union movement must have a fundamental programme — that is the essential thing. In addition, in these days of rising prices and inflation, the struggle to increase wages must be brought to the forefront. It is necessary that a new basic wage demand be formulated.

There are also weaknesses in our trade union work. There is a tendency among some of our trade union people to issue orders from above without carrying out the necessary mass work from below, the necessary propaganda to convince the workers of the correctness of the aims for which struggles are to be conducted, a lack of preparation of the masses. Recent experiences in Newcastle and the South Coast of N.S.W. brought this out clearly. It is not sufficient to carry resolutions for action in union executives or in Labour Councils without informing the masses of the reasons for these decisions. As the class struggle sharpens this becomes more dangerous. It leaves the way clear for the disruptors and splitters to disrupt the unity of the workers during the struggles. Such a decision may even become a paper resolution which is not obeyed by the masses, which was the case in the instances to which I referred.

I feel, too, that the time has come when we must take a bolder political stand in the trade unions. We must pay far more attention to the political and theoretical education of the masses and fight more sharply against reformism and reformist ideology in the trade union movement. This will meet with resistance from the right wing, which at present is attacking the Miners' journal “Common Cause” and demanding that it be transformed into a sheet that merely publishes various awards or agreements made by the Federation. The right wing still fights for “no politics in the union.” This reactionary programme of reformism cannot be defeated by running away. It will have to be met and defeated in battle over this issue.

There is a tendency, too, on the part of some of our trade union comrades to act independently without proper discussion with the Party committees. In the present tense political situation where the enemy watches with eagle eyes for opportunities to take advantage of our mistakes, this too can be very dangerous. The action of a group of comrades in declaring the rocket range “black,” as is well-known, led to difficulties. There have been other instances. The best guarantee we have against mistakes is collective discussion, thorough reporting and careful working out of campaigns.

The question of the relation of the trade unions to the Labour Party has been raised. There is, or was, a conception in our Party that this is the way to build the United Front. To affiliate the trade unions to the reformist party obviously strengthens the reformist ideology and leads to the belief that the A.L.P. is the true party of the workers. Possibly it was tactically correct on occasions in the past to affiliate some unions, but in the position today when the Labor Party tends ever more in the direction of the camp of the imperialists and ever more clearly embraces the sabotaging role of social democracy, it is clear that we cannot pursue a policy that strengthens the reformist grip over the trade union masses. On the contrary, we must work to separate the masses from the right wing leaders in the trade unions and elsewhere.

In this connection the line adopted by the Ironworkers’ Union seems to meet the position, that is, to provide facilities for those members of the union who wish to do so to support financially and otherwise the Labor Party.

Major lessons can be drawn from the Queensland strike. The first lesson is the willingness of the workers to fight and the determination with which they carry on the struggle and their acceptance of Communist leadership. The second lesson is the correct estimation of the strength of the class forces in each instance. Strikes will be harder to win as the economic crisis deepens. Strikes are the economic crisis instance. Strikes will be harder to win as the economic crisis deepens. Strikes are the economic crisis instance. Strikes will be harder to win as the economic crisis deepens.
DEFEAT REFORMISM IN THE TRADE UNION MOVEMENT.

The future will bring even greater struggles for the trade union movement in the fight against economic crisis and against the warmongers and against the developing fascist move of the ruling class, which seeks to destroy the independence of the trade union movement. This calls for the further strengthening of our positions in the trade union movement and for the greatest skill and political understanding on the part of our comrades leading the work of the trade union sphere.

The crucial struggle is to change the leadership of the A.C.T.U. and the State Labour Councils, where reformism is strongly entrenched and in every way is sabotaging the development of the trade union movement, opposing and betraying the Labour movement. The experience of May Day is an outstanding example of this and emphasises the need for redoubled efforts to overthrow the right wing leadership in the various unions in order to change the personnel and policy of the leading trade union centres. This must be tackled with greater energy and skill than we have marked our past efforts.

The trade union movement is faced with a stern struggle against repressive legislation. Hanlon, the so-called Labor Premier of Queensland, has led the way with the worst piece of Governments, comparable with the Crimes Amendment Act of the Menzies-Padden reaction which it is holding in readiness for an attack on the workers. The Menzies-Padden reaction has repeatedly announced its intention of introducing union-smashing legislation if it recaptures power.

The right wing traitors introduce rules banning Communists from taking office in the unions, in this way aiding the plans of these campaigns to destroy trade union independence.

The reaction aims at the smashing of militant unionism, the destruction of union democracy, and the establishment of a plan, the suppression of democracy and the preparation for a new capitalist attack on living standards as the economic crisis deepens. The Party and the trade unions must fight this attack with every weapon at their disposal.

One of the decisive achievements for our leadership in the trade union movement was to turn back the capitalist offensive on the trade union movement and to transform it into a workers' counteroffensive which gained the 40 hours week and this was. It proves that we can smash the new offensive being prepared against the working-class movement.

THE PEOPLE'S FRONT.

The key to the successful leadership of the masses by our Party is the People's Front. History has shown that the People's Front makes possible the widest mobilisation of the masses—and is the easiest path to the leadership of the broad masses for the Party.

As a consequence of the experiences of the People's Democracies today there is a fully-developed theory of the People's Front not only as the leader of the struggle against the capitalists for partial demands and as a transitional form of government, but as a State form embodying the power of the masses which constructs Socialist society. Tito, Dimitrov and other leaders have stated that the Dictatorship of the Proletariat in its classic form as witnessed in the Soviet Union is not necessary in the People's Democracies that the People's Front organisation as the State is all that is required.

The concept of the present People's Government gives way at a future date to the Dictatorship of the Proletariat is incorrect because, due to historical circumstances, the class enemy is unequipped to resort to armed struggle in the People's Democracies and nor will he be enabled to do so in the future, despite the class struggle that still continues within the People's Democracies. To assume the need for the Dictatorship of the Proletariat at a future date would assume that the class enemy is becoming stronger instead of weaker.

Marxism-Leninism lays down no dogmas as to the form which the historical transformation of society must take. Lenin explained that the form taken in the Soviet Union was the result of a number of historical conditions. The Kornilov revolt, his armoured power which the 1917 revolution overthrew, indicated that the moment when a peaceable taking of power had been possible had passed and that an armed seizure of power was the only alternative. The arming of the White Guards and foreign intervention caused a prolonged civil war. Lenin indicated that the reason for the existence of one Party Lenin indicated the reason for the fact that the fact that all other parties had destroyed themselves by making common cause with the counter-revolution and imperialist interventionists.

Marx's statement that at a certain period the workers of Britain and U.S. could have come to power through the existing democratic machinery well known to us.

This elaborated concept of the People's Government then in no wise contradicts the basic teachings of Marxism-Leninism, but, on the contrary, flows directly from it. Further than this, the People's Front has to be built on the given historical conditions of each country, which accounts for the differences to be observed in the countries of People's Democracy.

The comrades in the People's Democracies are at present engaged in studying their own experiences with a view to drawing the necessary theoretical conclusions from the standpoint of Marxism-Leninism, which we await with keenest interest.
FOR AUSTRALIA

It is clear enough that:
(1) The main basis of the People’s Front is the united front of the working class.
(2) There must be a strong alliance between the working class and toiling farmers.
(3) This alliance influences the urban petty-bourgeoisie and wins them to the side of the labor movement.

Therefore, it is vital for us to extend all the time the united front with the ALP workers.

The struggle for the united front is at the same time a struggle for the defeat of the Right wing within the labor movement. It demands consistent, constructive criticism of the right wing and of the policy of Labor Governments, while at the same time supporting that which is progressive in the policy of the ALP. The independent policy and proposals of the Communist Party must at all times be emphasised.

In the People’s Democracies, in Italy and the Soviet Zone in Germany, the historical split in the working class, which has had such dire effects upon the fortunes of toiling humanity, opening the gates to fascism and war and prolonging the life of capitalism, is being healed on the basis of organized unity of the working-class parties and the acceptance of Marxism-Leninism as the guiding theory of the proletariat.

Such is our ultimate aim also in regard to the split within the extreme right wing and the Catholic Actionists and others, movement, to fatally weaken the labor movement in the interests of the capitalist class whom they serve. Recognising this grave danger the Party must redouble its efforts to weld the unity of the labor movement and to build the united front with the ALP workers.

In building the united front and the People’s Front we must take into account the criticisms made by Marshal Tito on misunderstandings from above, and neglect of the fundamental work from below, ‘he need for a firm leadership and a correct organisational structure of the People’s Front movement.

The building of the People’s Front is at the same time the building of the alliance of the workers and toiling farmers. Stalin explained the differences between Lenin’s theory of the Socialist Revolution and Trotskyism, when the latter was still a “trend within the labor movement,” showed that the fundamental of the peasantry as the ally of the proletariat, Trotskyism arrived constructing Socialism in one country, because of the supposed hostility of the peasant masses and this led to the Trotskyists in the

PROSPEROUS AND INDEPENDENT

Stalin has further taught that the defeat of the Socialist Revolution at the end of the imperialist World War I everywhere except in the Tsarist Empire, was due to the fact that the working class stood alone, without allies.

Lenin emphasises over and over again the importance of the agrarian masses, while, of course, indicating that our starting point in the countryside is the rural wage-workers and semi-workers, and that the workers must play the leading political role. The People’s Front movement must, therefore, be built also in the countryside, promoting and embodying the firm alliance of the working class with the rural poor.

Such, I think, are the general outlines of the People’s Front. Dealing with the tasks of the Party in his report to the Central Committee, in our last February, Comrade Dixon said:

“The major task that confronts the Party in the present situation is to develop the mass struggles of the working class and of the people, to develop all kinds of movements of the people with the object of laying the basis for the People’s Front in Australia. We are not calling for the immediate establishment of a People’s Front because the situation is by no means ripe for it. The time has not arrived when we can issue the call for the establishment of the People’s Front. Much work must be undertaken, more activity must be developed, before we can even talk of the beginnings of the People’s Front.

“The Party must organise all kinds of mass action, struggles among the everyday needs of the masses, in the course of which we must establish committees representing the various sections of the people engaged in these struggles. We must develop powerful movements of opposition to the warmongers for lasting peace, we must lead the struggle for Australian independence against penetration of American imperialism; we must organise the maximum opposition to the reactionary fascist legislation passed in a number of the States and by the Federal Parliament; we must develop the struggle against all attacks on the liberties of the people for the progressive development of democracy in Australia; we must stand at the head of the movement for economic and social progress and to combat economic crisis.

“On the basis of these various activities in which the Communists engage we must build organisation that will permit of the launching of the People’s Front in Australia.”

Despite this clear statement of our tactics in commencing the organisation of the People’s Front, certain C.C. members as well as other comrades have already improved upon the policy of the C.C. by raising the slogan of the People’s Front in the very way that Comrade Dixon condemned as premature and unreal at this stage. If this has happened already it warns us to be ever on the alert against mistakes of all kinds and calls for an ideological and educational crusade within our Party to clarify the minds of the Party members as to how we propose to commence the building of the People’s Front in the immediate future.
I have already said that the People's Front is the answer to the manifold tasks that face our Party: the winning of the leadership of millions of toilers, the defence and raising of living standards, the defeat of the imperialist war conspiracy, the defence of our Party and the right to strike, and of Australian democracy in general, the solution of the great problem of a firm alliance between the working class and the poorer sections of the farming population and the defence of national independence against Yankee imperialism and its lackeys in the local reactionary camps.

Such are the mighty possibilities and tasks which can be adequately met and solved by the correct application of the united front and the People's Front.

PATH TO POWER.

After the question of the path to working-class power is raised by comrades, particularly as a result of the experience of the European People's Democracies.

Here certain historical conditions were decisive, i.e., the wartime struggle was at the same time a struggle against the fascist invaders and the collaborationist ruling class. The old fascist rulers shared the fate of Hitler, they were utterly defeated and broken, their reactionary state power collapsed and was replaced by the People's Front organized as the new state.

The second decisive factor is the proximity of the mighty Socialist power, the Soviet Union, which was able to guarantee the People's Democracies of Eastern Europe against imperialist intervention and to render adequate economic assistance, thus ending their age-old dependence on foreign imperialisms. The liberation war against fascism is thus seen to have been twofold—national and social liberation.

In the cases of China, Greece and Spain, armed struggles of a decisive character are proceeding as a result of intervention in their domestic affairs. In the case of Greece, British and American imperialism intervened at the height of the People's War against capitulation, using its aviation to transport the dictators' troops to key points in North China and Manchuria, and to seize the coastal towns and ports. America armed the Chiang dictatorship with billions of dollars worth of war materials, besides training its troops.

In Vietnam and Indonesia there is an armed assault upon these republics by French and Dutch imperialism, who are equipped and supported by Anglo-American imperialism.

It is clear then that the character of the struggle of the masses for liberation takes on different forms according to prevailing conditions and the balance of class forces, national and international, at the given time. There can be no dogma, nor does Marxism-Leninism lay down such a dogma as to the course of events in any given country.

We have, on the basis of Marxist-Leninist science, to find the way forward in the existing conditions, and particularly, in accordance with the traditions and peculiarities of each country and act accordingly.

THE FIGHT AGAINST OPPORTUNISM.

There have been mistakes made and revisionism in a number of Communist Parties during and since the anti-fascist war. There was the case example of the revisionism of Browder in the United States as the outstanding example. Post-war developments have annulled the revisionist ideology of Browderism which stands revealed as an ideology of world domination by U.S. imperialism which it would facilitate.

Marshal Tito criticized the mistakes of the French Party, particularly in regard to agreements from above and failure to consolidate organizationally the unity of the masses from below. This criticism by Marshal Tito applies to other parties besides the French party. Our party must fully draw the lessons from what Marshal Tito had to say on that occasion.

Our Central Committee has criticized the policies of the C.F.G.B. which we consider to be of a revisionist character.

In India, the party leadership for long pursued an opportunist line. This deviation was dealt a fatal blow at the Second Congress of the Indian Communist Party, which I had the great privilege of attending. The former General Secretary, Comrade Jochi, was at the head of this opportunist trend. It consisted in tailing behind the bourgeois nationalists and led after the establishment of the Dominion Government of the Indian bourgeoisie, to the party being placed largely in opposition to the revolutionary struggle of the Indian masses. It led to substituting a policy of demanding the economic consolidation and building up of a “new India” on a capitalist basis in lieu of the class struggle for a people’s government in India. It was an Indian equivalent of the British party’s “produce or perish policy.” This opportunist trend led the Indian comrades to acceptance of the Mountbatten Award, which divided India and unleashed communal massacre on an unprecedented scale and which aims at the retention of imperialist control over India. It retarded the growth of Indian Communism and the development of the revolutionary struggle of the great Indian masses. Such mistakes are extremely costly for the Party and the masses. A similar trend was to be found in the Cinhalese and Burmese parties, which also retarded their growth. Some of the European parties have, I feel, been weak in their attitude to the colonial struggles.

I cite these examples as a grave warning and a lesson to our Party. These examples teach us that we must stand firmly on the granite foundation of Marxism-Leninism, that we must never lose sight of the class struggle, that we must preserve a firm
revolutionary line no matter what tactical changes in our policy are required by changing conditions or what compromises or retreats may be forced upon us during the protracted and complicated struggle for the political victory of the masses and the struggle to build Socialism. We are by no means insulated against deviations as the class struggle sharpens and greater problems have to be solved.

Here we have the great example of the Bolsheviks to guide us. We have the classic examples of the Chinese and Yugoslav Communists as models of flexibility combined with iron adherence to Marxist-Leninist principles in all situations.

Despite our weaknesses, our party has led the struggles of the workers and toilers generally since the close of the war. We have met the post-war capitalist offensive blow for blow and succeeded in turning it into a workers' offensive winning substantial economic gains. We took a correct stand on Indonesia and the colonial question generally. We went over to the attack on dollar imperialism and commenced to expose its war plans in good time. Our Party repudiated Browderism.

Our general line, I think, has been fairly correct, while we have often criticised ourselves for tactical mistakes and weaknesses in applying policy. We must be vigilant against underestimation of the strength and willingness of the masses to struggle. We must remain on guard against the infiltration of revisionist and opportunist ideology and be as alert as hawks for weaknesses in our work, using the self-critical weapons unsparingly as well as making full use of collective discussion of policy throughout the Party. Only in this way can we arm ourselves against harmful deviations from Marxism-Leninism.

A CENTURY OF COMMUNISM.

Comrades, our Congress coincides with the hundredth anniversary of the foundation of the Communist movement—publication of the Manifesto of the Communist Party.

The great ideas of Marx and Engels have girdled the globe. Great workers' Parties have been founded in their name.

A large part of the earth has embraced their principles as the true way of life.

Social evolution has followed the course indicated by Marx and Engels, i.e., Capitalism has developed catastrophically, and has given birth to wars and economic crises. Today Capitalism is in chaos, facing its inevitable doom, its foundations are shattered.

There is no other way out for toiling humanity than Communism, there is no leadership capable of leading the nations to liberation, other than the Communist Party, the historic creation of the titanic labors of Marx, Engels, Lenin and Stalin!

All roads lead to Communism.