
FASCIST PENETRATION IN LATIN AMERICA

BY SAMUEL PUTNAM

ON NOVEMBER 10, 1937, Getulio Vargas, the virtual dictator of Brazil for the past seven years, announced the "adoption" of a new "constitution" abolishing all constitutional government and setting up a "corporate" or "totalitarian" state. Four days previously, on November 6, Mussolini had joined with Hitler and the Japanese imperialists in an "Anti-Comintern" pact. Upon returning from his visit to Germany, Mussolini had proclaimed the intention of the "fascist international" to include other countries in the pact, and had specifically mentioned Brazil as being already "virtually a fascist state." At the same time his journalistic mouthpiece, Virginio Gayda, was declaring that Brazil was ripe for membership in the new "Holy Alliance." Vargas thereupon proceeded to follow the usual fascist technique of unearthing a "Communist plot" as an excuse for the seizure of unbridled power in the manner of a Hitler or a Mussolini.

What was happening should have been, it would seem, plain enough to anyone—to anyone, that is to say, except a Sumner Welles, a Walter Lippmann, or the numerous other high-salaried agents and press agents of Wall Street imperialism, who have an object in concealing and perverting

the facts with regard to the Vargas regime. The truth is: the interests these spokesmen represent are quite willing to have a fascist state in Brazil, or elsewhere in Latin America, provided it does not interfere with business—their business. They are playing Vargas' own game; for Vargas also has reason to conceal, for the time being, the exact nature of his relations with German, Italian and Japanese fascism, which have been assiduously developed by the fascist powers over a period of years.

There is, however, at least one section of the North American monopoly-capitalist press which is a little more frank as to what is going on in the southern half of the Western Hemisphere, as is shown by a glance at the December, 1937, number of that de luxe organ of big business, *Fortune* magazine, which announced for 1938 an extended series of articles on Latin American countries. (The January issue lead off with one on Peru.)

"Brazil," says the unsigned writer in the December *Fortune*, "lies not in the South Atlantic but in those political oceans which divide the United States and Nazi Germany. . . . South America lies across the path of dictatorial dreams." After pointing out the danger of fascist "support" from

abroad, of the kind that Franco has received in Spain, the writer adds: "Fascism does not attack from across frontiers in the Napoleonic manner. Fascism attacks from within by the cancer and from without only as the cancer's solicitous and devoted friend—the knife."

It is essential, to begin with, that we realize definitely that fascism is no longer a phenomenon limited to Europe and the Far East, but that its hand has reached across the Atlantic and to a greater or less degree has been laid upon *practically the whole* of the vast continent to the south of us, while through the Vargas coup its grip has now been clenched on more than half the population and nearly half (47.8 per cent) of the area of that continent, thereby threatening to add to the Rome-Berlin-Tokio arc the fourth largest country in the world in point of physical size, the ninth in population, with an area of 3,285,319 square miles as compared with our own 3,026,789, and with 47,000,000 inhabitants—a country with the largest iron reserves and with an agriculture that rivals its mineral wealth, producing 67 per cent of the world's coffee, ranking third in cotton and rubber and second in cocoa production, and contributing heavily to the international sugar market.

"Let no one imagine that this Western Hemisphere will not be attacked," President Roosevelt warned in his Chicago speech. That attack began some while since on the economic plane, and is now being carried over onto the plane of politics.

FASCISM HAS FOOTHOLD IN
WESTERN HEMISPHERE

Fascism in the Western Hemisphere

is no longer a threat; it is a reality. It is true that fascism has not yet been consolidated and stabilized in Brazil; there are definite forces to the Right (rival dictators) and to the Left (the revolutionary and democratic forces represented by the imprisoned Luis Carlos Prestes, Brazil's "Knight of Hope," and the National Liberation Alliance movement, the Democratic Student Union, etc.) which continue to threaten its existence for any length of time. A semi-colonial country still, Brazil has an economy that represents a combination of native capital with latifundist (semi-feudal, big landlord) interests, now allied with the finance capital of Germany, Italy, and, to an extent, Japan. A fascist state in Brazil thus becomes, economically and politically, a spearhead of the world fascist offensive, the Trojan Horse that conceals the armed forces of a new world war, destined rudely to shatter the dreams of the smug isolationist and the pacifist, unless such encroachments are summarily halted by the united forces of democracy on both continents.

It is for this reason that those who would make out the Vargas coup to have been no more than "one of those South American revolutions" do so great a disservice to the cause of peace and humanity. This is neither a "revolution" nor a dictatorship of the kind known of old. The change is *not one of dictators*, but in *the very form of the state*, accompanied by such characteristic features of fascism as the abolition of all democratic rights along with all constitutional government, the suppression of provincial, municipal, all local autonomy, the outlawing of strikes, trade unions and all political parties.

The real nature of the Vargas coup and of the threat which hangs over all of South America, *drawing nearer every day to North America*, is best brought out by a study of those economic forces and antagonisms which lie behind and determine the course of political events, and of the means by which the aims of Hitler, Mussolini, and the Japanese imperialists are being carried out. This necessitates a glance at the force which has molded Latin America's economic destiny in the past, namely, British and American imperialism. At the beginning of the present depression era, South America got 83 per cent of her imported goods from the United States or Great Britain and less than 17 per cent from Germany, Italy and Japan. Compare the figures for 1936, when Anglo-American exports to South America had dropped to 72 per cent, while German, Italian and Japanese had risen to around 28 per cent. This indicates that the fascist powers have been making a determined drive and that this drive is progressing rapidly.

In order to gain the upper hand economically, the foreign fascists must of necessity usurp the native economy to the detriment of the native working and middle classes; which means that Getulio Vargas is not, as he claims to be, for the people of Brazil, but for Hitler and Hitler's allies. But so, for the matter of that, are the Brazilian latifundistas, and the dominant sections of the native capitalist class, who see their interests as coinciding with those of the foreign invader against their own enslaved and exploited fellow countrymen. In this, the landlords and capitalists receive the whole-hearted backing of the Roman Catholic Church in Brazil, which has

a strong monarchist Catholic Action party, corresponding to the Action Francaise in France. For the Integralistas, or Green Shirts, are not the only fascist organization; there are a number of such organizations, varying only in the shade of reaction advocated.

If fascist political forms are to be transplanted and inculcated, resort must be had to every method known to modern propaganda, press, radio and all the rest; and fascist puppets must be set up and maintained in power. This explains why it is that the Nazis, through the German & South American Bank, contributed nearly half a million dollars to Von Cossel and his Brazilian Green Shirts or Integralistas, who, in addition to the backing of such German industrialists as Renner, Von Hartt, Hasenclever, Henning and Stoltz, together with the active assistance of the Gestapo, receive the support of the Italian banker, Count Matarazzo. Similarly, in Peru, Italian commercial ascendancy rests upon the fact that the corrupt and unprincipled dictator, Benavides, is Mussolini's pliant tool. And just as they intervened in behalf of Vargas in Brazil, German and Italian fascists in Mexico, in league with fascist Spaniards and reactionary native elements, are plotting the overthrow of the Cardenas government and the fast-forming Mexican People's Front, and are aiding the concentration of arms in Guatemala, of which they hope to make a second Portugal, should Mexico become a second Spain. There is at present said to be an armed force of 100,000 in Guatemala.

Thus, the bringers of fascism to Latin America are not primarily the British and American imperialists who for so long have controlled the

continent's economy, but rather those who, however sympathetic their political forms may appear to be to London and Wall Street, now inevitably begin to loom as the trade enemies of American and British finance capital. The writer in *Fortune* senses this, when he says:

"Political and economic revolutions in Europe have substituted for the colonial aspirations of Britain and France the raw material and market aspirations of Germany and Italy, and South America in consequence lies more directly within the field of European ambitions than any part of the Americas has lain since the eighteenth century."

PLANS OF FASCIST AGGRESSORS INCLUDE AMERICA

For South America is distinctly within the picture so far as the plans of the fascist world war-makers are concerned. The latter are not forgetting the wartime value of Argentine meats and grains and Chilean nitrates, a value that was brought out in the last war, in the course of which two naval battles between England and Germany were fought off the coast of Chile. In the event of another war, with the fascist nations on one side and Britain on the other, the former undoubtedly would attempt to cut off England's food supplies from South America and obtain such supplies for themselves, which could only mean the spreading of the war to this hemisphere and the altogether likely involvement of the United States. It is not for nothing that Italian commercial planes now plying the South Atlantic are of the bomber type. And the average North American, with his hazy knowledge of South American geography and his comforting illusions as to the "good wide ocean" between ourselves and Europe, would

do well to keep in mind that the run from Pernambuco, Brazil, to Lisbon, Portugal, is 540 miles shorter than the run from Pernambuco to New York.

But United States finance capital interests are even more directly involved. It is instructive to view what has happened to our trade with Latin America in contrast to that of Germany with the same countries. By 1936, our trade was little above the 1914 or pre-war level and far below that of the decade 1920-1930. The Germans had edged the United States out of first place in exports to Brazil (23 per cent of which Germany now supplies) and to Chile (Germany now supplying 29 per cent where the year before she had supplied but 10 per cent). German exports to Brazil for 1937 totaled \$35,874,000; those of the United States amounted to \$32,789,000. The United States is still first in Columbia, though even there Germany has now taken second place from Great Britain and has just completed an agreement with regard to oil concessions. While United States investments (impaired nearly 50 per cent by defaulted bond payments) represents about half of the \$400,000,000 foreign capital in Peru, German exports to that country in 1936 showed an increase of 68 per cent over 1935, having risen from \$3,120,000 in 1934 to \$11,600,000 in 1936, an increase of more than 300 per cent for the two-year period. The German Gildermeisters control 43 per cent of Peru's sugar crop, representing an investment of from \$15,000,000 to \$20,000,000. German exports to South America as a whole for the first half of 1937 amounted to \$149,000,000 as against \$214,000,000 for the whole of

1936 and a total of \$108,000,000 for 1932, the year before Hitler came to power.

STAKE OF YANKEE IMPERIALISTS

From this it may be seen that North American monopolists have a considerable stake in Latin America. Great Britain and the United States together have an investment there of more than \$10,000,000,000, England being the largest holder, while the United States share is somewhat less than \$5,000,000,000, including about \$1,500,000,000, invested chiefly in utilities, oil and mining properties.

That the state of our trade balance with Latin America is becoming a matter of grave concern to this country is indicated by a number of events within the past year or so. Most outstanding of these was President Roosevelt's "good neighbor" visit to Buenos Aires at the end of 1936, the year in which our Latin American exports began to show so decided a drop in comparison with the German. Another was the extension last July of a \$60,000,000 gold credit to Brazil in return for trade concessions. A third is the increase just granted to Peru in the matter of its sugar imports into the United States, a surprisingly large increase, from 5,500 to 53,573 metric tons. However, such methods as gold credits and quota extensions do not appear to be of much avail in halting the German and Italian inroads.*

* Since this was written Mr. Turner Catledge, correspondent of *The New York Times*, reports negotiations "now in progress between private and civic interests and the government" aiming at "a definite plan, designed to meet the inroads of fascist propaganda in South America."

"Of all the developments in the southern region at this time," the correspondent writes, "the government in Washington seems most immediately concerned with the propaganda

The question arises: how is this economic invasion of the southern continent being accomplished? How does it come that Germany, Italy and Japan, after all these years, are, seemingly of a sudden, wresting South American trade supremacy from England and the United States? It surely is not an affair of chance. It is true, there has been in the past few years a determined and planned drive for these markets on the part of the fascist powers; but this alone, without taking into consideration the historic world economic factors that have favored it, is not sufficient to account for what has happened.

It was the imperialist World War that gave North American finance capitalists their chance at the Southern markets. British and other European commerce with South America practically ceased during the war; whereupon the United States stepped in, with its news services, "good will" overtures and, above all, with its banking investments on the part of the Chase National Bank, the National City Bank (International Banking Corporation), and others, with its utilities, steamship lines, etc., all of which was backed by a policy of military aggression, political meddling and, frequently, open intervention, as in Cuba. By 1920 Wall Street's South American investments had risen to \$1,975,000,000; by 1930 they amounted to nearly five billion dollars. From 1921 to 1925 United States exports to South America averaged \$279,115,-

of the three chief fascist powers—Germany, Italy and Japan. In them is to be seen a direct challenge to American influence in Latin America. In the case of at least one of these countries the campaign very often takes the form of direct verbal assaults on the United States government." (*New York Times*, Feb. 12, 1938).—*The Editors*.

000; from 1926 to 1930 the figure was \$447,860,000.

Then came the Wall Street crash of 1929 and the beginning of the general economic crisis of 1929-33 in the capitalist world. The effects were at once and startlingly visible in the foreign trade statistics. United States trade with Latin America as a whole for 1930 amounted to \$686,044,000, the lowest figure since 1922. By 1931 exports had dropped to \$158,691,000, and in 1932 they touched a low of \$96,589,000. For 1932 was the bottom year of the crisis, with an industrial production for the United States that was 53.8 per cent of what it had been in 1929, and with our world trade sinking from an average of \$4,687,789,000 for 1926-30 to \$1,576,151,000 for 1932. A graphic picture is afforded by the drop in North American automobile sales in South America during the first year of the crisis, 1929-30: from \$140,000,000 to \$62,000,000, or more than 50 per cent.

ECONOMIC PENETRATION BY FASCIST POWERS

It was then, in the face of a market that was at once sluggish and accentuatedly competitive, that the fascist powers, driven by severe economic pressure at home, began increasing their efforts at trade expansion in Latin America, through the sale of cheaper articles of special appeal, the deft popularization of trade marks, and other means. Thanks to the brutal suppression of labor by the fascist political regimes and the starvation wages paid to workers, Germany, Italy and Japan were enabled to undersell democratic England and America. In general, the fascist nations were much more patient, thoroughgoing and sub-

tle in their exploitation of Latin American markets than North Americans in the past had been, with their showier, more "high-powered" methods and their much larger overheads, in the way of equipment, advertising, etc. The fascists also duly played upon the existing Anglo-American rivalries and antagonisms, and upon the feeling against the Monroe Doctrine.

It is conditions and methods such as those described which have made it possible for the Nazis in Brazil to lay hands on the copper mines of Parahyba, the nickel mines of Goyaz, the oil wells of Matto Grosso and Riacho Doce (Alagoas), etc., while Thyssen and the German Industrial Association are encroaching more and more on the 13,000,000,000-ton iron fields of Minas Geraes, and other Nazi capitalists, like Stender, Dannemann and Suerdich are obtaining control of the Bahia tobacco region and the Sao Paulo cotton districts.

The Nazis are by no means the United States' only trade rivals in Latin America. The Italians in Peru, for instance, aided and abetted by Benavides, are in textile, oil and utilities. The Banco Italiano of Lima does 50 per cent of the country's banking business, and Italian business interests as a whole amount to more than \$100,000,000. The Japanese are in truck farming and cotton in Peru, and are very much interested in the fishing rights of the Galapagos Islands off the coast of Ecuador. They are also, steadily and shrewdly, building up a trade with Chile and Brazil.

But it is in battleships and bombing planes that both Mussolini and the Japanese are at the present time doing their most spectacular business

with Latin America. While the Nazis are selling and smuggling arms to nearly every South American nation (Hasenclever, Stoltz and the Stahl union are extremely active in this trade in Brazil), while they are completing arrangements for the construction of a Krupp munitions factory at Rio de Janeiro and are supplying Chile with bombers, Mussolini is doing the same; he is marketing his Caproni planes far and wide—and a new \$175,000 Caproni plant, capable of large-scale production, with a hangar of 7,000 square meters, was recently opened at Las Palmas, just outside of Lima. (It is interesting to note that the steel of which this plant was built came from Germany, and that a Nazi engineer was in charge of construction.) In addition to their Peruvian plant, the Italians have another, strategically located one midway down the west coast. The degree of competition they are giving United States aircraft manufacturers is to be seen from the fact that, following the Inter-American Technical Aviation Conference at Lima, in September, 1937, the Italians sold six planes, the North Americans none.

A good deal has been made of the United States Pan-American Airways and their predicted influence in bringing the two Americas closer together. The extent of Italian and German penetration in this field seems to have been overlooked or its importance minimized. Pan-American Airways, as a matter of fact, are inferior in facilities to the German commercial line known as the Condor Air Service or Condor Syndicate, with its 39 landing fields and its 4,500-mile operating range, affording direct communication between Germany and Brazil. The

Condor covers the Brazilian coast and serves points far inland. At Recife, in Brazil, the Nazis have acquired a base in the Jequia aerodrome, and they have also obtained a government lease on the aerodrome of Bartholomey de Gusmao. As for Mussolini, his aeronautical plans are ambitious ones. Negotiations have already been concluded for a Rome-Gibraltar-South America line, taking in Brazil, Uruguay and Argentina.

INTENSIVE FASCIST PROPAGANDA

Once again it may be stressed, the economic penetration of South America is closely bound up with political and cultural factors and manifestations. Full-fledged fascist groups and parties are to be found not only in Brazil but in Chile, Argentina and elsewhere. The Chilean fascists even call themselves "Nacistas," or "Nazis," and are backed by German commercial firms doing business in the country. The Brazilian Green Shirts number a million or more. Foreign fascist propaganda is disseminated, not only from embassies and consulates, but by a host of commercial and other agents, including journalists, scientists, professors, technicians, army officers, and plain spies and provocateurs.

German news agencies and the fifteen or more German-owned newspapers in Rio de Janeiro and other cities play their part in Brazil; and all over the continent, the papers are kept supplied with news items and news features, often elaborate ones, from Rome, Berlin, Tokio and Burgos, setting forth the "ideology" of the "totalitarian" state and making a plea for fascist "culture." The radio is another propaganda means of which extensive use is made, with regular short wave

broadcasts from Berlin and Rome that are said by United States experts to be the best on the air from a technical point of view. There are four German broadcasting stations in Brazil. There are books, lectures, visiting celebrities and pseudo-celebrities, interviews, public addresses and the like. Italian professors are furnished free of charge, and scholarships in German and Italian military academies are generously handed out. Even the police of Rio and Sao Paulo are sent to Berlin to absorb the brutal methods of the Gestapo and learn how to turn Brazil into the Nazi dream, an "Antarctic Germany." Dictator Benavides of Peru does not have to send his police abroad; Mussolini sends "instructors" to Lima.

As a basis for cultural penetration the fascists, in Latin America as in the United States and other countries, rely upon a high-handed regimentation of their "nationals," the Germans being supervised by Nazi agents and "missionaries," along the line of Goering's recently announced "four-year plan." There are, in all, between five and six million Italians in South America, and at least fifteen million more with Italian blood. In Peru there has been a thorough intermingling of Italian and Spanish strains, which facilitates Mussolini's present objectives. There are from 800,000 to 1,000,000 Germans in Brazil, 100,000 or more in Argentina, etc. In 1926 there were 15,000 Japanese in Brazil; by 1935 there were 200,000; there are now probably not less than 250,000. In Peru there are 22,500 Japanese, 10,000 having entered during the last decade. There was a time when Peruvians spoke of the "Japanese peril"; but Lima's leading

newspaper, *El Comercio*, now runs protracted instalments on the beauties of life in Japan, alongside features dealing with "Fascist Italy's Cultural Empire."

Italian and German fascists alike are building huge cultural organizations in South America. Mussolini's followers are there spreading the gospel of "Pan-Latinism," one calculated to appeal to the prevailing racial stock, and in this they are supported by the Catholic Church. There is a Pan-Latin "Cultural League," directed by Nicola Pende of the University of Rome, and claiming a membership of half a million; and preparations are being made for a "Latin Cultural Congress," to be held in Buenos Aires. The object is to exalt Rome as the "head of the Latin cultural world." Mussolini's propagandists seem to be especially active in the Argentine, which was visited not long ago by the president of the Italian Senate, Luigi Federzoni.

As for the Germans, they have 1,400 schools in Brazil, with the German language sometimes employed to the exclusion of the Portuguese. They also have innumerable physical culture and other clubs and youth organizations. In the Rio Grande do Sul there are 60 Turnerbund groups, with headquarters in Berlin. The League of German Unions in 1935 comprised 52 organizations, with a membership of 15,000. There are the German Cultural Union, the German-Brazilian Institute for Higher Education, etc.

It is not surprising, in view of all this, if South America is now being swept by a wave of vicious anti-Semitism of the Hitlerite brand. Books slandering the Jews, based upon such sources as the "Protocols of Zion" and

the articles in Henry Ford's *Independent*, are constantly published. Mexico is flooded with anti-Communist and anti-Semitic leaflets, while the press carries articles eulogizing Hitler, Mussolini, Franco and the Japanese war-makers, and denouncing the Loyalists.

The Trotskyites play their part by slandering the Soviet Union and doing their best to hinder the mobilization of the People's Front forces. The Trotsky nest in Mexico continues to be a source of danger to the entire hemisphere, and Trotskyite organizations are active in Brazil.

ANTI-FASCIST FORCES

If, in this study of fascist penetration in Latin America, so much space has been devoted to the negative side of the picture, it is for the reason that the danger is an imminent one, and one whose gravity hardly could be overstressed. On the other hand, it must be emphasized that *the fascist peril in the Western world is not in any sense an unavoidable one*. It accordingly becomes important to visualize clearly the positive factors upon which a program of popular struggle and democratic mobilization may be based.

In the first place, there is that lack of consolidation and stabilization of the fascist forces which has been mentioned. This is true, not alone of Brazil, but of Mexico, Cuba and other countries. And it is a prime task of liberty-loving citizens of the United States to cooperate, to the fullest extent of their powers, with the peoples of the southern continent in seeing that such a consolidation and stabilization are not effected. This means that not only shall Vargas or other Latin American fascists receive no aid

from the U.S.A., but that all possible support must be extended to the opposing democratic forces to prevent the consolidation of fascism in Brazil and to defeat the fascist offensive in other Latin American countries.

The most hopeful feature of the situation as a whole is the growing crystallization of popular front forces in the two Americas. As forecast by Comrade Hernan Laborde, General Secretary of the Communist Party of Mexico, in *The Communist* for last December, the Mexican People's Front in the last weeks of 1937 began definitely taking shape within the framework of the National Revolutionary Party. The provocative uprising that was recently staged (early in February, 1938) from across the Texas border merely served to show that the Cardenas government can be overthrown only by direct intervention on the part of Wall Street, backed by the pro-fascist elements within our State Department. The workers, peasants and the army are with President Cardenas; the Mexican people abhor fascism. Our business is to see that President Roosevelt's "good-neighbor" policy is given positive meaning, that the anti-fascist forces shall be given full support in combatting the efforts of the fascist aggressors to establish a war base in South America.

In Brazil, apart from the unsettled rivalries between Vargas and his political opponents of the Right, the continued life and increasing strength of the National Liberation Alliance spirit and of the movement behind Prestes contributes a positive factor of great significance.

Yet another cause of encouragement is the definite weakening of late of Dictator Batista's grip on Cuba, the

marked resurgence of popular feeling that is taking place in the island, and the breaking through of democratic rights and liberties—including the liberty of speech in behalf of Loyalist Spain. It was North American sugar interests that were responsible for the riveting of Cuba's yoke; and it now becomes our duty to see that the weakening chain is smashed. As for the Dominican Republic, it appears as this is written that an armed uprising of the people is imminent, with the object of overthrowing the bloody tyrant Trujillo and his 40,000 Nazi

allies in the form of settlers on the Haitian border.

From this it may be seen that there is ample basis for a resistance to fascism in the Western hemisphere. Standing solidly behind President Roosevelt's declaration for quarantining the aggressor, we in the United States must labor unceasingly in establishing a collaboration of the peace-desiring peoples of the Americas with all the democratic countries, in support of the Soviet peace policy, for halting the fascist war drive.

PHILOSOPHIC NIHILISM SERVES REACTION

BY MORRIS CHILDS and FRANK MEYER

FROM the earliest days of our country, we Americans have been known as preeminently a "practical" people. That practicality, when it means efficiency, when it means hard-headed realization of the importance of testing theories in practice, is a great and useful quality. But when it leads to contempt for all theory, to narrow smugness and self-satisfaction, its usefulness ceases; it become dangerous to the development of scientific understanding of the problems facing us.

Such underestimation of theory leads at the same time to gullibility for any kind of quack cure-all which pretends to give the concentrated knowledge of the world in a few pages. When a situation arises in which hand-to-mouth thinking becomes clearly inadequate, the natural reaction, due to contempt for real theoretical understanding, is to welcome eagerly any savior who comes along with a patent medicine cure.

Like the synthetic products that crowd the drug store counters, a series of synthetic books, philosophies, and movements have been exploding with dull thuds across the American scene throughout the past few years. Durant's canned philosophy, Lippmann's old wives' tales brought for-

ward as the last dispensation of political science, are only outstanding examples of this tendency.

Pragmatism, the most widely accepted philosophical point of view in America, reflects this pseudo-scientific attitude. In its various forms, pragmatism is an attempt to escape solving the most important of theoretical problems, that of the nature of existence. When the pragmatist denies the importance of the struggle between idealism and materialism, he is simply doing on a more "learned" level what the ordinary citizen does when he scoffs at theories in general and then accepts the first bogus theory that comes along. As Lenin showed, the pragmatist's refusal to consider this vital struggle leads him straight into the camp of idealism.

This tendency of American thinking is a serious matter for the American working class. Only by theoretical understanding through which it makes a thorough analysis of society and plans the future, can the working class break through the accumulated pressure of the existing system. Property relations must be understood to be broken through; class forces must be evaluated, for capitalism to be destroyed and socialism established. Society cannot be transformed by