

# The Crisis of Capitalism and the Socialism

Dokument of Freie Deutsche Jugend



## INTRODUCTION

The generation which comes together on the occasion of the 17th World Festival of Youth and Students will be the generation which is witness, catalyzer, supporter, organizer or leader of socialist revolutions. It is the generation which will experience and must experience a second great attempt for the liberation of mankind, if they do not want to perish. This is proven not least by the great economic crisis which seized the world in 2007. This crisis takes place on the basis of the general crisis of capitalism. The victory of revisionism in the socialist states has changed the world seriously. But it just worsened the general crisis of capitalism. This is the reason why this world economic crisis is so intense. On the other hand all that demonstrates how near and how necessary socialism is today.

### **Since the very beginning of capitalism crises of overproduction appear regularly**

"In these crises, there breaks out an epidemic that, in all earlier epochs, would have seemed an absurdity -- the epidemic of over-production. Society suddenly finds itself put back into a state of momentary barbarism; it appears as if a famine, a universal war of devastation, had cut off the supply of every means of subsistence; industry and commerce seem to be destroyed. And why? Because there is too much civilization, too much means of subsistence, too much industry, too much commerce. The productive forces at the disposal of society no longer tend to further the development of the conditions of bourgeois property; on the contrary, they have become too powerful

for these conditions, by which they are fettered, and as soon as they overcome these fetters, they bring disorder into the whole of bourgeois society, endanger the existence of bourgeois property." (Marx Marx/Friedrich Engels: Manifesto of the Communist Party)

### **Since capitalism entered its stage of imperialism there are world economic crises and there is a perpetual and general crisis**

The transition of the capitalism of the free competition to imperialism caused by its worldwide interweaving of the capital has been the reason that the cyclical crises appeared in several countries at the same time. The beginning of the last century brought with it the first economic crisis on a worldwide scale. The 1st World War followed suite.

Crisis, war, and destruction accompany the dying capitalism: "For one and a quarter of billions of people it is not possible to live under the conditions of slavery which the 'progressive' und civilized capitalism wants to force up to them. The small group of the richest states ... are not able to organize economic conditions. From this the world crisis arises." (Lenin, Collected Works, volume 25, p. 419, German) In result of the 1st World War revolutionary insurgences took place in numerous countries. The October Revolution won in Russia, a sixth of the earth would go red, withdrawn from the capitalist system of the exploitation, and from its crises as well. A part of the world was not any more at the capitalism's disposal for raw material extraction and as a market.



This means, "that capitalism did not represent a uniform and all-embracing system of the world economy any more, that there is the socialist system besides the capitalist economic system, which grows and ripens and stands contrary to the capitalist system and which by the only fact of its existence demonstrates the rottenness of capitalism, and shakes capitalism to its ground." (Stalin, Political Report of the CC on the 16th Congress of the CPSU, p. 13)

With these words Stalin paraphrases the general crisis of the whole capitalist system. Ten years after, in 1929, the capitalist part of the world tumbled into a new world economic crisis. The imperialists once again could solve this crisis only by a World War. Like World War I this World War II was triggered by German imperialism. The answer of the peoples was clear and changed the world profoundly. This World War could not be ended by the imperialists themselves. Socialist Soviet Union bore an outstanding share in the triumph over German imperialism. The imperialists had destroyed half of the world again, peoples escaped from exploitation and war again. A third of the earth would go red, numerous colonial peoples rid themselves of their imperialistic rulers. A socialist world was quite near.

### **1990 is not the end of the general crisis of the capitalism**

But a development of revision of socialism starts in the socialist states in second half of the last century. Initially small mistakes in the development of the economy harden, such as not considering the variety of certain regions or the wrong orientation of the production towards a competition with the capitalist states, in conjunction with a gradual indebtedness there. This has fatal effects on the advanced class struggle of the proletariat in these

countries which was gradually led less offensively and in the end was totally denied. Revisionist forces which partly creepingly and partly by enforcing civil wars gain acceptance and win the upper hand in many communist parties. These revisionists pave the way for capitalism up to the complete collapse of the socialist states at 1990. There were particularly fatal consequences of this development in German Democratic Republic, where imperialism in form of the Federal Republic of Germany took its special advantage from all that and annexed GDR.



Since then, capitalism represents the uniform and all-embracing system of the world economy again. Socialism does not any longer demonstrate the rottenness of the capitalism by the only fact of his existence, shaking capitalism to its ground, as Stalin could state once. Nevertheless the world in 2007 tumbled into an economic crisis which surpasses the one of 1929 in many regards.

How could this happen, if definitely the existence of socialism had made the general crisis of capitalism much more intensive at that time in comparison with today anyway - and consequently the world economic crisis as well? The answer is: Socialism shakes the bases of capitalism by the only

fact of his existence still today. Just by the fact that he had existed. And even still the general crisis of the capitalism has intensified. History cannot be shifted back. The decline of socialism may be the greatest defeat of the workers' movement in history, but it did not turn out to be a victory of capitalism. Why? Because it has not solved and could not solve any contradiction of capitalism in its last stage of imperialism. On the contrary.

### **The victory of the revisionism in the socialist states is not a victory of the dying capitalism**



Young activists of FDJ and other organizations, unified in the "Youth Committee – Youth Against the State of Emergency" entered dock 10 of the Blohm & Voss wharf and hung up a huge banner saying: Our future does not say crises, wars, and barbary! Class struggle against world war! For Internationalist Solidarity! (October 23, 2010)

What happened in 1990? A third of the earth was offered to the imperialistic great powers just for free. Cleared areas available for the conquest and exploitation just like in the beginnings of the capitalism of unlimited competition. Much better still: There were not unexploited countries without infrastructure and means of production, like colonies to be conquered in former times. There were

partly highly industrialized states. But in the stage of imperialism capitalism is not the capitalism of the 19th century any more, striving for progress. Dying capitalism is no longer capable of any development at all. It is not able to subject the highly industrialized states of the former Eastern bloc as once the colonies. It cannot set up any capitalist economy and society there as they blossomed and prospered two centuries ago on a large part of the earth. There already existed a highly developed economy. There was an economy which in many respects had left behind the limitedness of capitalism. E.g.: in the Soviet Union in 1986 existed 83 industrial plants in the most important sections of the production process

which had one absolute monopoly each within the respective branch. Every 3rd of the most important manufactured goods was produced by only one single plant. These are chunks which the capitalist enterprises can hardly swallow, and which they did not even desire to swallow. As a result a large part of the industry was destroyed. The production of manufactured goods in the formerly socialist countries declined with a degree of between 40% and 70% between 1990 and 1993. Within three years half and sometimes over two thirds of the industry capacities have been destroyed! A gigantic destruction, worse than that of many wars. Not in a single country or a little region but in a big part of the world thrown back to capitalism. But is that really surprising? Dying capitalism cannot and could not harness such industrial capacities. Dying capitalism has more than enough of those capacities at its disposal. It would profiteer from the destruction, however. It made money openly and took a piece of sirloin here and there. German imperialism was always at the very front.

For the people living there this means a curt fall into capitalist barbarism. In the traditional industrial country Czechia for example the employment rate in 2000 fell down in comparison with 1990 by 39%, in Bulgaria by 54%, in Romania by 46%. 3 millions of well trained workers suddenly were condemned to idleness and to a begging existence. The shining advertizing posters of the big companies of the imperialistic states brought with them pure poverty and death into these countries. Within four years of capitalism mortality rates increased by about 1.4 million people in comparison with 1989, among this a lot of suicides. The former Eastern bloc fell into the lap of imperialism without war. However, this "peaceful transformation" is counting its dead bodies as well.

The annexation of the DDR by the German imperialism is still a special chapter in this story. The FRG destroys 90% of the industry and all education and culture facilities so that this state was deleted from the map in a twofold respect.

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### The general crisis of capitalism and its particular features of today

With the decline of the once socialist states which was completed extensively in 1990 the working classes worldwide have been defeated in their struggle against this system of exploitation, of crises and World Wars. It was not the superior strength of this dying system which led there. It was the betrayal of the socialism. But the decline of the capitalism cannot be hindered by shortcomings even if these shortcomings mean that one third of the earth apostatizes from socialism. Since 1990 capitalism just proves every day on this third of the earth its inability to dominate the world. Imperialism is unable to cut back history. So on the bottom of former planned economy and full employment it only develops the travesty of a capitalist economy, unable to exploit, let alone to nourish or to educate more than half of the population. The dictatorship of the proletariat is supplanted by caricatures of civil nation-states, without real national bourgeois and without national property.

Socialism can suffer setbacks but declining capitalism cannot stop its own decline.

THE SOCIALIST STATES WERE A KNIFE IN THE HEART OF CAPITALISM, SIGN OF ITS EARLY END. NOW THE KNIFE IS TAKEN AWAY AND THE BLOOD IS RUNNING EVEN FASTER.

This is the reason why we say that we are the generation which will experience and must experience a second great attempt for the liberation of mankind, if we do not want to perish.

The contradictions of capitalism have intensified still more. The discrepancy between the means of production and the solvent demand is greater than

ever. This is the reason why the current world economic crisis is so intense. But which is much more decisive: Because of this after the crisis nothing will be like it was before the crisis. There will not be any end with frights, this fright does not know any end. There is no more great uprising because there are no more countries which the imperialists can loot. We will live to see a long phase of depression. This will still intensify the contradictions between the imperialistic states and will lead into the 3rd World War sooner or later if we do not anticipate this by a revolution. The country we come from is one of the strongest imperialists of the world. To defeat German imperialism is one of the most urgent tasks for the peoples, for the peace and the continuance of earth and mankind. We are quite aware of this. The balance of power between the classes is rather unfavorable in FRG. The FDJ is a small organization - but we are not without hope. We fight because we know that we fight on the side of progress, because we know that workers and young people all over the world are fighting with us, because we know that socialism will win!

“And here it becomes evident that the bourgeoisie is unfit any longer to be the ruling class in society, and to impose its conditions of existence upon society as an overriding law. It is unfit to rule because it is incompetent to assure an existence to its slave within his slavery, because it cannot help letting him sink into such a state, that it has to feed him, instead of being fed by him. Society can no longer live under this bourgeoisie, in other words, its existence is no longer compatible with society.”

(Karl Marx/Friedrich Engels: Manifesto of the Communist Party)



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