

WORKERS  
OF THE  
WORLD  
UNITE

# THE MILITANT



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## UNITE EMPLOYED AND UNEMPLOYED IN RELIEF STRUGGLE

In at least the same ratio by which growth of unemployment and wage cuts go hand in hand increases also the importance of effecting unity of action of the workers who are employed with the unemployed. Moreover, when facing the inescapable future prospect of a standing army of unemployed, this issue becomes one of major importance.

That unemployment is still increasing is substantiated by the United States Department of Labor. According to its monthly report for September of statistics obtained from the various manufacturing establishments throughout the country, it is made clear that for every 100 persons employed 3.58 were taken on as compared with 5.62 laid off. The extent to which wage cuts inevitably follow in the train of the increasing unemployment by capitalism utilizing the situation to shift the whole of its burden upon the workers, is also revealed by Department of Labor report. Thus during the first eight months of 1931 there were a total of 1,895 wage cuts, the average reduction applied being about 10 percent.

All present indications bear out the contention that with the continued reduction of the standard of living and the increasing pressure upon the workers (they will inevitably be set into motion to resist. Nevertheless the distance still to be traveled to make this resistance a broad and effective one becomes clear by an analysis of the number of wage disputes during the present crisis as compared to the one of 1920-21. These figures are illuminating. The wage disputes listed by the Department of Labor were:

First seven months of 1920... 2,246  
First seven months of 1921... 1,790  
First seven months of 1931... 498

In the first instance it must be remembered that 1920-21 occurred in a period when workers actually were in motion to maintain their most recent gains and further elevate their position. It was an aftermath of the great strikes of 1919 and the methods of militancy still prevailing. In the intervening period the illusions of bourgeois prosperity became deeply rooted. Deterioration of the trade union movement proceeded apace, feeding upon the false sense of security. But what cannot be overlooked by revolutionists is the salient fact that, growing out of this situation, the working class enemy has made considerable progress in its obvious designs to separate the unemployed from the employed workers, to isolate the former in order to facilitate the defeat of their struggle for actual relief, and to utilize their position to keep the employed in submission.

### Opponents Divert Unemployed Issue Into False Channels

This prospect is fraught with serious dangers to the American proletariat as a whole. Worse, however is the fact that the tactics and organization methods pursued by the official party leadership have unwittingly played into the hands of the class enemy, strengthening them in their designs. While the party is indisputably at the head of whatever organized unemployed activities exist today, it has failed in the main object of uniting the employed with the unemployed. If another sharp "turn" is contemplated by the party leadership, which, of course, is to be expected, we ask emphatically that this be the first turn to be considered without delay.

From its early stage of mass response to party calls for unemployment demonstrations, the movement in every respect, including its actual organized expression, has become reduced to a position of stagnation. The center of the stage has been taken by the reserves mobilized by monopoly capitalism. The so-called progressives from within the class enemy's camp have taken up the unemployment issue and to a large extent have already succeeded in diverting the objective away from struggle and into the illusory channels of hope from capitalist charity crumbs. They have made themselves the spokesmen for relief, in a manner seemingly occupying an unusual radical position. Senator Borah proclaims the necessity to tax the rich for the benefit of the unemployed but carefully avoids any concrete steps in that direction. Governor Roosevelt made proposals for extended char-

ity measures of relief. Governor Murray ("Alfalfa Bill") violently denounces the bankers for their guilt in this situation. Senators and congressmen and sections of the capitalist press speak vigorously for relief—alas, as opposed to actual unemployment insurance. Unquestionably there is much fishing for issues and preparations for the 1932 elections. But it just as assuredly reinforces the conclusion that these spokesmen for the petty-bourgeois interests, caught in the squeezers of advancing monopoly capitalism, have actually become alarmed by the much more dreaded spectre of potential proletarian revolt. True to their position and driven by these fears, they hurry to become the saviors of monopoly capitalism and forestall the greater danger.

### Unemployed and Employed Must Be United in Struggle

On a whole these attempts at diverting the issues into the channels of illusions serve first of all to blunt the edge of the proletarian struggle. Secondly it serves to strengthen the endeavors to dislodge the Communist leadership of the unemployed masses. Thirdly, it serves to facilitate the general efforts to separate the unemployed from their class brothers and to isolate their struggle for lesser defeat.

The enormous increase of productive capacity under monopoly capitalism creates all the conditions for the standing army of the unemployed. Its constant overproduction can seek an outlet in the recurring crises which accentuate the unemployment problem. The fact of the increase of output per man, reliably calculated at from 48 to 50 percent during the last decade, just that much more emphasizes the permanency of unemployment even during the future upward economic conjuncture. The violent slashing of the workers' standard of living, now so much intensified, accentuates the indications of the capitalist preparations to gain a respite for them from the crisis. But with the prospects of the standing unemployed army remaining under such a possible upward economic conjuncture, there are reasons aplenty for an ever sharper emphasis upon the need of unity of employed and unemployed workers. There can be no successful struggle for relief, for actual unemployment insurance, without it. To the employed workers facing the inevitability of resistance to the attacks, it becomes a question of serious magnitude. Today the crowding of unemployed workers at the factory gates seeking work is the club effectively wielded over their heads to make them hesitate and submit. For tomorrow's struggles it is necessary that this threat be removed by making clear the common objectives of both categories of the class and uniting their efforts for its realization.

### Party Recognizes Narrowness of Unemployment Movement

It appears that the party leadership has learned at least one lesson from past experiences. Platnitsky, commenting upon the "Weaknesses in Our Unemployment Work", says that the unemployed workers movement in "America was attached to the weak red trade unions, which are few enough in number. The association with the 'red trade unions' and 'revolutionary trade union opposition' drove away the unemployed who belonged to other political parties and to the reformist, catholic and other trade union organizations." (Daily Worker, 10-13-31).

### Small and criminally belated as this recognition is, it is nevertheless to be welcomed. However, we clearly and much more emphatically warned against precisely that at the time of the very formation of the national unemployment councils on July 4, 1930 in Chicago. We said in these columns:

#### For a United Front

"Certainly the successful carrying on of the struggle for the unemployed means to spare no effort to really unite T. U. L." Further, commenting upon the working class, which cannot be done within the narrow framework of the detailed measures of organization, we declared: "These added mechanical limits isolate the movement and confine it within that section of the workers ready to join the 'revolutionary unions'."

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### In the Next Issue

## On the Manchurian Events!

We have received, at the moment of going to press, a comprehensive and brilliant review from Shanghai, China on "The Manchurian Event, the Communist Party of China, and the Left Opposition," by comrade Niel-Sih. Comrade Niel-Sih is a leader of the Left Opposition in China whose articles have appeared on previous occasions in *The Militant*. We are glad to be able to announce to our

readers this significant and timely article. Be sure to get your copy of *The Militant*.

### Russian Revolution Anniversary Issue

The next issue also will be an anniversary number in commemoration and celebration of the 14th Anniversary of the Russian Revolution. *The Militant* will contain important reviews of this historic event for the working masses.

## England Goes to the Polls

LONDON.—

(As we go to press, a Conservative victory is announced in the British elections, together with an overwhelming defeat for the Labour Party. Forthcoming articles in *The Militant* will carry an analysis of the British elections and the perspectives for the labour and revolutionary movement in Great Britain.)

When in 1867 the Tory government introduced the second Reform Bill, Disraeli described the innovation as a "leap in the dark". This epigram of the great phrase-maker of British politics irresistibly occurs to one at the present time in connection with the forthcoming General Election in Great Britain. For the British bourgeoisie this election also is a "leap in the dark", and the British ruling class hesitated on the brink, uncertain whether to take the plunge.

Two prominent members of the "left", Messrs. J. Maxton, M. P., and W. J. Brown, M. P., a clown and a careerist, boldly waded in public speeches that there would be no General Election, and that formal democracy had shot its bolt in Britain. But while superficial reasoning pointed in that direction, one does not change the regime in a day. "In the beginning, the act". The theory comes afterwards. While the British ruling class is now more than ever resorting to fascist methods of rule, it re-

quires time for a conservative ruling class to make up its mind formally to discard those methods of democracy with which it has achieved such immense triumphs, and by means of which it has gilded the working class with such triumphant success. The present regime in Britain is a transitional regime between Democracy and Fascism; and it is the essence of a transitional regime that its acts are the acts of the future while its words are echoes of the past. (It is this phrase that in the crucible of Stalinism becomes that monstrous miscarriage "Social Fascism"!)

The essence of the Marxist method consists in seeking for the concrete situation behind the abstract formula which is too often merely apologetic verbiage. If we apply this method—the only scientific method—to the British Election, we shall find that "appearances are deceptive" and that the formulas of the contending parties are by no means a complete picture of the facts. Our method will consist in expressing first the political situation as it appears to the bourgeoisie, and then as it presents itself from the viewpoint of Marxist science.

### Labour Party Battles for Capitalism

Apart from the Communist Party which has, in any case, no possibility of parliamentary success, all the contending parties go into battle under the

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## Chicago I.L.D. Persists in Isolation Policy

After months of waiting the I. L. D. of Chicago called a Mooney-Harlan United Front Conference Oct. 25 at the Capital Building in a hall seating not more than 200. The report of the credential committee showed forty seven organizations represented: 8 A. F. of L. organizations, 20 fraternal organizations, 18 branches of the I. L. D. and 1 unemployment council. It was the driest, deadest conference held for some time. The above representation shows its narrowness and where the policy of the bureaucrats is leading the I. L. D., which has such favorable opportunities at present for growth and mass influence.

The credential committee and conference under protest of several delegates refused to seat the representative of the Communist League. Slander and the usual abuse was used against the League and its representative, comrade Oehler. A delegate from the John Reed branch of the I. W. O. took the floor and spoke against the splitting, narrowing policy of the bureaucrats, pointing out what a united front should be as well as what it should not be. This was followed by more attacks on the Communist League and the speaker who only wanted a real united front in the Leninist sense.

The bureaucrats' main arguments against the Left was that we wanted a united front from the top (?) and that they would always conduct their united

fronts from below.

A united front implies unity of action on a specific class issue by ORGANIZATIONS of the working class.

The discussion from the floor was a sad affair. No one wanted the floor; only a few took the floor after much coaxing and then they had to force some to take the floor by nominating them to speak. They brought up no concrete proposals for the conference. The Left Communists who had Marxian proposals were denied the right to speak, not only under discussion but also on the motion not to seat them.

The conference is calling another conference in December and elected a committee of 15 to carry out the work and also to arrange a mass demonstration. The bureaucrats could not obtain a committee of 15, the majority declined, they were forced to reopen nominations three times and ask for volunteers several times. They finally obtained the 15 by accepting names of delegates who were not present.

In spite of the tactics of the bureaucrats, the Chicago League calls upon the workers to support the I. L. D. in its campaign, calls upon the workers to correct the line of the I. L. D. on the united front and on the right of freedom of expression of workers in the I. L. D. who do not happen to agree with the bureaucrats.

## GREEK OPPOSITION ACTIVE AMONG BRITISH SAILORS

On October 10th, the Salonica section of the Archio-Marxists (Left Bolshevik Opposition) of Greece, distributed a leaflet to visiting British sailors. The leaflet contained an exposure of the labor traitors of England; it further pointed out the errors and crimes of the Stalinists in connection with the Anglo-Russian Committee and the betrayal of the British General Strike by the British labor fakery.

The Greek comrades called for support of the British Communist Opposition in order to regenerate the British Communist Party and hailed the leadership of comrade Trotsky. It expressed the enthusiasm of the Greek Opposition and world proletariat with the gallant

strike recently of British sailors against wage cuts, etc., and exhorted them to follow the example of the Potemkin sailors in the latter's struggle against czarism.

The Greek comrades were especially organized to meet the British sailors as they landed. The sailors were surprised by the conspirative manner of distribution and placed the leaflets in their pockets. A British Oppositionist who happened to be in Salonica distributed the leaflet aboard the battleships. An English provocateur in a sailor's uniform attempted to arrest the comrade and to give him into the custody of the Greek police, but failed to do so on account of the interference of the British sailors.

## Railway Bosses Drop their Masks

After four months of public hearings and the presentation of bales of evidence by railroad men, shippers, and bankers, the application of the railroads for a general 15% rate increase has been denied, and instead an increase in certain lines permitted, averaging 3 to 4% but subject to the condition that the financially strong roads turn over the profits from the rate increase to the financially weak ones (eries of "Socialism!" from the Right).

The Railroad Age says to this, "However confusing it may be in other respects, one thing that the decision of the Interstate Commerce Commission in the 15% rate advance case has made clear and certain is that railway wages must be reduced as soon as practicable. The Commission could not have made this more inevitable if it had been deciding a wage case instead of a rate case."

Three days after the decision was handed down, three of the smaller systems had already announced wage cuts, while the Association of Railway Executives still hypocritically refuses to take up the wage question. Evidently they want each road to deal piecemeal with its own workers. The Brotherhood leaders naturally support these tactics, confining themselves to misty generalizations

about the maintenance of wages being in capitalism's own best interest.

The defense against wage-cuts must be fought nationally, and by concrete action, not words; the railroad labor leadership refuses to do either. If it were to fight the cuts on a nation-wide scale, even on a purely legal basis by invoking the provisions of the railroad labor law, which call for hearings and eventually a decision by the Railroad Labor Board, the cuts could be postponed a year. During this time the railroads, would be weakened and the workers could be strengthened.

Splitting up the railroad workers' resistance into negotiations with individual railroads means the immediate betrayal of the workers, and is a living proof of the worthlessness of legal safeguards of wage standards where the leaders of the workers refuse to assert their interests against those of bondholders and stockholders. The only way for the workers to see to it that their interests are protected is to exert determined pressure on their leadership, grouping themselves around the Left wing elements in their unions who have a consistent record of struggle against the bosses.

## Trotsky Greet "El Soviet"

TO SPANISH WEEKLY

Dear Friends:

You are preparing the publication of the weekly. This is a serious step forward. Let us hope that the others will follow swiftly, after this one.

In Spain, as elsewhere, communism is divided into three factions: Right wing, Centrist and Left. The Right represents a combination of communism and social democracy, trade unionism or syndicalism, functioning according to the national conditions. In Spain, as in other countries, the official representation of the Comintern is in the hands of the Centrists, that is, people who vacillate between revolutionary Marxism and various phases of "Communist" opportunism. The strength of Centrism in the Comintern is conditioned by the fact that it supports itself on the state power of the U. S. S. R. Under the present conditions, Centrism is not only an ideological current, not only a faction, but a powerful bureaucratic state apparatus.

In conducting a perfunctory, confused and contradictory policy, with not only the authority but also by the material means of the Comintern at its disposal, Centrism has created cruel ravages in the world vanguard of the proletariat, and already led several revolutions to catastrophes. In Spain, through the fault of the Centrist bureaucracy, the Communist party proved to be a miserably small factor at the beginning of the revolution. Imposing a false policy on the national sections, the Stalinist bureaucracy permits no criticism of itself and thereby obstructs the education of the proletarian vanguard, preventing the formation of a vigorous Communist party, independent and sure of itself. Therein consists the chief danger threatening the Spanish revolution which is

developing so powerfully before our own eyes.

The principle position of the Leninist-Bolsheviks (Left Opposition) has been confirmed by the gigantic events of world development, particularly by the entire advance of the Spanish revolution. The official Communist party, thrown off guard at each step in the progress of the revolution, corrects its mistakes in little parcels, basing itself on our criticism, utilizing our principle line, because Centrism in itself is empty and barren.

But, for the faction of the Leninist-Bolsheviks, a correct principle position does not suffice; it is necessary to apply it precisely to the daily events. Revolutionary strategy requires a corresponding tactic.

The importance of the weekly consists therein, that it brings the Spanish Left Opposition face to face with all the current happenings and forces it to give its immediate fighting reply to them. With the creation of the weekly, the Spanish Opposition rises to a higher stage.

To assemble the proletariat, especially in an epoch of tempestuous convulsions, can only be done on the basis of a consistent revolutionary position. This is your historic mission, Spanish Leninists! You must increase your efforts twofold, threefold, tenfold. The voice of the Leninist-Bolsheviks must resound in all parts of the country, at all the mass meetings. Yours are grandiose tasks. The revolution does not wait. We to those that lag behind! With all my heart I wish you that you may not prove to be lagging behind!

Yours,

L. TROTSKY.

Kadikoy, September 29, 1931

## Banking Crisis in the U.S.

Perspectives of Future Finance Developments

(Continued from previous issue)

The immediate perspectives of the American banking crisis center around three major phases: the outflow of gold, the number and size of bank failures, and the break in the price of bonds, which constitute 20 to 25% of all banking assets. Any one or more of these factors, taking the most unfavorable turn possible, would paralyze the plans of the finance-capital oligarchy for domination, (1) over the smaller aggregates of finance-capital, (2) over industry as a whole, through the maintenance of boom values of claims expressed in dollars in a time of crisis when dollars are worth twice as much, (3) internationally, as against finance-capital, and the industrial capital which it represents, in the other imperialist countries.

These are the stakes for which American finance-capital is fighting in its struggle to overcome the present financial crisis.

1. The outflow of gold is contrary to the general trend of American finance. U. S. A. normally imports more gold than it exports, as a result of its excess of exports over imports, and of its large investments abroad. A permanent cessation of the flow of gold imports into America, the most unfavorable variant for American finance, would result only from the loss of its export markets, and from the refusal of foreign debtors to pay interest or their loans. A temporary outflow of gold, even on the unprecedented scale of recent weeks, can be met by using the mechanism of the

Federal Reserve system, through raising the rediscount rate and substituting eligible paper for gold, down to a minimum of 40% gold reserves, as the backing for Federal Reserve notes. This is being done, and has so far resulted in the Federal Reserve system maintaining an excess of "free gold" above its reserve requirements not materially lower than a year ago, when gold was flowing freely into the U. S. A. A further use of the resources of the system, plus 1.2 billions of gold dollars in the U. S. Treasury, can take care of the withdrawal of all the short-term gold claims of foreign countries. It will be at the cost of imposing fresh financial burdens on industry through high interest rates, but we believe the most probable variant is the continued maintenance of the gold standard in U. S. A. in spite of gold withdrawals.

2. The increase in bank failures is caused by two factors—runs by depositors, and inability of banks to pay out cash against deposits due to the "freezing" of their assets, that is, the conversion of good loans and investments into poor ones as a result of the crisis. Unquestionably, even the strong banks could not long resist the continued operation of both factors. The higher interest rates, however, are bringing deposits back out of hoarding into banks to counterbalance in part the continued withdrawals from others; many of the weakest and smallest banks have already been closed; and the slowing down of the tempo of the crisis in the past three

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## Rush Funds to The Militant!

..The Militant needs your continued financial support. Since our appeal in the recent issue, her has begun a response. Through the New York branch, which first received our appeal, a total of fifty dollars to date has been raised. The branch will speed up its drive in the forthcoming week, and on Saturday and Sunday, October 30 and 31st, the Communist League members will canvass all readers and sympathizers for donations. His example should be followed by all branches.

OUR NEED YET IS GREAT. Much needs to be done and given by our supporters to ensure the continued existence of *The Militant* as a weekly paper. Our only support comes from the rank and file of the worker-revolutionists who understand what *The Militant* means the rebuilding and regeneration of the

international Communist movement as it was in the days of Lenin. Great tasks remain for *The Militant* in giving expression and interpretation to the events of the international labor and Commun-

ist movement, the policies and activities of the Communist party, problems of the trade unions, etc. Maintenance of our *Weekly Militant* is the best way to enable us to carry through our tasks and

duties.

Contribute to the Sustaining Fund! The best way in which our readers and sympathizers can assist *The Militant* today is to make a contribution immediately, and then pledge to make a steady donation to the Sustaining Fund for the continued and regular issuance of the paper.

WE COUNT UPON YOUR SUPPORT! What is your reply? Send money to *The Militant* to help us in our task of the preservation and propagation of the theories and practices of Communism, as set forth by its leaders, Marx, Engels, Lenin and Trotsky.

SEND YOUR DONATION TODAY!  
to  
*The Militant*, 84 East 10th St., N. Y. C.

## \* N. Y. OPEN FORUM \*

Fri., Oct. 30: Tom Mooney's Appeal For A United

Front --- by James P. Cannon

LABOR TEMPLE, 14th St., and 2nd Ave. Unemployed admitted free with Unemployed Council card  
Admission: 25 Cents

Questions and Discussion  
NEXT WEEK, Friday Nov. 6: 14 Years of the Russian Revolution.  
by ARNE SWABECK