

# The Left Socialists and Our Tasks

At the present time the social democracy is everywhere passing through an acute crisis. In a number of countries more or less important Left wings have already separated themselves from the social democratic parties. This process flows from the whole situation. That it has not yet taken on a more developed character is due to the mistakes of the Stalinist bureaucracy. It puts a brake on the internal differentiation in the ranks of reformism and closes the door of Communism to the revolutionary wing. The appearance of independent socialist parties as well as autonomous organizations, is a vote of direct and deserving defiance to the address of the C. I.

The Stalinist bureaucracy calls the independent socialist organizations "Left social Fascists", the most dangerous of all. That was especially its attitude towards the S. A. P. unexpectedly, after the 5th of March, and with extraordinary attention the C. I. met with the British "Left social Fascists" as represented by the Independent Labor Party (the I. L. P.), once more revealing how great its confusion is in face of the decomposition of the social democracy, which unfortunately coincides with its own decomposition.

The International Left Opposition faces a new task: to accelerate the evolution of the Left Socialist organizations toward Communism, by injecting its ideas and its experience into this process. There is no time to lose: if the independent socialist organizations remain in their present amorphous state for a long period of time they will disintegrate: the political tasks of our epoch are so acute, the pressure of hostile classes so powerful—to this it is necessary to add the intrigues of the reformist bureaucracy on the one hand, and the Stalinist bureaucracy on the other—that only a powerful ideological bond on the unshakable basis of Marxism can assure the revolutionary organization the ability to maintain itself against the hostile currents and to lend the proletarian vanguard to a new revolutionary epoch.

The new situation facing the Left Opposition, unfolding new opportunities, poses new tasks to it. Up till now we have recruited members chiefly on the basis of individual selection. This was an absolutely inevitable stage, to that degree where the conservative centrist bureaucracy made impossible the direct and immediate influence of our ideas on the Communist parties in their entirety. It would evidently be a very big mistake to think that we have drawn from the official parties all that can be drawn from them. On the contrary, the passage of entire units and local organizations to the Left Opposition, etc., is still ahead of us. But our influence on the mass workers organizations cannot be achieved according to an order dictated beforehand. With a vigilant eye we must follow the live processes in all the workers organizations, so as to be able at the opportune moment to concentrate our attention in that field which promises of the most success.

The independent socialist organizations or the Left Oppositionist factions within the social democracy are either avowedly centrist organizations or they contain within their ranks strong centrist tendencies or survivals. Their positive sides lie in that under the influence of historic blows received by them they develop in a revolutionary direction. For us to seriously approach these organizations on a clear principled basis will signify a new chapter in the development of the Left Opposition and thereby of the rebirth of revolutionary Marxism in the world workers movement. A great international revolutionary organization inspired by the ideas of the Left Opposition would become a center of attraction for the proletarian elements of the official Communist parties.

It must not be overlooked that this path taken in its whole can open up the possibility for the creation of new Communist parties. The question is already resolved, so far as Germany is concerned—not by us but by the march of events—in a complete and final manner. The differences that existed on this subject in our ranks, particularly with the German comrades, have either disappeared completely or are reduced to secondary nuances. Everything that has been produced by the bureaucracy after March 5th—articles in the Stalinist press, the resolution of the Presidium of the E. C. C. I. on April 1st, the course of the C. P. G. as characterized in the anti-Fascist Congress at Paris—fully confirm the prognosis of the definitive and inevitable disintegration.

## Our Attitude Towards the Independent Left Socialist Tendencies

tion of the C. P. G. What has just been said can evidently be extended to Austria where the C. P. on a police order, disappeared without the sign of resistance from the face of the earth. "The oldest party of the C. I.", which so gloriously disappeared from the scene, will not revive again! The threatening perspective of complete elimination of the old Communist parties. But at the same time the sections of the Left Opposition should manifest a much greater initiative than up till now, outside of the official parties, in the whole extent of the workers movement.

The transition from one stage of struggle to another and higher one has never been effected without internal friction. Some comrades, homesick for the mass organizations, evince a desire to gather fruits that are still unripe. Others fearing for the purity of the principles of the Left Opposition receive all attempts to approach the larger mass organizations with distrust. "What good can be expected from Nazareth?" How can one approach organizations at the head of which are Centrists? We are quite ready, they say, to unite with the rank and file workers, but we do not see any sense in approaching the Centrist leaders, etc., etc. Such a purely formal manner of posing the question is erroneous. They are greatly affected by propagandist sectarianism.

The 3rd International was itself recruited from 9-10ths of centrist elements who evolved to the Left. Not only individuals and groups but also entire organizations and even parties with their old leaders or a part of their old leadership placed themselves under the banner of Bolshevism. This was absolutely inevitable. The further march of developments depended on the policy of the C. I. of its internal regime, etc. In the camp of the workers movement today, if the Fascist, nationalist and religious organizations are deducted, one can observe the predominance of the reformist and the centrist; in this latter category we include official C. I. for good cause. It is clear that the rebirth of the revolutionary workers movement will take place at the expense of Centristism. Moreover, not only individuals and groups but entire organizations will place themselves anew under the Communist banner. The further development of re-education will depend on the general direction of politics, of the regime and finally on the march of historic events.

We have many times repeated in our literature how heterogeneous Centristism is: Centristism comprises all the transitory degrees between reformism and Marxism or—which is not the same thing—between Marxism and reformism. It is impossible to understand the centrist movement solely through its declarations and documents of today: we must keep before us the history of its development and the direction of its movement.

The Centristism of the Stalinist faction is characterized by a policy of convulsions and zig-zags or by a standstill and it is the most conservative of all the Centrist formations that have ever existed in the workers movement. This is explained by the fact that this time Centristism has found a powerful social support in the Soviet bureaucracy; the apparatus of the western parties are mere appendages. While the Stalinist bureaucracy in the U. S. S. R. is forced to defend the workers state against the bourgeoisie for the sake of its special in-

terest, in the West it has become the instrument for the disorganization and the weakening of the proletarian vanguard. Without the slavish dependence on the Soviet bureaucracy the official parties of the West would have long since found a way to the correct road or they would have crumbled like dust, ceding their place to healthier organizations.

The personnel of the official parties maintain themselves today exclusively by faith in the U. S. S. R. and its leadership. Many honest Communists have a religious fear of criticism and new arguments to keep them from losing "faith" in the leadership of the U. S. S. R. It is that and only that which can explain the fact that grown-up people, often sincere revolutionaries, throughout years supported such monstrous things, which are a mockery of Marxism, of the advanced workers and of human thought. Those who free themselves from the fetishism of the Soviet bureaucracy usually sink into a state of indifference. As is known, the Communist parties have lost, in the last years, an incomparably greater number of members than the Left Opposition has won over.

The Centristism of social democratic origin is characterized by a movement from Right to Left—in a political situation which renders difficult all temporizing positions. The members of the independent socialist organizations are deprived, in their majority, of that revolutionary guide, that has more or less succeeded in gaining members for the Communist parties. But on the other hand, the independent socialists, not corrupted by fetishism to the Soviet bureaucracy, are free from conservatism as passing through an internal crisis, are honestly seeking for answers to questions posed by our epoch, are evolving to the side of Communism. At this time they are much more amenable to the ideas of authentic Bolshevism, according to all indications, than the members of the Stalinist faction.

Such is the odd combination of historic conditions, in a certain sense "unforeseen", which opens up new opportunities of activity and progress to the Bolshevik-Leninists. We must utilize it to the end.

—G. GOUROV.

## Stalinist Policies Weaken S. U. In Face of Japanese Aggression

(Continued from Page 1)

the C. E. R. without payment) has weakened the Soviet Union by encouraging Japan in the belief that whatever she does to Soviet interests, on a more or less minor scale, will meet with no resistance. One provocation has followed another. With a firm policy, steadfastly pursued from the very beginning, the Soviet Union would be immeasurably stronger in the Far East now and the Japanese imperialists would be much more guarded in their actions.

The Anti-War Committee set up by the Amsterdam Congress last year is sending out a commission to China, which is to organize a "Far Eastern Anti-War Congress". The best traditions of the Lytton Commission are being followed. This commission, bearing the stamp of Stalinist approval, is headed by the Labor peer, Lord Marley, and otherwise consists of several pacifists, besides including the Communist renegade, Miss Ellen Wilkinson, the former Labor M. P. While the Communists in Shanghai are all agog over the forthcoming visit, it has remained for a petty-bourgeois radical like Mrs. Sun Yat-Sen, one of the presidium of the League against Imperialism, to express the view that the "commission" and the congress of liberals and pacifists which it will assemble in Shanghai (if permitted by the police to do so) pass resolutions against the maraudings of Japanese imperialism, is a futile and nonsensical affair.

Strike Wave in China

The past two to three months have witnessed a general tendency toward revival of activity among the workers of China after a fairly lengthy period of dormancy. This tendency, manifested in strikes and other actions, is more or less general throughout the country, but is mainly observable in the larger centers, especially Shanghai.

It would be incorrect, however, to describe the renewed activity as due to a growth of militancy among the workers in the sense of that inevitable recovery which takes place as the accompaniment of a partial or temporary, economic recovery. Such action as has taken place is rather in the nature of a desperate rearguard action in the face of ever-continuing capitalist onslaughts. Wages are constantly being lowered, the working week is being steadily cut, especially in the larger industries (sometimes to as little as three days), and industrial enterprises are closing down one after another, throwing tens of thousands into unemployment.

But even the desperate rearguard actions that the workers are fighting amid steadily worsening economic conditions are beginning to engender a real fighting spirit—so much so, in fact, that the Kuo Min Tang is beginning to sit up and take notice.

The Trade Union Act of the Nanking Government, which became operative on November 1, 1929, aimed at the Fascization of the trade unions, the strangling of their independent activity. The trade unions were converted into "safety valves", under more or less com-

plete governmental control and supervision. During the three years 1929-32, when the workers lay almost completely prostrate under the heavy yoke of 1927, this process of Fascization was carried to considerable lengths, and the workers were largely deprived of any independent trade union organizations.

Due, however, to the disintegration of Nanking authority under the blows of external aggression, and the accumulated domestic difficulties of the government, control of the unions was latterly, to a certain extent, allowed to slip. The Trade Union Act suffered the same laxity of application as most of the legislative enactments of the Nanking government. Hence, some unions developed an independent leadership, free of Kuo Min Tang influence or control.

No move toward a tightening-up was required so long as the workers suffered without opposition the tyranny and intense exploitation to which they have so long been subjected. But lately, with the employing class frantically endeavoring to solve the economic crisis at the expense of the workers, the latter have once more begun to stir.

The obvious fact of this renewed activity has had a corresponding effect on the Kuo Min Tang organs, which, beginning with the Shanghai Seamen's Union, have commenced reasserting their control over the trade unions. This has led in many instances to sharp conflicts between the workers and the Kuo Min Tang, and if the present upward curve of workers' activity continues it might be expected that these conflicts will grow more numerous and more severe.

The Economic Situation in China Today

A few facts concerning the present economic situation in China, and the activity of the workers, will no doubt be of interest. During a period of approximately five weeks from mid-May, according to press reports, no fewer than 11 industrial concerns in Shanghai suspended operations completely, while many others went on short-time. Five of the eleven were silk-weaving and silk goods factories, 5 were rubber shoe factories and 1 a cotton mill. The eleven concerns employed between them roughly 4,000 workers; the cotton mill alone employed 1,400. In addition, 2,100 workers were discharged from a Japanese cotton mill in May, while some 400 seamen lost their jobs when their vessels were laid up.

At Tientsin, a cotton mill employing 2,700 closed down, and at Canton a rubber factory employing 700. At Tsinan, 1,000 workers at the arsenal were given notice of dismissal because of the projected removal of the arsenal to Hanyang, on the Yangtze.

On June 19, two large cotton mills in Hankow, employing between them approximately 10,000 workers, closed down and the following day a third, employing approximately 7,000 followed suit.

The unemployment situation in Shanghai, which may be taken as a pattern for the rest of the country, has assumed extraordinary

dimensions. The number of unemployed workers in Shanghai is estimated at approximately 500,000. There are approximately 50,000 silk factory workers unemployed in the city, 98 of the 113 establishments in the city are closed. Compelled by the necessity of attempting a solution of an economic crisis of unprecedented magnitude, the Roosevelt administration has adopted methods entirely new to the American scene.

The National Industrial Recovery Act, promulgated as an emergency measure, is the most important of the unusual steps taken since the present administration came into power. Its avowed purpose as stated by the President is "the reemployment of men and dollars." The Act provides for control of industry, the regulation of hours and wages of labor, the establishment of codes for "fair competition" as well as the putting into effect a public works program, involving the expenditure of 3 billion, 3 hundred million dollars.

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Quite a change from the traditional laissez-faire rugged individualism extolled by many ideologists of American capitalism. Nevertheless, although more than a month has gone by, only the textile industry has submitted a code which was accepted by Johnson and the President. Steel, coal, electrical manufacturing, transportation, lumber, utilities and other important industries have been rather shy about submitting their codes. So much so, in fact, that Johnson has threatened to write a code over their heads, and what is more to establish a general minimum wage ruling for all of industry, referred to as a "blanket code".

How have these innovations affected working class opinion? In various ways. There are some among the Stalinists who claim that this, like the Hoover administration and other events of the past, is Fascism. Again, the essence of Fascism is subtly ignored, proving that the recent German catastrophe does not necessarily teach any lesson to certain people. Then there are those, especially among socialists, who see a form of socialism being introduced in the U. S.

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# Hitler Orders: 'Butter for People'

The speeches of the Fascist leaders, dripping with social sympathy, which are launched at every opportunity with great expenditure of lung power and thundered into the ears of the god—and hero-worshipping petty-bourgeois shopkeepers, stand in honorable contradiction to the practical deeds with which the "social service" bourgeoisie out of the crisis. The frightful, profound, crushing misery, which has been bearing down on the shoulders of the many millions of unemployed for years, which drives thousands each year to take their lives, and brings further thousands slowly closer to physical death by starvation, this misery in the ranks of the German proletariat is being intolerably sharpened by the government's large scale campaign of robbery of the pockets of the broad masses in order to fill the purses of the bourgeoisie and the big landowners. And the disgusting accompaniment to which the Aryan scoundrels are staging the show, consists of inflated tirades about the German "working class of brain and hand", with which they hope to stuff the mouths of those whose bread they are snatching away.

Margarine or Butter—Question of Taste or Question of Wages?

Unemployment and the pressure on wages since the beginning of the crisis has brought the standard of living of the German proletariat to an ever lower level, has taken away from the worker's table one by one all the "luxuries" which today include milk and butter as well as meat and vegetables. The forcible worsening of the living conditions of the proletariat, which has also embraced fairly broad sections of the petty bourgeoisie and of the white-collar class, has resulted in a special boom for those sections of industry which have arranged their production especially for the

## How the Economic Side of the Fascist Regime Works Out in Practice

beggarly pennies of the pauperized people. The 25-pfennig shops of Woolworth and Wohlwert, of the Sern and the Epa, have been the beneficiaries of this development, which have also resulted in a few fat morsels for the margarine industry.

What was a benefit for the margarine producer was an evil for the peasant. The consumption of butter shrank rapidly as many consumers turned to the much cheaper margarine. The price of butter sank considerably, while on the other hand foodstuffs became dearer on account of tariffs, so that the German peasant production was injured in this direction too, especially by the foreign competition which is supplied with much cheaper foodstuffs. One evil resulted in another. The attempt was made to keep foreign competition out of the German market by ever higher tariffs. At the same time, the peasants turned in increasing degree to the use of oil-cakes as feed, in order not to have to use foodstuffs which had been made expensive by tariffs.

The New Measures

In order to help the big landowners out still more energetically than before, tariffs and subsidies are not enough; it is urgently necessary to secure the market for wheat production in Germany itself, on the one hand in order to prevent the excessive internal prices from attracting foreign competition which would skim off the cream, on the other hand, to prevent the German peasant from getting around the excessive price of foodstuffs by going over to the use of the cheaper oil-cakes. This is the kernel of all

the well-played-up rescue measures of the German peasantry, whose purchasing power must be raised, according to Hitler. This gentleman has made many promises, and still certainly find it hard to satisfy behind him on a string. He will lead all kinds of human vermin everybody, and at the same time take care of the interests of the bourgeoisie with the necessary energy.

To "reconcile" the contradictory interests of the little throat-cutters with those of the bigger profit-swallowers, requires, outside of Fascist terror, which will have to carry out its historical tasks here too, a large portion of demagogic and diplomatic trickery and maneuvering, for which Fascism has an almost inexhaustible gift.

Hitler promised to put the screws on the big trusts. And he is doing so in his own way—with the necessary respect. To allay the misery of the German peasantry, which according to the greatest pudding-head of our century is the cornerstone of the solution of the economic crisis, the most effective step would be to pick the pockets of the workers and white-collar class. The means are simple enough. One has only to increase the price of butter; limit the production of margarine, which currently must not exceed 60% of the production in 1932; and levy a tax on the consumption of these "artificial food fats".

The consequences of these "measures" to cheapen the cost of food fats", as this action of the government is modestly called on account of the issue of fat cards, have been no secret to anybody in Germany. The cheapest margarine has risen in price from 25 to 75 pfennigs a pound, and may be bought by those who are favored with fat cards at 50 pfennigs a pound—unless it just happens to be sold out. This 100% increase in the price of the cheapest kind, for those who receive relief or pensions and are entitled to buy "cheapened" margarine on their fat cards, is the clearest characterization of those honey-sweet words with which Hitler on "Labor Day" sought to win the favor of the toiling masses for his national-socialism.

Along with margarine, butter also rose in price substantially, the increase amounting to 35 marks per hundredweight against the lowest quotation in February of this year. Undoubtedly the milk-producing peasants are still rubbing their hands with pleasure, for the time being. But their joy will be short-lived.

The Government Needs Scap-Goals

The shortage and dearth of margarine and the price advance in butter have resulted in unpleasant surprises. The deep bitterness which took hold of even many adherents of Hitler, caused the government to look immediately for a scapegoat on whom the blame for these developments could be placed, to divert indignation against others, and at the same time to show the petty-bourgeois shopkeepers emphatically that they are mistaken, if they hope to chip off a little piece of this profitable business for their own pockets.

The government is by no means a stranger to this game with false cards. It had the announcement made over the radio that first-quality butter costs 1.20 marks a pound, while at the same time this grade was being priced at 1.60 marks in the shops. At the same time, in Munich and in part elsewhere in the country, several hundred little shops were closed for profiteering, the shopkeepers were arrested and brought to concentration camps, where presumably they have been cured for some time of their hopes in Hitler.

It is readily understandable that the difference between the price named officially by the government and the much higher one demanded in the shops caused anger and bitterness among the consumers, which was directed against the retailers. This anger and bitterness was further intensified when the government, in its "straightforward and honorable" manner, openly exposed and punished before the eyes of the world the profiteering maneuvers of a number of dealers. And precisely this was the object of the government's action. The radio, with its announcement of cheap prices for butter, thereby dropped a little poison into the ears of the masses, insinuating that the retailers were profiteering to the extent of 40 pfennigs a pound and thus egging them on against the dealers.

It is a question of the strips which can still be cut out of the hide of the suppressed proletariat. Everybody wants their part. The big bourgeoisie will receive it, the petty bourgeoisie and the small farmers will be fed illusions which Fascism attempts to give a certain material basis. "It is the intention of the government that the workers should entirely dispense with the use of margarine, even if that means an increase of the budget of every individual household."

Who will still doubt the social nature of Fascism? It demands: Butter for the People! It does not even give them cheap margarine.

—From (Unser Wort)

## National Recovery Act to Throw New Burdens on U.S. Proletariat

The good ship, American Capitalism, its hull battered and leaking, loaded with its badly disarranged national economy is making its way into uncharted seas. Compelled by the necessity of attempting a solution of an economic crisis of unprecedented magnitude, the Roosevelt administration has adopted methods entirely new to the American scene.

The National Industrial Recovery Act, promulgated as an emergency measure, is the most important of the unusual steps taken since the present administration came into power. Its avowed purpose as stated by the President is "the reemployment of men and dollars." The Act provides for control of industry, the regulation of hours and wages of labor, the establishment of codes for "fair competition" as well as the putting into effect a public works program, involving the expenditure of 3 billion, 3 hundred million dollars.

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Quite a change from the traditional laissez-faire rugged individualism extolled by many ideologists of American capitalism. Nevertheless, although more than a month has gone by, only the textile industry has submitted a code which was accepted by Johnson and the President. Steel, coal, electrical manufacturing, transportation, lumber, utilities and other important industries have been rather shy about submitting their codes. So much so, in fact, that Johnson has threatened to write a code over their heads, and what is more to establish a general minimum wage ruling for all of industry, referred to as a "blanket code".

How have these innovations affected working class opinion? In various ways. There are some among the Stalinists who claim that this, like the Hoover administration and other events of the past, is Fascism. Again, the essence of Fascism is subtly ignored, proving that the recent German catastrophe does not necessarily teach any lesson to certain people. Then there are those, especially among socialists, who see a form of socialism being introduced in the U. S.

To dispose of this last view first it is sufficient to point out that the concentration of wealth and the means of production into fewer hands is not only facilitated but also accelerated by the Recovery

Act. The government is taking these steps purely in the interest of the capitalist system, trying to "organize" it so that it may survive the social cataclysm that awaits it.

However, to merely state that this is not Fascism without analyzing the social and political implications and the possible developments, would be incorrect. Of course, it is obvious that this is not Fascism. Fascism could not be imposed in this country or in any other without an immediate threat from a class-conscious, organized working-class. The capitalists themselves do not want Fascism because while this form preserves capitalism as a system a little while longer, it restricts the individual capitalist enterprises within the rigid framework of a state organization. Fascism comes about, then, as a last resort and when all other means of holding power have been exhausted. The conditions prerequisite for Fascism in this country will not materialize in the immediate future, unless something unforeseen should occur. This does not mean that the workers should not look to all organizations of a Fascist nature without any apprehension.

But the economic organization of Fascism is state capitalism. State Capitalism is the final form of capitalist economy. Engels foresaw this development with remarkable accuracy in his "Socialism, Utopian and Scientific." Under this form, all industries become part of the State apparatus—the Corporative State, as in Italy. The enactment of any measure in any particular branch of industry by the "corporation" involved has all the force of law as this organization is a branch of the government itself.

Viewed from this standpoint, the striking similarity between the economic structure of Fascism and the set-up of the Recovery Act is apparent. The steps taken by the Recovery Act are to the tune of Fascist music. Let us not overlook this important aspect of the question.

What has happened in the meantime to the Sherman Anti-Trust laws? Without actual annulment by Congress, the Roosevelt administration has waved them aside. These laws had been enacted under the mass pressure of the petty bourgeoisie fighting against the inexorable growth and encroachment of monopoly industry, which has yearly wiped out increasing numbers of small establishments. Al-

no official records are kept, but it has been computed at anything between 100,000 and 200,000. There are approximately 50,000 silk factory workers unemployed in the city, 98 of the 113 establishments in the city are closed. Compelled by the necessity of attempting a solution of an economic crisis of unprecedented magnitude, the Roosevelt administration has adopted methods entirely new to the American scene.

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dimensions. The number of unemployed workers in Shanghai is estimated at approximately 500,000. There are approximately 50,000 silk factory workers unemployed in the city, 98 of the 113 establishments in the city are closed. Compelled by the necessity of attempting a solution of an economic crisis of unprecedented magnitude, the Roosevelt administration has adopted methods entirely new to the American scene.

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At the head of the administration of the Recovery Act was placed Gen. Hugh S. Johnson, a close associate of Bernard Baruch, the financier. The law provides the administration with sweeping powers and great freedom of action; all of its decisions are contingent on final approval of the President.

The Recovery Act, as we have said, provides for the establishment of codes for the regulation of hours and wages and "fair competition" in all industries. These codes are to be submitted by the industries themselves and when once accepted by the Recovery administration with approval of the President have all the force of law, violations of which are penalized. The objective is the organization of the entire industrial output of the country—in other words a capitalist "planned economy".

Quite a change from the traditional laissez-faire rugged individualism extolled by many ideologists of American capitalism. Nevertheless, although more than a month has gone by, only the textile industry has submitted a code which was accepted by Johnson and the President. Steel, coal, electrical manufacturing, transportation, lumber, utilities and other important industries have been rather shy about submitting their codes. So much so, in fact, that Johnson has threatened to write a code over their heads, and what is more to establish a general minimum wage ruling for all of industry, referred to as a "blanket code".

How have these innovations affected working class opinion? In various ways. There are some among the Stalinists who claim that this, like the Hoover administration and other events of the past, is Fascism. Again, the essence of Fascism is subtly ignored, proving that the recent German catastrophe does not necessarily teach any lesson to certain people. Then there are those, especially among socialists, who see a form of socialism being introduced in the U. S.

To dispose of this last view first it is sufficient to point out that the concentration of wealth and the means of production into fewer hands is not only facilitated but also accelerated by the Recovery

Act. The government is taking these steps purely in the interest of the capitalist system, trying to "organize" it so that it may survive the social cataclysm that awaits it.

However, to merely state that this is not Fascism without analyzing the social and political implications and the possible developments, would be incorrect. Of course, it is obvious that this is not Fascism. Fascism could not be imposed in this country or in any other without an immediate threat from a class-conscious, organized working-class. The capitalists themselves do not want Fascism because while this form preserves capitalism as a system a little while longer, it restricts the individual capitalist enterprises within the rigid framework of a state organization. Fascism comes about, then, as a last resort and when all other means of holding power have been exhausted. The conditions prerequisite for Fascism in this country will not materialize in the immediate future, unless something unforeseen should occur. This does not mean that the workers should not look to all organizations of a Fascist nature without any apprehension.

But the economic organization of Fascism is state capitalism. State Capitalism is the final form of capitalist economy. Engels foresaw this development with remarkable accuracy in his "Socialism, Utopian and Scientific." Under this form, all industries become part of the State apparatus—the Corporative State, as in Italy. The enactment of any measure in any particular branch of industry by the "corporation" involved has all the force of law as this organization is a branch of the government itself.

Viewed from this standpoint, the striking similarity between the economic structure of Fascism and the set-up of the Recovery Act is apparent. The steps taken by the Recovery Act are to the tune of Fascist music. Let us not overlook this important aspect of the question.

What has happened in the meantime to the Sherman Anti-Trust laws? Without actual annulment by Congress, the Roosevelt administration has waved them aside. These laws had been enacted under the mass pressure of the petty bourgeoisie fighting against the inexorable growth and encroachment of monopoly industry, which has yearly wiped out increasing numbers of small establishments. Al-

no official records are kept, but it has been computed at anything between 100,000 and 200,000. There are approximately 50,000 silk factory workers unemployed in the city, 98 of the 113 establishments in the city are closed. Compelled by the necessity of attempting a solution of an economic crisis of unprecedented magnitude, the Roosevelt administration has adopted methods entirely new to the American scene.

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