

One Year of Roosevelt's New Deal

Article II
 "The program comes from the American people," said President Roosevelt in his message to Congress on the New Deal, January, 3rd, 1934. And why not blame the American people. They have been blamed for so much anyway.

It is quite clear that the American people, to use that term, that is, the exploited and exploiters alike in their overwhelming majority, supported the New Deal program. But as it swings into operation on a large scale, the attitudes toward it begins to divide on class lines. Issues of labor unions versus company unions arise. Code regulations tie the workers to the crisis level of wages. And, besides that, the economics of the New Deal with its general inflation schemes hit the workers below the belt. It increases the money available—for those who own the means of production—by forcing the rate of exploitation of the workers upward due to the lowering of their real wages. The workers come face to face with the realities of a stronger monopoly capitalism functioning under governmental regulation and support.

Aid to Big Financiers
 The very first steps in the New Deal program constituted an aid to the big financial overlords who had "suffered" so much from crisis and depression. Hoarding and exportation of bullion or currency were prohibited under presidential emergency powers. The Emergency Banking Act reopened the closed big banks and authorized their issuing new preferred stocks to obtain additional capital. Following on the heels of this came a whole series of legislation.

First, the Securities Act which established federal supervision over sales of investment securities. Then came the project to refinance farm mortgages on the plea of helping the farmers. It was well known that there could be no more farm foreclosures because such would hurt the bankers more than the farmers. The bankers had already too much farm property on their hands, so it was much better for them to obtain refinancing and interest on the farm mortgages. Next, followed the Home Owners Loan Act to secure the interest payments to the bankers on outstanding mortgages due from small property owners. Then, the Bank Insurance Act which established a guarantee on bank deposits. It also provided for expansion of credits and authorization to the Reconstruction Finance Corporation to invest one billion dollars to "strengthen the banks and make it possible for them to respond to the credit needs of the country."

But, as they many wallings and lamentations have since proven, the bankers cashed in on the dough but failed to "respond." They refused to lend unless they could see something profitable to use their money for.

Government Money Flows
 Government money began to flow easy and all the pilfering pirates were gathering to get their share of the loot. The Reconstruction Finance Corporation was also authorized to aid the "hard-pressed" insurance companies, who gobble up the small savings of the gullible investors. Railroad companies and other monopoly enterprises got their heavy share until this orgy of credit expansion, through the R.F.C. subsidies and loans, reached the stupendous sum of six million dollars at the end of 1933.

The suspension of the gold standard and the dollar devaluation climaxed the series of inflationary schemes. They were all designed to raise the commodity price level at home and thus to reestablish the profit inducement for capital investments. In addition they also become preparations to facilitate the competition of American capitalism in the world market. Such is the picture of one side of the New Deal in operation. An enormous flow of easy money for finance monopoly institutions with the resulting inflated credits and rising price level for the things the workers need.

The slow moving index of 784 commodities compiled by the Bureau of Labor Statistics has advanced 23% and the more sensitive index of The Analyst 33% during the first year of the New Deal. Since farm prices, helped by the outright destruction of wheat, meat, and cotton, have risen more than those of non-agricultural products, it is quite easy to get an idea of the advancing cost of living which means a lowering of real wages to the workers.

Standardizing on a Lower Level
 We have presented to us the New Deal program as a means of restoring and stabilizing the purchasing power of the broad masses. But this is, of course, to be on a distinctly lower level than the former "prosperity" equilibrium. It hovers around the industrial code minimum wage of \$11 to \$15 weekly. Is this not distinctly the crisis level of wages? Is it not a wage level as low if not lower than that of 20 to 30 years ago?

Quite cleverly, the first of the

codes to be adopted was that for the textile industry. In that industry wages had always dipped the lowest. The code provides for a forty-hour week, the magnificent sum of twelve dollars in the South and thirteen dollars in the North. Being the first code adopted, it tended immediately to become a standard for wages and other provisions, from which other codes proceeded with as little variation as little variation as the exploiter could get away with.

Now we can add to this wage standard the combination of increased commodity prices and the devaluation of the dollar. As a consequence unbearable conditions have become the lot even of those workers fortunate enough to have a job. For the working class as a whole, and that includes the unemployed millions, the total income remains vastly reduced.

Unemployment and Reduced Hours
 How do matters stand in regard to the other aspect of increased purchasing power of the broad masses by the spread of employment through a reduction of working hours? In administration circles much has been made about the shorter work day. Each reduction of hours made in any code regulation was widely advertised. But, as it turns out, only a few codes go below forty-hour weekly maximum and many remain above the forty-hour maximum.

As compared to 1929, when the average work week was forty-eight hours, this would even have some significance, but when compared to the crisis, none whatever. The average working hours of the first five months of 1933 in manufacturing industry, for full time workers and part time workers put together, were 34.7 weekly. Thus the code regulations of working hours attained so far could not appreciably increase employment. With the Civil Works schemes at an end, the unemployed army, according to all reliable estimates, will remain about as large as before.

Statistics on unemployment have become exceedingly scarce since the drop which followed the early flush of business revival, artificially stimulated by the various NRA schemes. Now whatever statistics

are available are being manipulated. Facts and figures are turned upside down, inside out, and squeezed until they bleed from every pore. Yet they cannot hide the enormous numbers on the unemployment market. With the NRA in operation and the suspension of the anti-trust law, there is in motion a greater concentration in industry and a greater centralization of finance, all at the expense of the workers. What was formerly spent by big concerns for high pressure sales and for advertising purposes tends to go into so-called scientific management and elimination waste, which in reality means more speed-up and further elimination of labor power necessary to the productive forces.

The Real Aim of the New Deal
 There should be little doubt left in the minds of the thinking workers that the New Deal represents a series of measure to save the capitalist system which was so badly dislocated during the crisis. The economic part of these measures does not aim to improve the conditions of the workers regardless of what temporary advantages they may offer. In the objective results of these measures the workers face a reduced level of real wages, an intensified speed-up system, and increased rate of exploitation. Mass unemployment remains in permanent form, and the workers are brought face to face with a stronger monopoly capitalism. That, of course, is the real aim of the New Deal.

It means a reorganization of American national economy to restore and increase capitalist profits. In the program as a whole are embodied the active preparations for further imperialist expansion. For that, tranquility of class relations is required. But this is another aspect of the New Deal program, to be dealt with separately. Meanwhile one important lesson must sink deeply into the minds of the workers:

Preparations for further imperialist expansion as a means of issuing out of the crisis lead directly on the path of war. That, we can rest assured, is taken fully into account in the New Deal program.

Arno Swaback.

International Notes

LITHUANIA.
 The Lithuanian opposition is growing stronger and gaining adherents among Lithuanian workers as well as among the student youth. A few student-propagandists lead workers' study circles on political economy, history of the revolutionary movement and history of the opposition. On the 16th anniversary of the October revolution Lithuanian Bolshevik-Leninists published an illegal leaflet to the workers. In December the Lithuanian comrades printed a first issue of their periodic illegal organ in the Lithuanian language under the name "Lenin Kelin" (In Lenin's Steps). The issue contained the following articles: An editorial on the Lithuanian Fascist overturn of 1928; an article "On the building of the Fourth International"; "The Declaration of Four"; a warning to the Stalinists on the provocative character of their publishing the names of our comrades; Workers Correspondence; On parliamentary cretinism in Austria.

In the discussion which took place on the question of the Fourth International not one voice was raised against the new orientation. We have now in Lithuania 20 active members of the opposition organization, the majority of whom are workers. The work has to be carried on under the severest conditions of illegality.

The Stalinites have begun to feel the influence of the Lithuanian oppositionists and have therefore opened up a slanderous campaign against them, not stopping even before making public the names of the leading Bolshevik-Leninists. For instance, the Stalinist illegal press—in the student party organ, the Aurora (No. 2-3)—published an article: "Trotskyism—the advance guard of the counter-revolution". This article, outside of the usual slanders of Trotsky carries information on the activity of the Lithuanian "Trotskyites". They have allegedly the most backward workers with them and are carrying on Trotsky's line directed against the Lithuanian peasants since they stand for the dictatorship of the proletariat, "ignore" the peasantry, etc., in the same spirit. In conclusion, as stated above, they mention by name "as a traitor" a leading comrade in order to draw the attention to this "traitor" of the Lithuanian police. Thus, the Lithuanian comrades find themselves between two fires; the Stalinist provocateurs and the Lithuanian police. The provocateur work of the Stalinites must be completely unmasked before the Lithuanian workers.

GERMANY.
 Agitation for a new party which at first met with certain difficulties gained ground among the Communist as well as the social-democratic workers. In the general chaos in which the German working class movement found itself after Hitler's coming to power, the remnants of the former working class organizations are searching for new roads and are standing face to face before new realignments. In this chaos the Left Opposition tries—and with success—to create nuclei of the new coming party from the cadres of the Communist party, of the social democracy and the trade unions. First of all the causes of defeat are being discussed.

Parallel with this a discussion with the SAP (Socialist Workers Party of Germany) is being carried on, a discussion which first of all takes up international questions. The SAP, as is known, is by its origin a centrist organization which has undergone an evolution towards Communism. The SAP signed the Declaration of Four for the new International. The unification of the German opposition with the SAP would have been an important stage on the road to a new party. But the discussion showed that the SAP still has some Rightist tendencies. Therefore, a deepened discussion must precede unification.

Armed with correct policy, the German Left Opposition made a successful turn towards illegal work under new conditions. It escaped the decomposition and demoralization of big organizations. Only in small towns, where our comrades were widely known, were the groups of the German opposition routed by the police. In the majority of large cities the German oppositionists issue the weekly organ of the German Bolshevik-Leninists "Unser Wort" (Our Word) appearing abroad since February, as well as a number of other publications penetrating by various ways into Germany, have given great impetus to the spread of the ideas of the Left Opposition, the correctness of which had been proven by living events.

The spread of the ideas and the growth of the influence of the Left Opposition are by no means limited to a layer of critically thinking Communists, but on the contrary find a considerable echo among social-democratic cadres standing for

The Left Movement in Poland

According to recent documents, and particularly to Platnitsky's articles the Communist Party of Poland (C. P. P.) is the best Communist party in the Comintern from which all the sections can take example. One might really believe the veracity of this statement because the founders of this party fought with Lenin against Czarism. Under the leadership of Rosa Luxemburg the old Socialist Party of Poland was a model of revolutionary proletarian internationalism. In spite of the theoretical differences between Lenin and Luxemburg the Socialist party of Poland stood closely to Russian Bolshevism. Not only the leaders but also the proletarian masses of Poland have behind them a glorious past of revolutionary struggle. To that can be added the conditions in the country favorable to a strengthening of the Communist movement. Poland is still the weakest link in the chain of capitalism.

Effects of Crises
 All of the post-war crises lasted longer and had a more catastrophic effect in Poland than in other countries. The agrarian crisis is so serious that the frequent demonstrations of the peasants bear a near revolutionary character. More than 40% of the population consists of national minorities and of these 80% are Ukrainian and White Russians who hate Polish imperialism and are striving for national liberation. Poland does not lack in cadres and reserves for real revolutionary activity. Platnitsky's prognoses could be realized if the Communist leaders were fully aware of their tasks and employed a correct Leninist line. Unfortunately their tactics are not Leninist but Stalinist. And since the tested leaders of the movement have been eliminated, and those at its head now are incapable of giving it leadership the results are not very gratifying. It can even be said that in Poland there is not a party in the real sense of the word, but a party apparatus which is completely isolated from the masses.

Trade Union Disbelee
 What caused this ruin of the C. P. P.? We can only give some of the reasons here. The 6th Congress of the Profintern instructed the Polish party to build its own trade unions. That was grist to the reformist mill. Of course the party did not succeed in building its own trade unions. Two examples: (1) There are more than 90,000 Polish miners in Upper Silesia. They are organized in Christian and reformist trade unions. The party recruited but 300 of these workers in its attempt to build its own trade unions. To be sure these 300 were the best revolutionaries but they were demoralized by their impotence, and the broad masses remained under the influence of the Christian and reformist trade unions. (2) Following their victory in the textile workers strike in Lodz the reformists built a union with a membership of 10,000. This is the largest union in existence in Poland. The party forbade its members to join this union and instructed them to create small trade unions in each factory. The disastrous results of this tactic were soon demonstrated at the recent congress of the Warsaw metal workers, to be sure bureaucratically prepared by the socialist officials, there was not a single Communist delegate. And at the railroad workers congress, where the Communists had the majority two years ago, their delegates did not form an independent group. Their few delegates were so fearful of being known as Communists that all the reformist resolutions were adopted unanimously.

The Internal Regime in the Party
 Mass discontent grew simultaneously with the loss of the party's influence in it. Instead of encouraging criticism from the membership to find the basis of the mistakes, the party bureaucrats used every possible means to suppress it. Every criticism was considered and branded the work of renegades, and every critical member expelled from the party. The seizure of power by Hitler was communicated to the membership as a mere piece of news and no discussion on this question was permitted. In the same manner the resolution of the Comintern on March 5th, 1933 on the united front was conveyed to the membership as a mere communication. The bureaucratic party apparatus, which has made every criticism impossible, brought things to a different end: the discontented members have grouped themselves together to build an opposition.

The Opposition
 The Opposition was created two years ago in Poland. Without forgetting the international character of their struggle, the leaders of the Opposition raised demands on all the national and local questions. They did this because they had no desire to break with the party. The party bureaucrats answered these demands by expelling the best members. That further sharpened the contradictions in the party.

The aggravation of the situation in Russia and the seizure of power by Hitler have shown the Opposition that the struggle is not limited to local questions but must be broadened to the international field. We solidarized ourselves with the Left Opposition and decided to educate our members in this spirit. We struggle against the Stalinists on the basis of the interests of the workers and in all the daily economic and political questions. In that way we won the sympathies of the Communist and non-party workers who follow us to this day. We also have contacts in various groups in reformist organizations. We have oppositionist organizations in all the trade unions. We have about 300 members, equally young and old comrades. We have two weekly papers, one in Polish and another in Jewish, which are issued in 5,000 copies. It is significant that our papers are better sold than the party's.

The Polish Opposition has issued a series of Left Opposition pamphlets in the Polish language: "The Key to the International Situation", "What Next?" a pamphlet by Trotsky on the Amsterdam Congress with the declaration of the Left Opposition, Lenin's "Left Communism" with an introduction by Trotsky, the declaration by the Left Opposition on the Paris Anti-Fascist congress, a pamphlet on the Fourth International (which was confiscated), "The Fourth International and the Soviet Union" (also confiscated) and a pamphlet on the "Bund". 20,000 copies of these pamphlets have been bought.

The question of the Fourth International, which was under discussion for five months and disclosed serious differences in the organization, is now about to be definitely decided. The leadership of the organization and the majority of the membership have taken a firm position for the Fourth International. The official entry of the Polish Opposition into the League of Internationalist Communists will soon be consummated.

—VICTOR.

The Right Wing and Labor Party

Today, in America, we have entered upon a new and higher stage of the class struggle. With the sharpening of the class struggle, the true nature of classes, and political parties or tendencies stand out in ever sharper relief. In the light of sharpening contradictions, most revealing of all are the political perspectives put forward by parties or tendencies within the working class. Let us apply this touchstone to the perspectives put forward by the Lovestonites.

What is the task facing the revolutionist today? According to the Lovestonites: "to agitate and prepare the ground for the formation of a Labor Party". What is the historic need of the present moment? According to the Lovestonites "the fight for a Labor Party."

In the Workers Age (March 15, 1934) two articles appear proclaiming this perspective: one by H. Connor who deals with the Labor Party in Fort Wayne; the other by S. Jonas & H. Vaughan who deal with the Labor Party in general. Connor reports as an "activist"; Jonas & Vaughan on the other hand, approach the question "as theoreticians."

Both the activist and the theoreticians argue for the Labor Party from the same premise, a very remarkable premise, to wit, because of the immediate need "to divorce the workers politically from the capitalist class" (Connor); because of "the necessity for the political separation of the working class from the capitalist class." (Jonas & Vaughan).

From such a premise a Communist would argue not for a Labor Party but for a genuine revolutionary party. Beginning with the Communist Manifesto, all Communists have proclaimed the necessity of separating the proletariat politically from the bourgeoisie, i. e., "the organization of the proletarians into a class, and consequently into a political party"; and it is equally an ABC of Marxism that this task can be achieved only by organizing the vanguard into a revolutionary party. Only the revolutionary party can divorce the workers from the capitalists politically.

But the Lovestonites are not of the opinion that the proposed Labor Party would be revolutionary. No, Jonas & Vaughan deny that such a party would be revolutionary. It should only serve as a rallying point of all workers "regardless of individual differences". Of course in the very next sentence, our theoreticians proceed to contradict themselves by insisting that such a party "will become more and more revolutionary in its outlook" in the process of the class-struggle. But let us pass in silence this vision of a party which although not revolutionary, will become more and more revolutionary. There is another and much more essential aspect to the question.

The Labor Party, not being revolutionary, cannot achieve the political separation (or divorce) of the working class from the capitalist class. Why then do the Lovestonites propose its formation? Because they represent the opportunist and not the revolutionary wing in the labor movement. Like all opportunists they drag at the tail end of events; and like all tail-enders the

Lovestonites minimize the elements of class-consciousness, and worship the elements of spontaneity.

They have revived the hoary Menshevik theory preached by Martynov—the theory of "organization-process"; the theory of the spontaneous growth of the revolutionary party; and of the spontaneous growth of class-consciousness. Today, on a different historical level, the Lovestonites are chewing once again the thrice-digested cud of Menshevism. They counterpose the Menshevik concept of the spontaneous political development of the class to the Leninist concept of the vanguard, organized as a party, permeating the working masses with class-consciousness.

After proposing to divorce the workers politically from the capitalists by means of the Labor Party, Jonas, Vaughan, Lovestone and all other Martynovs further propose to make the workers class-conscious by means of the same Labor Party. "It is obvious (!) that no progress can be made in building a revolutionary movement, until workers have first BECOME politically conscious as a class. It is equally obvious (!) that the tactics of the revolutionary parties have failed to accomplish this" (our italics). Ergo, most obviously, the Labor Party is needed.

In the period of civil wars and revolutions one must for the thousand and first time lecture to the American Brandlerists the A. B. C. of Marxism. A politically conscious worker is a class-conscious worker. Workers do not become "politically conscious as a class" in the process of the class struggle by themselves, not even if they all joined or voted for a dozen Labor Parties. The revolutionary party is that historical organ by means of which the class becomes class conscious. The workers as a class do not first become politically conscious and then build a revolutionary movement; just the contrary, only if a revolutionary party exists "which does not fail to accomplish" its historic task of mobilizing the overwhelming majority of the workers under its banner can progress be made in building a revolutionary movement.

In 1920, the Leninist Comintern said, "After the defeat of the revolution in 1905, during the course of several years the Russian Mensheviks proclaimed the necessity of a so-called Labor Congress which was to replace the revolutionary party of the working class; all kinds of "laborites" of England and America, while consciously carrying on a bourgeois policy, are propagating among workers the idea of creating indefinite shapeless workers' unions instead of a political party."

In 1934, after the disastrous defeat of the German and Austrian proletariat, and the collapse of the Stalinist Comintern, the Lovestonites can only repeat the perspectives of the Mensheviks in 1905, and of the "laborites" of England and America in 1920.

The task facing the revolutionist in America today is the building of a genuine Communist party. The historic need of the present moment is the formation of the Fourth International.

—J. G. WRIGHT.

Inside the C. C. C. Camps

Minneapolis.—Today there are 1,522 C. C. C. camps in this country with over 300,000 recruits. By summer many more such camps will be established. I have just returned from a visit to several such camps in Minnesota, and would like to tell the Militant readers what I observed.

Most of the boys at work in Minnesota forests have been imported from Kansas. The government makes a fixed policy of sending the young workers far from home: in this way the potential rebels and deserters will think twice before they run away, with a long trek back to the farm staring them in the face.

For working 8 hours a day, five days a week, these boys receive thirty dollars monthly—twenty-five of which is sent home to their parents. In this way many Kansas families are removed from local relief. This peculiarly ingenious plan has a double merit, then, in Rooseveltian eyes. By making one member of the family support his parents and brothers and sisters in the style to which they have become accustomed, it preserves the domestic self-respect. Likewise, the C. C. C. worker himself receives a tidy bit of pocket money. For working 40 hours weekly, he receives the munificent sum of \$1.25—or slightly over 3 cents an hour.

One of the camps at which I stayed for several days (in the Chippewa National Forest) was located near an Indian reservation. After every meal, a throng of dirty, ragged Indian boys and men would throng themselves at the kitchen door, carrying large cans and buckets. They were waiting to receive the scraps from the meal. All that could not be garnered by the camp cooks for subsequent meals was given to the Indians—soup, bones, crusts, vegetables—all were thrown in the greasy pails making the most filthy, garbage-like ollapodrida—to be eagerly taken home and eaten by the Chippewa braves and squaws and tubercular papooses. Thus does Uncle Sam provide for his First Families.

A word about the forestry work. These Kansas boys are not used to the bitter weather of northern Minnesota winters. One day it was 27 degrees below zero. Eighty boys decided that this was too cold and revolted. After breakfast they returned to barracks instead of climbing on the trucks which were to convey them to the woods. Ten minutes later the officer in charge strode in and paused in the center of the room.

"Any man not reporting for work this morning, will be fined \$20," he announced. "Just follow me back to the office and I'll take your names."

The boys thought of their families back home, destitute, starving. The putsch was over almost as soon as begun.

At noon a handful of boys came back to camp with frost-bitten ears and cheeks. After bandaging the injured parts, the camp medic observed, "The bandages will be a warning to the rest of the men. Now they will take more care to protect themselves." What a soothing philosophy!

While at the camps I had the opportunity to talk to many of the boys. I should like to report that many were militant, class-conscious workers; but such is not the truth. The boys, almost without exception, come direct from farm homes. None has ever worked in a factory, has ever stood face to face with his exploiters across a picket line. I found no evidence to indicate that any boy had the least understanding of the economic forces at work in the world which were condemning him to an empty futureless life. They, and their fathers, had slaved on the farm, had been losing ground every year in this struggle for existence. Then came the New Deal, with its shabby offer of six months of camp life; and, poor as the work was, these boys jumped at the chance to escape from the wretched gray existence on the farm.

I was particularly interested in the attitude of the recruits towards war. Would they go to war if America should become embroiled with a foreign nation? Yes, almost to a man, they would. "There's nothing doing back home," they say. "Might as well fight as rot on the land." Should an emergency arise, and the Government throw rifles at these 300,000 young men, 99% of the rifles would be caught and drilling could immediately start. At present, the army staff makes a great show of the lack of military discipline prevailing in the C. C. C. camps. No saluting, no drilling, no court-martial, etc. But let war appear on the horizon: how the picture would change overnight. The department of war must be well aware of the fact that, if occasion arises, they have a third of a million young men in first-class condition available for fighting forces at a moment's notice.

The C. C. C. workers have become accustomed to having the government take care of them. Poor as the pay is, they are living better now than were they back home. In the evenings in camp they have attended classes in American history, in military tactics, etc. Subtly they have been filled with the insidious nationalistic ideology. Here the greatest danger lies.

—CARLOS HUDSON.