

# THE REVOLUTIONARY WAY OUT!

All capitalist politicians and their lackeys in the labor movement are offering various schemes to restore the shattered system of capitalism. These schemes are an admission of the bankruptcy of the capitalist system—some are pure and simple quackery, unworkable under the profit system; others, particularly those proposed by the Socialist Party, which call for nationalization schemes, are actually intended to strengthen the noose around the necks of the working class. The plans of the capitalist parties and that of Norman Thomas and the Socialists are all intended to serve the capitalists for their way out of the crisis: the way of increased poverty, ruthless cutting down of the workers' living standards; and attempts to restore capitalism at the expense of the working class.

The Communist Party shows the REVOLUTIONARY WAY out of the crisis: In the following analysis, William Z. Foster, the Party's candidate for President, treats concretely what measures a Workers' and Farmers' Government in the United States would take to lift the masses from the swamp of the capitalist crisis. The following is part of Foster's new book, "Toward Soviet America," and is the viewpoint presented by him to the thousands of workers and farmers whom he is addressing at present on his national campaign tour. Other sections of the book, dealing further with the revolutionary way out of the crisis, will be published in later issues of the Daily Worker.

By WILLIAM Z. FOSTER

**AFTER** providing for the emergency defense and provisioning requirements, the first steps of an American Workers' and Farmers' Government, which is the dictatorship of the proletariat, will be directed towards the revolutionary nationalization or socialization of the large privately-owned and state capitalist undertakings.

In industry, transport and communication this will mean the immediate taking over by the State of all large factories, mines and power plants, together with all municipal and State industries; the whole transport services of railroads, waterways, airways, electric car lines, bus lines, etc.; the entire communication organization, including telegraphs, telephones, post offices, radio, etc.

In agriculture it will involve the early confiscation of the large landed estates in town and country, including church property, together with their buildings, factories, live stock, etc., and also the whole body of forests, mineral deposits, lakes, rivers, etc.

In finance it will mean the nationalization of the banking system and its concentration around a central State bank; the taking over of the department stores, chain stores, and other large wholesale and retail trading organizations; the setting up of a State monopoly of foreign trade; the cancellation of all government debts, reparations, war loans, etc., to the big foreign and home capitalists.

**CONFISCATION—NO PAYMENT!**

The socialization program will be carried through on the basis of confiscation without remuneration, except for special consideration to small investors. Such a program naturally evokes loud protest from capitalists and the defenders of private property, especially the social fascists. The latter's idea, again expressed by Norman Thomas in his book, "America's Way Out", is for the workers to buy the industries and land from their capitalist owners. Thomas even proposes the absurd plan that, through holding companies, the workers can secure control with a minority of the stock.

Such social fascist proposals have nothing in common with Socialism. They represent a definite support of the capitalist class and the landlords in their claims for the right to exploit the workers; they seek to conserve the dominant position of these classes in a new form, State capitalism. The workers will never buy out the capitalists, nor could they if they would. There is no warrant in common sense or historical precedent for the workers to buy the industries and natural resources from the present ruling class. In confiscating this property of the big landlords and capitalists, the workers and poor farmers will simply be taking back that which has been ruthlessly stolen from them. This lesson of expropriation without compensation by a revolutionary class has been amply taught in the British, French, Russian and many other revolutions. The revolutionary American colonists did not compensate the British landlords; the Northern capitalists did not pay the Southern planters when they transformed the Negro chattel slaves into wage slaves; and the working class will follow the same course of revolutionary confiscation.

**IMPROVE WORKERS' CONDITIONS.**

The socialization of the key sections of industry, commerce, agriculture and finance will lay a solid economic foundation for the building of Socialism. Doubtless, private property will survive in small farms, in petty industry and in trade. But this will be only temporary. With the consolidation of growth of Socialism and the general spread of well-being all the land will eventually and without

serious difficulty be nationalized, and all industry will be concentrated into the Socialist Soviet economy.

The central purpose of the revolution is to conquer political power for the workers and to fundamentally improve the economic and social conditions of the producing masses. Immediately an American Soviet government is established, the shut-down factories will be opened. Production will be started to relieve the impoverished workers and farmers. The great stores of necessities now piled up and unsalable, will be released to the masses. The unemployed will be fed, housed and given work. Pending any delay in putting the industries into full operation, the unemployed will be paid social insurance on the basis of full wages. The general policy of the Soviet government will be to at once put into effect at least the immediate demands that the workers are now demanding of capitalism. Wages will be sharply raised, especially for the lower-paid workers; then there will be established the seven-hour day or, very probably, less, with a correspondingly still shorter work day for young workers and those engaged in dangerous occupations; there will also be the development of the system of social insurance against unemployment, old age, sickness, accident, etc., on a full wage basis; the abolition of the many discriminations against Negroes, women and young workers in industry; the establishment of free medical services, vacations for workers, etc.

The Soviet government will initiate at once a vast housing program. All houses and other buildings will be socialized. The great hotels, apartments, city palaces, country homes, country clubs, etc., of the rich will be taken over and utilized by the workers for dwellings, rest homes, children's clubs, sanatoria, etc. The best of the skyscrapers, emptied of their thousand and one brands of parasites, will be used to house the new government institutions, the trade unions, co-operatives, Communist Party, etc. The fleets of automobiles and steam yachts of the rich will be placed at the disposition of workers' organizations. A great drive will be made to demolish the present collection of miserable shacks and tenements and build homes fit for the workers to live in.

**LIBERATION FOR FARMERS.**

The Soviet government will immediately free the poor farmers from the onerous burdens of mortgages and other debts which now hold them in slavery. Of the total income of all farmers in 1927, 17 per cent went for loans and mortgages. Land rent will be abolished, both in the form of cash and share crops. The land will go to the users. The present monopolistic prices for agricultural machinery, fertilizers, will be drastically cut. Taxes will be slashed and shifted off the backs of the poor farmers. For the millions of "one-horse" farmers now living at the verge of starvation in many states, more land will be allotted; they will also be furnished with the necessary seed, machinery, fertilizer and expert instruction. Food and other necessities of life will be given to those in need. Production of foodstuffs will not be curtailed, but greatly stimulated.

Such a program is not a matter of speculation. This is the line that developed in the Soviet Union and it is the one that will develop here. Even in the face of their gigantic tasks the necessity to build industry from the ground up in the teeth of world capitalist opposition, the Russians have been able vastly to improve the conditions of the toilers of factory and farm. In the United States, however, the revolution, because of the superior industrial equipment here, will be able to advance the American workers' standards of living much more quickly and drastically. It will also make it possible to lend assistance to the more undeveloped countries. It is true that the powerful and ruthless American capitalist class will seek to prevent all this by destroying the industries during the revolution, which only emphasizes the need for breaking their resistance the sooner.

The revolution will put a stop to the whole series of capitalist leaks, wastes and thieveries which now prevent the rise in standards of the masses. It is the marvel of the capitalist world how the Soviet government, with virtually no foreign credits, manages to raise the many billions necessary to finance the Five Year Plan. The explanation is to be found in the gigantic economies inherent in the Socialist system as against the inefficiencies and grafts of capitalism. These economies will be much greater in the United States of America.

First of all, the American Soviet government, by taking over the ownership of industry and the land, will put a sudden stop to the manifold forms of robbing the workers and farmers. All forms of capitalist interest; rent and profit, will be abolished. Capitalists, mortgage holders, land owners and coupon clippers perform no useful function in society. Their rake-off from industry and the land is sheer robbery. This is one of the great lessons of the Russian revolution. They are a deadly detriment. The first requirement for further social progress is to abolish this class of parasites. The economist Veblen stated the case very mildly when he said that "the capitalist financier has come to be no better than an idle wheel in the economic mechanism, serving only to take up some of the lubricant." In reality, the capitalists, with their program of mass poverty, exploitation and war, are a menace to the human race.

**WILL INCREASE PRODUCTIVE FORCES**

Ending the gigantic robbery which is the very base of the capitalist system will at once release vast values for useful social ends. How vast may be realized from the fact that in 1928 the total national income in the United States was approximately 90 billion dollars, of which is estimated by Varga, the Soviet economist, that no less than 46 per cent was taken by capitalist exploiters in the shape of corporation profits, ground rents, interest on mortgages, official salaries and bonuses for themselves. An American Soviet government, stopping this monstrous expropriation of the toilers, will turn these great sums to the improvement of the living and cultural standards of the producing masses.

Secondly, the setting up of a Socialist system will greatly increase the productive forces and production itself. By liquidating the contradiction between the modes of production and exchange, it does away with economic crises, with all their waste and loss. Where there is no capitalist class to demand its profit before production and distribution takes place, and where the producers as a whole receive the full product of their labor, there can be no economic over-production and crisis. Consequently, unemployment, with its terrible misery and suffering, will become a thing of the past. The many millions who now walk the streets unemployed will have fruitful work to do, to the benefit of all society. With the deadly limitations of the capitalist market removed, the road will be opened to virtually unlimited expansion of industry and mass consumption.

Thirdly, Socialism will result in an enormous increase in industrial and agricultural efficiency. It is the proud boast of the capitalists, particularly the Americans, that their system represents the acme of economy and efficiency. But this is so untrue as to be grotesque. The Socialist system of planned production, based upon social ownership of industry and the land, is incomparably more efficient than the anarchic capitalist system founded upon private property, competition and the exploitation of the workers. In his book, The Tragedy of Waste, Stuart Chase estimates that of the 40,000,000 "gainfully employed" in the United States about 20,500,000, or 50 per cent, waste their labor totally. Recently, Iron Age stated that by putting all the industrial plants in the United States on the basis of modern technique it would be possible to shorten the working day to one-third of the present, while at the

same time double the output. Socialism will wipe out these great wastes, inherent in the planless, competitive capitalist system. It will liquidate the hundreds of useless and parasitic occupations, such as wholesalers, jobbers, and the entire crew of "middlemen," real estate sharks, stock brokers, prohibition agents, bootleggers, advertising specialists, traveling salesmen, lawyers, whole rafts of government bureaucrats, police, clericals, and sundry capitalist quacks, fakers and grafters. It will turn to useful social purposes the immense values consumed by these socially useless elements.

**NATURAL RESOURCES WILL BE SAVED**

Socialism will also conserve the natural resources of the country which are now being ruthlessly wasted in the mad capitalist race for profits. Stuart Chase points out, among many examples of such criminal waste, that by wrong production methods 16 million barrels of petroleum have been lost; every year five billion feet of lumber are likewise wasted, and although as yet only two per cent of the total coal in this country has been mined, 33 per cent of the best beds have been gutted. Natural gas and the various minerals are being similarly wasted. A Soviet government will, of course, put a stop to this criminal recklessness, and have as one of its principal aims the careful conservation of all the natural resources.

Finally, the eventual victory of the workers on a world scale will liquidate the monster, WAR, with all its agonies and social losses. The ghastly bill of the World War comprised, in terms of human life, 12,990,000 dead and a total casualty list of 33,288,000, not counting the thirty millions more who died in various countries from famine and pestilence as a result of the war. The direct property loss and general financial cost of the war is estimated at 340 billion dollars.

**WILL ABOLISH WAR!**

It is along these broad channels that the American Soviet government will find the means for the early and far-reaching improvement of the workers' standards. The abolition of the monumental robbery of the workers, by the capitalists in all its myriad forms; the liquidation of the capitalist economic crisis, with its mass unemployment and general crippling of the productive forces; the development of an industrial efficiency and a volume of production now hardly dreamed of; the careful conservation of natural resources; the abolition of war; these revolutionary measures will provide the material bases for a well-being of the toiling masses of field and factory now quite unknown in the world.

**Letters from Our Readers**

PITTSBURGH, Kan.

Dear Editor:  
I sure do like the Daily Worker, and so do all my friends and neighbors that I give it to. I have tried awful hard to get some of my friends and neighbors to subscribe for it, but they have no money and no work. I live in the district where they just threw 1,000 miners out of work. I am a railroad man and have had no job for two years.

A WORKER.

The Daily Worker would like to accommodate all workers who want to read the Daily Worker, but it is unable to distribute the paper without being paid for them, as we are a working class paper. In this case, as in similar cases, we would propose that this worker get together with some of his friends and raise a little fund for a subscription to the paper and then organize for the circulation of the paper. If a group of friends of the Daily worker would be organized, then ways and means would be found for getting and circulating copies of the paper.—(Ed. Note.)



Drawn by Burck