

ECONOMICS AND POLITICS OF THE "NEW DEAL"

by Jay Lovestone

America? Some of the super-salesmen and saleswomen of the new Administration, like the President's better-half and Anne O'Hare McCormick, would have us believe that: "We are in the last phases of a wholly American revolution, without a leader, without a manifesto, which had no prophets of its own and was uninfluenced by any foreign prophets, Marx, Lenin, Mussolini or any other."

But not every spokesman for the Administration is as modest as all that. Secretary of the Interior Ickes flattered the commencement exercises of Washington and Jefferson College, the other day, along this line:

"We are in a midst of a social revolution today, not only in America but in every country of the world. We have lost our old success, our old confidence that we are particularly favored of God, that nothing can happen to us, the best of all people, in the best of all countries, in the best of all worlds."

"We are accustoming ourselves to drastic changes in our modes of living. Hesitantly, even fearfully, we are embarking on new social adventures just as surely as our forefathers set out on untrodden and uncharted paths in the earlier days . . . Instead of offering you platitudinous advice, we are today standing before you and confessing, frankly and humbly that we have made a mess of things. Rugged individualists are running to the government

in Washington begging the strong man there to give them more government in business, to enable them to save something for themselves out of the wreckage that they so wantonly brought about . . . For we must build a new social order."

Delving thru the depths of this confusion, concoction and confession, we reach the bottom of it all in the "strong man's", in Roosevelt's, emphatic declaration when he was still Governor of New York, that: "The American system of economics and government is everlasting." With this as the firm foundation of its ventures and adventures, the "New Deal" reveals certain definite economic and political features. What are they? Let us examine them.

1. *Concentration of capital and monopolization of industry.* This is a decisive feature of the "New Dealer's" program, particularly as exemplified by the Industrial Recovery Act. This act wipes out even the anti-trust laws, that last weak pretense at resisting the inevitable logic of capitalist evolution. A well-known financial writer puts it this way: "It eliminates the refractory minorities which have heretofore stood in the way of the successful operation of trade associations, for the President may refuse licenses to conduct interstate business to the rebels." The "New Dealer" is striving to pamper back to economic health big business in the form of powerful trade associations. But the little independent manufacturer, whom the anti-trust laws were supposed to help, this little man, is now "to become an outlaw." Senator Huey Long, speaking for the little fellow, in the course of the debate on the Industrial Recovery Act, even more significantly than pathetically, pleaded for "the little molasses-maker and the country sausage-packer down in my country."

As against this cry of anguish, listen to the rejoicing of bigger and biggest business. Mr. Robert L. Lund, President of the National Association of Manufacturers, hastened to greet the adoption of the Recovery Act, by declaring that his Association "has at all times been in sympathy with the declared objectives of the legislation . . . Industry has a right to be encouraged by this action. It will now have an opportunity to police itself against ruthless competition in the form of unregulated price-cutting. I am convinced that the administration of the measure will be in safe hands. . . We have every as-

surety, and so on. The Socialist League will have to go much further along the path of Marxism before it has effectively crystalized revolutionary Socialism in the labor movement and must tackle the problems not only of getting a Socialist majority in Parliament but the part the working class is going to play in the revolutionary changes which the Socialist League agrees must be effected. Nevertheless the Socialist League has begun the job. It is not shirking the issue of the class struggle. Whatever its shortcomings, it is the beginning of the new development of revolutionary Socialist policy within the Labor Party, intent on replacing gradualism by revolutionary Socialism and making the fundamental attack upon capitalism.

It is no exaggeration to say that the Labor Party is in transition once again. The more serious the situation the more urgent will become the question of ascendancy of revolutionary Socialism within its ranks. It has passed thru a number of stages since MacDonaldism first triumphed in the period when it was still possible for gradualism to appear reasonable in the eyes of the masses. It expelled the Communist Party members in those days. The crash of 1931 shattered MacDonald on the rock of the working class foundations of the labor movement. Gradualism now appears ridiculous in the face of the universal character of the crisis. The time has arrived for the advance of revolutionary Socialism within the labor movement and especially the Labor Party. Either Socialism, revolutionary in aim and content, now rapidly wins its way in the ranks of the Labor Party or the next crash which comes leads to a colossal working class defeat and a period of Fascist dictatorship. It is only necessary to reflect on the fate of the German working class to realize that this estimate is not exaggerated.

March, 1933.

surance that the law will not be so administered as to upset existing, satisfactory employment relations."

And Mr. Henry L. Harriman, President of the Chamber of Commerce of the United States, has proudly proclaimed: "The National Industry Recovery Act constitutes the most important step in our progress toward business rehabilitation. . . . The act will permit legitimate business enterprise to lift itself above the destructive competition which has prevented recovery and which has been threatening to bring about complete economic demoralization The Chamber of Commerce of the U. S. has consistently stood for the real open shop and I appeared before the Ways and Means Committee of the House of Representatives to urge that that principle be contained in the bill."

(Continued in the next issue)

"I Accuse!"

by
M. N. ROY

From the Suppressed Statement
of N. N. Roy on Trial for
Treason Before Sessions
Court, Cawnpore, India.

With an Introduction by
ASWANI KUMAR SHARMA

— 10c a copy —

reductions for bundle orders

Order thru the
WORKERS AGE
51 West 14th Street
New York City

The article below is one of the series: "The 'New Deal' and the Workers" by Jay Lovestone.—Ed.

History has a peculiar way of playing pranks. I know of none more peculiar than the case of the Democratic Party now serving as the agency of vast government centralization. This is the party which was born, bred and, now and then, elected to office as the friend and champion of local and individual rights. Small wonder that Hoover's Attorney General, William D. Mitchell, speaking before the New Jersey Bar Association, recently fretted: "What has happened in Washington in the last three months will keep lawyers occupied for the next three years." Eloquent testimony to the first success of Roosevelt's Recovery Act!

What is the "New Deal" really all about? And why the "New Deal"? As our first witnesses we will not call upon the masters of social science, Marx, Engels, Lenin, but rather the masters of American industry to bear witness to the significant social developments and to explain their why and wherefore. Let Gerard Swope, President of the General Electric Co., underscore to us:

"The nation is moving in a gradual evolution from its former capitalistic trends. Just now Washington is a seething caldron with everybody running around in circles, but beneath it all is a foundation of rationalism.

"A scientific evolution is taking place. Capitalism is being modified and so is its system, but we must remember that it has been doing that for a hundred years. Yet capitalism now is not what it was ten years ago. The theory of capitalism now is that the employer should regard himself as a kind of trustee."

Stripped of all its bombast and ballyhoo, Swope's conclusion indicates the maturing of the consciousness of the American employing class as a class. To begin to face and grasp the social and economic consequences of the world's greatest crisis, one need not organize a "Brain Trust" headed by so eminent a thinker as Charles William Taussig, President of the American Molasses Company, and composed of the junior professors of Columbia University. Rather one should trust brains, just a bit, at least. The real question is: Where are we going? Whither