

The "New Deal" and the Working Class

Politics of the "New Deal"

With this article we conclude the series by Jay Lovestone "The New Deal and the Workers."—Editor.

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1. *Reconstruction of the government.* The Roosevelt Administration has launched a drive to reconstruct the American government, to bring it up to date with industrial development, to make the government structure much more fitting to the economic structure. It is here that we find the reason for the reversal in the source and direction of legislation in the last few months. In the past legislation emanated, at least outwardly, from Congress and then went to the President for approval. Under the leadership of the New Dealer, the process was something different, something like this: The President wanted a law. He called on his Brain Trust for a draft. The Brain Trust complied. The President sent the bill to the House and Senate. Both our Houses talked a bit. Soon the debate ended. The President signed his Bill.

This noticeable trend towards the centralization of power in the Executive arm of the government, is a reflex of the already marked trend towards a centralization of power in industry, thru the concentration of ownership and control. This reversed process in the direction of legislation was evidenced especially when Congress extended to the President the power to depart from the gold standard, to confer upon him the power of inflating the currency, to enable him to fix the prices of farm commodities, to place all processors of farm commodities under license as well as to grant the New Dealer the power to license industry in general. Truly, it can be said that, as the present process of governmental reconstruction proceeds, as the modernization of the government apparatus continues, the President and his experts will do more and more of the writing of legislation and Congress will give more and

by Jay Lovestone

more, perfunctorily of course, its formal approval.

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Government And Big Business

2. *Rapid merging of the government apparatus with the big business apparatus.* This tendency had already been noticeable for a number of years, even before the Roosevelt Administration. However, the Roosevelt Administration is consciously and systematically proceeding to hasten the development of this historically inevitable process in the United States. From the "Magazine of Wall Street" we call this significant remark: "While it is intended to last for only two years, the Industrial Recovery Bill virtually makes President Roosevelt as much a President of the coordinated industries of the nation as he is President of its political organization."

Mr. J. S. Trittle, President of the National Electrical Manufacturers Association, the other day hailed history's righting a wrong, as it were, when he referred to the "trust busting" proclivities of Theodore Roosevelt as President and emphasized that "now that another Roosevelt is in the White House, it is quite possible that future generations will look back to him as sponsor of a united front on the part of industry and government."

Symbolic of the whole trend is the back stage power mobilized by that superb showman, Franklin D. Roosevelt, is the company he has gathered for the performance of the New Deal. General Hugh Johnson, who organized the machinery for the wartime draft, Bernard Mannes Baruch, George Nelson Peek of the Moline Plow Company,

are to be the three stars. The periodical "Time" was very properly prompted to characterize this performance thus: "With his man Peek running agriculture and his man Johnson running industry, Mr. Baruch indeed loomed as Washington's greatest backstage Power." And in politics as on the legitimate stage there is usually much more doing behind the scenes than in front of the audience. Small wonder that the Republican Party's faithful mouthpiece, "The New York Herald Tribune", in its editorial of June 15, 1933, entitled "The Great Experiment Begins", says: "For on the administration of the statutes, far more than on its terms, depends the success of the experiment . . . If he continues to trust much to a man like General Johnson, the country, while vigilant, will follow his leadership in the faith that his intention is not to remake but to restore America."

3. *Giving up faith in democracy.* The political trends which we have emphasized as characteristic of the New Deal indicate a definite tendency towards giving up faith in parliamentary democracy and towards discarding the doctrine of rugged individualism. Dean John T. Madden of New York University of Commerce, Accounts and Finance, spoke of this with great clarity before the New York State Bankers Association when he recently told them: "The country has seen the end of the laissez-faire policy by the government," which means the end of the era of the rugged individualism and equal opportunity for all.

(Concluded in the next issue)

Against Dualism and