

THE COMMUNIST

Vol. XIII

MAY, 1934

No. 5



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C O N T E N T S

THROUGH MAY DAY TO A SOVIET AMERICA.....	419
<i>Editorial</i>	
THE EIGHTH CONVENTION OF OUR PARTY.....	427
<i>Editorial</i>	
THE PRESENT SITUATION AND THE TASKS OF THE COMMUNIST PARTY OF THE U. S. A.....	430
<i>Resolution of the Eighth National Convention, Cleveland, Ohio, April 2-8, 1934</i>	
LESSONS OF ECONOMIC STRUGGLES, TASKS OF THE COMMUNISTS IN THE TRADE UNIONS.....	456
<i>Resolution of the Eighth Convention of the Communist Party of the U. S. A.</i>	
THE WINNING OF THE WORKING CLASS YOUTH IS THE TASK OF THE ENTIRE PARTY.....	477
<i>Resolution of the Eighth Convention of the Communist Party of the U. S. A.</i>	
THE PRESENT ECONOMIC SITUATION IN THE UNITED STATES	491
<i>By MARTIN YOUNG</i>	
FIGURES ON THE AMERICAN ECONOMIC CRISIS.....	507
<i>By Labor Research Association</i>	

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Through May Day to a Soviet America

MAY DAY, International Labor Day, 1934, occurs at a time when the world is in transition to a new stage of the general crisis of capitalism. The chief feature of the present situation is the coming together of the elements of a revolutionary crisis in the capitalist world. The revolutionary temper of the toiling masses is rising and challenges the drive of the capitalist class toward fascism, toward imperialist war. Through the launching of ever more vicious and systematic and bloody attacks upon the toiling masses at home and in the colonies and semi-colonies, and through war plots and counter-revolutionary intervention the world imperialists are seeking salvation from revolution.

The *yoke of fascist dictatorship* rests heavily upon the shoulders of the workers of many capitalist countries, especially of the fighting proletariat of Germany. Tens of thousands of the best sons of the working class are celebrating May First in concentration camps, tens of thousands are in prison, thousands have been murdered—"shot in the attempt to escape"—or, like the Vienna rebels, have fallen in the struggle for the liberation of the working class. Starvation and misery of tens of millions of unemployed. Fascist rule of violence and feverish preparations for a new imperialist war. The flames betokening a new slaughter of the nations may any day blaze forth in the Far East as well as in the heart of "civilized Europe". This cruel bloody danger with which perishing capitalism menaces the masses of the toiling population, the cruel methods of oppression with which the bourgeoisie oppresses the toiling masses in the countries of fascism as well as in the countries of "free" but already semi-fascized democracy, is confronted by the *firm will of the millions to tolerate this oppression no longer*. Under the heroic leadership of the illegal Communist Party, the German proletariat is steadily furthering its struggle for the revolutionary overthrow of the Nazi terror regime. The historic greatness of the Vienna uprising consists in the fact that it disclosed to the entire world the firm determination of the militant working class to shake off its servitude

and oppression and to build up its life in the spirit of socialism in accordance with its own wishes.

Austria was a general rehearsal for the coming class struggles. The Vienna uprising announced to the proletarian masses of the world that the days of the fascist dictatorship are numbered, that the day of reckoning draws near. Insurgent Austria urged the working class of all countries to revolutionary action. It roused the millions to a realization of their power, of the power of the proletariat when it takes up arms.

The Austrian uprising was not an isolated occurrence. It was a link in the chain of the great revolutionary struggles which are developing today on a world scale and which will assume such forms as constitute a deadly menace to the capitalist system and the fascist dictatorships.

In *France*, the birthplace of bourgeois democracy, fascist reaction is pushing to the fore. Basing itself on the scandals arising out of the corruption inherent in capitalism, it attempts to mobilize the masses of the petty bourgeoisie, so as to erect its untrammled dictatorship on the backs of these masses, as was done in Germany, so as to rob the working class of the last vestiges of freedom. Fascism wants to gain possession of the streets. The working class, which has profited by the example of Germany, inspired by the bravery of the German Communists and of Thaelmann and Dimitrov, its great leaders, is making its reply. It replies in the first place by counter-demonstrations held under the leadership of the Communist Party and after a few days all France finds itself in the sweep of a mighty militant upsurge of the proletariat. The French proletariat carried through a general strike covering the entire country.

In *Spain*, the chain of revolutionary mass strikes cannot be broken despite the most brutal measures of oppression taken by the "Republican government" against the revolutionary labor organizations.

In *Cuba*, the flame of revolutionary uprising bursts forth and the Communist Party captures the broadest masses of the proletariat and toiling population with slogans of revolution against U. S. imperialism and its Cuban native agents.

In *Poland* there is a wave of mass strikes. Simultaneously with the upswing of the labor movement we have a development of the strength of the growing agrarian revolution, which gained tremendous impetus in the uprising of the hundred thousand West Galician peasants in 1933. The events in Galicia which the fascist dictatorship and its press sought to envelop in absolute silence, demonstrated with especial clarity how today the greatest historical events often grow out of comparatively insignificant little incidents.

And how do things fare in Germany?

The whoop of triumph of the fascist pack over the supposed destruction of Marxism has long ceased to be heard. With rising fury the fascist press reports again and again that Communist organizations have been discovered, that leaflets have been successfully distributed and that strike movements are beginning under the leadership of the illegal Communist Party. Already news items concerning the first successful sectional strikes of a political character are finding their way abroad despite the news monopoly of the fascist dictatorship. Diehls, chief of the secret political police, is compelled to admit in a statement to the representatives of the press that *in spite of all police measures the illegal activity of the Communist Party of Germany has not ceased*. The growing resistance of the masses of workers impels the fascist murderers to commit such bestial crimes as the assassination of Comrade Johny Scheer, one of the leaders of the German Communists, and three other leading functionaries of the Communist Party. Reports of executions, "suicides" in prison or shootings "while attempting escape" multiply. With these examples of intimidation, Hitler, his hands dripping with blood, seeks to stifle the resistance of the masses. But the blood shed by, and the heroism of, the best fighters of the German working class give rise to new heroes and fighters. The great battle which was fought by the prisoners at the bar in the Reichstag fire trial under the leadership of the proletarian champion, Comrade Dimitrov, against German fascism, has been a stimulus to tens and hundreds of thousands to engage in revolutionary activity, has insured Communism and the struggle of the working class the sympathy of the broadest strata of the population.

While thus in all countries of the capitalist world great revolutionary events are occurring and still greater revolutionary class battles are in preparation, in the *Far East*, in the midst of the Chinese Nation numbering 400 millions, a new powerful fortress of the working class, *Soviet China*, is rearing its head. Though the bourgeois press and social-democracy with few exceptions breathe not a word about this young Soviet republic in China, the latter in the space of a few years has won a territory exceeding in size that of any European state. The Red Army of the Chinese Soviets numbers 350,000 combatants in its regular units and 600,000 men counting the irregulars. After the defeat of five Kuomintang expeditions and the failure of the sixth, the force and fighting capacity of the Chinese Soviet territories have risen tremendously.

And May First in the Soviet Union will find the millions of masses celebrating continued mighty victories of socialist construction—of

the immense improvement in their living and cultural standards. The workers and peasants of the Soviet Union have already clearly demonstrated before the world's toilers the immense superiority of socialism over capitalism. In the words of Comrade Manuilsky, "Through the iron inflexible will of Stalin and the Party led by him, a population of 170,000,000, who yesterday belonged to different classes and strata, is now building a classless socialist society, fighting for the victory of the proletarian revolution throughout the world."

This May Day, more than ever before, finds the question of the Bolshevik — the revolutionary — way out, the question of Soviet Power placed before the world's toilers as the burning, decisive question of this immediate period.

MAY DAY MILITANT TRADITION OF AMERICAN WORKING CLASS

May Day is of special revolutionary significance to the workers of America. For May Day was born in the militant struggles of the American working class for the eight-hour day. In 1886, the workers of America, particularly in Chicago, downed tools and demonstrated their determination to fight for: "eight hours of work, eight hours of rest and eight hours of recreation." At its first convention, in 1886, the A. F. of L. proclaimed May First as the battle cry for the eight-hour day. This demand for an eight-hour day became part of a world-wide movement. The May Day of struggle of the American proletariat was adopted and set aside as the international day of struggle against capitalism by the first Congress of the Socialist (Second) International in Paris three years later. The next year, 1890, witnessed the first strikes and May First demonstrations in many countries. May Day has become the fighting day of the international working class. It is the day when the workers, pouring out of the shops, give their mighty reply to the attacks of the bosses. It is the day when the workers in gigantic demonstration of their solidarity and power declare that they will fight back—that they will defend their living standards and rights, that they are marshaling their forces to destroy the system of wage slavery, hunger, terror and war. Today, it is only the Communist Parties that keep alive and carry to higher levels, the revolutionary traditions of May Day.

To the parties of the Second International, to the Socialist Party of the U.S.A. and to the A. F. of L., May Day is no longer the rallying point for millions of toilers all over the world, in defense of their living standards and rights, in united struggle for socialism. The social-fascists have traduced and betrayed the glorious revolutionary traditions of May Day. The A. F. of L. bureaucracy has

substituted the day of class collaboration, the day of treachery, so-called Labor Day in September, for the workers' May Day.

The S.P. leaders have for decades attempted to rob May Day of its revolutionary meaning, to turn it into a day of family outings on picnic grounds, to keep the workers off the streets. On the First of May, 1929, the social-democratic police chief of Berlin, Zoergiebel, "celebrated" May Day by ordering his police to shoot into the demonstrating workers, of whom 33 were killed and 67 wounded. If today the S.P. leaders make a practice of celebrating May Day, it is due to the pressure of the proletarian rank and file and is motivated by a policy of preventing, through organizing separate meetings, the broad class-struggle united front of all the working masses.

May Day fills the capitalists and their agents, the world over, with terror. They fear the day of the marshaling of the mighty forces of the proletariat. They see in May Day the symbol of the inevitable doom and destruction of their system.

This May Day finds the "New Deal" illusions being profoundly shaken. Roosevelt appears more and more clearly as the chief strike-breaking executive for Wall Street. His so-called settlement of the auto situation puts an official stamp on company-union slavery, and acts as a signal to the bosses generally for intensifying the company unionization drive. The attacks on the living standards and fundamental rights of the workers are being carried through with new vigor by the New Deal. The official fascization of the government proceeds side by side with the organization of the fascist auxiliaries of the capitalist State (Silver Shirts, Khaki Shirts, Black Shirts, Nazi murder bands, Czarist white guard detachments, etc.).

The fascization of the government is part of the intense war preparations. Fascism becomes a fundamental and inseparable part of imperialist war preparations. The whipping-up of national chauvinist hysteria, particularly among the young workers, is the fundamental ideological preparation for fascism and for war.

The growing attacks on the rights of the workers are part of the program to make the rear safe for the war plans of the finance kings, and to build reliable police terror armies as fascist shock troops for the rear and the war front.

The whole new deal program is in essence a fascization and war program. The recent actions of Roosevelt, the speeches of General Johnson and the N.R.A. "Field Day", the Wagner Bill that calls for out-and-out compulsory arbitration and dictatorial powers for the labor board, etc., are all aimed at preventing, frustrating and defeating the present strike wave and the great looming struggles.

They constitute a program for delivering more drastic blows at the already low living standards of the masses. They aim at sharpen-

ing the furious trade and financial war against the imperialist rivals of the U.S.A. They are part of the preparations by world imperialism for the drive against the Soviet Union.

American imperialism is driving with break-neck speed to the new world war. The Roosevelt War Budget, the Vinson Bill, the additional appropriations for new fleets of bombing planes and complete mechanization of the army, the plan to increase the C.C.C.'s, to train one million young workers during the coming year, the feverish naval race to build "a navy second to none", are all indications of the feverish preparations for war.

The war provocations of the Japanese Imperialist and the Hitler Fascist regime against the Soviet Union grow daily. Open war talk against the Soviet Union by the Japanese general staff fills the Japanese press. Military roads, special aviation fields, the concentration of huge war implements, and armies at the Soviet borders *make the danger of Japanese imperialist intervention against the Soviet Union gravely imminent*. The latest bourgeois press dispatches from Japan and China openly concern themselves with speculation as to the point at which the attack upon the U.S.S.R. will begin. The Hitler Fascist regime of German heavy industry and the Junker class is arming to the teeth. The Versailles Treaty provisions notwithstanding, the Nazis have decreed that all 20-year-old youths shall be conscripted for military service. With British imperialism as the leader of the anti-Soviet intervention forces, they are prosecuting their plans for the conquest of Soviet Ukraine. Japan in the East, Fascist Germany in the West, are the spearheads of the world imperialist intervention against the land of socialism.

The imperialist partitioning of China is proceeding. The struggle for sharing China, especially between the U.S. and Japan, between the U.S. and Great Britain, smells with war.

But the American working class, the toiling masses as a whole, are answering the attacks of the Roosevelt regime with militant mass struggles.

There are huge *new* contingents of workers in basic industries involved in the present struggles against the N.R.A. hunger program.

The control of the A. F. of L. leaders is maintained only by continual concessions to rank and file sentiment. The leadership of these A. F. of L. leaders is very unstable. It has not been sufficient to prevent strikes in a number of decisive industries.

There is a nation-wide revolt of workers against company unions even in their "liberalized" form.

There is to be noted the stubborn nature of the present strike movement—the length of the strikes, their militancy, the appearance of a new corps of leaders, etc. One of the most important features of

the present strike movement is the continuous character of these strikes—strike—re-strike—strike again—by the same groups of workers—coal mining, metal, steel, auto, taxi, seamen, longshoremen, shoe and leather, etc.

There is now the beginning of a serious movement of revolt among railway workers, especially members of the four brotherhoods, who hitherto had taken no part in the class struggle during the crisis.

There is to be noted increasing defiance of N.R.A. and its local and regional boards by workers, especially in regard to the supervision of voting, recommendations as to wage scales, codes, etc.

There is to be seen an unprecedented solidarity of unemployed and employed workers in the strikes. In spite of the permanent mass unemployment involving some 15,000,000 workers, there is practically no mass strike-breaking to be noted in connection with the thousands of strike struggles.

There is to be noted the advent of large numbers of Negro workers in the South into mass struggle side by side with white workers—as in the strike of coal miners in Alabama—there is the revolt of Negro workers in the Tuscaloosa Conservation Camp against discrimination and intolerable working conditions. There is the activity of units of the Communist Party in these struggles.

There is a remarkable increase in the number of sympathetic strikes—the declaration of numerous local unions in automobile accessory plants of their intention to strike in sympathy with auto workers. There are the strike movements of widely separated auto and auto accessory plant workers. There are such incidents as the general strike in Centralia, Illinois, where the whole working class and even small business men, struck in sympathy with 400 striking shoe workers. This is a phenomenon not seen in this country since the general strikes in Seattle and Winnipeg of 1919.

There is the conjuncture of this mass strike movement with the mass struggles of the unemployed against the liquidation of jobs under the Civil Works Administration.

There is tremendous and growing support of the Communist Party, of the workers' unemployment insurance bill over the heads of the A. F. of L. leaders—hundreds of A. F. of L. unions representing wide strata of organized workers have endorsed the bill,—there is no indication of a refusal to endorse the bill where workers have been reached with it and when it has been explained to them.

There is a great growth of anti-war sentiment—this is marked most by the capitalist press in schools, colleges, among intellectuals,—but unquestionably this is developing rapidly in ranks of workers in decisive industries,

The incontrovertible signs of the desire for unity among workers, especially in the basic industries, irrespective of union affiliation—in steel (the invitation to the steel and metal workers in Ohio by the A.A.A. conference, the amalgamation in shoe and leather, the endorsement of the program by the Chicago Federation of Labor, joint delegations against the Wagner Bill of A. F. of L. and T.U.U.L. members, etc.).

It is clear that the influence and organizational strength of the Communist Party are growing among the American masses.

With these tremendous events fresh in one's mind, May First this year will be a day of struggle, *a day of revolutionary mass protests*, of demonstrations and political mass strikes, a day on which the proletariat will clearly and unambiguously make known its will to smash capitalist class rule and replace it by the realm of socialist freedom.

While raising to a higher level the every-day struggles of the toiling masses on the basis of the most pressing demands, it is imperative that we bring forward everywhere the fundamental question of the working class revolution—the question of *Power*, which class shall have power—the working class or the capitalist class? As against the capitalist attempts to find a way out of the crisis at the expense of the workers, we raise the battle cry of the revolutionary way out. As against the dictatorship of the capitalist class, the revolutionary dictatorship of the proletariat. In pursuit of this aim, there must be insistently brought forward the example of the Soviet Union. As was clearly stated in the Thesis of the Thirteenth Plenum of the Executive Committee of the Communist International:

“The example of the U.S.S.R. is the example of *Bolshevism*. Only *this* example shows the way out, and the way to save the exploited and oppressed in all the imperialist and colonial countries.

“The example of Bolshevism is the example of the proletarian internationalism. The victory of the socialist revolution is possible only by strengthening the international ties of the revolutionary proletariat. The way of Bolshevism is the way of uniting the proletarian forces of all nationalities and races, it is the way of their joint struggle hand in hand with the proletariat against the oppressors and exploiters.”

The Eighth Convention of Our Party

IN December of last year, the Thirteenth Plenum of the E.C.C.I. declared that the general crisis of world capitalism had developed to a phase at which the objective conditions for a revolutionary crisis were fast maturing.

In endorsing the E.C.C.I. Thesis, the Eighth Convention of our Party was guided by the recognition that the acute problem, the task underlying all tasks, which confronts it today is the development of the subjective factors for the revolutionary situation. For, the downfall of capitalism does not come about through automatic collapse; it is brought about through revolutionary overthrow by the proletariat at the culminating point of its struggle. The revolution is the achievement of the revolutionary class. By recognizing the development of the objective conditions favorable for a revolutionary crisis and by acting upon them, systematically, decisively, with a revolutionary will, the proletariat speeds the moment of capitalism's downfall. Concretely then, the Party's task is the preparation of the working class, through day-to-day struggle, for the practical work of revolution, for its historic role of assuming dictatorship.

At this time the struggle becomes dynamic, urgent for winning the majority of the working class to the army of revolution; for consolidating, under the hegemony of the proletariat, all the forces of the revolution, all the allies of the workers—the toiling farmers, the urban petty bourgeoisie, the Negro people struggling for liberation from oppression by the American white ruling class. At this time, the most conscious element in the subjective factor of the revolution, the general staff, the Communist Party, without whose leadership the proletariat cannot advance at the head of the toiling masses, must fully prepare itself, its structure and composition, its program, its strategy and tactics, for the historic role of vanguard. And this, according to the tempo demanded by the hour.

The Eighth Convention of our Party registered a definite advance on the part of our Party. Since the adoption of the Open Letter in the middle of 1933, the mass work of our Party, the Convention showed, has noticeably improved. A reflection of this improvement was to be found in the industrial composition of the delegates. Of 233 regular delegates (the 237 fraternal delegates

are not included in this analysis) 119 came from basic industries, as follows: steel, 17; metal, 37; marine, 16; railroad, 15; mining, 17; automobile, 8, and textile, 9. When we bear in mind that many workers nominated as delegates in the districts could not leave their work for the duration of the Convention, the proportion becomes still greater.

In addition, the Convention showed representation from various sections of the toiling masses—Southern share-croppers, poor farmers, workers from light industries, unemployed workers, professionals.

Significant, too, was the fact that of the 233 regular delegates, 145 were native-born American workers, and 39 were Negro.

Numerically, our Party has grown from 7,545 in 1930 (the Seventh National Convention) to 24,500 in 1934. If we consider that in 1933 the membership was 16,814, the marked rate of growth in the past year as compared with the first three years of the crisis must clearly be seen as the fruit of the frank, penetrating self-criticism contained in the Open Letter.

Against these gains there must be registered the minus sign that the membership fluctuation in our Party, although not so high as formerly, is still considerable. This fact raises before us the problem of improving the inner life of the Party; of adopting adequate methods in the assignment and apportionment of activities and tasks; of combatting bureaucracy and formal methods of work; and, pre-eminently, of promoting intensive Marxist-Leninist training among the rank-and-file members as well as among the advanced cadres of our Party.

The keynote of the Convention—from the opening of Comrade Browder's comprehensive political report to the concluding session—was the voicing of the task put by the Open Letter: the winning of the majority of the working class.

From factory, mill, mine, dock and field, delegate after delegate gave graphic, detailed reports of the struggle of our comrades to lead the economic struggles of the masses along the revolutionary path, to bring out the revolutionary political highlights contained in the most minor economic struggles today.

The fact that since the adoption of the Open Letter, the Party can register significant gains in its numerical strength, in the multiplication of factory nuclei coupled with a better understanding of their role, that the revolutionary unions have been strengthened and built in the course of leading struggles, that our position in the independent and American Federation of Labor unions has been strengthened, that the network of class struggle mass organizations around the Party has been developed, that the Party press, the press of the

revolutionary trade unions and of the other mass organizations has made noticeable advances, show that our Party is on the road to realizing the objective it set for itself in adopting the Open Letter.

The Convention discussion was characterized by keen analysis and self-criticism. Coming nine months after the Extraordinary Party Conference, it was able to survey and estimate the strength that has gathered in our work in recent months, and the weaknesses that still persist. The Convention put its finger on the weak spots in our structure and methods of work. Tempo, speeding-up the activity, strengthening the control tasks, uprooting the weeds from among the fresh growths in our Party life—this was the call of the Convention to the Party ranks. The Eighth Convention of the Party marks a decisive forward move of our Party towards becoming *a mass Party firmly rooted in the basic industries among the most decisive sections of the American working class.*

The Present Situation and the Tasks of the Communist Party of the U. S. A.

RESOLUTION OF THE EIGHTH NATIONAL CONVENTION, CLEVELAND, OHIO, APRIL 2-8, 1934

INTRODUCTION

THE world stands on the brink of revolutions and wars. This is the fruits of more than four years of unprecedented capitalist crisis. This crisis period is approximately the period between the Seventh and Eighth National Conventions of the C.P.U.S.A. Through this period capitalist society has continuously disintegrated. The crisis has penetrated into and undermined the industry and agriculture of every capitalist and colonial country; it has upset the currency and credit relationships of the entire world. Also the United States, still the strongest fortress of world capitalism, has been stripped of its last shred of "exceptionalism", stands fully exposed to the fury of the storms of crisis, and, relatively speaking, is registering its deepest effects.

A great upsurge of class struggles is sweeping the capitalist world. A wave of liberation struggles sweeps the colonies and oppressed nations. In Spain the fascist dictatorship has been overthrown and the forces of a Soviet revolution are gathering. In Cuba a revolutionary upheaval drove out the bloody tyrant, Machado. A general strike sweeps France, embracing the main body of the working class. In Germany the rising wave of proletarian revolution is checked, but only temporarily, by loosening the fascist mad dogs, the foul refuse of the insane asylums and criminal underworld, against the German masses. In Austria, the lightning flash of the heroic barricade fighting of the betrayed Austrian workers, revealed for an instant the doom that is being prepared for capitalism beneath the blanket of fascism with which the bourgeoisie seeks to smother the flames of revolution.

Meanwhile, the Soviet Union, the land where the victorious working class is building socialism, moves in a direction exactly opposite to that of the capitalist world. While the capitalist world suffered economic paralysis, in the Soviet Union a historically backward land

has leaped forward to the first place in Europe, and in the whole world second only to the United States. While living standards in the capitalist world took a catastrophic drop of 40 to 60 per cent, in the Soviet Union they leaped upward by more than 100 per cent. While capitalist policy is directed with all energy to cut down production in the face of growing millions of starving and poverty-stricken workers and farmers, in the Soviet Union the productive forces have been multiplied manifold, a half continent of 52 nations, of 165,000,000 population is being lifted out of poverty into material well-being and a rich cultural life. While the capitalist world drives feverishly toward war, the Soviet Union emerges more and more as the great bulwark of world peace. Clearly the world is divided into two systems, moving in opposite directions.

I. COURSE OF THE CRISIS OF CAPITALISM IN THE U. S.

1. The "New Deal" policy of Roosevelt was hailed by the bourgeoisie and its reformist agents as the beginning of decisive recovery from the economic crisis, the beginning of the return of "prosperity", and the ending of the misery of the masses. It was accompanied by a campaign of social demagoguery through which the bourgeoisie tried to convince the masses that through the new deal capitalism is overcoming the fundamental capitalist contradictions, is developing towards planned economy, etc. There is no foundation for all these predictions. Even in the face of the upturn in production which occurred in the summer of 1933, the misery of the masses has increased. On the contrary, all the measures of the "new deal", far from solving the economic crisis, have only intensified the general crisis of capitalism.

The recent increase in production is in the main explained by: (a) war preparations; the enormous increased production of war materials, supplies and munitions; (b) the pouring of billions of the State Treasury into industry and agriculture; (c) the gigantic speculative market created by inflation (devaluation of the dollar, etc.); (d) the slashing of the wages of the workers, increased speed-up system; in the recent increase of production the operation of the internal economic forces expressed itself to an infinitesimal degree in the field of production of capital goods, the only basis for a "normal" cyclical recovery of capitalism.

The improved situation for capitalist industry, as compared with 1932, came as a result of the sharp reduction of the living standards of the workers, the further ruination of the poor and middle farmers, and impoverishment of the middle class. Increasing profits also serve, even in small degree, to encourage new capital investments in production and building. Further, a large part of debts were wiped

out through bankruptcy, further mergers; while confiscation of a huge portion of middle-class savings through the closing of banks, made a serious contribution to capitalist profits.

This is the road traveled by American capitalism in the crisis. It is not the road to a new prosperity. It is, as Stalin explained at the Seventeenth Congress of the C.P.S.U.,

“Apparently, what we are witnessing is the transition from the lowest point of decline of industry, from the lowest depth of the industrial crisis to a depression, not an ordinary depression, but to a depression of a special kind which does not lead to a new boom and flourishing industry, but which, on the other hand, does not force it back to the lowest point of decline.”

2. The intensification of the general crisis of American capitalism is indicated in the continuation of the industrial and agrarian crisis and the growing disproportion between the productive capacity and the consumption of the masses, the new forms and sharpened character of competition and anarchy in production, the enormous rise of the government deficit, the growth of inflation, the sharpening struggle for markets, as well as the rise of the class struggles within the country and the anti-imperialist struggles of the masses in the colonial and semi-colonial countries dominated by Yankee imperialism.

MASS STARVATION AND MISERY

3. Sixteen million workers stand idle outside closed factories, mines, suffering from the lack of the very things they could produce in these industries. The total income of the working class is less than 40 per cent of what it was four years ago. The oppressed Negro masses are suffering new economic attacks, and a rising wave of lynch terror. Large sections of poor and middle farmers are being crushed and driven off their land or reduced to the position of tenants and peons for the bankers and monopolists. Great numbers of the middle class intellectuals, professionals, teachers, white collar workers, have likewise been cast into poverty. Especially hard hit as a result of the crisis is the youth of the working class, farmer and middle class. Millions of working class children are suffering from undernourishment and actual starvation, unable to go to school because of lack of food, clothing and even school facilities, which are everywhere reduced.

NEW DEAL—PROGRAM OF FASCISM AND WAR

4. The “New Deal” of Roosevelt is the aggressive effort of the bankers and trusts to find a way out of the crisis at the expense of the millions of toilers. Under cover of the most shameless dema-

gogy, Roosevelt and the capitalists carry through drastic attacks upon the living standards of the masses, increased terrorism against the Negro masses, increased political oppression and systematic denial of existing civil rights, and are strengthening the control of the big monopolists over the economic and political life of the country. The "New Deal" is a program of fascization and the most intense preparations for imperialist war. Its class character is especially seen in the policy of the subsidies to the railroads, banks, and insurance companies, accompanied by increased parasitism, corruption, and bureaucratism. The devaluation of the dollar has resulted in a rapid rise of prices of commodities, and the lowering of the real wages. The N.R.A. machinery, with its labor boards on the one hand, and the most brutal police and military force on the other, has been used for the purpose of breaking up the workers' struggles and their organizations. Strike struggles, not only those of the independent class unions, against whom the attack has been most vicious, but also the struggles of the workers in the A. F. of L., have been violently suppressed. Its farm policy has helped to enrich the big farmers and capitalists at the expense of the agricultural workers, the poor and middle farmers.

5. The right of organization which was so loudly hailed by the social-fascists, which was to be guaranteed by section 7a of the N.R.A., has been used as a new instrument in the hands of the employers for the development of company unions, to block the desire of the workers to organize into real trade unions, independent of the bosses and government. It is an instrument to prop up the boss-controlled A. F. of L. bureaucracy, where the workers cannot be forced into company unions, and a means to divert the fight and organization of the working class away from militant trade unions. The system of codes has been a step in the direction of government control and fascization of the trade unions. The codes fixed minimum wages in the face of inflation and rising prices. The so-called Public Works Program has been used for the building up of the army and navy—an additional important weapon for the whole program of Roosevelt, which is one of preparation for war. All of this proves that the Roosevelt regime is not, as the liberals and Socialist Party leaders claim, a progressive regime, but is a government serving the interests of finance capital and moving toward the fascist suppression of the workers' movement.

THREATENING WAR DANGER

6. The capitalist class is feverishly preparing for war as a way out of the crisis. It has embarked on a naval race with its main imperialist rivals, Great Britain and Japan. The army has been further

mechanized, and the world's largest air fleet has been provided for, coast defense has been strengthened, army cantonments throughout the country have been provided; and the C.C.C. has served as a trial mobilization and training ground for a great army, both for imperialist war and for civil war against the workers at home, as openly admitted by Roosevelt's assistant secretary of war, Woodring.

In all the markets of the world, the struggle between Great Britain and the United States grows more acute. The Roosevelt regime, through its inflation, is engaged in a war on British goods and on British currency, in an effort to win world hegemony. The struggle for hegemony in the Pacific between the United States and Japan daily becomes more marked, with both nations building up their naval armaments in anticipation of war. All the chief imperialist powers are clashing for the lion's share in the dismemberment of China. The imperialist aggressiveness of Roosevelt's policies is shown most clearly in Cuba, in Latin America (Bolivia-Paraguay war), and in the Philippines. Roosevelt's policies are interlocked with the policies of world capitalism, characterized everywhere by the desperate attempt to get out of the crisis at the expense of the masses by means of fascism, war and intervention.

7. The preparations for war are being carried through especially by Roosevelt under the cover of pacifist and "democratic" demagoguery. In this trickery of the masses, Roosevelt has the utmost support of the A. F. of L. bureaucrats, Socialists and liberals. The A. F. of L. bureaucrats carry on the most violent attacks against the Socialist fatherland. They support the preparations for an army and navy on the plea that it gives employment. The Socialists have invested the "New Deal" war and fascist program with the halo of Socialism. Now openly and now covertly, they continue their attacks against the Soviet Union.

8. The recognition of the Soviet Union by the American government, a victory for the Soviet peace policy, and the growing support of this policy by the masses of the entire world, and resulting from the increasing strength of the Soviet Union, in no way indicates a peace policy on the part of the American capitalists. While extending recognition to the U.S.S.R., United States imperialism continues to furnish munitions and war supplies to Japan, and tries to provoke a war between Japanese imperialism and the U.S.S.R. for the purpose of weakening both its chief imperialist rival in the Pacific, as well as the country of socialism—the workers' fatherland.

The conditions in the United States confirm the statement of the Thesis of the XIII Plenum of the E.C.C.I., that "the international situation bears all the features of the condition of a new world war." "The greatest historical task of international commu-

nism is to mobilize the broad masses against war, and, even before the war has begun, thereby hasten the doom of capitalism. Only a Bolshevik struggle before the outbreak of war for the triumph of revolution can assure the victory of revolution that breaks out in connection with war."

This declaration of the E.C.C.I. applies with full force to the task of the American Communists.

II. THE FASCIZATION OF THE AMERICAN GOVERNMENT

9. American capitalism is more and more fascizing its rule. This is particularly being performed by the Roosevelt administration under the cover of the "New Deal". Under the mask of saving the "democratic" institutions of the United States, the Roosevelt government and the bourgeoisie are: (a) increasing the violence against the workers, particularly revolutionary workers and Negro masses, against whom they have unleashed a wave of lynch terror; (b) increasing tendencies to suppress and deny the right to strike; (c) establishing labor Arbitration Boards with direct participation of the employers and the bureaucrats, with the object of preventing, suppressing, and disorganizing the struggles of the workers; (d) directly concentrating into the hands of the President almost dictatorial powers, and vesting power, formerly executed by Congress, in direct appointees of the President over matters of most vital concern to millions of toilers; (e) developing a wave of chauvinism and carrying through the whole N.R.A. campaign with the greatest emphasis upon nationalism.

10. Side by side with these measures, the bourgeoisie is making systematic efforts to organize open fascist organizations with the support of some of the biggest financiers, and even with the open support of government officials, army men, etc. These movements, such as the Nazi organizations, the Silver Shirts, Khaki Shirts, K.K.K., etc., are attempting to arouse the bitterest chauvinist sentiments among the masses, with the object of dividing the ranks of the workers, rendering them helpless in the face of attacks by employers; and already in some cases, these organizations are getting into action against the workers in their struggles. Specifically, they are attempting to stir up hatred of the whites against the Negroes, and of the native-born workers against the foreign-born, aping the Hitler anti-semitic attacks. Through demagogic appeals against "capital" and the "banks", etc., these open fascists are trying to organize the disillusioned employed and unemployed, veterans, poor farmers and the more backward section of the unemployed and employed workers, to prevent them from fighting against capitalism, thereby to provide a mass basis for monopoly capital among the petty

bourgeoisie and turn them into counter-revolutionary shock troops in the defense of capitalism. At the same time, in all of their propaganda and activities, they try to arouse mass attacks on the Communist Party and the militant workers' organizations.

THE GROWING REVOLUTIONARY UPSURGE OF THE MASSES

11. The resistance of the masses of toilers to capitalist attacks is growing in volume and intensity. The outstanding feature of all these struggles is the growing strike movement, embracing in the last year over a million workers in almost all industries, and for the first time in more than a decade mass strikes of the workers in the large-scale and trustified auto and steel industries. The growing struggles of the industrial and agricultural workers have greatly stimulated and helped to give leadership to the struggles of the other sections of the toiling population (farmers, professionals, veterans, etc.). The rising wave and sharpening character of the social struggles, arising on economic issues from the heroic effort of the masses to defend their standard of living, are developing more and more to a conscious struggle against capitalism. This is more and more seen in the struggles of the unemployed for immediate relief, and above all in the struggles against forced labor (C.C.C., municipalities, etc.) and for unemployment and social insurance; the growing struggles of the poor and impoverished farmers against evictions, foreclosures, crop reductions; the struggles of the war veterans and the mass struggle for payment of the adjusted compensation certificates (bonus), disability allowances, hospitalization, etc.; in the struggle against the general curtailment and even abolition of all social services, of the free school system, etc.

The Negro masses surged forward in tremendous numbers in defense of the Scottsboro boys and for their right to organize for their economic needs and against the violent denial of their rights and for their national liberation. The struggle of the Negro masses against national oppression has become a major question in the political life of the country as a whole, and the significance of the Negro liberation movement as a factor in the sharpening of the crisis in American capitalism has been tremendously increased. The resistance of the Negro masses has led to the most acute sharpening of all contradictions. The present situation in the South is most favorable for the development of a broad mass struggle against the national oppression of the Negroes.

Still imbued with considerable illusions as to Roosevelt which are being dissipated by the course of the struggle, the workers are developing toward conscious fight against the capitalist way out of the crisis. The magnitude of the struggles shows that the masses are

accumulating enormous revolutionary energy and that big class battles are maturing. The developments in the U. S. are being stimulated by the revolutionary events in Europe (the heroic armed struggle of the Austrian workers against fascism, the general strike of the French workers) and above all by the tremendous achievements of the Land of the Soviets. All these are signs of the growing elements of the transformation of the economic crisis into a revolutionary crisis.

III. SOCIAL-FASCISM HELPS THE CAPITALIST OFFENSIVE

12. Social-fascism in the U. S., as throughout the world, assists finance capital in carrying through attacks against the masses and in aiding them in the attempt to find a capitalist way out of the crisis, and serves as the main social support for the bourgeoisie in the maintenance of capitalist rule.

The A. F. of L. leaders came out openly for the "New Deal" and helped to put over the plunderous "New Deal" codes upon the masses; and where they could not prevent strikes, sabotaged them, permitted company unions, strengthened the open shop policies of the employers (Green's approval of the steel codes, the auto code with its merit clause, the Roosevelt-Green legalization of company unions, etc.), participated in the labor arbitration maneuvers (Weirton, captive mines), were the most zealous in bringing strikes to an end, under the most unfavorable terms to the workers, and were especially vicious against the workers organized in the militant class trade unions (T.U.U.L., Utah miners, fur workers) in an effort to destroy them. They continue to struggle against genuine Federal unemployment insurance, practice discrimination against the youth, Negro and foreign-born workers, call for the forceful suppression of the Communist Party and all revolutionary workers' organizations, and revealed their arch-reactionary position in their bitter attack against the Soviet Union.

The Socialist Party, in the name of Socialism, has echoed all of Roosevelt's demagogy. They went even further, declaring that the N.R.A. is state capitalism, which provides the economic basis for the transition to Socialism. Norman Thomas declared at the height of the strike wave, "Now is not the time to strike." The Socialists accepted positions in the strike-breaking N.R.A. machinery (Hillman, Dubinsky, Borders), helped to force compulsory arbitration on the workers (garment strike), practiced some of the worst forms of racketeering, assisting the A. F. of L. bureaucrats in their efforts to crush the T.U.U.L. and other independent unions (fur workers, Illinois miners), opposed a genuine Federal unemployment insurance bill, played into the hands of the lynchers of the Negro masses,

claiming that it is the resistance of the Negro masses which is responsible for increased terror against the Negroes.

RADICALIZATION OF THE A. F. OF L. AND SOCIALIST WORKERS

13. With the aid of the Roosevelt government the A. F. of L. unions have experienced a substantial growth of membership (half a million). This growth was of course also due to the great desire among the masses to organize and to the fact that the treacherous class collaboration role of the A. F. of L. bureaucrats is not yet fully exposed by the Party and other revolutionary organizations. The policy of the government in general is to halt the organization of the workers by driving them into company unions, as during the war, and, where this fails, into the A. F. of L. and to make the A. F. of L. trade unions direct auxiliaries of the government. This is especially being pushed in the attempt to disrupt and liquidate the fighting class unions of the T.U.U.L. and other fighting independent unions.

14. Especially important is the growing leftward movement of the rank and file of the A. F. of L. as expressed in the growing sentiment for the Workers' Unemployment Insurance Bill, in the growing struggle of the rank and file against racketeering, which is part and parcel of the corrupt A. F. of L. bureaucracy, the anti-administration sentiment expressed in the resolutions of the miners' locals to the U.M.W.A. convention, the successes of the left wing in elections in many locals (miners, Kenosha, needle, building, textile, etc.). The A. F. of L. bureaucrats, knowing that the capitalists oppose the formation of the A. F. of L. unions in their industry (Weirton, captive mines) because they fear that the masses within the A. F. of L. will take up the struggle over the heads of the corrupt leaders, are increasing their terror against the rank and file (expulsion in needle trades, painters, etc.) and are more and more cementing their ties with the N.R.A.

15. The Socialist Party as the third party of capitalism is receiving increasing support from the capitalist class. At the same time, because of the exposure of the role of the social-democrats in Germany, the pressure of our Party in the struggle for the united front against the N.R.A., fascism and the danger of war, there have been increasing signs of the movement of some of the best proletarian elements of the Socialist Party to the left. Sections of these leftward moving Socialists are already entering into united front actions with the Communists (F.S.U. convention, etc.), while others are coming over to the side of the Party (California, sections of the Young People's Socialist League).

The fact that workers of the S.P. are becoming radicalized intensifies the squabbles of the social-fascists (Socialist Party), causing some of them to jump over into the camp of the capitalist parties (Blanshard, Upton Sinclair); and on the other hand forces other leaders of the S.P. to adopt beginnings of an open chauvinist fascist grouping (Sharts in Ohio), and "left" phrases.

16. There is developing side by side with the Socialist Party groups working towards the formation of a Farmer-Labor Party, and a new left social-fascist party to block especially the more radicalized workers from going over to the side of Communism.

The role of the Muste leaders of the so-called "American Workers' Party" which is part and parcel of social reformism, and their service to the bourgeoisie and the labor bureaucracy of the A. F. of L., are daily being revealed in the sharpening struggles of the masses. The Musteites with the aid of left phrases and by their vicious attacks on the Communist Party are assisting the bourgeoisie in preventing the leftward moving workers from crystallizing their class trade union movement and freeing themselves from the capitalist parties, and especially to prevent the united front of the masses in the struggle against the growing menace of fascism and imperialist war which is taking root among the masses at an accelerated pace simultaneous with the exposure of social-democracy (Germany, Austria, etc.). It is to carry through this purpose that Muste takes the lead in the attack on the League for Struggle Against War and Fascism, opposes the unity of the unemployed, carries on a continuous attack against the revolutionary unions and the revolutionary trade union opposition in the reformist unions, and conducts a slanderous campaign against the world party of Communism—the Communist International—in alliance with all the renegades and the Socialists and A. F. of L. bureaucrats.

THE ROLE OF THE NEGRO REFORMISTS

17. Among the Negro masses, the Negro reformists are being revealed more and more as the chief social support of imperialist reaction (N.A.A.C.P., White, Pickens, DuBois, etc.). They have supported the Roosevelt New Deal as a "New Deal" for the Negroes. They carried through treacherous actions in connection with the Scottsboro campaign, and sabotaged the mass movement of the Negroes against the Scottsboro verdicts.

Because of the radicalization of the Negro masses, the evergrowing readiness of the Negroes to struggle, the revolutionary energy developed among the Negro masses, and the growing unity of the white and Negro workers, there are cropping up all kinds of petty-

bourgeois nationalist movements (neo-Garveyist schemes) to buy out the Harvey Firestone Company in Liberia; petty-bourgeois movements to separate the Negro and white workers by a campaign of jobs for Negroes (Negro Alliance in Washington, D. C.; Costiano movement, Baltimore, Md.), which would divert the movement of Negroes from struggle for relief and insurance and against discrimination on jobs, from an anti-government struggle to a struggle against white workers; a movement of the "dark" races under the leadership of Japanese imperialism, which aims to turn the indignation of the Negro people against American imperialism into counter-revolutionary channels of support of Japanese imperialism against the Soviet Union and Chinese Soviets and for support of the imperialist designs of Japan in the possible war with America. These new movements are most dangerous because they are carried out under the slogan of race loyalty and operate with anti-imperialist phrases.

A. F. OF L. AND SOCIALISTS ARE HELPING TO BRING FASCISM

18. The A. F. of L. bureaucrats, Socialist Party, and the other social-fascist groups are helping the development of fascism in the United States, in the following ways: (a) by their whole policy of splitting up the working class and rendering them helpless before the capitalists' attacks; combatting the united front of workers; (b) by supporting the program of the N.R.A., participating in the machinery which breaks strikes, and cuts down the right of the workers; (c) by spreading the ideology of class collaboration, which is a cornerstone of fascism; by supporting the establishment of and participating in the Labor Conciliation Boards; (d) where the S.P. is in power (Milwaukee), by carrying through directly the attacks on workers' organizations and workers' meetings; (e) by splitting the ranks of the workers in the trade unions and expelling the unemployed and militant workers; (f) by carrying on chauvinist practices against the foreign-born, denying them in many cases the right to hold office in the unions, and against Negro workers who in many cases are refused admission and against whom there is carried on a policy of discrimination. Social-fascism helps the development of fascism in the United States, in the same way as its treacherous brothers in Germany and Austria who supported Bruening, Hindenburg and Dollfuss as the "lesser evil," by giving support to Roosevelt on the grounds that his program is an alternative to fascism.

IV. THE POSITION OF THE COMMUNIST PARTY

19. Under the conditions of deepening crisis and growing revolutionary upsurge, the Communist Party has grown and extended its influence. The Communist Party alone foresaw the crisis and

from the first brought to the workers a clear line of struggle. The Communist Party organized and led the struggle of many hundreds of thousands of workers and farmers. The Communist Party alone in the midst of the bourgeois and social-fascist deception of the toiling masses, unceasingly pointed out that only the revolutionary overthrow of the capitalist system and the establishment of the Proletarian Dictatorship is the way out of misery for the overwhelming majority of the population.

The Party from the very beginning of the crisis exposed the Green-Hoover no-strike agreement and organized the resistance of the workers. It was instrumental in stimulating and organizing the outstanding strike struggles in the first crisis years (40,000 miners in Pennsylvania and Ohio; textile strikes of Lawrence, Paterson, etc.), stimulated the first important strikes of the workers in the A. F. of L., set in motion the big strike movement of last year (big auto strikes in Detroit, January; the miners' strike April 1, etc.). During the course of the last year the Communists participated in almost every important strike, led 200,000 workers through the revolutionary unions in militant battles and played an increasing role in the strikes of the A. F. of L. workers and independent unions. As a result of these struggles and the beginnings of the application of the Open Letter, the Party has taken an important step forward in strengthening the fight for the formation of a class trade union movement, and strengthened its position in some of the most decisive industries (steel, marine, agriculture).

20. The struggle for unemployment insurance and immediate relief has an organized mass movement of several hundred thousand employed and unemployed workers under the leadership of the National Unemployment Council; a glorious record of historic struggles, from March 6, 1930, Unemployment Day; through the great National Hunger Marches to Washington in 1931 and 1932; the battles in Chicago, Detroit and Cleveland, and their martyrs of white, Negro, and young workers—all have welded a firm foundation for this movement, which has to its credit the forcing of hundreds of millions of dollars relief from local, state and national governments.

21. It was the Communist Party which raised high the banner of Negro rights for the first time in the United States since the almost-forgotten days of the Abolitionists. By boldly taking up the case of the Scottsboro boys, the Communist Party aroused, despite the resistance and treachery of white and Negro reformists, a vigorous mass movement, of white and Negro masses, for their defense and for the national liberation of the oppressed Negro people, which has stirred the country to its depths.

22. The Communist Party has taken up the struggle for the immediate needs of impoverished farmers, roused a nation-wide resistance to mortgage foreclosures, gave it a clear political lead, beginning serious exposure of the reformist betrayers (Reno & Co.) and has begun to link up the movement closely with the working class movement, winning thousands of partial victories through strikes and other mass struggles; trying to develop a broad movement for the cancellation of debts.

23. The Party itself has been cleansed of opportunists and liquidators (Lovestoneites, Trotskyites) and unified and consolidated on the line of the Communist International. As a result of this it grew from 7,000 members in 1930 to 23,000 weekly dues-paying members in 1934; its activity, its discipline, its political understanding, its roots among the American masses, its fighting fitness to lead mass struggles are much higher than at the time of the Seventh Convention (1930).

24. All these achievements, however, in the face of the extremely favorable conditions for our work in the past four years, only emphasize the fact that the Party has not with sufficient force taken advantage of the favorable situation, has not yet been able to place itself at the head of the major struggles (miners, etc.), and is not yet with sufficient speed preparing itself for the tremendous tasks in the face of the growing and sharpening class struggles, the development of fascism, and the drive for imperialist war. It was for this reason that the Extraordinary Party Conference last July, in reviewing the work of the Party and estimating our position, stated that:

"A Communist Party with very weak and inadequately functioning organizations in the big factories and among the decisive sections of the American industrial workers, a Communist Party whose entire daily work is not concentrated on winning over and mobilizing these workers and winning of the factories, a Communist Party which through its revolutionary trade union work does not build highways to the broadest masses of the workers, cannot lay claim to a policy capable of making it the leader of the working class within the shortest possible time."

Since this was written, the Party has made some headway in overcoming its weaknesses, and by carrying through some of the concentration control tasks, has strengthened its position along the lines demanded by the Open Letter. However, in the main, the characterization of the Open Letter is still in full force and must be the guide to the entire Party in the fulfillment of its main tasks in the shortest possible time.

The Party leadership in the center and in the districts has not

yet fully taken hold of the concentration tasks laid down in the Open Letter. Even where progress has been made, the work in the factories selected for concentration remains the weakest link in our work (Jones & Laughlin Steel, Pittsburgh; stockyards, railroad, and Gary in Illinois; Republic Steel in Youngstown, and steel and wire in the Ohio District; Ford plants in Detroit; marine and transport in New York; the Wood Mill in Lawrence, etc.). There is not yet a sufficient study and understanding of the problems in the concentration industries and factories on the part of the leadership, thus making it difficult to really assist the comrades working there to solve the difficult problems and overcome all obstacles. Only by making a change and resolutely and determinedly taking up the key concentration tasks can the Party make rapid progress in the carrying through of the decisions of the Open Letter and the Eighth Party Convention.

V. THE TASKS OF THE COMMUNIST PARTY

25. The central task of the Party is to organize and lead the fight against the offensive of the capitalist class, against developing fascism, and the threat of imperialist war, and to develop these struggles, on the basis of the fight for the immediate partial demands of the workers, into general class battles for the overthrow of capitalist dictatorship and the setting up of a Soviet government. This requires a quickening of the tempo and improvement in the quality of the work of the Party, to fight for winning the majority of the working class by more quickly carrying through the decisions of the Open Letter with regard to rooting the Party among the basic strata of the proletariat, in the most important industries and factories, through the application of the policy of concentration.

The Party must organize the fight against the new attacks upon the wages and working conditions of the employed and unemployed, and upon the rights of the workers, and against the attacks upon other toiling sections, and especially prepare itself for leadership of the struggle of the miners (agreement expiration April 1), among the railroad workers faced with new wage cuts, the steel workers who are reforming their lines for struggle, marine workers, and for the unemployed who face new cuts and for unemployment insurance.

A. THE STRUGGLE AGAINST THE FASCIZATION OF THE GOVERNMENT AND AGAINST IMPERIALIST WAR AND INTERVENTION

The Party must arouse the masses against developing fascism in the United States and the threat of imperialist war. It must explain to the masses that in the United States fascism is being carried

through under the mask of democracy by the bourgeoisie, and combat the idea spread by the Socialists and the A. F. of L. bureaucrats and by other bourgeois agents, that the Roosevelt government and its program is an alternative to fascism, as in that way they disarm the struggle against fascism in the United States. It must combat the demagoguery of Roosevelt and his supporters that the New Deal program is aimed at establishing a society free from capitalist exploitation, showing that the New Deal program has not a grain of socialism in it, and that it is fastening upon the masses the yoke of still greater economic and political slavery.

It must expose chauvinist propaganda, and spread the ideas of solidarity and unity of Negro and white, of native and foreign born, and proletarian internationalism, fighting for equal rights for Negro and foreign born, for the right of self-determination for the Negro people in the Black Belt, and for the complete independence of Cuba, for independence for the Philippines, Hawaii and other American colonies and semi-colonies, popularizing the solution of the national question in the U.S.S.R. It must develop a mass struggle for: (a) All civil rights, for the right to strike, to organize and meet, combatting arbitration and injunctions, and defending the trade unions and other workers' organizations. (b) Develop mass movements against the terror in strikes, especially against the lynch terror directed against Negro and foreign-born workers, militantly defending their organization (sharecroppers, foreign-born fraternal organizations, etc.). (c) Organize broad mass self-defense bodies of workers and farmers to resist the attacks of fascist gangs and against lynchers.

The Party must organize protest meetings, demonstrations, and develop strikes against fascist attacks in the U.S., and develop the most active solidarity movement with the workers of those countries where fascism is in power, especially of Germany, Austria, etc.

The whole Party must be aroused for a fight against the imminence of imperialist war and intervention. The main task consists in unmasking the pacifist cover under which war is being prepared by the Roosevelt government; in exposing the role of pacifism of all brands without alienating honest pacifists who are ready to enter into a militant fight against imperialist war; strengthening the Party and the revolutionary mass organizations in the decisive war industries and in the harbors; in carrying through mass actions for the stoppage of the shipment of arms to Japan and China; in defending the Chinese revolution to the utmost, unmasking before the masses the counter-revolutionary role of American imperialism and its oppression against the Chinese Soviets (Sixth Offensive), and popularizing the heroic struggles and tremendous success of the Chinese Soviet

Power; in increasing the political educational work in the army and navy and in the C.C.C. camps; and in widely explaining the peace policy of the Soviet Union and exposing the counter-revolutionary propaganda of the Trotskyite renegades and social-fascists. By our struggle against the danger of imperialist war, we must prepare to convert the imperialist war into civil war. The Eighth Congress of the C.P.U.S.A. echoes the call of the Thirteenth Plenum of the E.C.C.I., which "calls upon all the workers and toilers self-sacrificingly to defend the U.S.S.R. against counter-revolutionary conspiracy of the imperialists and to defend the Chinese revolution and its Soviet power from imperialist intervention."

**B. THE FIGHT AGAINST SOCIAL-FASCISM AND THE
STRUGGLE FOR THE UNITED FRONT**

In the fight against social-fascism, the Party must explain in a convincing way the role of the A. F. of L. bureaucracy and the Socialist Party in helping the capitalists in their offensive upon the living standards, in assisting the development of a fascist dictatorship, and in helping the preparation for imperialist war. It must more carefully expose the "left" maneuvers of the social-fascists, and expose as particularly dangerous the group of "left" reformists—the "American Workers' Party."

The Party must show to the masses that the bankruptcy of the Socialist Party in helping the capitalists in their offensive upon the German social-democracy now followed by the Austrian social-democracy was the logical outcome of the whole policy which they pursued in the entire post-war period. Exposing the systematic opposition to united front by the A. F. of L. leaders while it unites with the capitalists, the rejection and sabotage of the united front by the Socialist Party which unites with the agents of finance capital (Roosevelt, LaGuardia) and cements its bonds with the reactionary A. F. of L. bureaucrats, the Communist Party must widen its struggle for the united front with the social-democratic workers, over the heads of their treacherous leaders. In the application of the united front, the Party must fight against the right deviations expressed in the united front from on top as a bloc with the reformist leaders (some tendencies in the united front with the Musteites), capitulation to reformist conceptions and policies, and hiding and distorting the policy of the Party in the united front (Dearborn and Cleveland elections), and in obscuring and concealing the independent role of the Party in the united front struggle. It must combat the sectarian resistance to the use of the united front tactic, particularly in the work in the trade unions and among the unemployed.

C. THE PARTY MEMBERS INTO THE TRADE UNIONS

Every Communist to carry on bolshevik work must establish and maintain contact with non-Party workers. The Eighth Congress obliges every eligible Party member to become organized in a trade union and imposes upon the C.C. the task of checking up on the fulfillment of this decision within three months.

VI. OUR WORK IN THE TRADE UNIONS

A. FOR A DECISIVE TURN IN THE WORK IN THE A. F. OF L.

The work of building a revolutionary trade union opposition in the A. F. of L. and Railroad Brotherhoods has assumed greater importance at the present time, and in a number of industries is the main task in our trade union work (miners, railroad, building). In most industries it has become increasingly important (metal, textile, garment, etc.). This work has not yet been taken up by the entire Party, and is not yet directed primarily toward the most important sections of the A. F. of L. workers and the Railroad Brotherhoods. A sharp struggle must be carried on against all neglect and open and hidden opportunist resistance to a decisive course towards winning the masses and developing systematic work within these organizations. Any opposition or underestimation of work in the A. F. of L. is incompatible with the line of the Party (certain tendencies in the Cleveland District expressed by Comrade Zack). The whole Party must be mobilized for work in the A. F. of L., and a decisive turn towards winning the millions of workers organized in the A. F. of L. unions and the Railroad Brotherhoods and isolating the bureaucrats. It is necessary to orientate the oppositions towards overcoming legalistic illusions and undertake the independent leadership of the economic struggles of the workers, to organize the opposition in the shops and local unions, to participate in all elections and to fight for offices in the unions and to fight on all inner union questions, dues, high salaries, trade union democracy, racketeering.

Agitation must be systematically carried on against company unions. All grievances inside the factories and all manifestations of discontent in the factories in which company unions exist must be utilized by the Communists and revolutionary workers in order to form and strengthen independent class trade unions, at the same time work must be carried on inside the company unions, striving to occupy every eligible post by Communists and militant workers, for the purpose of winning the workers away from company unions and for the organization of independent unions.

B. BUILDING THE REVOLUTIONARY UNIONS

The Party must strengthen its fractions in the T.U.U.L. unions, and especially give attention to strengthening the independent revolutionary trade unions into an *Independent Federation of Labor*. millions of unorganized and consolidate the recent gains of these trade unions. The Communist fractions must make as one of their main tasks the drawing in of the broad masses, the Negro workers into these unions.

C. STRUGGLE FOR AN INDEPENDENT FEDERATION OF LABOR

The rising movement of independent trade union organization outside of and against the American Federation of Labor must be penetrated and won to class struggle policies, isolating reformist leaders in these organizations. The Party must strive to unify the independent unions with revolutionary trade unions in each industry. It must work towards bringing together the independent and revolutionary trade unions into an *Independent Federation of Labor*. The building of such a broad class trade union center of all class unions which stand outside of the A. F. of L. as part of a broad revolutionary trade union movement (broad A. F. of L. opposition side by side with independent class trade union center) is an important task of our Party. The building of the independent trade union federation must take place on the basis of a struggle for unity from below by our work in the independent unions. In view of this task the struggle against the Musteites and Lovestone and Trotskyite renegades in the independent unions must be sharpened.

D. FOR THE ORGANIZATION OF SHOP COMMITTEES

The rise of shop committees elected by all the workers irrespective of trade union affiliation has taken place on an increasing scale, especially as a result of the raising of the slogan by the Communists. In a number of strikes the workers have been successful in gaining recognition for shop committees (metal, textile, needle, etc.). The Party must carry on a fight for the organization of shop committees and for their recognition by the employers. Such committees are a true expression of the united front of the workers in the factories. They can be a force for the struggle against the splitting and dividing policy of the trade union bureaucrats and can become a powerful weapon to smash company unions and for the development of class trade unions.

E. THE FIGHT FOR UNEMPLOYMENT INSURANCE

A ceaseless fight for unemployment insurance must be carried on, widening its mass basis, gathering around this demand the fullest possible support of workers, farmers, professionals, teachers, students, and raising the struggle to a higher level, developing political demonstrations and strikes for the realization of the Workers Social and Unemployment Insurance Bill. The Party must develop mass struggles in the C.C.C. and forced labor camps, especially at the present time organizing the fight on the civil works projects, against dismissals and cutting down of the C.W.A., for trade union rates in all public works and for cash relief from the city governments and relief organizations.

On the basis of these struggles we must broaden and consolidate the unemployed councils and persistently and energetically fight for the unification of the unemployed organizations. In the C.C.C. and other government public works projects especial attention must be given to organizing the young workers.

VII. OTHER MASS TASKS

A. WORK AMONG THE FARMERS

In view of the efforts of the bourgeoisie, by means of fascist demagoguery, to win the impoverished farmers for struggle against the workers, it is especially necessary for the Party to intensify its work in the countryside and organizationally consolidate our influence among the poor and middle farmers in the course of preparing and leading the struggles against evictions, against foreclosures, against the curtailment of crops and the allotment plan of Roosevelt, for federal relief to the farmers, against taxes and rents and for cancellation of debts, developing the Communist agrarian program among the farmers as the way out of the crisis. The Party must organize the agricultural workers and strengthen the Cannery and Agricultural Workers Industrial Union, utilizing the experiences in organizing the workers in the West (California, Arizona) making use of this to strengthen the leading role of the working class and its revolutionary Party over the struggles of the poor and middle farmers. We must carry through the clearest class differentiation between the masses of the poor and middle farmers and the rich farmers, exposing the reformist leaders of the farmers' organizations, particularly of the National Holiday Association, Farmer-Labor Party, etc. Party units must be organized and strengthened on the farms and the Party popularized among the farmers, combatting the opportunist tendencies to hide the face of the Party in the farmers' organizations and struggles. We must popularize among the toil-

ing farmers the dictatorship of the proletariat, which is the revolutionary workers' and farmers' government, under the leadership of the working class in alliance with toiling farmers. On the basis of the united front a broad mass revolutionary farmers' movement can be developed, having the most flexible organizational character, including the committees of action, the revolutionary groups in the reactionary organizations, and the further extension of the United Farmers League.

B. STRUGGLE FOR NEGRO RIGHTS AND SELF DETERMINATION

For the consolidation and the extension of our work among the Negroes, it is necessary to strengthen our work among the Negro proletariat, concentrating on winning the Negro workers in basic industries (steel, coal, packing houses, marine) organizing them into revolutionary trade unions and oppositions, fighting all forms of discrimination, formulating demands for the Negroes in strikes and struggling for these demands in strike settlements and in unemployed struggles. It is especially necessary to fight against discrimination in handing out jobs and payment of relief, connecting up the fight for the partial demands of the Negroes with the fight against lynching, the struggle for Negro liberation, raising the slogan for equal rights and for the right of self-determination of the Negro people in the Black Belt. The Party must recruit Negroes into the Party and revolutionary mass organizations, and promote Negro cadres. The revolutionary mass organizations, particularly the trade unions, must more energetically fight for the political rights of the Negroes. The Party must build the L.S.N.R. as a mass organization around the Party program on the Negro question, organize the struggle of the Negro tenant farmers and share croppers in the South.

The strengthening of our work among the Negro proletariat, the winning of a strong proletarian base for leadership in the liberation movement, as a whole, becomes a condition for the further extension of our work among the Negro masses.

The situation among the Negroes brings to the fore as an urgent task, the preparation and organization of national liberation of the Negro people as an integral part of the task of the preparation of the working class for the struggle for power.

The struggle against white chauvinism must be raised to a higher political level and put on a mass basis, particularly in view of the arousing of racial hatred in connection with the rapidly developing fascization. It is necessary to expose and combat more energetically the petty-bourgeois nationalism spread by the Negro reformist

leaders, which only serves to supplement the efforts of the white ruling class to create divisions between Negro and white. Inside the Party the task is to carry on a struggle on two fronts, against white chauvinism as the main danger and against the influence of petty-bourgeois nationalism. (Howell in Detroit, Harfield in Buffalo.)

C. WINNING THE YOUTH

The successful struggle against fascism and impending war danger demands that the Party turn its face to winning the American working class youth on the basis of the fight for the economic, political and social needs of the youth, against compulsory militarization in the C.C.C., etc., bringing forward the youth into the forefront of the mass struggles, resolutely fighting chauvinistic poison and for internationalism among them. The Party must finally accomplish the broadening of the Y.C.L. into a mass organization wider than the Party, help the Y.C.L. to develop its work in the bourgeois mass organizations (Y.M.C.A., sports, etc.) and in the social reformist organizations. The Party must aid to form Y.C.L. factory nuclei wherever Party nuclei exist and assist in forming youth sections in the Unions, aiding the Y.C.L. to take up the special economic problems of the young workers, to formulate with them clear and concise economic demands, to develop social and cultural activities and organizations that serve to hold the young workers, and clearly and popularly bring forward the revolutionary aims and objectives of the working class movement.

D. INCREASED IMPORTANCE OF WOMEN'S WORK

The Party must become politically conscious of the increasingly important role women played in industry and in the class struggle (heroic struggle of the Austrian women, militancy in strike struggles in textile and mines) and their role in the coming war—recognizing the immediate necessity for broadening the Party's work among women, especially proletarian and Negro—recruiting them into the Party.

“Increasing the mass work among women, at the same time promoting and training even now a body of active Party women who, during the war, could in a number of cases replace mobilized comrades.” (From the Thirteenth Plenum Resolution.)

It must take the initiative in leading struggles in defense of the daily needs of white and Negro women in factories, among the unemployed, to combat the pacifist and reformist propaganda carried

on among women, and win them for united fight against fascism and war.

VIII. BUILDING THE PARTY

1. The key to the building of the Party has been given in decisions of the Open Letter and in the control tasks which stress the rooting of the Party in the factories and in the most important industries, winning especially the native white and Negro workers. This task remains in full force and must be immediately carried through. Mass recruitment must be undertaken in connection with all our mass activities and struggles and the fluctuations overcome through the improvement of all our work, especially the raising of the political level and initiative of the leadership of the nuclei and lower Party organizations in the day to day struggles, and in the work of the fractions of the mass organizations, particularly in the trade unions, which must be built and consolidated. Improvement of the inner life of the Party and turning their face to the mass struggles is a burning necessity, to which all leading organs must give their fullest attention, establishing direct personal contact with the Party units and lower Party organizations. The building of unit leadership, of section committees, strengthening them politically, raising their initiative, demands that an end be put to the tendency of monopolizing all political work in the hands of the top organizers and requires the development of real collective leadership from the Central Committee down to the units.

The past weaknesses in leadership, insufficiently concrete directives and assistance to lower organs, insufficient check-up and control of execution of decisions must be resolutely overcome. Without strengthening and controlling the mass work of the lower organizations, giving them constant direction and assistance it will be impossible to fulfill the tasks outlined in the resolution. The C.C. must reorganize its work for the improvement of its leadership and guidance of the most important factory nuclei, sections and trade union fractions especially.

2. An important part of the rooting of the Party in the factories, particularly as a means of increasing our agitation among the factory workers and in face of growing danger of illegality, is the wide extension of popular shop papers issued in the name of the Party nucleus, in all fractions where Party nuclei exist, taking up the partial struggles of the workers, and connecting them with the fight against fascism and war and for the revolutionary way out.

3. The Party must prepare itself to continue its work under all possible attacks, must tighten the discipline of the Party, combat spies,

insure the secret functioning of the factory nuclei while maintaining the greatest contacts with the masses in the factories. The Party must at the same time struggle against every attack upon its legal rights through the development of mass struggles.

4. Greater boldness must be shown in the promotion of new cadres from the ranks of the workers, pushing forward capable workers into leading positions, particularly from among native workers in the industries of concentration. This applies not only to the Party, but to the revolutionary mass organizations. The raising of the political and theoretical level of the entire Party membership, the training of new cadres require the more serious development of district schools, week-end schools, particularly in the industrial sections and strengthening the national school. The workers' schools play an important role in the spreading of Marxism-Leninism among broad sections of workers and proletarian student bodies. Therefore, greater attention must be given by the District Committees to the strengthening of the existing workers' schools, the establishing of more workers' schools, especially in the larger industrial centers.

5. The *Daily Worker* must still further achieve its popularization, establish a functioning Workers Advisory Committee composed of workers from the shops and unions, establish and develop the closest contact with the workers in the factories, increase and improve workers' correspondence, and make it a central part of the policy of the entire paper, and strengthen the *Daily* as the organizer and leader of the mass struggles of the workers, as a builder of the trade unions and unemployed organizations, and of the Party, and to a far greater extent bring forward and explain the revolutionary program of the Party. All Party organizations are obliged as one of their central tasks to build the circulation of the paper, to make it known and strengthen its influence, particularly in the factories, among workers on strike, among the ranks of the unemployed, and all mass battles.

6. The foreign language press must be extended, popularized and become mass organs for the combatting of national separation, against fascist propaganda carried on by the American fascists and those of European countries, and be a means of drawing the foreign born workers into the main stream of the class struggle, the Communist Party and the mass organizations, particularly the trade unions.

There must be a wider issuance and circulation of literature on current political problems and propaganda pamphlets dealing with the revolutionary way out of the crisis. The mass sale of Communist literature must be a normal part of the day to day activities of every Communist Party member.

7. The building of the Party demands that the opportunist

tendency of hiding the face of the Party, which has frequently manifested itself especially in the trade union struggles, must be decisively overcome. The Party must conduct a systematic struggle against opportunism, particularly against right opportunism, manifesting itself in the underestimation of the revolutionary upsurge of the masses, in an underestimation of the depth of the capitalist crisis, as an absolute necessity for educating and strengthening the discipline and fighting capacity of the Party. It must conduct a fight against the still strong sectarian tendencies of the Party, expressed in the still considerable passivity with respect to revolutionary mass work, and the resistance to the application of the united front, particularly in winning the workers in reformist organizations, etc. A relentless struggle must be carried on against all manifestations of the counter-revolutionary conceptions of the Trotskyite and Lovestoneite renegades and against any liberal attitude towards them.

IX. THE DICTATORSHIP OF THE PROLETARIAT — SOVIET POWER IS THE WAY OUT

The Communist Party must raise before the toilers in the United States the revolutionary way out of the crisis. All members of the Party must in their day-to-day work, in the fight for the demands of the workers, point out convincingly and insistently that only the destruction of the capitalist system, the establishment of the dictatorship of the proletariat, of the Soviet power, can free the millions of toilers from the bondage and misery of the capitalist system.

The United States is most favorable for the establishment of socialism. Its large-scale concentrated industry and huge proletariat, its accumulated wealth and productive forces with the enormous supplies of raw material, provide the material basis for a quick change in the life and conditions of the country. If the workers will take power, they will in a very short time radically improve the life of all toilers—industrial workers, farmers, white-collar workers, professionals, intellectuals, etc., providing a high degree of comfort and well-being for the toiling masses.

But this tremendous wealth, these gigantic productive forces, are locked away from the masses. They are the private property of a small parasitic capitalist class which has closed the factories and locked the warehouses to force growing tribute of profits. This paralysis of economy in the interests of the profit of the exploiters at the cost of starvation and degradation to the millions is enforced by the capitalist government with its police, military, courts and jails.

There is no way out of the crisis except by breaking the domina-

tion and rule of the monopolist capitalist class and taking the road pointed out by the victorious working class of the Soviet Union. There is no way out through the quackery of Roosevelt or the policies and practices of social-democracy. Where the socialists have been in power (Germany, Austria), they have abstained from confiscating the industries held by the capitalists, and their way of "gradual", "civilized", "democratic", "transition to socialism" has opened the gates wide for the most barbarous regimes in the modern history of Europe. In the Soviet Union, where the proletarian dictatorship rules, there is no crisis; capitalism has been destroyed and a new socialist society is being victoriously built. The Russian working class through the Soviet Power has completely wiped out unemployment, established the seven-hour day, abolished the poverty of the countryside, and raised materially the well-being and standards of the toiling masses. It has overcome the age-long backwardness of its country, brought the industrial production to the first place in Europe and more than three times the pre-war figure, reorganized agriculture on a socialist basis, and liberated the formerly oppressed nationalities. Upon the basis of its socialist system the Soviet Union has become the most powerful force for peace in the otherwise war-mad world. Its victories are a source of inspiration and encouragement to the oppressed throughout the world.

The Revolutionary Workers' and Farmers' Government—an alliance of the working class with other toiling sections of the population—will establish a real democracy for the overwhelming majority of the toilers and a stern dictatorship against the capitalists and their agents. It will confiscate the banks, the factories, the railroads, the mines and the farms of the big corporations.

It will immediately wipe out unemployment, provide jobs at a wage sufficient to meet the needs of the toilers. It will establish a shorter work-day and a system of full social insurance. It will open up the warehouses and distribute among the working people the enormous stores of food and clothing, it will open the enormous accumulation of unused buildings to those who now wander in the streets and crouch in cellars and slums.

The Revolutionary Workers' Government will immediately proceed to reorganize the present anarchistic system of production on socialist lines, eliminating the untold wastes of capitalism and bringing to full use the tremendous achievements of science. It will wipe out the debts and mortgages now held by the bankers and monopolists upon the farmers, give land to the landless farmers, give government aid to the poor and middle farmers, will establish a seven-hour day and will raise the wages and improve the condition of the agri-

cultural workers. It will aid the farming population to unite their forces in a co-operative, socialized agriculture, thereby bringing to the countryside the advantages of modern civilization and removing the present burdens of agricultural labor. It will establish state farms. It will grant equal rights to the Negro people and to the foreign-born and the right of self-determination for the Negroes in the Black Belt, exterminating all forms of chauvinism and establishing firm bonds of solidarity and fraternity between the Negro and white masses.

It will grant full independence and give brotherly assistance to Cuba, independence to the Philippines and the colonies and semi-colonies now oppressed by imperialism. It will establish a fraternal alliance with the great socialist brother state—the Soviet Union, and through such an alliance of two mighty socialist powers, will create an unshakable force for peace and render a death blow to the world system of imperialist oppression and exploitation.

Lessons of Economic Struggles, Tasks of the Communists in the Trade Unions

RESOLUTION OF THE EIGHTH CONVENTION OF THE COMMUNIST PARTY OF U.S.A.

I.

1. Tremendous changes are taking place in the ranks of the working class and in the trade unions. The outstanding events of the recent period are a more rapid and deep-going radicalization of the workers, already expressed in the growth of a militant mass strike movement already embracing large sections of workers in the basic industries; the entrance of new hundreds of thousands of workers into the unions of the A. F. of L.; with the simultaneous growth of some of the unions of the T.U.U.L. and the rise of mass independent unions from amongst the unorganized, as well as through desertions from the A. F. of L. unions; the beginnings of a mass opposition within the reformist unions. All this indicates that we stand before great class battles that are maturing and that there is the possibility of rapidly developing a united mass revolutionary trade union movement. The bourgeoisie and the reformist trade union and socialist leaders are increasing their activity in the attempts to disrupt, disorganize this movement and divert it from the revolutionary path. The role and activity of the Communists in this situation is at the present time of decisive importance and will determine who will gain the leadership of the leftward moving masses, the reformists or the Communists.

GROWTH AND CHARACTER OF STRIKES

2. This movement was already in the last year expressed by the strike struggles of over a million workers and extending to almost all industries and for the first time in a decade expressed in mass strikes of the auto workers, steel workers, seamen. The bourgeoisie, through the N.R.A. and the activity of the reformists, did not succeed in arresting the strike struggles, which in the latter stages took the form of strikes against the N.R.A. codes (second miners' strike, silk strike, etc.). The strikes were further marked by a growing stubbornness of the masses as seen in the great number of strikes where the work-

ers came out again and again as they found themselves tricked by the N.R.A. and the A. F. of L. leadership. There was expressed in the strikes of this period a marked increase in the application of the revolutionary strike tactics in the form of the election of rank and file strike committees, mass picketing, solidarity actions of other workers, participation of women and children, etc. The strike struggles which were mainly for wage increases and for the right to organize for union recognition bore a definite offensive character and more and more developed elements of political struggle. This was most clearly expressed in the New Mexico miners' strike with the raising of the demands on the government for the release of all strike prisoners as a condition for the settlement of the strike; in the two-day general strike of the Gardner furniture workers against injunctions; in the Haverhill strike against arbitration. In varying degrees such demands and elements of political struggle characterized many of the strikes. A further expression of the political elements of the strike movement was the general strike of the entire working population in Centralia, Illinois, in connection with the strike of the shoe workers, the beginning of political strikes in connection with the Austrian events, Scottsboro, the C.W.A. layoffs, etc. Continuation of strikes despite the edicts of the National and Regional boards is becoming a mass phenomenon. In all the strikes one of the outstanding features was the solidarity of the employed and unemployed. Large sections of young workers in almost all strikes, increasing sections of women workers (textile, garment, etc.) and Negro workers (miners, steel, garment, food, etc.) participated in the strikes as well as masses of colonial workers (agricultural strikes).

STRIKE-BREAKING ROLE OF N.R.A.

3. While in the first stages of the strike movement (before the N.R.A.) the strikers were able to gain concessions as a result of the struggle, the strikes in the latter part of the year were in a large number of cases disrupted through the N.R.A. leadership (Weirton, auto strikes, captive mines, etc.), as well as through open terror where the strikes were under militant leadership (Ambridge). Only where the strikes were led by the unions of the T.U.U.L., by militant independent unions, or where the left wing within the A. F. of L. unions exerted sufficient influence were the employers and the government, and their agents, the A. F. of L. bureaucrats, unable to completely trick the workers with the N.R.A. and compulsory arbitration schemes, and the workers were able to gain some of their demands (garment strike, Paterson dye strike, etc.).

DISILLUSIONMENT WITH N.R.A. GROWS

4. The workers are rapidly learning the lessons of the strike-breaking role of the N.R.A. and the betrayals of the A. F. of L. leadership. The N.R.A., which promised without struggle better wages, shorter hours and the right to organize, is more and more being exposed as the instrument of the capitalists for the greater, more intensive exploitation and oppression of labor. The workers are more and more coming to this conclusion when they compare the promises of the government and the A. F. of L. leadership with the results of the N.R.A. While the N.R.A. has resulted in increased profits of hundreds of millions for the capitalists, the real wages of the workers are lower than before the N.R.A. as a result of: (a) the utilization of the minimum wage clause to drive down the wages of the workers as a whole; (b) the reduction of hours without corresponding compensation in weekly earnings; (c) the rapid rise in prices; (d) the greater intensification of labor. At the same time while the right of the workers to organize into unions of their choice is being met by the brutal suppression of the armed forces of the government the capitalists were able under the N.R.A. to increase their company unions from about a million to five million members.

NEW WAVE OF STRIKES

5. As a consequence of the growing disillusionment of the masses with the N.R.A., the realization that under the N.R.A. the living standards of the masses have declined, that the right of organization as embodied in Section 7A has resulted in the rapid growth of the company unions, there is now developing anew a mass strike movement despite every effort of the capitalists, the government and the A. F. of L. leaders to prevent the growth of the strike movement. These strikes are, therefore, more openly directed against the N.R.A. and the policies of the A. F. of L. leadership than in the last strike struggles. This growth of the strike movement is already expressed in the mass strikes of the auto workers (Detroit, Wisconsin, Toledo, etc.), the textile workers (Fall River, rayon workers, etc.), the miners (Alabama, West Virginia), the shoe workers (Haverhill, etc.), the taxi drivers, the growing strikes of the workers in the war industries (airplane workers, marine workers, aluminum workers, etc.), the strike votes of the railroad workers, the West Coast long-shoremen, etc. The inability of the capitalists, the government and the A. F. of L. bureaucrats to stop the growing strike movement is best shown in the auto industry, where in spite of the so-called Roosevelt agreement, which was everywhere hailed as "peace" in the industry, and which the President himself characterized as

"charting a new course in social engineering", the mass strikes have greatly multiplied following this "agreement" (Motor Products strike, tool and dye makers' strike, rejection of the decision of the Automobile Labor Board by the Wisconsin strikers, etc.).

Every day the number of strikes and the number of strikers is growing. The strikes become ever more militant and determined in character. Emphasizing the class character of the N.R.A. as a weapon against the workers, reducing their living standards, while increasing the profits of the capitalists, the strikes take place almost entirely upon those issues which the N.R.A. had promised the workers without strikes—for increased wages, for the right to organize, for recognition of the union, etc.

NEW ATTACKS ON MASSES AND ROLE OF A. F. OF L. LEADERSHIP

6. Faced with the developing strike movement, the capitalists, the government and the A. F. of L. bureaucrats are trying by all means to dissipate the fighting moods of the workers, to disorganize the ranks of the workers, and prepare the machinery for the more brutal suppression of the struggles. The government is attempting to bolster up the N.R.A. in which large sections of the workers have already lost confidence, with new demagoguery embodied in the Wagner Bill which, in the name of outlawing company unions, in reality is legislation aiming to fasten compulsory arbitration upon the workers, giving a monopoly to the A. F. of L. bureaucrats where the employers can no longer keep the workers in check through the company unions. At the same time, while the government tries to fool the workers, that it is opposed to the company unions and publicly puts forward the A. F. of L. leaders as a better guarantee against strikes than the company unions (speech of General Johnson to the chief capitalists of the country), the open-shop employers (steel trust, automobile chamber of commerce, etc.) are intensifying their attempts to fasten the company unions upon the workers (statement by the auto magnates, so called "democratization" of the company unions of the U. S. Steel, etc.) through the blacklist, intimidation, etc. The treachery of the A. F. of L. leadership in breaking the strikes of the workers through the N.R.A. (Weirton, Budd, Roosevelt auto agreement, etc.) is assisting the employers in putting over the company unions. The A. F. of L. bureaucrats, faced with the growing discontent of the rank and file, the actual strike votes, etc., is on the one hand being forced to talk of struggles which they have no intention to lead but only to mislead and disrupt, and which they are trying to prevent, while at the same time they are openly with the Socialist Party (Panken, Thomas endorsement

of the Wagner Bill), sponsoring the Wagner anti-strike legislation in order to be able to more effectively break the strike struggles in the event that the workers go into action in spite of the A. F. of L. bureaucrats.

MOVES TOWARDS FASCIZATION

7. The present proposed legislation (Wagner Bill, Connery 30-Hour Bill, etc.) which is supported by the A. F. of L. leadership, is not merely a defense against the demands of the workers and the rising struggles. It is, like the N.R.A. as a whole, at the same time a further attack on the masses. The employers and the government, faced with stagnation of industry even though the crisis has entered the stage of a depression with a higher level of production than at the lowest point (March, 1933), faced with the growing acuteness of the struggle for markets, the necessity for more feverish preparation for imperialist war, are attempting to further drive down the living standards of the masses, reduce the "cost of production", decrease the cost of all social benefits, balance the budget at the expense of the masses. The government has already taken the step of throwing the four million C.W.A. workers back into the vast army of millions of unemployed both for the purpose of reducing the relief to the unemployed and to make it all the more easy for the employers in private industry to reduce wages and break strikes. The attack on the postal workers, a prelude to a further attack on all the low-paid government employees, the threat to veto the veterans' bonus bill, etc., all this shows how clearly the Roosevelt government, acting in the interest of finance capital, is setting the pace for a renewed attack on the living standards of the masses. The efforts of the government to strengthen the hand of the A. F. of L. bureaucracy is an attempt to convert the unions more openly into organizations dominated and controlled by the government in the interest of capital, to create stronger guarantees against strikes, to assure the carrying through of the plans for a capitalist way out of the crisis through beating down the living standards of the masses, the greater exploitation of the masses in the colonies (Cuba, etc.), and through a new world imperialist war. The open-shop capitalists who profess to oppose the new legislation, the extension of the role of the A. F. of L. bureaucracy, do not, of course, fear any of the government measures, as they have already increased their profits with the aid of the N.R.A. and direct government subsidies. It was also their "opposition" to the N.R.A. that helped the capitalists and the government to create illusions in the minds of the workers that the N.R.A. was in their

interests. To the extent that there seems to be a difference of opinion on the role of the A. F. of L. leadership in the whole scheme, it is on the one hand a sham battle to create illusions among the masses and at the same time a fear on the part of the open shoppers that the A. F. of L. bureaucrats will be unable to control the rapidly leftward moving masses who become organized within the American Federation of Labor. While the Roosevelt government appears to be more outspoken in the necessity for putting forward more widely the A. F. of L., it by no means has any intentions of at this time doing away with the company unions or organizing the mass of the workers into the A. F. of L. unions. It is only carrying through such maneuvers where the mass discontent is rising, where the danger exists that the company unions will not prove themselves able to cope with the situation and where the revolutionary trade union movement is making headway among the workers. The Roosevelt government is, however, moving in the direction of the incorporation of the company unions within the A. F. of L., the conversion of the existing A. F. of L. unions into company unions regulated by the government, the outlawing of all class unions, as part of the drive for the fascization of the government and the trade unions.

The Roosevelt agreement forced upon the auto workers fully confirms this policy. The government is viewing the recent developments among the workers with the greatest alarm. In the present stage of capitalism the organization of the workers into independent class unions represents an attack against capitalism itself. The government tries with all its power to prevent the building of such organizations, to prevent the breaking away of the workers from the capitalist political parties. It, therefore, brings forward the A. F. of L. where the danger of class unionism is threatening. It promotes the Socialist Party, the third party of capitalism, where the workers begin to break away from the two old capitalist parties. The ruling class of this country is, however, learning the lessons from the development of the class struggle in Germany and other countries. This experience emphasizes that while social fascism is the main social support among the working class for the continued rule of capital, it is by itself an insufficient guarantee against the growth and revolutionary development of the class struggle. It, therefore, proceeds simultaneously with the promotion of social-fascism with its program of fascization. The company unions, the introduction of compulsory arbitration, the greater use of armed force against the workers and their organizations—these are all expressions of the growth of fascist methods and tendencies in the U.S. carried out with the support of and through the treacherous policies of social-fascism.

II. THE GROWTH OF THE TRADE UNIONS AND THE LEADERSHIP OF THE STRUGGLES

1. About three-quarters of a million workers entered the trade unions in the last year. This number is especially significant in the face of the fact that in the most important industries the number of workers employed is half and even less than in the period immediately following the World War. Close to half a million of these workers were recruited into the A. F. of L. unions, the largest majority of them among the miners, garment and textile workers. At the same time large sections of the steel workers, auto workers, rubber workers, etc., entered the A. F. of L. unions. In many cases the workers themselves formed these unions and then applied to the A. F. of L. for a charter. In other cases the employers have directly aided the organization of the workers into the A. F. of L. unions for fear of the T.U.U.L. or other militant unions (mining, silk, needle, etc.). But in the main the workers joined these unions because they do not yet understand the role of the reformist leadership and its policies, and because of the weaknesses in the activity of the T.U.U.L. unions.

GROWTH OF T.U.U.L. AND INDEPENDENT UNIONS

2. The T.U.U.L. unions have organized during this period over a hundred thousand workers. While some progress was made among the steel and metal workers, the marine workers, the packing-house workers, among the miners in the West (New Mexico, Utah, etc.) the gains were still largely in the lighter industries (garment, shoe, furniture, food, etc.). An important achievement limited to the West Coast was the growth of the T.U.U.L. unions among the agricultural workers, the fishermen, and lumber workers. At the same time a new development was the strengthening and the building of the independent unions in some of the important industries (mining, shoe, textile, metal, auto, taxi, postal workers, technical engineers, etc.). It can be estimated that at least 150,000 workers joined the independent unions since the beginning of the last year and that their total number now reaches the figure of 250,000 members. This does not include the Railroad Brotherhoods which although not affiliated with the A. F. of L. are in no way distinguishable from them.

EMPLOYERS BUILDING COMPANY UNIONS

3. These figures show that almost half as many workers joined the unions outside the A. F. of L. as those who joined the A. F. of L. It is also important to note that while the trade unions grew

by three-quarters of a million, the company unions now embrace many times that number of new workers, emphasizing that the movement of the workers for organization only resulted in part in the entrance of the workers into the trade unions. This, of course, is to be explained by the reformist and strike-breaking policies of the A. F. of L. leadership, and by the insufficient activity by the T.U.U.L. unions, in organizing and leading the struggles of the workers. The growth of the independent unions is explained by the fact that although there are large sections amongst the workers who no longer have confidence in the leadership of the A. F. of L. unions, these workers either have not as yet been reached or properly reached by the T.U.U.L. unions, or they still fear to become part of the revolutionary trade-union movement. These latter unions are of diverse character as far as their program and leadership is concerned. Where the Communists recognized in time the situation and helped to organize these unions, they have in the main adopted a class struggle policy and selected reliable workers as their leadership. In the majority of cases, especially when these independent unions were a result of a split from the A. F. of L. (miners) because of the weakness of the revolutionary opposition in these unions the leadership was taken by a new set of reformists who try to mislead the workers with left phrases but keep them chained to the old reformist policies. This is also true of those independent unions where the Communists and other revolutionary workers remained on the outside during the process of the formation of these unions (Mechanics Association, etc.).

ROLE OF VARIOUS UNIONS IN STRIKE STRUGGLES

4. The growth of the various trade unions runs in the main parallel with the leadership of the struggles by the various organizations, emphasizing more than ever the necessity to do everything possible on our part to organize, prepare and lead the developing struggles. Thus the A. F. of L. unions which have grown by some half million led 450,000 of the workers on strike during the last year and mainly the strikes of the miners, garment workers and textile workers. The T.U.U.L. unions which recruited some 100,000 new members led strikes of some 200,000 workers, but because of the heavier attack on these unions and the inner weaknesses of the T.U.U.L., organizations were not able to fully consolidate under their leadership the masses who followed them in struggle. The independent unions who also led strikes of some 250,000 workers (shoe, auto, miners, taxi, etc.) were able to hold proportionately a larger number of the workers who followed them in the struggle than the T.U.U.L., although they were less successful than the

A. F. of L. unions. A very important consideration in the ability to consolidate the workers into the trade unions was the ability to secure an agreement with the employers. The mistake must be avoided of judging the importance of work within the A. F. of L. and the necessity for a systematic exposure of the A. F. of L. bureaucracy merely upon the basis of these figures. While not capitulating to the propaganda of the reformists and the renegades who repeat the threat of Green, "that there is no room for any labor movement outside the A. F. of L.", while resisting all tendencies of liquidation of the T.U.U.L. unions, while not denying, but, on the contrary, utilizing the increasing radicalization of the rank and file in the A. F. of L. unions, it must be our policy to give maximum attention to work within the A. F. of L. unions and especially among the most important strata (miners, railroad, textile, auto, steel, building, etc.). This especially becomes important with the increasing demagoguery the reformists are compelled to employ in the face of the rising mood for struggle among the workers and the increasing support they receive from the government.

STRIKE-BREAKING ROLE OF SOCIALISTS AND RENEGADES

5. The Socialist Party leaders in all these struggles were part and parcel of the A. F. of L. bureaucracy, carrying through all their treacherous policies. They repeated the words of William Green that "this is no time to strike" (Norman Thomas). They preached reliance upon the N.R.A. and the Roosevelt government. In the unions under their leadership they carried through the worst forms of betrayal of the workers. The "left" socialists tried to cover up their betrayal with mild criticism of the N.R.A., and were quick to recognize the mood of the workers against the A. F. of L. bureaucrats, even taking up the slogan of independent unions with the intention of bringing them into the A. F. of L. through the back door. The Musteites played no independent role in the big strike movement, thus demonstrating their isolation and bankruptcy. In none of the important strikes did they participate through their organization, the C.P.L.A. (now the American Workers Party), or through their outstanding leaders. While in the beginning claiming to be against the N.R.A. and for the united front, they quickly exposed themselves as unwilling to support the fight for the united front (Paterson strike), or to support any of the struggles of the militant unions (steel). They, however, gave sufficient proof that their position was one of support for the A. F. of L. leadership with but mild criticism and a plea to Green that racketeering be eliminated from the unions. Only in the New York Amalgamated Food Workers did the Musteites show any influence, and here not among

the workers, but through some of the Lore top allies. The position of the Musteites was, however, exposed through two of the members of their National Committee, Ryan of the Hosiery Workers Union, and the renegade Salutsky of the Amalgamated Clothing Workers. Muste refused to take a stand against Ryan, who openly sabotaged the Cleveland United Front Trade-Union Conference, or against Salutsky, the editor of *Advance*, official organ of Sidney Hillman, who became one of the outstanding advisers of Roosevelt and Perkins.

An especially treacherous role in the strike movement was played by the renegades, the Trotskyites (Cannon) and the Lovestoneites. However, only in the food union did the Trotskyites play any considerable role, and here the Trotskyite Field betrayed the strike in alliance with the renegade Gitlow. The Lovestoneites became the mercenary troops carrying through the most treacherous policies for the labor bureaucrats. Chief among them were: Charles Zimmerman in the needle trades, Keller in the textile industry, and I. Zimmerman in the shoe industry. None of these groups have as yet been able to hire out their services in the basic industries. Their whole policy cannot be distinguished from the Green-Woll policy, except, perhaps, by the fact that they act as the provocateurs against the Communists for the government and the top leaders of the American Federation of Labor.

ACTIVITY OF THE COMMUNIST PARTY

6. The Party played an important role not only in the strikes led by the T.U.U.L. unions but played an increasingly important role in most of the strikes led by the A. F. of L. and independent unions. This was especially true of the strikes in the textile industry, the strikes of the taxi, hotel workers, the garment trades, and to a lesser extent in the strikes of the auto workers and the miners.

Our Party was, however, slow in taking advantage of the favorable situation for the organization of the struggles of the workers. One of the reasons for this was the still existent underestimation of the moods of the masses for struggle (mining, needle, textile, auto,—Paterson, Allentown, Detroit, etc.). As a result of this the Party organizations and the fractions were not fully orientated for the leadership and the development of the struggles.

“The chief cause of the insufficient development of the struggle is the still unsatisfactory application of the line of independent leadership of the economic struggles, on the basis of the tactics of the united front from below, the underestimation of the partial struggles, in the weak contacts in the factories and among the unemployed, in the weakening of the revolutionary positions in the reformist trade unions, in the inability to expose the maneuvers of

the reformist trade union bureaucrats, openly or concealed by 'left' phrases."

This characterization of the E.C.C.I. as to causes for the weaknesses of the development and leadership of the strike struggles by the Communist Parties and the revolutionary trade unions and oppositions in the reformist unions is still fully applicable to our trade-union work. Especially emphasized in our role in the recent struggles, is our weak position and *lack of systematic activity in the factories*, the weakness of our position in the most important unions of the A. F. of L. (mines, textiles, etc.), and our inability to expose the activities and maneuvers of the reformists. This situation was most clearly revealed in the strikes of the miners and auto workers. In both cases the failure to carry through the policy of concentration to establish the Party and the trade union organization in the most important mines and plants was a fundamental cause for our lagging behind, and made it difficult to take leadership in the struggle, and contributed to the ability of the A. F. of L. and reformist independent unions to enroll large sections of the workers who were pressing for organization. Our slowness in undertaking the work among the newly recruited A. F. of L. workers again robbed us of the possibility of playing a more important role in the strike struggles of the workers organized in the reformist unions, and of the ability to defeat the strike-breaking activity of the reformist bureaucrats. In both the miners' and auto strikes one of the outstanding weaknesses was the insufficient exposure of the A. F. of L. bureaucrats and the reformist leaders of the independent union (M.E.S.A., anthracite, etc.) which became especially important in the face of the growing demagoguery being promoted by the government and the reformist leaders around the N.R.A., etc. The improvement of the work in the factories on the basis of the carrying through of the program of concentration, the carrying on of systematic work in the A. F. of L. and independent unions, the development of a serious exposure of the policies and activities of the reformists—these are the central tasks in order to develop the independent struggles of the workers, build the revolutionary unions and oppositions in the reformist unions.

Added to this must also be the failure of Communist fractions in the T.U.U.L. unions to fight decisively for the consolidation of the gains in the struggle and to utilize them for the further development of the struggle (auto); the failure to build the union while at the same time leading the struggles on the basis of the united front (April miners' strike); failure to quickly recognize a changed situation (growth of the U.M.W.A. in the Pittsburgh area); failure to adopt mass methods of work corresponding to the degree of activity of the masses (steel, auto), etc. All these weaknesses in the work of

the Party and the Party fractions in the T.U.U.L. and the A. F. of L. unions contributed to considerable lagging behind and the loss of initiative to the reformists (Paterson, second mass automobile strike of Detroit, miners' strike, dress strike in New York, etc.).

HIDING FACE OF PARTY

7. The leadership of the Party in the trade-union work remains extremely weak despite the Open Letter and control tasks adopted by the C.C. and the Districts. The majority of the Party members remain outside of the unions in most of the districts (including such concentration districts as Chicago, Detroit); in the Party as a whole, the important progress made was with but a small section of the Party membership active in the economic struggles. Communist fractions, without which there can be no real leadership by the Party in the work of the trade unions, remain weak and receive little attention. The District Committees do not yet even feel the responsibility for constantly guiding, controlling and improving the work of the fractions. In many cases the fractions do not exist at all. There still persists a social-democratic division between Party work and trade-union work. Still less attention is paid by the Party organizations to the development of work in the A. F. of L. unions, the Railroad Brotherhoods, etc. In the recent strike struggles we saw a resistance of some Communists active in the strikes to building the Party, to distributing the *Daily Worker* and other Party literature, while the Party organizations also gave but little attention to utilizing the strike struggles for bringing forward the Party among the workers. This can be seen from but one example. Less than one per cent of the members of the Steel and Metal Workers Industrial Union have been recruited into the Party. As a result of this failure to build the Party, many of the trade-union organizations fall to pieces. It was also this weakness which contributed largely to the inability of the unions to withstand the open attacks and inner maneuvers carried through by the capitalists during the struggles (Ambridge, Greensburgh, Carnegie, etc.).

III. TASKS OF THE PARTY IN THE TRADE-UNION WORK

1. (a) Mobilize the entire Party membership for revolutionary trade-union work; (b) for the carrying through of the program of concentration to root the Party in the most important factories, establish trade-union organization, for the building of the oppositions in the first place in the most important industries, stimulate, develop and lead the struggle of the workers. Enroll every Party member eligible into the trade unions on the basis of a thorough enlighten-

ment of the membership as to reasons for our emphasis on work in the factories and trade unions. This was fully explained in the Open Letter, which stated that unless the Party establishes its roots among the decisive sections of the industrial proletariat it cannot become a mass Communist Party. The discussion must be brought into every Party nucleus, into every trade-union fraction. The Party leadership must not only convince the Party as to the correctness and urgency of carrying through the Open Letter, but also help the membership to carry through the tasks. Every district, section, nucleus, and especially shop nucleus, must work out its plan of work on the basis of the policy of concentration, assign the most experienced and developed comrades for leadership in the trade-union work. Steps are to be taken to build the trade-union fractions and assure their guidance through the Party Committees. The Central Committee, the District Committee and all leading Party organizations must assume responsibility for the carrying through of these tasks and the work in the trade unions which is the task of the entire Party. In raising before the Party work in factories and trade unions as the central task, care must be taken to overcome the opportunist conception of trade-union work. Our trade-union work is not an end in itself—the trade unions are for the Communists a bridge to the masses. As part of our Communist work in the factories, the Party nuclei in the factories must receive the greatest attention from the leading committees. They must receive the greatest guidance and support in building the union in the shop, *the shop committee*, the publication of a *Party factory paper*, building the circulation of the *Daily Worker*, recruiting into the Party. Bearing in mind the tendency to hide the face of the Party, the liquidation of many of the factory papers of the Party into trade-union organs, the Party committees must patiently explain and stubbornly fight against such deviations.

LEADING OF STRUGGLES

2. The mobilization of the Party for the work in the factories and trade unions cannot be carried through on the basis of an abstract campaign. It can only be successful as part of the preparation of the Party to at once take up the fight in each factory, in each industry in the struggle, in defense of the interests of the workers, to give leadership to developing strike struggles (auto, railroad, etc.). This requires that we root out the underestimation of the radicalization of the masses which was responsible for our Party lagging behind in many struggles of the past year. But it also requires that we prepare ourselves organizationally to lead these struggles. To

take up the development of the fight for the workers' needs in the factories; to raise the confidence and fighting spirit of the workers; to develop their capacity to struggle by extending in the factories the Party and trade union organizations, to develop the united front of all workers; to build strong fighting oppositions in the A. F. of L. unions. The central issues around which the struggle of the employed and unemployed workers can be developed are: (a) For increased wages, especially in the face of the rising cost of living; (b) for the shorter work day without reduction in weekly earnings; against the stagger plan; (c) against lay-offs; against speed-up; stretch-out, which is more and more being intensified as part of the capitalist offensive; (d) for unemployment insurance, as embodied in the Workers' Unemployment Insurance Bill; (e) for relief to the unemployed; (f) for continuation of C.W.A. jobs at higher wages; (g) for the rights of Negro workers to all jobs at equal pay; against discrimination on relief, C.W.A. jobs, etc.; against discrimination of foreign born in any form; (h) special demands for young workers; women workers; (i) for the unconditional right to organize and strike, against compulsory arbitration, against the Wagner Bill; (j) against all forms of forced labor; the right to organize on C.W.A. jobs, in C.C.C. camps.

On the basis of the policy of concentration and a serious attempt to penetrate into the most important factories, building the trade unions and the Party on the basis of the factory, the Party must give special attention towards the preparation for the coming struggle among the miners, steel and auto workers, marine workers, railroad workers, chemical workers, textile workers.

WORK IN A. F. OF L. UNIONS

3. The work in the A. F. of L. which in most districts was until recently limited to the work in some sections of the building trade and light industries must concentrate especially among the miners, textile workers and railroad workers especially, as well as among the federal locals in auto, metal, rubber, etc. The whole Party must be roused to the necessity of carrying on systematic work in the A. F. of L. unions, which have organized in them millions of workers and today takes on greater importance than heretofore, because of the influx of new members and the efforts of the government to force workers into the A. F. of L. unions in many industries. Any underestimation of work in the A. F. of L. unions (Zack) is incompatible with the line of the Party. The successes achieved in the work of the oppositions (elections, leadership of struggle, support for Workers Unemployment Insurance Bill, etc.),

the general growing revolt against the bureaucracy and the sharpening situations on the questions of industrial unions, democracy, etc., through the pressure of the rank and file—all this shows the possibility of a rapid development of mass revolutionary opposition within the A. F. of L. unions.

The Communist fractions must be built in the A. F. of L. unions, and they must raise the question in each industry and in each locality of the building of broad left-wing oppositions and unite them for the purpose of establishing oppositional leadership to carry on the struggle on the broadest possible basis. The character of the work of the oppositions in the A. F. of L. unions and Railroad Brotherhoods must be radically changed. In the first place, there must be a break with the legalism that still dominates most of the oppositions, preventing the development of the independent struggles of the workers. Secondly, the oppositions must not remain merely on the top or be based on occasional local union meetings. They must be reorganized on the basis of the factory. Without developing the activities in the factories, building the opposition in the reformist unions on the basis of the factory, it will be impossible. The development of the work in the factories, the struggle for the needs of the workers will lay a firm basis for the development of the oppositions within the locals, for the exposure and isolation of the reformist leaders. Only in this way will they be able to take up the independent leadership of the struggle. The slogans and issues enumerated above are the central issues around which the A. F. of L. workers can be mobilized for struggle. Special emphasis must be given to the development of the fight for the Workers' Unemployment Insurance Bill. The oppositions must also raise the question of democracy, the rights of the rank and file, elections for all posts for which the left wing must fight, against gangsterism and racketeering, against high salaries for union officials, for deductions of dues, exemptions to unemployed, etc.

We must prove to the A. F. of L. workers that the Communists and their supporters fight for the interests of the workers, fight to build the union, for the unity of workers, while the bureaucrats are betraying the interests of the workers, plundering, splitting and destroying the unions as instruments of struggle against the bosses. The Communists in the A. F. of L. unions must put forward in the interests of the struggle united action with the T.U.U.L. unions and other organizations. They must defend the independent unions before the workers from the attacks of the bureaucrats, exposing the bureaucrats as the splitters of the workers. When the A. F. of L. union is a mass organization, and no other unions exist, the Communists should join them, call upon the workers to join them

and fight for the opposition program. In general, however, the slogan calling upon all workers to join the A. F. of L. is not serving the interests of the workers. Each union and each industry must be examined before proper action can be decided upon.

BUILDING THE UNIONS OF T.U.U.L.

4. The building of the T.U.U.L. unions must receive the greatest attention. Especially must we concentrate on strengthening the work and leadership of the steel, auto, marine, textile and miners' unions. A decisive turn towards the work in the A. F. of L., greater attention to work in the independent unions, emphasis on developing of the united front, implies not a weakening but a strengthening of the work of the T.U.U.L. unions. With the development of the struggles of the workers, the exposure of the N.R.A., the incorporation of the A. F. of L. bureaucrats as the government agents in the trade unions, the T.U.U.L. unions, and especially in the basic unorganized industries (steel, auto, chemical, etc.) can play a decisive role and can experience a rapid development. The Party must conduct a sharp struggle against any liquidatory tendencies, and expose the slander and maneuvers of the renegades who call for the liquidation of the T.U.U.L. unions because they wish to strengthen the A. F. of L. bureaucracy, of which they have become a part. In order to take full advantage of the developing struggle the Communist fractions in the T.U.U.L. unions must call for the carrying through of ideological and organizational preparations in the T.U.U.L. for the coming struggle. They must insist on the carrying through of the policy of concentration, *persistent work in the factories*, the strengthening of the leadership in some of the unions of the T.U.U.L. and strengthening the leading committees of the T.U.U.L. on the basis of more collective work of a representative committee embracing comrades from the more important trade union organizations, the training and drawing in of new forces. The coming convention of the T.U.U.L. must be organized on the basis of a broad mass campaign involving the largest sections of the workers in the decisive industries.

WORK IN THE INDEPENDENT UNIONS

5. The work in the independent unions must receive regular and systematic attention. The different types of independent unions require a different approach.

The Communists must penetrate all of these unions, organize Communist fractions, set before themselves the task of making these

unions real class organizations on the basis of developing and leading the struggles in the defense of the interests of the workers through constant enlightenment as to the lessons of the class struggle, by showing these masses in life the leading role of the Communist Party as the organizer of the fighting united front in their interests. We must strive for the unification of the workers of these unions in each industry with the T.U.U.L. union in the same industry into one fighting class trade union.

COMPANY UNIONS

6. A careful study must be made of the company unions in the basic industries. Our policy is to expose these organizations as instruments of the employers against the workers, to arouse the hatred of the workers against them, and to smash them. In order to achieve this, we should utilize every possibility for speaking to the workers wherever such meetings are called. To make proposals which will expose the company unions and rally the workers for action. As part of this struggle and in general in every factory there must be carried on an exposure against the espionage system employed against the workers. The fight for shop committees elected by the will of the workers, for which we must fight in every factory, can in many cases be achieved through successful utilization of the possibilities for work in the company unions. Since our object is to build class trade unions in the factories, and since many workers are prejudiced against all unions because of the betrayals of the A. F. of L. bureaucrats, we must carry on an exposure of the bureaucrats and their policies, and present in contrast the program, the leadership, and the organizational forms of the class trade unions of the T.U.U.L. The struggle against the growing menace of company unions, the hatred of the workers of these company unions provides a basis for the development of the united action of the workers organized in the revolutionary, independent and A. F. of L. unions.

FOR AN INDEPENDENT FEDERATION OF LABOR

7. The fight for the unification of the revolutionary unions and the independent unions must be developed immediately by beginning a mass agitational campaign through discussion, through resolutions in the independent unions, through the work of unification of these organizations in the different industries. The basis for the development of the movement for unification must be developed in the first place in united struggles in defense of the interests of the workers and first of all through united struggle in the shops.

Already a number of left-reformists are conducting secret negotiations for the formation of an independent trade union center under their leadership in order to block the formation of a class independent trade union center. At the same time there is the danger that many of the independent unions will be swept into the A. F. of L. through the maneuvers of the socialists and renegades (shoe, electrical), unless we immediately raise the perspective of a class independent trade union center and conduct a campaign for its realization. It was the failure of the Party to recognize in time the forces making for the growth of independent unions which made it possible for the Pearceys, Cappellinis, Maloneys, etc., to mislead the leftward moving workers and rally them into independent unions of a reformist character. Similarly, our failure to carry forward throughout the fight for the amalgamation of the various independent shoe unions played into the hands of the Socialists and Lovestoneites, who attached themselves to the movement and continue to play an important role.

The Party must understand that the independent unions left by themselves will be the prey of every reformist misleader, and will play into the hands of the bosses and the A. F. of L. bureaucrats. At the same time, our perspective cannot be the formation of a class independent trade union center which will exist side by side with the T.U.U.L. center and the A. F. of L. Rather our perspective is that by fusing these independent unions with the revolutionary trade unions, we can develop in the United States side by side with a powerful opposition movement in the A. F. of L. unions and the Railroad Brotherhoods, a relatively broad class trade union center. Such a center would support the struggles of the rank and file in the A. F. of L., would enter into united militant action with the revolutionary opposition in the A. F. of L.

The Independent Federation of Labor will not come merely through the change of name of the T.U.U.L. and through resolutions. It will come as a result of an ideological and organizational campaign in both the independent and T.U.U.L. unions, as well as among the unorganized. At the same time, while it must be based on the broadest conceptions of the united front, it cannot base itself on any compromise with the policies of class collaboration. It can not occupy a "middle" position between a reformist and revolutionary policy. It must stand squarely on the principles of the class struggle, and through its structure and leadership, be capable of organizing and leading the masses of the American workers in struggle in defense of their immediate economic and political needs, as well as against the capitalist efforts to get out of the crisis through fascism and imperialist war.

WORK AMONG UNEMPLOYED

8. The trade unions have not yet been drawn in on a mass scale to fight for the needs of the unemployed and especially for unemployment insurance. Even the revolutionary unions have not yet given serious and systematic attention to this task. The Communist fractions in the trade unions must take steps to change this situation in the shortest possible time. The movement for social and unemployment insurance must unite in the first place, the full forces of the revolutionary trade union movement and the mass organizations of the unemployed. This is the chief immediate demand of the entire working class. Around these basic forces must be gathered the other sections of the toiling population. This fight must be developed on the basis of the united front to a higher level, including political demonstrations and strikes for the realization of the Workers' Social and Unemployment Insurance Bill. The trade unions must be mobilized to play the central role in this struggle.

The broadening and consolidation of the mass organizations of the unemployed must proceed upon the basis of an intensified struggle for cash relief from local, state and national governments; against all forms of forced labor; for full trade union rates of wages on all civil and public works. All of these struggles must be connected with the mass campaign for unemployment insurance as contained in the Workers' Unemployment Insurance Bill. Solidarity actions of the unemployed organizations with the trade unions must be developed and stimulated. All necessary special organizational forms must be found to include various categories of local relief workers, civil works employees, public works, C.C.C., etc. The members of all existing unemployed organizations must be rallied around the slogan, for the complete fusion and unification of all organizations of the unemployed.

WINNING NEGRO WORKERS, ETC.

9. (a) Special measures must be taken immediately to execute the Party decision regarding the winning of the Negro workers for the trade unions. All Communists in the T.U.U.L. or independent unions, in the A. F. of L. opposition, are obligated to raise this question in their organizations and conduct a constant fight for them. There must be no strike, no struggle in which we fail to raise the general and special demands of the Negro workers. Similarly, these questions must be raised in every factory, in every trade union. The revolutionary unions must set the example before the whole of the Negro masses in the struggle for the economic interests of the Negro workers. The revolutionary oppositions in the A. F. of L. must similarly show through their deeds that their exposure of the

bureaucracy as arch-chauvinists is backed up by the actual struggle for the interests of the Negro workers. We must raise the demand for the employment of Negro workers on the basis of equality with the white workers on all jobs and at equal wages. The Communists in the unions are obligated to carry on a struggle against all forms of discrimination practiced against Negro workers, and work for their election to all leading posts. Nor must the revolutionary trade unionists limit their fight in the interests of the Negro masses to the fight for immediate economic demands. We must fight for the adoption of the masses of trade unionists and by all workers of the full Communist program for the Negro toilers, including the fight for self-determination in the Black Belt. As a step in the direction of carrying through the above tasks, it is urgent to undertake a campaign of enlightenment in the trade unions and oppositions as to the Communist position on the Negro question, to organize special trade-union conferences of white and Negro workers in the respective industries and localities for the raising of these issues and the mobilization of the white and Negro masses to struggle for their realization.

(b) The Party must give more attention to the work among the millions of agricultural workers. Aside from the strategic importance of these workers in capitalist economy, without organizing them, the Party will be unable to establish the hegemony of the proletariat in the struggle in the countryside.

WINNING THE YOUNG WORKERS

(c) An end must be put to the serious underestimation and neglect in the work among the young workers on the part of the revolutionary trade union movement. The development of fascism in Germany has emphasized before our Party the burning necessity of struggling for the working class youth, large sections of whom are robbed of the possibility of entering industry. At the same time, the young workers in the industries play an increasingly important role in the struggles of the workers. The revolutionary unions and oppositions have not yet learned and in many cases resist the raising of the special demands of the young workers. A turn must be made if we seriously wish to carry through the struggle against fascism and war.

Demands for the young workers must be adopted by all revolutionary trade unions and oppositions as to hours, wages, etc., to meet the special needs of the young workers. They must be afforded full rights of organization and promoted to all leading posts in the unions, given assistance and support in building youth committees and sections, carrying on a struggle against the opportunist resistance to develop youth forms and activities, etc. The Communists must mobilize

the unions to fight against the militarization of the youth in the C.C.C. camps, demand for the youth relief, C.W.A. jobs, unemployment insurance. An end must be put to the liberal position on child labor. Our fight is for state maintenance for all child laborers who are thrown out of industry and not merely the "abolition of child labor."

FOR WINNING THE WORKING CLASS WOMEN

(d) The fight for the women workers takes on added importance with the imminence of the war danger. The A. F. of L. unions have always discriminated against women workers. The opposition in the A. F. of L. has thus far not yet taken up this issue. The situation is not entirely satisfactory in the revolutionary unions. Even the National Textile Workers Union has only a small percentage of women, although the majority of the workers are women. In view of the present situation, we must take decisive action to organize the women workers, and carry on a fight for their interests, giving special attention to winning the Negro women workers.

FOR REVOLUTIONIZATION OF MASSES

10. The Communists in the trade unions must undertake to bring the program and policies of the Party before the masses. A struggle must be conducted against all opportunist deviations, which wish to limit the struggles of the trade unions to purely "trade" questions. The trade unions as the basic mass organization of the workers must fight for all the needs of the workers. This, of course, cannot be achieved through a sectarian commandeering of the masses. The Communists must win the workers for such a struggle on the basis of utilizing every economic struggle for broadening the outlook and perspective of the workers to revolutionize them, and win the best elements to the Party. Especially is it necessary to win the workers for the struggle against imperialist war, against fascism, for the defense of the Soviet Union, etc. On the basis of the struggle for the pressing economic and political needs of the masses, coupled with the bold putting forward and explanation of the Party program, we must lead the masses in struggle not only for their immediate demands, but for the overthrow of capitalism, and the establishment of a Workers' Government (Dictatorship of the Proletariat).

The Winning of the Working Class Youth Is the Task of the Entire Party

RESOLUTION OF THE EIGHTH CONVENTION OF THE COMMUNIST PARTY OF THE U.S.A.

WITHOUT a decisive turn of the Party to work among the masses of young workers, a successful struggle against the attacks of the capitalist class, against fascism, the intensive preparations for war and for the establishment of a revolutionary workers' government—Soviet Power is impossible. Any talk of winning the majority of the working class for the revolution without the most serious work among the broad masses of young workers, is an empty phrase. The present underestimation and neglect of daily systematic work among the young workers is a reformist remnant especially dangerous to the Party, against which the Eighth Convention declares the sharpest struggle. The Eighth Convention instructs all leading bodies and especially the Central Committee, to exercise sharpest control in the carrying out of the tasks laid down in this resolution. The Eighth Convention declares that underestimation or neglect of this work is incompatible with the capacity to fill leading positions in the Communist Party.

The hunger and misery of the past four years of economic crisis have indelibly left their mark on the body and mind of the generation of working class youth. Millions of young workers have been eliminated from industry, while millions more have come out of school only to find themselves unwanted on the glutted labor market. From five to six million young people under 24 years of age are unemployed today, a large proportion of whom have never worked.

FIVE TO SIX MILLION YOUTH JOBLESS

The Hoover administration, and even more so the Roosevelt government, with the support of the A. F. of L. and the Socialist Party, have demagogically talked of sending the youth back to the schools. However, in practice they have cut educational facilities, which has resulted in the wholesale closing of schools and the throw-

ing of hundreds of thousands more youth into the army of unemployed.

At the same time this army of millions of unemployed youth was utilized by the bourgeoisie to lower the wages, increase the speed-up and worsen the conditions of the employed youth. In spite of the increased demagogic talk of Roosevelt against child labor, hundreds of thousands of young children are working in industry, under conditions of brutal exploitation. The preparations for war-time production, the desire for cheap labor, have also resulted in a marked increase in the percentage of girls in industry. Girls are being used to replace older men and boys. The Department of Labor statistics show that whereas in 1929 50 per cent of those 14 and 15 years of age receiving working certificates were boys, in 1932 the majority, 52 per cent, were girls.

In the first years of the economic crisis there was a constant decline in the percentage of youth employed in the basic industries, with the exception of marine. However, in the past year the proportion of young workers in these industries has grown considerably, due to the special discriminatory features of the N.R.A. codes which make much more profitable the exploitation of youth labor.

N.R.A. HAS WORSENEED CONDITIONS OF YOUTH

The Roosevelt government has not improved but worsened the conditions of the toiling youth. Through the N.R.A. codes, it has legalized the discrimination of young workers and exempted large numbers of them from even the low-wage provisions. As a result of this the youth suffer first from the tremendous rise in prices due to inflation. Through these codes the government has also thrown thousands of children out of work with no provisions made for their upkeep. The Roosevelt government has created forced labor camps at a dollar a day wage for 350,000 unemployed youth and has herded thousands of homeless youth into transient forced labor camps at the coolie wage of 90 cents a week.

Even worse are the conditions of the Negro youth, of whom from 80 to 85 per cent are jobless. Under the Roosevelt administration, even more than previously, the Negro youth are discriminated against in getting work or relief; Jim-Crowed and discriminated against in school; terrorized and lynched.

The farm youth also faces conditions as bad as those of their proletarian brothers and sisters in the cities. The arbitrary government cutting of sowed acreage, plus the growing disproportion, due to monopoly control, between the low prices received for farm produce and the high prices paid for industrial commodities, has created

conditions in which the farm youth can find no place for themselves. They are forced more and more to leave their farms and homes trying to get jobs in the cities, to no avail. At the same time those who remain behind must help carry the burdens of mortgages, taxation, foreclosures—and among the share-croppers in the South, a growing indebtedness and peonage.

YOUTH HAVE NO FUTURE UNDER CAPITALISM

Thus, in every sense of the word, a whole generation of American youth is growing to maturity with no prospects of jobs or future. Driven from pillar to post, refused relief, millions of youth have been forced to leave home to become migrant waifs, taking food and shelter as best they can get it. Those working are constantly haunted with the possibility of unemployment, are speeded-up, are placed on the most monotonous jobs, with no prospect of ever improving their status. Even those youth of petty-bourgeois parentage who are going to colleges and universities, and are studying to become professionals find themselves being cast more and more, into the ranks of the unemployed proletarian youth. The present young generation is in the main a product of crisis conditions, is truly a generation which brutally feels the degeneration and decay of capitalist society. Only the successful struggle for a new social order—for a revolutionary workers' government, will liberate the younger generation in America from starvation, misery, war and unemployment—will bring peace, happiness and the greatest opportunity for every young man, woman and child in the United States.

MILITANCY GROWS AMONG YOUTH

Realizing more and more that only struggle against the offensive of the bourgeoisie can give them the prospects of a better life, the young workers during the period of the crisis became more and more militant. They actively participated in all the economic and political struggles of the toiling masses. The radicalization of the young workers expressed itself particularly in their participation in the tremendous strike wave of 1933, in the spontaneous wave of strikes and actions in the C.C.C. camps, and in their participation in the unemployed struggles, especially the state and national hunger marches.

The process of radicalization also affected other strata of the youth. Thousands of young farmers were drawn into the battle-front of the farming masses. The young Negro share-croppers played an important part in the struggles of the Negro people of the

Black Belt. In the past two years there has also emerged a revolutionary student movement under the leadership of the working class.

The growing political consciousness of the toiling youth can especially be seen by their active participation in the anti-war movement as illustrated by the U. S. Congress Against War and the numerous anti-war conferences and demonstrations.

But this radicalization among the young workers is still of an uneven character and as yet of a low political level. This was expressed especially in such strikes as the mining and textile strikes, where the youth were most active and militant, but where the majority still had confidence in the N.R.A. and in the A. F. of L. leadership.

SOCIAL-FASCISTS TRY TO MISLEAD YOUNG WORKERS

It must be clear that although the young workers are among the most militant in all struggles, due to the fact that they are a post-war generation which did not live through the horrors and experiences of the last war, and have in the main up to very recently, never come in contact with the policies and activities of the A. F. of L. and other reformists, they can be misled by the left demagogic phrases of these misleaders. It is up to us, the revolutionary movement, to conduct special activity among the youth and through the struggle for their demands, teach them the role of the reformists and who are their friends and their enemies. Because we did not do this in mining, textile and other industries, the A. F. of L. was able to increase its influence and organizational strength among the young workers and recruited thousands of these into new federal unions. In this manner, the radicalization of thousands of these young workers was utilized by the social-fascists in their attempt to divert the militancy of the young workers into reformist channels.

The growing radicalization of the young generation has increased the activities of the social-fascists among the youth, has frightened the whole ruling class into intensifying the struggles for the masses of youth. The aim of the bourgeoisie is to divert the discontent of the young generation into reactionary channels so as to help it solve its crisis at the expense of the masses through fascism and war.

The New Deal administration, in its drive to war and fascism, includes as a central plank the militarization and fascization of the young generation. Already 350,000 youth have been placed in conservation forced labor camps under army control and modeled after the Hitler youth camps. Transient camps have been created for homeless youth. The government plans to include in its forced labor

system no less than a million youth by the end of 1934. These youth the government is training, not only for a new war, but as fascist shock troops against the revolutionary working class.

NEW DEAL MILITARIZES YOUTH

Besides the open military and forced labor system, we find more and more of the bourgeois-controlled mass organizations ("Y's," 4H Clubs, A.A.U., Christian Endeavor, etc.), being united under government control. The Amateur Athletic Union is becoming more and more part of the war machine. The Settlement Houses and Community Centers have all been centralized under city and state control. The importance of these organizations in influencing the growing generation can be understood when we realize that the majority of young workers in the United States are directly or indirectly connected with these organizations.

Since the crisis, many of these organizations have changed their methods of work in accordance with the mood of the youth. They take a more "critical" approach, use extensive demagoguery, and often pretend to befriend the young workers in their struggles for better conditions. The Y.M.C.A.'s and Y.W.C.A.'s have consciously tried to influence the youth in the factories, setting up industrial relations departments, holding discussions on unionism, etc., all with the aim of furthering class collaboration.

This role is more and more being played by the Settlement House and Community Center movement, which involves more youth in its activities than any other form of organization. This movement has such strength because it offers the youth a variety of activities at low fees, and covers all of its work with a liberal cloak.

At the same time there is taking place a development of open fascist organizations among the youth (Silver Shirts, Young America). These organizations are attempting to arouse the bitterest chauvinist incitement among the masses against the Negro people, and aping the Hitler anti-Semitic propaganda.

PARTY HAS NOT REALIZED IMPORTANCE OF YOUTH

The reason why the masses of young workers during the period of the crisis were not won away from the influence of the bourgeoisie and its social-fascist agents in the working class, is that we, the revolutionary movement, have had a narrow departmental approach towards the youth and failed to realize their decisive importance in the class struggle.

It must be understood that without winning the young workers

in the factories for our policy, it is impossible to destroy the influence of the social-fascists, especially the A. F. of L. Without winning the youth it is impossible to defeat the wave of chauvinist terror and lynching of the Negro masses, and to successfully, under the leadership of the working class, conduct the struggle for the liberation of the Negro people. Without winning the youth to fight against fascism and war, it is impossible to defeat the growing fascization of the young generation (C.C.C. camps, Transient Camps, R.O.T.C., N.G., Y.M.C.A., etc.). Without winning the youth, it is impossible when war starts, to turn it into civil war.

Who fails to understand this decisive role of the youth in the class struggle, fails to see what is necessary for the successful economic and political struggles of the working class and for the ultimate victory of the proletarian revolution. The Eighth Convention emphasizes that there are still remnants of reformist ideology in our ranks which underestimate the importance and role of the youth. The convention emphasizes the necessity of conducting a sharp struggle against the methods of working from hand-to-mouth without perspective or goal, which hinders our Party from real Communist work among the young generation.

TASKS OF THE PARTY IN WORK AMONG YOUTH

The first task of the Party and the revolutionary organizations is to get connected with the broad masses of young workers and to help organize them to struggle for their immediate needs.

In order to fight against bourgeois ideology and for the political and economic demands of the youth, it is necessary to mobilize ideologically and organizationally the Party and all revolutionary organizations of the working class for work among the young generation. Without in any way weakening the special responsibility of the League and its leadership, the Party as a whole and every Party member must carry on systematic daily work among the youth.

This is connected with the task of building the Y.C.L. into the main instrument of the Party in its work among the youth. In the period since the last convention, the Y.C.L. has grown and become strengthened both organizationally and ideologically, on the basis of the struggle for the line of the Party and Y.C.L., against right opportunism, the main danger, and against sectarianism, which in the past had exceptionally strong roots in the Y.C.L. The league leadership has been strengthened politically and ideologically. This does not, however, change the main fact that the Y.C.L. still remains a small organization, not connected with the basic masses of young workers.

The task of the Party is to prepare the League for leadership of the working class youth in the impending decisive class battles. The Party must guarantee that the League within the shortest possible time becomes a mass organization, larger in size than the Party, in every sense the closest co-worker of the Party in the struggle for the majority of the working class.

URGENT TASKS

1. The convention expresses its dissatisfaction with the work of the Party fractions in the trade unions for neglecting the work of winning the young workers. All Communist workers in trade unions (A. F. of L., revolutionary and independent), must be in the forefront to organize the young workers for the revolutionary class struggle. The Communist workers must: (a) lead the fight against all discrimination of young workers, such as seniority rights; proposals of A. F. of L. to fire all youth under 18; discrimination of apprentices and learners; high initiation and dues, fees, etc.; (b) fight for the special demands of the youth; for higher wages; against the life-destroying speed-up; against working at hazardous occupations; against night work; for equal pay for equal work; for a six-hour day at full pay for young workers under 18; for vocational training at full pay, etc.; (c) without hesitation bring forth new young elements, especially young girls, into the leadership of the unions and fight for the right of youth to hold the highest positions; (d) work for the creation of youth committees and youth sections in all local unions. These shall help draw the young workers into general union activity, get them to attend local meetings, formulate their own demands, etc.; (e) organize cultural and sport activity.

MUST LEAD ECONOMIC STRUGGLES OF YOUTH

The Party must determinedly turn the Y.C.L. towards participation and leadership of the economic struggles of the young workers, especially the strike struggles. All Y.C.L. members who are eligible for membership in trade unions must join and work in these unions (A. F. of L., Independent and T.U.U.L.). In the reformist unions the Y.C.L. must mobilize the young workers behind their demands into revolutionary oppositions. Youth work must also be started in company unions, especially in steel. The Party must in all of its work help the League to carry through a policy of concentration at the most important industries and factories. To accomplish this the Party districts are instructed to select key factories in which there are Party units, where the Party must with the co-operation of the League undertake to build Y.C.L. units in the shortest possible

time. The Convention instructs the Central Committee to check up and control the carrying through of this task.

WORK AMONG UNEMPLOYED IS WEAK

2. The Convention points out to the Party fraction in the unemployment movement and to the Y.C.L. the extreme weakness of our work among the young unemployed. The Communist workers must: (a) be in the forefront of the struggle of the young workers for relief and insurance; (b) fight every act of discrimination of young unemployed and single workers; (c) organize the young unemployed into the unemployment councils and assemblies and boldly draw them into leadership; (d) create youth committees of the young unemployed to be instruments of the youth in formulating their special demands and organizing special youth actions; (e) organize sport and cultural activities and youth unemployed clubs as additional forms of work among the unemployed youth.

DEVELOP UNITED FRONT AGAINST FORCED LABOR SYSTEM

3. The Party and League must guarantee the development of a mass struggle against the forced labor system which has as its aim to militarize and fascize the millions of unemployed youth. This means the development of a mass struggle for the substitution of the C.C.C. camps with unemployment insurance or work at regular wages. Although work has been conducted in the C.C.C. camps during the past year, the Convention declares that the hundreds of strikes and actions that took place are only indicative of the mass upsurge among these youth and the possibilities of developing a mass movement in these camps. In the work in these camps it is necessary: (a) to develop the broadest united-front struggles around the specific grievances of the boys; (b) to connect these up with the whole nature of the camps, demanding the immediate ousting of army officers, the right of the boys to run the camps by their own elected committees, against all military drill, for transferring existing work to non-military projects in the neighboring localities of the boys at trade-union rate of wages, etc.; (c) to establish Y.C.L. nuclei and Y.C.L. papers in these camps.

WIN YOUTH IN MASS ORGANIZATIONS

4. The Party, together with the League, must start mass work in the youth organizations controlled by the bourgeoisie, especially the Settlement House and industrial "Y's". Party and League members should work in these organizations to win the youth for the program of class struggles, and to set up in these organizations

Y.C.L. nuclei. The Communists in these organizations must conduct a struggle for the right of the young workers to elect their own leadership, formulate their own program, etc. The Party considers the work in these organizations as one of the central tasks of the Party and Y.C.L. in fighting the influence of nationalism, chauvinism and patriotism among the young workers.

BUILD UNITED FRONT AGAINST WAR AND FASCISM

5. The Party and League must guarantee an immediate improvement of the anti-militarist and anti-war activity. The Party must guide the Y.C.L. in reacting to every political question connected with the growing war preparations and the militarization of the young generation: (a) special activity must be conducted in struggling against the military system (R.O.T.C., C.M.T.C., N.G., etc.); (b) a broad united-front movement of youth must be built around the American League Against War and Fascism. Broad city and state conferences of youth against war and fascism must be organized and anti-war committees set up in shops, ports, neighborhoods and mass organizations; (c) the Party must expose the demagogic promises of the fascists, especially based on examples of Germany and Italy, where the young workers receive hunger, starvation, terror as their lot; (d) in the struggle against war and fascism the Y.C.L. must expose the betraying role of the social-fascists in Germany and Austria in paving the way for fascism, and the bankruptcy and disintegration of the Socialist Youth International. We must win the youth in the Y.P.S.L. and under socialist influence for our policy of united-front struggle around the daily economic and political demands of the young workers. We must, by exposing the policies of the Socialist leadership in the U.S., increase the recruiting of these youth into the Y.C.L.; (e) the peace policy of the Soviet Union and its achievements in developing a healthy young generation must be explained to the youth of the U.S. The youth must be mobilized and organized for the defense of the U.S.S.R. as the main stronghold of the world revolution; (f) special attention must be paid to winning the girls in industry. These will play an important role in war-time production and must be trained as cadres to take the place of male comrades drawn into the military machine.

INTENSIFY STRUGGLE FOR NEGRO RIGHTS

6. The Party should together with the Y.C.L. mobilize the masses of youth against all chauvinist incitement and for the struggle for Negro rights; (a) the League must become a force in helping

the Party to build a mass liberation movement and help to build the L.S.N.R.; by affiliating existing youth clubs and organizations of Negro and white youth and by building Young Liberator clubs as part of the Youth Section of the L.S.N.R.; (b) the Party must guarantee leadership for a more energetic struggle against all remnants of white chauvinism in the Y.C.L. and against the influence of petty-bourgeois nationalism. Through the struggle against chauvinism and for the special demands which most concern the Negro youth (for jobs, for relief, against discrimination on the job, against Jim-Crowism in schools, swimming pools, athletic events, etc.). It must expose and combat the growing activity of the Negro reformists among the youth; (c) the League must, in a Bolshevik manner, fight against the wave of chauvinism which is sweeping the country and expressing itself in the increased lynchings of Negro youth. It must win the white young workers to be in the forefront of the struggle for Negro rights, defending Negro youth against lynch mobs even with their own lives; (d) the League must strengthen its work in the Black Belt of the South and among the Negro proletarian youth especially in the steel mills of Birmingham. It must recruit Negro youth boldly into the trade unions and greatly speed up the recruiting of Negro youth into the Y.C.L. and the drawing of Negro youth into leadership. It must place in the forefront of all its work the slogan of the right of self-determination for the Black Belt.

WORK AMONG FARM YOUTH

7. In the agrarian regions the Party and League must win the farm youth for the struggle against evictions, foreclosures, etc. While fighting against taxation of impoverished farmers, we must at the same time demand increased taxation of rich farmers, industrialists and bankers, in order once again to open the closed rural schools, improve roads, etc. The Party and League must struggle against the inheritance of debts which for millions of farm youth means actual peonage. The Party and Y.C.L. should penetrate the mass farm youth organizations, especially the 4H Clubs. We must combat all fascist organizations (Silver Shirts) and their ideology, by aiming to unite farm and city youth in one common struggle against monopoly capital. In the United Farmers' League, Holiday Association and other farmers' organizations, the Communists shall work to establish youth sections.

8. The Party considers the headway made in the period of the past two years in winning over the student masses as of great im-

portance for the whole revolutionary movement: (a) the Communist students must work to win the mass of students for the revolutionary class struggle and to endeavor to neutralize those who cannot be won; (b) they must especially fight the attempts to create fascist youth movements, correctly exposing the programs and activities of every one of these groups; (c) they must utilize the tactic of the united front from below to strengthen the already widespread anti-war movement and also expose the maneuvers of the socialist leaders of the Student League for Industrial Democracy; (d) while building the National Student League as the broadest revolutionary mass student organization, they must bring forth the independent role of the Young Communist League and recruit the class-conscious students for its ranks; (e) special attention must be paid to winning over the Negro student youth through conducting a mass struggle against all forms of Jim-Crowism and discrimination; (f) the student movement must also be drawn into the general struggles of the working class (strikes, unemployed demonstrations, etc.), and not limit itself solely to campus activities.

BUILD THE L. S. U. AND OTHER MASS ORGANIZATIONS

9. The Eighth Convention notes that the Communists working in the mass organizations have not yet mobilized these organizations for building mass youth sections as transmission belts to the Y.C.L. These youth sections must be used to work within the cultural and sport organizations controlled by the bourgeoisie. The language organizations must be used to counteract the special national fascist groups among the youth of various nationalities (Ukrainian, Italian, German, Polish, etc.). The task of Communists working in trade unions and mass organizations must be to build the Labor Sports Union into a mass organization.

PRESS MUST WORK TO WIN YOUTH

10. The Party press and the Communists working on all revolutionary papers must utilize these in reaching the young generation. The weaknesses of the Party in its work among the youth are especially reflected in the Party press, and especially the *Daily Worker*, which does not yet permeate all of its work with a struggle for the young generation: (a) The Convention instructs the *Daily Worker* to organize special young worker correspondents, to mobilize through its columns for special youth campaigns and to speak to the young generation of the need for their fighting for a Soviet America; (b)

every Party language paper (including the *Freiheit*) must have a regular English supplement for young workers; (c) Party members working on the revolutionary trade union press must immediately be responsible for establishing youth sections of these papers; (d) youth sections must also appear in all Party shop and neighborhood papers.

At the same time the Party must issue special popular pamphlets and literature for the youth. Marxist-Leninist literature must reach the widest masses of youth. More revolutionary novels and short stories especially based on American life must be issued for the youth.

HAVE NEGLECTED WORK AMONG CHILDREN

11. The Party and revolutionary organizations have greatly neglected the work of winning the proletarian children. For this reason the revolutionary children's movement today has only about 12,000 children organized in its ranks. (a) The Party must take the lead in the struggle against child misery and starvation especially in and around the schools. On the issues of free food and clothing for unemployed, part-time and striking workers, against fire-trap and crowded schools, jingoistic and fascist teachings and the militaristic activities of the Scouts, the Party must create mass movements of parents and children around the schools. Parents' councils must be built and activities carried on in the reactionary Parent-Teachers Associations. (b) The Party must fight against the campaign of the government, Socialist Party and the A. F. of L. to throw youth and children out of industry with no provisions made for their maintenance. The Party fights for: "Vocational training for all youth between 14 and 16, with full pay and under trade-union supervision. State maintenance for all child laborers under 14 who are now employed, at no less than \$3 per week." (c) The children's movement must be given direct leadership and guidance by the Party; and through the fractions by all mass workers' and farmers' organizations. The Communists in every workers' club, every trade-union local, every unemployed assembly, etc., must lead in sponsoring at least one children's group which it leads and builds. On the basis of this, a mass federated movement of all the children's groups and organizations must be built under the leadership of the Party and Y.C.L. (d) Special attention must be given to the struggle of combatting the influence of the Scouts, Community Centers, Red Falcons, etc., and to the winning over of the children in these organizations. (e) The *New Pioneer* must be built into a mass organ for workers' children with a circulation larger than any other revolutionary organ. (f) To accomplish this the Party must strengthen the leadership in children's

work by the addition of responsible forces directly to the work, by raising the political level and quality of the leadership and by systematic check-up on the work through the Y.C.L.

MAKE "YOUNG WORKER" A MASS PAPER

11. The Party emphasizes the importance of building the *Young Worker* into a mass organ of the toiling youth. The slight improvements in the *Young Worker* in the past months, its growth in circulation, are only indications of the possibilities for transforming this paper into a most important agitator, organizer and propagandist of the Y.C.L. among the youth.

RAISE POLITICAL LEVEL OF THE Y.C.L.

12. The carrying through of the above tasks, the preparations of the League for the impending decisive class battles, all raise sharply the need for immediately elevating the political level of the League and its leadership. This means, in the first place, a sharp fight for the line of the C.I. and Y.C.I. and against all right and "left" deviations from this line. The Party must struggle against the right opportunist tendencies which underestimate the radicalization of the young workers; the importance and role of the Y.C.L.; the need for special youth demands and organizational forms (youth sections); and in this way destroy the fighting revolutionary character of the Y.C.L. and lead to its sectarian isolation from the masses of young workers. The Party must also struggle against the opportunist tendencies covered with "left" radical phrases, especially strong in the Y.C.L. These express themselves by a refusal to work among the more backward youth; a resistance to penetrating and working from within the organizations controlled by the bourgeoisie; resistance to work in the reformist trade unions, etc., and which also lead to the sectarian isolation of the League from the masses. The Party must guide the development of systematic Marxist-Leninist education in the ranks of the Y.C.L. and pay close attention especially to the development and training of leading youth cadres. Party leading comrades should conduct classes of League functionaries and must, through other practical measures, raise the ideological level of the whole League. Of greatest importance must be the institution of a system of new members' classes in the Y.C.L. which will guarantee the education and training of every new young worker who enters its rank in the principles of Communism. Today, when all the class enemies of the Party are intensifying their activity among the youth,

Marxist-Leninist education assumes prime importance in the Bolshevization of the Y.C.L. and its leadership.

PARTY MUST GUIDE Y.C.L.

13. To build the League as a mass organization it is necessary that all Party organs from the Central Committee to the unit give close political guidance to the Y.C.L. and feel directly responsible for solving the problems of mass work among the youth. This is to be accomplished by: (a) Every Party Committee (C.C., D.C., Section Committee, Unit Buro), should assign one of its developed, experienced, responsible members for work with the corresponding Y.C.L. body as his major Party task. (b) By assigning from all districts some of the younger elements of the Party, especially those involved in mass work, for work in the Y.C.L. It is necessary to conduct an ideological campaign in the ranks of the Party to get all youth under 23 years of age to work as a member of the Y.C.L. In many districts there are more young workers of League age in the Party than in the Y.C.L. In New York the registration shows 1,400 young workers under 24 in the Party, while the whole Y.C.L. in New York City has only 1,300 members. (c) It is necessary to strengthen the Party core in the League by getting all the active functionaries of the Y.C.L. to become members of the Party, with work in the Y.C.L. as their Party task. At present only two or three per cent of the Y.C.L. are Party members. In connection with this it is necessary to reject the policy of many districts of the Party in taking forces from the Y.C.L. for other Party work. The Party must strengthen the cadres working among the youth both politically and organizationally.

The Present Economic Situation in the United States

By MARTIN YOUNG

IN the course of the past year certain changes have taken place in the economic situation of the United States. The past year has also revealed some new trends in the movement of the economic crisis.

It is to be noted in the first place that the general index of business and industrial activity has risen. This rise was very uneven. The *Annalist* Business Index stood at 73.1 in January, 1934, compared with 58.5 in March, 1933, and 116.7 in July, 1929. The upswing is particularly noted in industries producing for immediate consumption.

What does the rise of the index of business activity indicate? Some spokesmen of the American bourgeoisie already speak of this economic crisis as the last crisis of capitalism. They announce the approach of a new boom in industry and the return of prosperity. The social-fascists of all colors also speculate with the recent industrial upturn. They, too, speak of capitalism weathering the crisis and the return of prosperity. Moreover, the American Socialist Party, the American Federation of Labor and Muste speak of a "new capitalism" being born in America, a capitalism that is "organized", with a "planned economy" and even leading to socialism. Their opinions are well known to the readers of the Communist press and we shall not repeat them. Of course, the capitalist heralds of the new dawn have nothing to back up their predictions.

But what is taking place in the present economic situation in the United States? Our Party correctly exposed the lying estimates of the bourgeoisie and all of its agents about the new boom and prosperity. The Party correctly pointed out the sharpening of the basic contradictions of capitalism which deepen the general crisis of capitalism. The Party, however, must also be aware of and explain changes in the economic situation when such occur. It would be a fatalistic attitude to think that no matter what measures the capitalist class undertakes, it has no bearing upon capitalist economy. It would likewise be incorrect to view these measures only negatively, to fail to see how capitalist industry is easing its position, though even temporarily, at the great expense of the toiling masses. This we must

avoid in order to be able to unmask the speculations of the bourgeoisie and its labor agents and prevent them from creating confusion in the ranks of the working class. At the present moment it is necessary for us to determine: are there any changes in the movement of the economic crisis, and if there are such, of what do they consist and how did they come about?

There are many factors which lead to the conclusion that the economic crisis in the U.S. has already passed its lowest point. Furthermore, the various measures undertaken by the capitalist class itself and the operation of the internal economic forces of capitalism, facilitated the passing of the economic crisis into a stage of depression.

It is common knowledge that the feverish war preparations of the American bourgeoisie are one of their main methods of getting out of the crisis. We take here into consideration the gigantic war building program of the bourgeoisie, which is mounting from week to week and month to month. To the regular war budget appropriations which top the billion dollar mark, are added the special appropriations for the expansion of the navy and air fleet reaching into the hundreds of millions. Of no little importance are also the nearly \$600,000,000 appropriated up to October 30, 1933, by the Public Works fund administration for the army and navy departments. This is, of course, not the only way war preparations operated as a contributing factor in the capitalist way out of the crisis. There are the general war preparations of American economy that we must take into consideration. By numerous examples we see plant expansion, re-equipment and installation of new production forces, though there is no immediate need for them. This is long-range planning of American capitalism for the coming war.

Another act of the capitalist way out of the economic crisis is inflation. Through inflation the American bourgeoisie increased the exploitation of the workers. Through inflation big capital partially expropriated small depositors and the petty bourgeoisie. Inflation was used by the American bourgeoisie in its struggle for foreign markets. Through inflation the American bourgeoisie also tried to solve the credit crisis. It tried to use the inflated dollar to equalize the debt burden with the level of lowered prices. (In the period of the crisis the fall of prices actually increased the debt burden from 35 to 40 per cent.)

For example, out of a total of \$575,000,000 maturing securities during the first six months of 1933, only about \$160,000,000 were refunded, through new securities. The rest was in part defaulted, but the bulk was refunded in cash, showing the capitalists to be taking advantage of the inflated dollar.

But not only through inflation did the American bourgeoisie try to solve the credit crisis. In spite of a certain voluntary postponement of foreclosures and forced collection of debts and the close merger of industrial and financial capital which in its own interests tried to postpone the credit crisis as long as possible, as well as the immense subsidies to banks and monopolies and the continuous stream of billions to the crisis-stricken American capitalists, the American bourgeoisie could not avoid serious bankruptcies. Most interesting for us to note is the closed banks. The Federal Reserve Board lists only 14,530 licensed banks in the country in June, 1933, as compared with 25,110 in 1929.

At the same time the New York *Times* reported in September, 1933, that \$1,800,000,000 of deposits in commercial banks and over \$5,500,000,000 of deposits in mutual savings banks are tied up. It was also announced that 37 banks and trust companies in the \$100,000,000 deposit class had jumped from about \$12,500,000,000 on June 1932, to \$13,500,000,000 on June, 1933.

Inflation, however, is not a sign of healthy capitalism. On the contrary, it is a sign of the exceptional gravity of the crisis. The American bourgeoisie used inflation to pave its way out of the crisis, but inflation also has its limitations. To the weapon of inflation used in the struggle for markets, the other capitalist countries have answered with higher tariff walls. Inflation is also a factor that sharpens the class antagonisms in the country, and causes the expropriated petty bourgeoisie to lean to the side of the proletariat.

From the above we have seen that war preparations and inflation were very important measures capitalism used in paving its way out of the crisis. However, they were not the only measures, and Comrade Stalin warned in his report to the Seventeenth Congress of the C.P.S.U. that "it would be a mistake to attempt to explain everything by the war-inflation boom". In explaining the causes of the movements in the economic crisis, Comrade Stalin declared:

"Apparently, side by side with the war-inflation boom the operation of the internal economic forces of capitalism also has effect here.

"Capitalism has succeeded in somewhat easing the position in industry *at the expense of the workers*—increasing their exploitation by increasing the intensity of their labor; *at the expense of the farmers*—by pursuing a policy of paying the lowest prices for the product of their labor, for foodstuffs and partly for raw materials; *at the expense of the peasants in the colonies and economically weak countries*—by still further forcing down the prices of the products of their labor, principally of raw materials and also of foodstuffs."

The toiling masses suffered most from the crisis. The bourgeoisie reduced their living standard and slashed their wages and

income. For a general picture of this situation we would like to refer to an article of Robert R. Doane in the *New Outlook* for November, 1933, as quoted in the Economic Notes of the Labor Research Association of December, 1933. According to his figures, we gather that the number of people in the U.S. who lived on the level of poverty and bare subsistence had risen from 41 per cent of the population in 1929 to 47 per cent in 1932. At the same time the number of people who lived in the condition of minimum health, minimum comfort and moderate comfort had declined from 54 per cent of the population in 1929 to 39 per cent in 1932. Added to this is also the fact that while public charges made up in 1929 1.2 per cent of the population, in 1932 they equaled 11.43 per cent. Such a compilation of figures does not tell the exact conditions; nevertheless, this is an illustration of the conditions of the masses in general. Of special concern is the examination of the conditions of the workers in particular.

In the course of the crisis, American capitalism lowered production costs and made profits mainly through a more intensive exploitation of the workers it employed. During the crisis, American capitalism has made very insignificant new capital investment for extension of industrial production, new equipment and machinery. The crisis is especially noted for its mass destruction of productive forces and wealth. M. David Gould, writing in the *Annalist* of January 19, states: "The four-year-long crisis has destroyed values, cutting deeper into the economic structure than any previous crisis." This destruction comes in two ways: First, through actual physical destruction and second, destruction of productive forces because of long idleness of machinery and under-capacity production of factories and plants. We shall illustrate this with some brief facts.

In January, 1934, the steel industry was operating at 30 per cent of capacity. During the year 1933 only 1,899,292 passenger and commercial cars were produced in the U.S., while the capacity production of the auto industries is ten million cars a year. In 1932, the production of pig iron was thrown back to the level of 1890, the production of coal to that of 1901, the production of steel to that of 1903, and the consumption of cotton to the level of 1908. For the years 1930-1932, 60 blast furnaces were destroyed in the U.S. and machinery was destroyed with a smelting capacity of four million tons a year. The activity of American machine building industry in 1932 declined to 80-90 per cent of the pre-crisis level, while industrial production in general declined to 51 per cent. Nevertheless, in the face of this mass destruction of productive forces and the almost insignificant building of new ones, the productivity per worker in the period of the crisis has increased. The Hamilton

Institute estimated that from 1929 to 1933, workers' productivity per hour has risen over 13 per cent; other estimates give the rate of increase in productivity during the same years as 24 per cent. Capitalist industry concentrated production into its major up-to-date plants and closed the older plants, or in view of the lack of orders, worked to full capacity its older plants and closed the modern ones. In this process the productivity of labor was increased mainly through more intensive exploitation and speed-up. American capitalism has utilized the great standing army of the unemployed for this purpose where it could select the best physically fit workers, whom starvation forced to work under the worst conditions.

Simultaneously with the intensification of labor and speed-up came big wage slashes. In the annual report of the U.S. Department of Commerce it is stated that in the period of 1929-1932 wages declined 60 per cent.

The living standards of the workers were lowered still further by the Roosevelt Administration. The present-day conditions of the American working class are perhaps best illustrated by the American Federation of Labor:

"In the last year, the average work week has decreased $4\frac{1}{2}$ hours, while the average wage has increased $5\frac{1}{2}$ cents per hour—in most cases not enough to balance the loss. Average wage earners' incomes have increased only by 3 cents per week, from \$20.53 to \$20.56, while farm prices have increased 26 per cent over last year, and the general price level 12 per cent. Food prices are up 7 per cent and clothing and furniture 12 per cent."

From the facts above we can see how the real wages of the workers were lowered. The opinions of the A. F. of L. are especially significant because the leaders of the A. F. of L. are the most faithful agents of Roosevelt. Only recently Wm. Green told the Detroit workers: "I say to you that every thinking American... might well thank Almighty God that Congress passed the National Recovery Act..."

And what are the present conditions of the American farmers? American capitalist agriculture is now in a stage of degradation. Take, for instance, the sale of agricultural machinery in the U. S. According to the Agricultural Year Book of 1933, we learn that investments in agricultural machinery (without automobiles) in the U.S. amounted to 578 millions in 1929, 480 in 1930, 277 in 1931, and 110 in 1932. We must also, of course, take into consideration the growth of tenancy and the forced sales which have driven hundreds of thousands of farmers off their land. The Roosevelt Administration has not improved the conditions of the poor and middle

farmers. The gap between the prices the farmers pay for the products they buy and the prices they receive for the products they sell was not breached. The buying power of the farm products in the year 1933 stood as follows: February 15, 49; November 15, 61; December 15, 58. It is true, one of the distinguishing features of the present crisis is the sharp fall of all prices. But here we must draw a distinction between monopoly prices and what is called free prices (such as prices of agricultural products). While finished steel dropped from 2.31 cents a pound in 1929 to 2 cents in 1933, and pig iron from \$18.79 a gross ton in 1929 to \$16.90 in 1933, the index of farm prices dropped from 105 in 1929 to 60 in February, 1934. The big trusts in America halted the fall of monopoly prices of their products and further lowered the prices they pay to the small producers, farmers, etc. This explains why 15 large food product enterprises had a net profit of 50 million for the first nine months of 1932, and over 55 million for the first nine months of 1933.

By the above we tried to illustrate the extent of the impoverishment of the workers and farmers during the crisis. The improvement of the conditions of American industry came as a result of the sharp reduction of the living standards of the workers and further ruination of the poor and middle farmers. But this is not all. We shall take up other manifestations of the operation of the internal economic forces of capitalism as they concretely manifest themselves in the U.S.

It is a fact that through the long duration of the crisis the index of overproduced commodities reserves declined. This decline in a great degree proceeded through actual physical destruction of commodities. The index of manufactured goods reserves in America was reduced as follows:

INDEX OF MANUFACTURED GOODS RESERVES

1929	1930	1923-25 equals 100		1933 (<i>August</i>)
		1931	1932	
		<i>December</i>		
119	120	108	97	108

It is very likely that in certain branches of industry, especially light industries, where production sharply declined, consumption at the existing low prices greatly diminished the overproduced commodities. A no less contributing factor is the existing low interest on loaned capital and the increasing norm of profits which tends to encourage capitalists to begin to invest their capital in production

and building. A considerable part of debts were wiped out as a result of bankruptcies and further mergers in industry and finance.

This is the road traversed by American capitalism in the crisis. This is not the road to a new prosperity. At the same time, however, it is absolutely wrong not to see the improvements American capitalism did make. However, whatever improvements in American capitalist economy did take place, came not only as a result of war and inflation, but also because of the further impoverishment of the workers and farmers and the operation of the internal economic forces of capitalism, all of which facilitated the passing of the crisis into a depression.

“Apparently,” said Comrade Stalin at the Seventeenth Congress of the C.P.S.U., “what we are witnessing is the transition from the lowest point of decline of industry, from the lowest depth of the industrial crisis, to a depression, not an ordinary depression, but to a depression of a special kind which does not lead to a new boom and flourishing industry but which, on the other hand, does not force it back to the lowest point of decline.”

This analysis of Comrade Stalin also applies to the crisis in the U.S. We must show to the American workers the road and manner through which the capitalist crisis passed into depression. We must explain why this depression does not lead, as the social-fascists and the American bourgeoisie say, to a new boom and return of prosperity.

The economic crisis of American capitalism was not separated from the general crisis of capitalism. The depth of the general crisis of capitalism, the influence of the world capitalist crisis upon the United States, are the first factors that make it exceedingly impossible for American capitalism to return to a new boom and prosperity. The very measures employed by American capitalism to get out of the crisis, thought they brought it into the stage of depression, will in turn deepen the general crisis of capitalism.

“The economic policy of the financial oligarchy for overcoming the crisis (the robbery of the workers and peasants, subsidies to the capitalists and landlords) is unable to restore the stabilization of capitalism; on the contrary, it is helping still further to disintegrate the mechanism of capitalist economy (disorganization of the money system, of the budget, State bankruptcies, a further deepening of the agrarian crisis), and so sharply intensify the fundamental contradictions of capitalism.” (Thesis, 13 Plenum, E.C.C.I.)

In what concretely is expressed the inability of American capitalism to restore stabilization?

When one examines the course of the economic crisis, he will

find that especially hard hit were the heavy industries, *i.e.*, industries producing for further production, and comparatively less those industries producing for immediate consumption. In fact, the present-day level of many industries producing for consumption is about equal to the pre-crisis level of 1929. In this respect some very interesting facts are revealed in a study made by the National City Bank of movement of consumption goods and capital goods in 1932, as compared with 1929 (*National City Bank Bulletin*, October, 1933). From this study we learn that out of 34 branches of industry producing for consumption, only eight declined as much as 30 per cent between 1929-1932, whereas of the 33 branches of industry producing goods for further production none declined less than 30 per cent. The average decline in the production of the 32 capital goods industries was 73 per cent, compared with an average of 56 per cent decline in 30 branches of industry producing for consumption. The comparative situation of the capital and consumption goods industries in 1933 is even more enlightening.

According to the Federal Reserve Board reports, we learn that by the end of 1933 the index of shoe and boot production stood at 95 (taking 1923-1925 as 100); consumption of cotton at 89; deliveries of silk at 103; activity of the meat packing industry at 98; production of gasoline at 184; manufacture of automobile tires at 93; production of cigarettes at 118. However, production of the capital goods industries for last year, based on the same index, shows production of cement at 39; production of lumber 30; production of iron ore 23; manufacture of locomotives 0. In respect to the above figures, we want to caution against two things. First, in as much as the Federal Reserve Board Index is based on 1923-25, these figures cannot give an exact comparison of the pre-crisis and present-day conditions. Secondly, the comparatively high level of the consumption industries does not mean that the consumption of the toiling masses is today the same as in 1929. Undoubtedly this section of the bourgeoisie which derives its income from rent and those with savings have taken advantage of the low prices and served as a great contributing factor to keep consumption at such a comparatively high rate. However, the condition of the capital goods industry is precisely one of those factors which make it impossible "to restore the stabilization of capitalism". This is one of those factors which endangers the entire recovery program of the Roosevelt Administration. The official organ of the National City Bank stated "the administration recognizes that unless capital goods output is stimulated the recovery program is endangered". The Socialist Party and the leaders of the A. F. of L. may shout of the coming of a new prosperity, but the *New York Times*, facing the economic situation, had

to declare in a very alarming editorial, on February 17, 1934, that "in industries producing capital goods . . . the depression still persists, and in them the problem of promoting recovery is furthest from the solution".

Why is there no improvement in the industries producing for further production? We especially ask this question because during the crisis a great destruction of production forces took place, coming in part as a conscious policy of destruction and in part being worn out and partially destroyed as a result of total inactivity. The average annual renewal of machine equipment in the United States in the years of 1919-1929 was 14 per cent. In the years of the crisis machine renewal was only 3 per cent. Of the 14 per cent machine renewal of the pre-crisis period, 10 per cent was to replace machinery used up in the course of production and the rest new machinery. We see here that in the period of the crisis the renewed machinery far from covered the worn out machinery. According to the yearly reports of the U. S. Steel Corporation, the production of steel for construction purposes in the years of the crisis has not even covered the current depreciation of factory and residential buildings. The F. W. Dredge Corporation reports construction of commercial and factory buildings declined from \$1,689,170,800 in 1929 to \$226,888,300 in 1933.

Or take the railroads. It is reported that of all locomotives owned by the Class 1 railroads, over half are now more than twenty years old, and only 16.7 per cent less than ten years old. Of freight cars 180,000 more have been retired during the depression than have been installed and the proportion of bad order cars has increased from 5.4 to 15.4 per cent. And what are the reasons for this situation? The National City Bank sums up this situation in regard to machine industry as follows: "The handicap to the prospect for the machinery industries in 1934 is not lack of incentive to replace the modernized equipment, but lack of confidence and lack of capital." To the question of lack of capital we shall refer later. Here we want to emphasize the basic reason, namely, the lack of confidence of the capitalists in the future, lack of confidence in the need of more machinery.

The Leninist analysis of the monopoly stage of capitalism shows that monopolies in the end act as a brake upon the development of new productive forces. In order to maintain monopoly prices, trusts do not want to produce above the market demand, especially when the perspective of greater markets is absent. Because of this, they come out against the renewal of basic capital and are opposed to the organization of new enterprises. We have shown that in the present

period the main capitalist method to lower production costs and maintain profits is not so much the introduction of new rationalization machinery as the most intensive exploitation of labor and working the older machine. In previous crises the destruction of a part of the production apparatus was linked up with the rise of the level of technique, and in turn called forth the modernization of basic capital. In the present crisis, the destruction of part of the production apparatus is based upon the longest and most intensive utilization of the more backward share of basic capital. In previous crises, plant expansion and modernization of equipment were necessitated by monopoly capitalism in order to struggle and defeat its weaker competitors; today in order to fight against the so-called independent and unorganized capitalists, the trusts are aided by the Roosevelt government measures, such as the various codes, abolition of the anti-trust laws, and resorting to open price-fixing and utilizing the closer merger of finance capital with the State apparatus to strengthen the domination of the trusts.

Here, however, we must warn against the mistake of thinking that in the period of the crisis capitalist technique just comes to a standstill, or that American capitalism has completely given up the idea of expanding production and means of production. Capitalist competitions, in the present crisis period, remain. In some places of the lowest-paid industries, when workers through struggle have forced nominal wage increases, capitalists try to compensate this through the introduction of more speeding-up new machinery. In an exaggerated form the capitalists admit this:

"The decrease in wages and decrease of hours in the manufacturing industries under the codes, which raises the labor costs of production, is a favorable factor for the machinery maker, stimulating the installation of labor-saving and cost-reducing machines insofar as the codes permit." (*National City Bank Bulletin*, January, 1934.)

In the course of the present economic crisis, we must not see only continuous destruction of production forces. Cyclical economic crises also give cause to the further development of forces of production. In the United States today, we see the operation of certain factors which also stimulate the introduction of new machinery and equipment. It is known that in the present crisis further concentration of capitalism took place in the United States. The operation of these ever-growing trusts also calls forth to certain degrees further technical improvements, especially where competition is more destructive and where the trusts are financially more independent. For example, during the year 1931, 38 new blast furnaces were

built in the United States, of which 37 were built by the U. S. Steel and Bethlehem Steel corporations.

Engels, in his *Anti-Duehring*, pointed out the following:

"The inexorable forces of social anarchy of production transform the ever-growing majority of humanity into proletarians and the proletariat, in its turn, will put an end to the anarchy of production. This same inexorable force of social anarchy of production transforms the unlimited improvement of machines serving big industry in an unconditional obligation for every individual capitalist continuously to perfect his machines under the fear of ruination."

Of great importance in this respect are the imperialist war preparations which demand continuous new improvements and developments of the forces of production of capitalist industries. The preparations for the coming war compel capitalism to perfect the old and develop new and more technically advanced machinery. This does not only apply to armament industries, but to capitalist industry in general, inasmuch as the degree of its development is of decisive importance. Of the two trends in American capitalist economy, one calls for the further destruction of the productive forces of capitalist production without their being replaced with higher advanced machinery and equipment, and the second trend calls forth the very slow and proportionately very limited introduction of new machinery and more advanced technique. At the present time the second is the stronger.

That this is so can be further illustrated with an examination of new capital investments in industry. Capital investments were continuously declining in the years of crisis. They reached their bottom low last year. During the year 1933 the amount of corporate issues both for new capital and refunding totals only \$381,583,656 as against \$10,026,361,129 in 1929. However, of the 381 million in 1933, new capital investments amounted to only \$160,717,178 and \$220,866,478 were refunds. Here, however, it must also be added that a great share of the 160 million new capital investments were in such industries as breweries and distilleries. What does all this indicate? It shows that in the absence of a perspective of broader markets, American capitalism does not want to invest new capital for the expansion, renewal and re-equipment of its industries. The surplus of basic capital is so great that the slight increase of markets can still be taken care of by the more extensive use of the older machinery. What are the consequences of this situation? Even the bourgeoisie admits that as a result of the existing situation as described above its entire program of recovery is being endangered.

This was especially clearly brought out by such a prominent American economist as Colonel Ayres of the Cleveland Trust Company:

"It is clear that unless these industries [capital goods industries] show greater improvement, no advance in the consumers' goods group can long be sustained, for when the heavy industries are not giving employment the loss of purchasing power is felt by all other industries and by agriculture likewise."

In support of his warning, that without a revival of the basic industries the progress so far made by the light industries is in danger, Colonel Ayres brings forth some of his own calculations made about the composition of the unemployed in the middle of 1933. He gives the following figures:

NUMBER OF UNEMPLOYED

Producers of consumption goods....	538,000
Producers of durable goods	5,860,000
Producers of services.....	5,868,000

The total number of unemployed is here, of course, underestimated. The composition may also not be correct; nevertheless, they glaringly illustrate that the center of the crisis lies in the heavy industries. How did American capitalism try to stimulate activity in the capital goods industries? In the first place, through a series of government measures "commonly known as government spending", such as immense cash subsidies to trusts and monopolies, government financing of renewal of basic capital goods, for example, the financing of rail orders and other equipment for the railroads, a gigantic public works program, and easing the credit crisis. How successful was the Roosevelt government in liquidating the crisis in the heavy goods industries by these means?

It is, of course, self-evident that monopoly capitalism has benefited from that tremendous spending program of the Roosevelt Administration. Billions of dollars from the government treasury, hundreds of millions that the government economized on the war veterans' disability allowances, millions coming in wage cuts of the federal employees and from other so-called economy measures, and those billions which the American masses will yet have to pay in taxes for many years to come, poured into the coffers of the biggest American capitalists. However, in spite of all this, the stranded heavy industries did not move any appreciable degree. Though Roosevelt's program costs over 12 billion dollars, this sum in itself is very small when compared with the 70 billion dollars which was the total value of industrial production in 1929.

The government spending program, especially its public works program, does not only not reproduce the capital investments, but these government investments and buildings actually destroy wealth. "The enormous relief measures of the government are burning up wealth," says the *Magazine of Wall Street*. At the beginning of this year, Colonel Ayres declared: "Lavish public expenditures to create recovery that private enterprise could not sustain would be futile and perhaps disastrous." We, of course, must look deeper into the reason why the capitalists are coming out against the "lavish public expenditures". It is understood that these public expenditures bring no profits to the capitalists, they introduce no new technique. They do not broaden the market. Some capitalists raise the cry against government competition with private enterprise. These public expenditures are a breeding ground for all sorts of corruption. The various public work schemes were introduced in order to kill unemployment insurance and to halt the developing struggles of the unemployed, especially during the winter months. This is why Roosevelt is already abolishing the Civil Works Administration. We Communists, of course, are not against public works. We, of course, are against public works under the guise of which battleships are being built. We are for such public works that will benefit the masses.

By means of inflation the Roosevelt government has also attempted to solve the credit crisis and thereby tried to stimulate the activity of the heavy industries and open new enterprises, as well as renew the old ones. However, the solving of credit crisis by means of inflation has also the opposite effect of retarding credit.

In the first place, there must be a need for credit. The capitalist must see the market possibilities for the greater commodities he is going to produce. The capitalist must have confidence that he will be able to use the credit profitably. His capitalist business must have a future. The borrower must give the proper guarantees and assurances that his expanded business will be able to work at a profit and that he will be able to make good what he borrows. Or, as a leading capitalist theoretician, Mr. Charles Benedict, said in the *Magazine of Wall Street* of February 17: "Credit inflation is a desirable thing only when rationally geared to actual and sound business needs", which precisely does not exist in the present economic situation, in the United States. Here is a good example of this situation. At the end of last year, leading New York banks advertised for sound business loans. These banks received 1,286 applications for loans, but of this number only 14 were granted, two of which are already in the hands of the receivers. This situation was very well summed up by the National City Bank at the beginning of this year.

"There must be on the part of business men the will to borrow or to expand their own resources, and the essential requirement is that they must have confidence in their ability to use the new funds profitably."

Moreover, inflated dollars, unstable currency, is not always a boon to credit expansion, for the simple fact that creditors do not know in what dollars they will be paid back. The National City Bank also says:

"There must be confidence on the part of investors that the dollars they lend will be the same dollars when they are paid back, and this confidence has been lacking due to fear of inflation."

In summing up the question dealt with in this article, it is to be stated: yes, there is an improvement in business activity and industrial production in the United States. There are also certain changes in the movement of the economic crisis. It is apparent that the crisis has already passed its lowest point and entered into a stage of depression. This, American capitalism has succeeded in achieving by a series of measures such as war preparation and inflation, immense government subsidies to big concentrated capital, and the further ruination of small enterprises and the partial expropriation of the petty bourgeoisie and small investors. This, American capitalism was able to do, through the operation of the internal economic forces of capitalism, through the unlimited impoverishment, the more intensive exploitation and further reduction of the living standards of the American workers and farmers. We as Marxists always face facts as they are. Our tactics and strategy are based on living realities and not on formulæ and phrases. We must recognize changes when such occur. Only by doing this can we avoid all sorts of mistakes and errors. But we don't just register facts. We study their course and the entire historic set-up. In respect to this depression we also analyze its special character and content. We must recognize that just as this cyclical crisis was not of an ordinary kind, so is this depression a special kind of depression. This depression does not mean, as the American social-fascists and the open agents of the bourgeoisie try to tell us, a new industrial boom or a return to prosperity. The reasons for this were very clearly summed up by Comrade Stalin at the Seventeenth Congress of the C.P.S.U.:

"I have in mind the continuing *general* crisis of capitalism in the midst of which the *economic* crisis is proceeding, the chronic working of the enterprises under capacity, the chronic mass unemployment, the interweaving of the industrial crisis with the agricultural crisis, the absence of tendencies towards any serious renewal of basic capital which usually heralds the approach of a boom, etc. . . ."

In the previous pages we illustrated how these unfavorable conditions manifested themselves concretely in the United States. We have especially dealt with the conditions in the heavy industries, without the improvement of which it is impossible for American capitalism to get out of the economic crisis. This is, of course, the most important. Nevertheless, there are other barriers in the capitalist way out of this crisis. For instance, the condition in agriculture. Roosevelt's agrarian measures failed to solve the crisis in agriculture. The admission of this failure is almost universal. In the 1934 *Annalist Annual Review*, Mr. David Gould writes:

"There seems to be no indication whatever of any reversal of the previous downward trend of American farming, towards fewer farms and farmers, producing less and less farm products."

Likewise, during the crisis, the export of American capital fell from an average of \$85,000,000 per month in 1930 to almost nothing in 1933. This meant cutting off American capitalism from a very rich source of profits. Last, but not least, is the almost total cessation of the payment of the war debts and interests, cutting off another flow of millions to the coffers of the American bourgeoisie.

In the course of this crisis American capitalism has also partially destroyed the major source of all wealth—the American working class as a productive force. This capitalism brought about, not only through the destruction of skill, coming as a result of a long period of unemployment, as well as through forcing skilled workers to take any kind of a job in order to exist. It came about, too, because of undernourishment, hunger and the physical destruction of workers who are no longer able to participate in capitalist production. It would be incorrect to limit our judgment of the extent of the physical destruction of the working class only by the death rate. The effect of the crisis upon the working class is such that, although there are slight variations in the death rate, the workers are no longer able, as a result of starvation, to be again engaged in the production process.

These recent developments in the economic situation of the U.S. under no circumstances change our revolutionary perspective. On the contrary, the further deepening of the general crisis of capitalism only brings nearer the transformation of this crisis of capitalism into a revolutionary crisis and sets the tasks of struggle for Soviet Power. The events since the Thirteenth Plenum of the E.C.C.I. only confirm the correctness of the perspectives outlined by the Communist International to the world proletariat:

"The mainstays of capitalism are already being destroyed by virtue of its profound, insoluble contradictions. The world economic

crisis is most clearly interwoven with the general crisis of capitalism, and sharpens all the cardinal contradictions of the capitalist world to such an extent that a turn may take place at any moment, a turn which will signify the transformation of the economic crisis into a revolutionary crisis. The great task of the international proletariat is to turn this crisis of the capitalist world into the victory of the proletarian revolution."

What are our concrete tasks that arise from the changes in the economic situation? In the first place, we must clearly explain them to the working masses of the country. We must show them by what methods American capitalism tries to get out of the crisis. We must explain to them what this passing of the crisis into depression means to them. On the basis of their own experience we must make the workers see the lies and demagoguery of the bourgeoisie and their social-fascist agents and to understand that the recent improvements in American business and industry do not lead to a new boom and prosperity. We must explain the special character of this depression. Only then will the workers realize that the capitalist way of hunger, war and fascism is not their way. That they must organize and struggle, and only through struggle against the Roosevelt program and its social-fascist supporters will they save themselves from starvation and death. This means that the American Communist Party has a decisive role to play. This means that our Party must become a mass Party, strongly rooted among the basic sections of the American proletariat. From these proletarians we have developed our leading Party cadres and mass leaders. Every Party member must be made clear as regards his or her revolutionary tasks as they concretely express themselves in every practical situation. The American bourgeoisie may try hard to get out of the crisis on the backs of the workers and farmers. But the workers' and farmers' masses are not a passive factor in such a situation. Under the proper Communist Party leadership the working class in alliance with the impoverished farmers can decide to take the revolutionary way out of the crisis—the road of Soviet Power. In the words of Comrade Stalin, we say:

"The masses of the people have not yet reached the stage when they are ready to storm the citadel of capitalism, but the idea of storming it is maturing in the minds of the masses—there can hardly be any doubt about that."

Figures on the American Economic Crisis

AS OF MARCH, 1934

By JOHN IRVING and PHIL MAYER

(*Labor Research Association*)

COMRADES who follow the trends of business through the figures given out by government agencies and the capitalist press, should carry about with them three statistical cautions.

1. In evaluating "increases" in dollar figures over preceding months, allowance should be made for the change in the general price level for the same period. Thus, when the capitalist press records and "increase of 16 per cent" in department store sales in February this year compared with those of a year ago, allowance should at once be made for the fact that during these same 12 months prices of goods sold in department stores have increased some 28 per cent. This caution should also be exercised when reading about wage increases. Thus the per capita wage increase of 15 per cent between February, 1933, and February, 1934 (Table 3) should be balanced against the insidious rise of prices of the food (20 per cent—Table 5) and the clothing (25 per cent) the worker has to buy.

2. The second statistical caution pertains to seasonal influences on trade and industry. Department store sales, again to take this familiar example, in March this year were some 33 per cent above March of last year (Table 6). But this year the Easter trade came in March; last year it came in April. March this year was a five-Saturday month; last year it was a four-Saturday month; and Saturday is the best selling day of the week. On a *physical* basis department store sales thus far this year are running between 15 and 20 per cent lower than last year, when all trade was virtually paralyzed by the "bank holiday". Already the newspapers must report a decline of over 6 per cent in department store sales during the first two weeks of April this year, as compared with the corresponding half-month of last year.

The drop in the number of strikes during the winter months is another example reflecting seasonal influences.

3. In current trade statistics one should also be on guard to observe whether they reflect spontaneous activities in the general national economy or governmentally stimulated activities. Comrades should never lose sight of the fact that the greatest force lying behind the N.R.A. "prosperity" is the ten-billion-dollar stimulant administered by the federal government. The vaporous and self-defeating nature of this type of economic force is evident from the fact (Table 1) that already we are passing the second, and a lesser peak, of this prosperity wave, and that the next mode of inflation, that of coinage of silver, is already on the White House agenda.

It is in the light of these general cautions that the figures in the following tables should be examined. Note should also be taken of the changes in the series. One is the change in the base period from which the index of employment and payrolls is measured. Hitherto, the base was the monthly average of the year 1926. Beginning with this issue of *The Communist*, in conformity with the change set up by the U. S. Bureau of Labor Statistics, the base becomes the 36-monthly average of the years 1923-25. Whatever the government bureau's justifications for this change, the statistical character of the index does not change beyond the upward bias that it gives to the current index when the base is moved some two years back. The current (March) index, 81 for employment and 65 for payrolls in manufacturing industries, compares with 100 of *ten* years ago!

The other change in our tables is the inclusion of a new one on "industrial disputes"—the number and extent of strikes and lock-outs (Table 4). This rising challenge to the N.R.A. strike-breaking set-up should be recorded even though the figures of the U. S. Bureau of Labor Statistics, which we use, are admittedly partial and fragmentary. Even so they cannot help reflecting the current upsurge of militancy among American workers. For further information on the leadership of these strikes readers should consult reports issued by Labor Research Association, especially its monthly *Economic Notes* which contain occasional analyses of strike waves.

TABLE 1—PRODUCTION¹

THE FIELD	1934		1933		Highest ²		Lowest ²	
	Jan.	Feb.	Mar.	Mar.	Index	Date	Index	Date
<i>General Index</i>	73	77	79	59	117	7 29 ³	59	3 33 ³
Steel ingot production	49	56	60	20	146	6 29	20	3 33
Pig iron production . .	43	46	51	17	152	7 23	17	3 33
Automobile production	59	72	79	27	173	12 23	18	10 32
Lumber production ² . .	55	50	61	35	146	4 29	34	2 33
Cement production ² . .	46	56	51	36	137	1 28	34	9 33
Cotton consumption . .	89	89	90	81	140	6 33	61	12 20

1. The *Annalist* Index of Business Activity. "Normal", that is, the computed long-time trend, with the seasonal variations eliminated, equals 100%. The indexes given here should be thought of as percentages of this "normal."

2. The highest and lowest indexes for any month since 1919; for lumber and cement since 1920.

3. Date figures in this and other tables are abbreviated by numbering months (7|29, for example, means July 1929, etc.).

TABLE 2—EMPLOYMENT AND PAYROLLS

THE FIELD	Employment			Payrolls		
	1934	1933	1933	1934	1933	1933
	Feb.	Mar.	Mar.	Feb.	Mar.	Mar.
<i>A. Mfg. Industries (1923-25 equals 100)</i>						
<i>Gen. Index (90 Ind.)</i>	78	81	59	61	65	37
Slaught. and meat packing	96	93	76	79	76	55
Cotton goods	100	103	71	81	85	41
Knit goods	107	112	91	99	107	61
Silk and rayon goods	86	85	62	70	68	36
Wool and worsted goods	86	82	55	64	61	30
Men's clothing	86	89	76	61	66	40
Women's clothing	119	131	111	94	108	60
Iron and steel	67	70	46	46	51	21
Elec. machinery, apparatus and supplies	59	62	44	41	44	26
Foundry and machine-shop products . . .	64	68	43	45	50	22
Automobiles	97	108	50	82	98	29
Steam rail. rep. shops	53	55	49	45	48	37
Boots and shoes	90	92	83	81	84	53
<i>B. Non-Mfg. Industries (1929 equals 100)</i>						
Anthracite mining	63	68	55	66	82	49
Bituminous mining	76	78	68	55	59	31
Telephone and telegraph	70	70	73	68	70	72
Power and light	81	82	77	74	76	72
Retail trade	84	87	71	68	70	55
Steam R. R's (1926 equals 100)	55	—	52	116 ²	—	111 ²

1. Compiled by U. S. Bureau of Labor Statistics, except steam railroads (non-mfg.), which is compiled by the Interstate Commerce Commission.

2. In million dollars.

TABLE 3—PER CAPITA WEEKLY EARNINGS¹

THE FIELD	1933		1934		1933	
	Feb.	Feb.	Jan.	Dec.	Nov.	Oct.
	\$	\$	\$	\$	\$	\$
<i>All (89 ind.)</i>	16.53	19.08	18.07	18.03	18.02	18.81
<i>A. Mfg. Industries</i>						
Slaught. and meat packing	20.19	20.78	21.46	21.22	19.86	19.72
Cotton goods	10.08	12.98	12.64	12.33	12.64	13.09
Knit goods	12.17	15.74	12.49	14.73	15.46	15.80
Silk and rayon goods	12.17	15.20	13.93	13.86	14.29	15.01
Wool and worsted goods	16.44	17.23	16.59	16.61	16.12	17.03
Men's clothing	13.96	17.01	15.50	13.96	15.39	17.21
Women's clothing	17.58	20.81	18.64	17.06	16.92	20.12
Iron and steel	13.31	18.62	17.19	17.49	17.20	19.71
Elec. mach., apparatus and supplies	19.48	19.26	18.30	18.63	20.47	20.25
Foundry and machine-shop products	15.57	19.68	18.73	18.55	18.57	19.05
Automobiles	18.16	24.02	20.70	19.97	20.11	20.95
Steam rail. rep. shops	22.09	23.76	22.09	23.30	23.55	25.49
Boots and shoes	14.33	18.78	16.42	15.33	14.95	16.61
<i>B. Non-Mfg. Industries</i>						
Anthracite mining	28.11	30.39	33.27	23.68	22.80	31.49
Bituminous mining	14.06	18.37	17.41	17.33	17.39	16.67
Telephone and telegraph	26.16	26.35	26.63	26.42	26.61	26.40
Power and light	29.05	28.26	28.27	28.85	28.40	29.27
Retail trade	19.45	19.79	20.03	18.44	19.19	19.64
Steam R.R's. ²	120.5	119.0	124.9	121.7	118.9	123.9

1. Compiled by U. S. Bureau of Labor Statistics, except steam railroads (non-mfg.), which is computed from figures of Interstate Commerce Commission.

2. Per capita monthly earnings.

TABLE 4—NUMBER AND EXTENT OF STRIKES AND LOCKOUTS¹

MONTH AND YEAR	Number of Disputes	Number of Workers Involved	Number of Man-Days Lost
Highest monthly average ²	371 (1917) ³	346,695 (1919)	3,149,950 (1927)
Lowest monthly average ²	152 (1929)	13,176 (1930)	227,531 (1930)
<i>January</i>			
1929	48	14,783	951,914
1930	42	8,879	182,202
1931	57	10,150	181,169
1932	87	12,091	132,873
1933	67	19,616	240,912
<i>1933</i>			
August	198	145,635	1,401,532
September	180	235,071	3,642,431
October	107	51,668	3,067,967
November	56	37,137	1,160,565
December	55	33,326	437,378
January, 1934	56	15,933	451,762

1. Compiled by the U. S. Bureau of Labor Statistics, as of the beginning of the month.

2. The highest and lowest monthly averages for any year since 1916 for number of disputes and number of workers involved; for number of man-days lost since 1927. These figures are derived by dividing the total figures for the highest and lowest years by 12.

3. Years in parenthesis indicate the year in which the highest and lowest monthly averages occurred.

TABLE 5—COMMODITY PRICES AND COST OF LIVING

THE FIELD	1934		1933		Highest ⁵		Lowest ⁵	
	Jan.	Feb.	Mar.	Mar.	Index	Date	Index	Date
A. Wholesale Prices								
All (784 Commodities) ¹	72	74	74	60	167	5 20	60	2 33
B. Retail Prices								
Food ¹	65	67	68	56	136	7 20	56	4 33
Dept. Store Index ²	89	90	90	70	98	1 31	69	4 33
C. Cost of Living ³	75	75	76	69	119	7 20	69	4 33
D. Agricultural⁴								
Farm Prices	52	56	56	37	106	8 29	36	2 33
Prices paid by farmers	75	77	78	65	99	2 29	66	3 33

1. Wholesale prices (1926=100) and retail food prices (converted from 1913=100 to 1926=100) compiled by U. S. Bureau of Labor Statistics.
 2. Fairchild's combined index of department store articles (Dec. 1930=100), including infants', men's and women's apparel, home furnishings and piece goods.
 3. Cost of living compiled by National Industrial Conference Board; converted from 1923=100 to 1926=100.
 4. Items under agriculture compiled by U. S. Bureau of Agricultural Economics; converted from Aug. 1909—July 1914=100 to 1926=100.
 5. The highest and lowest indexes for any month since 1919, except for department store index since 1931; cost of living since 1920; agriculture since 1929.

TABLE 6—CONSUMPTION¹

THE FIELD	Dec.		Jan.		Feb.		Highest ²		Lowest ²	
	1933	1934	1934	1933	Index	Date	Index	Date		
Dept. store sales ³	69	69	70	60	114	9 29	57	3 33		
Dept. store stocks ³	65	66	66	57	113	8 20	53	4 33		
Chain store sales ⁴	88	88	85	76	(2)	—	(2)	—		
Variety store sales ⁵	83	94	88	79	111	12 29	72	12 32		
Mail order and store sales										
(mill. dollars)	62	37	36	26	90	12 29	15	7 21		
Exports (mill. dollars)	193	172	163	102	928	6 19	105	4 33		
Imports (mill. dollars)	133	136	133	84	553	6 20	79	7 32		

1. Compiled by U. S. Department of Commerce.
 2. The highest and lowest figures for any month since 1919, except for variety store sales since 1929 and for chain stores (19 companies) for which there are no comparable data prior to 1932.
 3. Index based on dollar value; 1923-1925=100.
 4. Index based on dollar value; average same month 1929-31=100.
 5. Five-and-ten-cent and to-a-dollar variety stores; index based on dollar value; 1929-31=100.

TABLE 7—COMMODITY STOCKS ON HAND,¹
(1923-25 equals 100)

	Dec. 1933	Jan. 1934	Feb. 1934	Feb. 1933	Highest ² Index	Highest ² Date	Lowest ² Index	Lowest ² Date
THE FIELD								
A. <i>Domestic</i> (All)	170	162	154	143	171	11 33	73	8 20
<i>Manufacturers</i> (All)	109	110	109	97	128	2 30	69	11 19
Chemical products	113	117	113	120	141	3 30	42	8 20
Food products	101	103	93	69	145	1 19	66	10 31
Iron and steel	94	96	99	85	158	2 30	39	12 19
Textiles ²	192	166	165	77	192	12 33	67	3 29
<i>Raw Materials</i> (All)	213	199	187	177	215	11 33	68	7 19
Foodstuffs	213	201	192	164	230	10 29	61	6 20
Metals	124	129	115	86	167	11 31	51	4 19
Textile materials ²	295	273	252	259	295	12 33	43	7 24
B. <i>World</i>								
Cotton ²	220	214	193	212	268	8 32	75	6 23

1. Compiled by U. S. Department of Commerce.

2. The highest and lowest indexes for any month since 1919, except for textile manufactures since 1921; for textile raw materials since 1920; for cotton since 1920.

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