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Editorial Note

Because of an unavoidable delay the Quarterly is appearing somewhat later than usual.

Advertisements have been omitted because of lack of space.

The German Tragedy

A WARNING TO INTERNATIONAL SOCIALISM

HAIM KANTOROVITCH

I.

Communism and Fascism

THE collapse of the proletarian movement in Germany is complete. The "Daily Worker" may believe that lying, fabricated reports of the "wonderful struggle of the German communists against Fascism" may hide the real facts from its readers. To a certain extent it really does. A "Daily Worker" reader is really a special psychological type, who cannot be judged by the ordinary standards of human psychology. Experience has taught us that a "Daily Worker" reader may believe things to be true that he knows personally to be false. The thinking communist (a rare exception), who looks for facts instead of interpretations has long ceased to believe his communist press. The unthinking communist does not matter.

The truth is that the collapse of Communism in Germany was much more complete than the collapse of the Social Democratic Party. Its defeat is much more ignoble, and the chances for its recovery are much less than of any other party. Social Democracy went down without any resistance. The communist press may now be proud of its power of prophesy. It may now raise its usual "I told you so" cry. Social Democracy went down without any resistance, the communists may say, because it was not revolutionary enough. It had not prepared the workers for revolutionary mass action. It had not imbued the workers with the revolutionary proletarian spirit, on which the communists have declared a monopoly. But, what has happened to the revolutionary communists?

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What resistance did they offer to the Hitler hordes? What became of the famous "Red Front" whose **future glories** were proclaimed so diligently in the communist press, and whose future heroic deeds were celebrated in advance in communist novels, plays, and poems? Where were these heroes when the Hitler hordes took possession of their houses and their property? Where were they when the decisive moment for which they said they were waiting, arrived? What sacrifices did they make to save their movement? The communist movement went down in defeat without struggle, without resistance, practically without protest. German Communism has only one line of defense, a line of defense which communists are loathe to take openly, but which they are really taking in their usual indirect way. Their defense can only be that to them there is no difference between Fascism and Democracy: that they have, themselves, contributed no small part to the victory of Hitler. It was the communists, more than the fascists, who did all they could to discredit, not only the German Republic, but the idea of democracy as well; it was the communists more than the fascists who did not stop at anything, no matter how low and disgraceful, to discredit the Social Democratic movement. It was the communists, more than the fascists, who continually taught the desperate German masses, that the source of all their troubles lies in the democratic system, that if they could only establish a dictatorship and rid themselves of such "bourgeois prejudices" as freedom, justice, democracy, all their problems would be solved. "As regards 'the class content' there are no distinctions between democracy and fascism," declared the communists as late as January 1932, and another communist periodical, at the same time jeers at Trotsky because it seems that he also believes in the "lesser evil" according to which "Bruening is not as bad as Hitler, according to which it is not so unpleasant to starve under Bruening as under Hitler, and infinitely preferable to be shot down by Groener than by Frick."¹

This was the famous struggle against fascism which the German communists carried on. It consisted in teaching the

¹ Quoted in "What Next" by Leon Trotsky.

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workers that there really was no difference to workers whether they had democracy or fascism. The facts are clear and no amount of communist falsifications can hide the truth: Communist propaganda created the psychologic conditions for the triumph of Hitlerism, and the communist movement is paying dearly for it now.

To console their comrades outside of Germany, the Communist International is not content with fabricating "news from" Germany, it even tries to "explain" to its adherents that what is happening in Germany is really in the best interest of the proletarian revolution. What the victory of fascism seems to have accomplished, according to the latest declaration of the Communist International is simply what the communists wanted to do and could not. The resolution of the Presidium of the E. C. C. I. adopted April 1, 1933, plainly states that it is quite satisfied with the achievements of Hitler. Here is what the Communist International has to say on the German situation:

But the fascist dictatorship, basing itself on armed gangs of national socialists and "Steel Helmets" and commencing civil war against the working class, abolishing all the rights of the proletariat, is at the same time smashing the social democratic theory that it is possible to win a parliamentary majority by means of elections and to develop peacefully towards socialism without revolution. It is destroying the social democratic theory of class collaboration with the bourgeoisie and the policy of the "lesser evil" and is destroying all the **democratic illusions** among the broad masses of workers.

and

The working class is actually becoming convinced that the communists were right when for a number of years they fought against democratic illusions, the social democratic policy of the "lesser evil" and collaboration with the bourgeoisie.

Imprecor, Vol. 13, No. 17.

How truly communist this is! Even now, when it has suffered its greatest and most ignoble defeat, it finds cause to

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rejoice. Hitler is at last convincing the German workers that Communism is right! How sweet this consolation must sound to a German communist, if any are still left!

II.

The Disunity of the Proletariat

There can, of course, be no doubt that Hitler would not have had so easy a victory, if he could have had a victory at all, had he had to face a united working class. The disunity of the working class, the bitter and unsavory fight between the communist and socialist forces, and between the innumerable communist factions among themselves, was the strongest asset of Hitlerism. It drained the strength of the workers; it sapped their energy, and what is more, it made the entire proletarian movement seem ridiculous in the eyes of the masses. More energy was wasted in fighting each other than in fighting the common enemy. The communist movement devoted practically all of its time and energy to fighting social democracy. The theory of "social fascism" served as a convenient rationalization for it. According to this theory, social democracy is, to use Stalin's words, only the moderate wing of fascism, which is even more dangerous than fascism itself. No more condemnatory evidence of this is needed than T. Gusev's speech before the twelfth plenum of the E. C. C. I. hailed by all good communists as the real, the only line, of guidance for all communist parties. The speech was delivered at a time when fascism was rapidly striding to its final victory, when every ounce of proletarian energy was needed to resist the forward march of Hitlerism. Gusev, in the name of the Communist International, instructs communists how to act at this decisive moment. And this is what he says:

"Therefore, to beat the enemy, the bourgeoisie, we must direct the main blow against its chief social bulwark, against the chief enemy of communism in the working class, against Social Democracy, against social fascism. "It may seem that in Germany at present time, for example, the chief social bulwark of the bourgeoisie is fascism, and that therefore we should deal the chief blows

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against fascism.

"This is not correct. It is not correct first, because **fascism is not the chief enemy** in the workers' movement, but social fascism is our chief enemy there."

and he sums up with the following words:

"From all this, it is clear, that in the period of preparation for the revolution, we direct our chief weapon at this period against our chief enemy in the working class, i. e., against social fascism."²

There is nothing new in Gusev's advice to his comrades. This has been the communist policy for years. What is interesting is that this advice was given when the victory of Hitlerism was so near that even the blind could see it, and that it was given at the very time when the communists raised their false cry for a united front louder than ever.

Who is responsible for the split in the proletarian movement? To one who is acquainted even superficially with the history of post-war Socialism there can be doubt about the answer. Have not the communists time and again prided themselves on this achievement? But so strong is the power of lies constantly repeated, that the communists have already convinced themselves as well as many "impartial" radicals (i. e., people, who are communists and dare not join the communist party) that it was the socialists who split the movement.

The Communist International was organized in March 1919. What was its purpose? It was not the unification of the socialist movement, but its splitting up. The Communist International could have united within its ranks the entire socialist movement of the world. The Second International was practically non-existent at the time. Only the extreme right wing supported it and the more the proletarian masses became disillusioned with the war for democracy, the more revolutionary they became. The Independent Social Democratic Party of Germany, the French Socialist Party, the American Socialist Party, and many other parties, were ready and willing to join the newly organized international. They were not

² Reprinted in the "Communist", January, 1933.

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admitted. Why? Because the Communist International could not admit them as they were. They had to split first. The demand of the Communist International was: You must get rid, first of all, of your reformist element, expel them if you are in the majority; leave the party if you are in the minority. In either case, of course, it meant a split. The Communist International did not want to organize all socialists, or even all communists under its banner. Its ideal was the organization only of "the best", the "most reliable" in short, instead of a mass movement, it wanted an organization of communist saints only. Having organized the saints, it set out to destroy the sinners still left in the proletarian movement. Following this tactical line they remained true to their theory that the proletarian revolution will be made by a "strong, determined revolutionary minority".³ Where are these revolutionary saints now? The present leaders of the Communist International were still unknown at that time, and those who could not admit the "reformists" into the Communist International because "they are unreliable and are capable of betraying the revolution", have all become sinners themselves: Trotsky, Zinoviev, Kamenev, not to speak of dozens of lesser lights. The real saints who initiated the fight of extermination against the unreliable socialist sinners, are all expelled from the communist community of saints, but their policy is continued even today.

But what about the United Front? Are not the communists constantly clamoring for a united front? We shall not dwell upon the entire question of the united front here. The reader will find a discussion of it in a pamphlet by August Tyler, "The United Front". What interests us is whether the German communists did really want a united front. When the fascist waves began to rise so rapidly that Hitler's victory seemed imminent, a group of the German Democratic Party had an interview with the leader of the German Communist Party, Thaelmann. They wanted to learn what chances there were for a united front against fascism. What did Thaelmann

³ The reader may find more on this aspect in my "Rise and Decline of Neo-Communism", *Modern Quarterly*, Reprint No. 2.

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tell them? He repeated some of the usual slanderous statements against the Social Democratic Party, and added that "an alliance between the Social Democratic Party of Germany and the Communist Party of Germany was impossible on the basis of these facts and also for reasons of principle." For "reasons of principle" therefore the communists cannot enter into an alliance with the Social Democratic Party. What are these reasons of principle? Naturally, the theory of social fascism. As long as communists hold this theory, no one can seriously believe in their cry for a united front. Thaelmann, as well as the communists, in general, everywhere, do not realize how ridiculous they appear by talking about a united front from below. "We communists, who **reject any accord** with the Social Democratic leaders . . . repeatedly declare," says Thaelmann, "that we are at all times ready for the anti-fascist struggle with the militant Social Democratic and Reichsbanner comrades, and with the lower militant organizations." In other words, the communists will allow militant members of the Social Democratic Party and the Reichsbanner to join them in their fight against fascism, and as the "real enemy" is not fascism but social fascism, these militant members of the Social Democratic Party will be allowed to fight their own party under the banner of the Communist Party.

This is the United Front that the German Communist Party wanted.

III.

Social Democracy

Just as the German Social Democratic Party had a policy of toleration towards bourgeois parties, so the international socialist movement had a policy of toleration towards the German Social Democratic Party. The number of socialists who, with grave misgivings, watched the growing opportunism of the German Social Democrats was constantly growing, but open criticism was restrained because "it might harm our German comrades." There were, of course, socialists who were ready to applaud anything that the German comrades did, and to raise to the dignity of socialist principles every

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compromise which the German socialists were compelled to make. These were the socialists who were so scared by Bolshevism that they were ready to accept anything if only it led away from revolution. Their number was small. But whereas those who were critical of the German Social Democrats kept silent, this small group was very articulate. They were so loud in their praises of everything that the Social Democrats of Germany did, that many assumed that their praises were the official attitude of international socialism towards the German Social Democratic Party.

The German Social Democratic Party had tried a new experiment. It was an experiment of gross-opportunism. In this gross-opportunistic experiment, it departed from most of the fundamental principles of Marxian Socialism. Since 1914, it has practically given up the Marxian concept of class struggle and of social revolution. The civil peace proclaimed by the German Social Democratic Party at the outbreak of the war, was continued through the period from the German revolution to the victory of the counter-revolution. Through all these years, when the German Social Democratic Party was either at the helm of the German Republic, or the most powerful opposition party, it followed the principle of civil peace instead of the class struggle. This experiment in opportunism was watched anxiously by every socialist throughout the world. The watch is now at an end. The results are known to all. The experiment was a miserable failure.

The underlying principle of the tactics of the German Social Democratic Party was that Socialism is a purely political matter. The term political was again narrowed down to pure parliamentarism. Socialism will be voted in. There is nothing more that one can do to attain Socialism than to vote for socialist candidates. There is nothing for a socialist party to do but to conduct election campaigns successfully. The German Social Democratic Party had educated its members according to this principle. So well were they educated that nothing could induce them to betray Socialism at the ballot box. Even after Hitler came to power, under conditions of fascist terror, the Social Democratic Party retained its

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voting strength. It lost very few of its votes in the last election. But its well organized army was well organized and well trained for the ballot box only. When new conditions arose, when other means of struggle were forced upon it, when it became necessary to fight instead of to vote, it was unprepared. The ease with which Hitler wiped out the strong and well organized Social Democratic Party of Germany has definitely demonstrated that an army trained for peace only, will never be able to fight. The ease with which the German trade unions, the powerful German trade unions which always were under the influence of the Social Democratic Party, submitted to Fascism, the fact that they submitted without the least resistance, is due to the same misaken conception of the purely political socialists. The German trade unions were socialist trade unions. What exactly was meant by socialist trade unions? Nothing but that the German trade unions were ready to support the socialist political campaigns and vote for socialist candidates. A socialist union once meant, as it should mean, a proletarian organization ready to throw its economic power into the fight for Socialism. But the German socialist trade union was only ready to vote for socialist candidates and forget about it until the next election. That is why some trade union leaders in Germany were so ready to make peace with the Hitler regime, and continue peacefully as pure and simple trade unions under fascist regime. That this shameful peace was not made was simply due to the fact that the Nazi rulers refused it.

Adopting the purely political-parliamentary view of Socialism, the Social Democratic Party, as a consequence, was bound to place all its hope on political democracy. That democracy is a powerful weapon in the class struggle there can be no doubt; that socialists should defend and fight for democracy goes without saying. But the German Social Democratic Party did not content itself with using democracy for Socialism. Instead, it sacrificed Socialism for democracy. Democracy became, for it, not a means to an end, but an end in itself. All distinctions between socialist and capitalist democracy were abolished. Even the self evident truth that cap-

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italist democracy is in itself a constant clash of forces was obliterated. The conviction was fastened upon the masses that wherever there is political democracy, all other means of social struggle but voting cease. The self evident truth that it may be necessary to defend democracy itself by undemocratic means never entered their heads. Comrade Raphael Abramovitch, writing on the German tragedy, expressed himself to the effect that the weakness of the German Social Democratic Party lay in the fact that the ruling classes had ceased to fear it. The ruling classes, as well as the German masses, gradually realized that the Social Democrats "will never fight."

The extent to which this opportunism demoralized the German Social Democrats is shown by the fact that a large part of the party even tried to interpret the victory of fascism, democratically. Hitler, they said, won a majority at the polls. We will have to adapt ourselves to the new conditions and patiently wait until the next election. If the German Social Democratic Party is not now a legal and respectable opposition of his majesty, Adolph Hitler, it is because Hitler did not want it. And yet, there was a time when the German Social Democrats could have prevented the growth of Fascism. They could have crushed Fascism when it was young, just as they crushed Bolshevism. "The republican leaders," and among them socialists, "were not unaware that the forces of reaction were growing," testify historians of the German revolution,* "but they seemed to have tried to deceive themselves with the thought that the swing to the right meant only the formation of a constitutional opposition." "If "constitutional" it was all right. Democratic principles demanded that the reactionary movement be given a chance to grow. As early as 1919, after the Spartacist revolt was crushed, Philip Scheidemann raised the cry that "the enemy is at the right", but his cry was not heeded.

Of course, there was a left wing in the German Social Democratic Party. Of course, there were many among the German socialists who fought against these opportunistic

* Republican Germany, by Quigley and Clark, p. 61.

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tendencies in the Party. But the Party was "well organized and well disciplined", in other words the party leadership had a strong enough grip on the party not to allow these left tendencies to grow and become influential. It is not the only example where old leaders become a hindrance to their own party when their own senility becomes the guide for party action. The role of leaders is often too much under-estimated. Leaders may not be able to create movements, but they are able to maim them. There is no question but that under a younger, more virile, more militant leadership, the German Social Democratic Party would have taken a different course.

IV.

What Now?

For all practical purposes there is neither a communist nor a socialist movement in Germany. At present the Hitler government is firmly entrenched. For how long? No one knows. It may be for a very short period, it may last quite a long time. One thing is certain. The Hitler government cannot solve the contradictions of German capitalism which brought it into power. It cannot save the German middle class from which it has drawn its main strength. It cannot abolish, nor even lessen, the misery of the German working class, as it has promised to do. Already there are signs of a growing conflict within the ranks of the National Socialists. There are already visible signs of a growing dissatisfaction among those who took the socialist phrases of Hitler seriously. It will not take long before new opportunities for socialist propaganda and organization will again arise in Germany. German Socialism is not dead; it is only stunned. But when it comes back to life, it will not and cannot be the Socialism of the pre-Hitler era. German Socialism will have to come back as the regeneration of Revolutionary Proletarian Socialism, that will be ready to fight for Socialism.

The German tragedy must serve as an object lesson for socialists in all other countries. The rise and decline of the German Social Democratic Party must be carefully studied and analyzed. It is, after all, by our mistakes that we learn.

The Farmers Begin to Stir

JAMES D. GRAHAM

THE present farmers' war raging in the central west is but a continuation of a twelve years' struggle against the dairy, flour and packing trusts, as well as the insurance and bonding companies which hold mortgages on farms, crops and live stock.

During the war the farmers were exhorted to produce more to feed stricken Europe, and, obeying the urge of the bankers and chambers of commerce, went into debt to purchase more land, cattle and machinery. When the war ended the demand for farm produce slowed up.

During the war the production of wheat in Canada and this country had increased far beyond the demands of the world's markets in normal times. With the end of the war, the great quantities of wheat that had been in storage in Australia and South America, and which could not be moved during the war on account of the shortage of ships, was dumped on the market. Continental Europe was getting back to normal production, therefore the market for North American wheat grew less, and the troubles of the North American wheat grower commenced. He was no longer able to meet the payments on the machinery he had purchased on the instalment plan, or the interest on the mortgage.

War debts agreements also affected the market for farm products, especially live stock. In 1890 the foot and mouth disease broke out among the cattle of western Canada, and the British government placed an embargo on cattle from Canada, to prevent the disease being imported into Britain. This embargo, thanks to the insidious lobby maintained in London by Chicago packers, remained on Canadian cattle for more than two decades after the disease had disappeared in Canada.

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While the British embargo existed, Canadian cattle were imported into the central west states and purchased by farmers, who in turn fattened them, and these cattle reached the packing houses or were exported to Britain as U. S. stock, the American farmer deriving the benefits of the British embargo.

When Balfour was in the United States arranging for the payments of the British War debts to this country, he made a rather significant statement to the effect that if Britain must pay the war debt in cash it could not be expected at the same time to buy from America.

Immediately after Balfour returned home, the British government raised the embargo on Canadian cattle, and this country's market in Britain for cattle was destroyed. The price of cattle in the northwest states fell seventy-five per cent. This meant that the farmer who had a mortgage on his cattle had to sell four head instead of one to meet the mortgage.

When Calvin Coolidge became president, he advised the wheat farmers to go into diversified farming, including dairy cattle, and the ranchers to go in for dairy instead of beef cattle. The federal and state departments of agriculture carried on a great propaganda on behalf of increased production of dairy products. This propaganda was timely, as this country up to three years ago, depended on Denmark, New Zealand and Tasmania to make up the shortage. Even at the present day, if consumption were normal, we would consume more than we produce in dairy products. New York, Boston, and Philadelphia usually have only a five days' supply of butter, and seven days' supply of cheese on hand.

The bulk of butter and cheese consumed in the eastern states comes from the north central west states. Cream from Wisconsin is shipped to Philadelphia. The Pacific coast cities draw their supply of dairy products from the Rocky Mountain states.

The farmer has derived little from the great increase in dairying which has taken place within the past ten years, save that he got employment looking after his cows. The

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creameries have made immense profits from this industry. No creamery company either large or small has gone bankrupt during this depression. During the past few years one small creamery in Nebraska has become a twenty-eight million dollar corporation and has purchased most of the independent creameries in the northwest states. Even the big beef packers of Chicago have gone into the creamery business. Dairying has become trustified.

In every agricultural state there is a Department of Agriculture which is part of the state government, and this department has what is called a Dairy Division. The Dairy Division of the Department of Agriculture gives all its attention to the dairy industry—that is to the welfare of the creameries, the exploiting end of dairying—and not to the welfare of the farmer who owns the dairy cows.

Sponsored by the Dairy Divisions of the various states, laws have been enacted in the interests of the exploiter and against the welfare of both consumer and producer. All this has taken place within the past few years.

States and cities have laws which provide for the quality of milk sold to the public. The requirements were that milk sold should have not less than 3.2 per cent butter fat. This has been lowered to 3 per cent, or a reduction of one-sixteenth in quality. Good milk for consumption should have not less than 4.5 per cent butter fat.

Cream retailed and used in restaurants at one time had to contain not less than eighteen per cent butter fat. This has been reduced to sixteen per cent, a reduction in quality of one-ninth. In some cities the percentage of butter fat in cream has been reduced to fourteen per cent.

Good ice cream requires from eighteen to twenty-two per cent butter fat. Doctors recommend for their patients ice cream containing at least eighteen per cent butter fat. For many years eighteen per cent butter fat in ice cream was the minimum amount required by law nearly all over the country. During the past few years legislatures and Dairy Divisions of the Department of Agriculture of states have been lowering the standard quality of ice cream served to the public, until

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now in many parts of the country only nine per cent butter fat is required.

The process of making butter is now regulated so that the consumer gets less butter fat and more water, and pays for the water as so much per pound avoirdupois. A first class butter maker now-a-days is one who can get the maximum of water into butter. Moisture is the dairy name of water. When the butter was made on the farm, the farmer's wife always saw to it that the water was well worked out of the butter before it was sent to the market.

The expression "over run" used in creameries means the amount of butter taken out of a churn over and above the butter fat in cream put into the churn. If one hundred pounds of butter fat is put into a churn, and after the churning is completed one hundred and twenty pounds of butter is taken out of the churn the twenty pounds is over run and is made up of the salt in the butter and water. The greater the over run the bigger the profits. The water is purchased by the creamery at so much per thousand gallons and is sold to the public at the commercial price of butter per pound.

Statutory law in many states at one time required that the over run should not exceed sixteen to eighteen per cent. The over run has been increased in recent years to twenty-four per cent, and in many instances the over run is twenty-five per cent where the law is evaded. The Creamery Trust has seen to it that the dairy laws of the various states are uniform so that butter made in one state will meet the required tests in other states. There are some exceptions to the above. In the past few years the over run in churning has been increased one-third and the profits of the creamery trust increased by legislation that much.

The failure of farmers' co-operative creameries have been much commented upon in this country and western Canada. Some time ago the writer read an article by the Representative of the Dairy Division of one of the western states in which it was stated that the reason so many co-operative creameries failed was owing to the fact that the co-operatives did not pay attention to the over run, that he found that co-operative

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creameries would only have an eight per cent over run, while their competitors would have as high as twenty-four per cent; therefore their competitors could undersell the co-operatives and drive them out of business. He advised the co-operatives that if they were to succeed and remain in the game they must increase their over run to equal that of their competitors. In other words the co-operatives to succeed must become adepts in the art of cheating the public.

While the price of butter has decreased fifty per cent in the past four years, the price that the farmer receives from the creamery for butter fat is from seventy to eighty per cent less than four years ago. This represents greater profits to the creamery magnates. Farmers during this depression have received as low as nine cents per pound for butter fat, when it is impossible for the average farmer to meet all his obligations, such as taxes, interest on the mortgage, depreciation and living expenses by selling butter fat below thirty-six cents a pound. Creameries can make a good profit when butter fat is thirty-six and butter sells at forty cents a pound.

In the winter time, the farmers to break even, should get from forty-six to fifty cents a pound for butter fat. During the past few winters the price has been from twelve to sixteen cents a pound.

Let us consider the ice cream business. The price of ice cream to the public has not appreciably decreased during the depression, yet the price that the farmer receives for his cream is now one-third the amount he received four years ago. A farmer who can get twenty cents for sweet cream now considers himself lucky, when he should be getting sixty or sixty-five cents. This difference in the price of cream, plus the decrease of fifty per cent butter in ice cream, gives the creamery trust a marvelous profit during these years of the depression.

The price that the farmers are receiving for milk is causing much disturbance. A farmer, who sells milk must receive at least twenty-five cents a gallon for the same, or he cannot meet the cost of production and maintain a decent standard of living for himself and his family. This holds good from one coast to the other.

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The best price that the large mass of farmers receive at present for milk is from fourteen to sixteen cents a gallon. Farmers have told me within the past few months that all they can get for their milk is three to four cents a gallon. Under such conditions it is no wonder that we have a farmers' rebellion in the central west.

For a number of years past much has appeared in farm periodicals in favor of an egg grading law. This propaganda has been sponsored by commission men, creamery operators and the Dairy Division. This propaganda has been successful, as within the past few years legislatures have enacted egg grading laws, which requires that eggs be retailed in different sizes.

The real purpose of the egg grading law is to prohibit farmers from peddling eggs to the public, and to compell them to sell their eggs to commission men, creameries, or stores who will do the grading.

The egg grading law has resulted in farmers receiving a ridiculously low price for their eggs. This spring in the northwestern states many farmers have received as low as two cents a dozen for fresh eggs from the commission men. The middle men graded the eggs and then sold them wholesale, making a stupendous profit on the transaction. Two cents a dozen was the price of eggs in the New England states during the revolutionary war; two cents a dozen was the price of eggs in Old England the year that the battle of Waterloo was fought; after a century of progress two cents a dozen is received by western farmers for eggs.

Prior to 1920 insurance companies loaned money extensively on farm land at eight per cent interest. These loans were all handled by local insurance agents, and the agents charged the farmers a commission of ten per cent for securing the loan for them, the agents receiving nothing from their companies. The agents did not receive the commissions in cash, but would give the borrower the full amount of the loan. The borrower in turn would give a second mortgage on his property for the amount of the commission with interest at the rate of eight per cent per annum. Thus a farmer

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to secure a loan of five thousand dollars from an insurance company would give that company a mortgage on his property for five thousand dollars with interest at the rate of eight per cent per annum, and also execute a second mortgage on his property for five hundred dollars in favor of the insurance agent with interest at the rate of eight per cent per annum. Many insurance agents negotiated loans for as much as \$200,000 in a year to farmers.

If a farmer had some fine land and was not able to meet the mortgage when it fell due, the insurance agent saw to it that the mortgage was not renewed; the agent as holder of the second mortgage took over the first mortgage, and was then in a position to dispossess the farmer. This method of dispossessing the farmer was carried on extensively and shamefully by insurance agents and their friends in on the deal.

Up to 1920 the federal reserve bank had inflated the currency until prices were sky high. In 1921 the money lords decided to deflate the currency, and a financial reign of terror swept through the northwest. The federal reserve notified the member banks to repay their loans to it. The banks in the northern tier of states from Lake Michigan to the Pacific demanded from the farmers payments of loans. When the farmers could not liquidate, mortgage foreclosures took place on farms, machinery, live stock and on crops. The foreclosures on mortgages did not remedy matters for the banks. There were no buyers. The banks had to bid in the property, and thus found themselves in possession of lands and chattels which they could not sell. Having redeemed their paper from the federal reserve bank hundreds of banks were forced to close their doors; others struggled along with as low as \$1.50 of cash on hand for every hundred dollars deposited with the bank. Hundreds of thousands of people were forced off the farms to commence life anew in the cities.

When the farm crisis took place twelve years ago the farmer would pack his household goods on a wagon, lock the door of his house and proceed to the city, meet with the banker, give him the key to the house, inform him that he

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was through, that the cattle were in the pasture, that the crops were unharvested, that it was up to the banker to take possession. In many cases the farmer would give the banker a deed to the farm and a bill of sale for the cattle so as to save the banker the costs of foreclosure.

The situation to-day is different. The farmer has learned that it is better to be poor on a farm than unemployed in the city. Therefore he is resisting being dispossessed. The farmer has also learned that his debts can be liquidated for less than one hundred cents on the dollar. Farm holiday leagues are being formed by farmers to resist the creditors. When a sheriff's sale takes place, the farmers gather en masse and keep prospective buyers from bidding at the sale. The bidding committee of the holiday league are the bidders. When the sheriff puts the mortgage goods up for sale the committee buys the same for as low as one cent on the dollar of the amount of the mortgage and turns the purchased article back to the dispossessed farmer. In this way the farmer's debts are liquidated, the law satisfied, the farmer still owns his cattle and machinery, and the only one who is not satisfied is the one who held the mortgage.

When it comes to foreclosure of land mortgages, where large sums are involved, the committee of action of the holiday league goes with the farmer to the bank or insurance agent having the mortgage and attempts to negotiate an extension of the mortgage, and a reduction of the interest due. While negotiations are proceeding mass action is also being lined up to use gentle suasion on the holder of the mortgage and his attorney. Some times the suasion consists only of a pot of tar being heated on a nearby vacant lot with a sack of feathers lying nearby. These methods are but in line with the tactics used by some of the bankers and insurance agents who would wait until the farmer's crops were ready for harvesting before they would disposses him and in this way get all the crops along with the land.

This action of the holiday leagues of the farmers is no worse than the action of many bankers who loaned money to the farmers on sheep. There are many cases where the loan

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was seven dollars per sheep, and when the farmers had paid two to four dollars per sheep back to the bank, then the bank would foreclose on the mortgage, take the sheep and sell the same to some other farmer for seven dollars per head on time payments. When the band of sheep amounted to two thousand head the bank would profit from four to eight thousand dollars on the trick. There are many such instances as this which happened all over the west in the past few years and they are still taking place.

While one cannot help but sympathize with the farmers in their present plight, knowing all the contemptible methods used to exploit them, and while one cannot help but feel that the conduct of the farmer is justified, yet, the irascible plan of action will not solve the problems, or remove the difficulties which the farmers are laboring under.

The farmers predominate in many state legislatures and they voted for the mortgage laws that are on the statutes to protect the usurer. Farmers vote to send men to the legislature to enact laws to provide legal means to exploit them. Farmers are the greatest bulwark that the bankers have in upholding the present system. Until the farmer learns that the system is doomed, and will vote to nationalize all the industries there is little hope of improvement for him. The irascible plan cannot save him.

All industries which handle farm products, such as creameries, flour mills, packing houses, canneries for fruit and milk, are now ready to be nationalized, and the sooner this takes place the sooner will the exploitation of the farmer cease.

While there is a spirit of rebellion evidenced among certain groups of farmers, and this indicates a spirit of progressiveness, there is also another tendency evident, which is to accept the present state that the farmer is in as inevitable.

Large masses of the farmers are of the opinion that if they may just own some land free from a mortgage, with a few cows or pigs and chickens, they will be able to survive. This class of people is submissive, has no hopes, no desire for culture, or luxuries. In the struggle for existence they merely hope to get by. This class represents a trend towards a peasantry in America, and it is a large and growing class.

Socialism and the Negro Problem

ERNEST DOERFLER

IN the United States of America any sort of independent labor movement was paralyzed so long as slavery disfigured a part of the Republic. Labor with a white skin cannot emancipate itself where labor with a black skin is branded."

With these words Karl Marx, in a famous chapter on the growing agitation for the shorter work day (*Capital I*, 1867), hailed the renaissance of the American labor movement after the Civil War, recognizing clearly the indissoluble connection between the Negro problem and the growth of the Socialist idea. Today, despite the Civil War and subsequent legislative enactments freeing the slaves and enfranchising the freedmen, the lot of the Negro masses in the "New" but still Bourbon South remains unceasing poverty and persecution. The Negro has yet to achieve in fact the elemental civil rights vouchsafed him by law. Crushed beneath the weight of the most severe crisis capitalism has ever seen, he strives desperately for freedom while the white worker, impoverished and betrayed by the false promises of hypocritical politicians, seeks single-handedly to shake off the intolerable economic yoke. As never before is there need of the solidarity of all workers, black and white.

Fraught as it is with meaning and consequence for the entire American working class, it is important that the Negro problem be clearly understood and the correct solution of it resolutely pressed. Among the radical parties two divergent solutions have been proposed.

A. The Communist Solution

The Communist solution of the Negro problem is the now famous and fantastic demand for Self-Determination of

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the Black Belt. This has been defined by James S. Allen in a pamphlet, "Negro Liberation", to mean "that the Negro people in the Black Belt, where they have formed the majority of the population for many generations and where they have developed as a people, have the right to set up a republic of the Black Belt in which the Negroes would exercise government authority (and where the significant white minority would have full equal rights with the Negroes), and determine for themselves whether their country should be federated to the United States or have complete political independence This right of self-determination does not necessarily imply separation. It means the right to separate, if the citizens of the proposed new republic so choose, and it means the right to remain a federated part of the United States, if that suits the interests of the Negro people better, which depends on circumstances."

It will be seen that the basis of this demand for self-determination is the allegedly continuous Black Belt which "runs through eleven Southern States and includes 397 counties forming a continuous area in which the Negroes are over 50% of the population, a considerably larger area than many European countries. (Earl Browder in the *Daily Worker*, Aug. 9, 1932)." We are told that if the state and county boundaries in the Black Belt proper are ignored—"they are, after all, purely mechanical divisions set up for the convenience of state and county administration or for political purposes—and the total Negro and white populations for the territory as a whole are added up, it will be found that the Negroes outnumber the whites. The great majority of the Negroes in one place sets off the majority of whites in another."

Let us examine the figures behind this very arbitrarily carved out territory for the Negro Free State. A county by county study of the population of the eleven Southern states in question reveals the following:

	Population by States, 1930		Pop. by Per Cent. 1930		Pop. by Per Cent. 1920		Total counties in state.		Counties with over 50% Negroes		Distribution of Population				Counties 35-50% Negro		Counties 25-35% Negro	
	White	Black	White	Black	White	Black	Total counties	1930	1920	Rural		Urban		1930	1920	1930	1920	
										1930	1920	1930	1920					
Georgia	1,836,974	1,071,125	63.2	36.8	58.3	41.7	161	48	58	70.5	77.4	29.5	22.6	39	40	29	16	
Miss.	996,856	1,009,718	49.6	50.2	47.7	52.2	82	35	24	86.8	89.5	13.2	10.5	20	21	11	13	
S. Car.	944,040	793,681	54.3	45.6	48.6	51.4	46	25	32	82.6	86.6	17.4	13.4	13	6	4	5	
Virginia	1,770,405	650,165	73.1	26.8	70.1	29.9	124	21	23	67.2	69.7	32.8	30.3	26	31	19	20	
Alabama	1,700,775	944,834	64.3	35.7	61.6	38.4	67	18	18	71.6	78.2	28.4	21.8	12	14	11	11	
Louisiana	1,318,160	776,326	62.7	36.9	61.0	38.9	64	16	22	66.9	72.9	33.1	27.1	18	16	17	16	
Arkansas	1,374,906	478,463	74.1	25.8	73.0	27.0	75	9	11	81.4	84.5	18.6	15.5	12	10	9	10	
N. Car.	2,234,948	918,647	70.5	29.0	69.7	29.8	100	9	12	73.3	79.7	26.7	20.3	30	30	15	12	
Texas	4,283,491	854,964	73.5	14.7	84.0	15.9	254	4	3	61.5	69.9	38.5	30.1	18	18	24	20	
Florida	1,035,205	431,828	70.5	29.4	65.9	34.0	67	4	5	51.4	63.4	48.6	36.6	17	20	26	17	
Tenn.	2,138,618	477,646	81.7	18.3	80.7	19.3	95	2	2	49.7	63.0	50.3	37.0	6	7	3	7	
Totals	19,634,379	8,407,397	70.1	29.9	67.9	32.1	1135	191	220	69.4	75.9	30.6	24.1	211	213	167	147	

Population of 191 Negro majority counties
 Population of 211 counties 35 - 50% Negro
 Totals
 Negro Majority in Black Belt (412 counties)
 Total Population of 11 Southern states (1,135 counties)
 Percentage of total Negro Population of 11 Southern States now in Black Belt
 Population of 167 Counties 25 - 35% Negro
 Negro Minority if these counties are considered part of Black Belt
 Total Negro Population of United States
 Percentage of total Negro Population in United States now in Black Belt

White	Black	% Negro
1,380,532	2,735,308	66.5
3,442,022	2,567,197	42.7
4,822,554	5,302,505	52.4
19,634,379	479,971	29.9
Black Belt	8,407,397	63.1
3,549,857	1,581,192	30.6
.....	1,488,694	45.1
.....	11,891,143	44.6

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A number of interesting facts emerge from this study. In only one state, Mississippi is the Negro still in a majority, and there he commands the tiny margin of two-tenths of one per cent. A great change has come over the Negro problem within the past decade. The Negro has begun to migrate to the North in vast numbers. Even recently several New Jersey towns, among them Newark, proposed to stop the continued influx of black workers by shipping numbers of them back to the South.

Since the middle of the nineteenth century hundreds of thousands of unskilled workers have been drawn by the lure of industrial prosperity in the North from Europe. This cheap labor remained in the North, while the Negro stayed in the South. The World War stopped the supply of European immigrant labor and the Negro moved North to supply the demand. By the hundreds of thousands he went. After the War Congress checked immigration and the Negro moved North still faster to supply the demand for labor in the mills. It has been estimated that 500,000 Negroes went North in twelve months ending September 1922, from Georgia alone.

The economic crisis has for the present reduced the northward movement of the Negro to a trickle, yet there has been no migration Southward to the land under pressure of the hard times. There has always been a small movement of Negroes from North to South, some returning permanently, some temporarily; but the general movement has been and continues to be from South to North. This is borne out by statements received from numerous Negro editors and statisticians throughout the country. Figures of Southern white papers are unreliable, for they always see a stream of Negroes returning South after unfortunate experiences in the North.

In only 191 counties in the eleven Southern states do the Negroes constitute absolute majorities, and these counties do not, as the map shows, form a continuous area. In another 211 counties there are Negro minorities ranging from 35—50%. When the total Negro population of all 402 counties are taken together the Negro is found to form a bare majority,

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52.4% of the aggregate population. By virtue of the addition of the 211 counties in which the Negroes are absolute minorities the Communists eke out a shreddy and artificial, but more or less continuous Black Belt. Were the delicate equilibrium upset by the inclusion of some 167 surrounding counties in which the Negroes form 25—35% of the population, the Negroes would be returned a 45.1% minority of population of the Black Belt.

It will be seen, therefore, that the phrase "a majority of the population of the Black Belt" is a specious device to cover a remarkable piece of "revolutionary" reckoning. The Black Belt is not a territory having fixed, natural, easily recognizable limits; it is an artificially constructed area, made large enough to be continuous but small enough to show a small Negro majority. It embraces within its confines only 63% of all the Negroes in the South and only 44.6% of all the Negroes in the country. By the employment of such reckoning it would be easy to carve out any number of continuous territories in the United States on which oppressed racial and national groups could determine themselves.

The Communists suggest no way in which this Free State is to be achieved, but since self-determination involves a voluntary separation on the part of the Negro and white population it may be reasonably assumed that the decision will be made by a plebiscite. In such a case it is hard to understand why, in a South still admittedly ridden with the most virulent race prejudice, the white workers should be expected peaceably to concede a point to Communist computation and submit to Negro rule in 211 counties in which they form absolute majorities. A good case could be made for the inclusion of these counties in the White Belt instead of their arbitrary annexation to the Black Belt. There is as much reason, indeed more, that they be under white domination than under black.

Communists justify their use of the county as the starting point of self-determination (Browder has questioned the divine origin of the state boundaries) on the ground that the white plutocracy during the Reconstruction period so gerry-

mandered the black population in the counties as to render the Negro politically impotent. The Negro was segregated to enable the white ruling classes to dominate in states where a solid black vote might have prevailed over a split white vote. Yet now the Communists stoop to the use of the same reprehensible political artifice of gerrymandering in order to eke out a continuous area on which to erect a Negro Republic. It is really too much for even Communists to expect that when the plebiscite is taken to determine the furthest boundaries of the Negro Free State that only those counties designated by the Communists (402 in number) will be permitted to vote so that the expected Negro majority may be returned.

It is difficult to see, also, how the introduction of the extraneous question of artificial boundaries would contribute to a solution of the Negro problem or cement the solidarity of Negro and white workers. We are warned by James Allen that anyone dissenting from this Communist folly—"any unwillingness to recognize the basic territorial unity of the Black Belt, amounts to an acceptance of the policy of American imperialism toward the Negro." As Norman Thomas has pointed out the attempt to set up the Negro Republic would be a gratuitous incitation to race war. "Communist good intentions about Negro rights cannot justify shocking bad judgment."

Along with the great Northern migration of the last decade there has occurred also a steady trek of black workers from the farm to the city. Within the last decade Tennessee became the first Southern state in which a majority of the Negro population lives in cities. Today 63% of the Negroes of the South still live upon the land and though the depression has largely stopped the movement to the urban centers there are no signs of a back to the land movement. The farm offers little or no hope to the many impoverished Negroes who are without the elementary means of subsistence, to say nothing of the needful capital. Millions have not even the money necessary to finance the move back to the farm, much less to set themselves up in operation there.

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With agriculture paying normal returns there would be multitudes of landowners willing and anxious to finance such a return to the soil, but at present most of them would prefer to be relieved of responsibility for such tenants as they still have. Few have the disposition to take more on.

This marked migration from the land to the cities, together with the Northward movement of the Negro, cannot but have a profound effect on the future of the Negro. The Negro's heritage of slavery was nurtured in isolation upon the land; as he is brought into the industrial struggle in the cities side by side with his white brothers that heritage of submission, fear and religious superstition is broken. The proletarianization of the Negro means the breaking of the color line which could be preserved as a prejudice to divide the workers only so long as the Negro remained segregated. The city Negro merges into a larger group, the working class, and finds his allegiance there. This constant historical factor which is slowly but surely forging the solidarity of black and white workers is slighted by the Communists in their haste to emancipate the Negro at a stroke by the erection of a Negro Free State.

Assuming, however, that self-determination of the Black Belt were a possibility, would it be desirable at this time? We must remember that self-determination is an immediate demand and involves economic and political independence and not mere cultural autonomy under a Socialist regime.

Any self-determined Negro Republic in the South would today be a capitalistic republic. Given the boundaries of the Black Belt (artificial and not natural boundaries) the Negro Republic could not stand alone; it could not maintain itself as an economic unit. The Negro is **generally** in a majority in the **smallest** counties, those between 5—35,000 population. He usually lives in the poorest localities, in regions removed from the large urban centers of wealth. The Negro Republic in the Black Belt would have few resources and almost no industries. Economically it would be **dependent** upon the surrounding white territory; in effect it would be a vast labor reservoir drained economically by the United States. Sooner

or later recourse would be had to "Anschluss". Little of the land would be owned by the Negro workers just as little of it is owned by them today. The Negro worker would have improved his condition only in that he was now being exploited by a Negro instead of a white bourgeoisie. The Negro would have a "homeland" and the bonds between him and his Negro masters would be drawn tighter by a common devotion to a newly awakened nationalism. The class struggle now being forced upon the consciousness of the Negro by the exigencies of his present lot would glimmer away in the roseate vision of a Negro New Jerusalem. The Negro worker would compete **nationally** with the white worker, a process involving trade barriers, jingoism, etc. The color line so far from having been removed would exist in a more aggravated form. The Southern Negro with his newness to modern industry and his present low standard of living would be the object of a national prejudice. The growing solidarity of black and white workers involved in the process of industrial assimilation would be cut short by the isolation of the Negro in his own state. The democratic privileges achieved by the Negro would leave him no freer than the white worker is today. (Why is it that Communists cry most loudly for democratic rights the value of which they later decry most vehemently?).

The Communists resent criticism of Self-Determination of the Black Belt which shows the demand to be objectively just another scheme for settling the Negro problem by segregation. True, the right of self-determination does not involve forcible separation of the Negro in a Jim-Crow State in the South, but the net effect is to isolate the Negro from the white masses, and whatever the idealistic motive, the reprehensible effect remains. The Negro is admittedly the most exploited labor group in the United States, but instead of being in any way isolated from his white fellow workers he should be brought into closest contact with them so that he may learn from them. When even the zealots of the Communist Party find it hard to extirpate "white chauvinism" (what in bourgeois parlance is called race prejudice) from

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their ranks it is unreasonable to expect the white worker in the Deep South suddenly to slough off an "ingrained" white superiority and submit easily to Negro rule in the Black Belt. To say the least, the whites would withdraw from the Negro territory, even as they do today in the North whenever the Negro grows too populous. The upshot of self-determination at this time would be segregation for the Negro and a change in pigmentation of the skin of those who skin him. Such isolation would in effect keep the Negroes backward while the white workers struggled hopelessly forward without them. The erection of national boundaries about a Negro Free State would obstruct the free intermingling of white and black workers and militate against their discovery of their common economic interests.

Self-Determination of the Black Belt was first proposed in 1928 by the Communist International which called upon the Communist Party of America to come out "openly and unreservedly for the right of Negroes to national self-determination in the United States." The American Communists "although willing to accept almost anything emanating from Moscow, were somewhat more acquainted with American conditions than are the omniscient theoreticians of the C. I." As if to apologize for the folly of the scheme, the American Communists made it clear that self-determination could not be recognized under capitalism. But the Comintern prevailed—as it always does—and the slogan was forced upon the native party as an immediate demand. "Failing to understand the factors responsible for the indifference of the American worker, black and white, the Communists are forced to run from pillar to post, with an eye to any dissatisfaction that can be seized on for its revolutionary possibilities. (Harris and Spero, *The Black Worker*.)"

B. The Socialist Solution

The Socialist approach to the Negro problem, if it lacks the romantic appeal of the Communist view, possesses a greater sanity and realism. The Socialist understands clearly that the Negro problem is basically a labor problem and can find its eventual solution only on the industrial field. He

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rejects Self-Determination of the Black Belt as a special pleading for only a section, albeit a most oppressed section, of the working class. As Norman Thomas has said: "What the Negro wants and needs is what the white worker wants and needs; neither more nor less. That is what we Socialists stand for." In this he was iterating Debs' view that "we have nothing special to offer the Negro, and we cannot make special appeals to all races. The Socialist Party is the party of the whole working class—the whole working class of the whole world."

And yet though the Socialist recognizes the common interests of the black and white workers upon the economic field, he recognizes also one great undeniable difference. That is the persistence of the color line. The Negro problem as well as being another facet of the class struggle is also a racial problem, though this racial antipathy is itself explicable by economic determinism. Besides the oppression of the Negro worker as a worker there is also race prejudice and race discrimination against Negroes in general—Negroes of all classes,—as exemplified in the Jim-Crow car, Negro exclusion from public places and white prejudice against the Negro in the skilled trades and professions.

All this special color discrimination is, however, founded on ignorance, stupidity and the will of the masters of both black and white workers to keep their prejudices alive. Often this prejudice is stirred up and fostered by the owners of industry to keep the workers divided. Similar deep-grained prejudices against not color, but nationality, have existed, but they have been successfully conquered. Originally "the Irish workers who came to New England were regarded by the New England aristocracy as a servile class. Many native workers shared this prejudice. The skilled trades and professions were closed to the Irish immigrants. They were shunned in politics. Most of them being Catholics, their churches and convents were burned. They were the victims of mobs.

"But the Irish people in New England braved all this ignorance and prejudice, and slowly beat it down. They have

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so emancipated themselves from it, that in many sections of New England there is danger that they may persecute others . . . They have won the respect of their old enemies and even their fear. They have obtained **power** and this always wins respect.

"The anti-Irish prejudice was once as deeply rooted as the anti-Negro prejudice today. It helped to keep the workers divided as Negro prejudice today keeps the workers divided. When the workers are divided it means weakness for them. The white worker may not be as weak as the Negro, but he is much weaker than he would be if both white and Negro workers were united for their common interests. (James O'neal, *The Next Emancipation*).

Thus the Socialist solution of the Negro problem is inherent in the day to day emergence of the South from its semifeudal state. The industrialization of the South and the proletarianization of its population dissolves the prejudices and traditions based upon a system of chattel slavery. The Negro's abject peonage and isolation from other workers ends as he is drawn into the mill and manufacturing towns. To raise the slogan of self-determination when Southern labor is just beginning to stir is to focus the attention of the Negro worker upon a national question common to him and to the Negro bourgeoisie, and creates a soil favorable for the propaganda of "harmony of interest."

To say with Thomas and Debs that Negro workers demand no more than white workers does not mean, as Communists have declared with a modicum of logic, that we must therefore "refuse the immediate struggle for the release of the Negro from his special oppression." It means merely that Socialists must be ready to wage a longer and harder fight to help Negro workers obtain social and economic equality than is required to get them for white workers. The special oppression of the Negro does not argue a **special demand of self-determination for him**; it implies only the need for an **intensification** of the fight in his behalf. If we were to make special demands for all oppressed national and racial minorities in the United States we should soon lose the class

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struggle in the scuffle. The ramifications of the self-determination doctrine in so polyglot a country as the United States, colonized by immigrants from all corners of the earth, are innumerable. Forsooth the Negro is the **largest** oppressed minority in the United States, but can we therefore deny self-determination for the various Indian nations in the Western "Red Belt" or the Jews and Orientals in the "Semitic" and "Yellow Belts"? Certainly these and other minorities deserve "special treatment."

Chief among the serious tasks of Socialists is the fight against Negro discrimination in the trade unions. The bulk of union labor in America, the American Federation of Labor, though it has deleted the "American-white clause" from its constitution and has called upon its member bodies to do likewise, has done little to assuage the Negro's grievance against organized labor when he knows that the majority of the national unions adhere tenaciously to an exclusion policy based upon race discrimination. As Owen Chandler has put it: "The white employers and capitalists have placed the Negro both into the industries and consequently into the unions, while the white trade unions have kept the Negroes out of both the unions and industries so long as they could. This question must be faced by labor leaders and organized white workers. The Negro may not be able to state the philosophy and theories underlying the situation, but he is well aware of the fact."

The Negro, because of his newness to industry, his enforced ignorance and inertia growing out of long isolation, has been for long the potential scab. Union discrimination has done much to increase that menace. The colored worker has come to "welcome individual bargaining as a type of freedom highly desired when compared to his union's benevolent hamstringing." Since white workers ostracized him and kept him out of a job, the Negro walked in and took their jobs when they went out on strike for higher wages or better working conditions. The Negro fought the white workers when they sought to molest him. And could anyone blame the Negro? "Needless to say the employing class has

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been the beneficiary of this policy of Negro labor exclusion. It is indisputable that Negro labor's foothold nearly everywhere has been secured by scabbing . . . In the United States less than 4% of the Negro labor is organized labor. Fully 16% of the working class in this country are Negroes. No genuine attempt by organized labor to wrest any worth while concessions from the employing class can be secured as long as organized labor is indifferent or in opposition to the organization of Negro workers." (T. E. Hill, quoted by Abram L. Harris, Jr., in an article "The Negro and Economic Radicalism," *Modern Quarterly*, Vol. 2, No. 3).

Union discrimination against Negroes as in their organization in separate locals, is particularly venomous in its effects. It firmly intrenches the Negro's suspicion that his best interests lie in the open shop or in co-operation with the Negro bourgeoisie in constructing racial commercial enterprises for self-employment and racial self-help. "The Negro feels that discrimination or segregation by the labor unions is in no way comparable to that which occurs in public conveyances and buildings although prompted by the same motive. The latter is forced upon him by laws in the enactment of which he has no voice. In the former case he feels at liberty to join the union or remain to himself." (Abram L. Harris, cited above).

That such discrimination can be overcome, that the Negro's confidence can be won, is evidenced in the history of the United Mine Workers which has freely admitted Negroes and given them responsible positions. So also the Amalgamated Clothing Workers and the needle trade unions. Educational spade work and the induction of the Negro into machine industry and the class struggle will bring the solidarity of white and black workers.

The Socialist Party must therefore take the lead in agitating for industrial unions into which the Negro will be freely admitted. Craft unionism with its trade autonomy and isolationism will necessarily keep the Negroes separated in occupational groups into which they have been forced by economic circumstances. It is the task of industrial unions to unite

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the workers and align them solidly against the master class. Political freedom can only come for the Negro when he has achieved industrial equality through the industrial unions. Socialists must by dint of hard educational work and example convince the American labor movement that the struggle between white and black workers is suicidal, and that in resisting the economic and social growth of the Negro the unions obstruct their own interests. Socialists must convince growing Negro radicals that their only hope in the future lies in joining hands with the democratic Party of the workers for the curtailment and abolition of the economic exploitation of all workers. This cannot be done by crackbrained slogans of self-determination which serve in fact to disunite and retard the growing solidarity of Negro and white workers. In the South, in strikes and court actions, we see the beginning of the union of white and colored labor in behalf of their common interest, breaking the artificial barriers of race and nationality erected by the unproductive classes to divide them. "What is wanted is not a 'white' South or a 'black' South, but a working class South and a working class North."

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Articles by Harold J. Laski, J. B. Matthews.

The Socialist Party and the Labor Movement

POWERS HAPGOOD

ONE of the most important problems facing the Socialist Party is its relationship to the labor movement as a whole, including the existing craft and industrial unions, the organized unemployed, and the unorganized groups of workers and unemployed who are potential members of some type of organization. The problem roughly falls into two parts: first, the relationship of the individual Party member, and second, that of the Socialist Party as a whole, to the labor movement.

In the first place, it goes almost without saying that every Party member who is eligible to join a union should be a member of the union of his trade. There still exists in the application for membership in the Socialist Party in some states the agreement "to apply, wherever possible, for membership in a labor union." For some reason, this, as well as the recognition of the class struggle, has been deleted from the application for Party membership. There are today many members of the Socialist Party who are completely indifferent to the unions. The most important principle in the relationship of the individual socialist to the union movement is that a Party member should make it impossible for any trade unionist to refer to him as a non-union worker.

Not only should a Socialist be a member of a union, if he works at an organized trade, but he will not be content with merely paying dues. He will be active in the affairs of the union. When his union is engaged in a strike, he will not allow the burdens of picketing, raising relief, providing shelter for evicted families, engaging in free speech fights, or keeping up the morale of his fellow strikers to be largely borne by others. Far from doing merely his share of these necessary activities in strike time, he will be always on hand,

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helping to do whatever is to be done in the conduct of the struggle against the exploiters.

In times of comparative quiet, the Socialist member of a union should be active in helping carry on the work of his union. Among other things he should try to initiate militant but realistic policies in union tactics. One of the most necessary of these is insistence on the part of the union that any employer with whom it has a contract will recognize the union at all his plants where a majority of the workers are members of the union. When employed several years ago as an organizer of the United Mine Workers of America, I saw an effective strike of thousands of miners for union recognition in Pennsylvania lost because the companies were permitted to sign contracts with the union in other states, thus earning profits in their union mines to employ scabs and gunmen to defeat the strike at their other properties. As soon as the strike was broken by this means in Pennsylvania, they were in a position to repudiate their contract with the union in the other states. This policy caused the annihilation in all but three or four of the coal producing states of a union that was once the largest organization affiliated with the American Federation of Labor. No good Socialist, who was also a member of the United Mine Workers, could refrain from trying to change a policy which eventually wrecked the miners' union. Yet at least one comrade high in the leadership of the Party has referred to those in the U. M. W. of A. who tried to change this suicidal policy as being "anti-A. F. of L."

The Socialist member of a union should also try to initiate progressive educational policies within his union. He should help arrange forums, get Socialist and progressive speakers at union meetings wherever possible, and help start classes in Marxian economics. He should not, as several Party members did last summer who were delegates to the Chicago Federation of Labor, sit meekly by while a motion is passed inviting candidate Roosevelt to be the Labor Day speaker of the Federation without even suggesting that the Socialist Presidential candidate be invited also. The courage to stand alone at times, or in a minority of two or three, in a debate or vote within one's union is a necessity. It is, of course, wise

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for a Socialist to avoid becoming a bore by taking the floor on every possible occasion, but there are too many Socialists prone never to take a stand in their unions on any contentious issue.

Above all, the good Socialist will never, under any circumstances, tolerate the suppression of democracy and fair play within his union. In the obligations which newcomers take in many of the A. F. of L. unions appears this sentence, "I will defend freedom of thought, whether expressed by tongue or pen." From time to time, however, in many unions members are expelled or even beaten and prevented by force from expressing their views because they conflict with those of the officials. It is the Socialist's duty to help in free speech fights within his union as well as in similar fights with capitalist authorities.

Unfortunately there are some Party members who condone or by their silence acquiesce in undemocratic practices of various kinds. Any member of a union, whether Socialist or non-Socialist, has the right under the constitution of his union to engage in the discussion of policies and the election of officers within his organization. One is not opposed to the organization merely because he wishes to change the leadership. For a Socialist, especially a leader of the Party, to say that another comrade is "anti-A. F. of L." because he fights suppression of democracy or racketeering within his own union or wants to change the leadership for any other reason, is certainly not worthy of the Socialist Party. As a matter of fact it is only those members of the American Federation of Labor who fight racketeering and suppression of democracy where such exists that are in favor of the A. F. of L., because those who even acquiesce in dirty tactics are helping to destroy the organization.

Under no circumstances, however, should Socialists ask for the floor in unions that they do not belong to urging the changing of leadership. It is not wise for a Socialist to try to change the leadership even in his own union just because that leadership does not happen to be composed of Socialists. If it is clean and honest as well as militant on the economic field, and tolerant of others on the educational and political

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fields, it is useless to challenge the control of an organization. Socialists nor any one else should meddle in the purely internal affairs of unions to which they do not belong.

Comrades and other members of unions, however, are sometimes accused of meddling in the internal affairs of unions to which they do not belong when as a matter of fact they are not trying to influence the union on purely internal matters. For instance, it is not merely an internal affair of one building trades organization if it wants to remain at work on a building that the other building trades unions have decided for one reason or another should be struck. If a member of one union, Socialist or not, wishes to obtain the floor in another to urge its members not to hamper a strike in which he is interested, such action should not be called "meddling". The same thing would apply in the case of a general strike, if at some time in the future such a strike should be called by responsible labor organizations with some chance of success. To say that members of one union should not approach those of another to join the strike would be to admit the unwisdom of united action on the part of labor organizations. The same reasoning, of course, applies to education on the principle of working class political action. When Socialists are invited to speak on the subject of Socialism or the need of building the Party before labor unions of which they are not members, it is certainly good Party tactics to accept. At times, when there is a reasonable chance of obtaining the floor and leaving a good impression upon a majority of the members, a Socialist should even ask for permission to speak in other unions upon the subject of the Party program.

Much has been said in recent months about the attitude of various Party members in regard to the Progressive Miners of America and other so-called "outlaw" organizations. While it is obvious that in most cases dualism as a tactic is ineffective and that Socialists should not, except under extraordinary circumstances, recommend secession movements, it is nevertheless my opinion as an individual that it is not the business of Party members to act as judges as to the "legitimacy" of any union. If Party members are working in

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a trade where a split has occurred within the union, they should support by their membership or certainly by their participation in strikes whatever union the great majority of the rank and file of that industry wants. If practically all the unintimidated miners of a great coal producing state decide that they want one union instead of another, that is their right whether or not we believe dualism in that particular case is wise or not. When they go on strike Party members should help them raise relief just as they would help the United Mine Workers in a similar situation. In my opinion as an individual, Party members should support strikes of the Progressive Miners in Illinois just as they should support strikes of the United Mine Workers in Indiana or at Wilder, Tennessee, where the local miners are members of U. M. W. of A.

If the Socialist Party is a working class organization instead of one composed of intellectuals, we will not refuse to support the strikes of unions that the rank and file want merely because some official calls them "outlaw". After all, who is to be the judge of an "outlaw" organization? Are there any Party members who would refuse to support a strike of the Amalgamated Clothing Workers just because the United Garment Workers is recognized by the Executive Council of the A. F. of L. as the official union? Incidentally there have been just as many strikes conducted by the Amalgamated which were declared "outlaw" by the United Garment Workers as there have been by the Progressive Miners. Would we refuse to support a strike of the four transportation brotherhoods? Then why refuse to raise relief as an organization for a strike conducted by a large section of the Illinois miners and call those comrades who would like to do so "novices" and "anti-A. F. of L."

In the great strikes of the unorganized workers for union recognition that take place from time to time, Socialists who wish to be helpful have a great opportunity. The standards of individual Socialists in these situations differ but little from those already mentioned in respect to organized trades, but the policy of the Party as a whole will necessarily be somewhat different. In the interest of brevity, the relation of the

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individual Party member to the Unemployed Movement will be considered at the same time as the policy of the Party in regard to the unemployed.

While there is much more that could be said on the relationship of individual socialists to the labor movement, lack of space forbids the spending of any more time on this angle of the problem. Even more important is the policy of the Socialist Party as a whole on this question.

At the 1932 convention of the Socialist Party, the Organization Committee included in its report a section urging the creation of a Labor Committee and defining what it considered to be the committee's duties. The report was as follows:

"A labor committee is to be elected by the National Executive Committee but including other than N. E. C. members. Members shall employ a permanent secretary. The purpose of this committee shall be to coordinate the work of the party in the industrial field, and these activities shall consist of the following:

- a. The success of the Unemployed Unions in Chicago and Seattle has indicated of what importance they can be to the Socialist Party. We therefore suggest that this work be pressed vigorously.
- b. To form strike relief and defense machinery on a permanent basis to be administered by and in the name of the Socialist Party.
- c. To assist in strikes by securing organizers, speakers, and aiding in publicity in conjunction with the organizations conducting such strikes.
- d. To supply information to the party and its branches of industrial situations where they could be useful."

This report may well serve as a basis for discussing the relationship of the Party to the labor movement. One of the most urgent tasks of the Party is to create permanent strike relief and defense machinery. This will probably be one of the first acts of the newly created Labor Committee and its secretary as soon as the finances are raised for it to begin its work. In the past the Emergency Committee for Strikers' Relief has done valuable work in raising relief for strikes, but

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the money raised was not administered by and in the name of the Socialist Party. Thus an opportunity for creating much more enthusiasm on the part of Socialist locals and branches was lost. Also the Party as a whole did not receive the organizational opportunity that it would have in the strike fields if it was active as an organization in the administration of relief for the purpose of winning the strike.

Every strike or struggle of labor, farmers, or the unemployed usually has its victims, who are persecuted by capitalist courts because of their activity in the labor movement. In some cases they are Party members. In others they are workers and farmers who may have had little training in political thinking but have just suddenly found themselves in the midst of a struggle for the maintenance of what little standard of living they have had. The Party has always given what assistance it could to class war victims, but in almost every case the machinery had to be set up after the arrests were made. It is for this reason that the International Labor Defense has so often jumped in before anyone else, sometimes running the defense as propaganda for the Communist Party rather than with the end of securing the release of the prisoners. The American Civil Liberties Union, which is the other permanent defense organization and which has done such good work in its field, is concerned only with civil liberties rather than the defense primarily of active fighters in the labor movement. The importance of having permanent defense machinery for our own members as well as our friends outside who may be arrested in the future is obvious. As the menace of Fascism comes ever closer to us, this permanent defense machinery will be all the more necessary.

The recent automobile strikes in Detroit, especially the one at the Briggs plant, are examples of revolts by unorganized workers that will increase in importance as the collapse of capitalism becomes more acute. Socialists were active in this strike, but the activities of the volunteer organizers there would have been more effective if the Party organization could have given them more help and direction in the way of securing organizers and speakers, financial assistance, and

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aiding in publicity. Every strike of this kind, as well as those conducted by long existing organizations, welcome speakers to give enthusiasm to the strike. The Socialist Party should take to itself responsibility for seeing that speakers and other aid is given strikes, especially in out of the way places far from the centers of organization.

Organizations of the unemployed have grown rapidly in all parts of the country. New ones are rapidly springing up. Some are merely barter and exchange organizations, which may have a tendency to stabilize poverty, but others are militant unions of the unemployed with a program of securing better relief, resisting evictions, and organizing against capitalism. In many of these organizations Socialist influence is strong, but as yet there is not a unified policy within the Party as to the tactics that Socialists should use in these unemployed groups. A discussion of tactics in unemployed organizations is too long a subject here, but the Party, probably through the Labor Committee, should formulate a policy for its members.

While farmers' organizations have hitherto not been thought of generally as part of the labor movement, they are rapidly becoming so. Recent milk strikes have shown that co-operation can be built between farmers' organizations, organized labor, and the Socialist Party. In Iowa farmer members of the Socialist Party have been arrested. They must be helped in their defense by our Party. This may well be part of the Labor Committee's work.

Finally the Party, through its Labor Committee, should supply information to Party branches and members about situations in the labor movement in which they should interest themselves. It should call upon its members to be more active along the lines suggested in the forepart of this discussion. As a practical demonstration of interest, the Party as a whole and its members individually should aid in every way possible the creation of a fund for the use of the Labor Committee in carrying on its work as outlined by the Organization Committee of the last national convention of our Party.

Roosevelt

DAVID P. BERENBERG

THE Roosevelt myth grows. In the New York subway cars the slogan "As Right As Roosevelt" has appeared. The papers are daily filled with encomiums on his greatness. The rise in the stock market, the increase (pathetically small to date) in production, in employment, and in wages, whatever improvement occurs in international relations,—are all laid at his door. It will not be long before all the blessings of nature will be attributed to him. This is the day of his rising star. He will go the way of all folk heroes.

A more objective examination of his accomplishments can hardly be said to justify the enthusiasm that he has awakened. Now that the banking holiday is over, 80% of the banks have reopened. Little by little the others are being reorganized, but there is no assurance that all will open. Between \$3,000,000,000 and \$5,000,000,000 are still tied up in banks that may or may not eventually reopen their doors. Worse, there is no banking legislation in sight that will give the nation what it most needs, a centralized bank with governmental responsibility for its operations, and with a rigid elimination of private banking. A measure pending before the House does promise to guarantee deposits within certain limits, but without full governmental responsibility for all banking operations, this measure might in another banking crisis mean the guarantee of money lost in private speculation by the tax payer. And while this measure, the Glass-Steagall Bill is before the House, J. P. Morgan tells the Senate Investigating Committee that the private banker is a public asset, a sentiment with which, so far at least, the government is in basic agreement.

It is now a few months since the Farm Bill was passed.

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It is of course too early to pass judgment on a measure which in its very nature requires a considerable space of time for its testing.

Nobody can know as yet how the Farm Allotments will work, nor how the price fixing schemes will function. Two things are certain: 1, that the farmer himself as evidenced by continued protest over the foreclosure of farm mortgages in Iowa and elsewhere is not looking forward with too great optimism to bonanza benefits from the farm relief law; and 2, the city consumer of agricultural products may confidentially look forward to an increase in the cost of the necessities of life variously estimated at 100 to 200%.

In the early days of the Roosevelt administration there was much talk, and grave talk, of a compulsory federal 30 hour week, and of a minimum wage law. Cool critics of the administration realized that this meant a protracted fight in the Supreme Court to establish the legality of such measures, with every indication that the Supreme Court would turn thumbs down upon them. Nevertheless socialists and even some clear sighted non-socialists welcomed the gesture. To have fought this issue through the courts would have been a tremendous achievement in the education of the **genus Americanus**. This is apparently not to be. The Roosevelt administration seems to have been frightened away from this brave adventure; the counsellors of "reason" and legalism seem to have won the day. Instead of national 30 hour law and a minimum wage law we are to have industrial self-regulation through a federal dictator who will, however, have no power really to dictate. This policy of self-regulation and of permitting industry to work out such questions as the shortening of the work week and the maintenance of wages is a surrender to Hooverian principles.

Beer has come back. We were told that this would mean a vast increase in employment and greatly increased revenue for the government. Statistics as to increased employment directly or indirectly through the return of beer are not available. It is fair to assume that the increased employment and wage figures which amount to from 3 to 4% in the large in-

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dustrial states in April and in May include the men and women directly and indirectly employed in the manufacture and distribution of beer. Perhaps in time this figure will increase. In the meantime it is well to note that while there have been small increases in the number employed and in payrolls in May as compared with April, the figures for both these months are markedly lower than for the corresponding months in 1932. Where the putative payroll increase is concerned the improvement must be discounted by the moderate inflation that followed upon the abandonment of the gold standard, which more than wiped out in purchasing power the pitiful gain of 3 to 4%. Insofar as federal revenue is concerned, the return of beer must be counted a disappointment, in spite of the loud hurrahs of the brewers and of the administration. The total revenue for the first month amounted to \$9,000,000. This would seem to indicate an annual revenue of approximately \$110,000,000. Analysis however indicates that this figure is too large. The nine million for the first month include license fees which will not be repeated for twelve months, and reflect besides an interest in beer which was largely the result of ballyhoo but which closer acquaintance with the 3.2 product has already served to quench. 3.2 beer is a poor thing. The revenues to be derived from it will reflect its poverty. At best, the 110 million dollars which the government may hope to gain from beer does not by half meet the expected quarter of a billion which we were promised.

Hence, the present worry in congress about taxes. The House has rejected the sales tax and has increased the normal income tax rates, while the surtaxes remain the same. In the meantime we hear that neither J. P. Morgan nor any of his partners has paid an income tax in 1931 or in 1932. True, this circumstance cannot be laid at the door of the Roosevelt administration. On the contrary, we owe it to the fumbling good intentions of the administration that such facts are at last beginning to come to life. The discovery may lead to a revision of the entire income tax law and may end at last the whole principle of permitting exemptions for the manipulation

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of capital losses, although it is difficult to see how evasions of this type can be guarded against. What we may expect to see, is some clumsy experimentation with the capital levy. In the meantime the budget is not balanced. Deficits grow and expenses increase. Through the increase in the income tax in the lower brackets vast sections of the population will be called upon to pay additional levies to the government in the name of re-employment; this in addition to the increase in the price of food-stuffs already pointed out above.

The Roosevelt administration, like that of the older Roosevelt, knows the value of a good show. The best performance in recent years, exceeding in humor even the Teapot Dome investigation and the Seabury revue, is now in progress in Washington. J. P. Morgan, Jr., is telling us how he runs the country and how little the law means to a private banker who has his own code of ethics. So far he has managed to implicate Mr. Woodin, our Secretary of the Treasury, who has the power to open and close banks, Mr. Norman Davis, who is entrusted as Ambassador-at-large, with the maintenance of peace, Mr. Raskob, whose property interests in the administration may prove to be enormous, and, of course, Mr. Owen D. Young, not to speak of hundreds of minor officials and politicians.

So soon as the Senate investigation began really to disclose important matter, Senator Glass launched an attack on the attorney for the committee, Mr. Pecora. Mr. Pecora is of Tammany Hall; it ought not to be hard for Senator Glass to find something unpleasant and inconvenient in his record. It is hard to see what this will profit the Senator. Even his attack on Mr. Pecora has permanently identified him in the popular mind as a Morgan henchman.

Congress has passed and the President has signed a Securities Bill which is intended to prevent the defrauding of the public through the issue of worthless stock. All enterprises floating stock issues for public sale are to be required to furnish correct information concerning the financial status of the business. In the face of misleading bank statements it is difficult to see what benefit will be derived from such a law.

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It is the easiest thing in the world to issue a correct and misleading statement. The administration, according to its publicity staff, expects great results from this law. This betrays the fundamental failure of the administration to grasp its problems. It typifies the usual pursuit of unconsequential matters and the intentional neglect of the real issues.

A month ago we heard much of inflation. A mild inflation is with us. When the nation went off the gold standard the price of the dollar in terms of the pound and the franc fell approximately 11%. There was an immediate rush upon the part of investors with money in bonds or in the bank to get out of bonds or cash and into industrial investments and commodities. This has given a fillip to the commodity markets and the stock market. Commodity prices have risen, sometimes in excess of the approximately 11% margin which would have equalized them with the previous gold dollar levels. Similarly the stimulus given to the stock market has gone on and a minor boom is in progress. In fact, the holders of commodities bought at low prices, of stocks bought at depression levels, and the stock brokers, have been the only ones thus far to benefit by the Roosevelt measures. In this direction the administration is gambling. It hopes that the jolt-in-the-arm stimulation of the stock market will carry over an act as an impetus to production and so to employment through the development of further purchasing power. This is another will-o-the-wisp, a long chance. It is very doubtful whether the administration of the inflation stimulant will in the long run accomplish more than the previous credit inflations sponsored by the Reconstruction Finance Committee.

Inflation proper has not yet been tried. It is not likely that the Roosevelt administration will make much use of the powers of controlled inflation recently bestowed upon the president. Not unless the situation becomes desperate.

Of the 250,000 men who were to be put to work at \$30 a month in labor camps for reforestation purposes, it is now reported that some 90,000 have been enrolled, and that enrollments are proceeding at the rate of 10,000 a week. In passing let it be noted that insofar as the total unemployment

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figures show, this rate of reemployment hardly takes up the slack. It was at first planned to give these men a military regime. When protest against militarization of the unemployed arose, we heard less about the employment of army officers to supervise the reforestation work. Now it is announced that the three or four thousand army officers who were slated for the camps, will not be retired but will be transferred to the reforestation camps for supervising the work. Does this mean that this army of 250,000 is to receive military or even semi-military training and that what is intended as a measure to relieve unemployment is being transformed into a measure for the surreptitious creation of a reserve army 250,000 strong? In any case it is clear from the many desertions and changes of heart, that the unfortunate enlistees in the reforestation corps are not exactly lying on a bed of roses.

In international affairs the Roosevelt administration seems to be expending its energy very largely in the continuation of the policy of talk and hokum. While the British government and the French government pointedly expressed themselves on the question of Hitler's treatment of the Jews and on his suppression of all political opposition, the Roosevelt government was ominously silent. It contented itself with watchful waiting. Dr. Rosenberg, the Nazi errand boy with the suspiciously Semitic name, was able to say that while Sir John Simon treated him very brusquely, he was able to get along very well with Norman Davis. Too well?

Roosevelt's speech about war was hailed the world over as a great contribution to the cause of peace. In a sense it was, in that it dispelled for the moment the strained situation that had arisen between Germany on the one hand and England and France on the other. It also gave Hitler a much needed opportunity to reconsider his position and to deliver a speech, reputed to have been written by Bruening, in which he all but retracts his own former truculence. But if the Roosevelt administration and the world, delude themselves with the belief that the Roosevelt charm, and the magic of the Roosevelt words have permanently checked the war danger,

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or the Hitler insanity, they will be sadly deceived. The Wilson administration fell under the spell of its own fine words and glittering ideals. We all know what they led to. The Roosevelt administration, which in so many things is following in the footsteps of the Wilson regime, may in this too lead us with the best intentions in the world into another war.

What is left of the administration is the myth. It may very well be that the depression through natural processes has reached the bottom of the trough and that the present mild upward trend is a true indication of solid economic recovery. If it is, the myth will live long that it was the measures of the Roosevelt administration that brought fair weather. We shall then never be able to convince the casual man that the same measures would have been damned as subversive of all that is good and sound, had the depression continued. It ought not to be difficult for a socialist to think his way through the convolutions of the Roosevelt mythology. Should on the other hand the depression continue in fact, the poverty of the Roosevelt concept, of a planned production within the limits of the capitalist property and profit economy, will become evident. The pseudo-communism of his brain trust, and more particularly the pseudo-Machiavellianism of one of its members should be recognized for what they are: the last and desperate effort on the part of people who realize that the capitalist system is doomed, but who cannot emotionally reconcile themselves to the destruction of the capitalist class to which they belong, to save that class by causing it to accept a voluntary reduction of powers. Some socialists are bound to fall victim to the charms of a self limiting capitalism, but the well grounded socialist will know that capitalism never limits itself and that the neo-Rooseveltian era will not bring a solution of our problems.

In the meantime, despite the rise in stock and commodity prices, despite beer and psychology, despite minute improvements in wage and employment figures, there are still 12,000,000 or more without work, the danger of war still threatens, the dead hand of the mortgage holder continues

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still to squeeze the farmer. The Morgan disclosures tend only to reveal to us the vast power and scope of the dead hand. The masses will ultimately realize that they have once more been swindled. The Morgans, the Roosevelts and the less naive members of the "Brain Trust" expect the development of this mood of disillusionment, and confidently hope to channel it into a course that will prove harmless to them and their interests. If necessary they will establish a "Dictatorship" which will wipe out the last vestiges of mass rights and powers, but which will leave the basic property concepts intact.

The question for us to decide is: Shall they be permitted to carry out their intentions? Is it our task, for the Socialists, to channel the disillusionment that is sure to come into a different course? If there is to be a Dictatorship, why should it not be a Dictatorship of the workers which will preserve and increase the rights and powers of the masses and wipe out the last vestiges of the existent property concepts.

The economic policies of the Roosevelt administration, including the National Industrial Recovery Act, will be analyzed by Henry J. Rosner in the next issue of the Quarterly.

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Recent Social Trends in the United States

REPORT OF THE PRESIDENT'S RESEARCH
COMMITTEE ON SOCIAL TRENDS

A SUMMARY

HARRY RISEMAN

THE first real attempt by any advanced capitalist country to take an inventory of its own activities is described in the report of the President's Research Committee on Social Trends. All phases of life are discussed in detail by research men of ability and scholarly standing. Its more than 1600 pages are literally crammed with factual data covering every conceivable aspect of American life. We have before us the dissected body of the social organism known as the American people. Although it is obviously impossible to even summarize each of the twenty-nine chapters of this two volume report, it may be possible to pick a sentence here and a sentence there and thus be able to view this report from a Marxian perspective.

We may be committing an unpardonable sin by commencing with Chapter V which deals with "Trends in Economic Organization" rather than Chapter 1 which discusses "The Population of the Nation." The committee was impressed by what it calls the "huge and uncalculated consequence" of the World War.

This great catastrophe—the war—has been the dominating influence in the economic life of the American people since 1914. It not only stimulated the production of commodities but also made possible the increased use of an ever changing machine. In the pre-war period the chief factor in expanding production was an enlarged body of workers. The post-war

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period, either because of the cessation of immigration or because of relatively high costs of labor, was characterized by the development of the machine. For the first time in American history during the years from 1920 to 1929 the labor force of the manufacturing and rail transportation industries actually declined. At the same time there was a decided increase in the number of workers employed in the sale and distribution of commodities.

This technological revolution not only rationalized industry but also brought in its wake industrial combinations and mergers. Today this huge machine is owned by a few hundred corporations and able to produce commodities far in excess of our pre-war requirements. Did this change in the machine effect our social, political or intellectual life?

One of the direct results of this revolution is the gradual urbanization of our population. In 1930 the rural population made up less than 44% of the total population as compared with 60% in 1900.

Because of the disappearance of the frontier and increasing social insecurity, the birth rate is falling. There were fewer children under five years in this country in 1930 than in 1920.

The industrial machine could not have made any substantial progress without an adequate supply of minerals. Can the limited resources of fuel and metal continue to meet the burden of an increasing demand? There need be no fear that minerals may become extinct as the passenger pigeon did. Thus far, because of the discovery of new deposits, expansion of transport facilities, and advance of mining technology it has been possible to supply industry with an apparent inexhaustible amount of minerals at decreasing cost. However, that does not mean that this condition will last forever. Already there are symptoms of advancing age in some of our mining industries indicating that they, too, are traveling the same road taken by anthracite and mercury, which ultimately leads to increasing costs. This would result in the search for deposits in new lands or the turning to some substitute. And this of course may lead to wars.

Recent Social Trends in the United States

Capitalism is wasteful. Huge losses result from needless overproduction. Some attempt is being made to control production by various bodies both political and private. "The prospect is clear enough to make the prevention of needless waste a major social responsibility."

American agriculture has been of an exploitative character. Because of the spirit of "laissez faire", little attention has been paid to the land itself. As a consequence millions of acres of land have lost their surface soil through erosion. Although there is considerable room for improvement, agricultural production increased about 27% while crop acreage remained practically stationary and the working population in that industry actually declined. This was due to the substitution of gasoline for animal feed, improvements in animal husbandry and increased utilization of the machine. There are still too many farmers. Agriculture as an industry is yet to be completely rationalized. There has been a steady increase in the proportion of farms operated by tenants as compared to owners.

The machine cannot stand still. It must continue to become more complex. Because of the necessity for change the need for inventions is quite apparent. An invention cannot be made unless the elements which form its base are in existence. The early Romans could not by any stretch of the imagination have been able to invent the automobile.

Today not only is there a need for inventions but we also have the mechanical heritage. More than 400,000 patents were granted in this country alone within the decade 1920-1930. Invention creates a new material environment which is changing swiftly. The inventions occur first, and only later do the institutions of society change to conform with them. Material culture and social institutions are not independent of each other, for civilization is highly articulated like a piece of machinery, so that a change in one part tends to effect changes in other parts but only after a delay. "Man with habits and society with patterns of action are slow to change to meet the new material conditions." That explains why our technology has advanced while our ideology is very backward.

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The advancing machine has also brought about a change in the types of communication. In the post-Civil War era it was the railroads that made possible the continuous expansion of the western frontiers. They furthered the vital industrial development of our country following the Civil War.

Now the automobile is doing that job. In 1921 there were approximately nine million automobiles in this country as compared with over twenty-two million in 1931. That increase explains the prosperity of the period between 1922 and 1929. The rapid growth of automobile ownership and the development of the highway system provides unprecedented motives and opportunities for mobility. The American as a result is fast losing his provincialism.

The machine has created newer agencies of mass impression such as the radio and motion picture. "Although the motion picture is primarily an agency for amusement, it is no less important as an influence in shaping attitudes and social values. Agencies of mass impression subject the individual to stimuli of sight and sound that may serve to make him think and act, in some measure like millions of his fellows." The mass is now thinking as a unit, but as units they reflect the capitalist, bourgeois culture which controls it.

Approximately over 60% of the population share in the nation's work in gainful employment or as housewives. Youth, however, is in the saddle. In 1890, 41.8% of those five years of age or over were gainfully employed as compared to 33.2% in 1930. Employment, however, is not certain. In earlier days an abundance of free land offered opportunity to anyone who might wish to cast his lot with the pioneer. This alternative for the insecure and dissatisfied has now been removed. Unemployment today has apparently become a permanent feature of American life. It is conspicuous in urban districts where factory and construction workers are found in large numbers. The foreign born white and negro workers have fewer chances to find employment than the native born white worker.

With the change in production methods, there developed an increasing demand for trained workers. Consequently it is not surprising to see in 1900 only 630,048 pupils in American

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secondary schools as compared with 4,700,580 in 1930. These new students were being trained for industry. We therefore see a change take place in the curriculum of the high school. More emphasis is placed on science and business rather than on Latin and Greek.

There is a tendency in this country for legislatures to enact laws prescribing that schools teach subjects which are supposed to develop patriotism. Many of our schools are still controlled by local authorities who in the main are professional and business people, likely to favor traditional policies and slow to accept innovations.

Because of the rapid development and centralization of industry the tendency at the present time is for population to concentrate in large metropolitan communities. The super-city finds its progress blocked by artificial boundary lines drawn when the population of this country was primarily agricultural in its habits rather than industrial. Over half of the people of this country at the present time live within daily access of a city of 100,000 or more. The development of these new centers of population have created many new problems. Despite the creation of planning commissions large areas of these new cities are covered with slums.

The cessation of European migration and war demands for labor created a vacuum in the industrial labor market and drew in literally hundreds of thousands of negroes, most of whom were either share croppers or agricultural laborers. In times of prosperity they were welcomed because of their willingness to take undesirable jobs and release the white workers for higher positions. At the present time when undesirable jobs are taken in preference to unemployment there is considerable friction between the negro and white workers.

This changing machine has of course affected the health of the American people. Although the expectation of life, i. e. the average age at death, has greatly increased, "the American people are not enjoying the full extent of their vitality before they die. The high rate of sickness at all ages, except in late childhood and adolescence, is a disconcerting statistical expression of an almost universal experience. The

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available evidence on the prevalence of chronic diseases and organic as well as functional impairments, although incomplete, also reveals that a large proportion of the population is thus rendered more or less inefficient."

Women are entering industry in large numbers. In 1930 21.9 per cent of all gainfully persons, or 1 in 5, were women. This is an increase of 50 per cent over 1880 when women were but 14.5 per cent of the gainfully employed. Formerly the married man assumed the responsibility of supporting his wife and children. Because of the low wages received by many married men, their wives are compelled to work. The number of married women in employment has grown greatly.

Wages received by women factory workers are lower than those of men. Many still consider the job a stepping stone to marriage. To a large extent women as an economic group are in the same position as the alien, the Negro and the Mexican—marginal workers.

The industrial revolution of the 19th century was created largely by child labor. Today, however, the number of child laborers is rapidly decreasing chiefly because the adult is willing to work at very low wages. The income received by the adult has, however, affected the health of the American child. The White House Conference estimated that "there are more than 10,000,000 children who are handicapped in the sense which that term is here used, i. e., children who are blind and partially seeing, deaf and hard of hearing, crippled, who are mentally deficient or disordered, who are suffering from tuberculosis, parasitic or cardiac cases."

What about the worker? How has he been affected by the industrial machine? Some of the direct effects of this industrial revolution upon labor are as follows:

1. A replacement of skilled with semi-skilled and unskilled labor thereby reducing the status of the trained and skilled worker.

2. An increase of unemployment among American workers. Even in the prosperous years 1923 to 1926 the estimated rate of unemployment in the manufacturing, transportation, building and mining industries exceeded nine per cent of

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those gainfully employed therein.

3. The organization of workers into large aggregations of labor. Even before the fact is recognized by the individual workman, association in the shop and factory of large aggregations of labor may, in a democratic country, be considered an inevitable step toward unified and combined action.

4. Real wages are more or less constant. Although real wages for those attached to manufacturing, transportation and coal mining, after allowance for employment, in 1926 was 38% higher than that of 1914 and higher than that of 1890, the terrific decline in real wages during the present depression indicates that the gain in real earnings won between 1919 and 1929 will be dissipated. The worker of 1914 received less real wages than the worker in 1890.

5. The receipt of a wage insufficient to maintain definite real standards of consumption. The average earnings of individual workers are insufficient to maintain their standards of consumption of the staple commodities of food, clothing and the like. It is therefore necessary for their wives and children to enter industry in order to supplement their incomes. The state is also forced to increase its appropriation for outdoor relief for the unemployed, hospitalization for the sick, etc.

6. The failure of the worker to organize into trade unions. With few exceptions the bulk of American trade unions have been strictly craft organizations, limiting their membership to workers pursuing well defined and separate occupations. The five groups of unions in transportation, building, printing, public service and theatres accounted for 70 per cent of the whole membership. The great mass of workers are still unorganized.

Since as we have seen the worker does not consume the commodities he produces and since there is no planning under capitalism, "in a rough sense plant expansion follows consumer demand; actually, however, guided by guesses and plans for capturing the volume market, expansion tends to leap ahead of actual demand; and it often outlasts demand. Once built, on the basis of whatever expectations, correct or

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inaccurate, expanded plant facilities increase overhead and become a compelling stimulus to sales pressure on the consumer."

The manufacturer is therefore compelled, in order to sell his goods, to resort to such merchandising practices as advertising, branding, styling and to augment the buying power of the workers through the extension of consumer credit. Nearly two billions of dollars was spent in 1929 for current advertising which was about two per cent of the national income or nearly \$15 per capita.

The growth of national advertising has brought about an increased confidence on the part of the consumer in package and branded goods. The consumer is fickle. Style, price, quality, convenience shuttle in and out of the picture as millions of citizens make daily purchases. There is a tendency for the worker to spend less of his wages for food. He uses less grain products, spends less for clothes but his women folk like to look pretty. The sale of beauty preparations increased about three hundred per cent from 1919 to 1929.

In the nineties the average American usually belonged to a lodge. Fraternal societies are now facing a decline as leisure time institutions. Their rites and ceremonies have lost much of their former appeal. The motion picture and the radio are replacing the lodge room as a temporary escape from the routine and monotony of daily life. The machine is furnishing its own antidote.

The rise of metropolitan areas has created the need of planning for the development of public recreational facilities on a regional basis. The increased use of the automobile has made possible a greater utilization of forests and state parks. This in turn is forcing upon public attention the need for preserving for public use greater areas of scenic interest in mountains and along lakes and rivers.

The decline of home life and the development of mechanical instruments have caused a falling off in the music actually performed in the home. Between 1925 and 1929 the total value of musical instruments and material produced in the United States dropped from \$164,392,000 to \$77,843,000. In 1925,

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306,594 pianos of all kinds were manufactured, in 1929 only 133,404. Due to the successful ransacking of European galleries by our millionaires, some excellent art galleries have been established in this country. Because of competition, an effort is made by manufacturers to beautify their products or at least have their advertising experts use them as subjects for pictorial poems. There seems to be some interest displayed in art by school children.

More than half of the adult population in this country belong to some religious organization. Women definitely preponderate. Over sixty per cent of adult church members are Protestants. They are inclined to be somewhat skeptical of their own beliefs. The decline of strict orthodoxy has been accompanied by a display of marked interest in economic problems by the various church bodies. Although people are less dogmatic in their religious beliefs, the value of church edifices more than doubled in twenty years. The church apparently is receiving the support of the wealthy. The skepticism of theological students and the interest displayed by many religious leaders in social reform indicate that the intellectual foundation of the church is crumbling.

Most American families because of their inadequate incomes cannot afford to pay for proper medical care. When sick, many people go entirely without proper medical attention. "A considerable proportion of the people of this country are still suffering from a multitude of preventable defects, disabling diseases and minor ailments." A large number seek the aid of quacks or else patronize the corner drug store. There has been some talk about compulsory state health insurance but as yet nothing is being done in that direction.

The record of crimes known to the police, which is potentially the best index of the number of serious crimes, shows a slightly lower rate in 1931 than in 1930. Over 95% of the major offenses committed are crimes "against property".

The reason for this phenomenon is explained by the disappearance of the frontier with its emphasis upon intense individualism and the gradual social consciousness of the masses. In short we are becoming a stabilized people. Crime,

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of course, cannot disappear unless there is an "identification of individual with public interests seen in the Marxian ideal."

Until the present depression, private social agencies had been able to alleviate considerable human suffering. These institutions, which as a rule were subsidized by the wealthy, not only provided the community with hospitals, orphan asylums, settlement houses and the like but also furnished outdoor relief to the unemployed. The property owning class is showing a disinclination to contribute towards their support. During the past five years the administration of relief given has become decidedly more a function of public than of private agencies.

While capitalism in this country was in the expanding stage, human misfits were relatively so few that private social agencies and the poor houses were able to handle them. Jobs were plentiful and those who refused to work were treated with disdain and contempt. With the coming of the present depression when millions of men were separated from their jobs through no fault of theirs, the unemployed who are forced to accept outdoor relief are no longer confined in poor houses. "Thus the role of the recipient of services is being rapidly changed as "treatment" loses its moral stigma and assumes a scientific connotation for the subject. Overseers of the poor have become public welfare officers and superintendents of the poor tend to become commissioners of public welfare.

The machine needs protection. Foreign markets must be secured for its surplus products and wars must be fought to protect American interests abroad. The Federal government functions as the machine's chief protector. Over 62% of the Government's expenditures for 1930 were for military purposes.

During the past decade the machine has not only become somewhat unwieldy but balks now and then. Consequently it has to be regulated but within such range as to continue "to provide the circumstances under which private initiative can operate most successfully." It is interesting to note that the most notable change of the last decade was the greatly increased emphasis placed upon controls and services related

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to commerce, industry, transportation and communication.

These services are becoming very expensive and causing the American taxpayer a great deal of concern especially, when there has been an increase of over 500% in governmental expenditures during the past few years. Most of this increase of course was due to obligations arising out of wars. "War costs of one kind or another consumed over a quarter of all taxes, federal, state and local collected in the United States in 1930."

Another important factor which contributed towards the expansion of state and local taxes was the automobile. The tremendous development of motor vehicle transportation would not of course have been possible had not governments hard surfaced hundreds of thousands of miles of highways old and new.

The continued city drift of the population during the last two decades also had much to do with the mounting totals of local taxation. Growing cities need schools, water, sewage and garbage disposal systems and other necessary services.

The state, like the machine, is inclined to become unwieldy. It is therefore necessary to increase its efficiency for the dual purpose of bettering service and reducing taxes. Such changes have been received "from the pattern of American business, rather than from the ideals of revolutionary or radical thinkers." Because business men who believe in centralization of governmental power are making these changes, there is a steady shift in the balance of power as between the federal, state and local governments, the general effect of which is the transfer of power and responsibility from the local governments to the states, and from the states to the federal government.

Conflicts between various sections of the property owning class have resulted in efforts being made by the state for the continued maintenance of competition and prohibition of monopolies, through the enactment of anti-combination legislation. The courts have by their rulings practically taken the teeth out of these various statutes. Attempts are also being made to regulate business through the creation of various administra-

tive bodies such as public utility commissions, workmen's compensation boards and the like.

There is also a tendency for the State to abandon its "laissez faire" attitude towards labor. Some attempt is being made to make provision for those who are unable to provide for themselves, through the enactment of social legislation.

What about the future? Is the machine to travel over a crumbling road and finally to topple into the sea of disaster? The Committee feels that as yet there has been relatively little shift in fundamental theories and attitudes in America during the past decade. While various social philosophies have been the basis of violent struggles in Europe, "the American public, however, has remained relatively docile as far as revolutionary movements on the one side and political philosophy on the other have been concerned." Thus far it has adopted a willingness to drift with fate.

The machine, however, creates its own road which gradually becomes firm and solid. Men, according to the Committee "cling to ideas, ideals, institutions, blindly perhaps even when outworn, waiting until they are modified and given a new meaning and a new mode of expression more adequate to the realization of the cherished human values. The new tools and the new technique are not readily accepted; they are indeed suspected and resisted until they are reset in a framework of ideas, of emotional and personality values as attractive as those which they replace. So the family, religion, the economic order, the political system, resist the process of change, holding to the older and more familiar symbols, vibrant with the intimacy of life's experience and tenaciously interwoven with the innermost impulses of human wants."

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