

# THE ROAD FROM NRA

By SAM DARCY

## Article 3

(All figures used in these articles were taken from the federal bulletin issued by the U. S. Dept. of Commerce, called the "Survey of Current Business," excepting those figures which apply only to the West, which were taken from the Bank of America Bulletin).

\*\*\*\*\*

In the last issue we wrote:

The powers voted Roosevelt by the last Congress represent a complete mustering of the material resources of American capitalism with which to meet the crisis. And already Roosevelt has found it necessary to use every power given him to the full extent EXCEPTING INFLATION. This last he is holding to use when the first effects of the shot of NRA wear off.

The issue containing these words had hardly reached our subscribers when the Associated Press, under date line of September 15, reports a conference with President Roosevelt, Budget Director Douglas, Eugene Black, governor of the Federal Reserve Board, and Senator Harrison, chairman of the Senate Finance Committee among those attending. At the end of the conference Harrison announced:

"I contemplate some action pretty quick whether you call it inflation or not. Inflation should be carried out more drastically than it has been. My belief from those conferences I have had is that something will be done and is being done. . . . I have a faith they will utilize every agency to do more than open market operating to get higher commodity prices."

Thus this last reserve must be called into play more quickly than even expected by those of us Marxists who understood the fallacy of the NRA. It is a desperate attempt to raise prices, because the artificial stimulants administered to date have not increased the demands for goods—and prices have therefore by this "normal" capitalist method failed to rise. This inflation, more than any method to date, will lower the real purchasing power of the working masses.

## Roosevelt Brings Last Reserve Into Action—Inflation—Building Contracts Show Less Jobs—Some Capitalists Uneasy On NRA—Even "Socialists" Weakening—Strike Wave Causes Panic in Boss Ranks—Only Communist Party Leads Way Out of Crisis

The dollar on the international market is now worth only 66 cents. And in the U. S. it buys approximately that amount of goods.

But as we have already shown in connection with all the other measures taken by the Roosevelt administration, they will worsen the crisis rather than lessen it. Because by reducing the share of the production which goes to the worker, they increase the surplus which the worker cannot buy and for which there are no foreign markets.

### JOBS WILL DECREASE

In the first two articles we showed that the NRA was doomed because it made no departure from capitalism—on the contrary it only speeded up those factors which make for the development of capitalist crisis. We can now show that this is true—that far from an improved situation every factor points to the perspective of fewer jobs and smaller wages not only for each individual worker but for the working class as a whole.

The pride of the capitalist recovery program is the building industry. One cannot pick up a single capitalist newspaper without having thrust in one's face the list of "benefits" that the huge appropriations by the federal, state and local governments will bring. It is therefore this industry, the building and construction industry, that we take to prove our point, that the perspective is for a worsening of the crisis.

In this industry one can gauge whether jobs will increase or decrease, by the number of contracts let out. In other words, if in the spring the number of contracts let out increases over previous periods, the number of jobs available for the coming period are also more or less certain to increase. The latest figures available are for June. If we index 1923-25 as 100 then the past four years show the

following continual decreases:

June, 1930 .....	99
June, 1931 .....	63
June, 1932 .....	27
June, 1933 .....	19

Thus, for June, 1933, the outlook for building and construction work was the worst it has been during the entire period of the crisis thus far; and June was four months after the Roosevelt plan went into operation.

Some may say that other months might have shown figures more favorable to the capitalist system. We therefore compare the first six months of every year beginning 1929:

	Let Out in Contracts
1st 6 months 1929 .....	\$3,000,000,000
1st 6 months 1930 .....	2,700,000,000
1st 6 months 1931 .....	1,800,000,000
1st 6 months 1932 .....	730,000,000
1st 6 months 1933 .....	400,000,000

But this only tells part of the story. Of those who had jobs wages fell per man by 20% average from June, 1932 to June, 1933.

It's not hard to see that during the reign of the Miracle Man things are getting worse at about the same tempo as during the reign of the Great Engineer.

### BOSSSES SPLIT ON NRA

Were the space available, we could go through every industry and show that the same process operates. Even among the capitalist class a feeling of uneasiness is developing as to the value of the NRA so far as saving capitalism is concerned. In fact it is becoming quite clear, even to the mystical capitalist economists that the Miracle Man is not successful in his performance. And so a scramble is developing to get out from under the responsibility—that when the masses turn in anger against the NRA prophets, some capitalists will yet be able to say, "I told you so" and then bring some new fake patent medicine with which to mislead the people.

Thus, Al Smith, in his New Out-

look "cannot see" how the NRA cannot succeed but still calls for support to the administration. Hearst, through his yellow press, is spilling tons of ink urging that uncompleted NRA codes never should be completed and those completed should be reviewed. Henry Ford refuses to sign the NRA code for the automobile industry, confident that its ultimate collapse will play into his hands and possibly bring the rest of the boss class into line to make him, the most outspoken anti-Semite and anti-labor capitalist in the country, the American fascist saviour of the system.

Even the Socialist Party, always a tin-horn echo of the bourgeois demagogues, is being heard from. The "socialist" Milwaukee Leader put the Blue Eagle on its front page and ballyhooed it no less than the most openly rabid capitalist sheet. The New Leader official organ of the Socialist Party wrote that the NRA "is a denunciation of the old capitalism as 'gold plated anarchy,'" and that "a temporary stabilization of capitalism may be achieved." The second "socialist" international hailed the Roosevelt plan as a "step towards socialism." But in the last issue of the New Leader the S. P. becomes cagey and following at the tail of Hearst and Henry Ford announces in the ladies' parlor tone of Norman Thomas that the "Socialist" Party would not support the NRA. Apparently even at this late date they are afraid to go as far as even Henry Ford in their opposition and so they "will not support"—a sort of neutral position.

### RATS DESERTING A SHIP

These are the rats who are ready to desert when the flood of mass revolt against the capitalist crisis is beginning to reach about their ears. But their words are hypocritical. The whole history of these capitalist demagogues proves that they "doubt" the measures taken to save the capitalist system, not because they realize that only a government

of workers and farmers councils, which wipes out capitalism and builds socialism can save the future of the human race, but because they want to appear as the "opposition" when the masses turn against the present rulers, so that they can lead the workers by some round-about path back to the yoke of a system of exploitation for private profit. Isn't that the history of the misnamed "Socialist" Party of Germany, the "socialist" labor government of Great Britain, the "national-socialist" fascist government of Hitler and Mussolini, and in fact, of every demagogue who advocates any measure except a proletarian revolution led by the Communist Party, which, as the example of the Union of Socialist Soviet Republics proves, is the only advantageous and correct road for the masses of toilers to follow.

The decline of capitalism and the rising revolutionary fighting spirit of the masses have thrown the capitalist class into panic. They discarded Hoover in the hope of being saved by Roosevelt. Roosevelt's measures are obviously failing—his inflationary measure will temporarily give the appearance of upswing but it cannot create markets for unsold surplus accumulated by the robber system and the ruling class, and will therefore end in the greatest crash of all. The New Deal and the NRA does not abolish the basic contradictions of the present system, on the contrary its measures of artificial stimulation only intensifies them.

### TAXATION BURDEN MOUNTS

A feature which is frequently overlooked, even by Marxist writers, is the fact that we are faced with a period of tremendous taxation. All the measures taken to artificially increase production on the one hand do not create markets, on the other hand they cost huge sums to get into action. Thus they are a double burden. The capitalist government will not be able to meet the cost of these adven-

tures with the present largely indirect system of taxation, heavy though it already is. More direct taxes, such as sales taxes, increased taxes on small homes, etc., will be increasingly used.

Thus the toiling masses are faced with the need of taking up the struggle against inadequate wages, rising prices, increased and more direct taxation.

As the boss class becomes more and more conscious of its weakening condition and the failure of the economic measures to revive their decaying system, they will resort more and more to political measures to keep themselves in power—terror against the workers, farmers and their revolutionary leader the Communist Party. Already there is a revival of the Criminal Syndicalism and other anti-labor laws. Eventually every effort will be made to set up a fascist regime. Since terror alone solves nothing for capitalism, in the last analysis they will resort to war to take away the markets from other imperialist powers so as to get rid of their own surplus.

### MUST BUILD STRONG COMMUNIST PARTY

Are all these stages inevitable? Emphatically no! It depends on the toiling people of the country. A powerful revolutionary movement can stay any of these measures and in the end overthrow the capitalist system and prevent this process from taking place.

But this means that there must be a great flow of members into the Communist Party, the militant trade unions in the Trade Union Unity League, the United Farmers League and all other militant working class and poor farmers organizations. Whether the American toiling masses rise to the occasion as the Russian workers have done, depends also on those who already see the light—who will become the agents for an aggressive recruiting campaign, for spreading all revolutionary literature, the WESTERN WORKER and DAILY WORKER into every corner of the country—and for mustering all the oppressed of the nation in a fierce struggle against capitalism, its agents and its evils.