

Third Reich Surrounded By Powers

Fascist Orgies Give Birth To New Labor Forces In Germany

RAY OF LIGHT

Rulers Worried By Signs of Economic Collapse

By LUDWIG LORE

Once more Germany is the cardinal point of the world's news. Its fascist government has accomplished the seemingly impossible by maneuvering the nation into an isolation more complete than that of imperial Germany in those days before the war when the Entente was at the zenith of its glory. What would have seemed unthinkable a year ago—that France, Great Britain, Italy and the other powers of Europe should stand in an impregnable phalanx against National Socialist Germany—today is a fact. Even Italy, the last of its allies, turned away after the Austrian rebellion proved the faithlessness of the Third Reich and its leaders. The first overt act on the part of Germany against any nation would find them all prepared for united resistance.

Three Important Events

Three events of recent date in which the fascist regime played an important part, show the way Germany is going.

On June 30 the "purging" of the Storm Divisions by the savage murder of hundreds of Hitler's critics and opponents, Left and Right. On July 25 the Nazi putsch in Austria which united the powers of Europe under France and Italy as leaders, against the morally if not actually responsible Reich. On August 2 the death of President Hindenburg and the immediate merging, by Cabinet decree, of the offices of President and Chancellor into one, making Hitler "Leader and Reich Chancellor of Germany."

What effect had this rapidly moving succession of events on conditions in the Reich and in Europe? Firstly they have strengthened Hitler's momentary position. The Storm Divisions, because they were made up of unemployed proletarians, constituted that element in the National Socialist Party which sought to use its power first and foremost to improve the economic condition of the masses. For the SA the "socialist" part of the National Socialist program was of paramount importance. In its ranks opposition to Hitler's pro-capitalist opportunism first found concrete and determined expression, and its leaders recognized and condoned this opposition.

Indeed Roehm, the Chief of Staff of the Storm Divisions, underscored this sentiment in a secret decree to the SA which was issued early in May. "Social conditions," he states in this document, "have taken on an aspect that makes supine tolerance impossible." He comments on the fact that numerous enterprises have been able to pay dividends of 7 and 8% while labor was forced to work for starvation wages to give their unemployed comrades jobs.

The Industrialists Act

The issuance of this secret order aroused Roehm's colleagues in the Cabinet, notably Schmitt (Minister

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New Forces Rising From Fascist Orgies in Germany

Economic Collapse Threatens To Explode Nazi Illusions And Hurl Hitler From Power

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of Economics) and Seldte (Minister of Labor) to indignant resentment. They appealed to the Chancellor and when he refused to act, turned to influential industrialists and pointed out the dangers involved in this officially sanctioned anti-capitalist propaganda. That helped. Hitler called Roehm to account and at the order of the industrialist leaders announced his decision to reduce the SA. The SA leaders showed resistance and the orgy of murder that followed was Hitler's answer.

The decimation of the power, size and influence of the Storm Divisions gave greater power to the Reichswehr, the official army of the German state, which has taken the SA under its wing. Hitler's personal supremacy is at an end. Always the tool of the great industrialists, he must now bow to dictation not only from these industrial overlords but from the Reichswehr chiefs, the concrete expression of their supremacy in the nation.

But Adolf Hitler is far from finished. He is still the popular idol of the large majority of the German people and together with the Reichswehr and the large industrialists wields a power that is as yet unbroken and unimpaired. His personal rule has given way to the rule of a triumvirate, but it is unanimous, less torn by inner dissensions, less weakened by secret opposition than the regime which went before.

"Grand Old Man"

Next to the SA it was the popularity of Hindenburg, that fictitious figure which had become the legendary expression of all Teutonic virtues, which interfered with the oneness of Hitler's rule in the Third Reich. The "Grand Old Man" had deserted his Emperor, had defeated the proletariat in the 1918 revolution, had sworn fealty and then betrayed the Weimar Constitution, had sworn relentless enmity to Hitler and then spoken of him as the man "I love as one loves a son," had accepted his estate Neudeck, cleared of its burden of debts, from the Nazi state and had turned it over to his son. But in the eyes of the German people he remained and still is the symbol of German honor and loyalty.

With the death of the aged President, Hitler becomes the sole arbiter of Germany's destinies. To millions of Germans he is the last, the only hope. His appointment to the "Leader-Chancellorship" is logical from the point of view of National Socialism; from the point of view of the class conscious worker it is a development of the greatest significance. For it places responsibility for the limitations of his regime and its shortcomings foursquare on his shoulders and those of his associates, a responsibility he will not be able to carry much longer.

Today Hitler is the undisputed ruler of the Reich. Today there is no one who can keep him from leading his people to better times. But the economic conditions which made Hitler the leader of the nation will prove his undoing. High prices, low wages and unemployment will do what German labor was unable to accomplish. They will undermine the foundation of trust and faith on which rests the superstructure of national socialist power and will hurl Hitler and the movement he represents into political oblivion before the world becomes a great deal older.

The heavy industries which played "God in the machine" to Hitler's political aspirations soon realized that Hitler's system was on its way to political and industrial bankruptcy. What then? An army of 800,000 unemployed men, armed and trained in terrorist methods

and filled with delusions of power and political authority is a dangerous element in a nation of dissatisfied people.

Hitler went to Essen just before he struck his deadly blow to receive the ultimatum of the men behind the totalitarian state, an ultimatum on which they based their hopes for ultimate recovery. They insisted that concessions to the middle class must cease and that all importation of manufactured goods from other nations must stop. The heavy industries demanded a system of self-sufficiency which would force the nation to adjust itself to its own output of raw and manufactured materials, to use substitutes for bread, sugar and other articles of consumption, to ration meat, potatoes, butter and all other necessities of life as they were rationed during the world war. The middle class feels that it has been betrayed and cheated. But it sees no other way out, holds the world outside responsible for Hitler's present difficulties, and continues to give, less enthusiastic, perhaps, but none the less undivided allegiance.

Conditions Grow Warse

Meanwhile prices are rising, wages sinking and important staples are disappearing from the market. Low-priced textiles are hard to get. A recent official enquiry showed that the average wage of the German worker in textiles for 1933, without tax and other deductions, was 26.53 marks per week. But the (fascist) Labor Front has since established that the average wage for textiles in February 1934 was 21.47 marks, a 20 per cent wage reduction for an hour longer workday.

Since 1930 wages have fallen 43 per cent. The working masses are facing a winter of indescribable suffering. But serious as it is, it is not this aspect of the situation which worries the German industrialist. That Germany has neither money nor credit with which to buy the raw materials its industries must have if production is to continue, that exports are wiped out, that the nation is bankrupt, that—unless a sharp about face from fascism takes place at once—German economy will collapse, these are the things which will determine the immediate future of the Reich.

One Ray of Light

Under such conditions—and this is the one ray of light in a hopeless situation—Germany cannot think of war. Hitler has been forced to eat crow to keep the nation out of a more than precarious international situation. By formally repudiating all Anschluss propaganda for the next ten years he has made his peace with Austria. Germany will have to sign the Eastern Locarno Pact and in so doing will sound the death knell of its hopes of continental expansion. It will soon be forced to admit that the corporative state is no specific for the ills of capitalism and will have to strike out along new paths in which the working class will lead the way to social and economic reconstruction.

Under the frozen surface of the fascist winter a submerged Germany is preparing for vigorous growth. A new labor movement, steeled, united and strengthened by the experiences of the last two years, is emerging from this orgy of disaster. New forces are surging to the front. New leaders are forging to the head. Hitler is still the hero of millions. But the day is approaching that will reveal this false prophet in all his pitiable nakedness, will show the sham and the hypocrisy of his fantastic teachings to those who still believe. That day will find the working class prepared. . . .