

Reich Political Crisis Deepens As Fascism Fails to Aid Masses

**Nazi Executions Add To Unrest, Caused By
Economic Misery Of Workers, Peasants
And Middle-Classes Under Regime**

INDUSTRIALISTS RULE

Hitler Turns On Storm Troops, His Power Seen Waning

By LUDWIG LORE

National Socialist Germany today stands in the midst of a serious political and economic crisis, the outcome of which no one can yet foretell. The mass executions of June 30 and the days that followed have created consternation and confusion in all camps of the German bourgeoisie. Each group distrusts the other and none trusts the Hitler government. The intoxication of the days of January and February 1933 is flown and what remains is the headache of the morning after. Today the totalitarian system frankly rests on the bayonets of the Reichswehr and the National Socialist SS.

As we write these lines Hitler is resting in Berchtesgaden and Herman Goering with whom he planned and executed his campaign of ruthlessness, is somewhere near Berlin to recuperate from the strain of the last ten days. Before they retired it was announced that the SA army of 2,500,000 would be turned into a party militia of 800,000, a militia without arms whose only function will be that of helpful service to the National Socialist movement.

An effort will be made to solve the difficult problem of absorbing the SA troopers about to be dismissed from active service in a manner that will not drive them into the arms of the revolutionary labor parties, by sending 400,000 of these young people into the compulsory labor service camps where they will have to undergo the same military drill and military discipline from which they have just been released.

What Happened?

What happened in Germany during the last few weeks?

In June the economic and financial crisis became so alarming that the Nazi regime seemed to have reached a deadlock. Germany's exports fell far below its lowest level. The importation of even the most necessary raw materials was reduced to the absolutely irreducible minimum because of the lack of foreign exchange with which to meet commercial obligations. Under the moratorium proclaimed by the Presidium of the Reichsbank Germany's credit was reduced to nil. Its loudly proclaimed job-producing activity, based on swindle and prevarication has produced nothing but lower wages and working conditions, bringing a catastrophic drop in the standard of living of Germany's working class. The purchasing power of the masses has been reduced to a point where the small farmer finds it impossible to make a living.

The Puppets Fail

The bankruptcy of the National Socialist economy brought the great financiers and industrialists once more to the fore. The mass organizations of Nazis, the societies representing the urban and agrarian middle class, the National Labor Front and the Storm Divi-

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Onion Strike Brings Guns But No Rain

Learn About Injunctions, Gunmen, Courts, While Picketing and Praying

(Special to Labor Action)

HARDING COUNTY, OHIO: — Rows of onions stretch through the Scioto Marshlands in Harding county, Ohio, a mile long. Seven hundred laborers, tenant farmers and share-croppers fold arms, strike, pray for rain and hot days. Either will help them win. While praying and picketing they are learning about courts, injunctions and deputy-sheriffs.

The strike was called June 20. J. M. Rigor, a quarrymen's organizer, and Okey O'Dell, onion-field worker, called a mass meeting of tenant-farmers, laborers and share-croppers. The strike resulted. The walk-out was 100 percent.

U. S. Asks Wage Increase

It is difficult to believe, but the onion workers are paid from 8 to 13 cents an hour. The U. S. conciliator, Homes J. Brown, came in and proposed 15 cents an hour as the basic wage!

Children of from 8 to 12 years work 10 and 12 hours a day, for from 60 to 80 cents. The growers "deplore" child-labor, but say that "the laborers want their children to work."

Ninety days of work a year in the Marshland puts the farm laborer on Easy Street, so to speak. For the rest of the year he has to look for relief work in Harding county, at \$1.25 a week for the first member of the family, 25 cents for each additional member.

Tenants Fare Badly

The tenant-farmer is no better off. His "tenancy" consists of living in a leaky-roofed shack, 25 by 25 feet, divided into three rooms and housing as many as nine persons. He farms a patch or share on the 50-50 basis—half going to the landlord. "Fitting" the land—

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Three Thou

ON July 31, midnight, the campaign for new subscribers for Labor Action ended. If we succeed in putting this campaign on a self-sustaining basis, then we will have succeeded in making our way toward turning Labor Action into a self-sustaining movement.

Shall we succeed? You, Labor Action, are the only ones who can answer that. Here we can write letters, send appeals, but we cannot get very many new subscribers without the help of those with whom we come in daily contact. So it is up to you to put this campaign across.

And you will have to hurry. A

and friends to put forth the most strenuous efforts in support of the convention.

IN THE GOOD OLD SUMMER TIME

LISTEN, buddy, Roosevelt has gone on a nice vacation to Panama, Hawaii and so on. We know that all you unemployed who have been having a nice vacation for so long will be mighty glad that your pal, Franklin, is going to get a little rest too.

We hope you heard that swell speech he made over the radio before starting on his little trip.

He had a special word for the 11 or 12 million unemployed and the 16 million or more on relief in the United States today. He asked if you were not better off than last year, now that you had had an extra year of unemployment? Are not your debts less burdensome, and isn't your bank account more secure?

Then he had a cheerful word for all the workers who are trying to form unions today and are striking when employers refuse to recognize the right which is supposed to be granted them under the NRA. He reminded us how he had sworn to uphold the Bill of Rights and asked whether any of us had lost any of our "rights or liberties or constitutional freedom of action and choice."

We can just hear the Toledo workers who were gassed by Miniger's deputies and killed by National Guardsmen; Ted Selander, who was held incommunicado by militia for 50 hours; the steel workers whose meeting halls are being bombed by steel com-

WILL the newly appointed National Steel Labor Relations Board order an immediate election in Weirton? Will the Board insist that members of the Amalgamated Association of Iron, Steel and Tin Workers who have been fired by the Weirton Steel Company are given their right to participate in that election? Will the federal administration see to it that when, as is certain to be the case, the majority of the employees of Weirton Steel vote for the A. A. the company is compelled to make an agreement with that union?

These are the questions which the A. A., especially the progressives and militants in that union, must immediately and relentlessly put to the board. This is the acid test as to whether the Board means anything to the workers except an agency of delay, confusion and weakening of morale.

The outlook is not too promising. The chairman of the Board, Judge W. P. Stacy, of North Carolina, when reporters asked him the other day what the Board was going to do, replied that it was still very busy finding out what it is all about.

The Board is composed of Rip Van Winkles who have not heard about Weirton?

Very likely it will try to fumble around with comparatively unimportant discrimination cases or go through the form of holding an election in some insignificant independent mill. Reactionary union officials, scared to death of anything that means work or fight, are likely to acquiesce.

Progressives and militants must fight this tendency. Let the Board order an election in Weirton.

Hitler Executions Increase Nazi Unrest

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sions saw the powers they had won in the first hey-day of the National Socialist regime slipping out of their grasp. First secretly and then openly the manufacturers' organizations and Chambers of Commerce, the industrialists and the Junkers were becoming the power at the helm of the corporative state. Hitler, Goering, Goebbels and Ley's role as puppets in the hands of the real rulers of the "people's state" became painfully evident.

Almost since their inception Germany's two great military organizations, the German Nationalist Steel Helmet and the National Socialist Storm Divisions (SA) have been avowed enemies. The Steel Helmet was founded and controlled by officers of the old Imperial army. Its members were the conservative veterans of the World War army, men who had always looked upon the Weimar Republic as the work of Satan and had worked for its destruction. The Storm Divisions consisted of young people, most of them without previous military experience, who had gone to the SA because they were unemployed and hungry and found in the Nazi barracks food, shelter and uniforms and an opportunity to express their youthful desire for ex-

citement and activity in the ranks of these rowdy troopers. The large majority of the Storm Troopers was recruited from the lowest levels of the proletariat and the disowned and disinherited middle class, elements imbued with a middle class philosophy which hoped to find surcease from their economic misery through the fascist movement.

Storm Troops Moved Left

When Hitler's army saw that its hopes had been betrayed, that not they but the large industrialists and Junkers were to reap the harvest of the new social order it developed something which resembled class feeling and class understanding. That this development was fostered by those class-conscious workers who, from a variety of motives had joined the SA after the accession of Hitler to power is certain, although it is a ridiculous exaggeration to say that 40-50 percent of the Storm Troopers are "Marxians."

This fundamental conflict between the disappointed followers of a romanticized Nazi ideology and the representatives of the 'old' capitalist order found concrete expression in the active hostility between SA and Steel Helmet, a hostility which increased in intensity as the former saw their power

waning. The SA leaders therefore demanded the dissolution of the monarchist veterans' organizations; the government replied with an order that the Steel Helmet would be protected from SA attacks. The SA repeated its demand and was warned by the government which began to view with alarm the growing insistence of its armed followers on a realization of the "socialist" part of its original program. The answer of the SA, a third demand for the dissolution of the Steel Helmet organization, led to the execution of the leading SA officers by Hitler, Goering, Goebbels and their immediate associates in the government.

Honest Followers Killed

Following the practice sanctioned by the Reichstag fire, these Nazi bandits justified their incredible brutality with lies and unproved defamations. They declared that Roehm, Heines, Ernst and others were shot as the instigators of a plot against the Hitler government, and because they had conspired with a foreign power. No effort has been made to prove the truth of these accusations against men who for more than a decade were the faithful servants of the Nazi cause.

Indeed the Nazi leaders have not even dared to publish a full list

of those who were put to death without trial in that week of murder and bloodshed. The reason is not hard to find. Among the one hundred to five hundred murdered men there are too many who had no connection with the Storm Troops and could not possibly have been implicated in their alleged conspiracies. Hitler murdered the leading spirits of the SA in the hope that with them the rebellious spirit of the "left" elements in his own ranks would die. But the treacherous Nero who sits in the Chancellor's seat in the Reich took this opportunity to even up old scores.

What Did Hitler Accomplish?

What did Hitler accomplish with his coup of June 30? His economic difficulties are as great as before. He has equipped the Minister of Economics Dr. Kurt Schmitt with far-reaching dictatorial powers. Schmitt is the dictator who determines what may be imported into and exported from the country. He authorizes the distribution of the raw materials still on hand and of the supplies of manufactured goods, and will institute a system of food and clothing permits. In a word, Germany's industry is to be put on a war basis the end and aim of which seems to be the establishment of a system of economic self-sufficiency for the Reich. The urban and agrarian middle class, the artisan, the small merchant and the poor peasant who supported the National Socialist Party as their most effective weapon against large commercial and manufacturing enterprises and Junker domination of the land must bury their hopes. For the man into whose hands Hitler has placed the economic future of the Third Reich is an outstanding exponent of pre-Hitlerite capitalism, conservative to the core and opposed to any and all social experiments.

In the realm of politics Hitler's chances are even less favorable. The Storm Divisions on which Hitler based his power, having been reduced to 800,000 unarmed men lest they some day decide to take matters into their own hands against the powers that be in the Nazi government, have been retired for the Reichswehr. This army of 200,000 highly trained and superbly armed officers will be increased to 300,000 men and will be the undisputed military power in Germany. Although it is permeated with National Socialist elements Hitler will always have to take into account the strong German-Nationalist influence which will make itself more strongly felt from month to month against the Nazi point of view. His praetor-

ian SS guard of Black Shirts remains intact, 200,000 strong, and will, for the present remain the Nazi dictator's best protection.

Where Is The "Unity"?

But the fictitious "unity of the German people" which was created on the 30th of January, 1933 is gone forever. The German Nationalists, Hugenberg's Party of Junkers and Industrialists, still continue to function, though in hiding and under difficulties. It is a power in the inner-political situation in the Reich that must again be reckoned with. With it stand those numerous Protestants of the bourgeois elements who were the first to raise the flag of opposition against the Nazi regime and who always enjoyed the secret moral and financial support of the former Conservatives. The Centrist Party, though officially dissolved, continues to exist in the powerful and unshaken Catholic Church that no National Socialist tidal wave has been able to undermine. Indeed it is no exaggeration to say that Hitler's regime today stands or falls with his ability to conciliate the protesting church, a feat that will not be as difficult as it may appear.

What About Labor?

On the other side of the wall stands labor. Those workers who in a moment of madness were swept away by the National Socialist storm, are fast returning to their senses. Starvation wages and insufficient food, suppression in the shop and in the community have opened ears to secret class propaganda which were closed by prejudice and blindness before. Popular espionage which dogged the steps of the Socialist and Communist agitator only half a year ago has almost disappeared.

And yet nothing would be more dangerous than to build one's hopes on the German proletariat in this crisis. The labor parties are decimated and disorganized. More tragic still there is in all Germany no outstanding personality that enjoys the faith and confidence of the German masses. The new revolutionary movement will bring forth new men, new leaders. But as yet the time has been too short, opportunities for the development of such leaders too hampered to have produced more than the beginnings of a healthy growth. A revolutionary uprising of the masses without sufficient preparation and schooling would mean new disappointments, new discouragement, new victims from the ranks of those to whom the new movement must look for strength and guidance.