

Next Step in 'New Deal': Inflation

I. L. P. VOTES TO JOIN C. I.

Defense Of U. S. S. R. Is Decided Unanimously

Derby, England.

A marked swing to the left was the outstanding feature of the Independent Labor Party conference held here on April 15, 16 and 17. On April 16 the conference voted 83 to 79 to approach the Communist International for affiliation. The leadership of the party, John Paton, general secretary, and Fenner Brockway, chairman, opposed this proposal but they were outvoted.

The next day, April 17, the conference unanimously endorsed a resolution declaring that, in case of a conflict between British imperialism and the Soviet Union, the I. L. P. would strive to mobilize the workers in support and defense of the U. S. S. R. A general strike and other measures were discussed. This resolution is considered of especial significance in view of the strained relations between Great Britain and the Soviet Union.

The I. L. P. claims a membership of 20,000, altho its effective membership is nearer to 12,000-15,000. The British Communist Party, claiming 5,000, has no more than 1,500 members.

Wages and Jobless Relief Slashed!

Jay Lovestone

After weeks of foundering, the American dollar has officially gone off the gold standard because of pressure in the world money and commodity markets. For some time, it had been obvious that the loss of confidence in the stability of dollar currency was growing. Raids on the dollar and a steady turning to French francs and even British sterling were especially evident in the first half of April. On the basis of the actual gold reserve, the United States could have hung on to the gold standard a bit longer. However, Wall Street's key people saw in the Roosevelt-MacDonald-Herriot negotiations a timely moment for cutting the dollar's anchor and the gold standard and thus hitting back at Great Britain and France, its two outstanding competitors. Thru its cheapened currency, England had won some advantage over the United States in the world market. It was able to sell more British goods for less American dollars and other currencies which had not yet depreciated as much. France was more and more attracting the world's gold and dislodging the United States as the prime nation in this respect. By getting off the gold standard the Wall Street kingpins seriously undermine the efficiency of the whole system of gold as a stabilizer of world currencies and thus negate much of what the French bankers have won towards their key position in the international money market.

The outcome or even the next turn in this battle of currencies among the big imperialist powers is still uncertain. But it is already quite certain that the dangers to the entire capitalist world credit structure are today infinitely more numerous and serious than ever before. For the United States it means further inflation. This is hailed now as a great remedy by the very people who but yesterday swore by the gold standard and more stable cur-

rency. The further expansion of credit (of which there is no lack) will not mean an expansion of purchasing power for the workers. Rather, it will mean a reduction of the purchasing power because of a probable higher price level as against the present shattered wage scales.

In the meanwhile, the executive department of the government thru the President, has taken still more power unto itself. Roosevelt will have full power to issue more paper currency, devalue the dollar by cutting down the legally required number of grains in the standard dollar, or have silver return as a standard. Whether Roosevelt will resort to a combination of all these inflation moves or to any other combination of them or to any particular one exclusively, will be determined by the resultant of conflicting social and economic forces operating behind the scenes of Congress. Serious divisions over these problems are now evident in the ranks of the capitalists. Besides, the entire agricultural crisis and the collapse of the much vaunted American wage levels and standard of living will also be much affected by the foreign and domestic currency policy of the United States government now being hastily set up in the midst of the acute world credit crisis.

The whole situation holds out grave menace for the workers of this country, employed and unemployed. Inflation and the already mounting cost of living mean an automatic cut in wages for the employed workers unless wage levels are driven up at least as much. They mean also an automatic cut in the meager relief that the jobless are getting. For the working people of this country, the collapse of the gold standard and the oncoming inflation must be the signal for united struggles for wage increases and for increases in unemployment relief!

N. Y. WOOD-HEEL MAKERS STRIKE

Natl Shoe Workers Union Leads N. Y. Workers

New York City.

About 200 wood-heel makers employed by the New York Progressive Wood Heel Company, of 28 Quincy St., Brooklyn, N. Y., went out on strike on April 24, 1933.

The wood-heel makers generally are among the most exploited workers of those employed in the auxiliary crafts in the shoe industry. In this particular shop, conditions have become absolutely unbearable. In a period of six months they have suffered two wage-cuts, one of 20% and another of 30%, so that, despite the fact that they work from 48 to 60 hours a week, the men average no more than \$7 to \$8 and the women \$5 to \$6 weekly.

After several preparatory meetings, they decided to strike against these slave conditions.

Led by the National Shoe Workers Association, the strikers demand: (1) Recognition of the union; (2) a 50% increase in wages; (3) a 44-hour work week.

The desperate efforts of the bosses to prevent a walkout by intimidation were of no avail. Despite threats of strong-arm terror