Rise of the C.I.O.

On the heels of an almost devastating economic crisis that shook American capitalism came a series of popular political movements — the symptoms of disintegrating forces in capitalism. These new movements, some of them foreshadowing possible future developments, have by now either found refuge in the New Deal of Roosevelt or have been disintegrated by his "new capitalism". Though the President's policies have brought a sort of temporary stability, a sharp cleavage has come about between the proponents of the old rugged individualism and the muddled New Dealers of State Capitalism.

Our trade union movement has naturally divided along the same lines. The leaders have become partisans of the old against the new, the new against the old. The A. F. of L. represents the old deal in capitalism; the Committee for Industrial Organization personifies the New Deal.

The breaking up of the old capitalist economy has served to ruin the farmers, small capitalists and skilled workers. These groups were formerly its main base of social stability. A decaying capitalism must face the problems germane to decay — economic and political problems of widespread unemployment, of floods and dust-bowls in regions where great natural resources once existed and the constant shifting of masses and institutions in pursuit of some adjustment. And these problems can be handled neither by individuals nor by individual corporations. The state alone can hope to cope with them and only at the cost of throwing the entire nation behind prearranged plans and dictatorial authority. The problems which in the upward climb of capitalism were solved "automatically", in spite of individual bucaneering capitalists, can now only be made more difficult by these people.

The C.I.O. has its reason for existence in the fact that a labor organization is needed which may be used for these new purposes, that is, for the purposes of the "new" capitalism. Accordingly, to understand the C.I.O., one must understand the "New Deal" and conversely, the "New Deal" cannot be grasped without perceiving the all-important role of the C.I.O.

And when the "New" capitalism is spoken of, it is not meant that it has fundamentally changed its characteristics as a system. The old landmarks of the capitalist mode of production continue to exist on the basis of wage-labor , the essential economic characteristic of capitalism. The market and money exist for purposes of realization of profit and distribution. By the "New" capitalism can be meant nothing but the superstructural manipulations of capitalism for the purpose of defending its base from which profits and private property arise. Because they are indispensable for the purposes of priming the road to State Capitalism, the New Deal has sponsored, besides the C.I.O., mass organizations among the farmers and middle classes.

The economics of State Capitalism is pretty generally known. It consists in government regulation of wages, prices, working hours, of "social security" legislation and monetary manipulation. These features of state control are present, in more or less pronounced form, in all countries affected by the crisis. They were and are at the root of all New Deal measures, past and present.

The New Deal introduced its program in the best possible light, soon winning over labor, the farmers and large sections of the professionals. Concessions were given to the masses, prices pegged for the farmers and middle class; cash and work relief extended to the unemployed — even wage increases to the workers came with paternal good wishes to organize to their hearts' content. Then came the deflation of the dollar, the masses taking the brunt of taxation via the continual rise in the cost of living. A Supreme Court decision wiped out the regulatory clauses of the N.R.A., etc., all of which factors were in no small measure responsible for the present strike wave. This social discontent is utilized by Roosevelt to push the New Deal anew. The stage is rapidly approaching when the government will be supreme and absolute arbiter in matters of wage settlements, hours, and working conditions. In short, all those economic matters that essentially concern the workers, and which capitalism had permitted the old unions to regulate more or less, are now to be directed by the government. The specific role of the C.I.O. in collaborating with the government to achieve this aim, is to speed up the mobilization of the masses in basic industry for controlled mass pressure in order to effect these changes.

The aim of the C.I.O. leaders is to get an expanded, well implemented and regimenting N.R.A., in the operation of which the new union bureaucracy will be the important and well paid servants of the new capitalism. Then, the collective capitalist, the government, is pictured all hearts and flowers, while the individual capitalist is the economic royalist, the bourbon; the Jolly Rogers against whom the spirit of our revolutionary forefathers join in a new crusade.

How hot this fight between the old and the "New" has become may be glimpsed in the utilization of the sit-down by the labor "New Dealers", and Roosevelt's benevolent impartiality toward them. Actually it would not make much difference if they did not sanction the sit-down strike. The workers will not let go. They cannot revoke this method of striking. This strategy, it is noteworthy, of all new developments in recent years, promises to be as much of a fighting instrument on the part of labor as the system of state capitalism is for the capitalist.

To be sure both the New Deal and the sit-down tecnique are still embryonic. Unless war precipitates the rapid development of each, they may take some time before reaching maturity. But already perceptible forces reach out of the class struggle and tell history to move on.

The sit-down is a product of desperate resistance against excruciating economic pressure. How well it fits into the armory of proletarian class instruments is seen by the its rapid spread from one country to another. The sit-down is bound to take much of the power that was presumed to reside with the union bureaucracy and place it with the mass of workers. It may be said also that before long the workers will recognize that what appeared as the economic fortress of the capitalists is in fact vulnerable. The workers will contemplate their temporary possession of the means of production and hunger, literal and figurative, will whet their appetite for these means. Nor can the realization of their economic strength fail to add to their political weight and consciousness. This method of easy self-mobilization will bring the workers in regimented capitalist countries likewise into motion. And logic cannot work against this proposition that if the workers are attacked they will use whatever arms are obtainable for self-defense. Efforts to coordinate such a defense must necessarily follow.

Even if the first cannonade of the automobile sit-down was not fully successful the indices, nevertheless, are that the "Old Dealers" will be driven under the "New Dealers' " roof for protection. This must be especially so in the camp of labor. The C. I.O. will swallow the A. F. of L. in one form or another.

The approval of the Wagner Act by the hard-boiled reactionaries of the U.S. Supreme Court, formally registers Old Deal capitalism as capitulating to the New Deal. This surrender was already foreshadowed by the settlements made between the C.I.O. and the steel and automobile trusts. It took an unprecedented crisis and two strike waves for the economic royalists to see the wisdom of Roosevelt's New Deal. From now on the old dealers may be expected to fight only rear guard engagements until such time as they find their bearings in the new set-up.

Roosevelt will get his Court plan in substance if not in detail and regimentation via "democratic" methods. The social landscape of capitalism is scheduled for far-reaching changes. The establishment of the new set-up delayed for the past three years, can now look forward to an ephemeral permanency. The trade and industrial unions, the farm organizations, etc., can be expected to grow and so will the organizations of the middle classes, new and old, with big capital presiding. The new balance

of class forces is already fairly discernible but it is to be fully revealed by the new amalgams. Right now, even when the liberal phase of the New Deal still rolls on, the reaction in the offing makes itself felt. John L. Lewis speaks of "cooling off" or taming the malcontents and of putting them out of his C.I.O. unions.

As reaction consolidates on the New Deal basis its first drive will be the attainment of social peace. Acceptance of the New Deal by the dissenting capitalists is a prerequisite for the imposition of such a "peace" upon the masses. The mounting budgetary deficit of federal, state and municipal governments, the nearness of the next crisis either in the form of war or another economic crash, requires a solid united front against the masses. It is such unity that the N.D. and its C.I.O. are heading for in this early day of their history.

The heat that was generated by the fight between the capitalists around the sit-down strike showed the persistence of the trends towards state capitalism. The New Dealers condoned and even encouraged the workers to fight. The Old Dealers had eventually to give in.

The fight between the capitalists is not yet completely over. There are too many conflicting sectional interests for that. The question as to whether the N.D. should be applied to the right or to the left will keep the fires burning. Various factions will fight for the control of the N.D. and its enormous powers. The stray uncontrolled votes in the unions are likely to be reduced as a result of the very power of the organization and the power-psychology it will create. The United Mine Workers and the Amalgamated Clothing Workers have been precursors of such power. Naturally such robot type of unions are best established without a fight and by agreement between the corporation and the union bureaucracy. This keeps the unions mushy and dependent on the two tops, the union leaders and the corporation leaders.

Such a combination can keep the masses down for some time even with heavy economic pressure against them. This might well be done under "democratic" conditions. But democracy cannot survive for very long. The conflict which accumulates under the lid must break forth.

Capitalism may repeat its past actions by further mortgaging its future and by squeezing this or that class through taxation but the final accounting between the two major classes in society cannot be postponed indefinitely.

The approval of the Wagner Act by the U.S. Supreme Court and the further approval of similar measures to come, introduces the union card as a component part of the open shop; gives collective bargaining, etc., etc. But such measures will not give the masses the one thing they need: economic well-being and security. That cannot be arranged from the top; it must come by class conflict from the bottom, for the masses are the fountain from which all progress flows.

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