

FROM



The New Wave of Wage-Cutting

By WM. Z. FOSTER.
Prisoner No. 52350.

(Communist Candidate for Governor of New York State.)

THE Daily Worker of a few days ago published the following quotation from the "Iron Age," the organ of the great steel interests.

"We are in for wage reductions. How sweeping they will be is another story. The doctrine of the consuming power of high wages is losing ground. There is too much rehiring at reduced rates, following recent shutdowns, to prevent a spread of the wage revising practice. What has occurred is largely outside the metal working fields, but the prolongation of this depression provides the sentiment that fosters all sorts of wage cutting."

This is an important statement, considering its source. First, it is a practical admission of what we have been saying all along, namely, that widespread wage cuts have already taken place in the industries generally. Large masses of workers have had their wages cut from 10 per cent to 40 per cent by the insidious method indicated. The assertion that such wage cuts have not taken place in the metal industry is a lie; the steel, automobile and electrical manufacturing sections being leaders in the wage cutting, especially of the unskilled, unorganized masses.

The New Boss Offensive.

But most important, the "Iron Age" statement is a definite threat of further drastic wage cuts. It presages open, sweeping, horizontal wage reductions in many industries, instead of the policy of cutting rates department by department or by small groups of workers. This authoritative trade paper would not make such a statement unless the big capitalists, whose policies it voices, were determined upon a wholesale wage cutting policy. Indeed this campaign is already well under way.

The capitalists deem the occasion opportune to further slash the standards of the American working class. Of course they totally disregard their "solemn" no-wage-cuts pledge to Hoover. The deepening economic crisis bears down upon them intensifying competition and price-cutting in the home markets, and wage cuts in England, Germany, etc., put them at a disadvantage in the struggle for world markets. So they press on with wage cuts.

The big employers think they can get away with the proposed heavy wage cuts. They hold in their pocket the A. F. of E. leadership as their chief strike-breaking weapon; the great masses of workers are unorganized;

for demonstration against unemployment.

On this day we will throw the lie about harmonious relations between the bosses and workers into the teeth of the contemptible fakers and the boss class which they represent.

In New York the workers from the shops and factories, from the unions, fraternal organizations and the Unemployed Councils will rally to Union Square at twelve noon under the banner of the Trade Union Unity League and demonstrate their determination to build the militant industrial unions and the councils of the unemployed in the fight against starvation for unemployment insurance.

By HARRISON GEORGE.

THE present outbreak of revolutionary ferment in Latin America will appear differently to many workers of the United States, whose views have been shaped by capitalist propaganda. Some, in spite of all Communists have said, and still infected with notions of American imperialism's "exceptional" power, will regard the present revolts as "another joke" and will cite many of the opera bouffe insurrections of the past to "prove" it.

Others, who have sheltered the same error in a form of philistine sentimentalism that wept over those victims of imperialism without any conception of the oneness of their struggle with our own, with the world revolution, may be quite at loss to understand what it's all about, this wave of revolt.

To Communists, however, who have the key of Marxism-Leninism to the understanding of social forces, the Latin American revolts are but another proof of the correct analysis of the Communist International of the present period as one of war and revolution.

Let us explain briefly what are the chief forces at work.

Imperialist Rivalry.

1. **Imperialist penetration:** Before the world imperialist war, England led in imperialist investments and political influence. Since then, American imperialism has advanced rapidly so that now their investments are about equal. The battle for domination to the exclusion of its rival is the chief concern of each imperialism.

2. **Native class relations:** In the past the ruling class has been predominantly feudal, not of the category of feudalists who are tenant landlords, but rather great estate holders, with thousands of wage workers often half serfs and sold with the land.

A partial development of some light industry and a native trading bourgeoisie nourished a bourgeois stratum which seeks to develop native industry, become a big bourgeoisie and control government.

Complication of Class Relations.

Imperialist penetration, interested only in raw materials profitable investments (public utilities railways etc.) and markets for imperialist manufactures breaks up not only the "normal" capitalist industrial development hindering manufacture, but shatter as well the "normal" class relations development, the consolidation of either feudal or bourgeois classes in political parties of national scope, striving for political power.

In Latin America, somewhat differently than in China, imperialist penetration in some cases conflicts with the great feudal landholders in those places where imperialists themselves be-

about 8,000,000 walk the streets unemployed. Thus, deeming the workers unable to successfully resist, they go ahead reducing wages at an increasing tempo.

It is a most important situation and great tasks and responsibilities devolve upon the Communist Party and the T. U. U. L. The organization of the workers and their mobilization for struggle becomes of the most supreme and immediate importance. The workers will fight. They will not passively submit to all this pressure. They will fight bitterly. But it is up to us to give them organization and to lead them in struggle in the teeth of the systematic betrayal of the A. F. of L. and S. P.

We must unite the employed and unemployed to make a joint struggle. Especially we must take advantage of the present election campaign to awaken and organize the workers. The struggle against wage cuts and for the relief of the unemployed will become especially acute with the onset of winter. We must therefore prepare for real struggle on a mass scale. We must counter the employers' wage cutting by a militant strike policy.

Workers! Demonstrate September 1! Organize and strike against wage cuts! Fight for unemployment insurance! Build the Trade Union Unity League! Vote the Communist ticket!

(Written at Hart's Island Penitentiary.)