

The
LABOR DRAFT

...Step to Industrial Slavery!

By Eric Hass



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Is it conceivable that there can be a “fair market price,” or any price whatever, estimable in gold, or diamonds, or bank notes, or government bonds, for a man's supremest possession—that one possession without which his life is totally worthless—his liberty?

—*Mark Twain.*

The Labor Draft

... Step to Industrial Slavery

By Eric Hass



ERIC HASS (1905-1980)

I.

“Neither Slavery Nor Involuntary Servitude.”

John Smith,
1645 12th St.,
Newport, Pa.

Greetings:

You are hereby directed to report for employment at the Blank Foundry and Casting Company, Little Falls, Pa., on or before date.

Government Employment Service.

(Note: Failure to comply with the above order is punishable by severe penalties as provided by law.)

WHAT! Severe penalties just for not showing up on a job? Why, that’s fantastic!
In Nazi Germany, maybe, but not here!

Don’t be too sure it won’t happen here. Don’t be too sure you won’t find just such a communication in your mailbox one of these fine mornings. It is true that this is America, not Nazi Germany. But it is also true that this is *capitalist* America, just as Nazi Germany is *capitalist* Germany. In both nations the capitalist class is faced with essentially the same problem. In both nations they are seeking the same solutions to this problem.

Perhaps it is wrong to apply the present tense to Nazi Germany. In Nazi Germany the capitalists have found what they believe is the solution to the labor

problem—a system of controls which has destroyed the free labor market and reduced the German worker to the status of an industrial serf. In America the capitalists have begun to adopt similar controls, the freezing of labor in certain areas, the immobilization of agricultural workers, and now, the labor draft.

In introducing a system of compulsory labor in America the capitalists are confronted with an obstacle unknown in most other countries—an unequivocal Constitutional injunction against involuntary servitude. The Thirteenth Amendment to the Constitution of the United States declares:

Section 1. Neither slavery nor involuntary servitude except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction.

Section 2. Congress shall have power to enforce this article by appropriate legislation.

The plutocracy has enlisted its top-flight apologists and schemers to find ways and means of surmounting this obstacle to a “National Service Act.” Thus far, however, they have been unable to make the forced labor contemplated by such an act into anything else than involuntary servitude. And, since involuntary servitude is explicitly forbidden by the Constitution,¹ the legislators have, temporarily at least, been stymied.

The McNutt Labor Draft.

But if the plutocracy has not yet succeeded in getting a “National Service Act” by legislation, they have got what amounts to a labor draft by indirection, i.e., by Executive decree. On July 1, 1944, the “priority job referral” system became effective. Under this system all job-seeking male workers over 17 became subject to disguised involuntary servitude. It has been aptly described as the “work-where-we-tell-you-to-or-starve” system of labor.

Under “priority referral,” the worker is instructed to apply to the United States Employment Service, and U.S.E.S., or an authorized agency, “channels” him to a job. Actually he is not penalized directly if he rejects the job to which he is

¹ For a thorough discussion of the unconstitutionality of “National Service,” see [Labor Conscriptio](#)n by Arnold Petersen.

“channeled”—because the wages are too low or for other reasons. He is not sent to jail as he would be under a “National Service Act.” The compulsion implicit in the “McNutt labor draft” is more subtle. It avails itself of the familiar weapon of coercion, indirectly, insidiously. Workers are propertiless. Their savings, if they have any, are a thin line of defense between themselves and want. And fear of want is little less coercive than want itself. The McNutt “priority referral” system avails itself directly of the worker’s insecurity. In effect, the War Manpower Commission says: “We have you where we want you. We refer you to a job. If you won’t take it, sit around a while and think it over. You’ll come around.”

The involuntary servitude thus imposed is all the more insidious because it is camouflaged, because it gives the worker the choice between the job to which he is “referred”—irrespective of wages, hours and conditions of work—and enforced idleness.

“Priority job referral” is allegedly a temporary wartime measure. It was imposed without Congressional sanction, by Executive order, and sooner or later it will require the authorization of Congress if it is to continue. The important thing to note, however, is that a huge bureaucratic machine has been built up to administer it, a machine that can “channel” workers to jobs in peace as well as in war. And what exploiterdom is now preparing under the pretext of war necessity are labor controls for war and peace, controls under which present wage rates may be lowered and the status of the workers reduced to that of so many industrial serfs.

Daniel De Leon’s Foresight.

More than thirty years ago Daniel De Leon, foremost American Socialist, foresaw these consequences of the concentration of industry and ownership, and of other laws inherent in the capitalist system. He foresaw the attempts of the owning and ruling class to harness the workers and destroy the free labor market. Let the workers fail to heed the warning, and effectuate their own emancipation, he said, and they “will sink to the depths of serfs, actual serfs of a plutocratic feudal glebe.”

In a passage which gives impressive proof of his exceptional powers of prescience and grasp of social forces, he wrote:

“It may be a question whether we are now under the capitalist system proper. Much may be said on the side of the theory that, if we are not yet

under a different system, we are fast tending toward it. . . . The country is now moving into a social system to which the name ‘Capitalism,’ in its proper sense, is applying less and less. A monopoly period is now surging upward to which the designation ‘Plutocratic Feudalism’ is the fitter term.” (*As to Politics*, 1907.)

We agree with De Leon that either “plutocratic feudalism” or “industrial feudalism” is a more fitting term for the era now shaping of untrammled rule by monopoly capitalism. At the same time we point out that industrial feudalism is a modification of capitalism. It does not, as capitalism did with feudalism, replace one ruling class by another, or abolish the fundamental laws of the old system’s existence. The same ruling class rules. Wealth still takes the form of “an immense accumulation of commodities.” What the feudo-capitalists seek to do is control the laws inherent in their system.

The Total Capitalist.

The real significance of labor conscription cannot be understood, the grave danger which now threatens the American workers cannot be appreciated, unless we also understand and appreciate the general trend of capitalism to monopoly capitalism or feudo-capitalism. The laissez-faire capitalist is rapidly becoming an extinct species. He is merging into *one all-powerful total capitalist*. Monopoly capitalism’s executive committee, the political State—already a bureaucratic monster—is becoming the total State. Under this State the beneficiaries of the old system are seeking to control labor, not in the interests of this or that group of capitalists, *but in the interests of the total capitalist, the capitalist class*.

The modern plutocracy, like the Hamiltonians of the early years of the Republic, regard this as their country, and the Constitution as their Constitution. Their attitude is proprietary. When their interests are to be served, they are incapable of seeing anything wrong in violations of the country’s traditions or abridgments of its Constitution. Nothing “wrong,” that is, if “the harness can be made to fit without galling,” if it does not arouse the workers to a lively consciousness of their danger, if it does not provoke them to unite their immense latent powers to abolish class rule and erect the Industrial Republic of Free and Affluent Labor.

II.

From “White Servitude to Wage Slavery.”

We are living in an era of revolution. This has been said so many times even in the capitalist press and over the radio that it sounds almost commonplace. Yet it is the great and momentous fact of our age. Iteration and reiteration of this fact have tended to dull the mind to its real implications. The great mass of workers, for example, have thus far failed to understand what its consequences will be to themselves and to their class. They are, as one capitalist spokesman expressed it, “like many of the victims of cancer in its early and benign stages.”² There is an anæsthetic aspect to the reaction which is now proceeding that makes it seem like a sort of twilight sleep in which an era of industrial feudalism is being born almost without struggle “and even with the unconscious aid or active enthusiasm of those whom it is destined to submerge or destroy. . . .”³

A choice confronts the ‘workers of our generation. According to some of the spokesmen of the ruling class, that choice is between the “free” labor system, with its unions, collective bargaining, etc., on the one hand, and totalitarian slavery, on the other. Whether they really believe these to be the alternatives, or whether they are utilizing a plausible theme to excite enthusiasm for the war against Nazi capitalism, is not important. What is important is that millions of workers have been deluded by it and have failed thus far to comprehend the real nature of the choice which confronts them. For that choice is not between the old system of labor as we have known it and totalitarian slavery. The old system is being slowly but surely crushed by the exigencies of war and in any case is irretrievably doomed. The choice confronting the workers of our generation is between industrial serfdom (which will inevitably supersede “free” wage labor if class rule is prolonged) and the economic independence of Socialism.

Is Labor Control Temporary?

The subject of labor conscription is intimately related to this choice. For, contrary to the popular notion, assiduously cultivated by the plutocratic press,

² Dr. Virgil Jordan, president of the National Industrial Conference Board, in a speech before the Mortgage Bankers Association in New York, October 3, 1941.

³ Ibid.

compulsory labor service is not a temporary expedient to be abandoned when the war ends. The Austin-Wadsworth bill, for example, which was introduced in Congress February 8, 1943, provides for its own termination May 1, 1945, “or such earlier date as may be specified in a concurrent resolution of the two Houses of Congress.” The *New York Times* describes it as “exclusively a wartime measure.” Such assurances are less impressive, however, when one considers these two potent factors: 1. A colossal manpower problem “in reverse” is a postwar certainty; 2. The Austin-Wadsworth bill creates and expands the machinery for labor *control*. In the light of these factors it is fatuous to allow oneself to be influenced by assurances made today, and made with the obvious intent of overcoming prejudice to a measure palpably at war with the traditions and the Constitution of this nation.

Labor conscription is a part of a larger plan for labor mobilization and labor control, a plan which has already been adopted as a policy for war and peace by Nazi capitalism. Indeed, the significance of labor conscription will be wholly lost to us if we think of it only with respect to its immediate consequences. If its true significance is to be fully comprehended, we must first understand that labor conscription is a factor in a plan to introduce in America a new, and even more, degrading system of labor. We must understand the economic and social forces which exert a compelling force on the capitalists themselves to introduce this new system. Finally, the American working class must understand how an era of industrial feudalism may be averted, how we may reconstruct society in such a way as to make our marvelous production technique fulfill its promise of abundance, happiness and leisure for all.

That the system of wage labor is not permanent, that *no* system of labor is permanent, may be adduced from our own history, a brief examination of which is pertinent to an understanding of the reaction now proceeding.

200 Years of “White Servitude.”

The first English colonies were founded on these shores less than three hundred fifty years ago. Yet in the space of a little more than three centuries we have had three distinct systems of labor. To those who have not familiarized themselves with American history it is the source of no little amazement to learn that white indentured servitude was *the prevailing system* in most of the colonies for two hundred years, i.e., from the time of their founding until, and even after,

they had become states. Once referred to as “white servitude,” the indenture system grew out of demand for land and laborers in the colonies and the human congestion and extreme poverty of Europe. A Department of Labor brochure⁴ describes the system in these words:

“An indentured servant was one who came to the New World under a contract either with a planter who imported him into the colony or with the ship-owner or merchant who transported him for the purpose of disposing of his services upon arrival. British law required that all British subjects emigrating as servants should, before sailing, execute indentures stipulating the number of years of service entered into, and whether the labor to be performed was a definite trade or any kind of work required by the other party of the contract. The master, in consideration of his right to the servant’s labor, agreed to provide food, clothing and lodging for the stated period of time [usually from four to seven years], and generally to allow additional compensation in the nature of provisions, clothing, and equipment upon the expiration of the term. This allowance came to be known as ‘freedom dues’ and sometimes, particularly in the beginning, included land.”

Indentured servants never formed a permanent class. As freedmen they shared the advantages of opening for settlement a rich land. Not infrequently they became masters of indentured servants themselves.

The system of indentured servitude was suited to the times and no other system could have supplied the colonies (especially the Middle and New England colonies) with adequate labor. In his study on *White Servitude in Maryland: 1634–1820*, Eugene Irving McCormac wrote:

“No system of free labor could have been maintained in the colonies until a comparatively late date. In the first place, the poor of Europe would have been unable to come to America had they been obliged to pay for their passage in advance. On the other hand, the planters could not afford to pay the wages of free laborers. Even with the large supply of servants and convicts,⁵ free labor was high and unprofitable. Laborers would not hire,

⁴ *History of Wages in the United States From Colonial Times to 1928*, United States Department of Labor, Bureau of Labor Statistics.

⁵ Many thousand convicts, called “King’s passengers,” were shipped to the colonies. Some had been convicted of serious crimes but the majority were guilty of offenses which are not even regarded as misdemeanors today, and many were political prisoners. In addition to convicts, thousands of persons were kidnapped from England’s seacoast cities by ship-owners and captains who grew rich on the lucrative traffic.

except for very high wages, when they could easily obtain new lands and become planters themselves.”

Indentured servitude was never legally abolished. It died gradually as the economic conditions which produced it changed. It lingered longest in Pennsylvania where the last officially recorded registry of a redemptioner is dated December 1, 1831.

Slavery and Wage Slavery.

The second system of labor in America was Negro slavery in the South. The Negro slave replaced the white indentured servant on Southern plantations more than a century before wage labor became the prevailing system in the North. The reasons are not difficult to trace. The Negro slave possessed superior endurance for field labor, and he was more tractable: Moreover, the Negro could not escape from his servitude, which, “far from being limited to a few years of his own life, outlived him and descended to his children.”⁶ Even so, it appeared about the time of the Revolution that slavery was doomed. It had become increasingly expensive under conditions where agriculture was necessarily diversified. With the invention of the cotton gin, and the enthronement of King Cotton, however, Southern plantation owners who had toyed with plans for freeing their slaves abandoned them and the system became entrenched once again, to be uprooted violently some sixty years later in civil war.

“Free Labor” Cheapest.

With the increase in population in the New England and Middle states in the early part of the last century, the supply of “free” wage workers increased—and wages fell. As a consequence, wage labor became the cheaper system. It was cheaper for more reasons than one. Even the master of indentured servants was compelled to feed and clothe them in times of economic distress, but the employer of wage labor had only to close down his shop or factory, and turn his “free” wage workers adrift. When prosperity returned, he could always draw from the stream of European immigrants which constantly replenished the labor market.

Capitalist apologists have long boasted that their system has transformed the

⁶ *History of Wages in the United States, etc.*

laborer into a “merchant,” seeing that he sells his labor power in the open market. The wage worker is “free,” that is, he is “free” in the sense that he can quit one master whenever he likes. But, if he does, he must set out immediately to find another. As a class, the wage workers, being propertiless, are anything but free. The individual worker may have some measure of choice, but the workers as a *class* have no alternative to selling themselves to the capitalist class except starvation.

This system, which vouchsafes the worker a “living wage” in good times—and lets him starve in bad ones—suited the needs of American capitalism during the competitive period, or before the industrial leviathan became the economic and social power of the land. As ownership and control of the instruments of production concentrated into fewer and fewer hands, and with the arrival of huge economic empires, certain shortcomings in the wage labor system became apparent. Like small and medium industry, the great monopolistic corporations also encountered periods of depression and industrial stagnation. At such times they dumped great numbers of workers on the mercy of charity. This created a social problem, for immense numbers of unemployed constituted a direct threat to the capitalist system. Haphazard “made work,” public works, unemployment insurance, etc., could, of course, lessen the danger considerably, but they could not entirely eliminate mass unrest. This is only one shortcoming of the wage labor system in an age of industrial colossuses. Others were somewhat obscured during the years of industrial depression and made themselves felt only after war had given capitalism the necessary stimulus to full production.

War and the Labor Crisis.

American capitalism has discovered the need for a new system of labor, principally because of two conditions precipitated by war. One of these is the demand, not only for large numbers of workers to run the war industries, but for large numbers of workers *of certain categories and skills*. Belatedly it was discovered that, in many categories, there was an insufficient number of workers to go around. Programs for training labor were hastily improvised and put into operation. Old men, thrown on the industrial scrapheap in the 'thirties, had to be retrieved. The labor “reserve army” was combed for welders, tool makers, skilled workers and technicians of all types.

All this was inefficient and costly, but not nearly so inefficient and costly (to the

capitalists) as other aspects of the wage labor system. Where a worker is “free” to sell his labor on the open labor market, he sells it to the highest bidder. This was well and good when the supply of labor greatly exceeded the demand. At such a time the price (wage) tended to remain low. But labor, as Abraham Lincoln aptly put it, “is like any other commodity in the market. Increase the demand for it and you increase the price of it.” When, because of the demand for labor created by war, employers began to bid against each other, to “hoard” skilled workers, and send their agents about to “pirate” workers from rival exploiters, the price of labor power naturally rose. As we are discovering today, not even wage ceilings imposed by government authority can effectually stem this rise.

From the capitalists’ point of view this is a twin evil. Not only must they frequently yield on the question of wages (thus reducing their own plunder), but they must passively permit dissatisfied workers to leave for greener pastures. The result is a high rate of labor turnover. In some plants as many as fifty per cent of the workers hired quit for better jobs before they have worked a month.

As a consequence of these “evils,” i.e., rising wages and high rate of labor turnover, capitalists *as a class* are clamoring for measures which, in effect, put the quietus on the “free” labor system. They yearn for a set-up in which the worker will be denied the right to go from job to job at will, in which the ages and skills and vocational records of every worker in the land are neatly catalogued and indexed, in which there is *always* an adequate supply of workers of all categories from which industry can draw, in which the “free” market for labor gives way to naked compulsion. In short, they yearn for a system which reduces the wage worker to the industrial equivalent of the medieval serf. As we shall see subsequently, they desire this system not only to fulfill the needs of war but also for the period” of peace!

Should the Nazis Get “Credit”?

Is this the Nazi system? In his column in the New York *World-Telegram*, Westbrook Pegler said of labor conscription: “This probably is Hitlerism. . . .” His fellow columnist, Raymond Clapper, disagrees. “It doesn’t make any more sense, so far as I can see,” he writes, “to talk about manpower control being Nazi than to say that military conscription is Nazi.” Although it is indisputable that the Nazis were the first to introduce industrial serfdom, Clapper is indubitably right! *For this system is, above all, the product of capitalism in its monopolistic period.* If it had not

been introduced first in Germany, it would have originated in another highly industrialized capitalist power, England, perhaps, or America. Like white servitude, chattel slavery and wage labor, it is the result of a combination of social and economic conditions. Industrial serfdom is the product of large-scale, concentrated industry and class rule.

Irrespective of the outcome of the present global war, if capitalism remains as the ruling principle of society, industrial serfdom will inevitably be the prevailing system of the future. This is not to say that each and every worker will, at one time, “feel” his or her status changed. On the contrary, the new system will overlap the old, just as white servitude, chattel slavery and wage labor overlapped each other. The change will be felt gradually and many of the steps to it will be made to appear like progressive and beneficent reforms, reforms which may, if the Socialists fail, enlist the workers to aid in their own undoing.

But the Socialists will not fail! They will not fail in America because here we possess two things notably absent in Germany. The first is a practical, easily understood program whereby the workers may take and hold all power and put an end to class rule for all time. The second is a hard-hitting, resolute, disciplined *organization* of militant Socialists. Finally, the workers of this country have the opportunity to learn from the German workers’ experience. Nazi capitalism holds up the mirror to our own.

III.

Nazi Labor Controls.

The German “free” wage-worker did not become an industrial serf automatically when Hitler seized power. ‘It required six years and scores of decrees to reduce him to his new subservience. It was a *gradual* process, the ominous significance of which was obscured by the apparently “progressive” steps leading to it. For industrial feudalism does not reveal its cruel visage in the beginning. It wears the mask of beneficent reform. It does not proclaim its intention to degrade the workers. It wishes to *improve* the condition of the workers, to abolish unemployment, to give the workers “security.” And it *does* give them “security”—albeit of a dubious kind. At the same time that it regiments the workers it “regiments” the employers. It forbids employers to fire their employees at will, or perhaps it compels employers to hire so-and-so many workers from the ranks of the unemployed. To nonclassconscious workers, who have suffered through painful years of insecurity and unemployment, such measures seem desirable. What they do not perceive, of course, is this: *Curbs on the unbridled power of the individual capitalists are safeguards to the interests of the whole capitalist class.*

Reaction Masked As Reform.

The big German industrialists knew full well what Hitler was going to do when they put him in power. They also knew that in yielding certain of their prerogatives, they were strengthening their position as a ruling class. They were perfectly willing to have Hitler “curb” them. But the workers did not know this. Somehow, they interpreted the wails that rose from this or that capitalist as the result of something Hitler did *for them!* Hence, large segments of nonclassconscious German workers not only failed to resist regimentation, they actually welcomed it.

The first Nazi decrees relating to labor seemed aimed at the grave unemployment problem which then confronted the nation. Actually they were steps to *labor control*. From the very beginning the Nazis endeavored to get young men into the army and in March, 1935, they made military service compulsory by statute. The next step was compulsory labor service. Here they utilized machinery which had been set up as a great “progressive” reform by the Weimar Republic, an institution not unlike our C.C.C. camps. As with our C.C.C. camps, labor service

had not been compulsory under the Weimar Republic. The Nazis made it compulsory. This was followed by various measures aimed at reducing the surplus of workers on the labor market and by an extensive public works program.

One decree (August 28, 1934) forbade the hiring of persons (male or female) under 25 years of age without the consent of the Employment Office. Ostensibly this was to encourage the employment of older workers. Mr. L. Hamburger, author of a study on Nazi labor controls,⁷ points out an ulterior motive. “. . . it was meant and it was used,” he writes, “to shift suitable workers while in their youth to such work as was of special interest for the State.”

As a result of measures attacking the unemployment problem, many thousands of farm workers were attracted to the cities, creating a labor shortage in the country, side by side with urban unemployment. To meet this situation two decrees were issued in the spring of 1934. The first ordered non-agricultural employers to discharge all workers who had performed farm labor in the preceding three years. The second forbade the employment of farm laborers for non-agricultural employment except with the special consent of the Employment Office. Thus farm workers, though not bound to a single employer, were bound to agricultural occupations. “This,” writes Mr. Hamburger, “was the first move toward industrial feudalism, to be fully developed by 1939.”

As unemployment receded and decrees continued to issue from the Wilhelmstrasse, the outlines of the Nazis’ industrial feudal aims began to take shape. With more employment opportunities, German workers began to “shop” around. As a consequence, employers in certain areas complained of “labor shortages.” The decree of May 15, 1934, was intended to correct this. It forbade the employment of workers resident in Berlin, Hamburg and Bremen outside those areas. Subsequently, this decree was extended to other parts of the Reich. It was a sort of “industrial confinement,” not yet the equivalent of “job-freezing.” The instrument through which it was enforced was the Employment Office.

Employment Office and Work Book.

The Employment Office was another institution for which the Nazis are

⁷ *How Nazi Germany Has Mobilized and Controlled Labor*, by L. Hamburger, The Brookings Institution, Washington, D.C., 1940.

indebted to the Weimar Republic. It was set up as a “progressive” reform (as was our United States Employment Service) by acts of 1922 and 1927. Gradually the Employment Office replaced all private hiring agencies. Whereas employers were formerly permitted to advertise for workers, or use the Employment Office if they chose, they were ultimately compelled to hire through this agency. Nor could workers get jobs, except through the Employment Office. All other avenues were practically closed to them when the Work Book law, enacted February 26, 1935, was extended to include all workers of the Reich, even self-employed artisans, salesmen and peddlers.

The noxious Work Book⁸ is a complete vocational history of the worker. Upon being employed, he turns it in to his employer who is obliged to enter particulars regarding his skill, department, training, changes in his status, etc., and to notify the Employment Office of such changes. Thus the Employment Office has data on all German workers, filed, indexed and catalogued. “The German Work Book, in the hands of a monopolized employment service, marks the end of the [free] labor market, substituting for it complete State control over the movements of labor.”⁹ In order that no prospective industrial serf might escape this control, a decree of March 1, 1938, ordered all parents and guardians to report to the Employment Office on all young people leaving primary or secondary school.

From labor control to labor conscription was but a step. It was proclaimed under the name of Compulsory Service, June 22, 1938. In principle it applied to all Germans, no matter (in the words of the Minister of Labor) “if man or woman, schoolboy or aged, employer or worker, civil servant or businessman.” Reference to “employers” and “business men” was trimming to make the decree more palatable to the workers. What Compulsory Service actually did was to give the Nazi capitalists the full benefit of the data the Employment Service had accumulated. Thereafter, when the employer wanted workers, he filled in a form or order blank, stating the number, sex, kind, wages to be paid, hours to be worked and the nature of the work to be performed. After checking the request, the employment authorities called up the number and kind of workers requested. Thus the workers were shifted about

⁸ A Work Book has not as yet been officially proposed in America, but that it will be is almost a dead certainty in the feudo-capitalist premises. Indeed, it has already been suggested unofficially by that “hero” of big business and capitalist executive, Captain “Eddie” Rickenbacker. In a speech in New York, February 7, Captain Rickenbacker said, “We civilians at home should be proud to have our records kept of our services . . . in a formal civilian service record [work book].”

⁹ *How Nazi Germany Has Mobilized and Controlled Labor.*

and assigned to this or that employer, irrespective of their wishes or circumstances. Nominally the period of compulsory service was six months. Actually it had no limit because it could be extended indefinitely.

Although the Nazi decrees for controlling labor applied to all German workers (and even to alien workers within the Reich) in principle, all workers were not shifted about, nor did all feel their effects. L. Hamburger quotes a high official of the Ministry of Labor as saying that to tie 20 million people to their places of work would be “a simply unworkable bureaucratization and hence the paralyzing of labor allocation.” Therefore, an attempt was made to keep wages down by setting up a board of Labor Trustees with “practically unlimited power to interfere with, and fix, wages and working conditions, regardless even of existing obligations.”¹⁰ Thereafter, employers could not raise wages except by special consent. But, like the Statutes of Laborers of Edward III,¹¹ the mere *verboden* did not work. In the face of the enormous demand for labor, wages tended to rise, if not directly, then by devious means. Employers “upgraded” workers, offered to pay their carfare, or the rent on their flats, or take over “social security” obligations, or in some other way offer an “extra.”

Modern Equivalent of the Feudal Serf.

The failure of the wage maximum or “ceiling” prompted the Nazis to return to the controls of immobilization to hold wages down to the 1933 level. On March 10, 1939, they issued a decree forbidding enterprises of any kind (including households) to hire workers engaged in “agriculture, forestry, mining, chemical industry, and the production of building material, except with permission of the employment authorities.”¹² This effectively immobilized a large percentage of the workers in the Reich. The remainder were immobilized by the sweeping and all-inclusive decree of September 1, 1939. Since workers were unable to quit one job for another which

¹⁰ *How Nazi Germany Has Mobilized and Controlled Labor.*

¹¹ The decimation of England’s labor supply by the Great Plague in the fifteenth century resulted in a sharp rise in wages. Parliament attempted to reduce them by the enactment of the Statute of Laborers, a law which threatened both employers who offered wages above the “ceiling,” and workers who accepted them, with penalties, the former with fines and the latter with ear-cropping and other severe punishment. This statute was passed, re-enacted, invoked and put into execution in vain. Not only did workers refuse low wages but employers, in their competition with one another for the depleted supply of laborers, circumvented the law widely.

¹² *How Nazi Germany Has Mobilized and Controlled Labor.*

paid better, the employer had no longer any need to offer “extras.” Wages were “frozen.”

Years before the Nazis seized power, yes, years before Mussolini staged the March on Rome, the Socialist Labor Party described the system to which decadent capitalism was tending as “industrial feudalism.” Latterly several capitalist writers have perceived the striking parallels between the feudal system of the Middle Ages and the system born of decadent capitalism. L. Hamburger, for example, who uses the term “industrial feudalism,” repeatedly says of the Nazis that they “set up a modern equivalent to antique and medieval feudalism. The *colonus* of the later Roman Empire, the *serf* of the Middle Ages, was considered part of the estate of his squire or lord. He was attached to, fixed on, the estate; he had no right to move away. He was, in the language of feudal law, *glebae adscriptus*. Similarly the German worker was now becoming attached to, fixed on, his job—*glebae adscriptus* if it happened to be an agricultural one, or *factoriae adscriptus* (if one may say so) if it happened to be an industrial one.”

“As a matter of fact,” writes L. Hamburger, “the position of the German worker outfeudalizes the Middle Ages. The feudal lord enjoyed a *droit de suite*, that is, right of recovery, in regard to a serf who, breaking his bond, had left the ground he was attached to; similarly the German employer, since, roughly, the end of 1938, has had the right to require the worker to return to the place he had quitted. This was done through the instrumentality of the State, and there is plenty of evidence of this practice. But, in addition, the Nazi government made it a criminal offense for the worker to quit his place of work without permission of the employment authorities. Sentences ranging from two to eight months of imprisonment have been by no means rare.”

Finally, it should be remarked that the German worker does not even enjoy the *advantages* of feudal immobilization. “It is true that prohibition of release, under the decree of March 10, 1939, was also binding on the employer; he had no more right to discharge the worker than the feudal lord had to drive the serf off the land. But these restrictions on the normal power of the employer do not amount to stability of employment for the worker, which was the other aspect of immobilization under feudal conditions and indeed the great privilege of feudal bondsmen. At the same time the State, using conscription or another of the devices

described above, might provide the worker with a most unfeudal mobility.”¹³

An Ominous Parallel.

These conditions are being cemented in Germany, just as they are being applied in the “democratic” capitalist nations, under pretext of war necessity. For it could not have escaped the thoughtful worker that there is an ominous parallel between the degradation of the German worker and the measures which, in Great Britain, Canada, the United States and other countries, are “freezing” the workers to their jobs, conscripting them and otherwise effectuating their complete control by the State.

We have said that the labor controls now being shaped in the United States are not temporary, that the capitalist politicians say they are temporary only in order to weaken opposition to them. This provokes the question: How are these controls to operate when the manpower problem is “in reverse,” when, instead of a great demand for workers to run the war industries, those industries close down and the labor market is flooded with millions of disemployed? The Nazis believe they have the answer to this problem. So do some of our “democratic” capitalists. The answers, significantly, are essentially the same.

¹³ *How Nazi Germany Has Mobilized and Controlled Labor.*

IV.

Industrial Feudalism or Industrial Democracy?

We have charged that the labor controls set up during the war to regiment and conscript the workers are not temporary expedients, that they are part of a plan to introduce in America a new and even more degrading labor system, industrial serfdom. But everyone knows that there will be no labor shortage after the war, that, on the contrary, there will be an enormous superfluity of labor. How, then, can the labor controls fashioned to mobilize labor be adapted to the manpower problem “in reverse”? We propose to answer this question. First, however, it is necessary to understand the general nature of the crisis confronting postwar capitalism.

In a letter to the New York *Herald Tribune*, January 10, 1943, the reactionary who beats the drums for “private enterprise,” and uses the *nom de plume* “Heptisax,” jabbed a rude finger squarely into the throbbing sore.

“Any man whose job it is to work on the manufacture of big bombs,” he wrote, “knows that the product of his labor will be forwarded as swiftly as possible to some point where it will be totally and everlastingly destroyed in the flash of an eye, that the boy who drops it can use such things as fast as they can be produced and that his job in the factory is, therefore, good as long as the war lasts. . . . But . . . he also has sense enough to know that when his plant goes back to making steel pipe for industrial uses, let us say, his job will be good just so long as customers want pipe and can pay for it, or perhaps as long as his employer can finance the production of unsalable pipe in the hope that there is some day going to be a demand for it, but no longer.”

This, in essence, is the picture. Certain capitalist spokesmen have tried to brighten it up with grandiloquent reviews of the march of science and rapturous accounts of new inventions which, we are told, will lead to an immense variety of “better things for better living” when the war is ended. But informed persons know that under capitalism things are produced for sale and that, if the millions of demobilized soldiers and war workers were put to work producing commodities, the market would be hopelessly flooded in a matter of months, if not of weeks. The result would be an industrial crisis of such magnitude as to dwarf any we have hitherto experienced.

Capitalism's "Full Employment!"

Government officials and the capitalists whom they serve know this. But they also know that it would be equally dangerous to permit millions of returning soldiers and great masses of war workers to go jobless. "The masses of the people simply will not stand for unemployment and doles after this war," wrote the plutogogue, Walter Lippmann. And he adds: "This is the rock-bottom truth from which to start thinking about the postwar world. . . ."14

But if "full employment" cannot be achieved by absorbing the demobilized soldiers and war workers into industries producing commodities, how can capitalism stem the impending tide of unemployment? The answer is one upon which all the contentious ruling class groups appear to agree. From the not-so-starry-eyed followers of Henry Wallace to the camp of Henry Luce and the National Association of Manufacturers, it is agreed that the surplus of workers must be set to work *by the State*, producing things which do not go to market. The loudest advocate of "free enterprise" agrees that "free enterprise" needs a crutch from the State. In other words, our capitalists see no other solution than a monster W.P.A. or P.W.A. "Whether the plan of huge Government spending will work as a permanent process to provide full employment, I do not know," said Dr. Robert E. Doherty, president of the Carnegie Institute of Technology. "But I feel sure of two things. *One is that, regardless of ultimate consequence, the plan will be used when the war is over because the alternative is chaos.*"

Some capitalists, it is true, still regard super public works as a temporary makeshift, but more and more are coming to agree that it is a permanent feature of their system. Officially it is known as the program of "deficit financing."15 In his column in the New York *Herald Tribune*, November 26, 1942, Walter Lippmann said of deficit financing:

¹⁴ The Government through, the National Resources Planning Board has warned employers that "the American people will never stand for this [mass unemployment]. Sooner or later they will step in and refuse to let matters 'work themselves out.'" (*After Defense—What?* a pamphlet prepared by Dr. Alvin Hansen for N.R.P.B.)

¹⁵ Roughly this plan is based on the premise that consumption plus savings equals production. Its exponents argue that the government must spend in building public works, etc., as much each year as goes into private and corporation savings and that in this way surpluses of commodities, as well as of workers, will be prevented from glutting the market. As with labor controls, "deficit financing" was pioneered by the Nazis. The German experience has shown that it cannot prevent surpluses, a need for foreign markets, nor war. Germany owes her "full employment" wholly to preparation for war.

“This discovery is much the most important advance in human knowledge in modern times [i.e., important to the plunderbund *if it works!*]. It is the discovery that government can by the proper use of public funds create a condition of full employment for all its people. Heaven help the administration which refuses to apply this knowledge in the postwar world.”

Reservoir of Labor.

The labor controls fashioned during war are of primary importance to this scheme for shifting workers at will from munitions plants to public works and back again. They are expected to create for the fleecers an enormous, but passive, reservoir of labor from which they can draw whenever the occasion demands, or into which they can deposit those whom the new machine or periodic depressions disemploy. Moreover, the capitalists anticipate positive advantages through the systematic training (in labor camps) of large numbers of young workers in trades and skills so that they will never again be caught short of skilled workers, as they were at the beginning of World War II.

Nor is a *planned* labor reservoir a remote prospect.

The war is gradually transforming the United States Employment Service into a labor monopoly. In areas where workers are frozen to their jobs, it *is* the labor monopoly insofar as the hiring of workers for war plants is concerned. For, although the pro-capitalist unions are struggling for recognition as hiring agencies, they are gradually but surely losing ground. The United States Employment Service already has available considerable data on the vocational records of every man in the nation between the ages of 18 and 63. These were obtained under the Selective Service Act which required all males affected to fill out an occupational questionnaire. Once these data are properly indexed, employers in America may, like their class colleagues in Nazi Germany, merely fill out a form requesting so many workers, designating the sex, skill and kind of work to be performed, forward it to the United States Employment Service and have their order filled. Such a state of affairs would be a feudo-capitalist paradise.

When hostilities cease and war production tapers off,¹⁶ the process is

¹⁶ “Better than half of our industrial output at the end of this war will be going to one customer—our own government. The business will exceed seventy billion dollars a year. Any attempt to stop that purchasing power abruptly would result in complete bankruptcy. There must be a

reversed—or so the exploiters fervently hope! In general terms this is the scheme for worker-demobilization: The disemployed worker must register at the Employment Service, or perhaps his former employer will register for him at the time he is laid off. He may receive “severance pay” to “cushion the shock.” He is certain to draw unemployment insurance benefits. As quickly as the bureaucratic machinery can function, he will be assigned to a government project. The compulsion for him to accept will be necessity and may, or may not, be augmented with peacetime compulsory work statutes. Here he will work at minimum wages producing things which do not congest the capitalist market *until such a time as he is needed again in industry*. The capitalist schemers do not pretend to know when that will be. But experience has shown that capitalism cannot give the workers full employment *in industry* except in war.

No Escape Under Capitalism!

The thoughtful worker will easily perceive in this Nazi-pioneered scheme a sort of “ever normal granary” of labor. The difference is that surplus agricultural produce is purchased by the government and taken off the market so that it will not depress the price. The surplus of workers will be taken off the labor market for quite another reason—to prevent the revolutionary temperature from rising, to appease labor’s discontent, to preserve the outmoded and dissolute capitalist system. As for the effect on wages, or the price of the commodity labor power, labor controls may be used to depress these at will. Here it is evident that the “fortunate” ones, the workers who are not laid off, will not escape the consequences of feudo-capitalist labor controls. Certainly the large-scale training of young workers under a system of compulsory labor service will result in a leveling off of the wages of skilled and semiskilled workers. As for the rest, the economic laws inherent in capitalism, which laws the fleecing class hopes to get under control, tend to lower the standards of the toilers.

To assert that the sinister plans of our exploiters will not work would be a fatal error. They may, for a time. The scheme is insidious. To many nonclassconscious workers it will have a distinct appeal, for it offers them a dubious “security.” Moreover, although the pro-capitalist unions, such as the A.F. of L., C.I.O. and

[gradual and sensible unwinding.](#)—Milo Perkins, director of the Board of Economic Warfare in an address, May 25, 1942.

Railroad Brotherhoods, will have had the ground taken from under them, there is a strong probability that they will be retained to assist in the reduction of the “free” wage worker to industrial serfdom. This is indicated by the deals now being made with the labor fakers, deals which give them “union (or dues) security,” “maintenance of membership,” etc., in exchange for their services in “disciplining” the workers.

The scheme will be all the more insidious because it will probably be accompanied by restrictions on the right of the employer to fire workers at will or without the permission of employment authorities. Finally, to encompass this further degradation of the toilers, peacetime labor controls will probably be incorporated into a sort of American Beveridge plan and may even be disguised as “socialism.”

Industrial Democracy.

Make no mistake about it, if the American workers are to avail themselves of the unprecedented opportunity that the postwar crisis presents, if they are to rout their oppressors and build an industrial democratic society of peace and abundance for all, much arduous work must be performed. Our industrial capacity is being immensely expanded. Utilized to produce things for use (an utter impossibility under capitalism), we could so organize production as to create an abundance with a minimum of human labor. In the Industrial Republic every citizen would play an active part in administrative councils, large or small. He would participate in the democratic management of production, not merely at election time, but every day in the year. And he would be *free*. He would be free from want because he would receive the full social value of his product, because there would be no class of parasites to rob him of the fruits of his labor. He would be free to work where he likes; every industry would be open to him and all would welcome him. Once our marvelous forces of production have shaken off the shackles of capitalist considerations, of profits, and of markets, he will share in creating and he will share in consuming the wealth that will flow in an unending stream from a veritable Cornucopia of Plenty.

Organize the Socialist Industrial Union!

To win this new and infinitely better world, the workers must consolidate their

forces *as a class*. They must build one big Socialist Industrial Union embracing *all* workers, a union capable not only of enforcing the Socialist ballot by taking possession of industry and locking out the capitalist class, but also *of managing and operating industry*. In the Socialist Industrial Republic of Labor the workers will elect their foremen in the shop and their management committees in the plant. From all the industries they will elect councils which, locally and on a country-wide scale, will direct the nation's complicated productive mechanism. It will be the highest form of democracy ever achieved. It is the only alternative to the Industrial Feudalism of decadent capitalism.

What is needed now is agitation, more agitation and still more agitation. Those who perceive the ominous significance of labor conscription must abandon the notion that mere personal opposition, or personal agitation, will suffice. The monumental task of arousing the American workers to their critical danger, and of imparting to them the principles, aims and program of militant Socialism, requires organized effort and organized agitation. Every classconscious worker who grasps the sinister significance of the present trend, who comprehends the opportunity the postwar crisis will offer to the forces of progress, who detests slavery in every form and whose purpose in life is to aid in bringing to birth a society of freedom and human happiness, should join in the organized effort of the Socialist Labor Party. For it is only by organized agitation through an organization which has proved its integrity, scientific rectitude and unswerving devotion to the cause of the workers that the alarm may be trumpeted with such resounding volume as to reach and arouse the whole working class.

Let, therefore, the workers heed the clarion call of the Socialist Labor Party:

“Unite! Unite on the economic field upon the only basis that economic unity is possible—the basis of the solidarity of the working class, the only solid fact from which political unity can be reflected! Unite! Unite upon the only economic principle capable of backing up the right of the labor ballot with the might to enforce it! Unite for the general strike at the ballot-box, to overthrow the political robber-burg of capitalism, backed up by the . . . general lockout of the capitalist class from the industrial fields it has usurped. Unite for the emancipation of the working class, and to save civilization from a catastrophe!”

(THE END)