

# **A REVIEW AND AN OUTLOOK**

## **WHAT IS AHEAD OF THE AMERICAN WORKING CLASS?**

Address to the Workers of America by the  
Socialist Labor Party

(May 1925)



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# A REVIEW AND AN OUTLOOK

## WHAT IS AHEAD OF THE AMERICAN WORKING CLASS?

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(Adopted by the National Executive Committee, May 1925)

**B**EHOLD JOHN SMITH, typical American workingman. He has a wife and three children and that is about all he has, unless it be his job, which isn't really his in the sense that the wife and the children are "his"; that job belongs to his boss, who lets him keep it as long as business is good, but when it is not, John loses the job but keeps the wife and the three children. He "keeps" them none too well when in a jobless condition—but that is another story. There are many millions of Johns, wage earners and salary earners, some with wives and children and some without, but between them they number about 65 per cent of our people. Between them, in the factory, on the railroad, on the farm, on the ships, in the mines, in offices and counting houses, and in numberless other places, the John Smiths dig and delve, sail ships, run trains, work at huge machines, add up rows of figures, do all manner of work, physical and mental, and between them produce all the wealth the nation boasts of. Do they produce all that wealth for themselves, and do they have the more the more they produce? Not at all. They produce all that wealth for other people, people who own the factories, the mines, the ships, the railroads, the farms, etc., and these latter people are called capitalists, while the Johns are called wage workers.

In these modern days, John Smith cannot produce wealth unless and until the capitalist lets him use the machinery and factories, etc., which John made and which the capitalist owns. In order to induce the capitalist to let him use these means of producing wealth, John must agree to do the work for what is called a wage, which means that the capitalist gives him a part of what John produces and pockets the rest. John gets just enough to keep him going and to raise a family of Johns to take his place after he is gone, no more but often less—in which case he cuts out the family, that is, he remains "single." What John really does get depends

upon the number of Johns looking for a job—a chance to work—and this is so because John's capacity to work and produce wealth, his labor power, is bought and sold in the labor market and is there governed by the same law that governs all other goods offered for sale, that is, by the law of supply and demand, which means that when the supply is large, larger than the demand, the price goes down; and when the demand is large, larger than the supply, the price goes up—but this hardly ever happens to John's labor power, there being so many of him. Again in these modern days, aided by all kinds of machinery, science, invention, the division and subdivision of the labor process, John's capacity to produce wealth is enormous—especially here in America—and, since there are so many of him, it works out that, generally speaking, all the Johns put together, that is, the American working class, receive in wages less than one-fifth of the value of the product brought forth by them, the capitalist pocketing the other four-fifths.

But the goods John has produced and is producing are not made merely to be looked at. They are made to be sold, and sold at a profit. John's wage amounting to less than one-fifth, all that he can buy of the value of these goods is less than one-fifth. The capitalists have on their hands the other four-fifths and they must get rid of these in order to keep the John Smiths at work. If the capitalists were as numerous as the Johns, they might conceivably be able to use up that vast mountain of wealth and thus make room for more. But they are not; on the contrary, there are but very few of them, and they have a way of getting fewer the bigger they grow. Unable to sell that big surplus of goods in their own country, the capitalists have to send their agents all over the earth to look for customers, and, incidentally, to look for other opportunities to make money. But wherever these agents go, they meet the agents of the capitalists of other countries bent on the same errand, because these other capitalists have the same problem on their hands.

### *LET THE PICTURE SINK IN.*

It is best right here to let this picture sink into the mind in all its ramifications and implications. It represents, in the most simple language and in rough outline, what is called the Social Question: how to reconcile an ever growing productivity of labor with an ever diminishing purchasing power of the mass of people.

In 1914, when these conditions bade fair to drive the entire world into a most severe industrial crisis, when indeed the forerunners of that crisis were to be noticed on every hand, the commercial and industrial rivalry among capitalist

nations, each with their millions upon millions of John Smiths working and producing goods and heaping them atop of each other, led to an explosion, an explosion known in history as the World War. In those days we were treated to a lot of stupid and mendacious propaganda as to the cause of the war, but looking at the fundamental facts of the case, the long and short of it is that the capitalist system of production produced the war—the need of finding markets for an ever growing surplus of goods on the part of so many different nations. President Woodrow Wilson, when he came back from Paris and spoke at St. Louis, said as much when he declared that a child should be able to understand that this war had been a commercial war. Reputed to be a bright man, the wonder is that it took him so long to find out the obvious.

When a war breaks out, the John Smiths are supposed to do the fighting as they are supposed to do the working when there is no war. They were seized, stuck into uniforms, made to shoulder guns, and then they proceeded to kill each other by the millions, never asking the why and wherefore and never being asked. The John Smiths of the different nations at war spelled their names in different manners; it was Jean in one place and Johann in another, or Ivan and Giovanni elsewhere, but they were alike in this respect: they were all propertyless members of the working class, killing each other for the property interests of their masters. Of course, it was not then called “property interests”; that would have been too raw, and such names as “democracy,” the “rights of small nations,” and “making the world a place fit to live in” were invented to cover up the real facts of the case.

Like all things in this world, the war finally came to an end and we can now take a good look at post-war conditions. In doing so, we might as well drop the John Smith metaphor so as to get a broader outlook. After the war the capitalist nations of Western Europe found themselves in a bad way; victors and vanquished alike were practically bankrupt and America alone of all the war participants had come out stronger than ever, meaning by “America” the capitalist class of America. Early in the war that capitalist class of ours had served as a munitions supplier to one side of the European fighters and had made money hand over fist. Incidentally, this gave it a chance to build up an enormous production machine, and the building of that was still more accelerated when, later on, the American capitalist class decided to enter the war. Both money and war supplies were poured into Europe without stint and our capitalists became world creditors. Ten thousand million dollars (\$10,000,000,000) was loaned by our government to European governments of the

Allied type, and since then other private loans and commercial credits have practically doubled that huge sum, so that, a little more than ten years after the outbreak of the war, Europe owes the United States twenty billion dollars, a sum so vast as to be beyond the mental conception of the average man. What this means in an economic sense and, by reflex, will sooner or later come to mean in a political sense, also escapes the mental conception of the average man, at least for the time being. He will learn that later. Meantime, the volume of that indebtedness keeps on growing; between unpaid interest, new loans and new commercial credits the sum total grows larger year by year. What the end is going to be nobody knows.

### *WHAT IT ALL MEANS.*

The situation thus developing is full of gunpowder, more so even than in 1914. To make it clear let us take it up point by point. The chief points are:

1—The vastness of the European indebtedness to the American capitalist class illustrates the vastness of the surplus value extracted from the American working class. The American capitalist, amply able to look after his own capital needs at home, is able to put ten billion dollars worth of wealth into Europe within ten short years—and keep it up unabated.

2—The American capitalist is compelled to do as he is doing. Were he to stop pouring surplus capital and commodities into Europe, he would have a terrific crisis on his hands. By the economic law inherent in the capitalist system he must fleece the working class of the bulk of the wealth it produces and, after he has done so, he must get rid of the surplus somehow. It is the European outlet that enables him to keep things going at home. At times one hears talk of America cutting loose from Europe and becoming what is called a “self-contained” nation. This is pure nonsense. The moment we try to become “self-contained,” that moment we shall choke and probably begin murdering one another.

3—The cumulative process, above described, cannot go on forever. Eventually, the saturation point will be reached in Europe, the point when Europe can no longer absorb American capital and credits, and when, in the nature of things, the industrial nations of Europe will again appear as formidable competitors in the world market. When this comes to pass, two momentous questions will present themselves asking for an answer. One will be the question of the repayment of loans and payment of credits, and the other will be the question of the relations, economic and political, between America and Europe growing out of such a situation.

4—When it comes to the question of payment and repayment, the first consideration that presents itself is the HOW? Is payment to be made in gold? Impossible! There is not enough gold to liquidate such an indebtedness and if there were America would have most of it anyhow—as now she has most of the world’s supply. Is payment to be made in goods? Will the European capitalists ship goods to the American capitalists to reduce and eventually to liquidate their indebtedness, and will the American capitalists be in a position to accept these goods? To ask that question is to answer it. When that time comes, when the European capitalists have appeared on the world’s market as active competitors of the American capitalists, the latter will be choking with a plethora of goods hardly able to keep their own works agoing. To take on more when unable to dispose of what they have on their hands would raise ructions. It can’t be done! But what is to be done about it? Is the indebtedness to be wiped out by some sort of governmental decree and that vast sum be made a gift to Europe? That also seems impossible. Aside from the fact that such a thing has never happened on such a scale in the history of the world, and that no man living can tell what the effect of it would be, the very idea runs counter to the essence of capitalism. Here is the contradiction and here is the problem. The contradiction cannot be reconciled and the problem is insoluble. If capitalism could solve it, it would gain another lease of life; if it cannot, it will have to die.

5—When it comes to the question of the relations, economic and political, between Europe and America, growing out of such a situation the outlook is more than ominous. The world is ruled by material interests. European capitalists, no longer dependent upon American loans and credits, but tributary to American capitalists, will have a common interest which gives them a common cause. They may flock into one camp, the point of it directed against America—the Shylock, the usurer, the heartless creditor, or whatever else they will call her. There will be a sharp conflict of interests, enhanced by the competitive warfare carried on in the world’s market. In that conflict and competitive warfare Europe may appear as a unit or at least as a sort of federation so as to be able better to hold her own against America. From such a state of latent war to actual war is but a step and any time another Sarajevo may come along to bridge the gap between the two. That, in brief, is the outlook.

### *WHAT’S TO BE DONE?*

Now, then, what is the working class of the world going to do in the face of such

a situation? Are we to suppose that it will willingly make the same bloody somersault it did in 1914–18? Is the future of the race to consist of cycles of overproduction—the result of underconsumption—brought to a close by mass killings and wholesale destruction in periodical wars? Common sense and reason rebel against such a conception. A great responsibility rests upon the world's working class because it and it alone can stop this insanity. But in order to be able to do so it must first become conscious of itself as a class, and it must organize as a class and oppose its will as a class to the class-will of the capitalist world. That implies revolution, a change from one social system, dominated by capitalism, to another social system dominated by labor, a system where wealth is produced for use, not for sale, and where class division and class antagonism have disappeared and therewith, the real cause of all war. That, in other words, implies Socialism, the erection of a Cooperative Commonwealth—the Workers' Industrial Republic.

With such a goal in view, there must be a conscious movement of the workers toward that goal. What is there of such a movement today? There is much instinctive groping in the dark, much confusion and very little clarity. Millions of workers the world over are set against capitalism but they are as yet unable to act together and make their numbers tell. In Europe, the so-called Social Democracies, once the white hope of the working class, have sunk to the role of stirrup-holders of capitalism and are everywhere betraying the working class. So-called Communist parties carry on a mainly political struggle against them, noisily, confusedly and with hardly a constructive thought, repelling rather than attracting the masses of the workers and certainly not organizing them on the economic field where alone the real power of the workers lies.

In America, where eventually the real battle of working class emancipation will have to be fought, the outlook is no better and in many respects is worse. The historic background of the nation, its favored position as compared with Europe, the peculiar conditions already depicted in this paper, all this militates against a clear conception of class interests on the part of the masses of the workers. We have here a so-called Socialist party, chiefly a middle class concern and replica of the European Social Democrats, which has misrepresented Socialism and the Socialist movement this last quarter of a century. It has about played its part and is being supplanted—or continued if you will—by a communist concern, the so-called Workers party, which, alien in make-up and outlook, and mouthing would-be revolutionary phrases that have little or no application in America, is even more



silly and childish than the S.P. ever cared or dared to be. The result is confusion worse confounded, and the small voice of reason rises but faintly above the din.

*THE SOCIALIST LABOR PARTY.*

The only Socialist movement in America—and in the whole world, for that matter—that has a clear perception of the situation confronting the working class, and a program of organization and action capable of meeting that situation, is the Socialist Labor Party of America, the body that is here addressing you. It tells the workers that their real power lies on the economic, the industrial field; that this power, today only potential, can be made actual by organization along integral industrial lines, the lines mapped out by the development of capitalism; that such an organization can be called into being only hand in hand with a revolutionary purpose, the purpose to end capitalism and to substitute for it the Workers' Industrial Republic; that there is no other way out and that upon the working class of the world—chiefly upon the working class of America under the conditions here depicted—rests a great responsibility which it is bound to assume and discharge in the interest of the human race. Also that, hand in hand with every industrial effort, must go the organization of the workers on the political field, there to meet the capitalist foe at the hustings, there to wrest from him the powers of State, there to vanquish him by superior numbers, and then to back up the political victory with the organized industrial might. This, in brief, is the program of the Socialist Labor Party, the only program that is sane, comprehensive and certain of success in a highly industrialized nation, the only program that eventually must and will be adopted, and on the basis of which working class victory and human emancipation will be won.

*THE MEN AND WOMEN OF THE SOCIALIST LABOR PARTY.*

Great also is the responsibility which the situation confronting us places upon the men and women composing the Socialist Labor Party movement in America. It is they who hold in their hands the torch that alone can spread the true light, and theirs is the duty to spread it. Of all the groups in what is called the general working class movement, it is they whom history will take most closely under survey, and examine what they did or left undone that advanced or retarded working class education, because it is they who, in all this turmoil and confusion, were in a position—because they knew the how and why—to render to humanity

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the service that knowledge imposes. It is up to them to reach out and to draw to themselves the elements of the working class able and willing to work with them in the ranks. It is up to them to disseminate the superb literature of the Party and to spread its press far and wide. It is up to them never to let apathy overcome them, never to hang back from the task hoping that some one else might do it for them.

The working class of America is not yet in motion but will be forced into motion by the development of the conditions that are plainly in sight. And as that vast body begins to stir into action, there should be ready at hand the men and women thoroughly trained in S.L.P. organization and tactics to take the lead and show that mass the way out.

Mindful of this responsibility and ever alive to it, nothing should be left undone that will increase the propaganda power of the S.L.P. A clear and well-trained membership, numerous enough to cope with the task that is to come, a powerful press spread far and wide among the working class, the Party's literature spread in every corner of the land—these are the means to meet the need of the time we live in.

[THE END.]