

Text of Browder's Seattle Radio Address**WHAT IS THE ROAD TO ECONOMIC RECOVERY?**

(Special to the Daily Worker)

SNATTLE, June 5.—The following is the text of a radio address by Earl Browder, General Secretary of the Communist Party, which he delivered over Station KOMO here Friday. Browder, who is on a tour of the West Coast, also addressed a mass meeting here later Friday night at Ballard Eagles Hall.

Friends:

Everyone will agree that economic conditions are bad. With one-third of the working population without normal employment, and more than one-third of the productive capacity of the country lying idle, our country is faced with problems such as we never before have seen. When we further consider the disordered situation of most of the rest of the world, the threat of fascism and war, it is evident that we are in the midst of a world crisis without precedent in history.

There is not, however, such general agreement on what is to be done about it; in fact, controversy over the next practical steps to be taken by our nation has never been so sharp, so bitter, so irreconcilable since the time of Lincoln. In this lies the greatest danger to the American people. It is a danger that can be overcome only if the people learn to think hard, think deep, and think quickly—to think for themselves. The people must learn how to see through every demagog, to unmask every false argument and hypocritical promise, to defeat every effort to divide them, no matter what kind of disguise it wears, whether it calls itself conservative or radical, and whatever party label it hides behind.

I speak for the Communist Party. My Party is convinced that the only complete and final solution of all our problems is along the road of a complete reorganization of our country's social and economic system on the basis of common ownership and operation of the national economy by a government of, for, and by the people—that is, in a word, socialism. But, since the great majority of the people are not convinced of this, since the majority are trying to find a progressive road within the limits of the existing system, it follows that the great political controversies that divide the people today do not follow the issue "socialism or capitalism." No, the issue today is whether it is possible to find a practical road, under capitalism, which is progressive and democratic, which will raise the living conditions of the great majority of the people. In the great debate which is dividing our country into two camps, one side says no, the only way to recovery is to cut wages, curb labor unions, limit civil rights, abolish social legislation, and give big business, monopoly capital, a free hand and unlimited profits; the other side says yes, it is possible to raise wages, strengthen labor unions, extend popular liberties, improve all social legislation, and to limit the power and profits of big business—and that this, in fact, is the only possible road to economic recovery. Broadly speaking, this is the division between the New Deal and the Anti-New Deal camps, which cut across all party labels and which include, in one form or another, every individual and group that is active in America's political life.

The New Deal camp is composed of the big majority of the people. We Communists unhesitatingly take our stand with this majority, as against its enemies among whom we see all the worst and traditional enemies of the people, Wall Street, monopoly, big business. We want to do everything in our power to help unite the majority of the people so solidly that the Tories can never return to power in the United States.

Big Business and its Tory agents go among the people with the demagogic cry: "Are you satisfied to remain all your life on WPA jobs at starvation wage? Abolish the New Deal and then we will give you private employment at regular wages." They think the people have short memories. They hope we will have forgotten that the deepest economic crisis and greatest unemployment came before the New Deal, under Hoover, when Big Business had absolute control of the government. They hope we will not remember that in 1929-1932, Hoover kept the government from interfering in economic life, with the result that the country fell into almost complete economic paralysis. They would hide from us the fact that since 1933, what economic recovery we witnessed arose from the New Deal reforms; when these reforms weakened or retreated, then national economy began to slide back again, when the New Deal moved forward again, recovery began to follow once more. Facts are stubborn things, and these are obvious and undeniable facts. We must never allow ourselves to forget them. They are the very heart of the great political debate in which our people are engaged today.

The United States is potentially rich; it has an abundance of natural resources, capital, machinery, and skilled men. All that is needed for prosperity is to put them all to work. It has become obvious that these idle potentialities of wealth can only be put to work again under the initiative, stimulus and control of the Federal government. This will become most clear if we give detailed examination to one particular



by Ellis

field of central importance. Let us look at the housing problem, for example.

There has grown up an enormous shortage of housing in our country over many years. The result is rising rents and deteriorating housing standards, intolerable social and economic burdens that grow heavier day by day. Experts agree that this housing shortage amounts in value to at least twenty-five billion dollars. Private capitalist initiative refuses to make this shortage good. There are two main reasons for this: first, it is interested in maintaining existing monopoly rents, which would be drastically lowered if there was an abundance of housing; second, the large-scale, planned projects that are now required to catch up the shortage require a centralized authority which only the government can furnish. Yet materials, machinery, capital, and men are present in abundance, waiting anxiously for the effective order to produce the housing so deeply needed by the people. Obviously, such an effective order can come only from the Federal government. Equally obviously, such a housing program would be the greatest stimulus to the whole national economy, to private initiative in all other fields.

Reactionaries are shouting into our ears, every hour of the day and night, their objections that if the government goes into housing this will so expand the public debt that it will lead to national bankruptcy and collapse. Let us dig to the bottom of that argument.

Suppose that a private capitalist enterprise, a huge corporation, could be imagined to have been formed, raising five billion dollars each year for five years, a total of twenty-five billion dollars, for such a large-scale housing construction program as we have envisaged. It issues its capital obligations, certificates of one form or another, whether stocks or bonds is not important; that is, it goes into debt to the amount of twenty-five billion dollars. At the end of five years, however, it has not only enormously stimulated the economic life of the whole country; it also holds assets, in the form of a great system of planned housing, to the value not merely of the twenty-five billion dollar investment, but that amount plus the enormous superprofits of the extortionate rents now being paid for sub-standard housing—a part of which could be passed on to the tenants in the form of lower rents, and a part of which could be capitalized by the corporation over and above its original investment, after paying normal interest on its capital.

Now if that were done by a private capitalist corporation, would our reactionaries cry out that the

twenty-five billion dollar capital debt would lead the nation toward bankruptcy and financial collapse? Of course not! They would hail it as a feat of capitalist genius, the source of true national prosperity, particularly if the corporation had passed on to its tenants but a minimum of the benefits and capitalized the gains for its owners to the tune of 25 or 30 per cent profit on the original investment!

If such an enterprise would be a great boon to the nation, when carried out by a private corporation, why would it not be an equal or even greater boon if carried out by the government, or by a corporation organized and directed by the government? What would make it a benefit in the one case and a disaster in the other? Clearly, either one would be a great benefit to the national economy and to the people; the chief economic difference in the two cases would be that the governmental enterprise would pass on the chief benefits to the people and the lesser benefits to the capitalists, while private enterprise would do the opposite. But the chief difference is this, that we cannot persuade or force private capitalist initiative to do the job at all, because it is on strike, while there is the opportunity for the people to persuade or force the government to do the job, and to do it much better than private initiative could possibly do.

The basic principles of this discussion of the housing problem can be applied, with only minor modifications, to a few key points in the national economy, and also apply in the main to the whole question of public works. There is not the slightest danger to the national economy in such governmental debts, which represent the putting to work of idle capital and idle men in the production of socially necessary and useful things; on the contrary, that is the only possible road toward national salvation, short of the complete socialist reconstruction of the country. Such a program is not socialism; it is not even the beginning of socialism. It would work entirely within the framework of the capitalist system, and would do only those things which private initiative refuses to do. Socialism would be quite different—and much better; in fact, the country of socialism, the Soviet Union, is today the only land of great economic progress and prosperity. But since the majority of Americans can't make up their minds to socialism, they should know that short of socialism, under our present economic set-up, it is still possible to outline clear policies in the interests of the people, and of national economic recovery; and that if we all unite and fight for those things, we can achieve them. This is the road toward a developed New Deal program, around which the great majority of the people would rally in 1940, given a clear lead.