

Roosevelt's 'Successful Labors'

In the language of the Democratic party platform adopted at Chicago on July 17, paraphrased on major points by Vice-Presidential Candidate Henry A. Wallace in his two speeches here yesterday, the Roosevelt administration seeks a third term on its record of having "labored successfully during the past seven years to strengthen democracy by increasing our economic efficiency and improving the welfare of the people."

This extraordinary claim, seriously made in the Roosevelt-dictated platform and by his chief spokesman and running mate, is worth critical examination. It is the whole crux of the campaign. If true, it means that seven years of the New Deal have "increased economic efficiency and improved popular welfare," as shown by all or most of accepted economic indices, over what they were during a comparable period before the New Deal's labors began.

Taking, wherever available, the figures of the administration's own government departments and, where not available, the next best authority, what does such a comparison show? (Sources given in parentheses.)

According to a tabulation made chiefly by the New York Sun, the Department of Commerce figures for national income show a per-year average for the seven pre-New Deal years, 1926-1932, inclusive, of \$69,062,000,000; for the seven New Deal years of 1933-1939, inclusive, \$59,783,000,000, a drop of 13 per cent.

Unemployment (American Federation of Labor,) 1926-32 per-year average, 4,820,000; 1933-39, 10,617,000. Increase, 120 per cent. This was one subject which Mr. Wallace, in his eulogy of administration benefits to working men, failed to mention.

Federal taxation (United States Treasury,) 1926-32 per-year average, \$3,647,000,000; 1932-39, \$4,331,000,000. Increase 19 per cent. (This is direct taxation only; indirect has risen to a point where the total of government revenue from taxes has more than doubled.)

Cost of Federal government (United States Treasury,) per-year average, 1926-32, \$3,944,000,000; 1933-39, \$7,570,000,000. Increase, 92 per cent.

Seven-year rise in public debt (United States Treasury,) 1926-32, \$1,029,000,000; 1933-39, \$20,985,000,000. Rise in per capita public debt, 1926-32, \$21.98; 1933-39, \$152.41.

Wages and salaries paid, per-year average (Department of Commerce,) 1926-32, \$46,700,000,000; 1933-39, \$37,300,000,000. Decrease, 20 per cent.

Interest received by individuals (Department of Commerce,) per-year average, 1926-32, \$5,200,000,000; 1933-39, \$4,900,000,000. Decrease, 5.8 per cent. Dividends received by individuals (same authority,) \$4,860,000,000; 1933-39, \$3,740,000,000. Decrease, 23 per cent.

Cash farm income (Department of Agriculture,) per-year average, 1926-32, \$9,043,000,000, which includes no Federal benefits, since none were paid; 1933-39, \$7,697,000,000, which includes Federal benefits paid of \$442,000,000. Exclusive of these benefits, average per-year farm income dropped 20 per cent in the second period as compared with the first; counting the benefits in, the drop was 15 per cent. Though he has been Secretary of Agriculture throughout the Roosevelt regime, Mr. Wallace's account of its "improvement" of farm conditions was confined to generalities. Income he did not mention.

Value of agricultural exports (Department of Agriculture,) per-year average, 1926-32, \$1,420,000,000; 1933-39, \$738,000,000. Decrease, 48 per cent.

Commodity price index (1926 equals 100,) 1926-32, 87.30; 1933-39, 77.7. Decrease, 11 per cent. (Bureau of Labor Statistics, Department of Labor.)

Weekly pay roll of factories (Bureau of Labor Statistics,) 1926-32 average, \$169,252,000; 1933-39, \$148,334,000. Decrease, 12 per cent. Mr. Wallace said the workers have been better off.

Number of strikes (Bureau of Labor Statistics,) per-year average, 1926-32, 795; 1933-39, 2505; increase 215 per cent. Number of workers affected by strikes, per-year average, 1926-32, 301,600; 1933-39, 1,176,500; increase, 291 per cent. Mr. Wallace said the Roosevelt "recovery" has been the only one in our history not accompanied by an increase in strikes. He said the Wagner Act has reduced the number of strikes and cited a drop between 1937 and 1938 to prove it. What he did not mention was that the number of strikes under the New Deal increased in every prior year and that, immediately after the Wagner Act was upheld on April 12, 1937, such an unprecedented wave of strikes followed as to make that year the worst in our industrial history. There were 4740 strikes in 1937, involving 1,860,621 workers and causing a loss of 28,424,857 man-days of work. The number of strikes was 400 per cent greater than in 1929 and 100 per cent even above 1936. Why didn't Mr. Wallace tell the truth?

Index of industrial production (Federal Reserve System,) per-year average, 1926-32, 98; 1933-39, 93. Decrease, 5 per cent. (In this the 1923-25 average is taken as 100.)

Average of 60 bond prices (Standard Statistics,) 1926-32, 93.8; 1933-39, 85.4. Decrease, 9 per cent. Average of 420 stock prices, 1926-32, 122; 1933-39, 87. Decrease, 29 per cent. Per-year average of new capital issues, 1926-32, \$3,520,000,000; 1933-39, \$629,000,000. Decrease, 82 per cent. Mr. Wallace said that under the rule of the Securities Exchange Commission, investors have been better off.

Dollar value of all exports, per-year average, 1926-32, \$3,990,000,000; 1933-39, \$2,597,000,000; decrease, 35 per cent. Imports, 1926-32, \$3,369,000,000; 1933-39, \$2,134,000,000; decrease, 37 per cent.

Dividends paid by corporations (Bureau of Internal Revenue,) per-year average for last five pre-New Deal years (seven-year averages unavailable,) \$7,277,000,000; for first five New Deal years, \$5,961,000,000. Decrease, 18 per cent.

Index of residential building (Federal Reserve System, 1923-25 average equals 100,) per-year average, 1926-32, 79; 1933-39, 32. Decrease, 60 per cent.

Private construction (Department of Commerce,) per-year average, 1926-32, \$6,410,000,000; 1933-39, \$2,322,000,000. Decrease, 64 per cent.

Department-store sales (Department of Commerce,) per-year average, 1926-32, \$3,931,494,000; 1933-39, \$3,256,389,000. Decrease, 17 per cent.

Revenue freight carloadings (Association of American Railroads,) per-year average, 1926-32, 45,766,000; 1933-39, 32,844,000. Decrease, 28 per cent.

In other words, for the average worker, the "successful labors to improve his welfare" of the Roosevelt administration have cut his pay check 20 per cent and more than doubled the number of him without jobs. The taxpayer (Federal only) has had his burden raised by half and his share of the national debt more than doubled. The investor has had his income from dividends cut nearly a fourth, the value of his stocks has dropped nearly a third and his investment outlets almost twice. The farmer has lost half of his foreign markets and his cash income from sales of produce is down 20 per cent. The number of strikes has increased more than 200 per cent and the number of workers affected nearly 300. The railroads have lost more than a quarter of their revenue freight, the homebuilder 60 per cent of his business, the manufacturer and merchant from 17 to 37 per cent in trade. Of the enumerated indices of "economic efficiency and welfare of the people," the boasted improvement is not only nonexistent, but every one of them shows a disastrous loss. Will Mr. Wallace or somebody explain?