

The War To Save "Democracy"... and Jim Crow!

By ALBERT GATES

The position of the American Negro as an exploited, subjugated and persecuted minority in the United States was never a matter of doubt. It was one of those phenomena of a peculiar American democracy which everyone acknowledged with a shrug of the shoulder, and some even gleefully. Discrimination, Jim Crow, and lynching are the most obvious expressions of the position of the American Negro in this country. It takes the form of periodic physical assaults upon this minority race—and

every such event is quickly hushed up by a conspiracy of silence on the part of the boss press.

Nothing new has happened to change the position of the Negro people since the United States entered the war. But the character of the new situation, the alteration in the lives of the people as a result of the war program, the attempt to build a mass army and the transformation of industry on war basis, has only aggravated the conditions of the Negro people and made more intense the persecution and discrimination against them.

The Roosevelt Administration declares that it has entered the war to fight aggression, totalitarianism, racialism and, for the second time in twenty-five years, to make the world safe for democracy. But it is obvious that the rulers of our country do not thereby mean that these things shall apply to the Negro people.

At a time when industry is completely engaged in war production and requires a great mass of skilled and semi-skilled labor, discrimination against the Negro worker is widespread. It makes no difference what his

qualifications may be. He has the greatest difficulty in obtaining a job. Only the unskilled and menial jobs are for him.

No adequate housing program exists for the whole working and poor population. But this applies even more to the Negro race, which is the poorest section of the population. On the other hand, in the Jim Crow neighborhoods where the Negroes live, they are gouged by grasping landlords who enrich themselves on the sweat

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Now One Cent **LABOR ACTION**

We Say—
Conscript War Industries
Under Workers' Control!

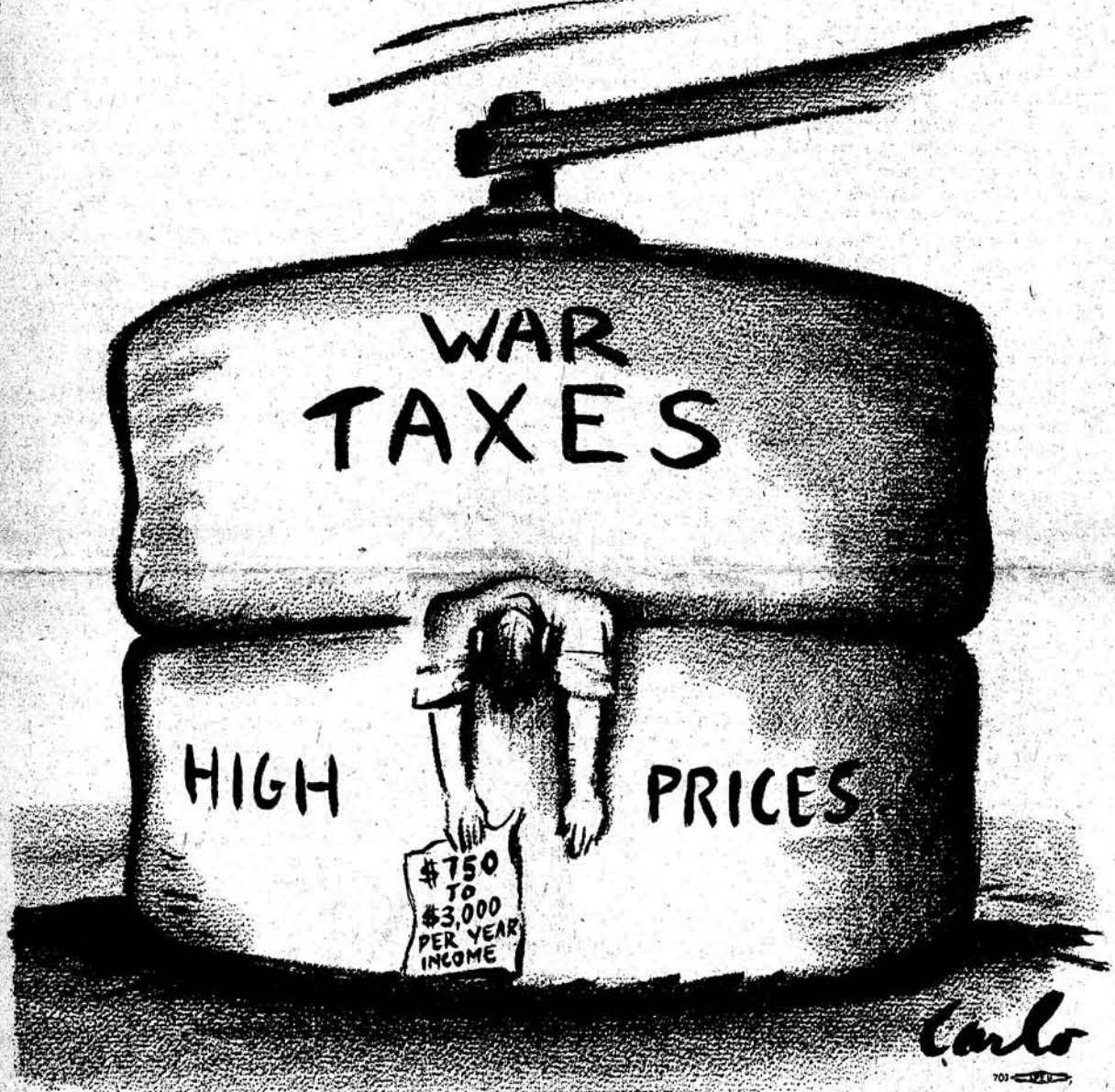
JANUARY 19, 1942

A PAPER IN THE INTERESTS OF LABOR

ONE CENT

How to Raise Money for the New Taxes? PLACE A CAPITAL LEVY ON WEALTH!

GIVE TILL IT HURTS!



Who Is Going to Pay for the War?

Here are facts which every worker must have at his finger tips. They vitally affect our daily lives:

- 1) The war has brought a tremendous rise in boss profiteering. According to the Federal Reserve Board, 633 large corporations have shown a 76 per cent increase in profits since 1939.
- 2) While the bosses have profited, the workers have been hit by the higher cost of living. Wholesale food prices have risen 33 per cent since the war in Europe began. Retail prices have jumped 25 per cent. They are expected to jump 15 per cent in the next two or three months.
- 3) This rise of prices is due exclusively to boss profiteering. Leon Henderson, Federal Price Administrator, testified that manufacturers have increased their prices by 17 per cent, while their costs have gone up 7 per cent. The other 10 per cent went for additional profits!
- 4) The workers, who won wage increases by the great strike wave last year, are having those increases gradually dissolved by the rising cost of living. The CIO estimates that by February the 17 per cent increase that has taken place since the outbreak of the war will be entirely wiped out by rising prices.
- 5) Now President Roosevelt proposes that the workers pay the burden of the new, tremendous tax increase of nine billion dollars. He proposes stiffer income taxes, payroll taxes, increased social security taxes, higher excise taxes and hints that, if pressed, he'll agree to a sales tax. In the meantime the bosses get away with piddling taxes that don't hurt them.
- 6) What this means to the worker can be seen from the following estimate of Professor Warne: "Taxes for 1942 will reduce Mr. Average American's \$100 to \$60. Rising prices will reduce the purchasing power of this to \$42, as compared to 1939."
- 7) The way to stop this onslaught against labor's standard of living is to fight for: A 100 per cent tax on all war profits; a 100 per cent tax on all incomes above \$20,000; a stiff tax on undivided corporate profits; a capital levy on accumulated wealth.
- 8) Undivided corporate profits amount to sixty billion dollars. Why not tax them more heavily?
- 9) A capital levy on the accumulated wealth of the country's 200 largest corporations would yield twice as much as President Roosevelt's new tax proposals.
- 10) In other words: **SOAK THE RICH! MAKE THE RICH PAY FOR THEIR WAR! HANDS OFF THE WORKERS' STANDARD OF LIVING!**

From all sides last week there came an avalanche of attacks on labor's standard of living. First and foremost was the astounding budget proposed by President Roosevelt, listing a 56 billion dollar expenditure for the coming year—AND A PROPOSAL THAT MOST OF THIS COME FROM THE HIDES AND POCKET-BOOKS OF THE WORKERS!

Together with this came local attacks on labor's standard of living such as the proposal in New York City to sharply increase the subway fare—adding up to a concerted drive on the part of the bosses and the government to make the poor pay for the war.

President Roosevelt proposed that the additional nine billion dollars to be added to the tax bill be raised from the following sources: lowering the base and increasing the rate of income taxes; increasing social security taxes; imposing a payroll tax—as high as 15 per cent has been suggested by Congressmen—on all wages; increasing excise taxes on such products as liquor and cigarettes; and increasing excess profits taxes.

It is clear that only the last of these five proposals hits the rich and the 10 or 20 per cent increase in excess profits taxes suggested is merely a gentle touch on swollen profits, compared to what the workers will have to pay.

The other Roosevelt proposals are nothing more or less than wage cuts. A payroll tax of 10 or 15 per cent is a wage cut of 10 or 15 per cent! An increased income tax on lower incomes is exactly the same! An increased social security tax is also the same! And increasing the taxes on products which workers must buy is also the same!

This situation is intolerable. It means, according to an estimate made by the CIO, that all wage gains won in recent strikes, will be nullified by February. And it means, according to an estimate made by Professor Warne of Elmhurst College, that "taxes for 1942 will reduce Mr. Average America's \$100 to \$60. And rising prices will reduce the purchasing power of this to \$42."

That means that the average income of the ordinary worker will be cut in half, and his standard of living will be cut in half, if this tax program goes through and there is no increase in wages.

What to Do? What shall we do? Last week, in a long editorial that every worker should carefully study, LABOR ACTION proposed four methods of raising the new taxes without hitting at the workers' pocketbook:

- 1) A 100 per cent tax on all war profits.

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"Price-Fixing" Bill Allows 25% Price Rise

By BILL HAINES

It is exactly six months since President Roosevelt sent a special message to Congress urging immediate passage of a price control bill to check the rising cost of living. The history of this bill is one of inefficient bungling and deliberate stalling.

One month after Roosevelt's message, an Administration price control bill was introduced into the House of Representatives. Here it was kicked around for three months of open hearings and legislative wrangling until it finally emerged as a tattered remnant of an effective price control bill.

The House version of the bill was ineffective because it gave power to a five man board to overrule decisions of Price Administrator Leon Henderson and because it allowed farm prices to rise an estimated additional 15 per cent until reaching 110 per cent of "parity."

In this form the bill went to the Senate more than two months ago for additional delay in legislative red tape. Meanwhile prices continued their steady upward climb; the

(Continued on page 2)

NLRB Trials Expose Budd's Company Union!

(Editor's Note: The Philadelphia newspapers are maintaining a strict censorship in regard to the Budd trial. To date, no paper has carried any news of the NLRB case. LABOR ACTION, through its correspondents, will attempt to break the boycott of the capitalist press in Philadelphia by presenting a full account of the happenings at the trial.)

Special to LABOR ACTION.

From the mouths of men who were once its officials, the workers at the Budd Mfg. Co. are learning how the infamous "Employees Representative Association" was set up.

The NLRB trials are proving beyond a shadow of a doubt that the Employees Representative Association, or, as it is better known, the ERA, was conceived of and set up by the management of Budd's in order to prevent the men from organizing into a bona fide labor union.

The testimony of Thomas Killeen, who started working at Budd's in 1918, shows that the idea of an ERA did not exist until the AFL Local 18,763 began an organizing drive in August, 1933.

Immediately after that the ERA sprang up. On September 5, 1933, without any warning, pamphlets and ballots appeared on the card racks in the plant. The men were asked to nominate their representatives. On September 7th, only two days later, the foremen in the various departments began herding the workers to the voting booths. This was done during their lunch hours and at

other times during the day. The men who were working at piece rates were not paid for the time they lost voting for an organization they did not know anything about or for men they did not know. The speed with which the ERA was set up made it evident that someone up on top was anxious to get the ERA organized in a hurry.

Boss Rules "Union!"

Thomas Killeen further told how, at the first meeting between the representatives of the ERA and the representatives of the Budd management, some very interesting things happened. The management was

Condolences to Gene Talmadge

The Hon. Eugene Talmadge, by the grace of God, sub, governor of the great state of Georgia, had an accident on New Year's Eve.

On that festive occasion the governor fell down and broke two ribs. We know that the many Negro friends of this great official are sympathetic.

You see, the governor is the same person who feels that teachers in Georgia schools ought to be fired if they teach that Negroes are equal to whites.

That's why we know Negroes will be glad to hear he didn't break his damned neck.

From the New York Age.

represented by such men as Dr. McIlvain, personnel director; Mr. Mann and Mr. Budd, Jr., assistant works manager. At this first meeting, the ERA representatives were handed a booklet setting forth the aims and rules of the association. Dr. McIlvain modestly claimed credit for drawing up this booklet, which was to guide the ERA.

The last amendment of the rules of the ERA was especially interesting. It provided that no rules of the association could be changed without the consent of a majority of the management representatives!

According to Killeen's testimony, this was too much for even the ERA representatives to swallow, and some of them protested, saying that they felt the ERA should have some independence. To which Dr. McIlvain answered smoothly that the company was interested in preventing the ERA from doing anything that might be foolish or detrimental to the interests of the company. There the matter rested until the present day.

Gus Hartwig, another worker who took the stand, was treasurer of the ERA for several years. He testified that, during his term of office, he had never collected any money nor had he ever paid out any. The ERA had never had a treasury nor did it ever have to pay rent, since the company was gracious enough to allow it the use of one of its conference rooms whenever any of its committees wanted to meet. Hartwig said that there had never been a general membership meeting of the ERA.

A worker became a member of (Continued on page 3)

Auto Bosses Insist on Profits as Usual

Rebuff CIO Plan Because of Profit Interest and Fear of Growing Labor Strength

By JACK WILSON

Events in the auto industry during the past week have crystallized the crisis of production in a most revealing fashion.

"Business as usual" industrialists won a major victory in Washington at the joint conference on auto production, when all CIO proposals were pigeon-holed into an ineffective "advisory" committee on which labor was given a voice, but nothing else.

The American people were told in plain and unmistakable language by C. E. Wilson, president of General Motors, why the auto companies did not want to convert from auto to war production:

"We make 32 cents on a dollar on auto sales, while government contracts limit us to nine cents on the dollar."

Such a blunt avowal of profits before anything else was so damaging

that the newspapers either failed to mention it, or buried it deep in their stories.

As far as plans like the Reuther or Murray programs are concerned, industry gave its answer both directly and through many spokesmen.

"The issue of whether the communistic idea of workers' committees to control management and production shall be introduced into the defense program has come squarely before the OPM" wrote David Lawrence, editor of the United States News, in speaking of the CIO proposals.

As a matter of fact, the Murray and Reuther plans do not directly provide for workers' control of management and production, but so fearful are the bosses and their journalistic friends of the growing strength of the CIO, that they drag the issue in.

In view of the fact that several UAW locals have passed resolutions calling upon the government to nationalize the auto industry, the question is not without importance.

Suppose the auto industry WERE nationalized under workers' control, as LABOR ACTION advocates? What would be wrong with that? What argument can be offered against it other than the fact that a greedy handful of industrial profiteers would thereby no longer be able to gouge themselves with profits!

The brazen attitude of the industrialists and the Roosevelt representatives at the conference was too much for the CIO auto leaders, who expressed "keen disappointment" at the results and predicted failure of the present "business as usual" set-up.

Meanwhile, two other developments occurred which bear watching.

Besides the 400,000 auto workers losing their jobs, the present planlessness of production is costing 40,000 auto dealers their businesses, and also 400,000 auto sales and service employees their jobs!

In both cases the victims are looking to the auto workers union for guidance and leadership, an exceedingly interesting and important trend!

The auto union has a golden opportunity to lead a great mass movement, if it responds boldly and aggressively. The raising of the slogan—Nationalize the Auto Industry Under Workers' Control—as a means of eliminating profiteering and priorities unemployment would meet with a genuine response from the workers who are sick and tired of the present mess!

Europe in Revolt

News from the Socialist Third Camp

The most frequent weapon which workers in the Nazi occupied territories use to fight against Nazi oppression is the "slow-down." Strikes are very rare since they require a degree of organization and a level of fighting spirit which does not yet generally exist. But the "slow-downs" are the first form of opposition, which will lead to more open methods as soon as the weakening of the German war machine and the mounting spirit of resistance in the occupied territories permit. At present the "slow-down" is admirably suited to the changed conditions of class struggle prevailing in Europe.

The "slow-down" is advocated by the British radio, but it is a genuine working class weapon, and whatever the uses which British imperialism may attempt to distort it for, it is a welcome sign of working class resurgence.

In Czechoslovakia there is a slogan whispered through all the factories which work for the Nazi war machine that "OUR PRODUCTION SHOULD BE THE BOOREST IN THE WORLD." In Norway there is also very efficient mouth to mouth propaganda and it must be very widespread, judging from the following announcement of the Nazi gauleiter: "Persons who during the national emergency display laziness and stubbornness and who do not perform worthy labor, shall not participate in the distribution of the necessities and luxuries of life in the same degree as those who participate wholeheartedly." The Nazis threaten the workers with outright starvation if they participate in slow-downs, but every report we receive indicates that resistance continues nonetheless. You can do a lot of things with bayonets and SS guards but you cannot control the rhythm of production of every worker.

Another working class method in the occupied countries has been the "dues strike" against the Nazi "trade unions." We print here a report from Norway which can readily be duplicated by reports from every other occupied country: "Members of the Norwegian Labor Federation have been on a dues strike ever since control of the organization was seized by the Nazis, with scarcely anyone paying dues. The unions are now called 'empty shells'."

CZECHOSLOVAKIA UNDER THE NAZI HEEL

"The German officers in Prague complain that the Czechs never look AT them, but THROUGH them, as if there were simply not there," says a report. The general sentiment in Prague is that the German soldiers are just "poor devils" and that the real enemies are the Nazi officials and SS guardsmen. The most successful campaign organized since the war is the universal boycott of Nazi controlled papers. Since the Nazi edict that the name of Masaryk may not even be printed on the anniversary of his death, the Czech workers have taken to reading books on their way to work, instead of the worthless Nazi newspapers.

The German news agency DNB attempts to justify the Nazi technique of mass terror in Czechoslovakia by charging that "itinerant groups of Czechs have been buying up and collecting arms of all sorts" and that "the sabotage of food supplies is an important point in the program of the traitorous elements."

A LETTER FROM NAZI GERMANY

We have just received a letter from one of our French friends who has been able to get a direct report from Germany. We translate: "I have just had the visit of X. He told me very interesting things from over there; people there are getting extremely irritable and nervous because of the frequent air raid alarms. But it is not only this which makes them depressed; everybody has enough of this war and wants an end to all of it. The bars are crowded; people get drunk since they do not know what else they can do with their money, and anyhow, one does not know if one is still to live tomorrow. X reports that even the biggest victories (our report was written in November) do not heighten the morale; the war has lasted too long already, the workers feel. In our informant's factory, many comrades who were in prison and concentration camps are working again. This is due to the shortage of labor. On the other hand, we are informed that the very people who are furious and grumble have not yet any positive ideas of what is to be done."

One point in this letter seems particularly important. The Nazis, because of their desperate effort to get manpower for their war plants, are forced to reemploy workers who were imprisoned because of political activity. Here is a very great potential danger to the Nazi regime.

Here is new opportunity for the establishment of contact between the old working class generation, educated in Marxism and other working class ideas, with experience and organizational abilities, and the younger generation which has grown up under Nazi rule, without much political knowledge but a great willingness to learn. It is also likely that the younger generation, conscious of the changed conditions under which the class struggle must now be conducted, will be able to help the older workers.

The Nazis have very much feared such contact between the two generations, but economic necessity forces them to do it.

This is but one more proof of the stupidity of those political ignoramus who would have us believe that Hitler is complete master of all Europe, which he directs according to his will.

Europaicus.

Mediation Merry-Go-Round Begins

AN EDITORIAL

They changed the name and a couple of faces but it's the same old defunct outfit.

That about summarizes the War Labor Board set up by President Roosevelt to replace the National Defense Mediation Board.

Appointment of William H. Davis, former chairman of the NDMB, as chairman of the War Labor Board comes as a slap in the face to labor in view of the fact that it was he who rendered the anti-labor decision in the captive coal mine case, which led to the resignation of the CIO members from the NDMB and their labelling it as an anti-labor board.

The other "public" representatives on the board, who will really decide all questions, since labor and capital are equally split, are a bunch of university professors, most of whom have spent their lives teaching the virtues of capitalism.

The labor representatives form a minority of one-third on the board.

The industry representatives are distinguished by the fact that they make no bones about their anti-labor feelings. E. J. McMillan, president of Standard Knitting Mills, was red-hot for the Smith slave labor bill, which he thought was "fair and equitable." Roger D. Lapham, notorious West Coast labor hater of the Hawaiian Steamship Co., is another industry representative.

Even the board members themselves admit that they won't be able to solve the problems arising in labor relations. All that the board promises is another merry-go-round of mediation.

But all the basic issues will still be solved in the class struggle arenas where labor issues are always solved: the factories, the shops and the union halls.

The bosses understand that well enough. It's high time the unions did also.

It is unfortunate that the same CIO leaders who quit the NDMB in disgust should begin the same old rignarole once more. This new board will prove to be only slightly different . . . if anything, it may, in the name of "national emergency" give labor less than the NDMB did.

One fact stands put: labor, if it is to progress, must depend only on its independent class resources.

Wage Gains Nullified By Runaway Prices

By BILL HAINES

Prices continue to go up. Latest figures of the United States Department of Labor show that the cost of living has increased TWELVE per cent since the outbreak of World War II on September 1, 1939. Ten per cent of this increase took place in the past year alone. This price rise has been especially sharp in foodstuffs. Retail food prices have jumped 25 per cent since September, 1939, 18 per cent of which came in the past year. Every one of the 54 foods included in the Department of Labor's index was more expensive last month than it was in the same month a year ago.

Although these statistics may seem dry, they are significant to every housewife who has been forced to stretch her dollar to provide for her family.

This rise in food prices has hit the workers especially hard since the average worker has to spend approximately 34 per cent of his income solely on foodstuffs in order to obtain sufficient nourish-

ment for himself and his family. What is worse, an additional 15 per cent increase in retail food prices is likely during the next few months as retail prices catch up to wholesale prices.

Startling Food Price Increases
On a wholesale basis, foodstuffs have increased about 33 per cent since the war began. Even more startling is the increased cost of foods reported in the daily basic commodities index of the Department of Labor. This index covers only a limited number of foods and has risen 71 per cent since September, 1939.

This gap between wholesale and retail prices will inevitably have to close and when it does the cost of living will rise still further.

As the cost of living continues to rise, the REAL wages of workers, that is, wages in terms of purchasing power, will go down. AFL figures show that average real wages have been declining for the past three months. The CIO "Economic Outlook," monthly magazine, predicts that the 17 per cent rise in workers' average hourly earnings that has taken place since the outbreak of the war will be entirely wiped out by February 1 because of rising prices.

Wage Gains to Be Nullified

In other words, rising prices will nullify all the wage gains won by workers on the picket line in militant strikes during the past two years. To prevent this, workers must press for additional wage increases, must demand A RISING SCALE OF WAGES, that is, wages adjusted to living costs, and must demand immediate passage by Congress of an EFFECTIVE price con-

CIO Wins L. A. Transport Victory

Special to LABOR ACTION

LOS ANGELES, Jan. 10.—At the 11th hour, the Los Angeles Transport Workers Union called off a threatened strike on the street cars of the Los Angeles Railway Co. (LARY). One hour before the midnight strike deadline on Thursday, January 8, the TWU agreed to postpone strike action for five days on the request of Conciliator John R. Steelman.

Stelman's telegram, stripped of superfluous references to national unity and as accepted by the transport workers, provided for the immediate reinstatement of 127 discharged CIO members and for a cessation of all further dismissals pending examination of a State Supreme Court ruling which the TWU claims invalidates a closed shop contract with the AFL. These recommendations were accepted by the company with the proviso that the AFL must also concur. At this writing, the AFL has not yet accepted the agreement, but the indications are that it will.

The threatened strike action grew out of a long-standing dispute between the company and the CIO union. Ever since the TWU local was organized in Los Angeles the company has done its dirtiest to keep the TWU out. First it organized a company union, granted it a closed shop, and conceded certain wage increases.

The TWU, however, continued its organizing efforts. Before the deadline for joining the stooge outfit arrived, the company allowed it to collapse—signing instead, a back-door closed shop contract with the AFL. This contract was upheld by a lower court judge.

Claiming some 1,200 or more members among the 3,500 men employed on the street cars, the TWU refused to recognize the back door AFL contract and demand an election to certify bargaining rights. Working hand in glove with the AFL, the company denied the men an election and proceeded to discharge CIO members among its employees regardless of seniority or standing. In retaliation, the TWU called a strike to begin at midnight of January 8.

On that day, however, the State Supreme Court handed down a ruling which upset the ruling of the lower court. By TWU interpretation, the Supreme Court ruling invalidated the AFL contract. Steelman, confronted with the new court ruling and facing a resolute group of transport workers who were determined to fight for their rights, hastily jumped into the breach with his recommendations.

These recommendations are a temporary victory for the TWU which will be consolidated into a permanent gain so long as the union holds its ranks in readiness for militant action. The transport workers of the CIO are now confident that they will get the election they have demanded, and that discrimination against them will cease.

Capital Levy.

(I used to pay property tax)

undivided profits.
1) A capital levy on all accumulations over \$20,000 a year.
2) A 100 per cent tax on all undivided profits.

3) A stiff tax on all corporate If all of these methods, clearly calculated to make the rich, who can best afford to do so, pay for the war, were put into effect, then there'd be no need to tax the poor. But the Roosevelt Administration and the bosses it represents say: Nix, we want to tax the poor.

Let's just take up one of these tax proposals this week—the capital levy. This tax is a very simple idea. It proposes to tax the accumulated wealth and fortunes of America's Sixty Families, to tax not merely what they make each year, but what they've got salted away in the banks! Take that useless money, rotting away in cellars, and use it for the new taxes; instead of taxing the workers who are in a sufficiently tough fix as it is!

Why, do you know that a 20 per cent capital levy on the accumulated wealth of the country's 200 largest companies would bring in twice as much as the additional taxes that Roosevelt proposes?

That's our proposal for the tax problem: A CAPITAL LEVY ON ACCUMULATED WEALTH! MAKE THE RICH PAY FOR THEIR WAR! NO INCREASED TAXES ON THE WORKERS!

Kentucky Mob Threatens Death To CIO Organizer

PADUCAH, Ky.—Palmer Pinnegar of this city, organizer for the Amalgamated Clothing Workers of America, who on October 10 was deported from Kentucky to Tennessee by an anti-union mob, was seized by a mob on January 3 and threatened with death if he again entered Fulton, Ky., where he had been pursuing union activities, according to a report of the Workers Defense League. This is another incident in the long list of terrorist attempts by Southern reactionaries to prevent the trade union movement from getting a foothold in the South.

Chicago Lecture:

Who Will Pay the War Bill?

High Prices, More and Higher Taxes, While the Bosses' Profits Keep Increasing.

Guest Speaker: P. PICQUET

GOOD SHEPHERD COMMUNITY CENTER
5120 SOUTH PARKWAY, ROOM 6

FRIDAY, JANUARY 23, at 8:00 P. M.

Auspices: CHICAGO LABOR ACTION FORUM

Admission: 10 Cents. Unemployed Free

Auspices: Chicago Labor Action Institute

control bill which will freeze all prices and rents at the 1940 level.

The cause of rising prices is not wage increases received by workers, but rather WAR PROFITEERING by the bosses. This is proved by testimony given by Leon Henderson, Federal Price Administrator, to the Senate Banking Committee a few weeks ago. Henderson testified that manufacturers boosted prices an average of 17 per cent to cover a 7 per cent increase in costs. THE OTHER 10 PER CENT WENT INTO PROFITS.

Food Price Rises Least Justified

The best example of war profiteering being the sole reason for rising prices is foodstuffs. As already mentioned, the prices of food products have risen far more rapidly than the prices of any other commodities, and increased food prices are the chief cause of increased cost of living for the worker.

Rising food prices would normally lead us to expect that there is a decreased supply of food products, insufficient to meet the demand and therefore causing higher prices. But, on the contrary, investigation shows that the 1941 food crop in the United States was 21 per cent above the level of the past ten years, according to figures of the Department of Agriculture. And Secretary of Agriculture Wickard, in his New Year's Day message, assured the nation that "total supplies of food products now on hand are at a record high level." In fact, the government is still thousands of bushels "surplus" on wheat and corn. Then, if there is really no food shortage, why rising food prices? The answer is simply BOSS PROFITEERING.

The large insurance companies, which annually receive the largest AAA payments from the government, are profiting from higher food prices. The middlemen, the distributors and the large food processors, such as Armour and Cudahy, are profiting. The poorest farmers are gaining nothing; the workers are suffering.

Since boss profiteering is thus the cause of higher prices, we propose to prevent further price rises by eliminating the possibility of war profiteering through a 100 per cent excess profits tax on all war profits over 6 per cent.

"Price-Fixing" Bill Allows 25% Price Rise

(Continued from page 1)

United States declared war on December 8, the New Year rolled around, no price control bill was passed . . . and prices kept on going up.

Finally on January 10, the Senate passed its own version of the price control bill, but one so different from the House version that many additional weeks will have to be spent by a conference committee in trying to iron out the differences . . . while the cost of living goes up every day.

The price control bill passed by the Senate last week bears so many earmarks of blackmail by the farm bloc (dominated, it must be remembered, by the rich farmers and not at all interested in millions of sharecroppers or tenant farmers or small marginal farmers) that it should be entitled "A Farm Relief Measure to Raise Farm Prices."

The original Administration bill requested price ceilings on farm prices about 100 per cent of "parity," which is defined as the average price for any crop in the 1910-1914 period in relation to the cost of industrial commodities at that time.

The farm bloc in the House pushed this farm ceiling up to 110 per cent of parity, which would have meant a 15 per cent increase in farm prices (which now stand at 95 per cent of parity).

However, the farm bloc in the Senate was not even satisfied with this concession and succeeded in getting a bill which would allow farm prices to rise until they are 120 per cent of parity. The so-called price control bill passed by the Senate would thus allow further increases in farm prices of 25 per cent.

The only method of preventing price jumps, such as the present price control bill will allow and seeing to it that the cost of living does not go way out of proportion to the wage level is to insist that Point 3 of LABOR ACTION's platform be enforced:

Freeze rents and living costs at the 1940 level to stop the rise in the cost of living!

The Kind of Letter We Like to Get

Dear Editor:
Please send me LABOR ACTION or as long as 25 cents will go.

I think your paper is the hardest hitting and most intelligent of all left wing journals. The make-up is also very good—keep it up!

I.S.

Imperialist Domination and Maginot Mentality Caused Allied Defeats in Far East

By SENTINEL

One after another the Allied positions in the Southwest Pacific are folding up under the all-out Japanese drive.

The question arises—how is it possible for a nation so much weaker economically and militarily than the Allied powers to score such stunning victories? Many factors enter into a proper answer to this question, but first among them is that the areas attacked by Japan are the colonies of Allied super-exploitation, and therefore the most politically vulnerable of all the Allied positions.

Some 90,000,000 colonial people inhabit the Southeast possessions of Great Britain, the Netherlands and America. Nowhere on the globe are the conditions of servitude so monstrous as in these colonies, where millions are forced to toil in the fields and mines, extracting the oil, rubber and tin which make their white masters so fabulously rich.

In this situation there is political dynamite. The decisive political weapon to repel invasion—arming of the native colonial people—could not possibly be used by the MacArthurs and Brooks-Pophams. Were this possible, the Japanese might have been stopped in their tracks. But the Allied generals dared do no such thing—they knew that their own imperialisms would have been the victims of such a move, as well as the Japanese.

The "White Devils"

The Japanese attempted to utilize the enmity of the natives for their imperialist masters. They called on them to drive out the "white devils" but they gave them no choice but the acceptance of . . . the rapists of China!

Significantly enough, the Japanese feared to arm the natives. They could feel far and wide about their racial "brotherhood" with the colonial peoples, but they knew it was all so much imperialist hogwash!

Left with this choice, the colonial peoples, unarmed as they were, maintained an attitude of passive "neutrality." In all probability this attitude includes the hope that the rival imperialist belligerents will exterminate each other and leave them in peace.

Of course, here and there, the Japanese secured the aid—probably at a price—of some natives who served as guides in the Malayan fighting. But it did not assume the proportions of a mass movement; neither imperialist camp could inspire the native peoples.

Small Fifth Column

The Japanese, however, found far less of a "fifth column" working for them than that which worked for Hitler in Europe. Among the Japanese population in the Pacific islands there were, of course, numerous agents of the Mikado. But that was all. The natives, for the most part, felt little inclination to support those who could only bring the same misery they brought to China.

And certainly, among the starkest white imperialists there was no possibility of dividing their loyalties and finding Petains or Quislings, as there was in Europe. For Japan could not offer the white imperialists the bait which Hitler offered the French—suppression of bourgeois democracy and therewith of the "troublesome" working class movements. No such bait was possible for the simple reason that the Japanese could teach the white imperialists nothing new in totalitarian methods.

It was for these reasons, then, that neither imperialist combatant could utilize what could be a decisive factor for victory—the support of the

Negroes and the War

(Continued from page 1)

sand ways. On more than one occasion, shootings have taken place in which Negro boys were the victims of white mounted police, who evidently regard as their main task the ordering of Negro boys about while they hold their guns with itching fingers, which often shoot.

The latest incident broke out in Alexandria, La. Seven thousand Negro soldiers had congregated in the Negro neighborhood after pay day. A riot broke out between the Negro soldiers and white mounted police over what is reported as an attempt by the police to arrest a Negro soldier. It appears that the mounted police, aided by the police chief and 300 of his men, won out. The payoff is this: thirty-one Negroes were injured; three of them seriously. The Negro boys came from Pennsylvania, New York and New Jersey. They are encamped in the South!

Many papers, especially New York's PM, point out how different the Army treats the Negro. Yet is this really true? Certainly the Army does not make public its discrimination and Jim Crow policy against the Negro. But, there are not mixed regiments. The Negro is very often given laboring jobs in the Army, hauling equipment, cleaning work, etc. He has no genuine equality.

The Negro soldier in the Army feels his discrimination if a thou-

native populations. No imperialist country could do that!

"Scorched Earth" Policy

There is also another political factor, secondary to that which we have just discussed, which explains the Far Eastern situation: the unbelievable complacency of the Allied colonial rulers. Their unbounded belief in their supremacy—bred in their stupid tradition of imperialist snobbery—caused them to fatally underestimate their enemy. The "Maginot mentality" of the Allies extended across the Pacific to Pearl Harbor and Singapore. Symbolic of this attitude was the calm dispatch into narrow waters of the "unsinkable" British battleships, the Prince of Wales and Remown. Lack of preparation, inferior defending forces and lack of imagination flowed irresistibly from Allied complacency.

In the course of the fighting, the Allies demonstrated still another weakness—a reluctance to apply the "scorched earth" policy. Declaring Manila an open city and the failure to destroy valuable rubber stores at Penang are but two acknowledged instances of this attitude. Despite their verbal acceptance of the "scorched earth" policy, the imperialists showed great hesitation in its application.

This has created a scandal in the House of Commons. Particularly from the "left," outcries were made and assurances demanded that in the interests of the war (whose war?) the capitalists destroy their own property rather than allow it to fall in fact into the hands of the Japanese enemy. Better the demolition of property which, with victory and time, could be restored than its utilization by the enemy, who might thereby gain the victory! So argued the "left" critics in Parliament.

Capitalists Less Enthusiastic

But the capitalists themselves, who actually owned the property, could not see eye to eye with them, to put it mildly, and as a result there ensued the, at best, half-hearted application of the "scorched earth" policy to the Far East.

Moscow made its guarded protest. It permitted one of its Pravda writers to call the declaration of Manila an open city an act of cowardice. The Moscow "theoreticians" did not dare lay bare the capitalist motivation for this decision.

That might really have queered them with their imperialist partners!

Equally significant is the silence of Moscow on the Allied colonial policy. Moscow apparently has no objections to this policy. Moscow, the subsidizer in the past of innumerable "anti-imperialist" leagues and self-proclaimed champion of colonial peoples, has no criticism of the failure of the British to arm the natives or of the failure of the British to even promise the colonials national independence.

The political and social character of imperialism in the colonies helps explain why it fights as it does. The victories of Japan are no doubt due in part to her ability partially to exploit the weaknesses of the Allies which flow from such a condition.

As the war goes on, Japan will find that she will more and more have to match the Allies in the military and economic sphere. At the outset she has enjoyed those advantages of geographical position, preponderance of military forces and surprise, over enemies who failed to counteract this with a superiority of their own. It is only now that the Allies are beginning to wake up to the real situation that confronts them. Whether they can still bring up the forces that can keep Japan from breaking into the Indian Ocean only future events can tell.

The Negroes are a subject race and as long as capitalism exists, freedom and democracy for them is an unattainable goal. The future of the Negro race lies in socialism; a society of real freedom and democracy.

Who Are the Real Enemies of Production?

We socialists have always contended that capitalism should be abolished because it mismanaged the means of production so that a very few—those who own the means of production—reaped great profits while the masses of the people were deprived of a secure standard of living. We would often prove this assertion by demonstrating the tremendous capacities which the modern industrial machine has; how it could satisfy the needs of everyone if it were run for that purpose; and how capitalism, instead, ran the industrial machine for profits.

What the capitalists called overproduction—when they could not sell their products at a profit—was invariably accompanied by the greatest need for these very products on the part of the people. Often large portions of the country's industrial capacity would lie idle because the capitalists could not sell their products for a sufficiently attractive profit, despite the need for these products. Look, we socialists would say, if only the people could run these industries themselves, they could produce enough to satisfy everyone's needs.

CAPITALIST INEFFICIENCY IN WAR PRODUCTION

All that was and remains completely true. It remains the great and tragic paradox of our age—poverty in the midst of plenty. But now it is underlined by the situation which the war has brought about. We do not refer to the general paradox of a social system which cannot satisfy the most elementary needs of the people, while it squanders billions of dollars for war. That is the greatest indictment of world capitalism.

We are, for the moment, interested in the inefficiency in war production which capitalism demonstrates—even in a war conducted for its own interests. This situation has been brought to a climax by some recent dramatic events—notably those in the auto industry.

American capitalism has set itself the task of transforming its peacetime economy into a war economy. It has set itself the task of building the greatest war machine in history.

"BUSINESS AS USUAL" CONTINUED

Yet—despite what is for the capitalists such an all-important objective—they have continued in old, inefficient ways, in what is called "Business as Usual." They continue to resist what is for them the inevitable necessity—the transition to war economy—in order to continue their tremendous intake of profits.

To some "liberals" this has been a great source of dismay and indignation. But no such emotions are warranted. Because they fail to understand that the main objective of capitalists is to make profits; the war itself is merely a great imperialist foraging expedition to enable the American capitalists to make more profits; and within the framework of the war they are all determined to make as much profit as they can.

All this was succinctly put by Pierre du Pont during the First World War: "... We cannot assent to allowing our own patriotism to interfere with our duties as trustees" (of the corporations).

Latest Issue of NI Is Out

The New Internationalist has informed us that the December issue, though late in appearance, is now ready for sale. The issue was held up to permit the inclusion of two extremely important and interesting series, one by Leon Trotsky entitled, "The Crisis in the Right-Center Bloc," his last article written in the Soviet Union, and the other by Gregory Zinoviev, entitled "What Is Imperialism?"

Of the greatest significance for American readers is the article by James M. Fenwick, "War and Priorities," dealing with the new kind of economic problems arising out of the war and the manner in which these problems affect the living standards of the mass of people.

Other articles in the December number are "The Future of India," by Henry Judd; "The War in Outline," by Max Sterling, and a Review of Harold Laski's book, "Where Do We Go from Here," by Paul Temple. Notes of the Month complete the issue.

Stalin Assures Eden and Sikorski That He Will Help Make the Post-War World Safe for Imperialism

Ever since Stalin was catapulted into the war camp of Anglo-American imperialism by the military attack of Nazi Germany, he and the reactionary bureaucratic ruling class which he personifies, have gone out of their way to assure the world that they have no intention of conflicting with the Allied plans for the post-war period. These plans may be briefly summed up as: 1) the geographical and economic dismemberment of Germany, as well as its total disarmament, under domination of the Allies; 2) the creation of a "world police force" in order to assure the domination of the Anglo-American imperialist bloc, as illustrated by the words of U.S. Secretary of the Navy Knox that America would have to police the globe for 100 years to come.

This plan for a super-Versailles, which can promise only greater misery and enslavement to the peoples of the world, has received the unqualified endorsement of Stalin. The latest illustrative incident is the promise which he gave the reactionary Polish premier, General Sikorski, that after the war, Stalinist Russia would make no attempt to interfere with the "internal affairs" of the countries of Europe, which Sikorski rightly interpreted as meaning that after the war Stalin would make no attempt to use whatever power and prestige he will then have to overthrow capitalism in Europe.

A SERIES OF ILLUSTRATIONS

This is but the latest of a series of such incidents. Previous illustrations of the fact that Stalin fights as an integral part of the Anglo-American imperialist camp and that he has no wish to or interest in allowing the workers to achieve their liberation through the establishment of socialism, are:

1) The unqualified endorsement of the Atlantic Charter by the Stalinist press and government. This document, which codified the previously mentioned perspective of Anglo-American imperialism, is accepted by the "great liberator," Stalin, as his picture of what the post-war world is to be. Not a word of criticism, for example, has come from the Stalinist press in either Russia or America against Churchill's announcement that India and the other colonial areas of the British Empire are not to be included in the "benefits" of the Atlantic Charter.

2) The war pact recently signed between Stalin and the reactionary Polish Premier, General Sikorski. Besides its military provisions, this pact provided for common action in the establishment of the post-war world—"Once the war has been brought to a victorious conclusion... the task of the Allied governments will be to establish a just peace. This can be achieved only by new organization of international relations based on the association of democratic states in union." Here, we see, then, that the post-war rehabilitation is to be made in conjunction with the reactionary

In recent weeks, America has been rocked by a storm about the "battle for production." Each day has seen new disclosures of extraordinary inefficiency in the production of war goods; often with the result that consumer products made with the same materials have been curtailed.

In this article the problem is thoroughly discussed and the real cause of inefficiency and "business as usual" is probed. The article shows how the individual capitalists are slowing down their own production needs, essential for their own imperialist war, because of their wild rush for profits.

And here is the sharp challenge which socialism offers—its ability to organize production better, for peace and not for war.

By Irving Howe

This fact, that for the capitalists patriotism only means a grand opportunity for more profits, is vividly illustrated by certain recent events. Let us summarize a few:

WHAT HAPPENED IN THE RUBBER INDUSTRY

1) THE RUBBER INDUSTRY—As far back as two years ago it was foreseen that in a war in the Far East, rubber supplies might be cut off from America. This eventually could have been met by building plants for synthetic rubber production, by cultivation of the "guayule" (a Mexican plant which yields rubber) and by building up large reserves of stockpiles of rubber. Not one of these methods was used, in each case because of capitalist greed and incompetence.

Synthetic rubber was not produced because the large rubber companies did not want to risk the higher cost of production involved. This higher cost of production, in comparison to raw rubber produced in the Far East, is due mainly to the higher labor costs of America.

Fortune magazine of August, 1940, estimated that 600,000 tons of synthetic rubber (the amount consumed in America) could be produced within two years. Nothing of the kind was ever done, for it conflicted with the interests of the giant rubber monopolies, which saw the destruction of their private capitalist interests in these projects.

Even when the Reconstruction Finance Corporation offered to build gratis plants capable of producing 100,000 tons, it was turned down by the rubber companies. Today, only 10,000 tons of synthetic rubber are produced in America. A similar situation exists with regard to "guayule." The rubber bosses said that such production would be uneconomical; what they really meant was that they would have to pay higher wages in America, and thus risk lower profits.

It is only now, when it is far too late, that an attempt is to be made to produce synthetic rubber. And these plants will not be ready till late in 1943.

CAPITALIST MACHINATIONS FOR POST-WAR ADVANTAGES

With regard to providing a reserve stock pile, the capitalist hindrances are just as clear. It was mainly through the machinations of the British capitalists who control raw rubber production in the Far East that American stock piles were kept low. "It is no secret that British interests did what they could to discourage the stock pile program," writes Prince M. Carlisle in the New York Times of December 21, 1941, because of fear that American capitalists might be left with post-war surpluses of strategic items and thus "enjoy an economic advantage over Britain in the fight for domination of the post-war foreign trade structure."

Here, then, is clear evidence that the only reason that the American people are today deprived of the use of rubber is because of the lack of foresight, the selfish profiteering interests and the competitive machinations of capitalism.

COINING GOLD FROM COPPER

2) THE COPPER INDUSTRY—Numerous copper companies, such as the Anaconda, the Bunker Hill and the Douglas, have in recent months deliberately withheld production of products essential to the war machine because they wanted to dodge the excess profits tax. After a certain point, the RATE of profit of the copper companies declined if they continued maximum production, although the TOTAL AMOUNT of their profit increased.

As a result, these companies produced merely enough to guarantee a maximum rate of profit, even though their capaci-

ties for production was greater. This decision deprived thousands of workers of jobs, and will deprive the people as a whole of many necessary civilian products which are made of copper.

Senator Harry S. Truman described this situation: "I believe there is an organized effort on the part of the producers to bring things to a crisis so the government will have to offer a bonus or higher prices. The same situation prevails in copper as in aluminum—a monopoly wants to stay in control after the war."

The real low-down was given just the other day when the copper companies agreed to increase production—but at prices increased by 40 per cent!

PROFITS COME FIRST FOR AUTO MAGNATES

3) AUTOMOBILE INDUSTRY—This is the most dramatic instance of the profit-grabbing and inefficiency of the capitalists. Here hundreds of thousands of workers face unemployment because of the policy of the auto magnates.

The attitude of the auto manufacturers has been characteristic of all of the capitalists. They had the attitude that they were making sufficiently tremendous profits on the production of autos; the profits of the 11 largest auto corporations increased 278 per cent from the third quarter of 1940 to a similar period of 1941! As C. E. Wilson, president of General Motors and spokesman of the auto magnates declared, they could make 32 per cent profit on the manufacture of autos and only a mere 9 per cent on war production. It is clear from this that the auto magnates prefer to continue producing autos; unless, of course, the ante is jacked up a bit on war production!

As a result, the auto magnates have continually stalled off the government order for conversion to war production, have refused to engage in the industry-wide pooling and planning and sub-contracting to smaller producers which is necessary for the success of such conversion. Today, after a year and a half of the war program, the quota for the production of autos has been doubled for the month of January from 102,000 to 204,000 autos, although that is supposed to be the last month of auto production.

The excuse which the auto magnates give for this is that the parts for these autos have already been produced, and only assembly work is necessary. But this is only another way of saying that they have been building parts for more cars than were allowed by past production quotas in their reckless surge for profits.

What are the conclusions to be drawn from these facts? Many of the "liberals" have said that this means that the capitalists were not really interested in winning the war, that this proved that the war was a "people's" war and not a capitalist war. Such an approach completely misunderstands the nature of capitalism.

THE TRANSITION TO A WAR ECONOMY

The primary interest of the capitalist, we have said, is profit. As a result, the given group of capitalists—say, the auto manufacturers—are primarily interested in the profits for their group and, within their group, for their company. The capitalists cannot conceive of a war without profiteering, because war profiteering is merely an intensified form of their peacetime activities and because they understand that the acquisition of profits for the capitalist class is the main purpose of the war.

However, if the requirements of victory for the capitalist class as a whole dictate the subordination of the interests of a group or an industry within capitalism, it may be expected that

not try to spread it over the world."

4) And, finally, the promise which Edward Deuss reports in the New York Post of January 10 as having been given to Sikorski by Stalin, according to an announcement by Sikorski. Deuss, who is ignorant of the significance of Stalinism, writes that this pledge "is tantamount to Soviet renunciation of the principle of the permanent revolution."

In reality, of course, Soviet Russia abandoned this principle when Stalin usurped power and exiled Trotsky. Since that period Stalinism has gradually developed to the point where it has no desire for working class revolutions, where, as a matter of fact, it fears them and is one of their worst enemies.

But Deuss is more accurate when he continues: "Interpreted in the wildest sense this pledge means that Moscow has ceased to regard the Comintern as a Russian-controlled instrument for the overthrow of capitalist governments." Here again we need only add the amendment that such has been the case now for a good

government of Sikorski. This Polish government, its hands filthy with the blood of murdered workers and Jews, has now become a "democratic government."

That the Polish workers might have something to say about this, that they might want to toss the Sikorski government into the ashcan and establish a government of their own after the war is over—this doesn't bother Stalin.

STALIN AND EDEN SEE EYE TO EYE

3) The recent conversations between Stalin and British Foreign Secretary Anthony Eden, in which, according to the report of Eden, a community of views was established not only on the conduct of the war, but also on the character of the peace. What the character of this peace will be we have already indicated—a super-Versailles, which can only end in another imperialist world war. As the New York Times of January 5 reports: "Mr. Eden indicated that Russia was determined to retain her form of government but would

The Little Man Keeps Getting Littler

By SUSAN GREEN

Even with all the dark warnings handed out by President Roosevelt and government spokesmen, the average worker does not have a concise idea of how terribly hard this war is going to hit him.

But here comes Colston E. Warne, professor of economics of Elmhurst College and president of the Consumers Union, who translates the dark warnings into brass tacks.

"Taxes for 1942," declares Professor Warne, "will reduce Mr. Average American's \$100 to \$60."

In other words, this year—which is only the beginning of what is to come—taxes alone will take 40 per cent right off the worker's wages.

But this is not the whole disastrous story.

"Rising prices," further elaborates Professor Warne, "will reduce the purchasing power of this to \$42, compared to 1939."

Actually, then, the worker will divide his wage—which he will certainly earn by the sweat of his brow—42 per cent for himself and 58 per cent for the war.

A \$40 a week wage will buy for the worker only \$16.80 of the necessities of life. A \$30 a week wage will be reduced to \$12.60 in purchasing power.

A \$20 a week wage will shrink to \$8.40 over the counter of the butcher, baker and candlestick maker.

operation of the Budd management, especially the assistant works manager, Mr. Budd, Jr., set up the ERA.

That the company appreciated his efforts on behalf of the workers can be seen by the fact that he has risen from the position of a lowly packer to that of night superintendent of the plant.

Mr. Alminde and several others, by helping the Budd company deprive the men of decent working conditions and thousands of dollars in

wages which they would have re-

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Budd Is Profit Mad

This trial is showing the world ceived at the union scale, have risen what thousands of Budd men have known for years, namely that the Budd corporation, in order to grind out enormous profits, will stoop to any device to get those profits. The ERA is but one of many attempts to destroy any efforts of the workers

to better their condition. By means of coercion, intimidation and corruption, a gigantic spy system has grown up in the plant. Soft jobs, special privileges, higher pay—all this belongs to the ERA tools of the company. Low pay and intolerable conditions—these are the lot of the thousands of workers in the plant.

The UAW-CIO has taken up the challenge of Budd and its hiring, the ERA. Daily, the process of signing up the men into a bona fide labor

union or later such subordination will take place. The present conflict within the OPM between the dollar a year men and the "liberals" is mainly as to the pace, with which that subordination should be effected.

What can, however, be proved by demonstrating the facts of capitalist greed and inefficiency in the transformation from a peacetime to a war economy are the following:

1) Capitalism is a wasteful and inefficient system. It cannot plan on either a national or an international scale. It deprives the mass of the people of products, under the guise that they are needed for war production, but in reality because of its selfish profiteering. It causes hundreds of thousands of workers, in another case, to lose their jobs because of this selfish profiteering. And the very existence of war in the world today is a damning indictment of capitalism—when most of the world's resources are used for mass murder instead of constructive purposes.

2) Socialism could plan better, provide the people with all necessities and, if need be, conduct a revolutionary war against a capitalist aggressor with incomparable efficiency. Under socialism, forced into a war by some remaining aggressor capitalist country or countries; there would be no shortages or priorities unemployment created by the greed of a few owners of the means of production, because the people would own the means of production.

And even more important, in a socialist world, that crowning and most damnable instance of capitalist greed and inefficiency—imperialist war—would be a thing of the past. Socialism could take the vast resources which are available and use them for constructive purposes.

The inefficiency due to capitalist competition; the shortages and high prices due to capitalist monopoly; the wars due to imperialist rivalry; the inefficiency and economic inequality due to the impossibility of constructive economic planning under capitalism—all would be things of the past. In their place could arise the new society of peace and plenty.

That is why socialism is the burning need of the hour.

Brother Rat Is "Democrat"

Ex-King Carol of Rumania, now in Mexico City, does not have much to recommend him as a democrat.

However, this does not deter him in his plans to set himself up as the head of a "Free Rumanian Government" in exile.

He follows the fashion established by practically all the "free governments" in exile. The rankest reactionaries, avowed anti-Semites, oppressors of the masses, have become champions of freedom—the freedom to return to their native lands and resume their practices after Hitler has been ousted.

Ex-King Carol's record makes him quite eligible—by existing standards.

He is the liberal who identified himself with the discontented peasants only to deceive them for his own political purposes.

He is the humanitarian who pretended to oppose anti-Semitism while his immediate circle and his mistress, Madame Eupesca—to hide her half-Jewish origin—used their influence to further Nazi outrages.

He is the great democrat who got rid of the would-be azi dictator Codreanu in 1938 only to make himself military-police chief of a totalitarian regime built on the Mussolini model.

He is the great liberator who tried to dissolve the Iron Guard organized by the Nazis in Rumania before the advent of Hitler by the unique method of himself adopting some of the worst features of their program.

At present, both the State Department and London are discouraging him from his new racket. This warning should not be taken too seriously, however, since they will always be ready to restore Carol to the Rumanian throne—if he can be useful to them as an agent in their imperialist services.

It's happened before.

many years, as history demonstrates to those who seek the truth.

STALIN DOES NOT FIGHT FOR SOCIALISM

What all this adds up to is not very difficult to see. Those "liberals" and those progressively-minded but misguided workers who hope that merely because of Russian military victories there will come the establishment of socialism are sadly mistaken. Those workers who hope that if the Allies win Stalin will throw his weight behind the world working class, are again sadly mistaken. They are mistaken if only for the reason that a victorious socialist wave through Europe would make the Kremlin despot one of its first victims. Stalin fears the socialist revolution as much as Hitler or Mussolini or Churchill or Petain.

Stalinism commits a double crime by its allegiance to the post-war plans of the Anglo-American imperialist bloc. For not only does it help create the foundations for those plans for a super-Versailles, but thereby also helps keep the German people in the bondage of Hitler. The one great political factor which still allows many German people to half-heartedly support the Nazi regime in its war endeavor, or to tolerate it, is the fear that a German defeat will mean the imposition of the horrors of a new Versailles upon them. Stalinist Russia, to which many German workers still undoubtedly look—no matter how mistakenly—as a workers' country, only disillusion them when it lines up with Churchill and Roosevelt in their plans for a super-Versailles.

Disillusionment about Stalinism on the part of the German workers is, of course, necessary—but only if it leads in the direction of independent socialist action, and not a relapse to the support of Nazism.

That is why it is an imperative necessity for all advanced workers to understand clearly the role of Stalinism today.

Stalinist Russia is not a regime conducted in the interests of the workers; it is, on the contrary, their mortal enemy.

Stalinist Russia does not fight for liberty or freedom; it fights, like the imperialist nations, for the perpetuation of the status quo of reaction and suffering. Stalinist Russia is pledged to help maintain this capitalist status quo even after the war; just as it has done up till the present, as witness its strangulation of the French labor movement and the Spanish revolution, its pact with Hitler, etc.

To depend on Stalinism for liberation would be a tragic error on the part of the workers. It would only, as before, lead to new enslavement. The workers can struggle for their liberation only by the independent class struggle for socialism—which will sweep aside capitalism, its reactionary offspring, fascism, and its bastard child, Stalinism.

Budd Trial

(Continued from page 1)

the ERA when he voted on the day the shop foreman escorted him to the polls. Hartwig's rate of pay was 86 cents an hour and this went on while he was attending ERA meetings or carrying out duties relating to the ERA. He, as well as others, was paid \$2.00 per meeting for every

meeting the ERA officers had with the Budd management.

The testimony of Thomas Alminde, who is night superintendent of the Budd plant and who was chairman of the ERA for several years, provided excellent proof of how, in this land of opportunity, a man can work himself up from the ranks. Alminde was a humble worker in the shipping department of the plant. About the time the AFL began its drive in 1933, Alminde, with the generous co-

operation of the Budd management,

especially the assistant works manager, Mr. Budd, Jr., set up the ERA. That the company appreciated his efforts on behalf of the workers can be seen by the fact that he has risen from the position of a lowly packer to that of night superintendent of the plant.

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(Another article reporting the progress of the trial will be published in LABOR ACTION next week.)

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Editorials

LABOR ACTION'S PLATFORM

Against Both Capitalist War Camps! For the Victory of World Labor and the Colonial Peoples! For the Victory of the Third Camp of Socialism!

LABOR MUST DEFEND ITSELF!

- Hands off the right to strike! For the defense of civil rights and all workers' rights! Against any wartime dictatorship measures!
- Thirty hours a week; thirty dollars the minimum wage; time and a half for overtime! Rehire the jobless millions by a six-hour shift!
- Wage increases which meet rising costs! No sales tax on consumer goods; no taxes on wages! Freeze rents and food and clothing prices at the 1940 level to stop the rise in the cost of living!
- No government contract without a union contract! The closed shop in all war industries!
- Maintain and increase all government social services!

SOAK THE RICH—LET THEM PAY FOR THEIR WAR!

- A government levy on capital to cover the costs of the imperialist war! Confiscate all war profits!
- Conscript all war industries under workers' control!
- Expropriate the "Sixty Families"—the 3 per cent of the people who own 96 per cent of the national wealth!

DEMOCRATIC RIGHTS TO THE DRAFTEES!

- The right of free speech, free press and free assembly for the men in the armed forces!
- \$60 a month minimum for draftees.

SMASH JIM CROW!

- Down with Jim Crow and anti-Semitism! All discrimination against Negroes in the Army and Navy, or by employers in industry, must be made a criminal offense!
- For full social, economic and political equality for Negroes!

BE PREPARED!

- For Workers' Defense Guards, trained and controlled by the unions, against vigilante and fascist attacks!
- For an Independent Labor Party and a Workers' Government! No political support to the Roosevelt government!
- For Peace through Socialism! For immediate independence of all colonies! Only a socialist world will destroy capitalist imperialism and fascist barbarism. For a League of Socialist Nations!

his right to live like a human being, he's liable to be lynched.

We wonder what Joe Louis thought when he handed his \$70,000 to those naval officers. We wonder if he wanted to tell them anything. We know what the Negro people would have told them.

Hands Off the Five Cent Fare!

You can always trust the bosses to look out for the workers, that is, to look out for new ways to make life miserable for them. Take the so-called Committee of Fifteen, organized by New York business and real estate interests, which has just come out with a bright proposal to jack up the subway fare from five cents to ten cents a ride, with a "bargain rate" of two rides for fifteen cents!

According to these business men, such an increase in the fare would result in additional revenue, \$45,000,000, which would lighten the burden of taxes—real estate taxes?—by 6 per cent.

What the Committee of Fifteen "neglected" to mention was that an increase in fare would work untold hardships on the working people of New York, who have to go to and from work by subway. They are not quite yet in the comfortable economic position where they can ride to work by automobile as, we feel confident, the Committee of Fifteen can—if they go to work at all.

And another thing this "Committee of Fifteen" neglected to mention was that one of the ways in which the operating expenses of New York's subways could be decreased would be to cut down on the vast interest which the city pays to the bankers from whom the subways were purchased or the money with which to finance them was borrowed.

We think that the New York labor organizations had better stop soaking their heads in the barrels of "good will" blarney and get down to business and do a job on this Committee of Fifteen so thoroughly that it won't dare come out with vicious proposals again!

Stalinist Fakery In the Unions

"All the differences between union and non-union employees, between membership in one organization or another, are to be subordinated to the need for the complete unity, in thought and in action, of the entire civil service."

No! This statement repudiating the need for unionism wasn't issued by the National Association of Manufacturers, or by the Chamber of Commerce. This pledge to retain the open shop was issued by a CIO union.

But a certain kind of CIO union. The New York District of the State, County and Municipal Workers of America. The fine hand of the Stalinists, who control this union, can be discerned in every word of this betrayal of union interests.

It is precisely because of the war situation that the need for unionism has increased in America. Who else is going to protect the rights of the workers? Who else can begin a campaign to curb war profiteering? Who else can protect the workers on the job from being exploited more today under the guise of "national unity"?

Yet, in this very hour of need, the Stalinists through their control of this CIO union, leave the workers in a lurch. They repudiated basic union principles by "subordinating" them, by making them minor, when they are the life blood of unionism.

These misleaders of labor know that unless all the municipal workers are organized into a powerful union, the workers have no means of fighting for necessary wage increases and other union demands. That is why, when these Stalinist misleaders talk about wage increases in the very same statement in which they repudiate the struggle for unionism, it is sheer hypocrisy.

huge American Empire; that they would stop at nothing less than conquest of the entire world, of its resources and riches, if they could get that far.

Roosevelt admits it, too. He says American soldiers will go to EVERY part of the world: Europe, Asia, Africa, Australia, nothing left out. He says we must win the war, win the peace and organize the world after; his friend, Wendell Willkie, says: "American democracy must rule the world."

When soldiers embark to go overseas on campaigns of conquest they must remain in the territories they conquer and establish rule there. That what imperialism is—no matter who does it. And Roosevelt is out to make all other imperialists (Hitler, Il Duce, the Mikado, Churchill) look like schoolboys by comparison with his doings.

Every worker in America must have this clearly in mind. This is the WAR AIM of American imperialism: conquest of as large a proportion of this world as it can lay its hands upon. This is the world-conquest budget of Roosevelt.

If Joe Louis Joined the Navy

A few days ago Joe Louis risked his heavyweight championship in order to provide funds for the Navy Relief Association, which cares for disabled sailors. He donated every penny of his fight share to that association.

If there were any skeptics left on that question, Louis proved once more that he is tops in his field. Louis is to prize fighting what Heifetz is to violin playing or Einstein is to science. Just tops.

Yet we wonder a bit as to what would happen if Joe Louis were to join the Navy. This man, just tops in his field, could only progress in the Navy as far as... mess boy. He would be allowed to exhibit his talents as far as... shining shoes for Southern officers, who would look at him as a "damned nigger" and washing dishes in the kitchen. That's as far as a Negro, whatever his talents, can get in the Navy: messboy or steward. He works under Captain Jim Crow. And it wouldn't make any difference even if it were Joe Louis, who risked his championship for the Navy benefit.

It happens that Joe is going to join the Army. Instead of serving under Captain Jim Crow, he'll serve under Sergeant Jim Crow. If he's stationed in Philadelphia, he won't be able to go into the local USO club—despite the fact that he's the champ. If he's sent down South, and tries to assert

Straddler Norman Thomas Jumps Into the War Camp

By MAX SHACHTMAN

The Socialist Party has come out for support of the war. Following an ambiguous statement issued by its National Action Committee when war was declared by the United States, the National Executive Committee of the Party has issued a new declaration, far less ambiguous, which was adopted by the slim majority of 6 out of 11 votes. It appears in the current issue of the SP paper, The Call.

To anyone who is acquainted with the party which has been cajoled and coerced into an image of Norman Thomas, the new statement of the Socialist Party is not a shock. Still less of a shock is the explanatory declaration by Thomas. Even less of a shock is the demurrer entered by the spokesman for the "loyal opposition" in the SP, National Secretary Travers Clement, which also appears in the current Call.

To quote the official statement of the SP is really superfluous. Why? Because it is a classic product of Thomasite "compromise" in a situation when two views are in dispute. Is there a conflict? Simply solved! Vote down the left wing decisively, even if it is only a pitiable apology for a left wing, and then write a document which satisfies the right wing but from which the left wingers can draw some comfort, particularly if they have elastic spinal columns, insatiable capacities for swallowing their own views, enormous will power over the dictates of their conscience and above all a terror at the thought of what they would do if N. Thomas decided to pack his bags and move to more commodious quarters. And evidently, this time too, this is the kind of left wingers

for whom the loyal opposition speaks. Thomas' Personal Statement

Much more to the point are some quotations from Thomas' personal statement, for the SP has for years been an organization in which that counts far more than any official declaration published in the name of the party.

Thomas and the official SP were opposed to the war up to the time it was declared. Their opposition took the most peculiar forms, to be sure, and at times the socialist element of that opposition was all but concealed by dripping layers of pacifist slush and Thomas' inglorious collaboration with those eminent foes of imperialism, Burton K. Wheeler and Charles Lindbergh. At all events, the SP nevertheless characterized the war as imperialist on both sides, and therefore reactionary. In itself that wasn't everything, but in these dark days of hypocritical flag-waving and imperialist pseudo-patriotism it was something. Most important, it reflected the desire of many rank and file members of the SP and especially its youth group, that the party should not emulate the social-patriots of bad odor and memory of the First World War.

But all this was before war was declared. Now, as Thomas so lucidly explains, "the objective situation" has changed. You can't very well "demand that the government stop fighting NOW and at once begin peace negotiations." No, you can't; we'll grant that readily, especially since we suspect that the Roosevelt government wouldn't listen very attentively to such a demand even if made by Thomas AND Travers Clement. At the same time, you can't very well oppose the war, even

if it is imperialist, can you? Of course not. Clement and Symes may say in their resolution that "we cannot give our political support to any war conducted for imperialist aims," but Thomas knows better. He writes:

"I am completely convinced that a responsible political party which speaks of political non-support or opposition at so critical a moment owes it to itself and the country to have a political alternative to offer.... Try as I may I can see no practical political alternative today to the war as a means of stopping the world-wide triumph of fascist totalitarianism"

For... Community Service!

The literal hell of a victory by Hitler and the Japanese militarists, says Thomas, "must be prevented even while we struggle against the spread of Hitlerism at home—a task which others' neglect may make peculiarly our own. Therefore socialists (except if they are individual conscientious objectors whose rights we all respect and would defend) are accepting the draft. They pay taxes; they take part wherever they can constructively do so in civilian defense, always working for sanity and community service."

Sursum corda! Lift up your hearts for here we have a truly breathtaking, noble and inspiring program of action. Accept the draft? Yes, that you must do; even taxes must be paid; and God knows it is high time something constructive was done about civilian defense. As for sanity and community service, these are watchwords such as have stirred people to their depths throughout written history and probably even before then.

It does not occur to Thomas that there is such a thing as consistent socialist principle which holds no less in war than in peace, which is in fact better tested in wartime than in peacetime. He evidently does not begin to understand that the socialist refusal to give political support to imperialist war and imperialist governments flows from a fundamental adherence to the principles of the class struggle and loyalty to the interests of the working class. And that, therefore, opposition to imperialism means less than nothing—in fact, is a deception—if it is confined to peacetime and is put into a safety deposit vault "for the duration."

That is why Thomas sees "no practical political alternative to the war today," and has consequently committed himself and his party to political support of the war. If one were to speak of continuing unremittently and unconditionally the defense of the class interests of the proletariat, regardless of the situation, we are sure it would be as intelligible to Thomas as Amharic is to an Aztec. It is only a pity that Thomas cannot fly a plane as well as Lindbergh...

The Loyal Opposition

As for the "loyal opposition," it is hard to believe that it speaks authentically for those militants in the Thomas organization who take their position on the war seriously. Clement pulls himself up to his full height and declares in his statement that in view of the position adopted by the majority of the NEC, he is resigning as editor of The Call. A heroic gesture!

But, lest you think that Clement understands that he is dealing with social-patriots, and all that this implies, he hastens to disillusion you. He will (1) continue to contribute to the organ of the social-patriots; (2) he urges "all possible support to The Call and to the new editor or editorial committee that will succeed me," that is, all possible support to the social-patriotic editors of a social-patriotic journal; and (3) he will continue to occupy his post as national secretary of the party which has adopted an anti-socialist position on THE most important question of the day. One can only conclude that either Clement does not take his office very seriously or his own political views do not weigh too heavily on his mind.

This war is different in many respects from the last one. But in one respect at least it follows the same pattern. It is taking its brutal toll of people whose views and principles simply do not stand up under fire, and who don't scorn the use of subterfuge, sophistry, deception, cynical rationalization to cover up their lack of socialist character and the bankruptcy of reformism and centrism. Old, familiar, time-worn words! But they suffice to describe old, familiar, time-worn, but not time-honored, events and practices.

Lest We Forget

by Tom Gilbert

WAS CHASE AT PEARL HARBOR?

During discussions on American policy in the Far East before the Senate Committee on Foreign Relations in May, 1930, the issue of cruisers with eight-inch guns versus cruisers with six-inch guns came up. The Navy presented a certain Admiral Chase as its "expert." The following ensued:

- Senator Reed—You are not a graduate of the War College?
Admiral Chase—No, sir.
Senator Reed—Have you ever commanded the fleet?
Admiral Chase—No, sir; but I am assigned to do so in the near future.
Senator Reed—But you have not done so yet?
Admiral Chase—No, sir.
Senator Reed—Have you ever been chief of naval operations?
Admiral Chase—No, sir.
Senator Reed—Have you ever been chief of the Bureau of Navigation?
Admiral Chase—No, sir.
Senator Reed—Have you ever been at sea on an eight-inch (gun) cruiser?
Admiral Chase—No, sir.
Senator Reed—Did you ever see one at target practice?
Admiral Chase—I have not.
Senator Reed—Do you know how thick the armor on its turrets is?
Admiral Chase—I do.
Senator Reed—How thick is it on the Salt Lake City class?
Admiral Chase—I do not recall the exact thickness now, sir.

WHILE WE'RE REMEMBERING

Remember Sacco and Vanzetti!

Party Fund Drive Goes Over the Top!

STATEMENT OF WORKERS PARTY CAMPAIGN COMMITTEE:

A real spurt in the final week of the Workers Party Building Fund Drive lifted it over the top. A great majority of the branches came through splendidly and more than covered their quotas, thus boosting the general average and making up for the few branches which were unable to raise all their funds.

The original \$5,000.00 drive was raised to \$5,575.00 when several additional quotas were set. In the last week \$540.50 was received, bringing the total fund up to \$5,287.81! The New York organization sent in a note for \$500.00, making a total of \$5,787.81 as the overall fund completing the campaign!

We hope that this magnificent showing made by the branches will only spur them on to renewed efforts to guarantee future activities. We completed the first haul. But there is a big climb still ahead of us. Let's keep going and let's keep the gong ringing!

In Future Issues--

Due to lack of space, LABOR ACTION is often compelled to postpone printing of articles.

Our readers, we are certain, will be interested in knowing of some of the articles we plan for future issues:

A series on American Labor During the Last War.

Behind the Present Pan-American Conference.

An Analysis of the Independent Labor Party of Great Britain.

A series on Jim Crowism During Wartime.

And, in addition, many more analytical and topical articles, as well as our regular features.

DON'T MISS AN ISSUE.

SUBSCRIBE NOW!

Negroes Applaud Chicago Speaker

The problem of "Jobs and the War" in relation to Negro workers was discussed by Grace Lee at the opening meeting of the Chicago Labor Action Institute at the Good Shepherd Community Center on Friday, January 9.

The receptive audience, mainly Negro workers, took an active part in the discussion. Some of them got up and showed why the main fight of the Negro people is on the home front for their democratic rights.

PHILADELPHIA LECTURE:

Labor and the War

Speaker: MAX SHACHTMAN
National Secretary of the Workers Party

SUNDAY, January 18, at 8:15 P. M.
810 LOCUST STREET, PHILADELPHIA

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