

Workers Age

A PAPER DEFENDING THE INTERESTS OF WORKERS AND FARMERS

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Labor Hits War Bill

Martin, A.L.P. Condemn Sheppard-Hill Measure As Move To Fascism

The Sheppard-Hill Bill, described by its backers as a measure to eliminate wartime profiteering, was branded by Alex Rose, secretary of the American Labor Party, as a vicious proposal to lay the foundations of a Hitlerite dictatorship in the United States. Mr. Rose urged all New York State representatives to vote against this bill, which is now before the Lower House as H.R. 6704.

"The Sheppard-Hill Bill has none of the merits claimed by its supporters," declared Mr. Rose. "On the contrary it abounds with vicious features. It would effectively abolish the traditional American liberties and the democratic system of government which have become the birthright of our people. In its stead, it would set up an absolute dictatorship with specific powers that would permit any Chief Executive of the nation to wreck every labor organization in the country. The horrible example of what has happened to the labor movement of Germany under Hitler gives the best picture of what could happen in the United States if the Sheppard-Hill Bill is passed."
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Nazi Army Purge Grows In Reich

The bitter, behind-the-scenes struggle between the Nazi party-leaders clique and the Reichswehr Junker group still continues, after it had exploded a week ago in a series of startling political shifts among Germany's top officialdom. These shifts, adding up to a sweeping purge, placed Chancellor Hitler in "personal and direct command over all the armed forces," exercised thru a deputy, General Keitel; removed von Blomberg as War Minister and von Fritsch as commander-in-chief of the army; sent into retirement nearly a score of outstanding "political" generals; replaced von Neurath by von Ribbentrop as Foreign Minister; and recalled the German ambassadors from Austria, Italy and Japan. Goering did not receive the War Ministry, as had been expected, but was made Field Marshal instead. For von Neurath, a new post was created, head of the "privy cabinet council" on foreign policy.

This thoroughgoing shakeup in the German state officialdom was followed last week by the suppression of discontent in many sections of the officers corps. There were rumors, even, of an army-monarchist plot against Hitler.

The developments thus set in motion have not by any means reached their conclusion as yet but their general tendency is already clear—to extend, tho not necessarily to strengthen, the grip of the top Nazi-party clique over the instruments of economic, political and military power in the Reich and to drive the Junker group a little further into the background. This shift in political relations within Germany may have far-reaching consequences; it will very likely mean an even more aggressive foreign policy, involving a drive against Austria and Czechoslovakia, perhaps a new spurt of intervention in Spain in support of Franco.

Jingo Slanders

In the Daily Worker of February 15, Clarence Hathaway, editor-in-chief, declares:

"The resolution adopted by the Executive Board of the United Automobile Workers is a resolution giving aid to Japan. It is a resolution that, by aiding fascist aggression, will inevitably aid in the spreading of the present fascist-provoked wars, until they ultimately involve the United States."

The anti-war resolution of the U.A.W. is identical word for word with the resolution adopted by the S.W.O.C. at its convention last December, in the name of 500,000 steel workers. Will the Daily Worker have the nerve to state publicly that the S.W.O.C. resolution is also a resolution "giving aid to Japan"?

The anti-war resolution of the U.A.W. was adopted in practically unchanged form by the recent convention of the Chicago Labor Party, representing 100,000 workers. Will the Daily Worker have the nerve to state publicly that the Chicago Labor Party resolution is also a resolution "aiding fascist aggression"?

An essential element of the U.A.W. resolution, the endorsement of the LaFollette-Ludlow war-referendum amendment, has been

approved by scores of labor organizations, among them the Brotherhood of Railroad Trainmen, the Brotherhood of Railroad Firemen, the Brewery Workers Union, the Aluminum Workers Union, the American Federation of Teachers, the Wisconsin, Chicago, and Minnesota Federations of Labor, in addition, of course, to the S.W.O.C. and the U.A.W. Will the Daily Worker have the nerve to brand all of these organizations as "agencies of fascism"?

If the U.A.W. resolution is a resolution "giving aid to Japan" and "aiding fascist aggression," why didn't the Stalinist delegates (the Daily Worker assures us there were some) protest against it when it came up at the S.W.O.C. convention last December? Why didn't their stooge, Mortimer, vote against it at the U.A.W. Executive Board meeting a few weeks ago?

The despicable Stalinist patrioters haven't the guts to speak up among the workers in the unions, because they know that the masses would howl them down for the war-mongers they are. In the Daily Worker, they can spread themselves to their heart's content, for the Daily Worker is completely irresponsible as far as the labor

AFL Speeds Split Drive

Council Ousts Three C.I.O. Unions; Lays Plans For New Dual Bodies

Reflecting a substantial victory for the die-hard chiefs of the big craft unions in the A. F. of L., the Executive Council last week announced the revocation of the charters of three C.I.O. unions by the Federation. The unions are the United Mine Workers, the biggest labor organization in the country and probably in the world; and the International Union of Mine, Mill and Smelter Workers
(Continued on Page 2)

movement is concerned.

Hathaway has the brazen gall to speak of Homer Martin's splendid anti-war declaration as "pro-Japanese tactics" and of the inspiring anti-war resolution of the S.W.O.C. and the U.A.W. as "giving aid to Japan." Do you remember the days of the last war when Lenin, Debs, Ruthenberg and all others who had the courage to raise their voices against the war, were called "enemy agents" and "tools of the Kaiser" by the chauvinists? Well, these days are here again—with the Stalinist jingoes doing the dirty work today!

Anglo-U.S. Tie Bared

Beard Shows Aggressive Character Of The Naval Expansion Plans

Hearings on the Vinson naval-appropriations bill before the House Naval Affairs Committee and discussion in the Senate last week turned into a rapid-fire attack upon the administration's warlike foreign policy making necessary such a huge armaments program. The central point of criticism was the suspicion, pretty well confirmed by recent events, that the United States had some sort of understanding with Great Britain for joint action in defense of their imperialist interests.

Testifying before the House Committee, Admiral William D. Leahy, Chief of Naval Operations, virtually admitted that the naval plans implied war in the Far Eastern waters. The admiral refused to make any public statement as to relations with England, especially in connection with Captain Ingersoll's recent conference with British Admiralty officials.

In order to forestall action on Senator Johnson's resolution demanding of the State Department information as to any joint policy with England, Secretary of State Hull addressed a letter to Senator Pittman denying any such charges, but this denial had little effect since it was widely understood to be a mere diplomatic formality intended to deceive the people as to the nature of the administration's foreign policy. Indeed, as Arthur Krock pointed out in the New York Times of February 9, there are types of understandings that are conveyed by a "wink or a nod" and hence cannot be uncovered by a Senate investigation. Mr. Krock declared that he had been "expertly informed that an understanding existed." In the House of Commons last week, Foreign Secretary Eden announced that England's relations with America were very "happy" but of such a nature that they could not be discussed in public. From London, a New York Times correspondent reported the reaction to the President's big-navy message as follows: "It was almost as if Britain had won a war victory!" There can no longer be the slightest doubt that some sort of Anglo-American 'understanding' is in existence, providing that, if Britain is to police Europe, the United States is to help police the Far East. This is what "collective security" means in real fact and this is the secret behind the Roosevelt naval-expansion program.

That this is so was brought out most effectively in a brilliant paper read before the House Committee by Charles A. Beard, famous historian and political thinker, analyzing the real implications of the administration's naval building plans. He pointed out that the naval-appropriations bill was the first step in implementing the "policy implicit and explicit in President Roosevelt's speech last October, the policy of 'quarantine' . . . This policy calls for big battleships to be used in aggressive warfare in the far Pacific or the far Atlantic." The same points were emphasized in the testimony of Bruce Bliven, New Republic editor, and F. J. Libby, executive secretary of the
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REARMAMENT IS REACTION

By M. S. Mautner

WHEN a government begins the process of militarization, of creating a super-powerful navy and army, it sets in motion not merely the military-technical preparations for war, but the political, social and economic forces necessary to wage that war. This was true in a haphazard fashion of the first world war; it is true of the coming world war in a manner far more carefully planned, far better organized. The American ruling class, under the leadership of the Roosevelt administration, has launched the country unmistakably on the road to war. The billion-dollar "normal" war budget has been nearly doubled thru a special message of the President on "national defense." And this announced program of rearmament brings with it a complete shift in the character of the New Deal's policy at home, coupled with a stiffening and sharpening of its policy abroad.

The political and social reaction that, in the very nature of the case, must accompany the military preparation for war, has not burst upon us suddenly. For the past eighteen months or so, the administration has been gradually breaking with its vaunted ideals. It has been dropping, with increased speed, its social program and it has become more brazen in its foreign policy. It has, in a word, been preparing for "preparedness." The past eighteen months have been the transition from the original (and how quickly dropped) "liberalism" of the New Deal to the necessarily conservative policy which must bridge the gap to outright reaction.

How else explain the compromises with the utilities, the sudden conversion of the Supreme Court, the outrageously inadequate hous-

ing program, the pittance for relief, the threats of union regulation, the refusal to supply arms to anti-fascist Spain, under the guise of neutrality, and the attempt to whip up a war fever over Standard Oil tankers?

Aggression In Foreign Policy

Rearmament, to be sure, does not create a foreign policy. It is the investments and business prospects of American bankers in the Far East that determine the hostility of the American capitalist government to other imperialist powers threatening these investments, formerly England, now Japan. But rearmament gives a point to that imperialist foreign policy and noticeably increases its aggressive tone. What feeble notes were they, sent to Japan by England and by the United States in 1931-1932, when Manchukuo was carved out! But once the United States has embarked, at least as far as the ruling capitalists are concerned, on an irrevocable policy of rearmament, face-slapping, rude pushing, anything is deliberately magnified into an "international incident," both to create the war psychology at home and to serve notice on Japan that sides have been chosen and the lines are being drawn up.

The breakneck speed to create a powerful Pacific fleet has only begun to be felt in America but its purpose is already clearly seen in the new tone of our foreign policy. To call for armaments in imperialist politics today is to begin the paragraph which ends with severance of diplomatic relations and declaration of war, no matter how many pacific phrases decorate the sentences.

Preparations for war obviously

react upon foreign policy. But what is not so clear to all is that it has an equally important effect upon the domestic policy of the administration. The huge rearmament proposed by Roosevelt implies major surgery on the social program which the New Deal rode for its hobbyhorse; it means the curtailment of civil liberties and government regulation of trade unions to rob labor of its little freedom under capitalism.

The special message on "national defense" which doubled the armaments appropriations is only the first of a series of such additional boosts to a record peacetime war budget. As the war scare is increased, the regular appropriations will be increased. Three billions annually for armaments is not an unlikely sum within a few years. With such tremendous sums being spent for war-making coupled with the steady agitation for a "balanced budget," the reduction of expenditures elsewhere can only take place at the expense of the masses of unemployed, poor farmers and other "underprivileged" sections of the people. This is the real significance of the demand for a "balanced budget." It provides the political demagoguery necessary to continually decrease unemployed relief and farm aid. Obviously something and somebody has to be sacrificed for war—and why not the ten or twelve millions of unemployed, who will form, it is hoped, excellent material for the army and navy?

That this serious diversion of funds is not mere fantasy can be seen in the actual policy of the administration. As soon as the elections of 1936 were over, more than a million workers were dropped
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Viewed from the Left

By Politicus

Little Business Talks Big

THE "small business men" have come and gone from Washington, leaving in their trail quite a few shattered illusions. It would seem that hand-picking isn't quite as safe a game as it used to be. The boys double-crossed Dan Roper and turned out to be as anti-New Deal as their big brothers. But, above all, the resolutions coming out of that conference have hammered the final nail into the coffin of petty-bourgeois progressivism. The days when the small capitalists led the fight against monopolies with a program that could attract labor and farmers, that formed the very hub of the class struggle in America, have passed into the dust-heap of history.

Business men are capitalists first of all. Whether their field of operations is a gigantic trust like U.S. Steel or a small machine shop employing 25 workers, they see their main enemy in the labor movement. As a matter of fact, it was the conference of little business men that, in philosophy, sought to revive the now outmoded "rugged individualism" on a grand scale, that sought to restore the very undiplomatic brashness usually associated with Hooverism. The tycoons of the country have at least made some efforts at "tactful" handling of relationships with labor and other sections of the working population. This has been one of the major campaigns of the Roosevelt administration—to transform the old open-shop attitude and all that it implies in order that the capitalist system may be stabilized.

But not the little fellows! They went at the question hammer and tongs and emerged with a program even more reactionary than big business dared to propose. Of course, it is plain how they get that way. Their business is intimately connected with bank-financing and exudes all the reactionary philosophy of finance-capital in its undecorated form. Their relationship to their factory or shop is far more personalized than institutionalized and therefore the broad social questions of the day affect them not so much as a general policy but as a very concrete "invasion of their property rights".

How did they, "the backbone of our democracy", stand on such questions as housing, wage-and-hour legislation, labor relations taxes, reform, governmental spending? In essence, their program was no different than that of monopoly capitalism. What differences there were, were made for the benefit of their own greedy capitalist souls, not as opposed to the demands of monopoly but as opposed to the needs of labor and the masses!

Where big business thought that the question of wage-and-hour legislation should be "studied" and that laws enacted should attempt to eliminate only "starvation

ANGLO-AMERICAN PACT SUSPECTED

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National Council for the Prevention of War.

In the Senate, Senator LaFollette charged that war-scare tactics were being used to drive Congress into approving the naval-appropriations bill and the foreign policy it implies. He expressed himself as "unalterably opposed" to any alliance with England or any other form of the "collective-security" fraud.

"We are asked to turn our backs on all the vast problems here at home," he declared, "problems which are by no means solved, and to throw our energies and our nation's productive capacity and our money into an increase in arma-

Martin Speaks At Local 22

Homer Martin, president of the United Auto Workers Union, spoke at the second of the C.I.O. forums of New York Dressmakers Union Local 22, I.L.G.W.U., telling the story of the organization of the auto industry to a hall crowded to capacity.

After receiving a standing ovation, Homer Martin detailed the rise of the auto union, emphasizing the sabotage of industrial organization by the A. F. of L. and linking the phenomenal growth of his union with that of the Committee for Industrial Organization. Much of his speaking time was devoted to the sit-down strike and the present campaign to organize Ford.

"Against the 'collective-security' program of the bosses, based on company unions, widespread industrial espionage and a collection of munitions sufficient to stock an arsenal of the regular army, against these preparations for 'collective bargaining', we refused to commit mass suicide and remained inside the plants," he declared.

"The sit-down strike is a legal as the injunction of Justice Black. The preparations to massacre the auto workers were as obvious as the presence of the Standard Oil tankers in the pictures of the bombing of the Panay."

The speaker then concluded with the all-important unemployment relief program of the auto union, demanding that the government, "by no matter what means", allocate sufficient funds so that the auto workers and the rest of the population victimized by the present set-up, shall not starve.

of the burden on workers and the lower middle classes. Not satisfied with this "progressive" idea, they demanded sharp and immediate curtailment of government spending for relief.

The only thing they thought should be permitted to unbalance the budget was loans to small business men.

Cracking Down On Labor

When Roosevelt delivered his message on the State of the Union, he gave the first official indication of the New Deal's plans for "regulating" the Unions, that is, for trying to convert them into semi-governmental bodies. Again, when the Business Advisory Council recommended such reactionary legislation, he approved of it. The virtual suppression of the labor movement—which, it is recognized by all, will inevitably come during the actual prosecution of the war—must also be prepared for while getting things in readiness for the war.

How does it come about that Roosevelt, the champion of labor, the "tool of the C.I.O.," now prepares to crack down on labor, to rob it of its rights? He is getting ready for war, and modern totalitarianism requires a totalitarian society, with all potential opposition suppressed. Every move of the workers to better their own living conditions in the war industries will be answered with the cry of "enemy agent," "saboteur of the nation's needs," not only in wartime but now, while war is being prepared. It is as necessary for

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London, England.

"CHRISTIAN BOOK CLUB"

Guess as often as you like and I'll wager you cannot tell who is going to start the above club. Religious books will be sold cheap to the members of the Christian Book Club along the same lines as those sold to Left Book Club members.

The Daily Worker, organ of the Communist Party of Great Britain, is sponsoring the Christian Book Club idea! Now I can see what was behind the Strachey article appealing for unity among the churches.

J. ATKINS

AFL Speeds Split Drive

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and the Federation of Flat-Glass Workers, two of the smaller C.I.O. organizations. It was evident that the strategy behind this selection was an attempt to isolate the U.M.W.A. from the rest of the C.I.O. by expelling it while allowing the others to continue in their state of suspension.

It is understood that the Executive Council intends to follow up this action by initiating a campaign to set up dual unions and raid the membership of the three expelled organizations. It is held not unlikely that the jurisdiction of the notorious Progressive Miners of America, recently affiliated to the A. F. of L., will be given national scope.

Spokesmen of the U.M.W.A. and of the other two unions, as well as of the C.I.O. as a whole, expressed indignation at the action of the Executive Council but emphasized their conviction that the decision would mean comparatively little in actual practice since the C.I.O. has sufficient power to carry on its organizing activities despite all opposition.

The Executive Council concluded its sessions by adopting a long statement on the economic situation, noteworthy for the fact that it comes out for the repeal or modification of the undivided-profits and capital-gains taxes in order to "restore confidence," thus falling in line with the reactionary big-business sentiment on this question.

(Read the editorial on page 4.—Ed.)

the ruling imperialists to have uninterrupted production of war materials now as during the war. It is necessary for them to have a "united nation," "standing as one man behind the President"—old phrases worn threadbare, but still the reactionary slogans which lead to the suppression of free trade unions.

Rearmament Means Reaction

The New Deal has proclaimed its headlong drive towards reaction and war, the inseparable twins of decaying American capitalism. The misery war entails upon the vast masses of the people is felt today and will be felt increasingly as war approaches more closely. The policy of the government makes it a life-and-death question for labor to recognize that little that is progressive is left in the New Deal, not even the illusion of progressivism. Labor must now organize and extend its campaign for housing instead of armaments, must resist to the utmost all attempts to rob its organizations of their independence. Labor must break with the war-mongering, increasingly reactionary administration of Roosevelt.

Labor Hits War Bill

By HOMER MARTIN

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pard-Hill Bill ever comes the lack of the land.

"The open-shop movement in the United States is far from dead and, because the powers it would give the President are dependent upon a state of war, it would be an additional incentive for open-shop elements to promote such a war.

"A. F. Whitney, of the Brotherhood of Railroad Trainmen, is only one of the hundreds of labor leaders who have voiced their opposition to the bill on these very same grounds that it imperils the welfare of our working class.

"Nor does the bill strike at the roots of war-time profiteering, the evil it was ostensibly designed to end. By providing that war-time profits must be maintained at a level slightly higher than peacetime earnings it simply emphasizes the tendency for profiteering at all times.

"The specific provisions of the bill which the Labor Party finds objectionable are: (1) to give the President power to fix prices and wages in wartime; (2) to give the President power to change prices and wages; (3) to give the President power to proclaim governmental control over material resources, labor organizations and public services under such conditions as he may prescribe; and (4) to provide for the registration of individuals in industrial establishments and that any registered individual may be drafted into a governmental civilian service.

"The bill also provides for control over the entire field of civilian activity, in a manner wholly foreign to our national traditions. The passage of the bill would be a most deplorable surrender of the liberties of our people and would be a catastrophe of the first order. The American Labor Party is absolutely opposed to this bill."

Detroit, Mich.

Denouncing the Sheppard-Hill Bill as an attempt "to subject labor to a fascist regime in time of war," Homer Martin, president of the United Automobile Workers, last week urged all Michigan senators and representatives in Washington to oppose passage of the bill. Martin wrote Congressmen:

"We oppose this bill because it provides for the full control and regulation of labor in the event of war. We believe it would subject the free American labor movement to a fascist regime which would be inaugurated the moment war was declared.

"Altho the measure pretends merely to regulate production and war profiteering, its true nature is scarcely concealed since this bill gives the President full power to fix the price and compensation of services, to control industrial organizations and to fix the conditions under which any business may be operated.

"Under the provisions of this bill, the President would fix the wages and other conditions of employment and any attempt on the part of workers to ask for higher wages or shorter hours would be subjected to the penalties provided in this bill."

New Educational Club

ARCADIA HALL
Room 17 — 3513 Woodward
Detroit, Mich.
Tuesday evenings, beginning February 22nd.
LABOR, ECONOMICS AND POLITICS
8-9 P. M.
PROBLEMS OF TRADE UNIONISM
9:15-10:15 P. M.
Fee \$1.00 for 8 Sessions

CAPITAL AND LABOR IN THE CRISIS

(We publish below in somewhat abridged form, the first part of the address delivered by Homer Martin, president of the United Automobile Workers of America, at the Economics Club of New York on February 2, 1938. The second part will appear in the next issue.—The Editor.)



HOMER MARTIN

THE maintenance of activity in industry and business depends to a high degree upon a continued expansion of capital. Presuming that I need not argue this point, I think we may say that an index of the economic health of this country is the rate of new capital issues which go to finance either the expansion of existing industries or the development of new industries.

An examination of the figures over several years, showing the volume of new capital issues on Wall Street, reveals an important factor in the causes of the present depression. The January bulletin of the Royal Bank of Canada shows that, as far as new capital issues are concerned, the depression has been with us continuously since 1929, both under Hoover and under Roosevelt. This bulletin points out that the government decreased its rate of deficit expenditures at a time when the volume of new capital issues in Wall Street was modest.

On examining these figures, however, one discovers that the rate of new capital issues has been modest in every year since the dawn of the "new era" in 1929. So far as the record goes, there is nothing to indicate mathematically that the Roosevelt administration in its various regulations of industry and finance killed off or stifled any new capital issues of private business, because there has never been any volume to kill off since the middle of Mr. Hoover's administration.

Yes, it is true that a certain degree of national business prosperity and an increase in payrolls took place under Mr. Roosevelt at the time of the large government expenditures, but this expansion in business activity seems to have been largely confined to the turning over of the money the government spent. The peaceful sleep of the financing of major expansion by private industry was undisturbed. In saying this, I am not speaking about the renovation of a few plants or the decentralization of operations, but I have in mind the type of expansion which builds new industries, running into, let us say, new financing up to five or six billion dollars a year.

Because there has been not the least indication that any such private business expansion has, at any time, been under way or contemplated in a practical sense, I find it very difficult to assure myself that somebody killed it recently. Let me bore you with a few figures from this Royal Bank of Canada bulletin to clarify my point.

In the years between 1924 and 1927, the new financing done in the United States was primarily for the expansion of private enterprise and only 23% of the new money raised came from the United States government or municipalities. In 1929, 12% of the activity was financed by the government and the balance by private industry. However, since 1930, there has been almost a complete collapse of private financing. Since that time, the chief burden of new financing has fallen upon the government.

For example, in 1931, 63% of new financing was governmental; in 1932, 93%; 1933, 95%; 1934, 97%; 1935, 90%; 1936, 78%. And I do not need to tell you gentlemen that, at the present time, private business is not doing any new financing whatsoever. There never has been a revival of private enterprise since 1929 and 1930, as far as new financing is concerned.

There are those who attribute the lack of private investment in new industry to the curtailment of stock speculation by the federal government. However, speculation, no matter how great its volume, never has and never will be a substitute for sound industrial expansion. There are others who believe that labor costs have risen too high, thru the exorbitant demands of labor unions, and that this has killed industrial expansion and construction in America. There are some automobile magnates, for ex-

ample, who, on the one hand, boast that their payment of high wages has been a factor in leading the country back to prosperity and, on the other hand, argue that the present recession is the result of over-high wages wrung from them by C.I.O. pirates. I gather that what these people want is to put thru a series of wage-cuts and price-cuts, under the assumption that this will release a great volume of building expansion and industrial extension.

Wage-Cuts in 1929-1933

To any of you who harbor such notions, let me remind you that, from 1929 to 1933, there were almost constant wage-cuts and price-cuts going on; yet, instead of expanding, business continued to contract and decline. Diminishing the consuming power of the people, thru wage cuts, has never been a sound method of stimulating the sale of commodities.

However, if a greater volume of business is achieved at the same time that costs are cut, the combination of the two may produce an adequate payroll to further stimulate business of the nation. Certainly, if industrialists want to cut prices, it is not for labor unions to object; but we do object to cutting earning power to the point where it prevents the ability to pay union wages. Labor will spare no effort to defend and expand the position it has gained and the rights it has established.

Let me outline this experience from 1929 to 1933 somewhat further. The nation's trouble is that business is inactive—that the production of food, clothing and shelter is not what it was nor what it should be and, with the productive capacity this country has, it is not what it can be. This country is sick, ill-fed and ill-housed. Under these circumstances, the doctor prescribes a carefully rationed and much-reduced diet for all workers and their families. The doctor says that the working man has been living too luxuriously, that his food is too rich and that he should not be allowed to support himself and his family in the style to which he has become accustomed. And the doctor argues further that, if we reduce the standard of living of the most needy section of the community, the standard of living for all of us will be much improved. The idea that wage-cuts will cure a business collapse is as unsound and fatal as to attempt to cure anemia by bleeding the patient.

The Minimum Annual Wage

A number of labor unions, including our own organization, have gone on record favoring a minimum annual wage, based on a full year's continuous employment. For the automobile industry in particular, with its frequent and all too great fluctuations in employment, this would accomplish much

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"Innocent" Organizations In Struggle Against War

By BERTRAM D. WOLFE

(This is the fourth of a series of articles based on the report on "Problems in the Struggle Against War" delivered by Bertram D. Wolfe at the recent plenary session of the National Council of the I.C.L.L. Another article will appear in the next issue.—The Editor.)

HAVING examined the general situation, we must turn to some practical questions in our struggle against war. First of all,

who, on the one hand, boast that their payment of high wages has been a factor in leading the country back to prosperity and, on the other hand, argue that the present recession is the result of over-high wages wrung from them by C.I.O. pirates. I gather that what these people want is to put thru a series of wage-cuts and price-cuts, under the assumption that this will release a great volume of building expansion and industrial extension.

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The American Students Union

The American Students Union is, of course, a somewhat different type of organization. Here, I think, we can still participate for a time for the purpose of attempting to crystallize and separate the conscious opposition to war. The student union is a broader organization, a less crystallized movement. It has other objectives but the Communist Party has already made giant strides in the betrayal of the student youth. They have just completed their sessions at Vassar. The Communist Party suc-

ceeded in forcing thru the abandonment of the Oxford Pledge. The Oxford Pledge has weaknesses but its heart is sound because it is a pledge not to fight in an imperialist war. Why has the Communist Party sought the abandonment of this pledge? Not because they felt that it was not effective. The Communist Party insisted on abandoning it because it wants to recruit the student youth for the next war.

The Daily Worker reports the convention with this headline: "See Student Union Support of F. D. R. Chicago Peace Stand." And Professor Frederick Schuman, at the convention, told the students: "The ultimate hope of peace lies in defending by arms, if necessary, the values of liberal civilization. The only hope of the world today lies in isolation of the fascist powers. There cannot be isolation without the use of force. That is the only thing they understand!"

Perfectly clear language! This time we have to be grateful for the frankness of Professor Schuman.

"Down With Leninism"

But the clearest expression of where the Communist Party stands on the youth and the coming war is given in this classic testimony, a dialogue between David Grant of the Young Communist League and Senator Burke and other senators of Massachusetts, during the investigation of "subversive activities" in that state:

SEN. BURKE: Do you believe in teaching boys they shouldn't be connected with the National Defense of the country?

GRANT: I have never said anything of the sort. I don't believe it.

BURKE: Do you believe in going away with the National Guard, the C.M.T.C., the R.O.T.C., and turning any war into civil war according to the resolution of the 8th Congress of the Communist Party?

GRANT: No.

BURKE: Do you support the resolution of the 8th Congress of the Communist Party calling for the abolition of the R.O.T.C.?

GRANT: No.

BURKE: The resolution calling for the abolition of the National Guard and the C.M.T.C.?

GRANT: No.

BURKE: Do you believe in defending your country in case of war, would you fight?

GRANT: Yes!

GROVES: Do you know what the Oxford Pledge is?

GRANT: Yes!

GROVES: Do you know the young communists support the pledge which urges students to refuse to support the government in war?

GRANT: No, we don't.

GROVES: Do members of the Y.C.L. take the pledge in the American Student Union?

GRANT: No, they don't.

HOLMES: Do you differentiate, as did your leader Lenin, between "imperialist democracy" and "soviet democracy," as quoted by another member of the Commission?

GRANT: No, we don't differentiate.

So, on the attitude towards organizations which the Communist Party controls and turns into war recruiting machinery, there can no longer be any question as to what we must do.

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AFL COUNCIL RUNS WILD

THE action of the Executive Council of the A. F. L. in finally expelling from the Federation the United Mine Workers and two smaller C.I.O. unions, the flat-glass and the mine-and-smelter workers organizations, is only the logical culmination of the course it took when it first suspended the ten C.I.O. affiliates in September 1936.

For two years, the labor movement was divided into two hostile tendencies but still the split did not seem irrevocable because, after all, leading C.I.O. unions still had some status in the A. F. of L. In fact, only two months ago conferences were under way seriously discussing the question of unity.

The action of the Executive Council must appear all the more criminal in view of the rather conciliatory attitude taken by John L. Lewis at the U.M.W.A. convention. Once again, he proposed unity and outlined a simple plan for its achievement.

And how did the Executive Council act? By withdrawing the charters of Lewis's union and of two minor organizations that hadn't done anything very different from the others in the C.I.O. The strategy here is apparent. The intent was double: first, to isolate the U.M.W.A. by creating a breach between it and the other big C.I.O. unions; and, secondly, to expose two of the weaker industrial unions to the concentrated blows of the A. F. of L. Meanwhile, every effort would be made to create defections in C.I.O. ranks, to foster dissension, to provoke splits. In the end, the dispersed fragments would be smashed separately and reaction would emerge triumphant.

But such super-"clever" strategy has the habit of turning around like a boomerang. The efforts of the Executive Council to drive a wedge between the U.M.W.A. and the rest of the C.I.O. will only bring the C.I.O. unions into closer solidarity. Whatever differences there may be on secondary questions will surely give way before the imperative necessity of presenting a solid front to the reckless splitters in the Executive Council who will not shrink from anything in order to preserve their paralyzing grip over the trade-union movement.

The action of the Executive Council inevitably places the question of unity in a new light. No one can now doubt that the craft-union chieftains who hold the A. F. of L. in their grasp are, basically and primarily, responsible for the division of the labor movement. No one can now fail to understand that there never will be unity until the grip of these reactionary labor politicians over the Federation is broken from the inside or from the outside. No one can now help seeing that the surest road to unity is the expansion and consolidation of the new labor movement arising under the banner of the C.I.O.

Bourgeois Defeatism In Spanish Civil War

(The following article is taken from the November 27, 1937 issue of La Batalla, underground organ of the P.O.U.M., published at Barcelona.—The Editor.)

Proletarian Defeatism In The World War

ANY war, imperialist or civil, always corresponds with the vital needs of some particular social class. Naturally, such a war meets with the systematic opposition of the hostile classes, which try to sabotage military activities by carrying on a defeatist policy.

During the World War, the revolutionary proletariat was defeatist. Against bourgeois imperialism, aiming at the economic enslavement of the masses, the working class raised the banner of proletarian internationalism and peace among the nations. Examples of that revolutionary defeatism were fraternization of the soldiers at the fronts, sabotage in the war industries, strike activities aiming at the disorganization of the bourgeois war machine, and the policy of the revolutionary Marxist nucleus directed at transforming the imperialist war into a civil war.

Lenin was the great theoretician of that proletarian defeatism. He knew perfectly well that, if the revolutionary pressure of the workers could succeed in undermining the success of the war, this would open vast perspectives for the international socialist revolution.

Bourgeois Defeatism In The Spanish Civil War

In our civil war, these conditions present themselves in a completely inverted form. It is the proletariat that supports the war with all its fighting power and limitless sacrifices, while the republican bourgeoisie, pretending to be anti-fascist, practices the most refined and criminal forms of defeatism. This is very clear.

For working-class victory means economic emancipation, possession of the land and factories, the ultimate liberation of the Iberian nations, the political rule of the proletariat and the possibility of creating a new world on a collective basis. On the other hand, for the bourgeoisie, including the liberal and republican bourgeoisie, victory in the civil war means the loss of their privileges and their political liquidation as a class. It is, therefore, perfectly clear that, in facing the war question, both of these social classes have of necessity different political attitudes.

The proletariat strives to achieve military victory; the bourgeoisie strives to restrict and fetter it. The former is ready to undergo all kinds of sacrifices, while the latter carries on a military and political defeatism that is consciously and deliberately prepared.

After the masses stifled the fascist insurrection in July, the political task of the republican bourgeoisie has been mainly to bring about the military defeat of the working class. The proletariat, with little revolutionary experience, has not yet understood this.

Month after month, it has continued to believe in the anti-fascist declarations of the bourgeoisie, without realizing that these literary declarations have no other objective than to hide from the masses the fact of bourgeois defeatism.

Examples Of Bourgeois Defeatism

Defeatism: the loss of Irún, due to lack of ammunition, deliberately retained on the other side of Bilbao. Defeatism: the sabotage carried on for months in the war industries, hampering them with all sorts of obstacles and depriving

them of necessary raw materials. Defeatism: the shameful surrender of Malaga, almost without resistance, while the republican aircraft and navy were parading leisurely a few miles away.

Defeatism: the systematic denial of war materials to the proletarian fronts of Aragón and the North.

Defeatism: resistance to acquiring armaments from abroad and the refusal to grant permission to the Generalidad of Catalonia, under pressure of the revolutionary workers organizations, to negotiate to secure such arms.

Defeatism: deliberate stupidity in remaining on the defensive when there were possibilities on many fronts of easily passing over to a successful offensive.

Defeatism: the shameful surrender of Bilbao, Santander and Asturias, due to lack of armaments and, above all, to absolute desertion of the air fleet.

Defeatism: the unceasing acts of treason of the general staffs and of the high commands and the permeation of the whole machine by enemy espionage.

Defeatism: the policy of "non-intervention" maintained by the democratic and liberal bourgeoisie on an international scale.

Defeatism: the "underground" campaign in favor of an armistice and a military stalemate, calculated to bring about increasing demoralization in the working class.

We must realize that, at no time, was military and political defeatism so intelligently and with such skill as by the republican bourgeoisie in Spain. The bourgeoisie, defeated in July, has demonstrated, during the last fifteen months of civil war, an extraordinarily developed defensive instinct. It has acted with such astuteness that, at present, the proletariat finds itself in a most profound state of political confusion; certain layers of workers are beginning to be won over to the idea of military defeat, in this way assisting in the defeatist work of the bourgeoisie.

We Must Act Quickly

The proletariat must act in time if it wants to avoid a military disaster at the front and a political disaster at the rear. The time has come to explain patiently to the workers the truth about the military question. Show them the reasons for our military retreats and the continuous advances of the fascists. Explain to them the political motives behind the treasons of the general staff and the fascist espionage in our ranks.

It is not due to impotence that our fronts have been on the defensive since the first day of the civil war. It is not due to the superiority of the fascists that our armies are in a continuous and inexplicable retreat. It is not due to chance that the great majority of our commanding staffs betray us.

It is not due to the crushing pressure of the enemy that strategic positions and industrial regions are lost. It is due simply to defeatism—the systematic defeatism practiced by the bourgeoisie not as an opposition but inside the government and inside the war machine.

The republican bourgeoisie, which has in its hands the political police and military control of loyalist Spain, is playing the game of the fascists. Both sections of the bourgeoisie, the liberal and the fascist, are above all interested in maintaining the privileges of private property and in heading off the military triumph of the proletariat. It is not surprising, therefore, that, in practise, their policies supplement each other perfectly.

If the same road is followed as heretofore, the war will be totally (Continued on Page 5)

By Lambda

WORLD TODAY

The Story Behind The Collapse Of The People's Front in France

London, January 19, 1938.

(Concluded from last issue)

THE decision which the French Socialist Party has arrived at is of more than momentary significance. It has definitely decided against the revolutionary liquidation of the People's Front and consequently in favor of a reactionary liquidation of the People's Front and of the proletarian united front. The French bourgeoisie, being certain of socialist support, will prepare the way for just such a debacle, adjusting its every move to the changing relations of political forces in order to split, weaken and demoralize the working class until the time comes for the final blow of fascism.

The Communist Party of France, by approving Blum's proposal of forming a government that would include factions ranging from Paul Reynaud to Thorez, turned its back upon the revolutionary solution in this crisis and did its share in paving the way for the National Front, for the "sacred union."

The condition set up by the C.P. that such a coalition must carry out the program of the People's Front, was not meant seriously and nobody took it seriously. Such a combination of parties could have but one program—intensified attacks on the working class. The oft-repeated proposal to form a government in the "image of the People's Front," which would, of course, include the Radical-Socialists, is simply evading the revolutionary perspective by means of an opportunist slogan. In other words, the refusal of the C.P. to break with the Radical-Socialists, at a time when the latter are thinking of replacing the People's Front with a National Front, indicates clearly that the C.P. is already treading the road of betrayal of labor and socialism.

The recent crisis shows that the French workers, as such, are ready to fight for their gains of June 1936. This determination to fight had a decided influence on the maneuvers of the S.P., the C.P. and Radical-Socialist leaders. The fight for the continuance of the People's Front is a misleading slogan foisted upon the working class to exhaust its strength. The French working class does not possess an adequate leadership, as the recent cabinet crisis proved. The chief responsibility for this lies with the C.P.P.F. and the C.I.

Yet a real revolutionary leadership is absolutely necessary if the French working class is to overcome the crisis of the People's Front in a revolutionary way. The unity of all revolutionary forces in broad mass organizations, mass struggle against the fascist conspiratorial organizations and the forces backing them, agitation for workers control of production, must be initiated with the objective of replacing the People's Front with the revolutionary alliance of the working class and the lower middle class and peasantry. Because of the tremendous pressure of the French masses, the French bourgeoisie has been able to make only a small cautious step in the direction it desires to travel. The new Chautemps cabinet, composed in the majority of Radical-Socialists with a sprinkling of representatives from the Republican Socialist Union and the independent Lefts and supported by the S.P., has retained the formal structure of the People's Front but no more. It is actually preparing the break by granting the C.P. its "freedom" and by inviting the bourgeois Center and Right to support it.

The theories which the Comintern advanced to justify the People's Front are bankrupt. It is obvious that it was not the working class but the employing class which strengthened its position as a result of the People's Front and that, on the basis of its regained power, it is engaging in an offensive against the workers.

The question of the "hegemony" of the working class in the People's Front government has ceased to be a subject of discussion. But the crisis has shown that the French working class, despite its lack of revolutionary leadership, has not resigned itself by any means to yielding without a fight. It follows, therefore, that the future will witness sharp conflicts between the working class, fighting for its very life even without proper leadership, and the bourgeoisie, which is systematically and stubbornly working for the destruction of all workers organizations, particularly the unions, and have listed, for this task, the aid of the Radical-Socialists, on the one hand, and the fascist organizations, on the other.

Labor Notes and Facts

Entrance Wages in Industry

ACCORDING to the twelfth annual survey recently completed by the United States Bureau of Labor Statistics, the average hourly entrance rate of common laborers in the country as a whole was 51.2c in July 1937. This figure is based upon data covering 222,555 common laborers working at entrance rates, employed by establishments in 20 industries.

The present survey, like its predecessors, is limited to adult male common laborers. Because of the heavy work involved, very few females are employed as common laborers, except to do such work as cleaning, dusting, etc.

The twenty industries covered in this survey include 16 manufacturing industries, three public utilities, and building construction. Of the total number of employees, there were 176,328 (79.2%) whites, 40,976 (18.4%) Negroes, and 5,251 (2.4%) Mexican or others.

The report shows that, in July 1937, the entrance rates of adult male common laborers in the 20 industries covered ranged from a low of under 12.5c to a high of \$1.10 and over per hour. However the great majority of the laborers (81.6% of the total) were paid between 37.5c and 67.5c per hour. There were 12.4% receiving under 37.5c and 6.0% earned 67.5c and over.

The number of laborers earning under 40c per hour amounted to 14.7%, which may be compared with 4.9% earning 70c and over. It has been customary, in recent years, to divide the country into two principal wage areas, namely, North and South. As regards entrance rates, the 1937 averages were 55.3c in the Northern and 38.9c in the Southern territories.

Among the geographic divisions in the Northern region, the lowest average, 49.5c, was found in the New England states. The next lowest average, 52.7c, was in the West-North-Central states, many of which are predominantly agricultural. The Mountain states averaged 54.8c. The highly industrial-

homa (41.9c) and Texas (53.4c). The higher entrance rates in the North as compared with the South may, in part, be explained by the existing color differentials in the Southern region. In the Northern region, on the whole, the entrance rates of colored laborers were not less than those paid to white workers. Thus, the rates in plants employing only Negroes averaged about the same as in those employing whites only. In fact, establishments employing both white and Negro laborers had higher average hourly entrance rates than the ones employing either one or the other group exclusively. This was probably due to the fact that the former plants belong, in part, to industries with higher wage levels than the latter establishments. While the differential between white and Negro common laborers in the South appears to account for part of the difference between Northern and Southern rates, it is by no means the sole explanation. Thus, even if the Negroes are omitted in each, the average for the whites is still considerably higher in the Northern region than in the Southern, the actual figures being respectively 55.2c and 43.4c.

The table presented below gives the percentages of common laborers earning less than 40c an hour in each of the industries surveyed. The figures are especially significant in view of the discussion over the wage-hour bill in estimating the effect it would have on the "Southern differential."

PERCENTAGE OF COMMON LABORERS RECEIVING UNDER 40c AN HOUR

Table with 3 columns: Industry, North, South. Rows include Automobile parts, Brick, tile and terra cotta, Cement, Chemicals, Fertilizers, Foundry and machine-shop products, Glass, Iron and steel, Lumber (sawmills), Paints and varnishes, Paper and pulp, Petroleum refining, Rubber tires and inner tubes, Slaughtering and meat packing, Soap, Electric light and power, Street railway and motor bus, operation and maintenance, Manufactured and natural gas, Building construction.

ized and populous Middle-Atlantic and East-North-Central states averaged respectively 55.0c and 56.0c but the highest average, 58.6c, was in the Pacific states.

In the Southern region, the averages by geographic division were 37.3c for the East-South-Central states, and 40.8c for the South-Atlantic states. An examination of the state averages in the Southern region, however, shows an even wider variation than in the North. These ranged from 23.5c in South Carolina to 53.2c in West Virginia. In the East-South-Central states, the averages varied from 32.2c in Mississippi to 43.2c in Kentucky, while in the West-South-Central states the range was from 28.8c in Arkansas to 43.4c in Texas. In fact, it appears that, with South Carolina forming a low-wage center, the averages increase with the distance from this center. The highest averages, therefore, are found in the states along the periphery of this territory, namely Delaware (44.0c), Maryland (48.0c), District of Columbia (50.0c), West Virginia (53.2c), Kentucky (43.2c), Okla-

Fur Progressives State Stand on Federman Case

(We publish below a statement recently issued by the Furriers Progressive League.—The Editor.)

MANY statements have appeared lately in the Jewish press in regard to the Federman case. Our International officers investigated charges against Federman. The G.E.B. found Max Federman, vice-president of the International and manager of the Toronto Furriers Union, guilty of misusing union funds.

However, the majority of members of the Toronto furriers union voted against the decision of the International officers and in favor of Federman. As a result of this, the reports in the newspapers have been varied.

The New York fur shop chairman heard the report of Harry Beagon, with statements about false checks, false signatures and other crimes charged against Federman and his associates. This report was one-sided and presented the view only of the investigating committee. Federman continues to insist that it is no more than a political frame-up. So far, these statements and counter-statements have not clarified the matter but, on the contrary, have brought more confusion than ever.

Federman is accused of misusing \$1,500 from the union's unemployment fund but there are rumors circulating that the money was used by Federman for organization purposes and that former President Lucchi knew about it. It is not our purpose here to pass judgment as to who is right and who is wrong. We do not share the political beliefs of Federman nor are we personally close to him. It is not

Defeatism in Spanish War

(Continued from Page 4)

and definitely lost. New fascist offensives are being prepared and they will be supported, in an undercurrent manner, by the defeatism of the bourgeoisie in our ranks. Another critical moment is being prepared—a military disaster that might bring about such demoralization in the rear that revolutionary action on the part of the proletariat may come too late.

Smash Bourgeois Defeatism

Only thru the seizure of power by the working class can this bourgeois defeatism be uprooted. Only the working class in power can restore the morale at the front and at the rear. Only the proletariat is capable of initiating victorious military offensives, relying on the devotion to the death of the workers who are ready to make the greatest sacrifices. On the proletariat rests the guarantee of winning the war and retaining the revolutionary gains.

The proletariat can even now check the military defeatism of the bourgeoisie. It can still resist the reformism of the Popular Front, responsible for this suicidal policy. But, for this, it is necessary to break with the policy of class collaboration—pitiless criticism of the government for the defeats, and the bourgeois counter-revolution. Denounce the defeatism and treasons of the ruling elements and the militarists. Pitiless criticism carried on at the front and in the rear—in the trenches, in the factories and on the battlefields. And above all, the workers, in their organizations, must be prepared for the seizure of power.

SUBSCRIBE NOW TO WORKERS AGE

BOOKS

M-DAY: The First Day of War, by Rose M. Stein. Harcourt, Brace and Company, New York, 1936.

ALTHO this book was written nearly two years ago, it is as timely and as vital today as it was then—perhaps even more so. For it deals with war—with the last "war" to make the world safe for democracy" and with the coming "war of democracy against fascism." And what is there more up-to-the-minute today than war?

The book is based on the material uncovered by the Senate Munitions Committee and the vast masses of facts are handled with a skill and an insight that give powerful unity to the picture that emerges. The past is drawn upon to illumine present trends and to explore, cautiously and realistically, what the future may bring should war break out.

"Why America entered the war" is the first subject of inquiry. A few of the alleged "reasons" are briefly examined and effectively exposed. Then we are informed how, "by a series of successive steps, American business forced the country to enter the World War." The story of how this took place, of the cunning financial diplomacy of the Morgans, of the incredible trickery and double-dealing of the executive authorities at Washington who were definitely driving the United States towards the Allies under a sham "neutrality" and of the skilful manipulation of the levers of American "public opinion" by the British, is positively hair-raising, but there it is, buttressed by facts and documents.

Simultaneously, Miss Stein describes the preparations for war both in industry and in the fighting forces that began to be pushed towards the beginning of 1915. Attention is next turned to the increasing military, economic and political difficulties of the Allies, which made it so vital for them that America should come in. The account of the mutiny and unrest making their appearance in the belligerent countries as the war wore on, is especially noteworthy.

The third and fourth parts of the book deal with capital and labor in war and are easily the most important sections of the work. The operations of the war cabinet in mobilizing industry for war along German lines, the strategy followed by big business in squeezing the last cent of profit out of the great slaughter and the futility of all attempts to "take the profits out of war" come in for particular notice. The fate of labor in war, deprived of all safeguards and abandoned to the arbitrary rule of the war machine, is carefully discussed on the basis of the actual experiences of American labor in the World War. Incidentally, a good piece of work is done in exposing the dangerous fraud that war brings prosperity to the working masses.

But perhaps the most timely section of the work is that devoted to what Miss Stein calls "a blueprint for the next war," the Industrial Mobilization Plan, a plan for a military dictatorship to exercise virtually totalitarian control over the entire life of the country in war-time. Included is a good detailed description of how labor will be handled in line with the Plan.

The last two parts shift to current politics and are naturally a trifle out of date. But they, too, are instructive, especially the author's critical remarks on the "war of democracy against fascism."

This is the book for you to read and study at the present moment; it is a handbook of what the labor movement will be up against when war comes.

It will check the inner conflict in Toronto and above all it will elevate and strengthen the unity of our International.

Furriers Progressive League Apex

Trade Union Notes

By Observer

J. H. inquires about the silk-stocking boycott that seems to be getting quite the rage in ritzy Junior League circles.

In the first place, it should be known that this boycott on silk stockings or other things made in America out of raw materials imported from Japan, has not been approved by any responsible labor organization in this country. Neither the C.I.O. nor the A. F. of L. has endorsed it. What most labor organizations have endorsed, is a consumers boycott on Japanese manufactured goods. There is a vast difference between the two. In a letter recently sent to the press, Larry Rogin, educational director of the American Federation of Hosiery Workers, a C.I.O. affiliate, helps to make the entire situation clear. "The average pair of silk stockings selling at 85c," he points out, "contains Japanese silk to the value of about 10c. Thus, in order to do 10c worth of harm to Japan, we are hurting American industry about 75c worth," mostly in the form of workers wages. Nor can employment be shifted from silk hosiery to lisle or rayon. Approximately 40% of the machinery in the industry cannot possibly be used for lisle. Such a shift, moreover, would really mean a shift from a high-standard, unionized field to a low-standard, open-shop field and would thus constitute a fatal blow to the progressive hosiery-workers union. A considerable part of the lisle hosiery, furthermore, comes from Nazi Germany and Franco Spain.

It should be noticed that, if there is any logic in favor of a silk-stocking boycott, there is at least as much logic in favor of a ban on silk dresses, which would close down the biggest section of the dress industry of this country! For these and other reasons, the labor movement has rejected any raw-materials boycott. But what the labor movement has rejected is just the thing for the Stalinites and the Junior Leaguers. The Daily Worker fights the Japanese by printing gaudy pictures of Broadway stars with their shapely legs encased in lisle. In Washington, the debutantes "displayed their legs clad in lisle and rayon in a rayon ballroom at an evening fashion show entitled 'Life Without Silk.'" At the same time, the newspaper report continues (New York Daily News, Jan. 29), "three hundred Philadelphia girl hosiery workers marched up Constitution Ave. as a counter-offensive against the silk-stocking boycott campaign sponsored by the Washington League of Women Shoppers and featuring Eleanor Powell. The workers marched . . . under banners proclaiming 'Wear Silk Stockings and Save Our Jobs'. Gene Dodds, one of the marchers, said that, if the boycott spreads, she would lose the job she has held for ten years. 'I want these society girls to realize what they are trying to do to us working girls,' she said. 'I am sure they don't mean to put us out of work but that is just what their boycott would do.'"

TROTSKYITE WISDOM

In case you may have slipped up on such an important event, we want to call your attention to the fact that the Trotskyist Socialist Workers Party has gotten out a new "thesis" on the trade-union question. At the moment, we don't feel quite up to undertaking an "extensive analysis" of it in the accepted manner. But we can't help bringing one gem to your particular notice. Reads the resolution:

"What stands chiefly in the way of the successful conclusion of the unity negotiations now under way, is the struggle for power in the united organization between the old A. F. of L. and the new C.I.O. bureaucracies. The main point in dispute is not the right of industrial unionism but such a form of re-unification as will give one or the other bureaucratic machine the great-

est number of supporters and the upper hand in the united organization."

How profound! How original! The Trotskyist experts will undoubtedly be much chagrined to find that, in their brilliant discovery they were anticipated several weeks by—of all things!—the Socialist Call! In the January 15 issue of that paper, there was an unsigned article reaching exactly the same conclusion that "the issue is not what kind of unions shall be built but who shall control the labor movement."

In this column three weeks ago, we paid our respects to this "theory" which we characterized as the "silliest contribution to the 'unity' discussion to date." We can do no more now than to repeat what we then said. Is there no connection between "what kind of unions shall be built" (industrial unionism) and "who shall control the labor movement"? Has the struggle for power no meaning in terms of labor policy and strategy? Would it make no difference to the future of the labor movement whether it fell under the control of Hutcheson and his colleagues or Lewis and his? Would the cause of industrial unionism fare equally well under the one as under the other?

But, of course, these questions mean nothing to the Trotskyites who can solve anything with a few knowing remarks about the "permanent revolution!"

Capital, Labor in Crisis

(Continued from Page 3)

to protect the wage-earner and his family from months of enforced idleness and starvation pittance from the public welfare.

However, let me point out that we do not intend to permit the adoption of an annual wage as a means of lowering basic wages or of lengthening the work-week. It is to the interest of automobile manufacturers themselves to stabilize production and employment to the maximum degree. It is an expensive thing to maintain the overhead on closed plants. Idle capital helps no one. On the other hand, workers and their families live and pay rent by the year, not by the hour or week.

The rate of return on the capital investment in the automobile industry is more than double the rate of return on capital investment for all manufacturing industry, which indicates that the lead toward the establishment of living annual wages must be taken by the automobile industry.

Human Wear And Tear

In carrying out production, it is sound practise for employers to set aside regularly a certain proportion of their income as a fund to take care of the wear and tear of machinery and depreciation of their plants. As a matter of fact, the sums thus set aside as a reserve are considered as a part of the cost of production itself. Well, we laboring men are beginning to think about another sort of wear and tear which naturally arises out of the rapid application of science and technology to industrial production. If the capitalists and everyone else consider it sound and

Why Unity Talks Failed— Reply to a Correspondent

(We complete here our reply to the letter of Samuel Mack. The letter, with some comments, appeared in the last issue.—THE EDITOR.)

* * *

THE main problem, as we pointed out last week, is whether there ever was any possibility of sound unity emerging from the recent A. F. of L.-C.I.O. negotiations at Washington and whether these prospects were blasted by the allegedly "irreconcilable attitude" of the C.I.O. leaders. This is not a question of "setting the record straight"; much less is it a question of mutual blame-shifting and recrimination. It is a vital problem of the moment, for it serves to define clearly the conditions of real, sound unity in the labor movement.

The Main Question

Is it possible to speak of real unity unless free entry into the A. F. of L. is guaranteed to every section of the movement today under the banner of the C.I.O.? Of course not! President Dubinsky himself emphasized in his address that "peace, leaving a part of the C.I.O. unions out in the cold, would be destructive." The question of whether unity was possible at Washington resolves itself primarily, tho not exclusively, into the question whether the A. F. of L. was, at any time, ready to make possible the entry of the C.I.O. as a whole into the A. F. of L.

The C.I.O. made the proposal, since repeated, that all of its affiliated unions be admitted into the A. F. of L. and that all jurisdictional conflicts be then adjusted inside the Federation. This President Green and the A. F. of L. committee flatly rejected and instead proposed that, first, all conflicts be adjusted outside and then all be admitted together. What is

the essential difference? The difference is that, according to the C.I.O. plan, the workers in the conflicting jurisdictions, would be safely in the A. F. of L. fold to start with and nothing happening subsequently could undo that accomplished fact. According to the Green plan, however, the status of thousands of C.I.O. members would remain undetermined and their prospects uncertain until every last little difficulty was ironed out—if ever! In the one case, unity of C.I.O. and A.F.L. would be the rock-bottom fact on the basis of which all jurisdictional adjustments would be made; in the other, it would hang in the balance indefinitely, dependent on every momentary twist and turn in the negotiations.

What possible reason could President Green and his colleagues have had for rejecting the C.I.O. proposal? The only reason they have ever suggested is that the Lewis plan would have injected all of the jurisdictional conflicts into the A. F. of L., presumably to the detriment of the latter. But, in our opinion, there is no better place for these differences to be ironed out than precisely inside the A. F. of L. The A. F. of L. has known jurisdictional conflicts in the past and has not been afraid of trying to adjust them within its fold. Where else should they be dealt with if not inside one common organization of labor? As Lewis properly pointed out, such an arrangement would "put the controversy back into the ranks of labor where it belongs and not in the public yard."

Why Was The CIO Plan Rejected?

Again, what conceivable reason could President Green and his colleagues have had for rejecting the C.I.O. proposals? Are we not forced to the conclusion that they turned their back upon them because they were out not so much to achieve unity as to put something over on the C.I.O.? What they wanted most of all, it seems, was to maneuver the C.I.O. into a blind-alley, into a position where its ranks would be torn apart with confusion, uncertainty and speculation. Apparently their calculations ran somewhat along the following lines:

We'll get into a tangle of complicated technical negotiations separately on 30 different fronts, and we'll protract these negotiations indefinitely. Meanwhile, inside the C.I.O., there will develop all sorts of demoralizing rumors and speculations—which we will help along of course—as to who will be taken in and who will be left out in the cold. Finally, we'll either let the whole thing go to pieces or offer to take in only certain of the C.I.O. unions and bar the way to the others, alleging that the jurisdictional conflicts in these cases could not be "satisfactorily" adjusted—well realizing, of course, that this would leave the C.I.O.

live on the dole. They want to work at jobs which produce social values, but it would seem that American capital and American business have been living on the dole since 1929, inasmuch as their profits have been obtained largely in recent years from gathering in, directly and indirectly, the dollars that have been poured out by the government.

The business community cannot continue to live upon governmental bounty and seek prosperity in active governmental deficit. If this continues, the only result will be a form of government-controlled capitalism, or a bastard form of "socialism." Certainly not the rugged individualism of the Hoover days.

SWOC Signs Up Big Steel

After a brief period of negotiations, the agreement between the S.W.O.C. and the United States Steel Corporation, acting for four of its subsidiaries, employing 240,000 men, was renewed indefinitely last week with all conditions, including wage rates, remaining the same. The C.I.O. affiliate continues collective-bargaining agency for its own members but, under existing conditions, this amounts practically to exclusive bargaining rights.

The new contract does not run for any definite period but may be abrogated by either party twenty days after a conference called upon ten days notice. Should it prove impossible to reach an understanding on any changes proposed, the agreement is supposed to lapse after that period.

Upon signing the new contract, Philip Murray, chairman of the S.W.O.C., pointed out that the C.I.O.'s main objective, to maintain wage standards despite the depression, had been achieved. The reduction of hours from 48 to 40, obtained last year, likewise remains in force. Retained also are the provisions for paid vacations for employees of five years service, the seniority system governing promotions and lay-offs and the grievance-committee system in the mills.

The new steel agreement was hailed by John L. Lewis and other C.I.O. leaders. Mr. Murray expressed the conviction that the favorable effects of the contract would soon be extended to the entire steel industry.

holding the bag, the "old" unions pitted against the "new," the "accepted" ones against the "rejected" ones, with everything in danger of dissolution in the atmosphere of doubt, division and suspicion.

Now, this little game would be completely spoiled were all C.I.O. unions taken in to begin with. Then, no matter how long and protracted the adjustment of the jurisdictional difficulties might be, one thing would be certain from the very beginning: there could be no division of the C.I.O. against itself and the status of all in the A. F. of L. would be secure and assured!

Isn't it obvious now why the "concessions" of the Executive Council were no concessions at all, why no real unity could have been achieved on the basis of such "concessions"?

The A.F.L. Conditions A Trap

In a word, the C.I.O. couldn't accept Green's conditions because they constituted a fatal trap for the industrial-union movement. The Executive Council—that is, its real masters, the craft-union chieftains—wouldn't accept the C.I.O. terms because these terms would have guaranteed a free road of development for the industrial-union movement and would thus have been a certain threat to the craft-unionist vested interest with which the Hutchesons, Freys and Whartons are so much concerned. At bottom, they rejected the CIO proposals, and would have rejected any proposals that really mean unity, for precisely the same reasons that they did not hesitate to precipitate the split in the labor movement in the first place: their determination to keep the A. F. of L. a craft-unionist federation and themselves in unchallenged control of it.

That is why we stated in our original editorial that President Dubinsky appeared to us "entirely too optimistic" in his belief that any unity could have emerged from the Washington negotiations. And subsequent events, we think, have tended to confirm our viewpoint.