

NEXT WEEK:
EUROPE: A CONTINENT
IN TORMENT
By Jay Lovestone

Workers Age

Weekly Paper of the Independent Labor League of America

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AT FIRST GLANCE

by Jay Lovestone

THE VULTURES GATHER

A terrific pressure of contemporary events is remoulding all countries today. Here the United States is no exception, tho the remoulding does occur in certain specific, peculiar American forms.

It is urgent that labor now begin to take serious stock of prospects for 1940. After all, this crucial presidential year is less than six months off. For one thing, organized labor must stop slugging itself into a corpse-like condition. And the less help we get from our "friends" outside the working-class ranks—particularly in the restoration of trade-union unity—the better off we will be. The sooner we ourselves close our ranks, the better for all organized and unorganized labor. Let us forget: It is still true that where the carcass is, there the vultures will gather. . . .

Soaring high among the reactionary cultures expecting to fatten themselves in 1940 are Democrat Garner and Republican Vandenberg. The former is preparing to swoop down upon next year by seeking to "broaden the tax base". This Texas tommyrotter would slap an income tax on families getting as little as \$100 a month and on individuals earning a little under \$10 a week. This is what "Cactus Jack" (Wall Street's amoralist for "our" Vice President) calls economic democracy! Little respect as we have for Garner's literacy, we would never say that he doesn't know that the great mass of the people are already badly over-taxed. Last year, such indirect taxes buried in retail prices produced at least 56% of all local, state and federal revenue.

Of the same stripe is vulture Vandenberg whose Senate Finance sub-committee has just come forward with a startlingly stale solution of the class struggle. The threadbare idea of "profit-sharing" is now offered as a panacea by Michigan's self-styled Messiah. That in itself would be meaningless. However, Vandenberg's committee has made an explanatory declaration which is replete with sinister significance. We need but call this gem: "Wage increases create the same result as the serving of red meat to animals at the zoo—satisfaction for the moment, a more voracious appetite later."

It is unnecessary for us to underline all the implications of this remarkable statement. This sentence should prove a political death sentence for Vandenberg. But let no one overlook the fact that the majority of the sub-committee sponsoring this anti-labor policy consist of leaders of Roosevelt's Democratic party. No anemic New Dealers are Vandenberg's colleagues, Senator Herring of Iowa and Johnson of Colorado.

NO DEMOCRACY WITHOUT SOCIALISM

ABOUT no word is there as much talking and as little thinking as about "democracy". Time and again we have pitched in to provoke some thinking about the substance of what genuine democracy should or can be.

It is in this light that we ask our readers to give serious thought to the findings of President Milo Perkins of the Federal Surplus Commodities Corporation that twenty million Americans have only 15 cents a day for food. And Garner would lower even this miserable standard of American "democracy" by slapping an income tax on these "prosperous" inhabitants of the world's wealthiest land!

In the same light, we advise the defenders in labor's ranks of American "democracy" as it is—the status quo—to give some thought to the import of the following remarks made by Sidney Hollander of the Family Welfare Association of America and of the Child Welfare League of America before the recent National Conference of Social Workers:

"Will we go on shouting down efforts to find work for the workless because taxes are high? Will we complain that the burden of relief is too great? Are we forgetting that the heaviest burden of relief is borne by those who are on relief?"

"Talk with those who seek work—there are 10,000,000 of them—of the meaning of democracy, of the boon of liberty and equality. . . ."

"Furthermore, last year about 1,100,000 children were born to families on relief or in the very low income groups. In just one decade there will be 1,100,000 children growing up in homes that are but a travesty on the word. . . ."

Here are true pictures of "democracy" at its peak in the strongest and freest capitalist-operated land. It is up to labor to lend substance to democracy to make it real by working for a social system which will not be anti-social, which will not be profit-motivated. In short, without supplanting capitalism by socialism, there can be no genuine and full democracy for the many millions who today are privileged to enjoy futile formalities and to suffer fatal deprivations.

British Labor Rallies Against War Conscription

London, England.

THE nearer you get to the workers, the stronger is the feeling against conscription and the greater the readiness to act against it.

The national conference of the executives of the trade unions rejected by 3,817,000 votes to 232,000 a proposal that the labor movement should no longer cooperate in the government's National Service schemes.

By 4,172,000 votes to 425,000, it rejected a proposal for a general strike against conscription.

The national executives of most of the trades unions are a long way away from their memberships. In many cases the bureaucratic machinery had not been influenced by any reference to the views of the members.

TRADES COUNCILS AND NATIONAL SERVICE

But the national conference of the executives was followed almost immediately by the national conference of the trades councils—and the temper was very different.

The trades councils are directly in touch with the rank and file. They are composed of delegates directly from the trade-union branches. In most localities, the trades councils are the most authentic voice of the working class at present sounded.

Compare the view of the trades councils with the view of the national executives! By 129 votes to 62, the conference of trades councils referred back the section of the report submitted by the Joint Consultative Committee relating to National Service.

By an "overwhelming majority," a resolution was adopted opposing any register for National Service and viewing with dismay the T.U.C. General Council's collaboration with the government's scheme.

Scarcely less significant were the decisions of the Scottish Trades Union Congress.

The General Council of the Scottish T.U.C. was instructed to withdraw its representatives from the Central National Service Committee for Scotland and all affiliated unions were recommended to withdraw their representatives from local committees.

A motion in favor of industrial action to combat conscription and instructing the General Council to obtain the views of the affiliated unions on the possibilities was carried by 116 votes to 54.

The decisions of the Scottish T.U.C. are explained partly by the fact that the Scottish working-class movement is more militant than the movement in England, but only partly. Another explanation of the Scottish vote is the fact that its delegations have a more local contact with the rank and file than the national executives which attended the London conference.

WELL DONE THE N.U.R.!

Before considering the significance of these votes in greater detail, we wish to record our appreciation of the attitude of the National Union of Railwaymen at the conference of the national executives.

The N.U.R., which introduced the resolution in favor of strike action, and its spokesmen, Potts, the chairman, and Brown, the assistant secretary, made splendid speeches. Brown especially put up the full case for independent working-class action.

The votes at the conference of the national executives require some explanation. It is obvious that the N.U.R. had little support from other unions.

Nazi Coup on Danzig Seen In Offing

'Peaceful' Seizure Is Expected; Zhdanov Hits At Anglo-French Policy

Danzig came to the forefront again last week as all Europe waited tensely for Hitler's next step in the campaign to annex that city and gain control over the Polish Corridor. Rumors of all sorts were rampant but it seemed pretty clear that a decisive German move was in the offing. It was said that scores of thousands of Nazis were "colonizing" Danzig in preparation for a visit by Hitler very shortly, during or after which the seizure of the city would take place "peacefully."

In London, spokesmen of the Chamberlain government issued "firm warnings" against any further "aggressions" but informed opinion discounted these declarations and forecast that the German annexation of Danzig would be accepted as an accomplished fact by the English and French governments. Without Anglo-French support, it was hardly expected that Poland would risk war. In French Foreign Office circles, renewed suggestions were heard urging the "settlement" of the Polish-German crisis thru "negotiation."

Meanwhile, the week saw no progress in bringing the Anglo-French-Russian mutual-security pact any nearer to completion. Indeed, it became increasingly unlikely that any such pact would ever be consummated. The sensation of the week in this connection was a front-page article in the Moscow Pravda under the name of Andrey A. Zhdanov, who is generally regarded as the most important political figure in the U.S.S.R. after Stalin. In this article, Mr. Zhdanov admitted that "no substantial progress has been observed in the course of the negotiations" and flatly accused the British and French governments of deliberately protracting the negotiations because they did not really want any pact but instead were trying to clear the way and "thus make easier for themselves the road to deal with the aggressors," that is, to return to the policy of "appeasement."

In London and Paris, authoritative sources were already minimizing the significance of a Russian pact even if it was ultimately achieved. "It is to be feared," wrote Pertinax in a Paris dispatch to the New York Times (June 26), "that the influence a tripartite pact would certainly have exerted upon the German Fuehrer and his people if signed weeks ago might not now materialize. From the difficulties and controversies that have obstructed the Anglo-Russian negotiations so long, the German ruler is likely to infer that discord among London, Paris and Moscow is sure to continue under the surface."

The proceedings of the conferences of some of the separate unions, particularly on the question of National Service, would seem to justify a larger minority at last week's conference. We suggest that it is the duty of every trade-union branch to enquire how the vote of their national executive was given.

Meanwhile, the Glasgow apprentices have given a lead in their strike to the whole working-class movement.

Even if they are defeated, they have made history by their action. If the whole working-class movement had acted as they have done, it would have been impossible for the government to impose conscription.

WE MUST BACK THESE DECISIONS

We must now intensify the struggle. In Scotland, despite the tremendous pressure which will be exerted by the national executives from their headquarters in London, support must be given to the Scottish T.U.C. decision and the Scottish General Council must be shown that it has the backing of the trade-union rank and file for industrial action.

The decisions of the trades councils conference must be made the basis of action in the localities. Let the trades councils free themselves from responsibility for the National Service schemes whatever Transport House may do. The trades councils have a great role to play, whether in peace or war, in the working-class struggle. Let them not tie their hands by collaboration with the government.

Nor must we be content with the Scottish T.U.C. and the trades councils conference decisions. It is our duty to intensify the agitation here and now thruout the working-class movement. It is our duty to look forward to the next step.

FDR Beaten On Dollar and Neutrality

Arms Embargo Retained By House, Senate Filibuster Ends Devaluation

Washington, D. C. Congress dealt two terrific blows to the Administration last week when it failed to renew the President's power to devalue the dollar and defeated the President's plan to repeal the mandatory embargo on arms and munitions to warring countries.

Despite great pressure from the White House and the State Department, the House of Representatives voted 214 to 173 to continue the mandatory arms embargo in a slightly weakened form. The proceedings in the lower house were marked by furious debate and frantic parliamentary maneuvering on the part of the Administration leadership. The majority for the arms embargo was composed of Republicans and isolationist Democrats.

Even after the repeal of the arms embargo had been hacked out of it, the Administration-sponsored Bloom bill accepted defeat thru recommitment only by a margin of two votes, 196 to 194. The bill now goes to the Senate where the Administration is expected to meet with even stiffer resistance. The powerful isolationist block in the Senate intends to strengthen the arms-embargo provision in the House bill. (According to the House bill, only "arms and ammunition" are included in the embargo provision, leaving room for the interpretation that "implements of war," such as oil, airplanes and automobiles, are not under the legal ban. The Senate isolationists are determined to bring "implements of war" as well under the embargo provision.) There is a distinct possibility that the Senate may not even act on the bill this session, thus leaving in force the present legislation, so distasteful to the Administration.

On the monetary issue, a last-minute Senate filibuster allowed the President's power to devalue further the gold content of the dollar to expire at midnight of June 30. The filibuster came on a Senate-House conference committee report urging a "compromise" measure. Earlier in the week, the Senate had voted to strip the President of his devaluation power and to raise the Treasury price of silver from 64 64 cents to 77.57 cents. This was made possible by a strange log-rolling coalition consisting of the silver block, a section of the farm block believing that a higher price for silver and the consequent small addition to the currency would raise agricultural prices, and most of the Republicans eager to deprive the President of his devaluation authority.

After the House had voted to sustain the devaluation power, a conference of both houses took place, which came back with the "compromise" report calling for the continuation of the Presidential authority and fixing the silver price at 70 cents. It was this conference report that a Senate filibuster defeated by preventing action before the statutory expiration of the President's emergency monetary powers at midnight June 30.

Administration spokesmen said that a renewed effort to enact monetary legislation would be made after the July 4 holiday.

200,000 Farm Hands Displaced By Machines

Washington, D. C.

From 100,000 to 200,000 workers who used to follow the harvests in the Great Plains have been permanently displaced by machinery, according to a W.P.A. report, "Wheat and Oats," which was released by Administrator Harrington.

Mechanization has enabled farmers to increase their small-grain acreage 25% with only about two-thirds of the labor required a quarter of a century ago. The introduction of tractors, combines and other mechanical aides has eliminated more than 400,000 men-hours of labor a year.

"Because of the comparatively simple set of operations used in growing the small-grain crops and the favorable topography and size of farms in the regions where they are grown, mechanization of their production has gone further than has that of any other of the country's major crops," Corrington Gill, assistant administrator in charge of all W.P.A. research activities, said in a letter transmitting the report.

The letter added that 78% of the commercial wheat farms in the specialized grain regions had tractors in 1936, while the number of combines in use increased from about 4,000 in 1920 to over 90,000 in 1937. Further farm mechanization, with a consequent decline in the demand for farm labor, was predicted.

You Pay—But You Don't Know!

DO you know the taxes levied on you indirectly, hidden in the food and clothing you buy, in the rent you pay? Last October, the Northwestern National Life Insurance Company made public the results of a survey in the form of a table listing the traceable indirect taxes paid by the average American family living on a monthly income of \$150 (\$1,800 a year). Here is the table:

Item.	Budget.	Per Cent of Total Tax in Cost.	Dollars.
Food	\$43.50	7.8	\$3.39
Shelter	30.00	26.1	7.83
Clothing	16.00	9.5	1.52
Fuel and light	11.00	9.7	1.07
Transportation	14.75	20.3*	3.00
Recreation	3.00	10.3	.31
Life insurance	5.00	3.5	.18
Sundries, misc.	26.75	10.9	2.92
MONTHLY total	150.00	13.5	20.22
ANNUAL total	1800.00	13.5	242.64

* Also includes license and gas and oil taxes.

Congress Passes Relief Slash Bill

Includes Drastic Cuts in WPA Rolls Mass Layoffs, Killing of Art Projects

Washington, D. C. In a last-minute rush to beat the June 30 deadline, Congress passed the 1940 relief bill last week, after a series of compromises in the conference committee in order to adjust the differences that had arisen between the two houses. President Roosevelt signed the bill with a sharp criticism of a number of its provisions.

The following appeal was sent last week to a number of labor organizations in New York City and elsewhere. It is a plea addressed to every single organized worker, to every single trade unionist, as well. We earnestly appeal to every reader of the Workers Age to answer this plea himself and to bring it to the attention of his fellow-workers and fellow-union members. All contributions are to be sent to: Workers Age, 131 West 33rd Street, New York City.—Editor.)

Dear Sir and Brother: WE make this appeal to you because we are confronted with a critical situation which only the prompt aid of friendly labor organizations can help us meet and overcome.

For ten years, as you are aware, our paper, the Workers Age, has fought the battle of labor on every front. In the face of mounting difficulties, it has held aloft the banner of responsible progressive unionism of unity in the labor movement, of independent labor politics. In return, it has won gratifying recognition in labor circles as a sincere, independent, constructive force in the working-class movement of this country.

Today the Workers Age is in the midst of an extremely grave financial crisis. We have already been forced to get out one issue in a pitifully reduced form. There is even the possibility of having to suspend regular publication as a weekly. We need not stress what a calamity this would be from the point of view of the effectiveness of the paper and the cause for which it stands.

In this hour of emergency, we have no one to turn to but the labor movement which the Workers Age has loyally served these many years. We have no outside "angels" or benefactors. We stand or fall by the support we get from the ranks of labor. And we are confident that our friends in the labor movement, conscious of the services our paper has rendered in the past, will not let us down at this difficult moment. If we are enabled to tide over the difficult Summer months, we are certain that we will be able to continue on our own resources in the months to come.

We therefore appeal to you for whatever financial assistance you may find it possible to extend to us at this time. You may be assured that any aid you are able to grant us will be most gratefully received and will be devoted entirely towards advancing the interests of labor in this country.

We Appeal to Labor

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Murphy Boomed for Vice-Presidency

Frank Howard's Weekly Washington Letter

By FRANK HOWARD

Washington, D. C.

THE tallest tales are going the rounds here about how Frank Murphy is running for the vice-presidency in 1940 and the presidency in 1944. At the bottom of these tales is probably a lot of truth. It is apparent that Murphy is inordinately ambitious. He has considerable administrative ability, political "guts," a single-track devotion to justice as he understands it, and an overall allegiance to a Roman Catholic humanitarianism which inspires respect if not confidence. His popularity with pious Protestants is astounding. For this reason, it is doubtful if his Roman Catholic connections would interfere with his vote-getting powers. For the present, however, this personal campaign of his, which is little too transparent in its objectives, is getting in the hair of most reporters. They are learning to dislike this quality and they are being encouraged by New Dealers who have not planned Summer political developments this way.

Whether the Attorney General will draw in his horns for a while and come back into good favor is uncertain, but my bet is that he will and that he has as good a chance as any Democrat to get the White House job in 1944.

C.I.O. ON PENSIONS BANDWAGON

Newspaper men are saying the smartest political trick of the month is the move of the C.I.O. to steal some of Grandpa Townsend's political potency by jumping on the old age pension bandwagon. That it is a bandwagon and going places, is increasingly clear in Washington. So-called Townsendite Senators and Representatives who voted against the Townsend Plan are shaking in their boots as they return to their home territories—because of the number of the nasty letters they have received. The reasons for the strength of the movement are the validity of the major contention that generous old-age pensions are overdue and the use of the Anti-Saloon League technique in advancing the cause. The fact that the financing

aspects of the Townsend plan are cockeyed does not guarantee its defeat in 1940. Look at the line-up on the silver inflationary measure by inflationist Democrats and staunch sound-money Republicans. Anything can happen if a little anti-Rooseveltism is mixed with the potion.

How far the C.I.O. will go in teaming up with the Townsendites is not yet evident but a representative of the C.I.O. was in Indianapolis at the convention. Furthermore, the Doctor has been shown speculations about a C.I.O.-Townsend block and he expressed pleasure and an intention to carry forward negotiations. The interesting side-light on all this is that it is being done without complete concurrence of New Deal strategists.

General Hugh Johnson's increasing anti-New Dealism and covert anti-Semitism has caused him to split with his boss, Barney Baruch, according to reports here. It would not surprise New Dealers to see the General backing the Republicans in 1940, if he continues along the path he is now traveling. Certainly, if he is politically consistent, which he is not, he will be in the Republican camp.

"Democracies" Bolster Japan's War in China

Washington, D. C.

More than 85% of the imported sinews of war, without which Japan might be unable to continue its invasion of China, came last year from the dependencies and homelands of three leading western "democratic" powers, Great Britain, the Netherlands and the United States, the Chinese Council for Economic Research charged recently.

With the United States alone supplying 57.07% of the Japanese imports of essential war materials in 1938, Japan's Axis partners, Germany and Italy, by contrast, supplied less than 9%.

Japan's purchases of war mater-

As finally adopted, the relief measure included the following main features:

An appropriation of \$1,755,600,000 for relief for the new fiscal year, thus splitting the difference between the House figure of \$1,735,000,000 and the Senate figure of \$1,800,800,000. Of this sum, \$1,477,000,000 is to go to the W.P.A., with no earmarking for P.W.A.

A one-man administrator for W.P.A., instead of the three-man board originally proposed by the House.

Beginning on September 1, a forced 30-day "vacation" for all on W.P.A. eighteen months or more, instead of the 60-day "furlough" originally proposed by the House.

Abolition of the guarantee of prevailing wage-rates, which had been included on every previous W.P.A. appropriation.

Scrapping of the federal theater projects, with other art projects being continued only if they get local sponsorship and financial backing.

Appropriation of \$100,000,000 for the National Youth Administration. Top limit of \$52,000 for non-federal W.P.A. projects.

Elimination of the provision that would have barred from relief rolls any one receiving social-security benefits next year.

Twenty-five percent of the cost of W.P.A. projects to be furnished by local communities that sponsor contributions, these contributions being either in materials, cash or "in kind."

A new method of allotment of relief funds to the states on the basis of population and unemployment.

The 1940 relief bill, as passed by Congress and signed by the President, is to all intents and purposes as vicious as the bill originally passed by the House.

The total appropriation is about one-third less than the \$2,250,000,000 spent for work-relief the past year. It is a cut that will mean the dismissal of nearly a million relief workers, bringing the total down to less than 1,750,000, at a time when the economic situation shows no signs of improvement and unemployment is growing, if anything. Here the President must share the responsibility, for his original request for W.P.A. was but little more than what Congress finally granted.

By dropping the prevailing-wage guarantee, the bill tends to undermine wage standards throughout the country, thus hitting at both the employed and the unemployed.

The mandatory mass dismissal of all those on W.P.A. for eighteen months, with the right to reapply only after 30 days, will not only cause widespread distress among W.P.A. workers but will also throw hundreds of thousands on the labor market at one time, thereby intensifying competition for jobs and lowering labor standards.

The bill abolishes the federal theatre project and virtually scraps the other arts projects, thus abandoning some very promising experiments in encouraging cultural development in America.

That so pernicious a bill could be passed by Congress by such large majorities shows how utterly powerless is the organized unemployed movement in this country and how inadequate have been labor's efforts on behalf of the jobless. The Stalinist-controlled Workers Alliance has functioned as nothing more than a W.P.A. company union with little regard for the needs of the jobless; in fact, it has itself been responsible to a very great degree for alienating popular sympathy from the unemployed and relief workers. The various independent jobless organizations thruout the country are still too weak and unconsolidated to be very effective in the crisis.

The big task now is to build up and consolidate these independent organizations on a national scale and begin a fight immediately for supplementary appropriations and administrative modifications. The only hope of the unemployed is a powerful national organization of the jobless, closely associated with and supported by organized labor.

ials in the United States last year totaled \$171,564,167, a slight decrease over the previous year in dollars, but not in quantity of goods because of reduced prices, particularly for scrap iron. Cotton exports from the United States are not included, altho most military experts consider it an essential commodity. Most of Japan's imports, however, go into the manufacture of textiles for export.

Roosevelt Foreign Loan Scheme Holds Big Danger

Will Mean Heavier Taxes, War Entanglement

By ROBERT WALTERS

THE seven-year self-liquidating loan program, recently proposed to Congress by President Roosevelt, is the fourth big effort of his Administration to fight the depression by large-scale spending. It can be judged properly only in the light of a realistic analysis of the possibilities and limitations of governmental spending at the present stage of economic development. This general analysis will have to be left to another occasion because I want to comment here on one particular aspect of the President's new plan, which did not appear in any of his previous programs and which seems to be particularly dangerous.

FOREIGN LOANS PROPOSED

Among the "self-liquidating projects" which President Roosevelt has in mind as channels for "putting to use" the stagnant pools of capital stored throughout the country is the proposal to advance half a billion dollars within the next two years in "development" loans to foreign governments through a governmentally backed corporation. It would really be difficult to imagine a more dangerous or a more unsound proposition. Have we already forgotten our sad but instructive experience with foreign loans in the 1920's? Hundreds of millions of dollars were gathered from the people of the United States—who were made to believe that they were buying security for themselves for the future—and "invested" abroad in loans to governmental bodies in Europe and Latin America. These vast sums were used for "development" purposes, all right—to build model houses in Germany while scores of millions of Americans lived in slums, to provide Latin American dictators with convenient slush funds to keep themselves in power, and so on. But the main point is that when the crisis came towards the end of 1929, almost all of these loans were defaulted and the American investors were left holding the bag. Not the banks or brokers, of course; they were "protected" and they made their commissions and profits anyhow. But thousands of middle-class investors all over the country suddenly found their treasured securities turned into worthless paper, and there was nothing they could do about it. This adventure in foreign loans was, to use Jerome Frank's graphic expression, a gratuitous public-works program for the foreign countries financed by American investors.

Now the President proposes to make another splurge to the tune of half a billion dollars. Only now, when the default comes, as it is bound to in the end, it will be the American government that will be left holding the bag and the American people that will have to make good thru heavier taxation.

Indeed, the fact that it will be the American government that will extend the foreign loans instead of private concerns, makes the whole thing even worse. If private groups make such loans and the borrowing government defaults, the question is largely one of private concern.

Health Insurance Badly Needed

(Continued from Page 2) unemployment and old age insurance that we now have.

Garment workers are in that vast group of the population just above the relief status. But, let them pay for the necessary medical care once they become ill, then they, too, become what is called "medically indigent." The garment workers having sickness insurance are obviously better off than millions of other workers having no such security at all. Their being just one degree better off than the next fellow is too risky. Despite the sick benefits, a long period of illness cannot be compensated for, and doctor bills and hospital bills have to be paid for out of the worker's own pocket. Sickness insurance, including medical as well as cash benefits, is one remedy that is worth trying.

(An article by D. Davis on the English system of sickness insurance will appear in an early issue of this paper.—Editor.)

Rearmament Saps Living Standards

Washington, D. C. REARMAMENT is reducing the standard of living everywhere, John G. Winant, American director of the International Labor Organization at Geneva, declared recently in his annual report. It is responsible, he pointed out, for declining wage rates, increased hours of work, and general lowering of safety, production and efficiency standards.

"Rearmament cannot continue at the present rate of acceleration without eventually absorbing so much of the national income of many countries as will prove intolerable," he said.

A point may come, he added, when defense expenditures will cause actual starvation in the lower-income groups.

"We know these (rearment) costs are added to each loaf of bread we buy, to every acre of land we cultivate, and to the length of the day we labor to earn a living," Mr. Winant said.

Pointing to the cycle of evils attendant on the peoples of all countries as a result of increased armament costs, Mr. Winant declared that "the present state of armed peace means the speeding up of production, a concentration of productive energies on non-productive activities, the diversion of groups of the population to military service, the decrease of the supply of labor relative to the demand, the rapid increase in public budgets and the necessity of having recourse to loans to meet military expenditures, the inflationary effects of such fiscal policies, an inevitable tendency towards a rise in the cost of living and the hardship which that necessarily entails on the masses of the population. As these manifestations are prolonged, they become steadily aggravated and the wastage they involve is not very different from that which would be produced by war itself."

The speeding up of production, Mr. Winant pointed out, leads to longer hours, diminished efficiency, danger to workers health and safety and the jeopardizing of legislative and collective agreements for workers protection.

"War not only affords no solution to the human wants with which the people are confronted," the I.L.O. director said, "but is the very negation of everything they seek. The existing condition of 'near war', that not so terrible in immediate destruction, produces results which are not wholly dissimilar in a slower but no less certain way."

"I hope and believe that an exchange of views by the nations may pave the way toward the enduring peace that was hoped for so fervently in 1919 by a weary soldiery and a war-torn world."

Employers, and by elimination of age requirements in government employment.

WHAT UNIONS CAN DO With reference to agreements between trade unions and employers, the Committee states: "We wish to call attention to the fact that employees themselves can help break down the prejudices against older workers and that in some instances the problem has been successfully dealt with thru union contracts."

Concerning employment and production practices of employers, the Committee urges and recommends that employers who have in the past adopted hiring-age limits, dis-

FDR Has Soft Spot for Il Duce

THOSE who have been close to the President while he made his latest moves on the international chessboard say that he has rather a friendly feeling toward Mussolini, but considers Hitler the greatest menace to peace the world has seen in years.

"Mussolini, he considers a possible semi-friend; one who can lay a restraining hand on Hitler at times when he is about to go off on a tangent. Therefore, Roosevelt has adopted the policy of playing up to and flattering Il Duce."

"Hitler is appraised by Roosevelt as one of the shrewdest men of the age, with a little touch of insanity about him. Some time ago, Roosevelt toyed with the idea that if only he could sit down with Hitler, he could do what Chamberlain, Daladier and all the others failed to do—make him see that he was heading the world toward war and his own country toward ruin.

"This idea probably is behind some of Roosevelt's recent peace moves."—Washington Merry-Go-Round column of May 4, 1939.

World Arms Cost Reaches 17 Billions

Munitioneers Profit At Expense of Masses

By M. P.

Paris, France. NO world war is yet under way; nevertheless, the world spent as much for armaments in 1938 as it did in 1918, the final year of the last war. And it looks as if the totals for 1939 will reach even higher.

As a matter of fact, it is very difficult to get an exact idea of the arms expenditures of the various countries. Official figures are lower than semi-official estimates; furthermore, armament expenditures are usually broken up and distributed under various heads and otherwise more or less camouflaged; finally certain types of expenses are counted by one country and ignored by another. Thus, Germany excludes aviation from the total of its military budget. And then it should be added that the fiscal years are not the same for the various countries.

With these qualifications in mind, it can be said with a certain degree of assurance that world armament expenditures in 1938 amounted to between 16.5 and 17.0 billion dollars. It is probable that even this tremendous figure will be surpassed before 1939 is over; what we know of the

armament plans of Germany, the United States, England and France compel us to regard this as virtually certain.

We present below a table of the armament expenditures of the principal countries in 1938:

ARMS EXPENDITURES IN 1938		
	In millions of dollars	In % of world total
Russia	4,725	30.7
Germany	3,850	25.0
Japan	1,553	10.1
England	1,381	9.6
France	955	6.2
U. S. A.	932	6.0
Italy	460	3.0
	13,956	90.6

The rate at which these expenditures have increased in recent years has been dizzying indeed. Taking 1932 as base year, the percentages of increase are: 1934, 31%; 1935, 131%; 1936, 242%; 1937, 255%; 1938, 363%.

In 1937, armament expenditures in the regular budget reached the following proportions: U.S.A., 11.7%; France 20.1%; Russia, 20.7%; Italy, 25.4%; United Kingdom, 29.3%; Poland, 37.7%; Japan, 56.0%.

These expenditures are only a small part of the real totals, since only items in the regular budget are included and the amounts in the special budgets or in special Treasury accounts are not taken into consideration.

In 1913, the various countries devoted between 1% and 6% of their revenues to armaments: U. S. A., 1.4%; Italy, 3.2%; United Kingdom, 3.4%; Germany, 4.6%; France, 5.5%. In 1935, arms expenditures, it is calculated, reached the following ratios to national revenues: U.S.A., 1.5%; United Kingdom, 3.0%; France, 7.4%; Japan, 8.0%; Poland, 9.0%; Russia, 12.5%. But look at the figures today, as given in the above table!

But every cloud has its silver lining. If the purchasing power of the great masses of consumers has been slashed by the diversion of resources to rearmament, at least the armament industry is booming and piling up profits. . . .

1. Based on a study published by the Foreign Policy Association.
2. Quarterly Report of the Institut fuer Konjunkturforschung, vol. iii, 1937.

the nation's involvement in foreign conflicts:

1. An embargo on the sale of arms to belligerents.
2. Prohibition of American ships carrying any materials to belligerent nations.
3. Prohibition of American citizens to travel in war areas.
4. Determination by Congress as well as the President as to when the law should be invoked.

National Council for Prevention of War
Fellowship of Reconciliation
Keep America Out of War Congress
Youth Committee Against War
Women's International League for Peace and Freedom
World Peaceways, Inc.
War Resisters League
Labor Anti-War Council

Platten Purged As "Spy" in USSR

THE socialist Volksrecht of Zuerich, Switzerland, reports from Moscow the arrest of Fritz Platten, a Swiss communist, charged with "espionage."

It was Platten who arranged the return of Lenin and twenty of his comrades to Russia during the World War. He was secretary of the Swiss Socialist Party and deputy in the Swiss Parliament. He joined the communist movement immediately after its organization and lived in Russia as an active Soviet worker since 1923.

This is the man now accused of being a "spy!"

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Worker Over 40 Faces Insecurity

Job Prospects Decrease, Earnings Cut

By ARTHUR GREEN

WORKERS are not thru after reaching the age of 40 is the unanimous conclusion of the Committee on Employment Problems of Older Workers, appointed in February 1938 by the Secretary of Labor to study the problem of older workers in finding employment.

"Any policy, private or governmental, which arbitrarily discriminates against employees or applicants on the basis of a fixed age is undesirable from the point of view of employees, employers, and the public as a whole and is not justified."

Older workers are, however, at the present time handicapped by the current general unemployment situation, by the prejudices of some employers, and by their own fears. The seniority rules and general personnel policies are helpful to the older employees in retaining their jobs, they find real difficulty in securing new employment if they are displaced—whether by lay-offs, technological changes, plant mergers, shut-downs or other impersonal causes.

The returns of the 1937 census of unemployment showed that men after reaching the age of 40 and women after the age of 35 begin to experience additional difficulties in finding new jobs and that their prospects for finding employment decrease as they approach the retiring age. These census data confirm the experience of private and public employment offices in locating jobs for older workers.

A study of employment and unemployment in Philadelphia revealed that unemployment lasted almost four times as long among men between the ages of 40 and 44 as among those between the ages of 20 and 29. Yet it is during the middle years of life that workers acquire the heaviest family responsibilities. Their lack of employment during this period means both deprivation and added burdens for the young.

NO REASON FOR DISCRIMINATION

The Committee found no valid social or economic reason for such discrimination against older workers, particularly when around the age of 40. Examination of available factual data on productivity, accidents, sickness, group insurance and pension plans all indicate, the Committee points out, that the age of workers has little effect upon the costs of operating the plant. In many instances, productivity of older workers was found to be greater than that of younger employees. This is especially true in industries where skill, based upon long years of experience, is in demand. The younger workers have the edge in productivity over older employees only in occupations primarily requiring physical strength and endurance. Even in such jobs the precise age at which the decline in productivity begins varies widely among different

individuals, and any fixed age is unfair to many workers.

Most of the data on occupational injuries indicate that older workers have fewer accidents, also their injuries are as a rule more severe. The result, according to the Committee, is that the net cost of industrial accidents to the employer remains about the same regardless of the age composition of his workers.

Objections to hiring older workers, based on alleged increased cost of maintaining group life insurance and private pension plans, were likewise found to be untenable. The employer share of the cost of group life insurance is ordinarily so small that it should not influence employers to establish hiring-age limits, according to the Committee, and such higher insurance rates as may be necessary can be met by proper allocation of premium costs. Private pension plans can also be revised in the light of recent nation-wide legislation providing old-age annuities to most groups of workers. Since workers covered by the Social Security Act may now continue credits for these annuities when they change jobs, their final annuity or pension will depend upon their total working time in insured employment rather than on the length of service with a particular firm. This means that employers who hire older workers do not have to worry about retiring these workers on inadequate pensions or run the risk of bankrupting their own pension plans in order to pay adequate old-age benefits.

Employment opportunities for older workers can be enlarged, according to the Committee, by concerted action of trade unions and management, by modification of hiring methods followed by em-

ployers, and by elimination of age requirements in government employment.

WHAT UNIONS CAN DO

With reference to agreements between trade unions and employers, the Committee states: "We wish to call attention to the fact that employees themselves can help break down the prejudices against older workers and that in some instances the problem has been successfully dealt with thru union contracts."

Terror in Jaipur

(The following paragraphs are from the March 29, 1939 issue of the India Press Service, issued by the India League of England.—Editor.)

"PEOPLE taken to the jungle chase and beaten." . . . "Old men and women not spared." . . . "People turned out of their houses and shops looted." Such are only a few of the headlines which announce the harrowing tales of terrorism in Jaipur. Below we quote from the report of Mr. Damardas, secretary to Seth Jannalal Bajaj, who was asked to go to Jaipur with a view to collect first-hand information regarding the above alleged atrocities. A medical practitioner, Dr. Basu Chaudhari, and a pleader, Mr. P. N. Shrivastava, both of Agra, were present. The report was published in the Bombay Chronicle.

"The function arranged by the Prajamandal to defy the ban placed on a peasant demonstration was met from four sides by horsemen, military police and Meenas (criminal

tribe). The gathering was charged with lathis by the foot police while the horsemen charged thru the crowd.

"Kisans from all over Shikhwati had assembled at Jhunjhunu to observe Kisan Day. They were taken to the jungle in lorries by the police, made to prostrate themselves on their stomachs and they were beaten with shoes and lathis. . . some of them being stripped at the time of the assault. The leaders of the Kisan Jats were asked to declare that they had no connection with the Prajamandal. Dr. Basu Chaudhari made examinations of the injuries sustained by the Kisans.

"On February 7, Chaudhari, Jhabar Singh and others were escorted by the police to Vavalgarh in connection with the payment of taxes. Two of the victims, aged seventy years, had their eyebrows and beard shaved from one side of their faces, were beaten with shoes and released after payment of Rs. 21."

Peace Groups Hit Neutrality Change

Bloom Bill Branded War-Making Act

June 17, 1939
To the Members of Congress:

WE are writing to you today with a sense of profound concern and deep anxiety over the changes in the American neutrality legislation proposed by the Administration. We are in hearty accord with every effort to strengthen the forces of democracy thruout the world, but we

are convinced, first, that participation in a foreign war would destroy democracy in the United States, and second, that, regardless of the Administration's announced desire to avoid war, alteration of our neutrality policy to permit sale of arms to belligerents would lead to participation in war.

The response which the undersigned organizations continually receive from the country indicates strong support for the present neutrality law. We believe, therefore, that we are warranted in asking you to consider once more the present law and proposed changes from the point of view of prevention of war.

"We believe that those employers who have been swayed in their hiring policies by a preference for youth to the point of excluding the applicants over 40 from serious consideration should reexamine the basis of this preference in the light of this report, and scan their productive processes and work methods to determine what occupations are particularly suitable for the employment of older workers."

Finally, as a part of a general attack on the problem of employment for older workers, the Committee strongly recommends that the Federal Civil Service Commission and appointing officers of the government abolish age limits for entrance into the government service, except for positions requiring physical strength and endurance.

"The government provides a larger share of employment for older workers than private industry, nevertheless the practice of setting age limits in public employment does constitute an artificial and unjustifiable limitation and does set an undesirable example to private industry. We further urge appointing officers thruout the government service in making appointments and reinstatements to do so solely on the basis of qualifications and without regard to age."

The attention given by this Committee to the problems of the older workers is indicative of the fast-growing interest in the problems of older people generally which has developed in recent years. Before 1929, one heard little talk of security or opportunity for older people except from reformers, social workers and liberals. Prosperity, we were told, was here to stay. Things changed rapidly, of course, with the onset of the depression. Today, the problem is with us to stay and the labor movement must develop an effective program for meeting it.

Peace Groups Hit Neutrality Change

Bloom Bill Branded War-Making Act

ting a repetition of policies which made our entrance into the World War inevitable. These policies were of two kinds, those which gave rise to "incidents" and those which led to financial entanglement.

ENTANGLEMENT THRU SALE OF ARMS

Financial entanglement resulted from sale of arms to belligerents.

Arms were sold, at first for cash, loans having been held to be "unneutral." To meet the demand for arms, munition plants were rapidly expanded, duPont stock rising from \$20 to \$1,000 a share. When the expanded munitions industry was threatened with collapse because cash for purchases had given out, our policy to regard loans was reversed. (In any future war, it is unlikely that, once sale of arms is permitted, a prohibition on loans would be retained.) The steps by which our policy was changed in 1914-16 were as follows: Reversing his refusal under the influence of Secretary Bryan to permit loans, the President authorized Secretary Lansing to give bankers the "impression" that they were free to extend credits; when credits were exhausted, Secretary McAdoo wrote the President that "to maintain our prosperity we must finance it." The President then authorized Lansing to convey "orally" to the bankers the opinion that the government would take on action if loans were extended. When the Allies were hard pressed in 1916, our Ambassador to England cabled the President: "Perhaps our going to war is the only way in which our present preeminent trade position can be maintained and a panic averted."

The present neutrality law prohibits the sale of arms to belligerents. The Administration's proposals would again permit arms to be sold. Sale of arms to belligerents in any European war would, as it did in the World War, mean sale of arms to one side only. The Administration's proposal to repeal the arms embargo is, therefore, a proposal to favor one side in any foreign conflict. In addition, the proposed grant of power to the President to declare "combat areas" would give the President power to take sides in foreign wars by a declaration of combat areas which might permit the United States to trade with one side but not with the other. Repeal of the present arms embargo, combined with a grant of power to the President to define "combat areas," would give the Executive the power to choose sides and involve the United States in foreign war.

World War policies which gave rise to "incidents" included permission to U. S. ships to travel in war zones and to transport munitions. The Administration's proposed changes in the present neutrality law would permit U. S. ships again to carry arms to nations at war (unless the President declared a combat area) and to neutrals for transshipment, exposing ships and citizens to attack and the American people to war hysteria.

FOUR SAFEGUARDS
We urge that Congress enact neutrality legislation which will provide at least four safeguards against

ing a repetition of policies which made our entrance into the World War inevitable. These policies were of two kinds, those which gave rise to "incidents" and those which led to financial entanglement.

INFORMAL HOUSE

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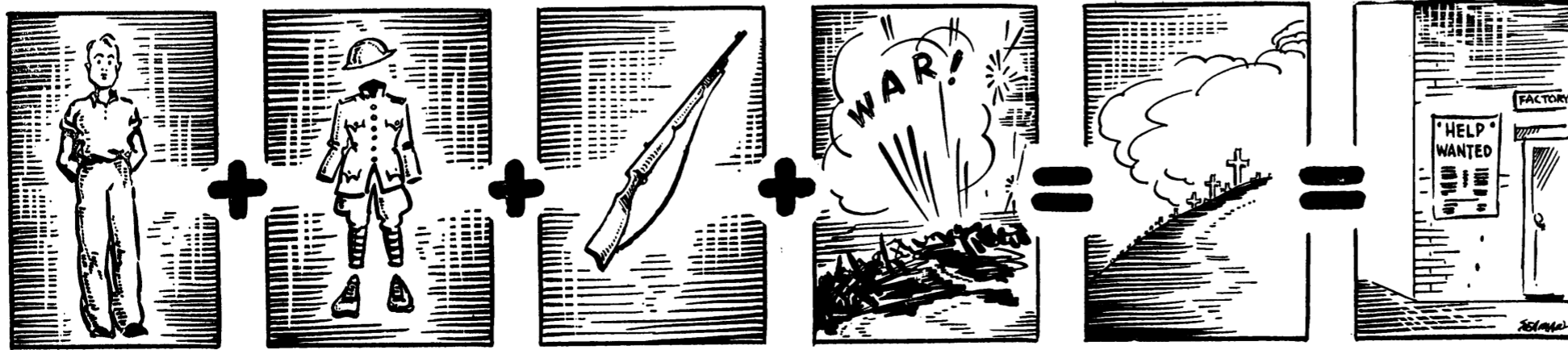
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HOW TO SOLVE THE UNEMPLOYMENT PROBLEM

By Seaman



—from Justice

Workers Age

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WILL HERBERG, Editor

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VOL. 8 SATURDAY, JULY 8, 1939 No. 27

HOW ABOUT IT, TOM MOONEY?

WE have received a very interesting letter from an active trade unionist in New York and we present this letter without comment as our editorial:

"I was surprised to see no comment in the Age on a very significant incident that took place at the Tom Mooney meeting two weeks ago. . . .

"A number of us made an effort to distribute to the crowds coming to hear Tom Mooney a leaflet announcing an anti-war meeting arranged by the Needle Trades Division of Labor's Anti-War Council which prominent trade unionists and other anti-war speakers were to address. Do you know what happened? These leaflets were torn out of our hands and every effort was made to prevent us from distributing them. Why? Because they were anti-war leaflets and the Stalinists who were running the Mooney meeting, being so hipped up with their 'collective-security' war-mongering, could not tolerate the distribution of anti-war propaganda.

"Do you appreciate the bitter irony of it? Tom Mooney was framed up, convicted and sent to prison in the midst of the growing war hysteria that preceded America's entrance into the World War. He was a real victim of this war hysteria and his opposition to war and preparedness was one of the big counts against him in the eyes of the powers-that-be that railroaded him to prison. And now that Tom Mooney is finally free, the meeting to welcome him to this city is put into the hands of the war-mongers and super-jingoes of today, the Stalinists, and anti-war leaflets are destroyed and their distribution prevented.

"Is Tom Mooney aware of all this? Is he blind or is he, as they say, a willing tool of the Stalinists?"

BLOOM BILL MUST BE DEFEATED!

THE battle over neutrality has now reached the House and the lines are already forming in Congress and thruout the country.

The Bloom bill, recommended by the House Foreign Affairs Committee, is avowedly an Administration measure. And, altho it does not go all the way, as the "collective-security" advocates would like, it goes far enough in their direction to make it a thoroughly dangerous measure whose net effect would undoubtedly be to facilitate American involvement in foreign war situations.

The essential distinction between the Bloom bill and the legislation at present on the statute books is that it gives much greater discretion to the President and does away with the embargo on the export of arms and munitions to countries at war. The President would be empowered by it to proclaim the existence of a war and to name the nations involved when he finds that such a state of war exists and this is decisive—that the invocation of the law is necessary in order "to promote the security and preserve the peace of the United States". This latter proviso means that it would be entirely up to the President to decide in which war would be invoked the law and in which not; such wide discretion would obviously give him the greatest leeway in putting thru his war-making policy of an Anglo-American alliance and a "concerted front of the great democracies".

To drop the embargo on the export of arms and munitions to warring powers and to put such trade on a "cash-and-carry" basis, as the Bloom Bill proposes, would be equally disastrous, for it would tend to tie up the economic machinery of our country with the military needs and war economies of foreign imperialist belligerents, thus creating far-reaching involvements inevitably making for war. Even an absolute embargo on arms exports to belligerents would hardly be protection enough; there would still, for example, remain trade in secondary articles of war (oil, scrap iron, etc.); but certainly to drop even this minimum protection would be to invite disaster.

The fact of the matter is that the Bloom bill is not a neutrality measure at all. It is a measure designed to break down as much as possible the already inadequate protection against involvement in war provided in the present neutrality legislation and to facilitate its complete destruction at a more opportune moment. The Administration does not dare, in the face of overwhelming public sentiment, to come out with its full program of giving the President outright power to "name the aggressor" and to align this country with whatever side he may favor in an international conflict. The Bloom bill is therefore regarded as the best under the circumstances, as a sort of stop-gap and transition to what the Administration really wants. If the effort to put over the Bloom bill is attended with any success, it will certainly mark the beginning of a drive to destroy every vestige of neutrality legislation and to enact the entire policy of "collective security" into law.

Fortunately, considerable opposition to the Bloom bill is developing in Congress as an expression of the powerful anti-war sentiment thruout the country. In the upper house, over twenty Senators, headed by Nye, LaFollette, Borah and Clark, have already made known their stand. They demand not a relaxation of neutrality safeguards but their strengthening; not more arbitrary power for the President in foreign affairs but a tightening of the mandatory restrictions on his discretion. With determination, skill and popular backing, they should be able to defeat the Administration drive. But they will need all the support that the anti-war movement thruout the country can give them.

HOW MANY MORE VICTIMS?

EIGHT died and thirteen were seriously injured in a dreadful fire in New York's Chinatown two weeks ago. For a day or two, spreading headlines filled the papers and then it was all forgotten.

The eight that died and the thirteen that were injured are the latest victims of the dilatory, do-nothing policy of the federal, state and local authorities in slum clearance. Some of the worst slums in the country are to be found in Chinatown. In the newspaper reports of the fire, we read accounts of decayed, ramshackle buildings, veritable fire-traps, packed with miserable humans living under conditions of revolting squalor. But despite all talk of slum clearance and housing reform, nothing was done. The eight that died and the thirteen that were injured are the victims of this tragic failure.

The city is infested with slum areas almost if not quite as bad as the "Bloody Angle" of Chinatown, where the fire took place. How many more fires, how many more victims, will be necessary before something is really done to wipe out these infested spots and provide the masses who live in them with decent housing at rents they can afford?

OUR national debt, the President told the American Retail Federation recently, "is after all an internal debt owed not only by the nation but to the nation. If our children have to pay the interest on it, they will pay that interest to themselves."

How nice! The interest on the national debt will be paid by "our children"—by the great masses of people of coming generations—to "themselves", the holders of government securities, the big financial interests and coupon-clippers. Nothing could be fairer, could it?

